

SECOND FOLD

BUSINESS REPLY SERVICE
LICENCE No DO 197



 **Dragon**
Ukrainian Properties & Development plc

Company Secretary
Standard Bank House
One Circular Road
Douglas
ISLE OF MAN
IM86 2BE

FIRST FOLD

THIRD FOLD AND TUCK IN



Ukrainian Properties & Development plc

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to what action you should take, you are recommended to seek your own financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser who specialises in advising on shares or other securities and who is, in the case of UK shareholders, authorised under the Financial Services and Markets Act 2000.

If you have sold or transferred your shares in Dragon – Ukrainian Properties & Development plc please forward this document at once to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. If you have sold or transferred part of your registered holding of shares, please consult the stockbroker, bank or other agent through whom the sale or transfer was effected.

DRAGON – UKRAINIAN PROPERTIES & DEVELOPMENT PLC

(Incorporated in the Isle of Man with registered number 119018C)

Directors:

Aloysius Wilhelmus Johannes van der Heijden (Chairman)
Tomas Fiala
Fredrik Svinhufvud
Boris Erenburg
Rafaël Biosse Duplan

Registered Office:

Standard Bank House
One Circular Road
Douglas, Isle of Man
IM1 1SB

NOTICE OF ANNUAL GENERAL MEETING

Notice of an Annual General Meeting of Dragon – Ukrainian Properties & Development plc (the “Company”) to be held at 11.15 am on 29 May 2009 at Standard Bank House, One Circular Road Douglas, Isle of Man, IM1 1SB is set out in this document. Members of the Company are requested to return the enclosed Form of Proxy which, to be valid, must be completed and returned in accordance with the instructions printed thereon so as to be received as soon as possible by the Company’s registrars, Standard Bank Trust Company (Isle of Man) Limited, Standard Bank House, One Circular Road, Douglas, Isle of Man, IM1 1SB but in any event so as to be received by Standard Bank Trust Company (Isle of Man) Limited in accordance with the provisions of the Company’s Articles of Association not less than 48 hours before the time appointed for the Annual General Meeting. Completion and return of a Form of Proxy will not preclude a member of the Company from attending and voting in person at the Annual General Meeting should they so wish.

ORDINARY BUSINESS

1. To receive and adopt the Financial Statements and Directors Report, together with the report of the auditors, for the period ended 31 December 2008.
2. To approve the fees of the directors of the Company as noted in Note “Related Parties Transaction” of the Financial Statements.

Total paid for the period ending 31 December 2008

Aloysius Wilhelmus Johannes van der Heijden	\$75,000
Fredrik Svinhufvud	\$50,000

3. To declare a nil dividend for the period ended 31 December 2008.
4. To re-elect Aloysius Wilhelmus Johannes van der Heijden as a director of the Company.
5. To re-elect Tomas Fiala as a director of the Company.
6. To re-elect Fredrik Svinhufvud as a director of the Company.
7. To re-elect Boris Erenburg as a director of the Company.
8. To elect Rafaël Biosse Duplan a Director of the Company who was appointed by the Board since the previous Annual General Meeting of the Company.
9. To re-appoint KPMG as auditors of the Company.
10. To authorise the directors of the Company to fix the remuneration of the Company’s Auditors.

SPECIAL BUSINESS

1. To unconditionally and generally authorise the Company (in addition to any existing authorities) for the purposes of section 13 of the Isle of Man Companies Act 1992 (the “Act”) to make one or more market purchases (within the meaning of section 13(2) of the Act of the issued ordinary shares of 1 penny each in the capital of the Company (each a “Share”) provided that:
 - (i) the maximum aggregate number of Shares hereby authorized to be purchased is 42,300,000
 - (ii) the minimum price which may be paid for each Share is the nominal amount thereof
 - (iii) the maximum price (exclusive of expenses) which may be paid for each Share is 25% above the average of the middle market quotations taken from the AIM market of the London Stock Exchange for the 20 trading days prior to 29 May 2009 or the date of the Annual General Meeting, whichever is the latter;
 - (iv) the authority hereby conferred shall expire on the day which falls 18 months from the date of the passing of this resolution save that the Company may make a contract or contracts to purchase Shares under this authority hereby conferred prior to the expiry of such authority which will or may be executed wholly or partly after the expiry of such authority and may make a purchase of Shares in pursuance of any such contract or contracts.

By Order of the Board
Stuart Christian
Secretary

Dated 30 April 2009

Action to be taken

A reply paid Form of Proxy is enclosed. Whether or not you intend to be present at the Annual General Meeting you are requested to complete the Form of Proxy in accordance with the instructions printed thereon and to return it to the Company's registrars, Standard Bank Trust Company (Isle of Man) Limited, Standard Bank House, One Circular Road, Douglas, Isle of Man, IM1 1SB as soon as possible and, in any event, so that it is received no later than 11:15 am on 27 May 2009 in accordance with the Company's Articles of Association. The completion and return of a Form of Proxy will not preclude you from attending the Annual General Meeting and voting in person if you wish to do so.

NOTES:

1. A member entitled to attend and vote at the Annual General Meeting is also entitled to appoint one or more proxies to attend and, on a poll, vote instead of him. The proxy need not be a member of the Company.
2. To be effective, the instrument appointing a proxy and any authority under which it is executed (or notarially certified copy of such authority) must be deposited at Standard Bank House, One Circular Road, Douglas, Isle of Man IM1 1SB not less than 48 hours before the time for holding the Annual General Meeting. A Form of Proxy is enclosed with this Notice. Completion and return of the Form of Proxy will not preclude members of the Company holding ordinary shares from attending and voting in person at the Annual General Meeting.
3. Pursuant to the Uncertificated Securities Regulations 2005, the time by which a person must be entered on the register of members in order to have the right to attend and vote at the Annual General Meeting is 11:15 am on 27 May 2009 (being not more than 48 hours prior to the time fixed for the Annual General Meeting) or, if the Annual General Meeting is adjourned, such time being not more than 48 hours prior to the time fixed for the adjourned meeting. Changes to entries on the register of members after that time will be disregarded in determining the right of any person to attend or vote at the Annual General Meeting.
4. 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 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 to be valid the appropriate CREST Proxy Instruction must be transmitted so as to be received by the Company's agent by the latest time(s) for receipt of proxy appointments specified in the Notice.

FORM OF PROXY FOR THE ANNUAL GENERAL MEETING

DRAGON – UKRAINIAN PROPERTIES & DEVELOPMENT PLC (“COMPANY”)

I, We

of with Account Designation

..... (number of shares)

a member/members of the above-named Company, hereby appoint the chairman of the meeting or

.....
as my/our proxy to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held at Standard Bank House, One Circular Road, Douglas, Isle of Man IM1 1SB at 11.15am on 29 May 2009 and at any adjournment thereof.

If you wish to instruct your proxy as to how to vote on your behalf please indicate by an "X" in the appropriate box below.

Ordinary Resolutions	For	Against	Vote Withheld	Discretionary
1. That the Financial Statements and Directors Report for the period ended 31 December 2008 be adopted.				
2. That the fees of the directors of the Company as noted in Note “Related Parties Transactions” of the Financial Statements be approved.				
3. That nil dividend be payable by the Company for the period ended 31 December 2008.				
4. That Aloysius Wilhelmus Johannes van der Heijden be re-elected as a director of the Company.				
5. That Tomas Fiala be re-elected as a director of the Company.				
6. That Fredrik Svinhufvud be re-elected as a director of the Company.				
7. That Boris Erenburg be re-elected as a director of the Company.				
8. That Rafaël Blosse Duplan be elected as a director of the Company.				
9. That KPMG be re-appointed auditors of the Company.				
10. That the directors of the Company be authorised to fix the remuneration of the Company’s Auditors.				

Special Resolutions	For	Against	Vote Withheld	Discretionary
<p>1. That in addition to any existing authorities, the Company be and is hereby generally and unconditionally authorized, for the purposes of section 13 of the Isle of Man Companies Act 1992 (the “Act”) to make one or more market purchases (within the meaning of section 13(2) of the Act) of the issued ordinary shares of 1 penny each in the capital of the Company (each a “Share”) provided that:</p> <p>(i) the maximum aggregate number of Shares hereby authorized to be purchased is 42,300,000;</p> <p>(ii) the minimum price which may be paid for each Share is the nominal amount thereof;</p> <p>(iii) the maximum price (exclusive of expenses) which may be paid for each Share is 25% above the average of the middle market quotations taken from the AIM market of the London Stock Exchange for the 20 trading days prior to 29 May 2009 or the date of the Annual General Meeting, whichever is the latter;</p> <p>(iv) the authority hereby conferred shall expire on the day which falls 18 months from the date of the passing of this resolution save that the Company may make a contract or contracts to purchase Shares under this authority hereby conferred prior to the expiry of such authority which will or may be executed wholly or partly after the expiry of such authority and may make a purchase of Shares in pursuance of any such contract or contracts.</p>				

Signed Dated

NOTES

- You may appoint a proxy of your own choice by deleting the words 'the chairman of the meeting' and inserting the name and address of your proxy in the space provided.
- Unless otherwise instructed, a proxy may vote as he sees fit, or abstain from voting on any business (including amendments to resolutions) which may properly come before the meeting.
- If the appointor is a corporation, this form must be under its common seal or under the hand of some officer or attorney duly authorised in that behalf.
- In the case of joint holders, the signature of any one holder will be sufficient, but the names of all the joint holders should be stated.
- To be valid, this Form of Proxy must be completed signed and lodged with the Company's Registrars, Standard Bank Trust Company (Isle of Man) Limited, Standard Bank House, One Circular Road, Douglas, Isle of Man IM1 1SB not less than 48 hours before the time fixed for holding the Annual General Meeting or adjourned Annual General Meeting in accordance with the Company's Articles of Association.
- A proxy need not be a member of the Company.
- Completion and return of this Form of Proxy does not preclude a member of the Company from subsequently attending and voting in person at the Annual General Meeting.