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This document does not constitute a prospectus for the purposes of the Prospectus Rules nor does it comprise an admission document prepared in accordance with the AIM Rules. Accordingly, this document has not been approved by or filed with the Financial Services Authority. This document does not constitute or form part of any offer or invitation to sell or issue or a solicitation of any offer to acquire, purchase or subscribe for shares in any jurisdiction.

Application will be made for the Placing Shares to be admitted to trading on AIM. It is expected that Admission will become effective and that dealings in the Placing Shares will commence on AIM on 6 March 2012.

finnCap, which is authorised and regulated in the United Kingdom by the Financial Services Authority and is a member of the London Stock Exchange, is the Company’s nominated adviser and broker for the purposes of the AIM Rules. finnCap is acting exclusively for the Company and will not be responsible to any other person for providing the protections afforded to its customers nor for providing advice in relation to the contents of this document or any other matter referred to herein. finnCap has not authorised the contents of this document for any purpose and, without limiting the statutory rights of any person to whom this document is issued, no representation or warranty, express or implied, is made by finnCap as to any of the contents or the completeness of this document.

CORERO NETWORK SECURITY PLC

(incorporated and registered in England and Wales with registered no: 02662978)

Placing of up to 10,615,694 new Ordinary Shares at 43p per share and Notice of General Meeting

This document should be read as a whole. Your attention is drawn to the letter from the Chairman of Corero Network Security plc set out in this document which recommends you to vote in favour of the Resolution to be proposed at the General Meeting referred to below.

Notice of a General Meeting of Corero Network Security plc, to be held at the offices of finnCap at 60 New Broad Street, London EC2M 1JJ at 10.00 a.m. on 5 March 2012, is set out at the end of this document. The Form of Proxy for use at the General Meeting accompanies this document and, to be valid, should be completed and returned in accordance with the instructions set out thereon as soon as possible but in any event so as to reach the Company’s registrars, Capita Registrars, PXS, 34 Beckenham Road, Beckenham BR3 4TU, not later than 10.00 a.m. on 1 March 2012. Completion of a Form of Proxy will not prevent a Shareholder from attending the meeting and voting in person.

No person has been authorised to give any information or to make any representation other than those contained in this document in connection with the Placing or the sale of the Sale Shares and, if given or made, such information or representation must not be relied upon as having been authorised by or on behalf of the Company, or finnCap or their respective directors.

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This document does not constitute an offer to buy or subscribe for, or the solicitation of an offer to buy or subscribe for, Placing Shares or the Sale Shares in any jurisdiction in which such offer or solicitation is unlawful. The Placing Shares and the Sale Shares have not been, and will not be, registered under the United States Securities Act of 1933 (as amended) or under the securities laws of any state of the United States nor do they qualify for distribution under any of the relevant securities laws of Canada, Australia, the Republic of Ireland, the Republic of South Africa or Japan. Accordingly, the Placing Shares and the Sale Shares may not, directly or indirectly, be offered, sold or taken up, delivered or transferred in or into the United States, Canada, Australia, the Republic of Ireland, the Republic of South Africa, Japan or any other territory outside the United Kingdom. The distribution of this document outside the United Kingdom may be restricted by law and therefore persons outside the United Kingdom into whose possession this document has come should inform themselves and observe any restrictions as to or the distribution of this document.

Forward-Looking Statements

This document contains (or may contain) certain forward-looking statements with respect to certain of the Company's plans and its current goals and expectations relating to its future financial condition and performance and which involve a number of risks and uncertainties. The Company cautions readers that no forward-looking statement is a guarantee of future performance and that actual results could differ materially from those contained in the forward-looking statements. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements sometimes use words such as "aim", "anticipate", "target", "expect", "estimate", "intend", "plan", "goal", "believe", "predict" or other words of similar meaning. Examples of forward-looking statements include, amongst others, statements regarding or which make assumptions in respect of the planned use of the proceeds of the Placing, the Group's liquidity position, the future performance of the Company and/or its subsidiary undertakings, future foreign exchange rates, interest rates and currency controls, the Group's future financial position, plans and objectives for future operations and any other statements that are not historical fact. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances, including, but not limited to, economic and business conditions, the effects of continued volatility in credit markets, market-related risks such as changes in interest rates and foreign exchanges rates, the policies and actions of governmental and regulatory authorities, changes in legislation, the further development of standards and interpretations under IFRS applicable to past, current and future periods, evolving practices with regard to the interpretation and application of standards under IFRS, the outcome of any litigation or regulatory investigations, the success of future acquisitions and other strategic transactions and the impact of competition. A number of these factors are beyond the Company's control. As a result, the Company's actual future results may differ materially from the plans, goals, and expectations set forth in the Company's forward-looking statements. Any forward-looking statements made in this document by or on behalf of the Company speak only as of the date they are made. These forward-looking statements reflect the Company's judgement at the date of this document and are not intended to give any assurance as to future results. Except as required by the FSA, the London Stock Exchange, the AIM Rules or applicable law, the Company expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained in this document to reflect any changes in the Company's expectations with regard thereto or any changes in events, conditions or circumstances on which any such statement is based.

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PLACING STATISTICS

Number of Existing Shares	47,713,718
Number of Placing Shares to be issued pursuant to the Placing*	10,615,694
Number of Ordinary Shares in issue immediately following Admission*	58,329,412
Placing Price in respect of the Placing Shares	43p
Estimated net proceeds of the Placing receivable by the Company*	£4.3 million
Number of Placing Shares as a percentage of the Enlarged Issued Share Capital	18.2 per cent.
Market capitalisation of the Company at Admission at the Placing Price*	£25.1 million

** Assumes no further Ordinary Shares are issued following the date of this document and prior to completion of the Placing and assumes that the Placing is fully subscribed.*

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Latest time and date for receipt of Forms of Proxy for the General Meeting	10.00 a.m. on 1 March 2012
Date and time of General Meeting	10.00 a.m. on 5 March 2012
Admission and commencement of dealings in Placing Shares	08.00 a.m. on 6 March 2012
CREST accounts credited with Placing Shares and Sale Shares (CREST shareholders only)	6 March 2012
Despatch of definitive share certificates for Placing Shares and Sale Shares (non-CREST shareholders only)	By 23 March 2012

- 1. Each of the times and dates in the above timetable is subject to change. If any of the above times and/or dates change, the revised times and/or dates will be notified to holders of Ordinary Shares by announcement on a Regulatory Information Service.*
- 2. All of the above times refer to London time unless otherwise stated.*
- 3. Admission and dealings in the Placing Shares are conditional on the passing of the Resolution at the General Meeting.*

DEFINITIONS

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

‘Act’	the Companies Act 2006
‘Admission’	the admission of the Placing 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’	the AIM Rules for Companies published by the London Stock Exchange from time to time
‘Board’ or ‘Directors’	the board of directors of the Company from time to time
‘Business Day’	a day (other than a Saturday or Sunday) when banks are usually open for business in London
‘certificated’ or ‘in certificated form’	the description of a share or security which is not in uncertificated form (that is, not in CREST)
‘Company’	Corero Network Security plc, a company incorporated in England and Wales with registered number 02662978
‘Corero Business Systems’	Corero Business Systems Limited, a Subsidiary of the Company
‘Corero Network Security’	Corero Network Systems, Inc. (previously Top Layer Networks, Inc.), a Subsidiary of the Company
‘CREST’	the relevant systems for the paperless settlement of trades in securities and the holding of uncertificated securities operated by Euroclear UK & Ireland Limited in accordance with the CREST Regulations
‘CREST Regulations’	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755), including (i) any enactment or subordinate legislation which amends or supersedes those regulations and (ii) any applicable rules made under those regulations for the time being in force
‘Enlarged Issued Share Capital’	the issued ordinary share capital of the Company as it will be immediately following the Placing (assuming no further Ordinary Shares are issued following the date of the document and prior to completion of the Placing and that the Placing is fully subscribed)
‘Existing Shares’	the 47,713,718 Ordinary Shares in issue at the date of this document, all of which are admitted to trading on AIM
‘finnCap’	finnCap Ltd, the Company’s nominated adviser and broker which is incorporated in England and Wales with the registered number 06198898
‘Form of Proxy’	the form of proxy for use by Shareholders in connection with the General Meeting, which is enclosed with this document
‘FSA’	the UK Financial Services Authority

‘General Meeting’	the general meeting of the Company convened for 10.00 a.m. on 5 March 2012 at which the Resolution will be proposed, notice of which is set out at the end of this document
‘Group’	the Company and its Subsidiaries
‘IFRS’	International Financial Reporting Standards
‘Independent Director’	Edward Forwood, being the only director of the Company who is not participating in the Placing as outlined in this document
‘London Stock Exchange’	London Stock Exchange plc
‘Notice of General Meeting’	the notice of General Meeting set out at the end of this document
‘Ordinary Shares’	ordinary shares of 1 pence each in the capital of the Company
‘Placing’	the placing to certain institutional and other investors of the Placing Shares at the Placing Price pursuant to the Placing Agreement
‘Placing Agreement’	the conditional agreement, dated 17 February 2012, between the Company and finnCap relating to the Placing
‘Placing Price’	43 pence per Placing Share
‘Placing Shares’	up to 10,615,694 new Ordinary Shares to be issued pursuant to the Placing
‘Prospectus Rules’	the Prospectus Rules published by the Financial Services Authority
‘Resolution’	the resolution to be proposed at the General Meeting and set out in the Notice of General Meeting at the end of this document
‘Sale Shares’	up to 4,399,891 existing Ordinary Shares to be sold by the Selling Shareholder pursuant to the Selling Shareholder Agreement
‘Selling Shareholder’	Loudwater Trust Limited
‘Selling Shareholder Agreement’	the conditional agreement, dated 17 February 2012, between the Selling Shareholder and finnCap relating to the Sale Shares
‘Shareholder’	a holder of Existing Shares
‘Subsidiary’	has the meaning given to it in section 1159 of the Companies Act 2006
‘UK’ and ‘United Kingdom’	the United Kingdom of Great Britain and Northern Ireland
‘US’ or ‘United States’	the United States of America, its territories and possessions, any state of the United States of America, the District of Columbia and all other areas subject to its jurisdiction

LETTER FROM THE CHAIRMAN

CORERO NETWORK SECURITY PLC

(incorporated in England and Wales with registered no: 02662978)

Directors:

Jens Montanana (Non-executive Chairman)
Andrew Miller (Executive Director)
Richard Last (Non-executive Director)
Edward Forwood (Non-executive Director)

169 High Street
Rickmansworth
WD3 1AY

17 February 2012

To Shareholders and for information only to holders of options over Ordinary Shares

Dear Shareholder

**Proposals for
Placing of up to 10,615,694 new Ordinary Shares in aggregate at 43 pence per share
and Notice of General Meeting**

1. Introduction

The Company today announced that it proposes to raise up to £4.56 million (before expenses) by way of a placing of up to 10,615,694 new Ordinary Shares with certain institutional and other investors at a price of 43p per Placing Share. The Placing is not being underwritten. Further details of and terms of the Placing are described below.

This Placing is conditional on, *inter alia*, the passing of the Resolution to be proposed at the General Meeting.

The Company is seeking the authority of Shareholders to: (i) provide the Directors with authority to allot and issue the Placing Shares; and (ii) disapply pre-emption rights in relation to the issue of the Placing Shares. Accordingly, the Company is convening the General Meeting. The Resolution to be proposed at the General Meeting is set out in the Notice of General Meeting at the end of this document.

The purpose of this letter is to outline the reasons for the Placing and explain why the Board considers the Resolution to be in the best interests of the Company and the Shareholders as a whole and why the Directors recommend that you vote in favour of the Resolution to be proposed at the General Meeting as they intend to do in respect of the 13,650,190 Ordinary Shares held by them (representing 28.6 per cent. of the Existing Shares).

2. Background to and Reasons for the Placing

The Company's two businesses, Corero Network Security and Corero Business Systems, performed strongly in their respective markets in the year ended 31 December 2011 and have strong sales pipelines of opportunities going into 2012.

Corero Network Security

The Company took the first step toward implementing its buy and build strategy in the network security market on 2 March 2011, by acquiring the (since renamed) Top Layer Networks, Inc to create Corero Network Security.

As announced in the Company's trading update of 6 February 2012, significant progress has been made within the Corero Network Security business since its acquisition. The business' management team has been reshaped, investment has been made into product development (notably with the release of a new

product to protect against the increasing threat from distributed denial-of-service (“DDoS”) attacks), the US sales organisation has been reshaped, and an international sales team has been recruited.

The network security market is forecast to grow strongly in the period to 2014 with Gartner, Inc. (a leading information technology research and advisory company) forecasting cumulative annual growth of over 8 per cent. This growth is fuelled by escalating real cyber crime and cyber war threats, the costs associated with cyber attacks, and growing regulatory compliance mandates and business continuity requirements.

The Board remains confident of the strength of its strategy in this sector; offering technology solutions to targeted mid to large enterprise customers in its core vertical markets as well as telecommunications and hosting service providers, whilst actively seeking to grow ‘mind share’, that is to say, brand and customer awareness of the sector and the solutions offered by Corero Network Security.

The Board believe that the timing is now right to seek to capitalise on opportunities in the network security market by investing in the sales and marketing functions of the business to gain end-user customer and channel partner awareness, and investing in its product development capabilities.

Corero Business Systems

The Corero Business Systems division performed strongly in the year to 31 December 2011. The business won contracts from 192 academies (2010: 70), signed partnerships and agreements with Serco Learning, the Schools Partnership Trust and Kennal Academies Trust, as well as recruiting to strengthen its management and sales functions. In addition, the business launched Resource Financials v7, its next generation software solution, which the Board believes will provide the division with the platform to explore new market opportunities during the next 12 to 18 months.

The Board believe Corero Business Systems remains well positioned to deliver organic growth, and as such, will make such further investments where necessary to drive growth, enhance the service offering and increase market share.

3. Use of Proceeds

The proceeds of the Placing will enable the Company to execute its organic growth plans for 2012 and 2013, specifically, by investing in the sales and marketing function of Corero Network Security in order to increase brand awareness and deepen existing channel relationships, and by investing in that business’ product development team in order to achieve the planned product roadmap.

Since its acquisition, headcount at Corero Network Security has been increased from 51 to 73 as at 31 December 2011. The Board believe that increasing this headcount, particularly across market-facing and product development departments, to a total of over 100 persons by 31 December 2012, alongside increased expenditure on other marketing initiatives, will accelerate the business’ growth prospects and enable it to capitalise on the opportunities that present themselves at this time in this exciting market.

4. Current trading and prospects

On 6 February 2012, the Company announced a trading update for the year ended 31 December 2011. A copy of that trading update is available on the Company’s website at www.coreropl.com. There has been no change in the outlook for the Group since the trading update announcement.

5. Details of the Placing

The Company has entered into the Placing Agreement with finnCap and finnCap has agreed (as the Company’s agent) to use reasonable endeavours to procure placees for the Placing Shares at the Placing Price. The Placing Price represents a discount of approximately 2.3 per cent. from the closing mid-market price on 16 February 2012, being the latest practicable date prior to the publication of this document.

The Placing is conditional on, *inter alia*:

- the passing (without amendment) of the Resolution; and

- Admission becoming effective by no later than 6 March 2012 (or such time and date as the Company and finnCap may agree, being not later than 23 March 2012).

The Placing is not being underwritten. The Placing Shares will be issued credited as fully paid and will rank *pari passu* in all respects with the Existing Shares, including the right to receive all future distributions, declared, paid or made in respect of the Ordinary Shares from the date of Admission. The Placing Shares represent approximately 18.2 per cent. of the Enlarged Issued Share Capital.

The Placing Agreement contains customary warranties given by the Company to finnCap as to matters relating to the Group and its business and a customary indemnity given by the Company to finnCap in respect of liabilities arising out of or in connection with the Placing. finnCap is entitled to terminate the Placing Agreement in certain circumstances prior to Admission, including, *inter alia*, in circumstances where any of the warranties are found not to be true or accurate or were misleading in any material respect or on the occurrence of certain *force majeure* events.

Application will be made for the Placing Shares to be admitted to trading on AIM. It is expected that Admission will become effective and dealings in the new Ordinary Shares will commence on 6 March 2012.

It is expected that CREST accounts of the placees who hold their Ordinary Shares in CREST will be credited with their Placing Shares and Sale Shares on 6 March 2012. In the case of placees holding Ordinary Shares in certificated form it is expected that certificates will be despatched by 23 March 2012.

6. The Selling Shareholder's Agreement and waiver of the Selling Shareholder lock-in

In accordance with the Selling Shareholder Agreement, finnCap has agreed (as the Selling Shareholder's agent) to use reasonable endeavours to procure placees for the Sale Shares at the Placing Price. The placing of the Sale Shares is conditional on Admission. The Selling Shareholder Agreement will automatically terminate if the Placing Agreement terminates. The Placing Agreement is not conditional on the Selling Shareholder Agreement.

On 7 February 2011, the Company, finnCap, Loudwater Trust Limited ("Loudwater"), CrossHill Debt II, L.P. ("CrossHill Debt") and CrossHill Georgetown Capital, L.P. ("CrossHill Georgetown") (Loudwater, CrossHill Debt and CrossHill Georgetown together the "Covenantors") entered into a lock in deed ("Lock In") pursuant to which each of the Covenantors agreed, *inter alia*, that, for a period of 12 months from 2 March 2011, it would not dispose of any interest in all or any Ordinary Shares which were issued to them on or around 2 March 2011. The entering into of the Selling Shareholder Agreement by the Selling Shareholder on or about the date of this document would constitute a breach of the terms of the Lock In. However, as the Lock In will expire on 2 March 2012 (prior to the expected date of Admission on 6 March 2012), the Company and finnCap have agreed to waive their rights in respect of this breach of the Lock In provided that the placing of the Sale Shares by finnCap occurs and completes at the same time as the placing of the Placing Shares in accordance with the terms of the Placing Agreement. Under the terms of the Selling Shareholder Agreement, the Selling Shareholder has agreed to sell all (and not part only) of the Sale Shares and, if all of the Sale Shares are successfully placed and sold, the Selling Shareholder will no longer be a Shareholder of the Company.

7. Directors' Shareholdings

It is proposed that Jens Montanana, Andrew Miller, and Richard Last, each a director of the Company, will participate in the Placing. The interests of the Directors immediately following Admission will be as follows:

<i>Director</i>	<i>Number of Ordinary Shares held as at the date of this document</i>	<i>Number of Placing Shares subscribed for in the Placing</i>	<i>Resulting number of Ordinary Shares held immediately following Admission</i>	<i>Resulting holding as a percentage of the Enlarged Issued Share Capital</i>
Jens Montanana*	12,828,571	2,965,116	15,793,687	27.1
Andrew Miller	600,000	23,225	623,225	1.1
Richard Last	221,619	178,381	400,000	0.7
Edward Forwood	–	–	–	–

* of which 8,971,429 Ordinary Shares are held in the name of JPM International Limited, which is wholly owned by Jens Montanana.

In addition, it is proposed that Andre Stewart (President of International Sales of Corero Network Security), who holds 5,638,000 Ordinary Shares (all of which are held in the name of BFG Investments Group Limited, a company which is wholly owned by Andre Stewart) at the date of this document, will subscribe for 93,023 new Ordinary Shares in the Placing, resulting in a holding of 5,731,023 Ordinary Shares after Admission. This holding represents 9.9 per cent. of the Enlarged Issued Share Capital.

8. Related Party Transactions

The participation in the Placing by Jens Montanana, Andrew Miller and Richard Last, as directors of the Company, and Andre Stewart, as a substantial shareholder in the Company, constitute related party transactions pursuant to the AIM Rules. The Independent Director considers, having consulted with finnCap, that the participation in the Placing by these individuals, as outlined in paragraph 7 above, is fair and reasonable insofar as the Shareholders are concerned.

9. General Meeting

A notice convening the General Meeting, to be held at the offices of finnCap at 60 New Broad Street, London EC2M 1JJ at 10.00 a.m. on 5 March 2012 is set out at the end of this document at which the following resolution will be proposed as a special resolution in order to:

- to authorise the Directors, pursuant to section 551 of the Act, to allot Ordinary Shares up to a maximum aggregate nominal value of £106,156.94 pursuant to the Placing, which will be in addition to all existing authorities under section 551 of the Act; and
- to disapply the pre-emption rights conferred by the Act in connection with the allotment of up to 10,615,694 Placing Shares pursuant to the Placing which will be in addition to the existing authority.

Pursuant to resolutions passed at the last annual general meeting of the Company on 24 May 2011, the Directors currently have authority to allot up to 15,857,905 Ordinary Shares, representing approximately 27.2 per cent. of the Enlarged Issued Share Capital of which 7,136,058 Ordinary Shares are capable of being allotted on a non-pre-emptive basis.

10. Action to be taken

Shareholders will find a Form of Proxy enclosed with this document for use at the General Meeting. Whether or not you intend to be present at the General Meeting, 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, Capita Registrars, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU not later than 10.00 a.m. on

1 March 2012. Completion of the Form of Proxy will not preclude you from attending the meeting and voting in person if you so wish.

11. Recommendation

The Directors consider the Placing to be in the best interests of the Company and its Shareholders as a whole. Accordingly, the Directors recommend that you vote in favour of the Resolution to be proposed at the General Meeting, as they intend to do in respect of their own holdings of Ordinary Shares, totalling 13,650,190 Ordinary Shares, being approximately 28.6 per cent of the Existing Shares.

Yours faithfully,

Jens Montanana
Chairman

CORERO NETWORK SECURITY PLC

(the ‘Company’)

(incorporated and registered in England and Wales with registered no: 02662978)

NOTICE IS HEREBY GIVEN that a GENERAL MEETING of Corero Network Security plc (the “Company”) will be held at the offices of finnCap Limited at 60 New Broad Street, London EC2M 1JJ on 5 March 2012 at 10.00 a.m. to consider and, if thought fit, pass the following resolution as a special resolution:

SPECIAL RESOLUTION

THAT

- A. for the purposes of section 551 of the Companies Act 2006 (“Act”), (and so that expressions used in this sub-paragraph A shall bear the same meanings as in section 551 of the Act), the directors be and are generally and unconditionally authorised to exercise all powers of the Company to allot shares in the Company and to grant such subscription and conversion rights as are contemplated by sections 551(1)(a) and (b) of the Act respectively up to a maximum aggregate nominal amount of £106,156.94, provided that (unless previously revoked, varied or renewed) this authority shall expire at the conclusion of the next annual general meeting of the Company after the passing of this resolution or on 5 June 2013 (whichever is the earlier), save that the Company may make an offer or agreement before this authority expires which would or might require shares to be allotted or rights to subscribe for or to convert any security into shares to be granted after this authority expires and the directors may allot shares or grant such rights pursuant to any such offer or agreement as if this authority had not expired. This authority is in addition to all existing authorities under section 551 of the Act; and
- B. pursuant to section 570 of the Act, the directors be and are generally empowered to allot equity securities (within the meaning of section 560 of the Act) for cash pursuant to the authority granted by sub-paragraph A above as if section 561(1) and sub-sections (1) to (6) of section 562 of the Act did not apply to any such allotment, provided that this power shall be limited to the allotment of equity securities for cash up to 10,615,694 Placing Shares pursuant to the Placing (each as defined in the circular of which this notice forms part) and (unless previously revoked, varied or renewed) this power shall expire at the conclusion of the next annual general meeting of the Company after the passing of this resolution or on 5 June 2013 (whichever is the earlier), save that the Company may make an offer or agreement before this power expires which would or might require equity securities to be allotted for cash after this power expires and the directors may allot equity securities for cash pursuant to any such offer or agreement as if this power had not expired. This power is in addition to all existing powers under section 570 of the Act.

By order of the Board
Duncan Swallow
Company Secretary

Registered Office:

169 High Street
Rickmansworth
Hertfordshire
WD3 1AY

Registered in England and Wales No. 2662978

Notes:

1. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 (as amended), only those members registered in the register of members of the Company at 6.00 p.m. on 1 March 2012 (or if the General Meeting is adjourned, on the day which is two business days before the time fixed for the adjourned General Meeting) shall be entitled to attend and vote at the General Meeting in respect of the number of shares registered in their name at that time. Any changes to the register of members after such time shall be disregarded in determining the rights of any person to attend or vote at the General Meeting.
2. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the General Meeting to be held at 10.00 a.m. on 5 March 2012 and any adjournment(s) thereof 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 should refer to their CREST sponsors 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 by means of CREST to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the Company's agent, Capita Registrars Limited (CREST Participant ID: RA10), no later than 10.00 a.m. on 1 March 2012. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which the Company's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

CREST members and, where applicable, their CREST sponsor or voting service provider should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. 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, to procure that his CREST sponsor or voting service provider takes) 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 sponsor or voting service provider 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.
3. If you wish to attend the General Meeting in person, you should make sure that you arrive at the venue for the General Meeting in good time before the commencement of the meeting. You may be asked to prove your identity in order to gain admission.
4. A member who is entitled to attend, speak and vote at the General Meeting may appoint a proxy to attend, speak and vote instead of him. A member may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares (so a member must have more than one share to be able to appoint more than one proxy). A proxy need not be a member of the Company but must attend the General Meeting in order to represent you. A proxy must vote in accordance with any instructions given by the member by whom the proxy is appointed. Appointing a proxy will not prevent a member from attending in person and voting at the General Meeting (although voting in person at the General Meeting will terminate the proxy appointment). A proxy form is enclosed. The notes to the proxy form include instructions on how to appoint the Chairman of the General Meeting or another person as a proxy. You can only appoint a proxy using the procedures set out in these Notes and in the notes to the proxy form.
5. To be valid, a proxy form, and the original or duly certified copy of the power of attorney or other authority (if any) under which it is signed or authenticated, should reach the Company's registrar, Capita Registrars, PXS, 34 Beckenham Road, Beckenham BR3 4TU, by no later than 10.00 a.m. on 1 March 2012.
6. In the case of joint holders of shares, the vote of the first named in the register of members who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of other joint holders.
7. A member that is a company or other organisation not having a physical presence cannot attend in person but can appoint someone to represent it. This can be done in one of two ways: either by the appointment of a proxy (described in Notes 2 and 4 to 6 above) or of a corporate representative. Members considering the appointment of a corporate representative should check their own legal position, the Company's articles of association and the relevant provision of the Companies Act 2006.

