

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take, you are recommended to seek your own financial advice from your stockbroker or other independent adviser authorised under the Financial Services and Markets Act 2000.

If you have sold or otherwise transferred all of your shares in 1pm plc please forward 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 as soon as possible for transmission to the purchaser or transferee. If you have sold only part of your holding of Existing Ordinary Shares in 1pm plc you should retain these documents.

The Directors, whose names appear on page 6 and the Company, collectively and individually, accept responsibility for all 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 import of such information.

Application will be made to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on AIM and it is expected that trading in the New Ordinary Shares will commence on 19 August 2013.

1pm plc

(Incorporated in England and Wales under the Companies Act 1985 with registered number 05845866)

**Capital Reorganisation
Amendment of Articles
Notice of Annual General Meeting
and
Notice of General Meeting**

This document should be read as a whole. Your attention is drawn to the letter from the Chairman of 1pm plc set out on pages 6 to 10 of this document which recommends that you vote in favour of the Resolutions.

Notice convening the AGM of 1pm plc to be held at 10.00 a.m. on Friday 16 August 2013 at Bailbrook House Hotel, Eveleigh Avenue, London Road West, Bath BA1 7JD is set out at the end of this document. All Shareholders are urged to complete and return the enclosed AGM Form of Proxy, whether or not they intend to be present at the meeting, in accordance with the instructions printed thereon so as to arrive as soon as possible and in any event, in order to be valid, so as to be received by the Company's registrars, Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA, not later than 10.00 a.m. on 14 August 2013. The completion and return of a Form of Proxy will not preclude a Shareholder from attending and voting in person at the AGM should he or she wish to do so.

Notice convening a General Meeting of 1pm plc to be held on Friday 16 August 2013 at 10.15 a.m., or as soon thereafter as the AGM convened for 10.00 a.m. on that day has concluded, at Bailbrook House Hotel, Eveleigh Avenue, London Road West, Bath BA1 7JD is set out at the end of this document. All Shareholders are urged to complete and return the enclosed GM Form of Proxy, whether or not they intend to be present at the meeting, in accordance with the instructions printed thereon so as to arrive as soon as possible and in any event, in order to be valid, so as to be received by the Company's registrars, Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA, not later than 10.15 a.m. on 14 August 2013. The completion and return of a Form of Proxy will not preclude a Shareholder from attending and voting in person at the General Meeting should he or she wish to do so.

Copies of this document, which is dated 18 July 2013, will be available free of charge to the public during normal working hours on any weekday (but not on Saturdays or public holidays) from the registered office of the Company and from the offices of Neville Registrars Limited for not less than one month from 18 July 2013 and will be available on the Company's website www.1pm.co.uk.

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DEFINITIONS

The following definitions apply throughout this Circular and the accompanying Form of Proxy unless the context requires otherwise:

“Admission”	the admission of the New Ordinary Shares in issue immediately following the Capital Reorganisation to trading on AIM becoming effective in accordance with the AIM Rules
“Annual General Meeting” or “AGM”	the annual general meeting of the Company, the notice of which is set out at the end of this Circular
“AGM Form of Proxy”	the form of proxy accompanying this Circular for use in connection with the AGM
“AIM”	the market of that name operated by London Stock Exchange plc
“AIM Rules”	the AIM rules for companies published by London Stock Exchange plc from time to time
“Articles”	the articles of association of the Company
“Board” or “Directors”	the directors of the Company whose names are set out on page 6 of this Circular
“Capital Reorganisation”	together the Consolidation and the proposed sale of the fractional entitlements to New Ordinary Shares in accordance with this Circular
“Circular”	this document
“Company”	1pm plc
“Company's Registrars”	Neville Registrars Limited
“Consolidation”	the proposed consolidation of every 1 Existing Ordinary Share into 0.0068181817561983476709241120825081 New Ordinary Shares, for brevity described as 1 Existing Ordinary Share into 0.006818 New Ordinary Shares
“CREST”	the electronic settlement system operated by Euroclear UK and Ireland Limited
“Existing Ordinary Shares”	the 4,395,618,769 ordinary shares of 0.068181817561983476709241120825081 pence each in the capital of the Company in issue at the date of this Circular
“Forms of Proxy”	together the AGM Form of Proxy and the GM Form of Proxy
“General Meeting” or “GM”	the General Meeting of the Company, notice of which is set out at the end of this Circular
“GM Form of Proxy”	the form of proxy accompanying this Circular for use in connection with the General Meeting

“Letter”	the letter from the Chairman set out in this Circular
“Meetings”	together the AGM and the GM
“New Ordinary Shares”	the new ordinary shares of 10 pence each in the capital of the Company resulting from the Consolidation
“Notices”	together the notice of the AGM and the notice of the GM
“Record Date”	16 August 2013
“Resolutions”	the resolutions before Shareholders as set out in the notice of Annual General Meeting and the notice of General Meeting
“Shareholders”	the holders of the Existing Ordinary Shares

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Despatch of this Circular	19 July 2013
Latest time and date for receipt of proxy forms for AGM	10.00 a.m. on 14 August 2013
Latest time and date for receipt of proxy forms for GM	10.15 a.m. on 14 August 2013
Latest time and date for dealings in Existing Ordinary Shares	6 p.m. on 16 August 2013
Annual General Meeting	10.00 a.m. on 16 August 2013
General Meeting	10.15 a.m. on 16 August 2013
Record Date	6 p.m. on 16 August 2013
Admission of New Ordinary Shares	19 August 2013
Commencement of dealings in New Ordinary Shares	19 August 2013
CREST accounts credited with New Ordinary Shares	19 August 2013
Despatch of definitive certificates for New Ordinary Shares in certificated form	26 August 2013

Notes

1. * All transfers must be settled by this date to qualify for the Consolidation
2. The dates and times set out in this Circular may be subject to change
3. All references to times in this Circular are to London time.

CAPITAL REORGANISATION STATISTICS

Number of Existing Ordinary Shares at the Record Date	4,395,618,769
Closing mid-market price as at 17 July 2013	0.26 pence
Approximate market capitalisation as at 17 July 2013	£11.4 million
Consolidation ratio	0.006818 New Ordinary Share for every 1 Existing Ordinary Share
Anticipated number of New Ordinary Shares	29,970,127
Theoretical mid-market price immediately following Capital Reorganisation	38 pence
Theoretical market capitalisation immediately following Capital Reorganisation	£11.4 million
ISIN number for the New Ordinary Shares	GB00BCDBXK4
SEDOL number for the New Ordinary Shares	BCDBXK4

LETTER FROM THE CHAIRMAN OF 1PM PLC



(Registered in England and Wales with number 05845866)

Directors

Address

Michael Johnson (*Non-executive Chairman*)
Maria Hampton (*Managing Director*)
Helen Walker (*Finance Director*)
Ron Russell (*Non-executive Director*)
Rodney Channon (*Non-executive Director*)

15 St James's Parade
Bath
Somerset
BA1 1UL

19 July 2013

Dear Shareholder

**Capital Reorganisation
Amendments to the Articles
Notice of Annual General Meeting
and
Notice of General Meeting**

1 Introduction

The purpose of this Circular is to provide you with details of, and reasons for, the proposed Capital Reorganisation and other matters proposed by the Directors, and to give you notice of the General Meeting at which the Resolutions necessary to effect the Capital Reorganisation and certain other matters, are to be proposed.

In addition, this Circular provides details of the AGM, notice of which is set out at the end of this document.

PART I

THE CAPITAL REORGANISATION

2 Background to and reasons for the Capital Reorganisation

The Company proposes to carry out the Capital Reorganisation such that every Existing Ordinary Share will be consolidated into New Ordinary Shares on the basis of 0.006818 New Ordinary Shares for each 1 Existing Ordinary Share.

The Company's current share capital is divided into 4,395,618,769 ordinary shares of 0.068181817561983476709241120825081 pence each. Over the twelve months ending at close of business on 17 July 2013 (the latest practical date prior to the publication of this Circular) the Company's share price on AIM has ranged between 0.075p and 0.295p.

The last couple of years has been a period of significant improvement for the Company. For the financial year to 31 May 2013 the Company reported revenues of £3.11m (2012: £2.31m, 2011: £1.33m) and pre-tax profits of £0.77m (2012: £0.44m, 2011: £0.20m). In addition, the Company's lease portfolio as at 31 May 2013 was £14.8m which represents an increase of 126 per cent. from the level reported as at 31 May 2010 (£6.55m).

To reinforce the trading and financial improvement made by the Company, the Board believes that it would be appropriate and beneficial to the Company and to the Shareholders to undertake the Capital Reorganisation. The Capital Reorganisation will, if implemented, allow the Company's share price to be consolidated such that it is no longer at a sub penny share price.

Under the Capital Reorganisation, which is proposed to be effected pursuant to the power to consolidate shares provided in Article 43.1 of the Articles, the Existing Ordinary Shares will be consolidated into New Ordinary Shares on the basis of 0.006818 New Ordinary Shares for each 1 Existing Ordinary Shares. Each New Ordinary Share will have a nominal value of 10 pence, which will be easier to manage than the nominal value of Existing Ordinary Shares which has 33 decimal places.

For the reasons set out above, the Directors are proposing the Capital Reorganisation.

3 Fractional entitlements to New Ordinary Shares

Most Shareholders will not hold at the Record Date a number of Existing Ordinary Shares that is exactly divisible by the consolidation ratio. The result of the Consolidation, if approved, will be that such Shareholders will be left with a fractional entitlement to a resulting New Ordinary Share.

Under Article 44 of the Articles, any fractions arising as a result of the Consolidation should be aggregated and sold for the best price reasonably obtainable, and the net proceeds of sale distributed in due proportion among such Shareholders unless the Directors consider that the cost of distribution would, in the reasonable opinion of the Board, be disproportionate to the amounts involved.

The Directors have decided, pursuant to the discretion provided in Article 44 and in line with market practice, that the costs of distributing any amounts less than £3 would be disproportionate to the amounts being distributed. Based on the current price of Existing Ordinary Shares, the maximum value of any fractional entitlement will be less than 20 pence. Therefore, all proceeds of sale of fractional entitlements arising as a consequence of the Capital Reorganisation will be retained for the benefit of the Company.

Shareholders should be aware that any Shareholder holding fewer than 147 Existing Ordinary Shares as at close of business on the Record Date will not receive any New Ordinary Shares under the Reorganisation, and as a result will no longer have any interest in shares in the Company.

Any Shareholder who holds fewer than 147 Existing Ordinary Shares and wishes to retain an interest in the Company will need to acquire additional Existing Ordinary Shares so that the Shareholder's enlarged holding at the Record Date is divisible at least once by 147.

4 Other effects of the Capital Reorganisation

The rights attaching to the New Ordinary Shares will be identical in all respects to those of the Existing Ordinary Shares.

Existing share certificates will cease to be valid following the Capital Reorganisation. New share certificates in respect of the New Ordinary Shares will be issued by 26 August 2013.

A CREST Shareholder will have his CREST account credited with his New Ordinary Shares following their Admission, which is expected to be on 19 August 2013.

5 Approval of the Capital Reorganisation

The Capital Reorganisation is conditional upon, and effected by, the resolution of the Shareholders at the General Meeting as required by the Companies Act 2006 and the Articles. The notice of General Meeting set out at the end of this Circular therefore contains resolutions which will, if passed, effect the Capital Reorganisation.

If the Resolutions are passed, the Capital Reorganisation will become effective immediately following close of business on the Record Date.

PART II

AMENDMENTS TO THE ARTICLES

6 Restriction on Borrowing

The Articles contain, at Article 81, a restriction on borrowing as follows:

81. *The Board shall restrict the borrowing of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiaries (if any) so as to secure (but as regards subsidiaries, only in so far as by such exercise the Board can secure) that the aggregate amount for the time being outstanding of all borrowing by the Group (excluding money owed by any member of the Group to any other member of the Group) shall not at any time without the previous sanction of an ordinary resolution of the Company exceed an amount equal to 7 times the amount of the issued share capital and sums standing to the credit of the share premium account of the Company from time to time.*

Article 86 refers to the restriction on borrowing contained in Article 81.

The Directors consider that, in view of the trading activities of the Company and the intention that the Company continues to expand through the raising of finance both through equity and debt routes, such limit on borrowing will imminently prove restrictive and so should be removed.

7 Proposed Amendment to the Articles

Accordingly, the Directors propose that:

- (a) the text of Article 81 be deleted and replaced, for the sake of the correct ordering of the remainder of the Articles, with the words "Intentionally Clear"; and
- (b) the text of Article 86 be deleted and replaced, for the sake of the correct ordering of the remainder of the Articles, with the words "Intentionally Clear".

8 Approval of the Amendments to the Articles

The amendments to the Articles are subject to the passing of special resolutions at the General Meeting. The notice of General Meeting set out on pages 13 to 15 of this Circular therefore contains special resolutions which will, if passed, effect the amendment of the Articles.

PART III

MATTERS BEING CONSIDERED AT THE ANNUAL GENERAL MEETING AND THE GENERAL MEETING

9 Matters to be considered at the Annual General Meeting

You will find set out at the end of this Circular a notice convening the General Meeting to be held at Bailbrook House Hotel, Eveleigh Avenue, London Road West, Bath BA1 7JD at 10.00 a.m. on Friday 16 August 2013, at which:

- (a) the financial statements for the year ended 31 May 2013 with the reports of the Directors and auditors therein, will be received and considered; and
- (b) the following resolutions will be proposed:
 - (i) **That** Moore Stephens be reappointed as auditors to hold office from the conclusion of the meeting to the conclusion of the next meeting at which financial statements are laid before the Company, with their remuneration to be determined by the directors of the Company.
 - (ii) **That Rodney Owen Channon** be re-elected as a director who retires by rotation in accordance with article 95 of the Company's articles of association, and offers himself for re-election.

10 Matters to be considered at the General Meeting

You will find set out at the end of this Circular a notice convening the General Meeting to be held at Bailbrook House Hotel, Eveleigh Avenue, London Road West, Bath BA1 7JD at 10.15 a.m., or as soon thereafter as the AGM convened for 10.00 a.m. on that day has concluded, on Friday 16 August 2013, at which the following resolutions will be proposed.

Part I of this Letter

- (a) An ordinary resolution that each of the Existing Ordinary Shares of 0.068181817561983476709241120825081 pence each in the capital of the Company be consolidated into New Ordinary Shares of 10 pence each on the basis that every 1 Existing Ordinary Share will be consolidated into 0.006818 New Ordinary Shares; and

Part II of this Letter

- (b) A special resolution that the Articles be amended such that the text comprising Article 81 be deleted and replaced by the words "Intentionally Clear"; and
- (c) a special resolution that the Articles be amended such that the text comprising Article 86 be deleted and replaced by the words "Intentionally Clear".

Authority to allot shares and power to allot shares on a non pre-emptive basis

- (d) An ordinary resolution to give authority to the directors to allot shares in the Company or grant rights to subscribe for or convert any security into shares in the Company up to an aggregate nominal amount of £299,700 (being approximately 10% per cent. of the issued ordinary share capital (excluding treasury shares) after the Reorganisation). If given, this authority will expire at the conclusion of the 2014 Annual General Meeting.

- (e) A special resolution to give the directors power to allot equity securities in certain limited circumstances otherwise than on a pre-emptive basis. The power is limited to the allotment of equity securities for cash up to an aggregate nominal value of £299,700 (being approximately 10% per cent. of the issued ordinary share capital (excluding treasury shares) after the Reorganisation). If given, this power will expire at the conclusion of the 2014 Annual General Meeting. Under the Companies Act 2006, if the Directors wish to allot shares for cash (other than in connection with an employee share scheme) they must first offer them to existing shareholders in proportion to their holdings ("a pre-emptive offer"). There may be occasions, however, when the Directors will need the flexibility to finance business opportunities by the issue of ordinary shares without a pre-emptive offer to existing shareholders.

11 Action to be taken

The AGM Form of Proxy for use at the AGM is enclosed with this Circular. **Whether or not you intend to be present at the AGM, you are requested to complete the AGM Form of Proxy and return it to the Company's Registrars, Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA as soon as possible and, in any event, so as to arrive not later than 10.00 a.m. on 14 August 2013.**

The GM Form of Proxy for use at the General Meeting is enclosed with this Circular. **Whether or not you intend to be present at the General Meeting, you are requested to complete the GM Form of Proxy and return it to the Company's Registrars, Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA as soon as possible and, in any event, so as to arrive not later than 10.15 a.m. on 14 August 2013.**

Alternatively, CREST members who wish to appoint a proxy or proxies via CREST may do so in accordance with the procedures set out in the Notices and the Forms of Proxy.

The return of the Forms of Proxy or appointment of a proxy via CREST will not prevent you from attending the Meetings and voting in person should you so wish.

12 Recommendation

The Board believes that the Capital Reorganisation and the other matters to be considered at the Annual General Meeting and the General Meeting are in the best interests of the Company and its Shareholders as a whole. Accordingly, the Board unanimously recommends that Shareholders vote in favour of all of the Resolutions, as they intend to do in respect of their own shareholdings (where applicable), which, at the date of this Circular, amount to 1,088,156,667 Existing Ordinary Shares in aggregate, representing 24.76 per cent. of all of the Existing Ordinary Shares.

Yours faithfully

Michael Johnson
Chairman

NOTICE OF ANNUAL GENERAL MEETING

1PM PLC (the "Company")

(Registered in England and Wales with number 05845866)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Company will be held at Bailbrook House Hotel, Eveleigh Avenue, London Road West, Bath BA1 7JD on Friday 16 August 2013 at 10.00 a.m. for the purpose of considering, and if thought fit, passing, the following resolutions as ordinary resolutions.

ORDINARY RESOLUTIONS

1. To re-appoint Moore Stephens as auditors to hold office from the conclusion of the meeting to the conclusion of the next meeting at which financial statements are laid before the Company at a remuneration to be determined by the Directors.
2. To re-elect Rodney Owen Channon as a Director, who retires by rotation in accordance with article 95 of the Company's articles of association, and offers himself for re-election.

19 July 2013

BY ORDER OF THE BOARD
Rod Channon
Company Secretary

Registered Office:
15 St James's Parade
Bath
Somerset
BA1 1UL

Company Number: 05845866

Notes:

1. A member of the Company entitled to attend and vote at the above meeting may appoint a proxy to exercise all of his/her rights to attend, speak and (on a poll) vote instead of him/her. A proxy need not be a member of the Company. If you wish your proxy to speak on your behalf at the general meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to him/her.
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 general meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to him/her.
3. Completion and return of a form of proxy does not preclude a member from attending and voting at the meeting in person should he/she so wish. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.
4. A member may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. A member may not appoint more than one proxy to exercise rights attached to any one share. For another form to appoint more than one proxy, please contact the Company's registrars at Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA.

5. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, the member's proxy will vote or abstain from voting at his or her discretion. The 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.
6. A form of proxy is enclosed and to be valid must be completed and returned so as to reach the Company's registrars, Neville Registrars Limited, New Issue Department, Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA (together with a letter or power of attorney or other written authority, if any, under which it is signed or a notarially certified or office copy of such power or written authority) not later than 10.00 a.m. on 14 August 2013.
7. To change proxy instructions a member should simply submit a new form of proxy using the method set out below. Members should note that the cut-off time for receipt of proxy forms (see above) also applies in relation to amended instructions; any amended proxy form received after the relevant cut-off time will be disregarded. Members should contact the Company's registrars for a new proxy form. If a member submits more than one valid form of proxy, the appointment received last before the latest time for the receipt of proxies will take precedence.
8. In order to revoke a proxy instruction a member needs to inform the Company by sending a signed hard copy notice to the Company's registrars clearly stating his or her intention to revoke the proxy appointment. 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 the Company's registrars at the address set out above not later than 48 hours before the time fixed for holding the meeting or any adjournment thereof. If a member attempts to revoke their proxy appointment but the revocation is received after the time specified then, subject to note 3 above, their proxy appointment will remain valid.
9. The register of interests of the Directors and their families in the share capital of the Company kept by the Company under section 809 of the Companies Act 2006 will be produced at the start of the meeting and will be available until the conclusion of the meeting.
10. Pursuant to Regulation 41 of The Uncertified Securities Regulations 2001, only those members registered in the Register of Members of the Company as at 10.00 a.m. on 14 August 2013 being not more than 48 hours before the time fixed for the meeting, are entitled to attend or vote at this meeting in respect of the number of shares registered in their name at 10.00 a.m. on 14 August 2013. Changes to entries in the Register after 10.00 a.m. on 14 August 2013 shall be disregarded in determining the right to attend or vote at the meeting.
11. 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).
12. If multiple corporate representatives are appointed, in order to facilitate voting by corporate representatives at the general meeting, arrangements will be put in place at the meeting so that:
 - (i) if a corporate member has appointed the Chairman of the meeting as its corporate representative with instructions to vote on a poll in accordance with the directions of all the other corporate representatives for that member at the meeting, then, on a poll, those corporate representatives will give voting directions to the Chairman and the Chairman will vote (or withhold a vote) as corporate representative in accordance with those directions; and
 - (ii) if more than one corporate representative for the same corporate member attends the meeting but the corporate member has not appointed the Chairman of the meeting as its corporate representative, a designated corporate representative will be nominated, from those corporate representatives who attend, who will vote on a poll and the other corporate representatives will give voting directions to that designated corporate representative.

NOTICE OF GENERAL MEETING

1PM PLC (the "Company")

(Registered in England and Wales with number 05845866)

NOTICE IS HEREBY GIVEN that a General Meeting of the Company will be held at Bailbrook House Hotel, Eveleigh Avenue, London Road West, Bath BA1 7JD on Friday 16 August 2013 at 10.15 a.m., or as soon thereafter as the AGM convened for 10.00 a.m. on that day has concluded, for the purpose of considering, and if thought fit, passing, the following resolutions as to resolutions 1, and 4 as ordinary resolutions and resolutions 2, 3 and 5 as special resolutions:

ORDINARY RESOLUTIONS

- 1 **That** every 1 existing Ordinary Share of 0.068181817561983476709241120825081 pence each in the capital of the Company (whether issued or unissued) be consolidated into 0.006818 new Ordinary Shares of 10 pence each.

SPECIAL RESOLUTIONS

- 2 **That** the articles of association of the Company be amended such that the text comprising Article 81 be deleted and replaced by the words "Intentionally Clear".
- 3 **That** the articles of association of the Company be amended such that the text comprising Article 86 be deleted and replaced by the words "Intentionally Clear".

ORDINARY RESOLUTION

- 4 **That**, in accordance with section 551 of the Companies Act 2006 (as amended) ("the 2006 Act"), in substitution for, and by way of revocation of all previous authorities conferred on the Directors in accordance with section 551 of the 2006 Act, the Directors be generally and unconditionally authorised to allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company ("Rights") up to an aggregate nominal amount of £299,700.00, provided that this authority shall, unless renewed, varied or revoked by the Company, expire at the conclusion of the next annual general meeting of the Company, save that the Company may, before such expiry, make offers or agreements which would or might require shares to be allotted or Rights to be granted and the Directors may allot shares or grant Rights in pursuance of any such offer or agreement as if the authority conferred by this resolution had not expired.

SPECIAL RESOLUTION

- 5 **That**, subject to the passing of resolutions 1, and 4, the Directors be and they are hereby empowered pursuant to section 570 of the 2006 Act to allot equity securities (as

defined in section 560 of the 2006 Act) for cash pursuant to the authority conferred by the shareholders in accordance with resolution 4 above, as if section 561 of the 2006 Act did not apply to any such allotment, provided that this power shall be limited to:

- (a) the allotment of equity securities in connection with or pursuant to an offer or invitation in favour of holders of ordinary shares in proportion (as nearly as practicable) to the respective number of ordinary shares held by them on the record date for such allotment (and holders of any other class of equity securities entitled to participate therein or if the Directors consider it necessary, as permitted by the rights of those securities) but subject to such exclusions or other arrangements as the Directors may deem necessary or appropriate to deal with fractional entitlements, treasury shares, record dates, or legal, regulatory or practical problems which may arise under the laws of, or the requirements of, any regulatory body or stock exchange in any territory or otherwise howsoever; and
- (b) the allotment of equity securities (otherwise than pursuant to sub paragraph (a) of this resolution) up to an aggregate nominal amount of £299,700.00,

such power to expire at the conclusion of the next annual general meeting of the Company, save that the Company may, before such expiry, make offers or agreements 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 as if the power conferred by this resolution had not expired.

19 July 2013

BY ORDER OF THE BOARD
Rod Channon
Company Secretary

Registered Office:
15 St James's Parade
Bath
Somerset
BA1 1UL

Company Number: 05845866

Notes:

1. A member of the Company entitled to attend and vote at the above meeting may appoint a proxy to exercise all of his/her rights to attend, speak and (on a poll) vote instead of him/her. A proxy need not be a member of the Company. If you wish your proxy to speak on your behalf at the general meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to him/her.
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 general meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to him/her.
3. Completion and return of a form of proxy does not preclude a member from attending and voting at the meeting in person should he/she so wish. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.
4. A member may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. A member may not appoint more than one proxy to exercise rights attached to any one share. For another form to appoint more than one proxy, please contact the Company's registrars at Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA.

5. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, the member's proxy will vote or abstain from voting at his or her discretion. The 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.
6. A form of proxy is enclosed and to be valid must be completed and returned so as to reach the Company's registrars, Neville Registrars Limited, New Issue Department, Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA (together with a letter or power of attorney or other written authority, if any, under which it is signed or a notarially certified or office copy of such power or written authority) not later than 10.15 a.m. on 14 August 2013.
7. To change proxy instructions a member should simply submit a new form of proxy using the method set out below. Members should note that the cut-off time for receipt of proxy forms (see above) also applies in relation to amended instructions; any amended proxy form received after the relevant cut-off time will be disregarded. Members should contact the Company's registrars for a new proxy form. If a member submits more than one valid form of proxy, the appointment received last before the latest time for the receipt of proxies will take precedence.
8. In order to revoke a proxy instruction a member needs to inform the Company by sending a signed hard copy notice to the Company's registrars clearly stating his or her intention to revoke the proxy appointment. 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 the Company's registrars at the address set out above not later than 48 hours before the time fixed for holding the meeting or any adjournment thereof. If a member attempts to revoke their proxy appointment but the revocation is received after the time specified then, subject to note 3 above, their proxy appointment will remain valid.
9. The register of interests of the Directors and their families in the share capital of the Company kept by the Company under section 809 of the Companies Act 2006 will be produced at the start of the meeting and will be available until the conclusion of the meeting.
10. Pursuant to Regulation 41 of The Uncertified Securities Regulations 2001, only those members registered in the Register of Members of the Company as at 10.15 a.m. on 14 August 2013 being not more than 48 hours before the time fixed for the meeting, are entitled to attend or vote at this meeting in respect of the number of shares registered in their name at 10.15 a.m. on 14 August 2013. Changes to entries in the Register after 10.15 a.m. on 14 August 2013 shall be disregarded in determining the right to attend or vote at the meeting.
11. 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).
12. If multiple corporate representatives are appointed, in order to facilitate voting by corporate representatives at the general meeting, arrangements will be put in place at the meeting so that:
 - (i) if a corporate member has appointed the Chairman of the meeting as its corporate representative with instructions to vote on a poll in accordance with the directions of all the other corporate representatives for that member at the meeting, then, on a poll, those corporate representatives will give voting directions to the Chairman and the Chairman will vote (or withhold a vote) as corporate representative in accordance with those directions; and
 - (ii) if more than one corporate representative for the same corporate member attends the meeting but the corporate member has not appointed the Chairman of the meeting as its corporate representative, a designated corporate representative will be nominated, from those corporate representatives who attend, who will vote on a poll and the other corporate representatives will give voting directions to that designated corporate representative.