

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document or as to what action you should take, you are recommended to seek your own personal financial advice from an independent financial adviser authorised and regulated under the Financial Services and Markets Act 2000 (as amended).

If you sell or have sold or otherwise transferred all of your ordinary shares in Lotus Resources Plc, you should deliver this document, together with the attached Form of Proxy, as soon as possible to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

The Directors, whose names are set out on page 4 of this circular and the Company, accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Directors and the Company (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 importance of such information.

Lotus Resources Plc

(Incorporated and registered in England and Wales under the Companies Act 2006 with No: 05890789)

Capital Reorganisation Change of Name New Investment Strategy Notice of General Meeting

Your attention is drawn to the letter from Jonathan Bradley-Hoare, Non-Executive Director of the Company, which is set out on pages 4 to 7 of this document and which recommends that you vote in favour of the resolutions to be proposed at the General Meeting.

This document does not constitute a prospectus for the purpose of the Prospectus Rules neither does it constitute an admission document drawn up in accordance with the PLUS Rules.

Notice of the General Meeting of Lotus Resources plc, to be held at 31 Harley Street, London, W1G 9QS, at 10 a.m on 20th December 2010 as is set out at the end of this document. Whether or not you intend to be present at the General Meeting you are urged to complete and return the enclosed Form of Proxy in accordance with the instructions printed thereon so as to arrive as soon as possible and, in order to be valid, in any event not later than 10a.m on 16th December 2010. Completion and return of Forms of Proxy will not preclude shareholders from attending and voting at the General Meeting should they so wish.

Copies of this document, will be available free of charge, until 20th December 2010 during normal working hours on any weekday (except Saturdays, Sundays and public holidays) at 31 Harley Street, London, W1G 9QS.

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EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Publication of this document	01 December 2010
Latest time and date for receipt of Forms of Proxy	10am, 16 December 2010
General Meeting	20 December 2010
Latest date for dealings in Ordinary Shares and for registration of transfers	20 December 2010
Record date for Capital Reorganisation	6pm, 20 December 2010
Admission effective and dealings in the New Ordinary Shares expected to commence on PLUS	21 December 2010
Expected date on which CREST accounts are to be credited with New Ordinary Shares	21 December 2010
Expected date new share certificates will be dispatched	30 December 2010

DEFINITIONS

“Act” or “Companies Act”	the Companies Act 2006, as amended;
“Articles”	the articles of association of the company as amended from time to time;
“Capital Reorganisation”	the consolidation and re-designation of the Existing Ordinary Shares into New Ordinary Shares and Deferred Shares;
“Completion”	the completion of the Proposal which is subject to approval of the Resolutions by Shareholders;
“Deferred Shares”	the deferred ordinary shares of 40p each in the capital of the Company to be created as part of the Capital Reorganisation;
"Document"	this circular;
“Existing Ordinary Shares”	the existing ordinary shares of 1p each in the capital of the Company;
“Form of Proxy”	the form of proxy accompanying this Document for use by Shareholders at the GM;
“GM”	General meeting to be held on 20 December 2010;
“Investment Strategy”	the new investment strategy adopted by the Company, and subject to Shareholder approval, details of which are set out on page 6 of this document;
“Lotus” or the “Company”	Lotus Resources Plc incorporated and registered in England and Wales with company number 05890789;
“New Ordinary Shares”	new ordinary shares of 10 pence each in the share capital of the Company following the Capital Reorganisation;
“Notice”	the notice of GM set out at the end of this Document;
“PLUS Rules”	PLUS Rules for Issuers March 2010, as amended from time to time;
“Proposal”	the proposal set out in this Document including the Capital Reorganisation, the adoption of the Investment Strategy and other matters to be considered at the GM;
“Resolutions”	the resolutions contained in the Notice; and
“Shareholders”	the shareholders of the Company at the date of this Document.

PART I

Letter from the Non-Executive Director of the Company

Directors

Gobind Sahney - Chairman
Jonathan Bradley-Hoare – Non Executive Director

Registered office:

31 Harley Street
London
W1G 9QS
United Kingdom

1 December 2010

Dear Shareholders

1. Introduction

Following the Company's announcement made on 14 September 2010, the Board assessed the Company's ability to continue to build a mining and exploration business in light of its inability to raise funds in the current economic climate. Following this strategic review, the Directors concluded that the Company and its Shareholders would benefit from a fundamental change of investment criteria and a decision was made to sell its Mongolian mining subsidiary, Lotus Minerals Mongolia Limited. Following this disposal, announced on 29 October 2010, and after paying existing creditors and expenses, the Company has net cash of approximately £200,000.

The Board is now seeking the approval of its Shareholders for, *inter alia*, a change in Investment Strategy. The Company intends to change its Investment Strategy from the mining sector to debt portfolio and other discounted asset purchasing as the Board considers that a change to this Investment Strategy, which is explained in more detail below, will enable the Company to achieve shareholder value going forward.

In addition to this proposed change in the Company's proposed Investment Strategy, the Board is also seeking Shareholder approval at the general meeting to change the Company's name, to renew the Directors' authority to allot shares, to disapply pre-emption rights and to amend the Company's Articles.

2. Summary of the Proposals

Change of Name

To reflect the change in investment strategy, the Company intends to change its name from Lotus Resources Plc to Alpha Universal Management Plc and a resolution will be put to shareholders at the GM to this effect.

Authority to issue shares and disapplication of pre-emption rights

The Directors may consider an issue of further capital in due course, as and when required accordingly, Resolution 5 seeks authority for the Board to allot New Ordinary Shares up to a nominal value of £1,000,000.

Section 561 of the 2006 Act contains pre-emption rights that require all equity shares which it is proposed to allot for cash to be offered to existing shareholders in proportion to existing shareholdings, unless a special resolution is passed to disapply such rights. Such rights do not apply to an issue otherwise than for cash, such as an issue in consideration of an acquisition. The Directors believe that these requirements are too restrictive and it is proposed that the Directors should be able to allot shares amounting to an aggregate nominal amount of £1,000,000 otherwise than on a pre-emptive basis.

In each case, the authority conferred shall expire fifteen months after the passing of this Resolution or at the conclusion of the next Annual General Meeting of the Company following the passing of this Resolution, whichever occurs first.

Capital Reorganisation

Following the completion of the Disposal announced on 18 November 2010, the Company has 77,024,400 shares in issue. Resolution 3, to be proposed at the GM and as set out at the end of this Document, proposes that every 50 Existing Ordinary Shares of 1p each in the issued share capital of the Company be consolidated into one New Ordinary Share of 10p and one Deferred Share of 40p, such Deferred Shares having the rights attached to them as set out in the Articles to be amended pursuant to the approval of Resolution 4 below.

The table below is based on a shareholder holding 10,000 Existing Ordinary Shares with an assumed market value of 0.35 pence per share. It illustrates that on that basis the aggregate market value of the ordinary shares held will remain unaffected by the Capital Reorganisation:

	<i>Number of shares</i>	<i>Nominal value per share (p)</i>	<i>Total nominal value £</i>	<i>Market value per share (p)*</i>	<i>Total Value £</i>
Existing Ordinary Shares	10,000	1	100	0.35	35
<i>Following Reorganisation:</i>					
New Ordinary Shares	200	10	20	17.5	35
Deferred Shares	200	40	80	n/a	n/a

*As of 1 December

The New Ordinary Shares will replace the Existing Ordinary Shares under the amended Company's Articles proposed to be adopted pursuant to Resolution 4 at the GM. The Deferred Shares arising under the Capital Reorganisation will carry no rights to vote or to participate in dividends and will carry limited rights on a return of capital (whether on liquidation or otherwise). The Deferred Shares will in effect be valueless.

No share certificates will be issued in respect of the Deferred Shares, nor will the CREST accounts of Shareholders be credited in respect of any entitlement to Deferred Shares, nor will they be admitted to trading on PLUS or any other investment exchange. It is the Board's intention, at the appropriate time, to make an application to the Court for the Deferred Shares to be cancelled.

Proposed Investment Strategy

The Directors consider that in the current economic climate, debt portfolio purchasing along with

other discounted asset purchasing, present an attractive source of income. By purchasing debt portfolios and other assets from credit originators in large volumes, the Directors consider that the Company will be able to purchase the debt at a large discount to its face value.

The Directors believe that they have corporate management and acquisition experience and intend to utilise their skills and experience in making acquisitions and applying management techniques to improve the performance of any acquisitions. Mr. Sahney has over 10 years of experience in the analysis, purchasing, and collections of discounted assets such as debt portfolios. He served as a Director of Argus Global Holdings Limited., based in London, where he was instrumental in establishing a global recovery network, making investments into international debt portfolios and managing recoveries in over 20 countries.

The Company will seek investments which would generally have some or all of the following characteristics, namely:

- Investments which provide a strategic fit as to opportunistic situations and cashflow generation; and
- where any investment can potentially generate capital uplift for its shareholders.

Such investments could include companies in which the Directors are shareholders and in which they may also exercise control, collectively or individually.

On an exceptional basis the Directors will also consider loss-making targets where, in their opinion, there is a clear opportunity to develop a profitable business.

Amendments to the Articles

In order to effect the Capital Reorganisation the Company needs to create a new class of share, the Deferred Shares. Resolution 4 proposes an amendment to the Articles to create the Deferred Shares. The Deferred Shares will not be admitted to trading on PLUS (or any other investment exchange) and will carry no rights to participate in the profits of the Company. On a return of capital in a winding up or dissolution of the Company the holders of the Deferred Shares will be entitled to repayment of the amount paid up on such shares only after payment to the holders of ordinary shares of the amounts paid up thereon and of the sum of £100,000 on each ordinary share. The Deferred Shares will carry no rights to attend any general meeting of the Company or speak or vote at any such meeting. In addition, the Company will have the irrevocable authority at any time to: (a) appoint any person to execute on behalf of any holder of Deferred Shares a transfer of all or any part thereof to any person as the Directors determine; (b) purchase all or any of the Deferred Shares for an amount equal to one pence in aggregate; (c) for the purposes of (b) to appoint any person to execute on behalf of a holder of Deferred Shares a contract for sale; and (d) to cancel all or any of the Deferred Shares purchased under (b) in accordance with the Companies Act.

The amended Articles are available for inspection at 31 Harley Street, London, W1G 9QS.

3. General Meeting

The Proposals are conditional upon the approval of the Shareholders at the GM. You will find at the end of this Document a Notice convening the GM to be held at 10 a.m. on 20th December 2010. At the GM, the Resolutions will be proposed to approve:

- (i) the proposed Investment Strategy;
- (ii) the change of name;
- (iii) the Capital Reorganisation;
- (iv) amending the Articles;
- (v) granting Directors authority to allot New Ordinary Shares in the capital of the Company; and
- (vi) the disapplication of pre-emption rights.

Action to be taken

Shareholders will find a Form of Proxy enclosed for use at the GM. Whether or not you intend to be present at the GM, you are requested to complete and return the Form of Proxy in accordance with the instructions printed thereon as soon as possible. To be valid, completed Forms of Proxy must be received by the Company's registrars, Share Registrars Ltd, Suite E, First Floor, 9 Lion and Lamb Yard, Farnham, Surrey, GU9 7LL not later than 10 a.m on 16th December 2010, being 48 hours, excluding non-working days, before the time appointed for holding the GM. Completion of the Form of Proxy will not preclude you from attending and voting at the GM in person if you so wish.

Recommendation

The Non-Executive Director, Jonathan Bradley-Hoare, believes that the Resolutions to be proposed at the GM are in the best interests of the Company and its Shareholders as a whole. Accordingly, the Director recommends that you vote in favour of the Resolutions.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'J Bradley-Hoare', with a stylized flourish at the end.

Jonathan Bradley-Hoare
Non Executive Director

Lotus Resources plc

Company number: 05890789

NOTICE IS HEREBY GIVEN that a general meeting of Lotus Resources plc (the "Company") will be held at 10 am on 20th December 2010 at 31 Harley Street, London, W1G 9QS (the "Meeting") for the purpose of considering and, if thought fit, passing the following resolutions which will be proposed, in the case of resolutions 1 and 5, as ordinary resolutions and, in the case of resolutions 2, 3, 4 and 6, as special resolutions:

Resolutions:

1. That the Company's investment policy be and is hereby approved as set out below:
The Company's investment strategy is intended to be in debt portfolio and other discounted asset purchasing. The Company may be either an active investor and acquire control of a single company or it may be a passive investor and acquire non-controlling shares or other assets or businesses as is considered to be in the best interests of the Company.
2. That the name of the Company be changed to "Alpha Universal Management plc" effective from the issue to the Company of the certificate of incorporation on change of name in respect of such change.
3. That the share capital of the Company be altered such that every 50 ordinary shares of 1p each in the issued share capital of the Company be consolidated into one Ordinary Share of 10p and one Deferred Share of 40p, such deferred shares having the rights attached to them as set out in the Articles to be amended pursuant to resolution 4 below.
4. That Article 6 of the existing articles of association of the Company be amended as follows:
 - (i) By changing the heading of the article to "SHARES", and renumbering the existing Article 6.1, "6.3"
 - (ii) By inserting new articles 6.1 and 6.2 as follows:
 - 6.1 The issued share capital of the Company, as amended by special resolution on 20 December 2010, is £770,244 divided into 1,540,488 ordinary shares of 10 pence each ("Ordinary Shares") and 1,540,488 deferred shares of 40 pence each ("Deferred Shares").
 - 6.2 The Deferred Shares shall have attached thereto, as a class, the following rights, privileges, restrictions and conditions:

Dividend:
The holders of the Deferred Shares shall have no right to receive dividends or otherwise participate in the profits of the Company;

Capital:
On a return of capital on liquidation or otherwise (other than on conversion, redemption or purchase by the Company of any of its own shares) holders of Deferred Shares shall be entitled, pro rata to their holdings of Deferred Shares, to be paid out of the assets of the Company available for distribution among the members, after payment to the holders of Ordinary Shares of the amounts paid up thereon and of the sum of £100,000 on each Ordinary Share, the amount paid up or credited as paid up on the Deferred Shares. The holders of the Deferred Shares shall not be entitled to any other or further right to participate in the assets of the Company;

Voting and attendance at general meetings:
The holders of the Deferred Shares shall have no right to receive notice of or attend and vote at any general meeting of the Company; and

Transfer; Authorities:
Each holder of Deferred Shares shall be deemed irrevocably to have authorised the Company at any time to appoint a person or persons to execute on behalf of such holder an agreement in respect of the transfer of and a transfer of such Shares to such person including without limitation the Company as the Company may designate, and/or to purchase the same itself in accordance with applicable laws in either such case for an aggregate consideration of £0.000001 per share without obtaining the sanction or consent of such holder and upon terms that any such consideration not exceeding £2.50 in respect of any holding of Deferred Shares may be paid to

and/or retained for the benefit of the Company, and to execute or sign on behalf of such holder such other documents as may be necessary or appropriate to give effect to the foregoing provisions; and pending such transfer or purchase the Company may refrain from issuing any certificate in respect of such Deferred Shares.

5. That, in substitution for any existing authority conferred on them, but without prejudice to the exercise of any such authority prior to the date hereof, the Directors be generally and unconditionally authorised in accordance with section 551 of the Companies Act 2006 to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for, or to convert any security into, shares in the Company ("Rights") up to an aggregate nominal amount of £1,000,000 during the period from the date of this resolution to the 31 December 2012 or the date of the next Annual General Meeting held by the Company following the passing of this resolution save that the Company may make offer(s) or enter into any agreement(s) before the expiry of this authority which would or might require shares to be allotted or Rights to be granted after such expiry and the Directors may allot shares and grant Rights pursuant to any such offers or agreements notwithstanding that this authority has not expired; and all unexercised authorities previously granted to the Directors to allot shares and grant Rights be and are hereby revoked.
6. That, in substitution for any existing power, but without prejudice to the exercise of any such power prior to the date hereof, and subject to the passing of Resolution 5 set out above, the Directors are generally and unconditionally empowered in accordance with section 570 and section 573 of the Companies Act 2006 to allot equity securities, within the meaning of section 560 of that Act, for cash pursuant to the authority conferred by Resolution 5 above, as if section 561 of that Act did not apply to any such allotment, provided that this power shall be limited to:
- (i) the allotment of equity securities, whether by way of rights issue, open offer or otherwise, to holders of ordinary shares and to holders of other securities in the Company that by their terms are entitled to participate in such rights issue, open offer or otherwise in such manner that the number of equity securities allotted to them is in proportion (as nearly as may be) to their respective holdings of such securities or in accordance with the rights attached thereto. The Directors may deal as they see fit with fractional entitlements, overseas shareholders and with the legal or practical problems or requirements of any regulatory body or stock exchange, in any territory;
 - (ii) the allotment of equity securities pursuant to the terms of any share scheme for employees approved by the Company in general meeting; and
 - (iii) (otherwise than pursuant to sub-paragraphs (i) and (ii) above) the allotment or sale of equity securities up to an aggregate nominal amount of £1,000,000;

The power conferred by this resolution 6 shall be in substitution for all such powers previously given but without prejudice to the continuing power of the Directors to allot equity securities pursuant to an offer or agreement made by the Company before the date this resolution is passed and unless previously renewed, varied or revoked by the Company in general meeting shall expire on 31 December 2012, or at the conclusion of the next following Annual General Meeting of the Company after the date on which this resolution is passed (whichever is the earlier), save that in accordance with section 570(4) of the Companies Act 2006 the Company may before such expiry make any offer(s) or enter into any agreement(s) which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of any such offer or agreement notwithstanding that the power conferred hereby has expired.

BY ORDER OF THE BOARD



Jonathan Bradley-Hoare
Company Secretary

Registered Office:
31 Harley Street
London
W1G 9QS

1 December 2010

NOTES TO THE NOTICE OF GENERAL MEETING

Appointment of proxies

1. As a member of the Company, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the Meeting and you should have received a proxy form with this notice of meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.
2. A proxy does not need to be a member of the Company but must attend the Meeting to represent you. Details of how to appoint the Chairman of the Meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form. If you wish your proxy to speak on your behalf at the Meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.
3. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share.
4. If you do not give your proxy an indication of how to vote on any resolution, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the Meeting.

Appointment of proxy using hard copy proxy form

5. The notes to the proxy form explain how to direct your proxy how to vote on each resolution or withhold their vote.

To appoint a proxy using the proxy form, the form must be:

- completed and signed;
- sent or delivered to the Company's registrars, Share Registrars Limited, Suite E, First Floor, 9 Lion and Lamb Yard, Farnham, Surrey GU9 7LL; and
- received by Share Registrars Limited (proxies) no later than 48 hours, excluding non-working days, before the time fixed for holding the General Meeting, or any adjournment thereof.

In the case of a member which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.

Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.

Appointment of proxy by joint members

7. 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).

Changing proxy instructions

8. To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.

Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact Share Registrars Limited (Proxies).

If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

Termination of proxy appointments

9. In order to revoke a proxy instruction you will need to inform the Company using the following method:

By sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to Share Registrars Limited, Suite E, First Floor, 9 Lion and Lamb Yard, Farnham, Surrey GU9 7LL. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.

The revocation notice must be received by Share Registrars Limited (Proxies) no later than 48 hours before the time for holding the meeting.

If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.

Appointment of a proxy does not preclude you from attending the Meeting and voting in person. If you have appointed a proxy and attend the Meeting in person, your proxy appointment will automatically be terminated.

Communication

10. Except as provided above, members who have general queries about the Meeting should contact Jonathan Bradley-Hoare on 0207 467 1700 or by email to jonathan@welbeck-ca.co.uk (no other methods of communication will be accepted). You may not use any electronic address provided either:
 - in this notice of general meeting; or
 - any related documents (including the proxy form),to communicate with the Company for any purposes other than those expressly stated.