

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document, you should consult a person authorised under the Financial Services and Markets Act 2000 who specialises in advising on the acquisition of shares and other securities.**

If you have sold or otherwise transferred all of your Ordinary Shares, you should immediately send this document, together with the accompanying form of proxy, to the stockbroker, bank or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee.

This document does not contain an offer of transferable securities to the public within the meaning of section 102B of FSMA and does not require a prospectus within the meaning of section 85 of FSMA and is not a prospectus as defined in the AIM Rules.

The Company and the Directors, whose names are set out on page 5 of this document, accept individual and collective responsibility for the information contained in this document and for the Company's compliance with the AIM Rules. 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 document is in accordance with the facts and does not omit anything likely to affect the import of such information.

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## **Chaco Resources PLC**

*(Incorporated in England and Wales under the Companies Act 1985 (as amended) with Registered No. 04030166)*

**Placing of 250 million new Ordinary Shares of 0.1p  
each at a price of 6p per share**

**Notice of AGM  
Nominated Adviser  
and Broker  
Blue Oar Securities Plc**



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<b>Share capital immediately following Admission</b>				
<b>Authorised</b>			<b>Issued and fully paid</b>	
<i>Amount</i>	<i>Number</i>		<i>Amount</i>	<i>Number</i>
£1,250,000	1,250,000,000	Ordinary Shares of 0.1p each	£806,434.55	806,434,554

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The Placing Shares will rank in full for all dividends or other distributions hereafter declared, made or paid on the Ordinary Share Capital of the Company and will rank *pari passu* in all respects with all other Ordinary Shares which will be in issue on completion of the Placing.

Blue Oar Securities Plc ("Blue Oar") is acting exclusively for the Company and no one else in connection with the Placing. Blue Oar will not regard any other person as its customer or be responsible to any other person for providing the protections afforded to customers of Blue Oar nor for providing advice in relation to transactions and arrangements detailed in this document. Blue Oar is not making any representation or warranty, express or implied, as to the contents of this document (without limiting the statutory rights of any person to whom this document is issued).

Notice of the Annual General Meeting of the Company to be held at The St Mellons Hotel, Castleton, Cardiff, CF3 2XR at 9.30 a.m. on 28 June 2007 is set out at the end of this document. A form of proxy to be used in connection with the Annual General Meeting accompanies this document and should be completed by shareholders and returned in accordance with the instructions printed thereon as soon as possible and in any event no later than 9.30 a.m. on 26 June 2007.

This document does not constitute an offer, or the solicitation of an offer to subscribe or buy Ordinary Shares to any person in any jurisdiction to whom it is unlawful to make such an offer or solicitation.

Copies of this document will be available for inspection free of charge during normal business hours at the registered office of the Company on any weekday (Saturdays and public holidays excepted) from the date of this document and for a period of one month from Admission.

## DEFINITIONS AND GLOSSARY OF TERMS

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

“the Act”	the Companies Act 1985 as amended;
“Admission”	the admission of the Placing Shares to trading on AIM becoming effective in accordance with the AIM Rules;
“AGM” or “Annual General Meeting”	the annual general meeting of the Company convened for 9.30 a.m. on 28 June 2007, notice of which is set out at the end of this document;
“AIM”	the AIM market operated by the London Stock Exchange;
“AIM Rules”	the Aim Rules for Companies as published by the London Stock Exchange from time to time;
“Board” or “Directors”	the Directors of the Company whose names are set out on page 5 of this document;
“Blue Oar”	Blue Oar Securities Plc, the nominated adviser and broker to the Company;
“Company”	Chaco Resources plc;
“CREST”	the computerised settlement system to facilitate the transfer of title to or interests in securities in uncertificated form, operated by CRESTCo Limited;
“Enlarged Issued Share Capital”	the issued share capital of the Company at Admission;
“Form of Proxy”	the form of proxy for use by Shareholders in connection with the Annual General Meeting;
“FSA”	the Financial Services Authority;
“FSMA”	the Financial Services and Markets Act 2000, as amended from time to time;
“London Stock Exchange”	London Stock Exchange plc;
“Ordinary Shares”	the ordinary shares of 0.1p nominal value each in the capital of the Company;
“Placing”	the conditional placing by Blue Oar on behalf of the Company of the Placing Shares pursuant to the Placing Agreement;
“Placing Agreement”	the placing agreement dated 23 May 2007 between (i) the Company and (ii) Blue Oar further details of which are set out on pages 5 and 6 of this document;
“Placees”	those persons who agree to subscribe for the Placing Shares pursuant to the Placing;
“Placing Price”	6p per Placing Share;
“Placing Shares”	250,000,000 new Ordinary Shares to be issued to Placees

	pursuant to the Placing Agreement;
“Resolutions”	the resolutions set out in Notice of the AGM attached to this document;
“Shareholder”	a holder of existing Ordinary Shares;
“UK”	the United Kingdom of Great Britain and Northern Ireland;
“UKLA”	United Kingdom Listing Authority, being the Financial Services Authority acting in its capacity as the competent authority for the purposes of Part VI of the Financial Services and Markets Act 2000;
“VAT”	UK value added tax.

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## PLACING STATISTICS

Number of existing issued Ordinary Shares	556,434,554
Placing Price	6p
Number of Placing Shares	250,000,000
Gross proceeds of the Placing	£15,000,000
Estimated net proceeds of the Placing receivable by the Company	£14,220,000
Placing Shares as a percentage of the Enlarged Issued Share Capital	31.04%
Market capitalisation of the Company on Admission at the Placing Price	£48,326,073.24

## EXPECTED TIMETABLE

**2007**

Publication of this document	4 June
Latest time and date for receipt of forms of proxy for the AGM	9.30 a.m. on 26 June
Annual General Meeting	9.30 a.m. on 28 June
Admission and dealings in the Enlarged Issued Share Capital expected to commence on AIM and expected date for CREST accounts to be credited in respect of Placing Shares	29 June

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## Chaco Resources plc

(Incorporated in England and Wales under the Companies Act 1985 (as amended) with Registered No. 04030166)

**Directors:**

Giles Clarke (*Chairman*)  
Dick van den Broek (*Deputy Chairman*)  
Dr. John Wardle (*Chief Executive Officer*)  
Nick Harrison  
Graeme J. Stephens  
Victor M. Valdovinos

**Registered Office:**

Lakeside  
Fountain Lane  
St Mellons  
Cardiff  
CF3 0FB

4 June 2007

To Shareholders of Chaco Resources Plc ( "the Company")

Dear Sir or Madam,

### Notice of Annual General Meeting

#### 1 2007 Annual General Meeting and Placing

You will find enclosed with this letter a copy of the Company's Annual Report and Financial Statements for the year ended 31 March 2007. This letter explains the business set out in the Notice convening the Company's Annual General Meeting for 28 June 2007 at 9.30 a.m. at The St Mellons Hotel, Castleton, Cardiff, CF3 2XR which is contained on page 12 of this document.

I am also pleased to advise you that today the Company announced that, through its brokers, Blue Oar Securities Plc, it is proposing to raise £15 million (before expenses) by way of a placing of 250 million ordinary shares at a price of 6p per share.

The Placing is conditional, among other matters, on shareholder approval, which is being sought at the AGM.

This letter also sets out below the background to and reasons for the Placing, and explains why the Directors believe that the Placing is in the best interests of the Company and Shareholders as a whole and why they recommend that Shareholders vote in favour of the Resolutions proposed at the Annual General Meeting.

#### *Details of the Placing*

Pursuant to the Placing, which is conditional, *inter alia*, upon Admission, the Company is raising £15 million at the Placing Price (£14,220,000 net of expenses excluding VAT) by issuing 250 million Placing Shares. Blue Oar has conditionally placed the Placing Shares with institutional and other investors including the Directors of the Company as set out below:

Giles Clarke: 2,500,000 shares;

Dick van den Broek (through a company controlled by him, DVDB Consultancies Limited): 300,000 shares;

Ms. Victoria Provis (wife of Dick van den Broek): 100,000 shares;

Dr. John Wardle: 1,000,000 shares;

Westleigh Investment Holdings Ltd (a company controlled by Giles Clarke and Nick Harrison): 1,000,000 shares; and

Nick Harrison: 250,000 shares.

The Placing is conditional, *inter alia*, upon:

- approval by the Shareholders of the allotment of the Placing Shares;
- the Placing Agreement becoming unconditional (save only for Admission); and
- Admission.

The Placing has not been underwritten. The Placing Shares will rank *pari passu* in all respects with the existing Ordinary Shares.

The Placing Agreement includes customary warranties and an indemnity given by the Company in favour of Blue Oar.

#### *Reasons for the Placing*

The net proceeds of the Placing will be used to assist the implementation of the Company's strategy. Specifically, the Directors believe that the Placing will enable the Company to:

- complete its initial programme of evaluation and appraisal of the Platanillo discovery in Columbia and commence production, which will require approximately £4.5 million;
- invest approximately £3 million to complete a full 3D seismic evaluation of the Fenix block in Columbia and, should the Company elect to enter Phase 2, to perform initial drilling on that block;
- invest approximately £5 million in new late-stage projects in Colombia where the Directors see a strong probability of production within 12 months of commencement. Within this £5 million, provision is expected to be made for a third well in Platanillo, if appropriate; and
- provide the Company with approximately £1.25 million of working capital.

Additionally, the Company intends to make further investments in Paraguay in surface geophysical evaluation and some focussed seismic surveys to support the Company in determining its future strategy in Paraguay.

The Directors, having consulted with the Company's advisers, have determined that, given the Company's requirement for significant capital in the near term to fulfil its current contractual obligations and future objectives, the most appropriate method of securing this funding is to raise money through a placing, rather than by way of a pre-emptive issue of shares.

#### *Admission, Settlement and Dealings*

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 will become effective and dealings will commence in the Placing Shares on 29 June 2007.

Placees who wish to hold their Placing Shares in uncertificated form will have their CREST accounts credited with the Placing Shares on 29 June 2007.

It is expected that certificates in respect of Placing Shares which Placees wish to hold in certificated form will be posted by 13 July 2007.

## **2 Ordinary Business at the AGM**

### *Resolution 1*

The Directors are required by law to present to the meeting the Company's Accounts and Report of the directors and auditors for the year ended 31 March 2007.

*Resolutions 2 and 3*

Graeme J. Stephens and Victor M. Valdovinos retire as directors by rotation and will stand for re-election in accordance with the Company's Articles of Association.

*Resolution 4, 5, 6 and 7*

Giles Clarke, Dick van den Broek, Nick Harrison and Dr. John Wardle, who were each appointed a director by the Board following the Annual General Meeting of the Company held in 2006 retire as directors and will stand for re-election, in accordance with the Company's Articles of Association.

*Resolutions 8 and 9*

The Company is required to appoint auditors at each general meeting at which financial statements are presented. These resolutions propose the re-appointment of the Company's existing auditors, Grant Thornton UK LLP, and follow standard practice in giving authority to the board to determine their remuneration.

**3 Special Business at the AGM**

*Resolution 10*

It is proposed that the authorised share capital of the Company be increased from £700,000 to £1,250,000 by the creation of an additional 550,000,000 ordinary shares of 0.1p each in the capital of the Company.

*Resolution 11*

The issued share capital as at 4 June 2007 was 556,434,554 ordinary shares of 0.1p each.

It is proposed that, subject to Resolution 10 having been passed, the Directors will be generally authorised for the purposes of section 80 of the Companies Act 1985 (the "Act") to allot ordinary shares, or to grant options to subscribe for ordinary shares, having an aggregate nominal value equal to £500,000 (approximately 62 per cent of the enlarged issued ordinary share capital). However, excluding new ordinary shares to be allotted pursuant to the Placing and excluding ordinary shares reserved for the exercise of share options and additional ordinary shares reserved for allotment in respect of the outstanding consideration which will become due under the terms of a share purchase agreement dated 27 September 2004 (the "Agreement") in the event that certain conditions are satisfied in relation to the actions of the government of the Republic of Paraguay to secure the concession rights of Bohemia S.A., the Directors will have authority to allot ordinary shares with an aggregate nominal value of £190,322.53 (approximately 23.60 per cent of the Enlarged Issued Share Capital).

*Resolution 12*

The provisions of section 89(1) of the Companies Act 1985 (the "Act") to the extent that they are not disapplied, confer on shareholders rights of pre-emption in respect of the allotment of equity securities which are, or are to be, paid up wholly in cash. Pursuant to this resolution, and subject to Resolutions 10 and 11 having been passed, the provisions of section 89(1) of the Act will be disapplied in respect of the Placing Shares and will be generally disapplied in connection with a rights or other pre-emptive issue, the allotment of new equity securities pursuant to the exercise of existing options over 50,570,000 Ordinary Shares of 0.1p in the capital of the Company, the allotment of 9,107,468 Ordinary Shares of 0.1p in the capital of the Company pursuant to the terms of the Agreement and any other issue of equity securities for cash which, when taken with other equity securities allotted for cash during the period of disapplication, do not in aggregate

exceed a nominal value of £80,643.45 (being 80,643,455 Ordinary Shares, approximately 10% per cent of the Enlarged Issued Share Capital). The authority sought by this resolution will last until the conclusion of the next Annual General Meeting of the Company or, if sooner, 15 months after the passing of the resolutions.

#### *Resolution 13*

The name of the Company be changed to Amerisur Resources PLC.

#### *Resolution 14*

A special resolution will also be proposed to amend the Articles of Association of the Company. The purpose of the resolution is to allow the Company to take advantage of the new Companies Act 2006 (the "2006 Act") rules for communications between companies, shareholders and others that came into force on 20 January 2007.

The key change made by the 2006 Act is that the Company will be able to send notices and other documents to shareholders by publishing them on its website, provided that certain conditions are met and procedures are followed. One of the conditions in the 2006 Act is that the Company's shareholders have resolved that the Company may send or supply notices or documents to members by making them available on a website. Accordingly, shareholders are being asked to do this by approving relevant amendments to the Company's Articles of Association.

The proposed amendments to the Company's Articles of Association cover all notices or documents (other than share certificates) that the Company may send to shareholders. This includes, but is not limited to, annual accounts and reports, notices of general meetings and any documents which the Company is required to send to shareholders under the Act, the AIM Rules or other relevant regulations to which the Company is subject.

The resolution will propose that the Company's existing Articles of Association be amended in the following manner:

The definition of "CA 1985" which appears in Article 2.1 be and is hereby deleted in its entirety and substituted with the following definition in its place:

"“CA 1985” means the Companies Act 1985, as amended restated or re-enacted (including pursuant to the Companies Act 2006) from time to time;”

The definition of "writing or written" which appears in Article 2.1 be and is hereby deleted in its entirety and substituted with the following definition in its place:

"“writing or written” means written or produced by any substitute for writing or partly one and partly another;”

Article 158 be and is hereby deleted in its entirety and substituted with the following Article 158 in its place:

“158.1 This Article applies to every balance sheet and profit and loss account to be laid before the Company's shareholders at a General Meeting and any other document which is required by law to be comprised therein or attached or annexed thereto.

158.2 Copies of the documents set out in Article 158.1 must be made available to the Company's shareholders and debenture holders and all other people to whom the Articles, or the legislation, may so require. This must be done at least 21 days before the relevant General Meeting. The Company need not make these documents available to any person for whom the Company does not have a current address and it is not required to make them available to more than one joint holder of shares or debentures but any member or holder of debentures to whom a copy of such documents or any substitute permitted by the Statutes has not been made available

shall be entitled to receive a copy free of charge on application at the Office. For these purposes “made available” means being sent by post or any other means permitted by the legislation (including by electronic communications or by making them available on a website).”

Articles 161 and 163.1 be and are hereby deleted in their entirety and substituted with the following Article 161 in their place:

“161.1 Any notice or document (including a share certificate) may be served on or delivered to any member by the Company either personally or by sending it through the post in a prepaid cover addressed to such member at his registered address, or (if he has no registered address within the United Kingdom) to the address, if any, within the United Kingdom supplied by him to the Company as his address for the service of notices, or by delivering it to such address addressed as aforesaid or subject to the Statutes, electronically to an electronic address or facsimile number notified to the Company by the shareholder for this purpose provided that a share certificate may only be delivered personally or by post. In the case of a member registered on a branch register any such notice or document may be posted either in the United Kingdom or in the territory in which such branch register is maintained. Where a notice or other document is served or sent by post, service or delivery shall be deemed to be effected at the expiration of twenty-four hours (or, where second-class mail is employed, forty-eight hours) after the time when the cover containing the same is posted and in proving such service or delivery it shall be sufficient to prove that such cover was properly addressed, stamped and posted. Where a notice or document is sent electronically service or delivery is deemed to be effected at the time of transmission and in proving such service or delivery it shall be sufficient to show the sender’s equipment indicates successful transmission. The accidental failure to send, or the non-receipt by any person entitled to any notice of or other document relating to any meeting or other proceeding shall not invalidate the relevant meeting or other proceeding. Any notice or other document may be served or delivered by the Company by reference to the register of members as it stands at any time not more than 15 days before the date of service or delivery, no change in the register of members after that time shall invalidate that service or delivery.

161.2 Subject to the Statutes and Article 161.1 above, the Company may also send any notice or other document pursuant to these Articles to a member by publishing that notice or other document on a website where:

- a) the Company and the member have agreed to him having access to the notice or document on a website (instead of it being sent to him);
- b) the notice or document is one to which that agreement applies;
- c) the member is notified, in a manner for the time being agreed between him and the Company for the purpose, of;
  - i) the publication of the notice or document on a website;
  - ii) the address of that website; and
  - iii) the place on that website where the notice or document may be accessed, and how it may be accessed;
- d) the notice or document is published on that website throughout the period beginning with the giving of that notification and ending with the conclusion of the meeting to which it relates, and provided that, if the notice or document is published on that website for a part, but not all of, the publication period, the notice or document shall be treated as being published throughout that period if the failure to publish that notice or document throughout that period is wholly attributable to circumstances

which it would not be reasonable to have expected the Company to prevent or avoid; and

- e) a notice treated in accordance with this Article as sent to any person is to be treated as so sent at the time of the notification mentioned in Article 161.2(c).

161.3 Any notice given to that one of the joint holders of a share whose name stands first in the Register of Members in respect of the share shall be sufficient notice to all the joint holders in their capacity as such. For such purpose a joint holder having no registered address in the United Kingdom and not having supplied an address within the United Kingdom for the service of notices shall be disregarded.

161.4 This Article applies to a shareholder whose address on the Register is outside the United Kingdom. He can give the Company a United Kingdom address where notices or documents can be given to him. If he does, he is entitled to have notices or documents given to him at that address. Otherwise, he is not entitled to receive any notices, electronically or otherwise, from the Company.

161.5 If on three consecutive occasions notices or other documents have been sent through the post to any member at his registered address or his address for the service of notices but have been returned undelivered, such member shall not thereafter be entitled to receive notices or other documents from the Company until he shall have communicated with the Company and supplied in writing a new registered address or address within the United Kingdom for the service of notices.”

#### 4 **Action to be Taken**

Shareholders will find enclosed with this document a Form of Proxy for the Annual General Meeting. **Whether or not you intend to be present at the meeting, you are requested to complete, sign and return the Form of Proxy in accordance with the instructions printed on it. The Form of Proxy should be returned to Proxy Processing Centre, Telford Road, Bicester, OX26 4LD (or by hand to Capita Registrars, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU) as soon as possible and, in any event, so as to arrive not later than 9.30 a.m. on 26 June 2007.** The completion and return of a Form of Proxy will not preclude you from attending the meeting and voting in person should you wish to do so.

#### 5 **Recommendation**

The Directors consider that the proposals set out in the Notice of Annual General Meeting are in the best interests of the Company and its shareholders as a whole. Your Directors unanimously recommend you to vote in favour of the resolutions, as they and those connected with them intend to do in respect of their own beneficial shareholdings, which amount in aggregate to 7,520,601 Ordinary Shares, representing approximately 1.35 per cent. of the issued share capital of the Company.

Yours faithfully,

**Giles Clarke**  
**Chairman**

#### **General Information**

*Documents for Inspection*

The following information, which is available for inspection during normal business hours at the registered office of the Company on any weekday (Saturdays and public holidays excepted) from the date of this notice until the date of the Annual General Meeting, will also be available for inspection at the place of the Annual General Meeting for a period of 15 minutes prior to the meeting and until the conclusion of the meeting:

- Memorandum and Articles of Association of the Company.
- Register of interests of Directors in the share capital of the Company
- Copies of service contracts of Directors of the Company

**NOTICE OF ANNUAL GENERAL MEETING  
CHACO RESOURCES PLC  
("the Company")**

(Registered in England and Wales under number 04030166)

NOTICE is hereby given that the Annual General Meeting of the Company for the financial year ended 31 March 2007 will be held at The St Mellons Hotel, Castleton, Cardiff, CF3 2XR on 28 June 2007 at 9.30 a.m. for the purpose of considering and, if thought fit, passing the following resolutions which in respect of resolutions numbered 1 to 11 (inclusive) will be proposed as ordinary resolutions and which in respect of resolutions numbered 12 to 14 will be proposed as special resolutions.

*Ordinary Business:*

**Ordinary Resolutions**

- 1 To receive and adopt the Company's Accounts and Report of the Directors and Auditors for the year ended 31 March 2007.
- 2 To re-elect Graeme J. Stephens as a director of the Company.
- 3 To re-elect Victor M. Valdovinos as a director of the Company.
- 4 To re-elect Giles Clarke as a director of the Company.
- 5 To re-elect Dick van den Broek as a director of the Company.
- 6 To re-elect Nick Harrison as a director of the Company.
- 7 To re-elect Dr. John Wardle as a director of the Company.
- 8 To re-appoint the auditors, Grant Thornton UK LLP.
- 9 To authorise the Directors to fix the remuneration of the auditors.

*Special Business:*

**Ordinary Resolution**

- 10 That the authorised share capital of the Company be increased from £700,000 to £1,250,000 by the creation of an additional 550,000,000 ordinary shares of 0.1p each in the capital of the Company.
- 11 That, subject to the passing of Resolution 10 above, the Directors be and they are hereby generally and unconditionally authorised for the purposes of section 80 of the Companies Act 1985 (the "Act") (in substitution for any existing authority to allot relevant securities) to exercise all the powers of the Company to issue and allot relevant securities (within the meaning of section 80(2) of the Act) of the Company up to a maximum aggregate nominal amount of £500,000 such authority to expire on the earlier of the conclusion of the next Annual General Meeting of the Company and the date falling 15 months after the date of the passing of this resolution (unless previously renewed, varied or revoked by the Company prior to such date) but so that the Company may, at any time prior to such date, make offers or agreements which would or might require relevant securities to be allotted after the expiry of such period and the Directors may allot

relevant securities pursuant to such offers or agreements as if the authority conferred hereby had not expired.

## Special Resolution

12 That, subject to the passing of Resolutions 10 and 11 above, the Directors be empowered pursuant to section 95 of the Act and pursuant to the authority conferred by resolution 11 above to allot equity securities (as defined in section 94(2) of the Act) for cash as if section 89(1) of the Act did not apply to such allotment provided that:

(a) this power shall be limited to:

- (i) the allotment of equity securities in connection with an invitation or offer of equity securities to holders of ordinary shares in proportion to their respective holdings of such securities or in accordance with the rights attached to such securities (but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or legal or practical problems under the laws of, or the requirements of any regulatory body or any stock exchange in, any territory);
- (ii) the allotment of up to 250 million new ordinary shares of 0.1p each in the capital of the Company pursuant to the Placing (as defined and described in the circular to shareholders of the Company dated 4 June 2007);
- (iii) the allotment of new equity securities pursuant to the exercising of existing options over 50,570,000 ordinary shares of 0.1p each in the capital of the Company;
- (iv) the allotment of equity securities pursuant to the obligations of the Company under an existing agreement relating to the sale and purchase by the Company of the entire issued share capital of Amerisur S.A. and Bohemia S.A. dated 27 September 2004, being 9,107,468 ordinary shares of 0.1p each in the capital of the Company; and
- (v) the allotment, otherwise than pursuant to paragraphs (i), (ii), (iii) and (iv) above, of equity securities up to an aggregate nominal amount of £80,643.45.

(b) unless previously revoked, varied or extended, this power shall expire on the earlier of the conclusion of the next Annual General Meeting of the Company and the date falling 15 months after the date of the passing of this resolution except that the Company may before the expiry of this power make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such offer or agreement as if this power had not expired.

13 That the name of the Company be changed to Amerisur Resources PLC.

14 That the Company's existing Articles of Association be amended in the following manner:

The definition of "CA 1985" which appears in Article 2.1 be and is hereby deleted in its entirety and substituted with the following definition in its place:

""CA 1985" means the Companies Act 1985, as amended restated or re-enacted (including pursuant to the Companies Act 2006) from time to time;"

The definition of "writing or written" which appears in Article 2.1 be and is hereby deleted in its entirety and substituted with the following definition in its place:

“writing or written” means written or produced by any substitute for writing or partly one and partly another;”

Article 158 be and is hereby deleted in its entirety and substituted with the following Article 158 in its place:

“158.1 This Article applies to every balance sheet and profit and loss account to be laid before the Company’s shareholders at a General Meeting and any other document which is required by law to be comprised therein or attached or annexed thereto.

158.2 Copies of the documents set out in Article 158.1 must be made available to the Company’s shareholders and debenture holders and all other people to whom the Articles, or the legislation, may so require. This must be done at least 21 days before the relevant General Meeting. The Company need not make these documents available to any person for whom the Company does not have a current address and it is not required to make them available to more than one joint holder of shares or debentures but any member or holder of debentures to whom a copy of such documents or any substitute permitted by the Statutes has not been made available shall be entitled to receive a copy free of charge on application at the Office. For these purposes “made available” means being sent by post or any other means permitted by the legislation (including by electronic communications or by making them available on a website).”

Articles 161 and 163.1 be and are hereby deleted in their entirety and substituted with the following Article 161 in their place:

“161.1 Any notice or document (including a share certificate) may be served on or delivered to any member by the Company either personally or by sending it through the post in a prepaid cover addressed to such member at his registered address, or (if he has no registered address within the United Kingdom) to the address, if any, within the United Kingdom supplied by him to the Company as his address for the service of notices, or by delivering it to such address addressed as aforesaid or subject to the Statutes, electronically to an electronic address or facsimile number notified to the Company by the shareholder for this purpose provided that a share certificate may only be delivered personally or by post. In the case of a member registered on a branch register any such notice or document may be posted either in the United Kingdom or in the territory in which such branch register is maintained. Where a notice or other document is served or sent by post, service or delivery shall be deemed to be effected at the expiration of twenty-four hours (or, where second-class mail is employed, forty-eight hours) after the time when the cover containing the same is posted and in proving such service or delivery it shall be sufficient to prove that such cover was properly addressed, stamped and posted. Where a notice or document is sent electronically service or delivery is deemed to be effected at the time of transmission and in proving such service or delivery it shall be sufficient to show the sender’s equipment indicates successful transmission. The accidental failure to send, or the non-receipt by any person entitled to any notice of or other document relating to any meeting or other proceeding shall not invalidate the relevant meeting or other proceeding. Any notice or other document may be served or delivered by the Company by reference to the register of members as it stands at any time not more than 15 days before the date of service or delivery, no change in the register of members after that time shall invalidate that service or delivery.

161.2 Subject to the Statutes and Article 161.1 above, the Company may also send any notice or other document pursuant to these Articles to a member by publishing that notice or other document on a website where:

- a) the Company and the member have agreed to him having access to the notice or document on a website (instead of it being sent to him);
- b) the notice or document is one to which that agreement applies;

- c) the member is notified, in a manner for the time being agreed between him and the Company for the purpose, of;
  - i) the publication of the notice or document on a website;
  - ii) the address of that website; and
  - iii) the place on that website where the notice or document may be accessed, and how it may be accessed;
- d) the notice or document is published on that website throughout the period beginning with the giving of that notification and ending with the conclusion of the meeting to which it relates, and provided that, if the notice or document is published on that website for a part, but not all of, the publication period, the notice or document shall be treated as being published throughout that period if the failure to publish that notice or document throughout that period is wholly attributable to circumstances which it would not be reasonable to have expected the Company to prevent or avoid; and
- e) a notice treated in accordance with this Article as sent to any person is to be treated as so sent at the time of the notification mentioned in Article 161.2(c).

161.3 Any notice given to that one of the joint holders of a share whose name stands first in the Register of Members in respect of the share shall be sufficient notice to all the joint holders in their capacity as such. For such purpose a joint holder having no registered address in the United Kingdom and not having supplied an address within the United Kingdom for the service of notices shall be disregarded.

161.4 This Article applies to a shareholder whose address on the Register is outside the United Kingdom. He can give the Company a United Kingdom address where notices or documents can be given to him. If he does, he is entitled to have notices or documents given to him at that address. Otherwise, he is not entitled to receive any notices, electronically or otherwise, from the Company.

161.5 If on three consecutive occasions notices or other documents have been sent through the post to any member at his registered address or his address for the service of notices but have been returned undelivered, such member shall not thereafter be entitled to receive notices or other documents from the Company until he shall have communicated with the Company and supplied in writing a new registered address or address within the United Kingdom for the service of notices.”

By Order of the Board  
Brian James  
Company Secretary  
4 June 2007

Registered Office:  
Lakeside  
Fountain Lane  
St Mellons  
Cardiff  
CF3 0FB

**Notes:**

- 1 Any member of the Company entitled to attend, speak and vote at the above-mentioned meeting may appoint a proxy to attend and, on a poll, vote instead of that member. A proxy may demand, or join in demanding, a poll. A proxy need not be a member of the Company.

- 2 To be valid, a form of proxy, together with any power of attorney or other authority (if any) under which it is signed, or notarially certified copies of such power of attorney or authority must be deposited at Proxy Processing Centre, Telford Road, Bicester, OX26 4LD (or by hand to Capita Registrars, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU) not later than 48 hours prior to the commencement of the Annual General Meeting. Completion and return of a form of proxy will not prevent a member from attending the Annual General Meeting and voting in person.
- 3 In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of any other joint holders. For these purposes, seniority shall be determined by the order in which the names stand in the register of members in respect of the joint holding.
- 4 In the case of a corporation, the form of proxy must be executed under its common seal or signed on its behalf by a duly authorised attorney or duly authorised officer of the corporation.
- 5 As provided with Regulation 41 of the Uncertificated Securities Regulations 2001, only those members registered in the register of Members of the Company 48 hours before the time set for the 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 entries on the relevant register of securities after that time shall be disregarded in determining the rights of any person to attend or vote at the Meeting.
- 6 CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Annual General Meeting and any adjournment(s) of the meeting by using 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 or instruction made using the CREST service 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, 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 Company's agent (ID 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 Company's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service provider(s) 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 provider(s) 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.

**CHACO RESOURCES PLC  
FORM OF PROXY**

**For use at the Annual General Meeting of the Company to be held at The St Mellons Hotel, Castleton, Cardiff, CF3 2XR on 28 June 2007 at 9.30 am.**

I/We .....

**(in BLOCK CAPITALS please)**

of .....being a shareholder(s) of the above-named Company, appoint the Chairman of the Meeting or ..... to act as my/our proxy to vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held at 9.30 a.m. on 28 June 2007 and at every adjournment thereof and to vote for me/us on my/our behalf as directed below.

*Please indicate with an 'X' in the spaces below how you wish your vote to be cast. If you sign this form, but no indication is given, your proxy will vote for or against the resolutions or abstain from voting as he thinks fit.*

**Normal Business**

<b>Ordinary Resolutions</b>		<b>For</b>	<b>Against</b>	<b>Abstain</b>
1.	To receive and adopt the Company's Accounts and report of the Directors and Auditors for the year ended 31 March 2007.			
2.	To re-elect Graeme J. Stephens as a director of the Company.			
3.	The re-elect Victor M. Valdovinos as a director of the Company.			
4.	To re-elect Giles Clarke as a director of the Company.			
5.	To re-elect Dick van den Broek as a director of the Company.			
6.	To re-elect Nick Harrison as a director of the Company.			
7.	To re-elect Dr. John Wardle as a director of the Company.			
8.	To re-appoint the auditors, Grant Thornton UK LLP.			
9.	To authorize the Directors to fix the remuneration of the auditors.			

**Special Business**

<b>Ordinary Resolutions</b>		<b>For</b>	<b>Against</b>	<b>Abstain</b>
10	To increase the share capital.			
11	To authorise the Directors to allot shares in the terms of the resolution.			
<b>Special Resolutions</b>		<b>For</b>	<b>Against</b>	<b>Abstain</b>
12.	To disapply the statutory pre-emption rights.			
13.	To change the Company name to Amerisur Resources PLC.			
14.	To alter the Articles of Association.			

Signed ..... Dated ..... 2007