

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document or about what action you should take, you are recommended to immediately seek your own professional advice from your stockbroker, solicitor, accountant or other financial adviser duly authorised under the Financial Services and Markets Act 2000 (the “FSMA”) if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.

If you sell or have sold or otherwise transferred all of your Ordinary Shares, please forward this document and the accompanying Form of Proxy at once to the purchaser or transferee. If you have sold only part of your holding of Ordinary Shares, please consult the bank, stockbroker or other agent through whom the sale or transfer was effected as to the action you should take.

This document does not constitute, or form part of, any offer or invitation to issue, or any solicitation of any offer to subscribe for, any Ordinary Shares. The distribution of this document and/or the accompanying Form of Proxy in jurisdictions other than the UK may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe any of those restrictions. Any failure to comply with any of those restrictions may constitute a violation of the securities laws of any such jurisdiction.

The Directors, whose names appear on page 6 of this document, accept responsibility, collectively and individually, for the information contained in this document. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Ordinary Shares are admitted to trading on AIM. Conditional upon completion of the Placing, application will be made to the London Stock Exchange for the Placing Shares to be admitted to trading on AIM. It is expected that admission to trading on AIM and dealings in the Placing Shares will commence at 8.00 a.m. on 4 August 2009.

AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the United Kingdom Listing Authority. A prospective investor should be aware of the risk of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, after consultation with an independent financial adviser. The London Stock Exchange has not itself examined or approved the contents of this document. A prospective investor should consider carefully whether an investment in the Company is suitable for him in the light of his personal circumstances and the financial resources available to him.

Toledo Mining Corporation plc

(Incorporated and registered in England and Wales under the Companies Act 1985 with registered number 5055833)

Proposed Placing of 12,000,000 new Ordinary Shares at 28 pence per share and

Notice of General Meeting

You are recommended to read the whole of this document but your attention is drawn, in particular, to the letter to Shareholders from the Executive Chairman of Toledo Mining plc which is set out on pages 6 to 11 of this document. The letter explains the background to and the reasons for the Placing and contains a recommendation from the Board that you vote in favour of the Resolutions.

Notice of a General Meeting of the Company, to be held at 10 a.m. on 31 July 2009 at the offices of the Company, 11 Albemarle Street, London W1S 4HH is set out at the end of this document. Shareholders will find enclosed a Form of Proxy for use at the General Meeting. The Form of Proxy should be completed, signed and returned to the Company's registrar, Capita Registrars, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, in accordance with the instructions printed on it as soon as possible and, in any event, so as to be received no later than 10 a.m. on 29 July 2009. The completion and return of a Form of Proxy will not preclude Shareholders from attending the General Meeting in person, should they wish to do so.

The Placing Shares will not be registered under the United States Securities Act of 1933 (as amended) or under the securities laws of any state of the United States or qualify for distribution under any of the relevant securities laws of Canada, Australia or Japan, nor has any prospectus in relation to the Placing Shares been lodged with or registered by the Australian Securities and Investments Commission. Accordingly, subject to certain exceptions, the Placing Shares may not be, directly or indirectly, offered, sold, taken up, delivered or transferred in or into the United States, Canada, Australia or Japan. This document is directed and issued only to the Shareholders of the Company and their representatives and shall not be distributed to or used by any other person. Overseas shareholders and any person (including, without limitation, nominees and trustees) who have a contractual or other legal obligation to forward this document to a jurisdiction outside the United Kingdom should seek appropriate advice before taking any action.

Ambrian Partners Limited, which is authorised and regulated in the UK by the Financial Services Authority, is acting exclusively for the Company as nominated adviser and broker and no one else (including the recipients of this document) in connection with the Placing described in this document and will not be responsible to anyone other than the Company for providing the protections afforded to customers of Ambrian Partners Limited or for advising any other person in connection with the matters described in this document. Ambrian Partners Limited makes no representation, express or implied, with respect to the accuracy or completeness of any information contained in this document and accepts no responsibility for, nor does it authorise, the contents of, or the issue of this document, or any other statement made or purported to be made by the Company, or on its behalf, in connection with the Company or any of the other matters described in this document and accordingly disclaims all and any liability whatsoever whether arising out of tort, contract or otherwise which it might otherwise have in respect of this document or any other statement.

CONTENTS

	<i>Page</i>
Definitions	3
Expected Timetable of Principal Events	5
Placing Statistics	5
Letter from the Chairman of the Company	6
1. Introduction	6
2. Background to and reasons for the Placing	6
3. Details of the Placing	8
4. Use of proceeds	9
5. General Meeting	9
6. Action to be taken in respect of the General Meeting	10
7. Irrevocable undertakings	10
8. Appointment of new Non-Executive Director	10
9. Related party transaction	10
10. Significant Shareholders	11
11. Recommendation	11
Notice of General Meeting	12
ENCLOSURE	
Form of Proxy for use at the General Meeting	

DEFINITIONS

“Ambrian”	Ambrian Partners Limited, the Company’s nominated adviser and broker
“Admission”	admission of the Placing Shares to trading on AIM becoming effective in accordance with the AIM Rules
“AIM”	the AIM market of the London Stock Exchange
“AIM Rules”	the rules published by the London Stock Exchange governing admission to, and the operation of, AIM
“Atlas”	Atlas Consolidated Mining & Development Corporation, a company incorporated in the Philippines
“BHP Billiton”	BHP Billiton Limited
“BNC”	Berong Nickel Corporation, a company incorporated in the Philippines in which the Company has a 56.1 per cent. economic interest
“Board” or “the Directors”	the directors of the Company as at the date of this document
“Brookes Nickel”	Brookes Nickel Ventures Inc., a company incorporated in the Philippines
“Celestial Nickel”	Celestial Nickel Mining Exploration Corp., a company incorporated in the Philippines
“China”	The People’s Republic of China
“Companies Act” or the “Act”	the Companies Act 1985, as amended or repealed by the Companies Act 2006 from time to time
“Company” or “Toledo”	Toledo Mining Corporation plc
“CREST”	the computerised settlement system operated by CRESTCo Limited to facilitate the transfer of title to shares in uncertificated form, being the Relevant System (as defined in the CREST Regulations) in respect of which CRESTCo Limited is the Operator (as defined in the CREST Regulations)
“CREST Regulations”	the Uncertificated Securities Regulations 2001
“Daintree”	Daintree Resources Limited, a private company registered in the British Virgin Islands and a substantial shareholder of the Company
“DOS”	Direct Ore Shipping
“Enlarged Issued Share Capital”	the issued share capital of the Company as enlarged by the issue of the Placing Shares pursuant to the Placing
“European Nickel”	European Nickel plc, a company registered in England and Wales
“Existing Issued Share Capital”	the 29,538,333 Ordinary Shares in issue at the date of this document
“Fevamotinicó”	Fevamotinicó S.a.r.L., a company incorporated in Luxembourg

“Form of Proxy”	the form of proxy which accompanies this document, for use in respect of the General Meeting
“General Meeting”	the general meeting of Toledo convened for 31 July 2009, notice of which is set out at the end of this document, and any adjournment of it
“Group”	the Company and its subsidiaries and subsidiary and associated undertakings at the date of this document
“Ipilan”	Ipilan Nickel Corporation, a company incorporated in the Philippines
“JORC”	Joint Ore Reserves Committee
“JXTC”	Jiangxi Rare Earth and Rare Metals Tungsten Group Co., Ltd, a company incorporated in China
“London Stock Exchange”	London Stock Exchange plc
“MacroAsia”	MacroAsia Corporation, a company incorporated in the Philippines
“MHP”	mixed hydroxide product
“MPSA”	Mineral Production Sharing Agreement
“Mt”	million tonnes
“Ni”	nickel
“Notice”	the notice convening the General Meeting which is set out at the end of this document
“Ordinary Shares”	ordinary shares of 5p each in the share capital of the Company
“Placing”	the proposed placing of the Placing Shares at the Placing Price
“Placing Agreement”	the conditional placing agreement dated 7 July 2009 between the Company and Ambrian
“Placing Price”	28 pence per Placing Share
“Placing Shares”	the 12,000,000 Ordinary Shares to be issued pursuant to the Placing
“pre-JORC resource”	a mineral resource, the nature of which, whilst derived from historic analysis, has been the subject of insufficient exploration to define the mineral resource and with uncertainty as to whether further exploration will result in the determination of a mineral resource to the JORC standard
“Queensland Nickel”	Queensland Nickel Pty Ltd, a company incorporated in Australia
“Resolutions”	the resolutions to be proposed at the General Meeting as set out in the Notice
“Shareholder”	a holder of Ordinary Shares from time to time
“t”	tonnes
“wmt”	wet metric tonne

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Publication of this document	7 July 2009
Latest time and date for receipt of Forms of Proxy	10 a.m. on 29 July 2009
General Meeting	10 a.m. on 31 July 2009
Admission of Placing Shares to AIM and commencement of dealings	8 a.m. on 4 August 2009
Expected date for CREST stock accounts to be credited for Placing Shares in uncertificated form	4 August 2009
Expected date for posting of share certificates for Placing Shares	By 7 August 2009

PLACING STATISTICS

Placing Price	28 pence
Number of Ordinary Shares in issue as at the date of this document	29,538,333
Number of Placing Shares	12,000,000
Number of Ordinary Shares in issue following Admission	41,538,333
Gross proceeds of the Placing	£3,360,000
Estimated proceeds of the Placing after expenses	£3,235,000
Percentage of the Enlarged Issued Share Capital represented by the Placing Shares	28.9%

Throughout this document, unless otherwise stated, an exchange rate of £1:US\$1.62 has been used, based on the exchange rate as at close of business on 6 July 2009, the last practicable date prior to the publication of this document.

FORWARD LOOKING STATEMENTS

Some of the statements in this document about the Company include forward-looking statements which reflect the Directors' current views with respect to financial performance, business strategy, plans and objectives of management for future operations. These statements include forward-looking statements both with respect to the Company and the sectors and industries in which it operates. Statements which include the words "expects", "intends", "plans", "believes", "projects", "anticipates", "will", "targets", "aims", "may", "would", "could", "continue", and similar statements are of a future or forward-looking nature. All forward-looking statements address matters that involve risks and uncertainties. Accordingly, there are or will be important factors that could cause the Company's actual performance to differ materially from that indicated in these statements. Any forward-looking statements in this document reflect the Directors' current views with respect to future events and are subject to these and other risks, uncertainties and assumptions relating to the Company's operations, results of operations, growth strategy and liquidity. These forward-looking statements speak only as of the date of this document. Subject to any obligations under the AIM Rules, the Company undertakes no obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise. All subsequent written and oral forward-looking statements attributable to the Company or individuals acting on behalf of the Company are expressly qualified in their entirety by this paragraph.

LETTER FROM THE EXECUTIVE CHAIRMAN OF THE COMPANY

Toledo Mining Corporation plc

(Incorporated and registered in England and Wales under the Companies Act 1985 with registered number 5055833)

Directors:

Reginald Eccles (*Chairman*)

Felix Pole (*Non-Executive Director*)

Simon Purkiss (*Non-Executive Director*)

Constantine Thanassoulas (*Non-Executive Director*)

To Shareholders and, for information purposes only, to the holders of options over Ordinary Shares

Dear Shareholder,

Proposed Placing of 12,000,000 new Ordinary Shares at 28 pence per share and Notice of General Meeting

1. Introduction

The Company today announced that it has conditionally placed 12,000,000 new Ordinary Shares to raise gross proceeds of £3,360,000 at a placing price of 28p per new Ordinary Share.

The net proceeds of the Placing are expected to be approximately £3,235,000 and will strengthen the Company's balance sheet, enable the Group to move forward with its current business plan, and provide general working capital for the Group.

The Placing is conditional, *inter alia*, upon Shareholders passing the Resolutions set out in the Notice convening the General Meeting, which is set out at the end of this document, and upon Admission.

The purpose of this document is to provide you with information about the background to and reasons for the Placing, to explain why the Board considers the Placing to be in the best interests of the Company and its Shareholders as a whole and to explain why the Board recommends that you vote in favour of the Resolutions to be proposed at the General Meeting.

2. Background to and reasons for the Placing

Toledo has majority economic interests in a portfolio of nickel laterite assets on Palawan Island in the Philippines. These include:

- a 56.1 per cent. interest in BNC, the owner of the Berong, Moorsom and Long Point nickel laterite deposits, which have aggregate pre-JORC resources of approximately 275Mt of nickel ore; and
- a 52 per cent. interest in Ipilan, the owner of the nickel laterite deposit at Ipilan which has a pre-JORC resource of approximately 77Mt of nickel ore.

It has always been the Company's stated intention to maximise the value of its nickel resource base through product beneficiation. The Company continues to work with Philippine, Chinese and European partners to achieve this goal while seeking to generate near term cash flow from the supply of nickel ore to BHP Billiton through a long term supply contract and possibly to other customers in the future.

As described in more detail below, the next eighteen months represent an important period in the Company's development and in particular, in positioning the Company to achieve its long term goal of valued added nickel processing in the Philippines. The Directors believe that the funds raised by the proposed Placing will enable the Company to maintain and develop its nickel laterite asset base, strengthen the Company's balance sheet and provide the Company with required working capital.

Berong

The Company has a 56.1 per cent. economic interest in BNC, the owner of the Berong, Moorsom and Long Point deposits located on the western side of Palawan Island. Toledo's partners in BNC are Atlas which has a 25.2 per cent. economic interest and European Nickel which acquired an interest of 18.7 per cent. in 2008.

Of the three deposits, Berong has been the main focus of activity to date. This deposit is estimated to host a pre-JORC resource of some 140Mt of nickel laterite ore at a grade of 1.41 per cent. Ni and a JORC resource of 10Mt at a grade of 1.55 per cent. Ni (giving 155,000t of contained nickel). The Long Point and Moorsom deposits are estimated in aggregate to host pre-JORC resources of 120Mt of nickel laterite ore at a grade of 1.25 per cent. Ni.

Direct Ore Shipping Operations

In 2007, limited mining commenced at Berong specifically as a cash generating DOS operation targeting customers in China and Australia. In September 2007, BNC secured a long term contract with Queensland Nickel, a BHP Billiton group company, to supply the Yabulu nickel refinery with up to 500,000t of ore per annum, with a minimum of 300,000t per annum. Toledo notes the announcement by BHP Billiton on 3 July 2009 that BHP Billiton expects to finalise the sale of the Yabulu nickel refinery as a going concern to companies wholly owned by Professor Clive Palmer by 31 July 2009. To date, production at Berong has totalled some 1.4Mt of ore (including samples for metallurgical test work) and sales and shipments have totalled just over 1Mt.

As a result of a dramatic decline in Chinese demand and an equally precipitous fall in the nickel price, it was determined by the Board to cease mining activity at Berong in late 2008.

Because the Berong operation entails the transshipment of ore by barge to offshore vessels, local weather and tidal patterns preclude shipments between October and March. As a consequence it has been the practice at Berong to build a stockpile ready for shipment as soon as the shipping window opens. When mining and shipping activity ceased last year, this stockpile amounted to some 300,000t, half of which met the specification required by BHP Billiton. So far this year, two shipments, amounting to just under 100,000t in total, have been made to BHP Billiton, with a third due in July.

In light of the recovery in the nickel price and recent enquiries from Chinese consumers, along with the long term contract to supply the Yabulu nickel refinery, the Company is examining the commercial viability of recommencing mining operations albeit on a limited scale. As reported in last year's annual general meeting presentation, for the nine months to September 2008 mining and transshipment costs excluding depreciation amounted to approximately US\$23.50 per wmt. On a 15 per cent. payable basis, assuming a 1.5 per cent. nickel grade and a 33 per cent. moisture content, this equates to the revenue generated at a nickel price of approximately US\$15,590 per tonne versus the current nickel price of approximately US\$15,350 per tonne. Mine production through to September 2008 averaged 79,000wmt per month and the challenge is to achieve similar or lower production costs at much lower production rates. It is the Directors' belief that the ore deposits at Moorsom and Long Point could present further DOS opportunities.

Value Adding Activities

After the assessment of a number of possible processing options and in particular, following the completion of a concept study by European Nickel in October 2008, Toledo has decided to focus exclusively on the development of a heap leach operation at Berong in strategic partnership with European Nickel. This decision was supported by laboratory test work undertaken by JXTC.

Negotiations have commenced with European Nickel to access their technical know how and operating skills and the Group is currently in active discussions with its partner JXTC to convert its existing memorandum of understanding into a legally binding agreement to govern the development and funding of a demonstration nickel-cobalt leaching plant, with the intention of targeting substantial production of nickel MHP within 5 years.

It is now a priority for the Group to define a JORC resource of sufficient size to support a viable heap leach project. A significant proportion of the funds raised by the proposed Placing are therefore to be deployed to fund a drilling program with the target of defining a JORC resource of at least 40Mt which the Directors consider would be sufficient to support a potential nickel mine producing 20,000t per annum of MHP. BNC is currently in the process of seeking the final local authority approvals required before the drilling activities can commence. The Company currently expects to commence the planned drilling campaign in late 2009.

Following the completion of the planned drilling program and ongoing metallurgical test work, the Group plans to commence a feasibility study.

Ipilan

The Company has a 52 per cent. economic interest in Ipilan, the owner of the Ipilan deposit on the eastern side of Palawan Island. Two Philippine companies; Brookes Nickel and Celestial Nickel, each hold interests of 24 per cent in Ipilan. Toledo has an option to acquire 40 per cent. of Brookes Nickel's interest in Ipilan by making a payment of US\$5 million at any time up to a decision to mine and an option to acquire 40 per cent. of Celestial Nickel's interest by making a payment of US\$8 million within a period of 12 months from the commencement of commercial production. Should both of these options be exercised, Toledo's interest in Ipilan would increase to 71.2 per cent.

Ipilan has a published JORC resource of 30.6Mt with an average grade of 1.36 per cent. Ni (giving 416,000t of contained nickel). The resource relates to less than one third of the MPSA area, which for the total area contains an estimated pre-JORC resource of 77Mt of 1.25 per cent. nickel.

An MPSA for a DOS operation is already in place and it is a condition of the current permit that Ipilan completes a "Declaration of Mining Feasibility" by the end of 2010. Some of the funds raised by the Placing will be allocated for this purpose.

The Ipilan deposit is part of the Celestial nickel laterite deposit, the other part of which is controlled by MacroAsia, a company which was established as a mining company in the 1970's but now is a major listed Philippine holding company specialising in the provision of aviation services and logistics. It is estimated that the Celestial nickel laterite deposit contains a pre-JORC resource in excess of 120Mt.

The Company has a memorandum of understanding with MacroAsia for the possible joint development of Celestial and MacroAsia is currently undertaking a drilling programme to better define its share of the resource.

The Company's overall strategy for Ipilan is to combine a cash generating DOS operation with a value added processing route to be determined in collaboration with Chinese partners.

3. Details of the Placing

The Company proposes to raise approximately £3.4 million (before expenses) through the issue of the Placing Shares at the Placing Price.

After expenses, the net proceeds of the Placing are expected to amount to approximately £3.24 million. The Placing proceeds will allow the Company to progress its business plan and to provide additional working capital as described in more detail in paragraph 4 below.

The Placing is subject to the terms of the Placing Agreement. Pursuant to the Placing Agreement, Ambrian has conditionally agreed to use its reasonable endeavours, as agent for the Company, to place the Placing Shares at the Placing Price with certain institutional and other investors.

The Placing is conditional upon, *inter alia*:

- (i) the Resolutions being duly passed at the General Meeting; and
- (ii) the Placing Agreement becoming unconditional and not having been terminated in accordance with its terms; and

- (iii) Admission occurring and having become effective by no later than 08.00 a.m. on 4 August 2009 (or such time and date as the Company may agree, being no later than 14 August 2009).

The Placing Agreement contains warranties from the Company in favour of Ambrian in relation to, *inter alia*, the accuracy of the information contained in this document and certain other matters relating to the Group and its business. In addition, the Company has agreed to indemnify Ambrian in relation to certain liabilities it may incur in respect of the Placing. Ambrian has the right to terminate the Placing Agreement in certain circumstances prior to Admission, in particular, for force majeure or in the event of a breach of the warranties set out in the Placing Agreement.

Application will be made for the Placing Shares to be admitted to trading on AIM and, subject to the passing of the Resolutions, Admission is expected to occur at 08.00 a.m. on 4 August 2009. The Placing Shares will, when issued, rank *pari passu* in all respects with the existing Ordinary Shares, including the right to receive all dividends and other distributions declared, made or paid on such Ordinary Shares following Admission.

4. Use of proceeds

As at 31 May 2009, the Company had net cash holdings of approximately £2.0 million (approximately US\$3.2 million). At the same date, loans outstanding to Philippine partners and secured against future cash flows from operations amounted to US\$12.4 million. Loans granted to these partners were in the form of drawdown facilities with each drawdown due for repayment three years after the date of drawdown. The first such repayment, in respect of a US\$5 million loan granted to Atlas, became due in April 2009 and remains outstanding.

When added to the Company's current net cash holdings, the Directors consider that the funding provided by the Placing will, based on the Company's current business plan, be sufficient for the planned exploration programme at Berong, the essential development work at Ipilan and normal operating activities through to the end of 2010.

The proposed Placing will raise gross proceeds of approximately £3.4 million and approximately £3.24 million (US\$5.24 million) after expenses. The net proceeds of the Placing are currently expected to be allocated as follows:

	<i>US\$000</i>
Berong	
Exploration activities including drilling expenses	1,130
Permitting expenses	210
Heap leach trials	240
	<u>1,580</u>
Ipilan	
Permit compliance expenses to "Declaration of Mining Feasibility"	1,400
Total Ipilan and Berong	<u>2,980</u>
Additional working capital	<u>2,261</u>
Total	<u>5,241</u>

5. General Meeting

Set out at the end of this document is a notice convening the General Meeting to be held at the offices of the Company, 11 Albemarle Street, London W1S 4HH on 31 July 2009 at 10 a.m. at which the Resolutions described below will be proposed.

The Notice contains both ordinary resolutions (which require the approval of a simple majority of Shareholders who vote either in person or by proxy) and a special resolution (which requires the approval of at least 75 per cent. of Shareholders who vote either in person or by proxy). Resolutions 1 and 2 will be proposed as ordinary resolutions and Resolution 3 will be proposed as a special resolution.

Resolution 1 – to increase the authorised share capital of the Company from £2,000,000 to £2,793,975 by the creation of 15,879,500 new Ordinary Shares such shares ranking *pari passu* in all respects with the existing Ordinary Shares;

Resolution 2 – that the Directors be authorised for purpose of section 80 of the Act to exercise all and any of the powers of the Company to allot up to an aggregate nominal amount of £1,292,310 new Ordinary Shares (representing the Placing Shares and further Ordinary Shares equal to one third of the Enlarged Issued Share Capital together with existing obligations in relations to share options); and

Resolution 3 – that the Directors be empowered pursuant to section 95 of the Act to allot equity securities (as defined in section 94 of the Act) pursuant to the authority conferred on them by resolution 2, as if section 89(1) of the Act did not apply to any such allotment, for the purpose of the Placing, and in an amount equal to 15 per cent. of the Enlarged Issued Share Capital.

6. Action to be taken in respect of the General Meeting

A Form of Proxy for use at the General Meeting accompanies this document. Shareholders, whether or not they propose to attend the General Meeting in person, are requested to complete, sign and return the Form of Proxy to the Company's registrar, Capita Registrars, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU as soon as possible and, in any event, so as to be received by not later than 10 a.m. on 29 July 2009. The completion and return of a Form of Proxy will not preclude Shareholders from attending the General Meeting and voting in person should they so wish.

7. Irrevocable undertakings

The Company has received an irrevocable undertaking to vote in favour of the Resolutions, as a condition of its participation in the Placing, from Daintree, which owns 5,912,250 Ordinary Shares representing approximately 20.0 per cent. of the Existing Issued Share Capital.

8. Appointment of new Non-Executive Director

The Company announced today that the Board has resolved to appoint Mr Jason Cheng as an additional Non Executive Director of the Company.

Mr Cheng (aged 37) is a director and shareholder of Daintree which is currently owned jointly by Mr Cheng and an associate of Mr Cheng. As described below, Daintree currently holds 5,912,250 Ordinary Shares representing approximately 20.0 per cent. of the Existing Issued Share Capital and, pursuant to a placing letter, has conditionally committed to purchase 4,060,000 Placing Shares resulting in an interest, subject to the completion of the Placing, in 9,972,250 Ordinary Shares representing approximately 24.0 per cent. of the Enlarged Issued Share Capital.

Mr Cheng is based in Hong Kong and is the Managing Partner of Ancora Capital Management Limited, a private equity firm which invests in the natural resources sector in Asia. Previously Mr Cheng has worked in investment banking in the resources sector at Schroders, Ord Minnett and JPMorgan in Australia, and was also based in Beijing, China, undertaking investment and advisory activities at Jade International Capital Partners.

Born and educated in Australia, Mr Cheng holds a Bachelor of Commerce from Melbourne University and a Masters of Commerce from Sydney University.

The Board of Toledo believe that Mr Cheng's business acumen and experience will make a significant contribution to the development of Toledo and are pleased to welcome Mr Cheng to the Board.

9. Related party transaction

Pursuant to the terms of a placing letter dated 3 July 2009 between the Company and Daintree, Daintree has conditionally agreed to subscribe for 4,060,000 Placing Shares. Daintree currently holds 5,912,250 Ordinary Shares representing approximately 2.0 per cent. of the Company's Existing Issued Share Capital and therefore this transaction is considered to be a related party transaction pursuant to rule 13 of the AIM Rules.

The Directors, having consulted with Ambrian as the Company's nominated adviser, consider that the terms of this transaction are fair and reasonable insofar as the Company's Shareholders are concerned. In being consulted, Ambrian has relied on the Directors commercial assessment of the transaction.

10. Significant Shareholders

Pursuant to a conditional placing letter, Daintree has committed to subscribe for 4,060,000 Placing Shares. Daintree is an existing Shareholder with an interest in 5,912,250 Ordinary Shares representing approximately 20.0 per cent. of the Company's Existing Issued Share Capital. Following Admission, Daintree will therefore have an interest in 9,972,250 Ordinary Shares representing approximately 24.0 per cent. of the Enlarged Issued Share Capital. As described in paragraph 8 of this document, the Board has resolved to appoint Jason Cheng, the joint owner of Daintree as an additional Non-Executive Director of the Company.

Pursuant to a conditional placing letter, Fevamotinic has committed to subscribe for 4,060,000 Placing Shares representing approximately 9.8 per cent. of the Enlarged Issued Share Capital. Fevamotinic is a privately owned company incorporated in Luxembourg, which is controlled by Kostyantyn Zhevago. Mr Zhevago is the Chief Executive Officer and 51 per cent. majority shareholder of Ferrexpo Plc, the London Stock Exchange listed iron ore producer with assets in the Ukraine.

11. Recommendation

The Directors consider the Placing to be in the best interests of the Company and its Shareholders as a whole and accordingly, unanimously recommend Shareholders to vote in favour of the Resolutions, as they have irrevocably undertaken so to do in respect of their beneficial holdings amounting, in aggregate, to 25,000 Ordinary Shares representing approximately 0.1 per cent. of the Existing Issued Share Capital.

Yours faithfully

Reg Eccles

Chairman

7 July 2009

Tim Ashworth, General Manager, Philippines, Toledo Mining Corporation, is a member of the Australian Institute of Mining and Metallurgy and is the qualified person that has reviewed and approved the technical information in this document.

Toledo Mining Corporation plc

(Incorporated and registered in England and Wales under the Companies Act 1985 with registered number 5055833)

NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN that a General Meeting of the Company will be held on 31 July 2009 at the offices of the Company, 11 Albemarle Street, London W1S 4HH at 10 a.m. for the purpose of considering and, if thought fit, passing the following resolutions with Resolutions 1 and 2 being proposed as ordinary resolutions and Resolution 3 being proposed as a special resolution:

THAT:

Ordinary Resolutions

1. The authorised share capital of the Company be and is hereby increased by £793,975 from £2,000,000 to £2,793,975 by the creation of a further 15,879,500 ordinary shares of 5p each in the capital of the Company, such shares ranking *pari passu* in all respects with the existing ordinary shares of 5p each in the capital of the Company and having the rights and being subject to the obligations set out in the articles of association of the Company.
2. That the directors be and are hereby generally and unconditionally authorised to exercise all the powers of the Company to allot relevant securities (within the meaning of section 80(2) of the Act) of the Company up to an aggregate nominal amount of £1,292,310 provided that this authority shall expire at the conclusion of the next annual general meeting of the Company to be held in 2009, unless previously renewed, varied or revoked by the Company in general meeting, save that the Company may before such expiry make any offer or agreement which would or might require relevant securities to be allotted after that date and the Company may implement the same as if the authority conferred hereby had not expired.

Special Resolution

3. That, subject to and conditional upon Resolution 2 above being passed, the directors be and are hereby authorised and empowered pursuant to section 95 of the Act to allot equity securities (within the meaning of Section 94(2) of the Act) for cash pursuant to the authority conferred by Resolution 2 above as if Section 89(1) of the Act did not apply to any such allotment, provided that this power shall be limited to the allotment of equity securities:
 - a. in connection with an offer of such securities by way of rights to holders of ordinary shares in proportion (as nearly as may be practicable) to their respective holdings of such shares, but subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to fractional entitlements or any legal or practical problems under the laws of any territory, or the requirements of any regulatory body or stock exchange; and
 - b. otherwise than pursuant to sub-paragraph (a) above up to an aggregate nominal amount of £600,000 in respect of the Placing; and
 - c. otherwise than pursuant to sub-paragraphs (a) and (b) above up to an aggregate nominal amount of £311,538,

and shall expire on the conclusion of the annual general meeting of the Company to be held in 2009 unless previously varied, revoked or renewed by the Company in general meeting provided that the Company may, before such expiry, make an offer or agreement which would or might require equity securities to be allotted in pursuance of any such offer or agreement notwithstanding that the power conferred hereby has expired.

BY ORDER OF THE BOARD

Thring Townsend Lee & Pembertons

Dated: 7 July 2009

Company Secretary

Notes:

1. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, only those Shareholders registered in the register of members of the Company as at 10 a.m. on 29 July 2009 shall be entitled to attend and vote at this General Meeting in respect of the number of shares registered in their name at that time. Changes to entries on the relevant register of securities after such time shall be disregarded in determining the rights of any person to attend or vote at this General Meeting.
2. Any shareholder who is entitled to attend and vote at this General Meeting is entitled to appoint one or more proxies to exercise all or any of his/her rights to attend, speak and vote at the meeting. To appoint more than one proxy you may photocopy this form. If you appoint more than one proxy, each proxy must be appointed to exercise the rights attached to a different share or shares held by you. Please indicate in the box next to the proxy holder's name the number of shares in relation to which they are authorised to act as your proxy. Please also indicate by ticking the box provided if the proxy instruction is one of multiple instructions being given. A proxy need not be a shareholder of the Company. Completion and return of the form of proxy will not preclude a shareholder from attending and voting at this General Meeting. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.
3. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).
4. If you submit more than one valid proxy appointment in respect of the same shares, the appointment received last before the latest time for the receipt of proxies will take precedence.
5. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with CRESTCo's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the issuer's agent (RA10) by the latest time(s) for receipt of proxy appointments specified in the notice of meeting. 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. CREST members and, where applicable, their CREST sponsors or voting service providers should note that CRESTCo does not make available special procedures in CREST for any particular messages. 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(s), 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 service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. 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.
6. A form of proxy is enclosed which to be effective must be completed, signed and received by the Company's registrar, Capita Registrars, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU no later than 48 hours before the time of the General Meeting. You can only appoint a proxy using the procedures set out in these notes and in the notes to the enclosed form of proxy.
7. In order to facilitate voting by corporate representatives at the General Meeting, arrangements will be put in place at the meeting so that (i) if a corporate shareholder has appointed the chairman of the meeting as its corporate representative with instructions to vote on a poll in accordance with the directions of all of the other corporate representatives for that shareholder at the meeting, then on a poll those corporate representatives will give voting directions to the chairman and the chairman will vote (or withhold a vote) as corporate representative in accordance with those directions; and (ii) if more than one corporate representative for the same corporate shareholder attends the meeting but the corporate shareholder has not appointed the chairman of the meeting as its corporate representative, a designated corporate representative will be nominated, from those corporate representatives who attend, who will vote on a poll and the other corporate representatives will give voting directions to that designated corporate representative. Corporate Shareholders are referred to the guidance issued by the Institute of Chartered Secretaries and Administrators on proxies and corporate representatives www.icsa.org.uk for further details of this procedure. The guidance includes a sample form of representation letter if the chairman is being appointed as described in (i) above.

