

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt about any aspect of the proposal described in this document or as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other appropriate independent adviser.

If you have sold or otherwise transferred all your ordinary shares of 10p each in Anglo & Overseas Plc (the “Company”), please forward this document to the purchaser or transferee, or to the bank, stockbroker or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee.

Anglo & Overseas Plc

Proposed change in investment policy

Notice convening an extraordinary general meeting of the Company, which is to be held on Friday, 16 May 2008 at 12.00 p.m. at the offices of JPMorgan Cazenove, 20 Moorgate, London EC2R 6DA, is set out on pages 5 and 6 of this document.

A personalised form of proxy for use at the meeting is enclosed with this document. The action to be taken by shareholders is set out on page 4 of this document. Whether or not you propose to attend the meeting, you are requested to appoint a proxy or proxies in accordance with the instructions printed on the accompanying personalised form of proxy. Submission of a form of proxy will not preclude a shareholder from attending at the meeting and voting in person. The form of proxy must be received by the Company’s registrars, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY, no later than 12.00 p.m. on Wednesday, 14 May 2008.

Anglo & Overseas Plc

*(Incorporated in England and Wales with registered number 5451176;
an investment company within the meaning of section 833 of the Companies Act 2006)*

Directors:

Robert Alcock (*Chairman*)
Christopher Duffett
John Pearmund
John Sussens
Giles Weaver

Registered office:

Beaufort House
51 New North Road
Exeter
EX4 4EP

To Ordinary Shareholders

18 April 2008

Dear Shareholder,

Proposed change in investment policy

In my Chairman's statement accompanying the Company's unaudited half-yearly report for the six month period ended 31 January 2008, which was released on 27 March 2008, I indicated that the Board was of the view that the Company's investment policy should be altered to remove an artificial restriction so that the investment manager may invest the portfolio without reference to geographical constraints. The Board believes this change will create the opportunity to increase the income element of total return and in turn the level of future dividends. On 27 March 2008 the Company announced an increase in the interim dividend of 29.0 per cent. to 0.80p per share, and that the Directors expect, barring unforeseen circumstances, that the total dividend for the current year would increase by not less than 20 per cent. over the previous year. The total dividend for the prior full period to 31 July 2007 was 2.20p per share.

Under the Listing Rules the Company is required to seek the approval of shareholders for any material change in its investment policy. The purpose of this document is to give you further information about the proposed change in investment policy and to convene an extraordinary general meeting of the Company to consider and, if thought fit, pass the necessary resolution. Notice of this meeting, which is to be held on Friday, 16 May 2008 at 12.00 p.m., is set out on pages 5 and 6 of this document.

Current investment policy

The Company's investment objective, which was established at the time of the Company's launch in July 2005, is to provide shareholders with above average returns over the longer term through both capital appreciation and income growth. The Company's current investment policy is to invest principally in securities of publicly quoted companies worldwide, in concentrated UK and international portfolios, each representing between 40 and 60 per cent. of the Company's total investments and comprising between 30 and 40 securities. The Company may invest up to 5 per cent. of its gross assets in unquoted securities.

Background to the proposed change in investment policy

Recent difficult stock market conditions and discount levels led your Board to hold discussions with the Company's advisers, including its investment manager, Edinburgh Partners Limited ("Edinburgh Partners"), as to whether the current investment policy continues to be appropriate. During these discussions the Board took into account the relationship of the income and capital elements of total return and the importance, in the Board's understanding, that shareholders place on dividend income. It is the Board's view that a greater emphasis on dividends within the Company's total return objective will be welcomed by existing shareholders and make the Company's shares more attractive to new investors. This should in turn assist in achieving the Board's aim that the Company's shares should trade either at a small discount or at a premium to their net asset value.

The Board has concluded that it would be in the interests of shareholders if the income element of total return could be increased, which should in turn permit an increase in the level of future dividends. The Board strongly supports the investment philosophy and approach of Edinburgh Partners and is of the view that the Company is more likely to be able to provide above average returns in the longer term if the geographical constraints in the current investment policy were removed. Your Board therefore proposes that, subject to shareholders' approval, the Company's investment policy be amended by dropping the requirement for separate UK and international portfolios, which will allow the Company's assets to be invested without restriction by reference to geographic constraints. It is also proposed to increase the current 10 per cent. gearing limit to 20 per cent. so as to give the Company greater ability to take advantage of future investment opportunities identified by the investment manager.

Proposed new investment policy

Under the proposed new investment policy the Company's policies on asset allocation, risk diversification and gearing will be as follows:

The investment objective of the Company will remain to provide shareholders with above average returns over the longer term through both capital appreciation and income growth.

Asset allocation

The Company's investment policy is to invest in a focused portfolio comprising principally securities of publicly quoted companies worldwide which the investment manager considers to be undervalued on the basis of their earnings potential. The Company may also invest up to 5 per cent. of its gross assets in unquoted securities and up to 10 per cent. of its gross assets in other listed investment companies or funds, including investment trusts. The Company's portfolio will be constructed without reference to either the composition of any stock market index or any geographic, industrial or sectoral asset allocation limits.

Where the investment manager believes market or economic conditions make equity investment unattractive or while seeking appropriate investment opportunities for the portfolio or to maintain liquidity, the Company may invest in bonds and other debt instruments, cash, cash equivalents or short term deposits. The proportion of the Company's assets which may be invested in this way will vary according to the investment manager's view of market or economic conditions and the availability of suitable equity investment opportunities. In the unlikely event of very extreme conditions, 100 per cent. of the portfolio could be so invested, although the use of such investments is not expected normally to exceed 30 per cent. of gross assets. In addition, the Company may purchase derivatives for the purposes of efficient portfolio management (i.e. for the purpose of reducing, transferring or eliminating investment risk in its investments, including protection against currency risk).

Risk diversification

In order to spread risk, the portfolio will normally consist of between 40 and 70 equity investments in publicly quoted companies. No single investment will represent more than 15 per cent. of the Company's gross assets at the time of its acquisition.

Gearing

The Company's policy on gearing will be not to have fixed or structural gearing, but the Company may from time to time, when deemed appropriate, borrow for investment purposes in various currencies to suit investment conditions. This gearing will not exceed 20 per cent. of shareholders' funds at the time of borrowing. This is intended to enhance the Company's ability to take advantage of future investment opportunities identified by the investment manager, subject always to the Board's overall control in relation to borrowings.

Extraordinary general meeting

The notice convening the extraordinary general meeting to approve the proposed change in investment policy is set out on pages 5 and 6 of this document. The meeting will be held at the offices of JPMorgan Cazenove, 20 Moorgate, London EC2R 6DA at 12.00 p.m. on Friday, 16 May 2008. The requisite resolution will require a simple majority of shareholders voting in person or by proxy at the meeting.

Action to be taken

You will find enclosed a personalised form of proxy for use at the extraordinary general meeting. Whether or not you intend to attend the meeting, please complete, sign and return the enclosed form of proxy as soon as possible in accordance with the instructions printed thereon. Forms of proxy should be returned so as to be received by the Company's registrars, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY, as soon as possible and in any event no later than 12.00 p.m. on Wednesday, 14 May 2008.

Recommendation

Your Board considers that the proposed change in investment policy described in this document is in the best interests of shareholders as a whole and unanimously recommends shareholders to vote in favour of the resolution to be proposed at the extraordinary general meeting, as the Directors intend to do in respect of their own beneficial holdings totalling 373,654 Ordinary Shares.

Yours sincerely

Robert Alcock

Chairman

Inspection of documents

Copies of the following documents will be available for inspection at the Company's registered office, Beaufort House, 51 New North Road, Exeter EX4 4EP and at the offices of Norton Rose LLP, 3 More London Riverside, London SE1 3AQ from 18 April 2008 until the time of the extraordinary general meeting and at the venue of the meeting from 15 minutes before the meeting until it ends:

- (i) the Company's Memorandum and Articles of Association*
- (ii) the Company's audited accounts for the period ended 31 July 2006 and the period ended 31 July 2007 and the Company's unaudited half-yearly report for the six months ended 31 January 2008.*

Anglo & Overseas Plc

(Incorporated in England and Wales with registered number 5451176)

Notice of Extraordinary General Meeting

NOTICE IS HEREBY GIVEN that an EXTRAORDINARY GENERAL MEETING of the Company will be held at the offices of JPMorgan Cazenove, 20 Moorgate, London EC2R 6DA on Friday, 16 May 2008 at 12.00 p.m. for the purpose of considering and, if thought fit, passing the following resolution as an ordinary resolution, namely:

ORDINARY RESOLUTION

THAT the altered investment policy set out in the circular from the Company to its shareholders dated 18 April 2008, a copy of which marked "A" and signed for the purpose of identification by the Chairman of the Meeting is produced to the Meeting, be and it is hereby approved and adopted with immediate effect as the Company's investment policy in place of the Company's existing investment policy.

Dated 18 April 2008

By Order of the Board,

<i>Registered office:</i> Beaufort House 51 New North Road Exeter EX4 4EP	Kenneth J. Greig
	<i>Secretary</i>

Notes:

- 1 A member is entitled to appoint one or more proxies to exercise all or any of the member's rights to attend, speak and vote at the meeting. A proxy need not be a member of the Company. If a member appoints more than one proxy to attend the meeting, each proxy must be appointed to exercise the rights attached to a different share or shares held by the member. If a member wishes to appoint more than one proxy, the member should follow the instructions in the form of proxy accompanying this Notice.

Any person receiving a copy of this Notice as a person nominated by a member to enjoy information rights under the Companies Act 2006 (a "nominated person") should note that the provisions in this Notice concerning the appointment of a proxy or proxies to attend the meeting in place of a member do not apply to a nominated person. However, a nominated person may have a right under an agreement between the nominated person and the member by whom he or she was nominated to be appointed, or to have someone else appointed, as a proxy for the meeting. If a nominated person has no such right or does not wish to exercise it, he/she may have a right under such an agreement to give instructions to the member as to the exercise of voting rights at the meeting.

- 2 A form of proxy is provided with this Notice for members. Completion and return of the form of proxy will not prevent a member from attending the meeting and voting in person. To be effective, the form of proxy and any power of attorney or other authority under which it is signed (or a notarially certified copy of such authority) must be deposited with the Company's registrars, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY, not less than 48 hours before the time of the holding of the meeting or any adjournment thereof. Completion and submission of the form of proxy will not preclude shareholders from attending and voting at the meeting should they wish to do so.
- 3 The statements of the rights of shareholders in relation to the appointment of proxies in Notes 1 and 2 above do not apply to nominated persons. These rights can only be exercised by members of the Company.

- 4 Pursuant to Regulation 41(1) of the Uncertificated Securities Regulations 2001 (SI 2001 No 3755), the Company has specified that only those members registered on the register of members of the Company at 6.00 p.m. on 14 May 2008 or, if the meeting is adjourned, at 6.00 p.m. on the day two days prior to the adjourned meeting shall be entitled to attend and vote at the meeting in respect of the number of shares registered in their name at that time. Changes to the register of members after the relevant time shall be disregarded in determining the rights of any person to attend and vote at the meeting.
- 5 CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) thereof by utilising the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

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 Euroclear UK & Ireland Limited'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 (ID 3RA50) by the latest time(s) for receipt of proxy appointments specified in Note 2 above. 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 Euroclear UK & Ireland Limited 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 If the Chairman, as a result of any proxy appointments, is given discretion as to how the votes the subject of those proxies are cast and the voting rights in respect of those discretionary proxies, when added to the interests in the Company's securities already held by the Chairman, result in the Chairman holding such number of voting rights that he has a notifiable obligation under the Disclosure Rules and Transparency Rules, the Chairman will make the necessary notifications to the Company and the Financial Services Authority. As a result, any member holding 3 per cent. or more of the voting rights in the Company who grants the Chairman a discretionary proxy in respect of some or all of those voting rights and so would otherwise have a notification obligation under the Disclosure Rules and Transparency Rules, need not make a separate notification to the Company and the Financial Services Authority.
- 7 In order to facilitate voting by corporate representatives at the extraordinary 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 corporate Shareholder present at the meeting then, on a poll, those corporate representatives will give voting directions to the Chairman of the meeting 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 in attendance on behalf of the corporate Shareholder 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 paragraph (i) of this Note 7.
- 8 As at 17 April 2008 (the latest practicable date before the printing of this document), the Company's total capital consisted of 89,724,381 Ordinary Shares of 10p each, of which 6,321,000 were held in treasury, with a resulting total of 83,403,381 voting rights.