

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take, you are recommended to seek your own personal financial advice immediately from your stockbroker, bank manager, solicitor, accountant, fund manager or other appropriate independent financial adviser who is authorised under the Financial Services and Markets Act 2000 if you are in the United Kingdom, or, if not, from another appropriately authorised independent financial adviser.

The Directors (whose names appear on page 3 of this Circular) and the Company accept responsibility, both individually and collectively, for the information contained in this Circular. To the best of the knowledge and belief of the Company and the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this Circular is in accordance with the facts and there are no other facts which, if omitted, would affect the import of such information. The Company and the Directors accept responsibility accordingly.

This Circular is not a prospectus for the purposes of the Prospectus Rules and has not been prepared in accordance with the Prospectus Rules. Accordingly, this Circular has not been, and will not be, reviewed or approved by the Financial Conduct Authority, pursuant to sections 85 and 87 of FSMA, the London Stock Exchange or any other authority or regulatory body.

If you have sold or otherwise transferred all your shares in Trans-Siberian Gold plc, please send this document, as soon as possible to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee.

TRANS-SIBERIAN GOLD PLC

(incorporated and registered in England and Wales under number 1067991)

**PROPOSED OFF-MARKET BUYBACK OF ORDINARY SHARES FROM
DESTIN INVESTMENT MANAGEMENT LIMITED AND UFG PRIVATE EQUITY FUND I, L.P**

NOTICE OF GENERAL MEETING

Nominated Adviser & Corporate Broker

Arden Partners

This document should be read as a whole. Your attention is drawn to the letter from your Chairman which is set out on pages 3 to 10 of this document and which recommends that you vote in favour of the Resolution to be proposed at the General Meeting referred to below.

Notice of General Meeting of Trans-Siberian Gold plc to be held at 11.00 a.m. on 17 June 2019 at the offices of Locke Lord (UK) LLP, 201 Bishopsgate, London EC2M 3AB is set out at the end of this document. Please note that we are not sending out a Form of Proxy, instead Shareholders are being encouraged to vote online by logging on to www.signalshares.com and following the instructions given. To be valid, the proxy instruction must be received no later than 11.00 a.m. on 13 June 2019.

CONTENTS

	<i>Page</i>
PART I LETTER FROM THE CHAIRMAN	3
PART II SUMMARY OF THE PRINCIPAL TERMS AND CONDITIONS OF THE BUYBACK	11
PART III ADDITIONAL INFORMATION	12
DEFINITIONS	15
NOTICE OF GENERAL MEETING	17

EXPECTED TIMETABLE OF EVENTS

DATE OF THIS DOCUMENT	23 May 2019
LATEST TIME AND DATE FOR RECEIPT OF THE PROXY INSTRUCTION FROM SHAREHOLDERS	11.00 a.m. on 13 June 2019
GENERAL MEETING	11.00 a.m. on 17 June 2019

Notes:

- (1) References to time in this document are to London time.
- (2) Each of the times and dates shown above and elsewhere in this document are indicative and accordingly are subject to change.
- (3) If any of the details contained in the timetable above should change, the revised times and dates will be notified to Shareholders by means of an announcement through a Regulatory Information Service.

PART I
LETTER FROM THE CHAIRMAN
TRANS-SIBERIAN GOLD PLC

(incorporated and registered in England and Wales under number 1067991)

Members of the Board:

Charles Ryan	Non-Executive Chairman
Alexander Dorogov	Chief Executive Officer
Robert Sasson	Non-Executive Director
Lou Naumovski	Non-Executive Director
Florian Fenner	Non-Executive Director
Stewart Dickson	Non-Executive Director

Registered office:

Trans-Siberian Gold plc
39 Parkside
Cambridge
CB1 1PN

23 May 2019

Dear Shareholder,

**PROPOSED OFF-MARKET BUYBACK OF ORDINARY SHARES FROM
DESTIN INVESTMENT MANAGEMENT LIMITED AND UFG PRIVATE EQUITY FUND I, L.P**

NOTICE OF GENERAL MEETING

Introduction

The Company is proposing to buy back 22,894,565 existing Ordinary Shares from two of its major shareholders at a discount to the market price. As part of the transaction, further shares will be sold by the same shareholders to other members of the UFG Group, Directors and to new investors. The Secondary Sale (as defined below) together with the Buyback will reduce the dominance by UFG of the share register and benefit shareholders as a whole.

The Purpose of this Circular is to set out the background to and reasons for the proposal and explain why the Board considers it to be in the best interests of shareholders as a whole.

The Company announced on 3 May 2019 that it has entered into conditional agreements with each of Destin Investment Management Limited ("**Destin**") and UFG Private Equity Fund I, L.P ("**UFG PE Fund I**") (together the "**Selling Shareholders**") to acquire, in aggregate, 22,894,565 existing Ordinary Shares (the "**Buyback Shares**") at a price of £0.33 per Share (the "**Buyback Price**") pursuant to the terms of the Buyback Agreements (the "**Buyback**").

Contemporaneously with the Buyback Agreements, the Selling Shareholders entered into conditional sale and purchase agreements ("**SPAs**") to sell 11,478,410 existing Ordinary Shares (the "**Sale Shares**") at the Buyback Price to certain existing shareholders, Directors and new investors, which are expected to complete at or around the same time as, and are conditional on, completion of the Buyback (the "**Secondary Sale**").

The Buyback Shares and the Sale Shares represent, respectively, approximately 20.8 per cent. and 10.4 per cent. of the Company's issued share capital, as at the date of this document.

Your Board believes that the decision by the Selling Shareholders to reduce their respective shareholdings in TSG represents a significant opportunity for the Company to benefit from:

- proactive management of the Company's share ownership;

- control of a significant amount of shares providing it with flexibility in the management of its capital base;
- creating the conditions and potential for more liquidity in the trading of its Shares; and
- EPS accretion.

Your Board encourages all Shareholders to recognise the significance of this opportunity.

Having been long-term and supportive shareholders, the Selling Shareholders have expressed a desire to reduce their shareholdings in the Company.

UFG Asset Management (“**UFG**”) is an established multi-asset investment manager and long-term majority shareholder of TSG. UFG’s interests in the Shares are held through various funds, connected entities and individuals (which include the Selling Shareholders) and represent, in aggregate, approximately 86.3 per cent. of the Company’s issued share capital as at the date of this document.

The prescribed term for the life of UFG PE Fund I has already been extended and is expected to expire soon. With the goodwill of its underlying investors and management, UFG PE Fund I has remained a Shareholder but now seeks to reduce its shareholding given the maturity of its investment.

Destin is a privately-owned investment vehicle. The beneficiaries of Destin also have a controlling interest in the general partner of UFG PE Fund I. Destin’s investment objectives have evolved and it also now seeks to realise some of the returns from its investment in the Company.

The reason for implementing the Buyback and the Secondary Sale is to reduce the Selling Shareholders’ share ownership of TSG and consequently reduce UFG’s total shareholding in TSG.

Destin and UFG PE Fund I currently own approximately 13.86 per cent. and 28.07 per cent. respectively of the Company’s issued share capital, as at the date of this document. Following the sale of the Buyback Shares and the Sale Shares, Destin and UFG PE Fund I will own approximately 4.5 per cent. and 9.0 per cent., respectively of the Company’s issued share capital (the Buyback Shares are expected to be held in treasury once repurchased by the Company and have been excluded from the calculation of the number of ordinary shares).

Your Board recommends that the Company should now acquire 22,894,565 Ordinary Shares in aggregate from the Selling Shareholders, representing 20.8 per cent. of the Company’s issued share capital as at the date of this document, by way of the Buyback.

The Buyback requires shareholder approval as an off-market purchase pursuant to section 694 of the Companies Act 2006 and in accordance with the Company’s Articles of Association. I am therefore writing to ask for your support for the proposed Buyback.

Your Board believes that the Selling Shareholders’ desire to reduce their shareholdings in the Company provides a significant opportunity to take the next step towards diversifying the ownership of the Company and create the conditions for increased liquidity in the trading of the Company’s Shares.

In this letter, I have sought to answer the questions I anticipate you may have and to explain in detail why your Board firmly believes that the Buyback is in the best interests of all Shareholders and is recommending that you vote in favour of the Resolution to be proposed at the General Meeting, notice of which is set out at the end of this document.

You should read the whole of this document and not just rely on the summarised information set out in this letter.

Details of the Buyback

On 3 May 2019, the Company announced that it had entered into conditional share buyback agreements with each of Destin and UFG PE Fund I to purchase off-market a total of 22,894,565 Shares at the Buyback Price from the Selling Shareholders. The Buyback Price represents the following discounts to the following

prices of the Company's shares with reference to 2 May 2019, being the last trading day prior to the announcement of the Buyback:

<i>Reference</i>	<i>Price (GBP)</i>	<i>Discount (%)</i>
2 May 2019 closing price	57.00	42.1
30 day VWAP to 2 May 2019	55.98	41.1
90 day VWAP to 2 May 2019	52.04	36.6
120 day VWAP to 2 May 2019	48.41	31.8

The Buyback is conditional upon receiving the approval of Shareholders at the General Meeting and in accordance with the requirements of the Companies Act 2006 the Selling Shareholders shall not be entitled to exercise any voting rights attaching to the Buyback Shares in respect of the Resolution to be proposed at the General Meeting. Your Board is seeking such approval for the Buyback.

In addition, the Buyback is classified under the AIM Rules as a "Related Party Transaction" since the Selling Shareholders each hold more than 10 per cent. of the Shares in the Company and therefore constitute "substantial shareholders" as defined in the AIM Rules. Further details are set out below under the heading "Related Party Transaction".

The Buyback Shares represent 20.8 per cent. of TSG's issued share capital as at the date of this document. The consideration for the Buyback, will be satisfied in cash from the Company's existing distributable profits, and will be funded by utilising certain existing and new debt facilities available to the TSG Group. Further details are set out below under the heading "Financing of the Buyback".

The effect of: (i) the Buyback, if approved by Shareholders; and (ii) the Secondary Sale (further details are set out below) would be to reduce UFG's total shareholding in TSG to approximately 75.7 per cent. of the Company's issued share capital (the Buyback Shares are expected to be held in treasury once repurchased by the Company and have been excluded from the calculation of the number of ordinary shares).

Your Board considers that the Buyback represents a compelling strategic opportunity for TSG. Through this active management of the Company's share ownership TSG will acquire existing Ordinary Shares at a discounted price which will be held in treasury. The Company is prohibited from exercising any of the voting rights attaching to shares in treasury. No dividends or other distributions may be paid on the Buyback Shares held in treasury and as such the Directors believe that the Buyback will be EPS accretive to shareholders. The Company will consider whether to cancel the Buyback Shares or re-issue them at a later date. This provides the Company with additional flexibility in the management of its capital base.

Your Board is committed to diversifying the ownership of the Company and creating the conditions for increased liquidity in the trading of the Shares. The Buyback is a key enabling action to assist with the achievement of those objectives. Accordingly, your Board firmly believes that the Buyback is in the best interests of Shareholders as a whole, as further described below.

Shareholders are obliged to comply with the shareholding notification and disclosure requirements set out in Chapter 5 of the Disclosure Guidance and Transparency Rules ("**DTRs**"). A Shareholder is required pursuant to Rule 5 of the DTRs to notify the Company if, as a result of an acquisition or disposal of shares or financial instruments, the Shareholder's percentage of voting rights of the Company reaches, exceeds or falls below, 3 per cent. of the nominal value of the Company's share capital or any 1 per cent. threshold above that. The denominator excludes treasury shares as they do not carry voting rights.

The DTRs can be accessed and downloaded from the FCA's website at <http://fshandbook.info/FS/html/FCA/DTR>. Shareholders are urged to consider their notification and disclosure obligations carefully as a failure to make a required disclosure to the Company may result in disenfranchisement.

Details of the Secondary Sale

As announced by the Company on 3 May 2019, the Selling Shareholders have entered into SPAs to sell an aggregate of 11,478,410 Ordinary Shares at the Buyback Price to certain existing Shareholders and new investors which includes certain Directors and UFG funds. Further details are set out below.

	<i>Shares held at the date of this document</i>		<i>Sale Shares being purchased</i>		<i>Post-transaction Shareholdings ⁽¹⁾</i>	
	<i>% of</i>				<i>% of</i>	
	<i>Number of Ordinary Shares</i>	<i>Issued Share Capital</i>	<i>Number of Ordinary Shares</i>	<i>Number of Ordinary Shares</i>	<i>Number of Ordinary Shares</i>	<i>Issued Share Capital</i>
KST Beteiligungs AG ⁽²⁾	–	–	4,721,403	4,721,403		5.4
UFG Special Situations Fund L.P. ⁽³⁾	23,141,018	21.03	2,869,999	26,011,017		29.8
Charles Ryan	6,076,306	5.52	2,295,682	8,371,988		9.6
Vadim Ognestsikov	1,372,211	1.25	499,999	1,872,210		2.1
Robert Sasson	709,279	0.64	399,999	1,109,276		1.3
Adrian Parkinson	481,290	0.44	199,999	681,289		0.8
Dominic Reed	–	–	151,514	151,514		0.2
Alexander Dorogov	–	–	229,567	229,567		0.3
Eugene Antonov	–	–	80,249	80,249		0.1
FELDI Limited ⁽⁴⁾	–	–	29,999	29,999		0.0

Notes:

- (1) The Buyback Shares expected to be held in treasury have been excluded from the calculation of the number of Ordinary Shares in issue and the percentage of issued share capital.
- (2) Mr. Fenner is a director and substantial shareholder of KST Beteiligungs AG.
- (3) Messrs Ryan and Fenner are controlling persons of UFG Special Situations Fund L.P., being in aggregate the holders of 98 per cent. shares of the General Partner of the UFG Special Situations Fund L.P.
- (4) Mr. Dickson is a director and substantial shareholder of FELDI Limited.

The Secondary Sale pursuant to the SPAs is conditional upon the completion of the Buyback. The Sale Shares represent 10.4 per cent. of TSG's issued share capital as at the date of this document.

Following completion of the Secondary Sale, the Selling Shareholders will be subject to a lock-in undertaking for 6 months, with customary exceptions, in respect of their remaining shareholdings in the Company. The Company is not a party to the Secondary Sale and will not receive any proceeds from the Secondary Sale. The table below sets out the Selling Shareholders' holdings before and after the Buyback and Secondary Sale.

	<i>Shares held at the date of this document</i>		<i>Shares being sold pursuant to the Buyback and Secondary Sale</i>		<i>Post-transaction Shareholdings ⁽¹⁾</i>	
	<i>% of</i>				<i>% of</i>	
	<i>Number of Ordinary Shares</i>	<i>Issued Share Capital</i>	<i>Number of Ordinary Shares</i>	<i>Number of Ordinary Shares</i>	<i>Number of Ordinary Shares</i>	<i>Issued Share Capital</i>
UFG Private Equity Fund I, L.P.	30,887,775	28.07	23,011,387	7,876,388		9.0
Destin Investment Management Limited	15,250,461	13.86	11,361,588	3,888,873		4.5

Notes:

- (1) The Buyback Shares expected to be held in treasury have been excluded from the calculation of the number of Ordinary Shares in issue and percentage of issued share capital.

Background to and Reasons for the Buyback

Having been long-term and supportive shareholders, the Selling Shareholders have expressed a desire to reduce their shareholdings in the Company. The prescribed term for the life of UFG PE Fund I has already been extended and is expected to expire soon. With the goodwill of its underlying investors and management, UFG PE Fund I has remained a Shareholder but now seeks to reduce its shareholding given

the maturity of the investment. Destin's investment objectives have evolved and it also now seeks to realise some of the returns from its investment in the Company.

The reason for implementing the Buyback and the Secondary Sale is to reduce the Selling Shareholders' share ownership of TSG and consequently reduce UFG's total shareholding in TSG.

The Buyback would result in the Company acquiring, at a discount, 22,894,565 existing Ordinary Shares representing 20.8 per cent. of TSG's issued share capital as at the date of this document. Immediately following the Buyback, the Buyback Shares will be held in treasury.

The Board believes that the Selling Shareholders' desire to reduce their shareholdings in the Company provides a significant opportunity to take the next step towards diversifying the ownership of the Company and create the conditions for increased liquidity in the trading of the Company's shares.

The Board firmly believes that the Buyback will be highly beneficial for TSG and is in the best interests of all Shareholders. In particular, it delivers:

Proactive management of the Company's share ownership

The Directors believe the Buyback is an important step to manage the ownership of the Company. The Selling Shareholders have been long-term investors and now seek to partially realise their investment. The concentrated share-ownership and limited liquidity in the trading of the Company's Shares makes an on-market sale impractical. Further, the Buyback avoids a potential on-market overhang on the Shares over a protracted period of time.

Control of a significant amount of shares providing it with flexibility in the management of its capital base

The Company is purchasing the Buyback Shares at a significant discount to current market value. To some extent the price reflects the limited liquidity in the trading of the Company's Shares which makes an on-market sale impractical. However it is also an efficient means of returning capital to Shareholders as a significant number of Shares can be bought back within a relatively short period of time.

Creating the conditions and potential for more liquidity in the trading of its Shares

If the Resolution is approved, the Buyback Shares will be acquired by the Company and held in treasury. At an appropriate time, the Directors may seek to increase liquidity in the trading of the Shares and widen the Company's share-ownership via the re-issue of Shares held in treasury. Whilst there are no current intentions to do this, it could be done through a scrip dividend or placement of Shares.

EPS accretion

In addition, the Buyback, if approved by Shareholders, is expected to increase EPS as the Buyback would have the mechanical impact of reducing the number of shares constituting the denominator in the calculation to a greater extent than the cost of the debt will reduce earnings.

Dividend Payments

Following the Buyback, and in line with its current practice, your Board will maintain an appropriate level of dividend payments, taking into account the results for the financial period, the outlook for the gold price, the Board's view of the long-term growth prospects of the business and the Company's objective of maintaining a strong balance sheet. To date the Company has returned \$18.5 million to the Company's Shareholders through cash dividend payments.

Transformative step

Your Board firmly believes that it is in the interests of all Shareholders to take the positive and transformative step afforded by this opportunity by voting in favour of the Buyback.

Principal Terms and Conditions of the Buyback

The Company has signed the Buyback Agreements with the Selling Shareholders, which sets out the terms on which the Company will purchase the Buyback Shares from the Selling Shareholders. Pursuant to the Buyback Agreements, TSG, subject to obtaining shareholder approval at the General Meeting convened pursuant to the Notice of General Meeting set out at the end of this document, has agreed to purchase the Buyback Shares from the Selling Shareholders at a price of £0.33 per Share.

It is intended that, subject to shareholder approval being granted, settlement of the Buyback will occur on 20 June 2019 when the Selling Shareholders will instruct their respective CREST custodians to transfer the Buyback Shares by way of an off-market transfer to the Company and the Company will pay the purchase price in respect of the Buyback Shares. The Buyback Shares will then be held in treasury by the Company.

Destin and UFG PE Fund I currently own approximately 13.86 per cent. and 28.07 per cent. respectively of the Company's issued share capital (each as at close of business on the trading day preceding the date of this document). Following the sale of the Buyback Shares and the Sale Shares, Destin and UFG PE Fund I will own approximately 4.5 per cent. and 9.0 per cent. respectively of the Company's issued share capital.

As at the date of this document, so far as the Directors and UFG are aware, the Buyback will not immediately result in any Shareholder holding 30 per cent. or more of the Company's issued share capital and as such being required to make an offer for the Company's entire issued share capital pursuant to Rule 9 of the City Code on Takeovers and Mergers.

A summary of the principal terms of the Buyback Agreements are set out in Part II of this document.

Financing of the Buyback

The Board has given careful consideration to the financing of the Buyback, including the impact on the Company's gearing, in the light of what the Board deems to be a prudent, long-term capital structure for TSG. The Company will fund the consideration of £7.56m payable under the Buyback Agreements from certain existing facilities and new debt facilities available to the TSG Group.

On 16 May 2019, the Company confirmed that its wholly owned subsidiary ZAO Trevozhnoye Zarevo ("**TZ**") had entered into a loan facility agreement with VTB Bank ("**VTB**"). In accordance with the terms of the agreement, as announced on 3 May 2019, VTB will provide TZ with debt facilities (the "**New Facilities**") in an amount equal to ₪800 million (approximately £9.4 million) for a four-year term. The annual interest rate payable under the New Facilities is 10.7 per cent., in line with market rates for Rouble denominated loans in Russia, reflecting the Central Bank of Russia's key lending rate currently standing at 7.75 per cent. per annum, and, as of April 2019, the annual rate of inflation at 5.1 per cent. The loan is repayable in quarterly instalments, commencing in the fifth quarter following the date of the agreement.

The New Facilities will be to be utilised by TZ to repay part of its indebtedness to the Company and the funds then to be utilised by the Company (which is not a party to the new facilities agreement) to fund the Buyback and to pay associated costs and expenses.

The New Facilities are to be secured by way of a mortgage of real estate and land lease rights of TZ at the Asacha Gold Mine in favour of VTB. Drawdown of funds is expected to be conditional, *inter alia*, on the state registration of the mortgage over certain TZ fixed assets in accordance with the existing loans by VTB to TZ entered into in 2017.

The agreement contains mandatory and voluntary prepayment provisions within the range typically found in financings of this nature and to permit TZ to cancel voluntarily and prepay any part of the loan.

In addition, the agreement contains customary representations and events of default. Further, the agreement contains certain information undertakings, business restrictions and financial covenants. The agreement is governed by the laws of the Russian Federation.

The Buyback is expected to increase leverage (Net Debt/Shareholder funds). However, in the light of the Group's historical and ongoing cash generation capability, the Board believes that this debt level is prudent.

Related Party Transaction

The Buyback is classified under the AIM Rules as a “Related Party Transaction” since the Selling Shareholders each hold more than 10 per cent. of the Shares in the Company and therefore constitute “substantial shareholders” as defined in the AIM Rules.

Charles Ryan, Robert Sasson and Florian Fenner have associations with Selling Shareholders and are buying, or are connected with the purchasers of, the Sale Shares in the Secondary Sale. Alexander Dorogov and Stewart Dickson will purchase Sale Shares, as set out in the table above. Accordingly, for the purposes of the AIM Rules, these directors are not considered to be independent of the Buyback. Lou Naumovski is an independent director (“**Independent Director**”).

The Independent Director considers, having consulted with the Company’s nominated adviser, Arden Partners, that the terms of the Related Party Transaction are fair and reasonable insofar as the Company’s shareholders are concerned.

General Meeting

The Directors are seeking authority for the off-market purchase by the Company of 22,894,565 Shares from the Selling Shareholders pursuant to section 694 of the Companies Act 2006. At the General Meeting, in accordance with section 694 of the Companies Act 2006, an ordinary resolution, will be proposed to seek such authority. In accordance with the Companies Act 2006, the Selling Shareholders are not permitted to exercise the voting rights attaching to the Buyback Shares in respect of the Resolution.

Set out at the end of this document is a notice convening a General Meeting to be held at 11.00 a.m. on 17 June 2019 at the offices of Locke Lord (UK) LLP, 201 Bishopsgate, London EC2M 3AB.

Risk factors

Completion of the Buyback is conditional on the passing of the Resolution. If the Buyback is not approved, the Company expects that the Selling Shareholders may seek to reduce their share ownership in TSG by alternative methods. Given the limited market liquidity in the trading of TSG Shares, it is likely that any on-market sales will result in an overhang depressing the market price of TSG Shares. Further, the substantial size of the respective holdings of the Selling Shareholders may result in the overhang persisting for a protracted period of time.

The Company is required to pay fees and other costs incurred in connection with the Buyback (including financing, financial advisory, legal and accounting fees and expenses), regardless of whether approval is obtained.

If the Buyback is approved by Shareholders and it proceeds, there can be no guarantee or assurance that the anticipated benefits will be realised.

The Buyback, if approved by Shareholders, is also expected to increase TSG’s leverage (Net Debt/EBITDA). However, as described above, in the light of the Company’s historically strong cash generation and ongoing cash generation capability the Board believes that this leverage is readily supported.

Action to be taken

Please note we are not sending out a Form of Proxy. Shareholders are being encouraged to vote online by logging on to www.signalshares.com and following the instructions given. **Whether you intend to be present at the General Meeting or not, you are requested to complete a proxy instruction, as soon as possible and, in any event, so as to arrive not later than 11.00 a.m. on 13 June 2019.** Alternatively, you can register your proxy electronically via CREST in accordance with the instructions in the notes to the Notice of General Meeting at the end of this document. The completion of a proxy instruction or appointment of a proxy will not preclude you from attending the General Meeting and voting in person if you wish to do so. Further details relating to voting by proxy are set out in the notes to the Notice of General Meeting at the end of this document.

Documents available for inspection

The Buyback Agreements are available for inspection during normal business hours at the registered office of the Company until the conclusion of the General Meeting and will also be available for inspection at the General Meeting fifteen minutes before the commencement of the General Meeting and during the General Meeting itself.

This Circular will be available on the Company's website <http://www.trans-siberiangold.com> in accordance with the requirements of Rule 26 of the AIM Rules.

Further Information

Your attention is drawn to the additional information set out in Parts II and III of this document. You are advised to read the whole document and not merely rely on the key or summarised information in this letter.

Irrevocable Undertakings

The Company has received irrevocable undertakings from Shareholders to vote in favour of the Resolution in respect of their legal and beneficial shareholdings which amount in aggregate to 58,362,651 Shares, representing approximately 53 per cent. of the existing issued share capital of the Company as at the date of this document.

Recommendation

Your Board considers that the Buyback is in the best interests of the Company and its Shareholders as a whole.

Accordingly, your Board unanimously recommends that you vote in favour of the Resolution to be proposed at the General Meeting, as they and those connected with them intend to do so in respect of their own beneficial shareholdings.

Yours sincerely

Charles Ryan

Non-Executive Chairman

PART II

SUMMARY OF THE PRINCIPAL TERMS AND CONDITIONS OF THE BUYBACK

The purchase of the Buyback Shares by the Company from the Selling Shareholders would be on the following terms:

Under the terms of the Buyback Agreements, and conditional upon shareholder approval at the General Meeting, the Selling Shareholders have each agreed to sell the Buyback Shares free from all encumbrances, and the Company has agreed to purchase the Buyback Shares, for £0.33 per Share, payable in cash.

If shareholder approval is granted at the General Meeting, it is intended that settlement of the Buyback will occur on 20 June 2019 when the Selling Shareholders will each be required to instruct their respective CREST custodians to transfer the Buyback Shares by way of an off-market transfer to the Company and the Company will pay the purchase price in respect of the Buyback Shares. The Buyback Shares will then be held in treasury by the Company.

The Selling Shareholders are not permitted to exercise the voting rights in respect of Buyback Shares held by them at the General Meeting in respect of the Resolution.

The aggregate consideration payable by the Company under the Buyback Agreements is approximately £7.6 million.

The Company and the Selling Shareholders have agreed that a party may terminate the Buyback Agreement by written notice to the other party if shareholder approval is not obtained before 5.00 p.m. on 1 August 2019.

PART III

ADDITIONAL INFORMATION

1. TRANS-SIBERIAN GOLD PLC

The Company is a public limited company, operating under the laws of England and Wales (the principal legislation being the Companies Act 2006), incorporated and registered in England and Wales with registered number 1067991 and domiciled in the United Kingdom. The registered office of the Company is at 39 Parkside, Cambridge, CB1 1PN and its telephone number is +44 (0) 1480 811871.

2. ISSUED SHARE CAPITAL, WARRANTS AND OPTIONS

As at the date of this document, the Company's issued share capital comprised 110,053,073 Ordinary Shares of £0.10 each. No Shares are currently held in treasury.

The Company has no options or warrants outstanding as at the date of this document.

If the Company receives approval for and exercises the full authority to buy back the Buyback Shares pursuant to the Resolution, it is expected that 22,894,565 Buyback Shares will, for the time being, be held in treasury.

3. SUBSTANTIAL SHAREHOLDINGS

As at the date of this document, so far as the Directors are aware, the following persons, directly or indirectly, hold voting rights of 3 per cent. or more in the issued share capital of the Company:

<i>Shareholder</i>	<i>Number of Ordinary Shares</i>	<i>Percentage of Issued Share Capital</i>
UFG Private Equity Fund I, L.P	30,887,775	28.07
UFG Special Situations Fund L.P	23,141,018	21.03
Destin Investment Management Limited	15,250,461	13.86
UFG Investment Company I Limited	10,716,977	9.74
UFG Investors Limited ⁽¹⁾	6,076,306	5.52
Florian Fenner & Petrovka GmbH ⁽²⁾	5,145,792	4.68

Notes:

(1) UFG Investors Ltd is 100 per cent. owned by Mr Ryan

(2) Petrovka GmbH is 100 per cent. owned by Mr Fenner

4. CURRENT TRADING

There has been no significant change to the Directors' expectations for the financial or trading position of TSG. The Company's final results for the year ended 31 December 2018 are currently anticipated to be published in accordance with statutory and regulatory requirements.

5. MATERIAL CONTRACTS

The following contracts (not being contracts entered into in the ordinary course of business) have been entered into by a member of the TSG Group in the last two years or have been entered into at any time and contain an obligation or entitlement which is material to the TSG Group as at the date of this document:

- (i) the Buyback Agreements, which are summarised in Part II of this document; and
- (ii) \$15 million Debt Facility Agreement.

On 20 June 2017, the Company's wholly owned subsidiary ZAO Trevozhnoye Zarevo ("**TZ**") entered into a facility agreement with VTB Bank ("**VTB**") pursuant to which VTB agreed to lend to TZ up to \$15 million for

a five year term, repayable in equal amounts quarterly with the first repayment effective seven calendar quarters after initial drawdown. The agreement is governed by the laws of the Russian Federation. The facility was used to facilitate the repayment of TZ's previous loans totalling \$14.8 million, and to provide additional funds for working capital and other corporate purposes. The interest rate payable under the agreement is 6.2 per cent per annum. In the event of default, the interest rate rises to 13.5 per cent. per annum. The agreement contains customary financial covenants, representations and warranties from TZ to VTB. The agreement also contains certain financial obligations in the event of early repayment or breach of covenants. The debt facility is secured against the equity and fixed assets of TZ. The agreement is governed by the laws of the Russian Federation.

(iii) \$5 million Debt Facility Agreement

On 22 June 2017, TZ entered into a further facility agreement with VTB for an additional \$5 million debt facility for a three year term, repayable at the end of the term. The interest rate payable under the agreement is 6.2 per cent per annum. In the event of default, the interest rate rises to 13.5 per cent. per annum. The agreement contains customary financial covenants, representations and warranties from TZ to VTB. There are certain financial obligations in the event of early repayment or breach of covenants. The debt facility is secured against the equity and fixed assets of TZ only. In addition, TZ was required to enter into an exclusive gold sales agreement with VTB. The agreement is governed by the laws of the Russian Federation.

(iv) New Facilities Agreement with VTB

As announced by the Company on 3 May 2019 and 16 May 2019, TZ and VTB Bank have entered into a new term loan facilities agreement with VTB (the "**New Facilities Agreement**") under which VTB Bank has, subject to the satisfaction of certain conditions precedent, agreed to provide TZ with term facilities of up to ₸800 (approximately £9.4 million) for a four year term. The term facilities will be utilised by TZ to repay certain of its indebtedness to the Company and the funds may then be utilised by the Company (which is not a party to the New Facilities Agreement) to fund the Buyback and to pay associated costs and expenses. The annual interest rate payable under the New Facilities is 10.7 per cent., in line with market rates for Rouble denominated loans in Russia, reflecting the Central Bank of Russia's key lending rate currently standing at 7.75 per cent. per annum, and, as of April 2019, the annual rate of inflation at 5.1 per cent. The loan is repayable in quarterly instalments, commencing in the fifth quarter following the date of the agreement.

The New Facilities are to be secured by way of a mortgage of real estate and land lease rights of TZ at the Asacha Gold Mine in favour of VTB. Drawdown of funds is expected to be conditional, *inter alia*, on the state registration of the mortgage over certain TZ fixed assets in accordance with the existing loans by VTB to TZ entered into in 2017.

The agreement contains mandatory and voluntary prepayment provisions within the range typically found in financings of this nature and to permit TZ to cancel voluntarily and prepay any part of the loan.

In addition, the agreement contains customary representations and events of default. Further, the agreement contains certain information undertakings, business restrictions and financial covenants. The agreement is governed by the laws of the Russian Federation.

(v) Rodnikova Licence Tender

On 3 April 2019, TSG announced that it had participated in an auction on 28 March 2019 held by the Federal Agency for Subsoil Use ("**Rosnedra**") for the exploration and development licence over the Rodnikova deposit in Kamchatka, Far East Russia. According to information made public by Rosnedra, TZ submitted the highest bid with a total amount of \$3 million of which \$2.7 million has been pre-paid.

On 23 April 2019, TSG announced that Rosnedra had issued a licence to TZ for the development and exploration of the Rodnikova deposit, for a tenure of 20 years.

6. CONSENTS

Arden Partners has given and has not withdrawn its written consent to the inclusion in this document of the references to its name in the form and context in which they are included.

7. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) at the registered office of the Company from the date of this document up to and including the date of the General Meeting and for the duration of the General Meeting:

- (i) the Buyback Agreements, which are summarised in Part II of this document;
- (ii) the memorandum and articles of association of the Company;
- (iii) the audited consolidated accounts of the Company for the periods ended 31 December 2016 and 31 December 2017 and the unaudited interim accounts of the Company for the period ended 30 June 2018; and
- (iv) this document.

DEFINITIONS

The following definitions apply throughout this document, unless the context requires otherwise:

“AIM”	the AIM Market of the London Stock Exchange
“AIM Rules”	the AIM Rules for Companies published by the London Stock Exchange from time to time (including, without limitation, any guidance notes or statements of practice) and those other rules of the London Stock Exchange which govern the admission of securities to trading on, and the regulation of AIM
“Board” or “Directors”	the directors of the Company whose names appear in Part I of this document
“Buyback”	the purchase by the Company of 22,894,565 Shares from the Selling Shareholders at a price of £0.33 per Share pursuant to the terms of the Buyback Agreements;
“Buyback Agreements”	the agreements entered into between the Company and each of the Selling Shareholders dated 2 May 2019 governing the terms of an off-market share buyback pursuant to section 694 of the Companies Act 2006, as further described in Part II of this document
“Buyback Price”	£0.33 per Share
“Buyback Shares”	the 22,894,565 Shares to be bought back by the Company pursuant to the terms of the Buyback Agreements
“CREST”	the electronic settlement system for uncertificated securities trading operated by Euroclear UK & Ireland Limited
“DTR”	the Disclosure Guidance and Transparency Rules made by the FCA pursuant to section 73A of the FSMA, as amended from time to time
“EPS”	earnings per share
“EBITDA”	earnings before interest, taxation, depreciation and amortization
“FCA”	the UK Financial Conduct Authority
“FSMA”	the Financial Services and Markets Act 2000, as amended from time to time
“General Meeting”	the general meeting to be held at 11.00 a.m. on 17 June 2019, or any adjournment thereof
“Group”	in relation to a company, that company and any company which is from time to time a holding company of that company or a direct or indirect subsidiary of that company
“New Facilities Agreement”	the facilities agreement between TZ and VTB Bank as described in paragraph 5(iv) of Part III of this document
“Notice of General Meeting”	the notice of General Meeting set out at the end of this document
“Prospectus Rules”	the Prospectus Rules of the FCA made under section 73A of FSMA and approved by the FCA under section 87A of FSMA

“Resolution”	the ordinary resolution to grant authority for the off-market purchase by the Company of up to 22,894,565 Shares from the Selling Shareholders under the Companies Act 2006 to be proposed at the General Meeting, the full text of which is set out in the Notice of General Meeting at the end of this document
“Secondary Sale”	the sale of the Sale Shares by the Selling Shareholders to certain existing shareholders, Directors and new investors pursuant to the SPAs
“Selling Shareholders”	Destin Investment Management Limited and UFG Private Equity Fund I, L.P
“Shareholder”	a holder of Shares
“Shares” or “Ordinary Shares”	ordinary shares of £0.10 each in the capital of the Company
“TSG” or the “Company”	Trans-Siberian Gold plc
“TSG Group”	the Company and its subsidiary undertakings, and “member of the TSG Group” shall be construed accordingly
“VWAP”	the volume weighted average price for the relevant period for the closing middle market quotation of a Share derived from the Bloomberg data terminal

TRANS-SIBERIAN GOLD PLC

(the “Company”)

NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN that a General Meeting of the Company will be held at 11.00 a.m. on 17 June 2019 at the offices of Locke Lord (UK) LLP, 201 Bishopsgate, London EC2M 3AB to consider and, if thought fit, pass the following resolution as an ordinary resolution:

1. **THAT** the terms of the Buyback Agreements (copies of which have been produced to the meeting and made available at the Company’s registered office for not less than 15 days ending with the date of this meeting) pursuant to which the Company may make an off-market purchase (as defined by section 693(2) of the Companies Act 2006) of up to 22,894,565 of its ordinary shares of £0.10 each from Destin Investment Management and UFG Private Equity Fund I, L.P, be and are hereby approved and authorised for the purposes of section 694 of the Companies Act 2006 and that:
 - (a) the Company be and is hereby authorised to make such off-market purchases from Destin Investment Management and UFG Private Equity Fund I, L.P, provided that this authority shall expire on the date which is one year after the date this resolution is passed; or, if earlier, when the Company has repurchased 22,894,565 of its ordinary shares of £0.10 each from Destin Investment Management and UFG Private Equity Fund I, L.P, pursuant to this authority; and
 - (b) the Company may, before expiry of the authority granted by this resolution, enter into a contract to purchase ordinary shares which will be executed wholly or partly after the expiry of such authority.

BY ORDER OF THE BOARD

Simon V. Olsen
Company Secretary

23 May 2019

Registered office:

39 Parkside,
Cambridge, CB11PN

Company No.: 1067991

Notes:

1. A member entitled to attend and vote at this meeting is entitled to appoint one or more proxies to attend and, on a poll, to vote on his behalf. A member can appoint more than one proxy in relation to the meeting, provided that each proxy is appointed to exercise the rights attaching to different shares held by him. A proxy need not also be a member. To be valid, the proxy instruction must be received by one of the below methods no later than 11.00 a.m. on 13 June 2019:
 - via www.signalshares.com by logging in, selecting the “Proxy Voting” link and following the instructions given. If you have not previously registered, you will first be asked to register as a new user, for which you will need your investor code (which can be found on your share certificate), family name and postcode (if resident in the UK);
 - if your shares are held electronically via CREST, the proxy appointment may be lodged using the CREST Proxy Voting Service in accordance with note 7 below; or
 - by requesting a hard copy proxy form by contacting our Registrars, Link Asset Services, on 0871 664 0391 from the UK (Calls cost 12p per minute plus network extras) or +44 371 664 0391 from outside the UK (calls chargeable at the applicable international rate) and returning it to the address shown on the form or by handing it to the Company’s registrars, Link Asset Services, PXS, 34 Beckenham Road, Beckenham, Kent BR3 4TU. The form should be accompanied by the power of attorney or other authority.
2. A member who is a corporation may appoint one or more representatives who may exercise on its behalf all its powers as a member, provided that no more than one corporate representative exercises powers over the same share.
3. The Company, pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, specifies that only those Shareholders registered in the Register of Members of the Company as at close of business on 13 June 2019 (or, in the event of any adjournment, close of business on the date which is two working days before the time of the adjourned meeting) shall be entitled to attend or vote at the meeting in respect of the number of shares registered in their name at that time and changes to the Register after that time shall be disregarded in determining the rights of any person to attend or vote at the meeting.
4. The completion of a proxy instruction or appointment of a proxy will not prevent a Shareholder from attending the General Meeting and voting in person if he/she wishes to do so.
5. Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a “Nominated Person”) may, under an agreement between him/her and the Shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the General Meeting. If a Nominated Person has no such proxy appointment right, or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the Shareholder as to the exercise of voting rights. The statement of rights in paragraph 1 does not apply to Nominated Persons, which applies only to Shareholders of the Company.
6. As at 23 May 2019, the Company’s issued share capital comprised 110,053,073 ordinary shares of £0.10 pence each. Each ordinary share carries the right to one vote at a General Meeting of the Company.
7. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual on the Euroclear website (www.euroclear.com). CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a service provider, should refer to their CREST sponsor or other voting service provider, who will be able to take the appropriate action on their behalf.
8. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (“CREST Proxy Instruction”) must be properly authenticated in accordance with Euroclear UK & Ireland Limited’s (“EUI”) specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer’s agent (RA19) by 11.00 a.m. on 13 June 2019. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer’s agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
9. CREST members and, where applicable, their CREST sponsors, or voting service providers should note that EUI does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
10. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
11. As soon as practicable following the General Meeting, the results of the voting at the Meeting and the numbers of proxy votes cast for and against and the number of votes actively withheld in respect of the Resolution will be announced via a Regulatory Information Service and also placed on the Company’s website: www.trans-siberiangold.com
12. You may not use any electronic address provided either in this Notice of General Meeting or any related documents (including the proxy instruction or appointment of a proxy) to communicate with the Company for any purposes other than those expressly stated.
13. The Company’s website (www.trans-siberiangold.com) contains the information required to be made available by the Company pursuant to section 311A of the Companies Act 2006.

14. Pursuant to section 319A of the Companies Act 2006, the Company must cause to be answered any question put by a member attending the meeting which relates to the business of the meeting. However, the Company is not obliged to answer any such questions if (a) it interferes unduly with the preparation of the meeting or it would involve the disclosure of confidential information, (b) the answer has already been given on a website in the form of an answer to the question or (c) it is undesirable in the interests of the Company or the good order of the meeting.

