THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the action you should take, you are recommended to seek advice from your stockbroker, solicitor, accountant, bank manager or other appropriately authorised independent financial adviser authorised under the Financial Services & Markets Act 2000 (as amended) if you are in the United Kingdom or from another appropriately authorised independent financial adviser if you are in a territory outside the United Kingdom.

If you have sold or otherwise transferred all of your Ordinary Shares, please immediately forward this document and the accompanying Form of Proxy to the purchaser or transferee, or to the stockbroker, bank of other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. If you have sold only part of your holding of your Ordinary Shares, please contact your stockbroker, bank or other agent through whom the sale or transfer was effected immediately.

TERRA CAPITAL PLC

(incorporated and registered in the Isle of Man Companies Act 1931 to 2004 with registered number 118202C)

RESTRUCTURING PROPOSALS

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice of an Extraordinary General Meeting of the Company to be held at the offices of Galileo Fund Services Limited, Millennium House, 46 Athol Street, Douglas, Isle of Man, IM1 1JB on 26 January, 2015 at 10:30 am is set out at the end of this document, together with a Form of Proxy for use at the EGM. Whether or not you propose to attend the Extraordinary General Meeting, you are requested to complete the Form of Proxy in accordance with the instructions printed thereon and return it, duly signed, together with any power of attorney under which it is executed to the Company's registrars, Galileo Fund Services Limited, Millennium House, 46 Athol Street, Douglas, Isle of Man, IM1 1JB, as soon as possible but in any event, to be valid, it must be completed and returned so as to arrive not later than 10:30 am on 24 January , 2015.

CONTENTS

PART 1

LETTER FROM THE INDEPENDENT DIRECTORS OF TERRA CAPITAL PLC

Directors:	**Registered Office:**
	Millennium House
Dirk Van den Broeck (Independent Non-executive Chairman)	46 Athol Street
Ian John Dungate (Independent non-executive Director)	Douglas
Filip Montfort (Non-independent non-executive Director)	Isle of Man
	IM1 1JB

19 December, 2014

To: *Shareholders*

Restructuring Proposals and Notice of Extraordinary General Meeting

1 Introduction

On 10 November 2014 it was announced that, after discussion with significant Shareholders and the Investment Manager, agreement had been reached in principle to various changes to the current investment management arrangements and to various changes to the Company's constitution. In order to address what the Board believes to be the factors that are causing the Ordinary Shares to trade at a discount to their NAV, it has been decided to adopt a number of proposals which it is hoped will assist in narrowing this discount. In summary the proposed changes are: changing the continuation vote in 2017 to a fixed date in 2018 when all Shareholders will be afforded an exit opportunity; substantially reducing the Investment Manager's fees; and reducing the annual trigger level which will allow Long Term Shareholders to tender their Ordinary Shares by 20 per cent. from a 15 per cent. discount to a 12 per cent. discount.

It should be noted that the Resolution necessary to approve the Proposals is one composite resolution (the "Resolution"). Thus if the Resolution is not passed, no individual aspect of the Proposals will be implemented and therefore each individual aspect of the Proposals is subject to all aspects of the Proposals being approved by Shareholders.

As Filip Montfort is associated with the Investment Manager and the Proposals involve changes to the fees payable to the Investment Manager, he has played no part in the Board's consideration of the Proposals and has not joined in the recommendation at the end of this letter, which is from the Independent Directors.

The purpose of this document is to provide Shareholders with definitive details of the Proposals and to convene the Extraordinary General Meeting at which the Resolution necessary to approve the Proposals will be proposed. The opportunity is also being taken, in the light of the fact that the Investment Manager has been successful in attracting further funds under management that are subject to investment policies similar to that of the Company, to clarify the Company's 'conflict of interest' policy.

2 Changes to the Investment Management Fees

Currently the Investment Manager is entitled to receive a management fee equal to two per cent. per annum of the aggregate Net Asset Value of the Company during the relevant fee payment period, calculated on the first day of each month, accrued on a monthly basis and payable monthly in arrears (or pro rata for lesser periods).

It is proposed (subject to Shareholders passing the Resolution) that the management fee (otherwise calculated and paid on the same basis) will, with effect from 1 January 2015, be reduced to 1.25 per cent. per annum.

Currently the Investment Manager is entitled to receive a performance fee equal to 20 per cent. of the increase (if any) in the Net Asset Value per Ordinary Share (with dividends and other distributions added back and ignoring any accrued performance fee) multiplied by the weighted average number of Ordinary Shares as at each semi-annual performance fee calculation period above the Net Asset Value as at the commencement of each such semi-annual performance fee calculation period, provided that any performance fee shall be payable only to the extent that the Net Asset Value of the Ordinary Shares exceeds the Net Asset Value when a performance fee was last paid.

It is proposed (subject to Shareholders passing the Resolution) that this performance fee (otherwise calculated and paid on the same basis) will, with effect from 1 January 2015, be reduced by 40 per cent. to the level of 12 per cent. of the increase in the Net Asset Value per Ordinary Share in the relevant period in place of the current 20 per cent. rate.

Save only as set out above, the terms upon which the Investment Manager is retained by the Company will remain unchanged.

3 Discount Control Policy

As part of the restructuring of the affairs of the Company in May 2012 the Company adopted a discount control policy whereby if, as at 31 December in any calendar year after 31 December 2012, the Ordinary Shares have, on average over the last nine months of the calendar year (the "**Discount Calculation Period**"), traded at a discount in excess of 15 per cent. (the "**Relevant Percentage**") of the Net Asset Value per Ordinary Share (calculated by reference to the published Net Asset Value per Ordinary Share and to the middle market quotation of the Ordinary Shares on the Daily Official List of the London Stock Exchange on the trading day immediately following the date of each publication of the Net Asset Value per Ordinary Share in the relevant Discount Calculation Period), the Directors will, subject to any legal or regulatory requirements, implement a tender offer (the "**Tender Offer**") pursuant to which each Long Term Shareholder shall be offered the opportunity to tender up to 10 per cent. of their Ordinary Shares at the price equal to 97 per cent. of the prevailing Net Asset Value per share. It is proposed (subject to Shareholders passing the Composite Resolution) that with effect from 31 December 2015 the Relevant Percentage will be reduced by twenty per cent., from the current 15 per cent. rate to 12 per cent. Additionally, any Tender Offer will include a facility whereby Shareholders will be entitled to tender a number of Ordinary Shares greater than 10 per cent. of their holding but the extent to which any such excess tender is satisfied will depend on whether other Shareholders have tendered a lesser number of Ordinary Shares than they are entitled to.

4 Life of the Company

Currently the Company does not have a fixed life but the Board considered it appropriate that Shareholders should have an opportunity to review the future of the Company. Accordingly, at the time of the restructuring of the Company in May 2012, the Board committed to convene an EGM in 2017 at which time an ordinary resolution would be proposed that the Company continues as presently constituted. If such resolution was passed, the Board would propose a similar resolution every fifth subsequent year. If any such resolution was not passed, the Board would be required to formulate proposals to be put to Shareholders to re-organise, unitise or reconstruct the Company or for the Company to be wound up.

It is proposed (subject to the passing of the Resolution) that the Board would be released from the obligation to convene an EGM in 2017 at which a resolution that the Company continue as presently constituted would be proposed. Instead, in June 2018, Shareholders will be offered an opportunity to realise all or part of their investment in the Company at a price equal to the prevailing Net Asset Value less the costs associated with the exit opportunity. The manner in which this exit opportunity will be structured will be determined nearer the time in the light of advice as to what is the most efficient mechanism for Shareholders.

Affording Shareholders the exit opportunity outlined above could result (in the light of fixed costs associated with the Company) in the Company ceasing to be a viable proposition. Accordingly, it is the current intention of the Board that the exit opportunity will include a mechanism whereby should Shareholders holding in aggregate more than a specified percentage of the share capital of the Company elect for the exit opportunity then the exit opportunity will be abandoned and the Company will, instead, be placed into voluntary liquidation. This specified percentage will be determined by the Board at the time the exit opportunity is extended to Shareholders.

5 Change to Investment Objective and Investing Policy

CURRENT INVESTMENT OBJECTIVE AND INVESTING POLICY

INVESTMENT OBJECTIVE

The current investment objective of the Company is: "…to achieve capital appreciation while attempting to reduce risk primarily by applying a disciplined and diversified value investing philosophy."

INVESTING POLICY

The current investing policy of the Company is:

"*General*

The Company seeks to achieve its investment objective through one or more of the following investment strategies:-

Corporate activism. The Company intends to make investments in funds or companies which have a potential to turnaround or otherwise achieve recovery as a result of input from, or actions taken by, shareholders. This may require the Company to take an activist role, participate in a financial restructuring or even to take control of a fund or company if the Investment Manager's past experience in re-structuring and re-organising corporate activities can materially assist in bringing about a profitable result. The Investment Manager would require any target to have a strong discount to tangible, and normally, realisable and fungible assets. Closed-ended funds, REITs and/or holding companies are the most likely companies to meet this criterion. Companies with low levels of leverage or, preferably, net cash balances will also be sought out. Since the Investment Manager's standards for activist investments are rather strict, there may, at any given time, be few if any activist opportunities available. If so, the Company may not be invested in such opportunities; however, the Investment Manager intends to constantly monitor the market for such opportunities and take advantage of them as and when they arise.

Diversified portfolio of value stocks. Alongside its activist activities, or whilst awaiting such opportunities, the Company will create a portfolio of value stocks diversified by sector or county. This strategy will concentrate on small and mid-cap companies with strong cash flows and positive dividends trading in developed, emerging, and frontier markets. Close attention will be paid to long term cash flow trends and their synchronisation with reported profit. Companies which achieve reasonable returns on equity without the use of excessive leverage will be favoured. Further preference will be given to companies with strong, sustainable current dividend yields. Finding such companies in structurally complex or in emerging or frontier markets and sectors is a main tenet of the Company's targeted value investing strategy. To try and limit overall portfolio volatility, the Company will seek to create a portfolio of relatively internally uncorrelated investments, both by country, region and sector diversification. The investment Manager intends to manage the Company on a total return basis with a goal of maximising the Company's Sharpe ratio.

Investing in emerging and frontier markets. The founders of the Investment Manager have experience sourcing and performing fundamental due diligence in a variety of emerging and frontier markets that have little, or no, quality sell-side research available. In addition, either for structural reasons, information cost reasons, or market sentiment, there is usually a lack of sufficient capital in such stock markets to properly value the securities efficiently. This situation creates natural inefficiencies that reward stock-picking efforts and thorough fundamental analysis. Examples include sectors which are currently out of favour because of assumed macroeconomic trends; countries in which accounting standards differ from IFRS or information is available only in less common regional languages; or markets in which opening accounts and clearing and settling trades is procedurally more difficult. Such markets often present unusual opportunities due to various barriers to entry.

Provide cash flow to investors. The Investment Manager believes that a consistent dividend stream is an important indication of a company's strength and while searching for activist transactions it will attempt to make investments in companies exhibiting high levels of corporate governance with regular dividend streams to enable the Company to declare dividends to Shareholders.

Geographical diversification
The targeted markets will likely include many emerging and frontier markets, an area where some countries have experienced high volatility; however the Investment Manager intends to limit risk by investing in a wide geographic range of markets which have, in the past, been relatively uncorrelated to global indexes, even in situations of global financial crises.

There is no guarantee such lack of correlation will continue in the future or that it will be able to limit risk and Shareholders should read the Risk Factors set out at Part 3 of this document.

Another aspect of the Company's investment philosophy is that the Company expects to concentrate investments in markets where it believes that it can obtain a competitive advantage by becoming a relatively important investor through performing its own intensive, on the ground buy-side research. This policy includes, but is not limited to, seeking out markets with little research offered by Western brokerage firms and most often with no research published by the market participants.

Diversification and asset allocation
No more than 20 per cent. of the gross asset value of the Company will, at the time of investment, be invested in, or exposed to the creditworthiness of, any single underlying investee company (or group) or collective investment undertaking.

No more than 5 per cent. of the gross asset value of the Company will, at the time of investment, be invested in unlisted or unquoted securities. This limitation may be increased to 10 per cent. of the gross asset value of the Company with the prior approval of the Board.

While it is expected that the Company's assets will normally be predominantly invested, there are no limits to the Company's cash position.

Derivatives and short selling
The Company will be entitled to use derivatives, such as currency hedging, in an attempt to protect the assets of the Company but will not invest in derivatives as a means of investing. As a general

policy the Company will not sell short but may, if an appropriate opportunity arises, sell short up to 15 per cent. of the Net Asset Value of the Company at the time of putting on such short sale.

Borrowings
The Company intends to use leverage sparingly and will restrict borrowings to an aggregate amount not exceeding 25 per cent. of the Net Asset Value of the Company at the time of drawdown.

Currency hedging
The Company may engage in currency hedging for efficient portfolio management purposes. The Company will only hedge up to a maximum of 25 per cent. of the Net Asset Value of the Company in derivatives for currency hedging purposes at the time such derivative contract is entered into."

PROPOSED CHANGE TO INVESTMENT OBJECTIVE AND INVESTING POLICY

It is proposed that (subject to the Resolution being passed) the Investment Objective and Investing Policy of the Company will be changed such that the above provisions concerning "Corporate activism", "Diversified portfolio of value stocks", "Investing in emerging and frontier markets", "Provide cash flow to investors" and "Geographical diversification", are deleted and shall no longer be applicable. The proposed Investment Objective and Investing Policy will be as follows:

Investment Objective and Policy

The Company's investment objective is to provide capital appreciation to Shareholders. To achieve this objective, the Company may invest up to 100 per cent. of its assets in investments that, for the purposes of the Company's investment policy, are categorised as "Frontier Market Investing". The Investment Manager believes that such markets provide opportunities to take advantage of market inefficiencies. The Company may also invest up to 30 per cent. of its assets in a variety of instruments that do not meet the Company's definition of Frontier Market Investing and any such assets will be invested using the same approach applied to investing in Frontier Markets.

"Frontier Market Investing", shall mean:

1. An investment made into a "Frontier Market" which, at the time of the investment, is defined for the purposes of the Company's investment policy as:

1.1 Any country that is not included in all of the following indices, or their successors (the "Indices"):

- **MSCI World Index** : A stock market index of 1,612 'world' stocks maintained by MSCI Inc., formerly Morgan Stanley Capital International, and is used as a common benchmark for 'world' or 'global' stock funds. The index includes a collection of stocks of all the developed markets in the world, as defined by MSCI.

- **MSCI Emerging Markets Index**; An index created by Morgan Stanley Capital International (MSCI) designed to measure equity market performance in global emerging markets.

- **S&P Developed BMI Index:** A comprehensive benchmark index that includes stocks from 25 developed markets and which is a member of the S&P Global BMI series.

- **S&P Emerging Markets BMI Index**: An index that captures all companies domiciled in the emerging markets within the S&P Global BMI with a float-adjusted market capitalization of at least USD 100 million and a minimum annual trading liquidity of USD 50 million. The index is segmented by country/region, size (large, mid and small), style (value and growth), and GICS (sectors/industry groups).

1.2 Any country included in any of the Indices but which the Investment Manager believes is undergoing macroeconomic deterioration or political turbulence, a state often signalled by a departure of institutional fund flows or impositions of currency controls, or annual inflation of 15 per cent. or more; *or*

1.3 Any country that the Investment Manager believes is characterised by rules, laws or other barriers which either (a) hinder capital flows; (b) limit or prevent the dissemination of public information concerning securities; or (c) limit otherwise make access to the country difficult; or (d) other technical methods which create difficulties in trading, clearing; or (e) in which access to timely information or market liquidity is in the process of serious deterioration, or

1.4 Any country whose market accounts for less than 3 per cent. of the MSCI Emerging Markets Index; or

1.5 Any country that had been upgraded to Emerging Market status by either of S&P or MSCI at any time during the two years prior to the Company making its investment.

2 An investment in any security of a company that the Investment Manager believes, at the time of investing, derives a substantial amount of its income from goods produced or sold, investments made, or services provided in a Frontier Market (as defined above);

Provided that if, following investment by the Company, an investment subsequently fails to fall within one of the categories of Frontier Market Investing as outlined above, the allocation to such market will continue to be viewed as having been made in the market as it was originally categorised.

The Company intends to invest primarily in common equity listed on regulated exchanges; however, as opportunities arise, and depending on market conditions, it may also invest in any of the following instruments:

- preferred and preference shares;
- debt securities;
- factoring and trade loans;
- baskets of non-performing and other distressed loans;
- participation notes or other such instruments (when they act as a proxy for investing directly in a country's securities);
- privately traded funds and shares on non-regulated markets;
- convertible bonds;
- Transferable Rights to buy additional shares directly from the company, either granted to a company's existing shareholders or to new subscribers
- Closed-end funds;
- Investment trusts;

as well as other instruments as such opportunities may arise.

The Company may use derivatives and other instruments such as forward contracts, options, and futures for hedging both market and currency risks, either directly and indirectly (for example, when hedging a currency partially linked to the Euro by hedging the Euro if there are no opportunities to hedge the currency directly, hedging macroeconomic risks related to a specific country's equity by purchasing credit default notes on a country's bond securities, and so on).

The Manager intends to invest principally by performing an in-house “bottom-up” analysis. This means it will first determine whether a stock presents the opportunity for capital appreciation through an examination of its most recent publically available information, such as its balance sheet, income statement, cash flow, business model, and micro-competitive environment and only then examining the general industry and macro-economic environment in which the target company issuing the security operates in. Under certain circumstances, the Investment Manager may perform a “top-down” analysis, meaning that it will first gauge a market’s overall macroeconomic growth potential and then endeavour to identify specific instruments likely to allow the Company to take advantage of that market’s growth potential.

The Company’s principal focus will be on “value” investments – that is, investments that, in the Investment Manager’s opinion are trading for less than their true value and which provide an opportunity for capital appreciation through a reversion to their true valuation, in addition to whatever potential growth prospects the investments might have. Some of the Company's investments will be in companies which the Investment Manager believes are fairly valued but which offer an opportunity for growth at a reasonable price. The Investment Manager will be under no obligation to sell an investment once it no longer falls into the category of investment within which it was originally made and will sell investments at its sole discretion and when it deems appropriate.

The Company may invest in instruments which represent interests in financially distressed companies that the Investment Manager believes have an opportunity to provide capital returns upon recovery; it may also make investments in distressed macroeconomic environments and/or take positions for the purpose of activist investing.

Shareholders should note that by adopting such an investment policy the Company may have a portfolio that is highly concentrated by region or industry. The Company can invest across market capitalisation classes and a significant amount of its capital could be invested in stocks whose market capitalisation would be considered to be small or micro-cap in Western markets. The Investment Manager reserves the right to hold cash or money market instruments without limitation.

In regard to securities listed and quoted on a recognised securities market, the Investment Manager will use its best efforts to invest in securities trading with at least moderate liquidity at the time of their purchase. The liquidity policy will be more specifically detailed in the quarterly updates sent to the Shareholders.

Other than revised as above, the remaining provisions of the Investing Policy of the Company, i.e. "Diversification and asset allocation", "Derivatives and short selling", "Borrowing, and Currency hedging" will remain unchanged.

Shareholders should be aware that Frontier Market Investing is subject to risk. In that regard the attention of Shareholders is drawn to the Risk Factors (and particularly the General Investment Risks and the Risk associated with investment in Frontier and Emerging markets) set out in Part 3 of the circular sent to Shareholders on 30th April 2012 which are all still relevant to the Company notwithstanding the revision of its Investment Policy.

6 Change to Conflicts of Interest Policy

CURRENT CONFLICT OF INTEREST POLICY

The current policy adopted by the Company is as follows:

"**CONFLICTS OF INTEREST**

The Investment Manager may, from time to time, act for other Clients that have investing policies that overlap with the investing policy of the Company. There may be circumstances where investment opportunities sourced by the Investment Manager are suitable for one or more of its Clients. When such conflicts arise, the investment will be allocated, subject to each Client having adequate cash available, on a pro-rata basis with other investment entities managed by the Investment Manager which share similar investment strategies at the time the investment opportunity arises."

PROPOSED CHANGE TO CONFLICT OF INTEREST SECTION

In view of the number of funds being managed by the Investment Manager and in the process of being formed and the fact that some funds would have substantial amounts of available cash for investing, it was deemed appropriate to revise this provision to read:

"**CONFLICTS OF INTEREST**

The Investment Manager will, at the same time it acts for the Company, be acting for other Clients that have investing policies that overlap with the investing policy of the Company Clients (each portfolio that the Investment Manager manages shall be referred to individually as a "Client" and collectively as "Clients"). It will therefore be likely that investment opportunities sourced by the Investment Manager will be suitable for more than one of its Clients. In these circumstances, the Investment Manager will allocate any such opportunity on a *pro rata* basis based on the size of the

Client's portfolio. In the event a conflict arises, the Investment Manager may take into account: the investment objectives and restrictions applicable to the Client; the investment phase of the Client (e.g. Clients in a ramp-up phase may be allocated a higher percentage of a trade); the Client's total assets and its cash resources available for investing; the Client's liquidity needs or preferences; the liquidity of the stock; the geographic and/or sector concentration of the Client's portfolio; and currency exposure of the Client. In certain instances where an allocation of a trade would result in a *de minimis* amount (e.g. an amount such that it would not be economically beneficial to the Client) being allocated to one or more Clients' account the Investment Manager may determine not to have such Client participate in such new transaction.

The nature of the markets in which the Company trades often makes aggregation of trades and the use of average prices for allocation of trades among the Investment Manager's Clients impossible. Since the Investment Manager acts for several Clients, each with a separate account, to ensure that no Client receives an unfair advantage or is disadvantaged with respect to the timing of execution of a trade, when aggregation and use of average pricing is not possible the Investment Manager alternates the order in which it places trades to try and achieve fairness on an overall basis, and over time, with respect to the timing of executing trades. Depending on the type of trade, market conditions, and time constraints, the Investment Manager may be forced to deviate from its normal rotation policy and therefore the Investment Manager cannot guarantee that each Client will be able to purchase the same security at the same time or at the same price.

The Investment Manager believes that its practices are designed to reasonably ensure that all its Client accounts are treated in a fair and equitable manner over time.

The allocation policy more specifically detailing the application of the above and any changes thereto shall be noted in the quarterly updates supplied to Shareholders."

7 Extraordinary General Meeting and Action to be Taken

The implementation of the Proposals is subject to the passing of the Resolution at the EGM. A notice convening the EGM to be held at the offices of Galileo Fund Services Limited, Millennium House, 46 Athol Street, Douglas, Isle of Man, IM1 1JB on 26 January, 2015 at 10:30 am is set out at the end of this document.

Accompanying this document is a Form of Proxy for use at the EGM. Whether or not your propose to attend the EGM, you are requested to complete the Form of Proxy in accordance with the instructions printed thereon and return it, duly executed, together with any power of attorney under which it is executed to, as soon as possible but in any event so as to arrive not later than 10:30 am on 24 January, 2015.

8 Recommendation

The Independent Directors consider the Proposals are in the best interests of Shareholders as a whole. Accordingly, the Independent Directors recommends that Shareholders vote in favour of the Resolution.

Dirk Van den Broeck and Ian Dungate

The Independent Directors

PART 2

DEFINITIONS

"Board" or "Directors"	the directors of the Company from time to time.
"Client"	each portfolio that the Investment Manager manages shall be referred to individually as a "Client" and collectively as "Clients"
"Extraordinary General Meeting" or "EGM"	the extraordinary general meeting of the Company, notice of which is set out at the end of this document.
"Form of Proxy"	the form of proxy accompanying this document for use at the EGM.
"Independent Directors"	Dirk Van den Broeck and Ian Dungate.
"Investment Manager"	Terra Partners Asset Management Limited.
"Long Term Shareholder"	a person who was a Shareholder on 1 April during the Discount Calculation Period in question.
"Member account ID"	the identification code or number attached to any member account in CREST.
"Net Asset Value" or "NAV"	net asset value of the Company.
"Net Asset Value per Ordinary Share"	the NAV divided by the number of Ordinary Shares in issue.
"Ordinary Shares" or "Shares"	Ordinary shares of US$0.10 each in the capital of the Company.
"Proposals"	The proposals described in this circular being the proposed changes to the fees payable to the Investment Manager, the proposed changes to the discount control policy and the proposed changes to the investment policy of the Company.
"Resolution"	the Composite Resolution to be proposed at the Extraordinary General Meeting.
"Shareholders"	holders of Ordinary Shares
"UK"	the United Kingdom of Great Britain and Northern Ireland.
"US$" or "US Dollars"	United States Dollar being the currency of the United States of America.

NOTICE OF EXTRAORDINARY GENERAL MEETING

TERRA CAPITAL PLC

NOTICE IS HEREBY GIVEN that an extraordinary general meeting of the members of Terra Capital plc (the "**Company**") will be held at the offices of Galileo Fund Services Limited, Millennium House, 46 Athol Street, Douglas, Isle of Man, IM1 1JB on 26 January, 2015 at 10:30 am for the purpose of considering and, if thought fit passing, the following resolution which will be proposed as an ordinary resolution.

ORDINARY RESOLUTION

1. **THAT** the Proposals as defined and referred to in the circular to Shareholders dated 19 December 2014 be and are hereby approved.

Registered Office:
Millennium House
46 Athol Street
Douglas
Isle of Man
IM1 1JB

19 December, 2014
By order of the Board

Ian Dungate
Company Secretary

Notes to the Notice of Extraordinary General Meeting

1. A Form of Proxy is enclosed for your use if desired. To be valid, a form of proxy, together with a power of attorney or other authority, if any, under which it is executed, or a notarially certified copy thereof, must be deposited at the offices of Galileo Fund Services Limited, Millennium House, 46 Athol Street Douglas, Isle of Man, IM1 1JB not less than 48 hours before the time for holding the EGM or adjourned meeting.

2. A member of the Company entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend and on a poll vote in his or her place. A proxy need not be a member of the Company. A proxy of a member's own choice may be appointed by inserting the proxy's name on the proxy form in the space provided. If you do not use another name on the form, the Chairman of the meeting will act as your proxy.

3. A member may appoint more than one proxy in relation to the EGM, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him/her. To appoint more than one proxy please photocopy the form of proxy. If you do so please indicate the name of the proxy and the number of shares in relation to which they are authorised to act as your proxy.

4. If a member appoints more than one proxy, each proxy must be entitled exercise the rights attached to different shares. When two or more valid but differing appointments or proxy are delivered in respect of the same share for us at the same meeting and in respect of the same matter, the proxy which is last validly delivered shall be treated as replacing and revoking the other or others as regards that share.

5. The appointment of a proxy will not preclude a member from attending and voting at the EGM in person should he subsequently decide to do so.

6. In the case of joint holders of Ordinary Shares, the vote of the senior Shareholder who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the other joint holder(s) and for this purpose seniority will be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.

7. In the case of a corporation, the form of proxy must be executed under its common seal or signed on its behalf by a duly authorised officer of the corporation.

8. The ordinary resolution will be passed either (i) on a show of hands by a majority of not less than 50 per cent. of such members as are present and voting at the meeting respectively; or (ii) on a poll of members of the Company holding not less than 50 per cent. of voting rights attributable to the Ordinary Shares held by the member or members present and voting at the meeting respectively.