



**Biofutures**

# Notice of the Annual General Meeting

(Incorporated and registered in England and Wales under the Companies Act 1985 with registered number 5712979)

**Notice is hereby given that** an annual general meeting of the above named company (the 'Company') will be held at the offices of Stephenson Harwood, One St Paul's Churchyard, London EC4M 8SH at 10.00am on 15 June 2009 for the purpose of considering and, if thought fit, passing the following resolutions:

## AS ORDINARY BUSINESS

1. To receive and adopt the accounts of the Company for the year ended 31 December 2008 together with the Reports of the Directors and Auditors thereon.
2. To re-elect as a Director David Yeoh.
3. To re-elect as a Director Joe Wong.
4. To appoint Grant Thornton as auditors of the Company and to authorise the Directors to fix their remuneration.

## AS SPECIAL BUSINESS

To consider, and if thought fit, pass the following resolutions as Ordinary Resolutions:-

5. That the Company and all companies that are its subsidiaries at any time during the period for which this resolution is effective are authorised for the purposes of section 366 of the Companies Act 2006 (the '2006 Act') to:
  - 5.1. make political donations to political parties and/or independent election candidates (as such terms are defined in sections 363 and 364 of the 2006 Act), not exceeding £20,000 in aggregate;
  - 5.2. make political donations to political organisations other than political parties (as such terms are defined in sections 363 and 364 of the 2006 Act), not exceeding £20,000 in aggregate; and
  - 5.3. incur political expenditure (as such term is defined in sections 365 of the 2006 Act), not exceeding £20,000 in aggregate, during the period commencing on the date of this resolution and ending at the close of the next Annual General Meeting of the Company, and provided that the maximum amounts referred to in sub resolutions 5.1, 5.2 and 5.3 may comprise sums in different currencies which shall be converted at such rate as the Board may in its absolute discretion determine to be appropriate.
6. That the Directors be hereby generally and unconditionally authorised for the purpose of Section 80 of the Companies Act 1985 (the "Act") to exercise all the powers of the Company to allot relevant securities (within the meaning of said Section 80) up to an aggregate nominal amount of £503,533 which authority will expire on the earlier of the conclusion of the next Annual General Meeting of the Company and the date falling 15 months after the passing of this resolution save that the Company may, before such expiry, make an offer or arrangement which would, or might, require relevant securities to be allotted after such expiry and the Directors may allot such securities in pursuance of such offer or agreement as if the authority so conferred had not expired.

To consider, and if thought fit, pass the following resolutions as Special Resolutions:-

7. That subject to the passing of resolution 6 above as an Ordinary Resolution, in substitution for any existing power under Section 95 of the Act, the Directors be and are hereby empowered pursuant to Section 95 of the Act to allot equity securities (as defined by Section 94(2) of the Act) pursuant to the authority granted by resolution 6 above in accordance with Section 80 of the Act as if Section 89(1) of the Act did not apply to such allotment, provided that this power shall be limited to:
  - 7.1. the allotment of equity securities in connection with or pursuant to an offer by way of rights in favour of ordinary shareholders subject to such exclusions or arrangements as the Directors may deem necessary or expedient to deal with fractional entitlements or legal or practical problems under the laws of any territories or requirements of any recognised regulatory body or any stock exchange in any territory; and
  - 7.2. the allotment (otherwise than pursuant to 7.1 above) of equity securities consisting of or related to ordinary shares up to an aggregate nominal amount of £75,530 or if less, five percent of the issued ordinary share capital of the Company from time to time;

and this authority shall expire at the conclusion of the Company's next Annual General Meeting or 15 months after the date of the passing of this resolution, whichever first occurs provided 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 of the Company may allot equity securities in pursuance of such offers or agreements as if the power conferred hereby had not expired.

8. That the Company be and is hereby generally and unconditionally authorised for the purpose of section 166 of the Act to make one or more market purchases (within the meaning of section 163(3) of the Act) of ordinary shares upon such terms and in such manner as the Directors shall determine, provided that:
  - 8.1. the maximum aggregate number of Ordinary Shares authorised to be purchased is 22,659,000 (representing 15 per cent. of the total ordinary share capital of the Company in issue at 11 May 2009);
  - 8.2. the minimum price (exclusive of expenses) which may be paid for such Ordinary Shares is 1 penny per share;
  - 8.3. the maximum price (exclusive of expenses) which may be paid for an Ordinary Share cannot be more than an amount equal to 105 per cent. of the average of the closing middle market price for an Ordinary Share as derived from the London Stock Exchange Daily Official List for the five business days immediately prior to the day the Ordinary Share is purchased;

- 8.4. unless previously renewed, varied or revoked, the authority hereby conferred shall expire at the conclusion of the next Annual General Meeting of the Company or the date falling 15 months after the passing of this resolution, whichever is the earlier; and
- 8.5. the Company may make a contract or contracts to purchase Ordinary Shares under this authority prior to the expiry of such authority which will or may be executed wholly or partly after the expiry of such authority and may make a purchase of Ordinary Shares in pursuance of any such contract or contracts.

By order of the Board,

**Julie Pomeroy**

Secretary

11 May 2009

Biofutures International plc

**Notes:**

1. As a member of the Company, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the Annual General Meeting ("AGM") and you should have received a proxy form with this notice of meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.
2. A proxy does not need to be a member of the Company but must attend the AGM to represent you. Details of how to appoint the Chairman of the AGM 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 AGM you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to him/her.
3. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share.
4. As permitted by Regulation 41 of the Uncertificated Securities Regulations 2001, Shareholders who hold their shares in uncertificated form must be entered on the Company's share register by 10.00 a.m. on 13 June 2009 in order to be entitled to attend and vote at the AGM. Such Shareholders may only cast votes in respect of shares held at such time. Changes to entries on the register of members after such time on such date will be disregarded in determining the rights of any person to attend and vote at the AGM.
5. To be effective, a proxy form must be duly completed, executed and returned, together with the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy or a copy certified in accordance with the Powers of Attorney Act 1971 of such power of attorney or authority, so as to reach the Company's registrars, Share Registrars Limited, Suite E, First Floor 9 Lion and Lamb Yard, Farnham, Surrey GU9 7LL (or faxed to Share Registrars Limited on 01252 719232) by 10.00 a.m. on 13th June 2009.
6. 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).
7. If multiple corporate representatives are appointed, in order to facilitate voting by corporate representatives at the AGM, arrangements will be put in place at the AGM so that:
  - 7.1. if a corporate member has appointed the Chairman of the AGM 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 AGM, 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
  - 7.2. if more than one corporate representative for the same corporate member attends the AGM but the corporate member has not appointed the Chairman of the AGM 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.
8. The following documents will be available at the registered office of the Company on any weekday (except Saturday) during normal business hours from the date of this notice until the date of the Annual General Meeting:
  - 8.1. a copy of the service agreements for the Executive Directors;
  - 8.2. a copy of the letters of appointment for the Non-executive Directors; and
  - 8.3. the Memorandum and Articles of Association of the Company.

These documents will also be available for inspection during the Annual General Meeting and for at least 15 minutes before it begins.

**Notes:****Resolution 1**

The Directors are required by law to present to the meeting the Accounts and the Reports of the Directors and Auditors for the year ended 31 December 2008.

**Resolution 2 and 3**

To reappoint David Yeoh and Joe Wong as Directors who, in accordance with the Company's Articles of Association, are required to resign at the Annual General Meeting and, being eligible, each offers himself for reappointment. The Board, following its evaluation of the performance of the Directors offering themselves for reappointment, confirms that each of the Directors is performing effectively and demonstrates commitment to their role.

**Resolution 4**

The re-appointment of the auditors is proposed. Following assessment of the audit service by the Audit Committee, the Board considers the auditors to be effective and independent in their role.

**Resolution 5**

It is not the policy of the Company to make donations (such as monetary donations, gifts and benefits in kind) to political parties, other political organisations and independent election candidates; or to incur political expenditure and the Directors confirm that this policy will remain. However, the political donations regime in the 2006 Act is drafted very broadly and could catch activities such as funding seminars and other functions to which politicians may be invited, supporting certain bodies involved in policy review and law reform and matching employees' donations to certain charities (especially those whose objectives become a matter of major party political significance). The Directors decided to seek shareholder authority for political donations and expenditure to avoid inadvertent infringement in case any of its normal activities were caught by the legislation. Any political donation made or political expenditure incurred which is in excess of £2,000 will be disclosed in the Company's Annual Report for next year, as required by the 2006 Act.

**Resolution 6**

Under the Companies Act 1985 (Section 80) the directors of a company may only allot unissued shares if authorised to do so. Passing this resolution will allow the Directors flexibility to act in the best interests of shareholders when opportunities arise by issuing new shares. In resolution 6 the Directors are seeking authority to allot shares with a nominal value of up to £503,533 which represents approximately one third of the Company's issued ordinary share capital. The Directors intend to use this authority, which will lapse at the conclusion of the next Annual General Meeting of the Company or, if earlier, 15 September 2010, for general corporate purposes.

**Resolution 7**

If shares are to be offered for cash, the Companies Act 1985 requires that those shares are offered first to the existing shareholders in proportion to the number of shares they hold at the time of the offer. However, it may sometimes be in the interests of the Company for the Directors to allot shares other than to shareholders in proportion to their existing holdings. This resolution authorises the Board, subject to specified limits:

- To allot shares in connection with a rights issue, defined in summary as an offer of equity securities to shareholders which is open for a period decided by the Board subject to any limits or restrictions which the Board thinks are necessary or appropriate.
- For allotments of shares not in connection with a rights issue so that the pre-emption requirement does not apply to the allotments of shares for cash up to a maximum nominal value amount of £75,530. This authority lapses on conclusion of the next Annual General Meeting of the Company, or, if earlier, on 15 September 2010.

This means that the interests of existing shareholders are protected. If a share issue is not a rights issue the proportionate interest of existing shareholders could not without their agreement be reduced by more than 5% of the value of the new shares in cash to new shareholders by reference to the issued share capital at the date of this notice. There are no current plans to allot shares except in connection with the share schemes or existing stand alone option agreements.

**Resolution 8**

This resolution seeks to grant the Directors authority to make market purchases of the Company's own Ordinary Shares, up to a maximum aggregate number of 22,659,000 shares, being an amount equal to approximately 15 per cent. of the current issued share capital of the Company. The maximum price payable would be an amount equal to 105 per cent. of the average of the middle market quotations for an Ordinary Share of the Company for the five business days immediately preceding the date of purchase and the minimum price would be the nominal value of 1p per share. This authority lapses on conclusion of the next Annual General Meeting of the Company, or, if earlier, on 15 September 2010. Any ordinary shares purchased by the Company pursuant to this authority would either be cancelled or held in treasury.

Although the Directors have no current intention to make such purchases, they consider that it is in the best interests of the Company and its shareholders to keep the ability to make market purchases of the Company's own shares in appropriate circumstances, without the cost and delay of a general meeting. The authority would only be exercised if the Directors believe the purchase would enhance earnings per share and be in the best interests of shareholders generally.

