

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document or the action you should take you are recommended to seek your own independent financial advice from a person authorised under the Financial Services and Markets Act 2000 ("FSMA") who specialises in advising on the acquisition of shares and other securities before taking any action. You should read the entire document.

AIM is a market designed primarily for emerging or smaller companies in which a higher investment risk tends to be attached than to larger or more established companies. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser.

If you have sold or transferred all of your Existing Ordinary Shares, please pass this document together with the accompanying Form of Proxy 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 if you have sold or transferred only part of your holding of Existing Ordinary Shares you should retain this document.

Application will be made to the London Stock Exchange for the Subscription Shares to be admitted to trading on AIM. Subject to, amongst other things, the Resolutions being passed, it is expected that Admission will become effective and that dealings in the Subscription Shares will commence on AIM on 23 March 2013.

TEP Exchange Group PLC

**(Registered in England and Wales with registered number
3877125) (ISIN GB0030818198)**

**Proposed Subscription of 1,479,999,999 new Ordinary
Shares at 0.0135p per share**

Proposed New Investing Policy

and

Notice of General Meeting

A notice convening a general meeting of the Company to be held at the offices of Merchant Securities Limited, 10 King William Street, London EC4N 7TW on 15 March 2013 at 10.00 a.m. is set out at the end of this document. **To be valid, the Form of Proxy should be completed and returned to the Company's registrars, Capita Registrars, PXS, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU as soon as possible and, in any event, so as to arrive no later than 10.00 a.m. on 13 March 2013.** The completion and return of a Form of Proxy will not preclude you from attending and voting in person at the General Meeting should you wish to do so.

If you hold Existing Ordinary Shares in CREST you may appoint a proxy by completing and transmitting a CREST Proxy Instruction to Capita Registrars (CREST Participant ID RA10) so that it is received no later than 10.00 a.m. on 13 March 2013. The completion and return of a CREST Proxy Instruction will not preclude Shareholders who hold their Existing Ordinary Shares in CREST from attending and voting in person at the General Meeting, or any adjournment thereof, should you wish to do so.

The Subscription Shares will rank *pari passu* in all respects with the issued Ordinary Shares, including the right to receive all dividends and other distributions declared, made or paid on the Ordinary Shares after Admission.

Merchant Securities Limited, which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting exclusively for the Company and no one else in connection with the Proposals and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Merchant Securities Limited, or for providing advice in relation to the Proposals. Merchant Securities Limited is not making any representation or warranty, express or implied, as to the content of this document. No liability is accepted by Merchant Securities Limited for the accuracy of any information or opinions contained in or for the omission of any material information from this document, for which the Company and the Directors are solely responsible.

CONTENTS

1	Introduction.....	6
2	Background to and reasons for the Proposals.....	6
3	Current trading.....	7
4	Proposed New Investing Policy.....	7
5	The Subscription.....	8
6	The New Board.....	9
7	Option and Incentive Plans.....	9
8	New Articles.....	9
9	General Meeting.....	9
10	Action to be taken by Shareholders.....	10
11	Irrevocable undertakings to approve the Proposals.....	10
12	Recommendation.....	10
	NOTICE OF GENERAL MEETING.....	11

DEFINITIONS

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

“Act”	the Companies Act 2006, as amended
“Admission”	admission of the Subscription Shares to trading on AIM becoming effective in accordance with the AIM Rules
“AIM”	the AIM market operated by the London Stock Exchange
“AIM Rules”	together the AIM Rules for Companies, the AIM Rules for Nominated Advisers and the AIM Disciplinary Procedures and Appeals Handbook as published from time to time
“Articles”	the existing articles of association of the Company at the date of this document
“Board” or “Directors”	the directors of the Company as at the date of this document
“Capita Registrars”	the trading name of Capita Registrars Limited
“Company” or “TEP”	TEP Exchange Group PLC
“CREST”	the system for paperless settlement of trades and the holding of uncertificated shares administered through Euroclear UK & Ireland Limited
“Enlarged Issued Ordinary Share Capital”	the 2,959,999,998 Ordinary Shares in issue at Admission
“Existing Ordinary Shares”	the 849,999,999 issued ordinary shares of 0.001p each in the capital of the Company
“Form of Proxy”	the form of proxy accompanying this document for use in connection with the General Meeting
“GM” or “General Meeting”	the general meeting of the Company convened for 10.00 a.m. on 15 March 2013, notice of which is set out at the end of this document
“London Stock Exchange”	London Stock Exchange plc
“New Board”	George Kynoch, David Roxburgh, Donald Strang, Hamish Harris and Grant Roberts
“New Investing Policy”	the new investing policy described in paragraph 4 of this document and to be proposed for adoption by the Company at the General Meeting
“New Options”	new options granted under the share option scheme which is described in the Letter from the Chairman and is subject to Shareholder approval at the

General Meeting	the notice of General Meeting which is set out at the end of this document
“Ordinary Shares”	ordinary shares of 0.001p each in the capital of the Company
“Proposals”	the proposed Subscription and implementation of the proposed investment policy
“Resolutions”	the resolutions set out in the notice of the General Meeting at the end of this document
“Shareholders”	holders of Ordinary Shares
“Subscribers”	the subscribers for new Ordinary Shares pursuant to the Subscription
“Subscription”	the Subscription by the Subscribers for the Subscription Shares
“Subscription Letters”	the conditional subscription letter agreements dated 3 January 2013 to 14 February 2013, between the Company and the Subscribers
“Subscription Share Price”	0.0135p per Share
“Subscription Shares”	the 1,479,999,999 new Ordinary Shares to be issued by the Company pursuant to the Subscription
“TEP business”	the business carried on by the Company at the date of this document
“Warrant Exercise”	the exercise of warrants to subscribe for 630,000,000 new Ordinary Shares by certain shareholders

Expected Timetable of Principal Events

Publication date of this document	21 February 2013
Latest time for receipt of Forms of Proxy for the General Meeting	10.00 a.m. on 13 March 2013
General Meeting	10.00 a.m. on 15 March 2013
Admission effective and trading expected to commence in the Subscription Shares	23 March 2013
CREST accounts credited with Subscription Shares	23 March 2013
Share certificates in respect of Subscription Shares expected to be despatched by no later than (where applicable)	23 March 2013

Unless expressly stated otherwise, all future times and dates in this document are indicative only and may be subject to change.

Subscription Statistics

Subscription Price	0.0135 pence
Number of Subscription Shares being issued by the Company	1,479,999,999
Number of Ordinary Shares in issue immediately before the issue of the Subscription Shares (including the Ordinary Shares issued pursuant to the Warrant Exercise)	1,479,999,999
Number of Ordinary Shares in issue immediately following the Subscription	2,959,999,998
Number of Ordinary Shares on a fully diluted basis following Admission	2,959,999,998
Percentage of Enlarged Issued Share Capital represented by the Subscription Shares	50 per cent.
Amount, after expenses, being raised in the Subscription	£200,000
Market capitalisation at the Subscription Price immediately following Admission	£400,000

LETTER FROM THE CHAIRMAN

TEP Exchange Group PLC

(Incorporated in England and Wales with registered number 3877125)

Directors	Registered office
George Kynoch OBE (Non-Executive Chairman)	12 Grosvenor Court Foregate Street Chester CH1 1HG
David Roxburgh (Managing Director)	
Abraham Weitz (Non-Executive Director)	
Moses Kraus (Non-Executive Director)	21 February 2013

To Shareholders and, for information purposes only, to the holders of warrants over Ordinary Shares.

Dear Shareholder,

1 Introduction

Earlier today, the Company announced that it intends to raise £200,000 before expenses by means of a subscription for 1,479,999,999 new Ordinary Shares at 0.0135p per Ordinary Share and that it intends to utilise those funds in connection with implementing a proposed new investing policy for the Company, further details of which are set out below.

The Company also announced that, in order to facilitate the Subscription, certain Shareholders have exercised warrants to subscribe for a total of 630,000,000 new Ordinary Shares at an exercise price of 0.002p per Ordinary Share. The 630,000,000 new Ordinary Shares are expected to be admitted to trading on AIM on 18 March 2013. In addition, the Company announced that the Directors have proposed and approved an interim dividend of 0.02p per Ordinary Share, the timetable for which is as follows:

Exdividend date: 20 March 2013 Record date: 22 March 2013 Payment date: 12 April 2013

Accordingly, the interim dividend will be paid out to the Ordinary Shares in issue following the Warrant Exercise but before the Subscription.

The Subscription is conditional, *inter alia*, upon: (i) Shareholders passing the Resolutions at the General Meeting and (ii) the Subscription Shares being admitted to trading on AIM. The Resolutions are contained in the notice of General Meeting, which is set out at the end of this document. Application will be made for the Subscription Shares to be admitted to trading on AIM and it is expected that Admission will become effective and that dealings in these shares will commence on 23 March 2013.

The purpose of this document is to give you further information regarding the matters described above and to seek the shareholder authorities to implement the Proposals at the forthcoming GM. The General Meeting has been convened for 10.00 a.m. on 15 March 2013, at the offices of Merchant Securities Limited.

2 Background to and reasons for the Proposals

Since the banking crisis in 2008 the investor demand for traded endowment policies has reduced substantially with the commission income generated from the Company's electronic platform being severely affected as a result. The Company's revenue reduced significantly in the three financial years ended 31 December 2009 (2007: £606,502; 2008: £438,858; 2009: £10,334) with profit/(loss) attributable to equity holders being similarly reduced (2007: £37,535; 2008: (£217,606); 2009: (£215,009)). The Company was forced to seek a loan of £363,000 from its major shareholder, SL Investment Management Limited ("SL"), in 2009.

In 2010 the trading results of the Company were equally poor, with revenue of £15,000 generated in the six month period ended 30 June 2010 and a loss before and after tax in the same period of £92,000. The Company was forced to seek a further loan from SL and the total amount owed by the Company to SL as at 31 July 2011 was £469,000. Accordingly during that year the Company implemented a dramatic cost cutting exercise and, in addition, on 12 November 2010, SL entered into licence agreements with the Company.

The licensing arrangements with SL were set out in the Company's announcement of the contract at that time. In summary, the Company licensed its electronic platform and all technology to SL, in consideration for which TEP received a quarterly fee of £20,000. In addition, SL was also granted exclusive rights to develop and modify the electronic platform for a quarterly fee of £230,000 ("the Licence Agreement"), i.e. the net effect was to provide annual net income to TEP of £900,000. The Licence Agreement was entered into for a period of 10 years; however, SL had the right to terminate the agreement on 30 April of each year, subject to certain conditions.

On 3 September 2012, the Company announced that from 1 November 2012 the total quarterly licence fees payable to TEP would be reduced from £250,000 to £50,000 and in addition, SL now has the right to terminate the Licence Agreement upon giving 30 days' prior written notice to TEP. Accordingly, the business of TEP, although generating revenues is dependent on the maintenance of these Licence Agreement which can be terminated at short notice.

Although these revenues are now substantially reduced, during the life of the Licence Agreement so far the Company has been able to eliminate the deficit on the Company's balance sheet, effect a capital reconstruction to create distributable reserves and has paid a first dividend to all shareholders. In addition, a second dividend has been announced today and is expected to be paid on 12 April 2013.

The Directors consider that these arrangements have been fundamentally important to the Company and its Shareholders; however, the uncertainty surrounding the ongoing Licence Agreement has meant that the Board has been forced to consider the strategic future of the Company.

The Company received an approach from Hamish Harris and Donald Strang regarding a potential transaction for the recapitalisation of the Company and the simultaneous adoption of the New Investing Policy for the Company set out below, whereby the Company would be able to maintain its interest in the TEP business but also seek to maximise Shareholders value by drawing on their experience and expertise in identifying accretive opportunities. Accordingly, although the Company has no plans at this time to dispose of the TEP business, the Board considers that the adoption and implementation of the New Investment Policy is the best opportunity to establish greater Shareholder value.

3 Current trading

From 1 November 2012, the total quarterly licence fees being received from SL have reduced from £250,000 to £50,000 and, in addition, a wholly owned subsidiary of the Company is paying SL a quarterly licence fee of £25,000 resulting in an overall net quarterly income of £25,000.

The number of completed transactions taking place on the Company's electronic platform remains very low with no sign of any improvement from the market makers. The feedback from the market makers is that investor demand remains depressed even though there are excellent buying opportunities currently in the market place.

The Directors continue to keep costs under review.

4 Proposed New Investing Policy

The Company's proposed new investing policy is to invest in and/or acquire companies and/or projects with clear growth potential. The geographical focus will primarily be Africa, however, investments may also be considered in other regions to the extent that the New Board considers that value opportunities exist and attractive returns can be achieved.

In selecting investment opportunities, the New Board will focus on businesses that are available at attractive valuations and hold opportunities to unlock imbedded value.

The New Board will seek to invest in businesses where it may influence the business at a board level, add their expertise to the management of the business, and utilise their significant industry relationships and access to finance. The ability to work alongside a strong management team to maximise returns through revenue growth will be something the New Board will focus upon.

The Company's interests in a proposed investment and/or acquisition may range from a minority position to full ownership. The proposed investments may be either quoted or unquoted and may be in companies, partnerships, earnin joint ventures, debt or other loan structures, joint ventures or direct interests in projects. The New Board may focus on investments where intrinsic value can be achieved from the restructuring of investments or merger of complementary businesses.

The New Board expects that investments will typically be held for the medium to long term, although short term disposal of assets cannot be ruled out if there is an opportunity to generate an attractive return for Shareholders.

There is no limit on the number of projects into which the Company may invest, and the Company's financial resources may be invested in a number of propositions or in just one investment, which may be deemed to be a reverse takeover under the AIM Rules. The Directors intend to mitigate risk by appropriate due diligence and transaction analysis. Any transaction constituting a reverse takeover under the AIM Rules will also require Shareholder approval. The New Board considers that as investments are made, and new promising investment opportunities arise, further funding of the Company may also be required. The New Board has not excluded the possibility of building a broad portfolio of assets.

Where the Company builds a portfolio of related assets it is possible that there may be cross holdings between such assets. The Company does not currently intend to fund any investments with debt or other borrowings but may do so if appropriate. Investments in early stage assets are expected to be mainly in the form of equity, with debt being raised later to fund the development of such assets. Investments in later stage assets are more likely to include an element of debt to equity gearing. The New Board may also offer new Ordinary Shares by way of consideration as well as cash, thereby helping to preserve the Company's cash for working capital and as a reserve against unforeseen contingencies including, for example, delays in collecting accounts receivable, unexpected changes in the economic environment and operational problems.

Investments may be made in all types of assets and there will be no investment restrictions.

The New Board will conduct initial due diligence appraisals of potential business or projects and, where they believe further investigation is warranted, intend to appoint appropriately qualified persons to assist. The New Board believes it has a broad range of contacts through which they are aware of various opportunities which may prove suitable, although at this point only preliminary due diligence has been undertaken. The New Board believes its expertise will enable it to determine quickly which opportunities could be viable and so progress quickly to formal due diligence. The Company will not have a separate investment manager. The Company proposes to carry out a comprehensive and thorough project review process in which all material aspects of a potential project or business will be subject to rigorous due diligence, as appropriate.

5 The Subscription

Under the terms of the Subscription Letters, the Subscribers have agreed to subscribe for 1,479,999,999 new Ordinary Shares, in aggregate, at the Subscription Price, raising approximately £200,000 before expenses for the benefit of the Company.

The Subscription is conditional, *inter alia*, upon the passing of the Resolutions and the admission of the Subscription Shares to trading on AIM. Accordingly, the Company has convened the General Meeting, notice of which is set out at the end of this document.

The Subscription Shares, when issued and fully paid, will rank equally in all respects with the issued Ordinary Shares, including the right to receive all dividends and other distributions declared, made or paid after Admission.

It is expected that Admission will become effective and dealings in the Subscription Shares will commence on 23 March 2013.

Following the Subscription and Admission, the Company will have 2,959,999,998 Ordinary Shares in issue and admitted to trading on AIM.

6 The New Board

Conditional on Admission, Donald Strang, Hamish Harris and Grant Roberts will be appointed to the Board as NonExecutive Directors. David Roxburgh and I will remain on the Board and Abraham Weitz and Moses Kraus will resign from the Board, conditional on Admission. Following Admission, the New Board will be: Donald Strang as NonExecutive Chairman; David Roxburgh as Managing Director; and Hamish Harris, Grant Roberts and I will be NonExecutive Directors. Further information on Donald Strang, Hamish Harris and Grant Roberts is set out below.

Donald Ian George Layman Strang (proposed Nonexecutive Chairman), aged 45, is a member of the Australian Institute of Chartered Accountants and has been in business over 20 years, holding senior financial and management positions in both publicly listed and private enterprises in Australia, Europe and Africa. Mr Strang has considerable corporate and international expertise and over the past decade has focussed on mining and exploration activities.

He is currently the NonExecutive Chairman of AIM quoted Polemos plc, the Finance Director of AIM quoted Stellar Resources plc and the Executive Chairman of AIM quoted 3D Resources plc.

Hamish Hamlyn Harris (proposed Nonexecutive Director), aged 42, holds a Bachelor of Commerce from the University of Tasmania. He has held positions within product control, market risk and risk management at a number of financial institutions including Nomura Group, Dresdner Kleinwort Wasserstein, Deutsche Bank AG and Lloyds Banking Group plc. Hamish currently holds a position with Nivalis Capital.

He is currently a director of Marlin Atlantic Finance Limited and a NonExecutive Director of AIM quoted Polemos plc.

Grant Roberts (proposed Nonexecutive Director), aged 42, holds a Bachelor of Commerce from Murdoch University and has had over 15 years of experience working in private equity in the UK including with 3i, Newgate Partners and presently as a founding partner of Newgate LLP.

7 Option and Incentive Plans

The Company intends to grant options to subscribe for Ordinary Shares from time to time to incentivise directors, employees and consultants at the discretion of the New Board. Options granted to subscribe for Ordinary Shares in this manner will not exceed 10 per cent. of the Company's issued share capital from time to time without the prior approval of the Shareholders.

The Company also intends to adopt an incentive plan under which it may award Ordinary Shares for no cost to directors, employees and consultants. Ordinary Shares issued under this plan will not exceed 10 per cent. of the Company's issued share capital from time to time without the prior approval of Shareholders.

8 New Articles

It is proposed that the Articles be amended by the Company by the insertion of a new article 103A to allow the name of the Company to be changed by a Board resolution as permitted by the Companies Act 2006. Subject to the passing of the Resolutions at the General Meeting, it is intended that the name of the Company be changed by a resolution of the Board to reflect the Proposed New Investing Policy without incurring the additional time and expense with convening another General Meeting. At the date of this document, a new name has not been agreed yet.

9 General Meeting

The General Meeting has been convened for 10.00 a.m. on 15 March 2013 to be held at the offices of Merchant Securities Limited, 10 King William Street, London EC4N 7TW for the purpose of considering the Resolutions. At the General Meeting, the following resolutions will be proposed:

9.1 **Resolution 1:** an ordinary resolution to adopt the New Investing Policy.

- 9.2 **Resolution 2:** an ordinary resolution to authorise the directors of the Company to allot new Ordinary Shares generally up to an aggregate nominal amount of £100,000. The authority will give the directors the power to, *inter alia*, allot the Subscription Shares, any shares or options pursuant to the option and incentive plans described in paragraph 7 above. It will expire on the conclusion of the next Annual General Meeting of the Company.
- 9.3 **Resolution 3:** a special resolution authorising the directors of the Company to allot Ordinary Shares for cash up to the threshold described in Resolution 2 above on a non preemptive basis pursuant to the authority conferred by Resolution 2 above. This authority will expire on the conclusion of the next Annual General Meeting of the Company
- 9.4 **Resolution 4:** a special resolution to amend the Articles by the insertion of a new article 103A. This new article will allow the Company to change its name by a resolution of the Board.

10 Action to be taken by Shareholders

Shareholders will find a Form of Proxy enclosed for use at the General Meeting. Whether you propose to attend the GM or not, the Form of Proxy should be completed and returned to the Company's registrars, Capita Registrars at the address stated on the Form of Proxy as soon as possible and in any event, as so to be received by the Company's registrar, Capita Registrars Limited, PXS, 34 Beckenham Road, Beckenham, Kent BR3 4TU by not later than 48 hours before the time of the GM. Completion and return of the Form of Proxy will not prevent Shareholders from attending and voting in person at the General Meeting should they subsequently wish to do so.

11 Irrevocable undertakings to approve the Proposals

The Directors and SL, the Company's largest existing Shareholder, have irrevocably undertaken to the Company to vote in favour of the Resolutions to be proposed at the General Meeting, in respect of their aggregate beneficial holdings totalling 411,626,039 Ordinary Shares, representing approximately 48.43 per cent. of the Existing Ordinary Shares.

This does not include the Ordinary Shares issued pursuant to the warrant exercise, as these shares will not be recorded on the Company's register of members before the record date for the General Meeting.

12 Recommendation

The Directors believe that the terms of the Proposals are in the best interest of the Company and its Shareholders. Accordingly, the Directors unanimously recommend that you vote in favour of the Resolutions as they themselves intend to do in respect of their aggregate

shareholdings of 3,593,241 Ordinary Shares, equivalent to 0.42 per cent of the existing ordinary share capital of the Company.

Yours faithfully

George Kynoch OBE

Chairman

TEP Exchange Group PLC

(Registered in England and Wales with registered number 3877125)

NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN that a General Meeting of the Company will be held at the offices of Merchant Securities Limited, 10 King William Street, London EC4N 7TW on 15 March 2013 at 10.00 a.m. for the purpose of considering, and if thought fit, passing the following resolutions. Resolutions 1 and 2 will be proposed as ordinary resolutions and resolutions 3 and 4 will be proposed as special resolutions.

- 1 THAT the new investing policy, as set out in paragraph 4 of the circular dated 21 February 2013 issued by the Company ("Circular") be approved and adopted and the directors of the Company ("Directors") be authorised to take all such steps as they may consider necessary or desirable to implement that investing policy.
- 2 THAT in accordance with section 551 of the Companies Act 2006 (the "Act"), the Directors be generally and unconditionally authorised to allot equity securities (as defined by section 560 of the Act) up to an aggregate nominal amount of £100,000 provided that this authority shall, unless renewed, varied or revoked by the Company, expire on the conclusion of the next Annual General Meeting of the Company save that the Company may, before such expiry, make offer(s) or enter agreement(s) which would or might require shares to be allotted or equity securities to be granted after such expiry and the Directors may allot or grant equity securities in pursuance of such offers or agreements notwithstanding that the authority conferred by this resolution has expired.
- 3 THAT conditional on passing of Resolution 2 above, and in accordance with section 570 of the Act, the Directors be generally empowered to allot equity securities (as defined in section 560 of the Act) for cash pursuant to the authority conferred by Resolution 2 or by way of a sale of treasury shares, as if section 561(1) of the Act did not apply to any such allotment, provided that this power shall be limited to the allotment of equity securities:
 - (a) in connection with an offer by way of a rights issue:
 - (i) to the holders of ordinary shares in the capital of the Company in proportion (as nearly as may be practicable) to their respective holdings; and
 - (ii) to holders of other equity securities as required by the rights of those securities or as the Directors otherwise consider necessary, but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates, legal or practical problems in or under the laws of any territory or the requirements of any regulatory body or stock exchange;
 - (b) up to an aggregate nominal amount of £14,800 pursuant to the Subscription (as defined in the Circular); and
 - (c) (otherwise than pursuant to paragraphs 3(a) and 3(b) above) up to an aggregate nominal amount of £85,200.

and provided that this power shall expire on the conclusion of the next Annual General Meeting of the Company (unless renewed, varied or revoked by the Company prior to or on that date) save that the Company may, before such expiry, make offer(s) or 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 offers or agreements notwithstanding that the power conferred by this resolution has expired.

- 4 THAT the existing articles of association of the Company be amended by the insertion of a new Article 103A as follows:

"103A Change of Name

The name of the Company may be changed by a resolution of the Board."

By Order of the Board

J Murphy

Secretary

Registered Office:

12 Grosvenor Court
Foregate Street
Chester CH1 1HG

Dated 21 February 2013

Notes: Entitlement to attend and vote

- 1 In accordance with Regulation 41 of the Uncertificated Securities Regulations 2001, the Company gives notice that only those shareholders entered on the relevant register of members (the "Register") for certificated or uncertificated shares of the Company (as the case may be) at 6.00pm on 13 March 2013 (the "Specified Time") will be entitled to attend or vote at the General Meeting in respect of the number of shares registered in their name at the time. Changes to entries on the Register after the Specified Time will be disregarded in determining the rights of any person to attend or vote at the General Meeting. Should the General Meeting be adjourned to a time not more than 48 hours after the Specified Time, that time will also apply for the purpose of determining the entitlement of members to attend and vote (and for the purpose of determining the number of votes they may cast) at the adjourned General Meeting. Should the General Meeting be adjourned for a longer period, then to be so entitled, members must be entered on the Register at the time which is 48 hours before the time fixed for the adjourned General Meeting or, if the Company gives notice of the adjourned General Meeting, at the time specified in the notice.

Appointment of proxies

- 2 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.
- 3 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 or via CREST 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.
- 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 Capita Registrars, PXS, 34 Beckenham Road, Beckenham, Kent BR3 4TU; and

- received by Capita Registrars no later than 10.00 a.m. on 13 March 2013.

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 via CREST

- 6 CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members and those CREST members who have appointed 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 Euroclear UK & Ireland Limited's (formerly 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 Capita Registrars (ID RA10) by no later than 10.00 a.m. on 13 March 2013. No such message received through the CREST network after this time will be accepted. 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 registrars are 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 Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

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 Register in respect of the joint holding (the firstnamed 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 cutoff time for receipt of proxy appointments (see above) also apply in relation to amended instructions; any amended proxy appointment received after the relevant cutoff time will be disregarded.

Where you have appointed a proxy using the hardcopy Proxy Form and would like to change the instructions using another hardcopy Proxy Form, please contact Capita Registrars on 0871 664 0300 from within the UK or on + 44 20 8639 3399 if calling from outside the UK. Calls to the 0871 664 0300 number cost 10 pence per minute plus network extras. Lines are open 8.30 am to

5.30 pm (London time) Monday to Friday (except UK public holidays). Calls to the helpline from outside the UK will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Proposals nor give any financial, legal or tax advice.

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 (other than a CREST Proxy instruction) you will need to inform Capita Registrars by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to Capita Registrars, PXS, 34 Beckenham Road, Beckenham, Kent BR3 4TU. 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 Capita Registrars no later than 10.00 a.m. on 13 March 2013.

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 Capita Registrars on 0871 664 0300 from within the UK or on + 44 20 8639 3399 if calling from outside the UK. Calls to the 0871 664 0300 number cost 10 pence per minute plus network extras. Lines are open 8.30 am to 5.30 pm (London time) Monday to Friday (except UK public holidays). Calls to the helpline from outside the UK will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Proposals nor give any financial, legal or tax advice.

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.