

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

If you are in any doubt about the action you should take concerning it, you are recommended to seek your own financial advice from your stockbroker, bank manager, solicitor, accountant or other independent professional adviser authorised under the Financial Services and Markets Act 2000.

If you have sold or otherwise transferred all of your shares in INCAGOLD plc (the "Company"), please forward this document and the accompanying documents to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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**INCAGOLD PLC**

*(Incorporated in Isle of Man under the Companies Acts 1931 to 1993  
with registered number 108890C)*

Circular to Shareholders  
relating to a proposed change of scope of activities of the Company

and

Notice of Extraordinary General Meeting

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Notice of an Extraordinary General Meeting of the Company, to be held at the Company's offices, Lorne House, Castletown, Isle of Man, at 10 a.m. on Friday 31<sup>st</sup> October 2008 is set out on page 4 of this document.

In case you are unable to attend and vote at the Extraordinary General Meeting, a form of proxy for use at the meeting is enclosed. To be valid, forms of proxy should be completed, signed and returned so as to be received by the Company Secretary, Mrs. Tanya Rhodes at Lorne House, Castletown, Isle of Man, IM9 1AZ as soon as possible, but in any event so as to be received not later than 48 hours before the time of the Meeting.

The distribution of this document in jurisdictions other than the United Kingdom may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

**INCAGOLD PLC**

("the Company")

*(Incorporated in Isle of Man under the Companies Acts 1931 to 1993  
with registered number 108890C)*

**Directors:**

Roy William Tilleard, *Chairman*  
Richard Holmes, *CEO*  
Justin Gaisford Martin  
Jonathan Michael Charles Ely

**Registered Office:**

Lorne House  
Castletown  
Isle of Man  
IM9 1AZ

3<sup>rd</sup> October 2008

To the holders of Ordinary Shares

Dear Shareholder,

At the end of this letter you will find a Notice of Extraordinary General Meeting of the Company, which will be held at the Company's offices, Lorne House, Castletown, Isle of Man, at 10 a.m. on Friday 31<sup>st</sup> October 2008. The purpose of this letter is to explain to you the nature of the business to be proposed at that meeting, and the Directors' recommendation to shareholders in relation to that business.

The Board of the Company are seeking shareholder approval at an Extraordinary General Meeting of shareholders to alter the scope of activities of the Company.

**Background to the Proposal**

In the Admission Document dated 19 May 2005 the Company set out its scope of activities to operate in the publication of mass-market computer games, entertainment and the like. The Company continues to carry out this strategy within the Company's wholly owned subsidiary IncaGold GmbH, based in Switzerland. The Directors currently do not wish to change any other aspect of the scope of activities of the Company set out in the Admission Document dated 19 May 2005 although they intend, in due course, to seek shareholder approval to dispose of IncaGold GmbH. A further circular pursuant to AIM Rule 15 will be sent to shareholders in due course.

On the 18th June 2008, at an Extraordinary General Meeting of the Company it was resolved to alter the scope of activities of the Company to enable it to also consider opportunities within the international money transfer industry.

The Directors of the Company now believe that the Company should further alter its scope of activities to enable it to also consider opportunities within the cosmetic surgery insurance industry.

**Introduction to Cosmetic Surgery**

Ney Note Limited's January 2007 Cosmetic Surgery Report, (the "Key Note Report") states that, "In general, cosmetic surgery is non-essential surgery. As such, the main markets for this type of surgery tend to be found in the developed world or countries with a well-established professional class. Worldwide, women are the main consumers of both surgical and non-surgical cosmetic procedures. In 2002, the International Society of Aesthetic Plastic Surgery ("ISAPS"), the world's leading international body of aesthetic plastic surgeons, with nearly 1,500 members from 80 countries found that 87.8% of cosmetic surgery patients were women and 12.2% were men. In the majority of countries around the world, the typical age range of a patient is between 21 and 50 years old.

Not surprisingly, the US was the global leader in terms of cosmetic surgery in 2002 with the United Kingdom ranked in 20<sup>th</sup> position, behind countries such as Mexico, Argentina and Brazil and the European leader, Switzerland."

Five years on and in 2007, Mintel International Group Ltd's Cosmetic Surgery Market Intelligence report, (the "Mintel Report") estimated that, the United Kingdom market for cosmetic surgery and non-surgical procedures had growth to be worth £906 million, (from £143 in 2002), a market growth rate of 534% over the five-year period and predict that expenditure will increase by a further 174% at current prices, rising to an estimated £2.5 billion by 2012.

The Mintel Report goes on to identify that, "it is the people who are most likely to want cosmetic surgery (women, younger people) that are more likely to be put off by fear of pain, scarring and surgery going wrong. Their thought processes regarding surgery are likely to be more advanced, thinking beyond just what they want to have done, and actually considering how it is done and the implications of this. Their fears may also be fed by sensationalist stories about botched operations."

The Directors believe that, whilst British attitudes have historically been comparatively conservative, more British consumers are being persuaded by the improved techniques of cosmetic surgery and the plethora of popular TV shows extolling the benefits of cosmetic surgery such as "Extreme Makeover", and in particular the Channel 4 offering of "10 Years Younger".

#### **The Potential Product**

The Directors feel there is a market opportunity to devise and exclusively promote and sell an insurance policy specifically designed to meet the needs of someone who wishes to have financial protection against some of the consequences of a range of possible complications of cosmetic surgery going wrong, including haematoma (blood loss), seroma (fluid loss), scarring and implant replacement, and would like shareholder permission to explore this further. .

#### **Action to be taken**

Shareholders are requested to complete and return the enclosed form of proxy for use at the Extraordinary General Meeting, in accordance with the instructions printed on the form, so as to arrive at the Company Secretary, Mrs. Tanya Rhodes at Lorne House, Castletown, Isle of Man, IM9 1AZ as soon as possible, and in any event no later than 48 hours before the time fixed for the meeting. Completion and return form of proxy will not prevent you from attending the Extraordinary General Meeting and voting in person, if you wish to do so.

#### **Directors' Recommendation**

The Directors are of the opinion that the proposal made in the Resolution set out in the Notice of the Extraordinary General Meeting at the end of this letter is in the best interests of the Company and its shareholders as a whole. Accordingly, the Directors unanimously recommend that you vote in favour of the Resolution at the Extraordinary General Meeting.

Yours faithfully,

Roy Tilleard  
Chairman

**INCAGOLD PLC**

("the Company")

*(Incorporated in Isle of Man under the Companies Acts 1931 to 1993  
with registered number 108890C)*

**NOTICE OF EXTRAORDINARY GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that an Extraordinary General Meeting of the Company will be held at the Company's offices at Lorne House, Castletown, Isle of Man, at 10 a.m. on Friday 31<sup>st</sup> October 2008 for the purpose of considering and, if thought fit, passing the following resolution, which will be proposed as an ordinary resolution:

That the Company's scope of activity be altered to allow it to consider opportunities within the cosmetic surgery insurance.

By Order of the Board  
Mrs Tanya Rhodes  
Company Secretary

Registered Office:  
Lorne House  
Castletown  
Isle of Man  
IM9 1AZ

Notes:

1. Any person entitled to attend and vote at the Extraordinary General Meeting is entitled to appoint one or more persons to attend and, on a poll, vote in his place. A proxy need not be a member of the Company.
2. A form of proxy for use at the Extraordinary General Meeting is enclosed and, to be valid, it must be lodged at the offices of the Company Secretary, Mrs. Tanya Rhodes at Lorne House, Castletown, Isle of Man, IM9 1AZ together with the power of attorney or other written authority, if any, under which it is signed, or a notarially certified copy of such power or authority) not less than 48 hours before the time fixed for the meeting.
3. The appointment of a proxy does not preclude the appointing shareholder from subsequently attending and voting in person at the meeting.
4. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, to be entitled to vote at the meeting (and for the purposes of determination by the Company of the number of votes they may cast) members must be entered on the Register of Members of the Company by 10 a.m. on Wednesday 29<sup>th</sup> October 2008.

**INCAGOLD PLC**  
**FORM OF PROXY**  
**EXTRAORDINARY GENERAL MEETING**

I/We the undersigned ..... of .....  
..... being the holder(s) of ordinary shares of 0.001 pence  
each in the capital of the Company hereby appoint the Chairman of the Meeting or (see note (1)).....  
.....of..... as my/our proxy to attend and to vote for  
me/us and on my/our behalf at the extraordinary general meeting of the Company to be held at the Company's offices, Lorne House,  
Castletown, Isle of Man, at 10 a.m. on Friday 31<sup>st</sup> October 2008 and at any adjournment thereof.

I/We direct that my/our votes be cast on the specified resolutions as indicated by an X in the appropriate box.

- |   | <b>For</b>               | <b>Against</b>           | <b>Abstain</b>           |
|---|--------------------------|--------------------------|--------------------------|
| 1. To approve the alteration to the Company's scope of activities to allow it to consider opportunities within the cosmetic surgery insurance industry. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Notes:

1. If any proxy is desired other than the Chairman of the Meeting strike out the words "the Chairman of the Meeting or", insert the name of the proxy preferred and initial the alteration. Failure to initial the alteration will deem the Chairman of the Meeting to be your proxy. A proxy need not be a member of the Company.
2. If you sign the form and return it to the Company without any specific directions, the proxy will exercise his discretion both as to how he votes and as to whether or not he abstains from voting.
3. In the case of joint holdings the signature of any joint holder is sufficient.
4. In case of an individual, this form of proxy must be executed by the appointor or his attorney and in the case of the latter, the power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be deposited with the form of proxy.
5. In the case of a corporation, this form must be executed under the common seal by the signature of a director and its secretary or two directors or under the hand of a duly authorised officer or attorney.
6. To be valid, this form of proxy must be deposited with the company's Company Secretary, Mrs. Tanya Rhodes at Lorne House, Castletown, Isle of Man, IM9 1AZ not less than 48 hours before the extraordinary general meeting.
7. The completion and return of this form of proxy will not preclude you from attending and voting at the Meeting should you decide to do so.

Signature: .....

Dated: ..... 2008