

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 should consult a person authorised under the Financial Services and Markets Act 2000 who specialises in advising on the acquisition of shares and other securities if you are resident in the United Kingdom or, if not, another appropriately authorised independent financial adviser.

If you have sold or otherwise transferred all of your Ordinary Shares, please send this document together with the accompanying Form of Proxy at once to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected for onward delivery to the purchaser or transferee. If you have sold or otherwise transferred only part of your holding of Ordinary Shares, please contact your stockbroker, bank or other agent through whom the sale or transfer was effected immediately.

This document comprises a circular and has been prepared in accordance with the Listing Rules made under section 73A of the FSMA. However, this document has not been approved by the Financial Services Authority.

Your attention is drawn to the letter from the Chairman of the Company set out on pages 3 to 6 of this document, recommending that you vote in favour of the resolutions to be proposed at the General Meeting. You should read this document in its entirety and consider whether to vote in favour of the Resolutions in light of the information contained in this document.

Notice of a General Meeting of Gresham Computing plc to be held at Singer Capital Markets Limited of One Hanover Street, London W1S 1YZ at 11.00 a.m. on Thursday 30 December 2010 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 therein as soon as possible but, in any event, so as to reach the Company Secretary, Sopwith House, Brook Avenue, Warsash, Southampton SO31 9ZA by no later than 11.00 a.m. on 28 December 2010 being 48 hours before the time appointed for the holding of the meeting. Completion and return of a Form of Proxy will not prevent a Shareholder from attending the meeting and voting in person.

GRESHAM COMPUTING PLC

(Incorporated under the Companies Act 1985 and registered in England and Wales with registered number 1072032)

Proposals to establish new Employee Share Option Plans

Proposed Amendment of Articles Of Association

Notice of General Meeting

This document does not constitute an offer to buy or subscribe for, or the solicitation of an offer to buy or subscribe for, Ordinary Shares.

This document contains a number of forward looking statements relating to the Group with respect to, amongst others, the following: financial conditions; results of operations; the business of the Group; and management plans and objectives. The Company considers any statements that are not historical facts as "forward looking statements". They relate to events and trends that are subject to risks, uncertainties and assumptions that could cause the actual results and financial position of the Group to differ materially from the information presented in the relevant forward looking statement. When used in this document, the words "estimate", "intend", "aim", "anticipate", "believe", "expect", "should" and similar expressions, as they relate to the Group or management of it, are intended to identify such forward looking statements. Shareholders are cautioned not to place undue reliance on these forward looking statements which speak only as at the date of this document. The Company does not undertake any obligation to update publicly or revise any of the forward looking statements whether as a result of new information, future events or otherwise, save in respect of any requirement under applicable laws, the Listing Rules or other regulations.

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PART 1

LETTER FROM THE CHAIRMAN OF THE COMPANY



Gresham Computing plc

(registered in England and Wales under number 1072032)

Directors

Ken Archer
Chris Errington
Max Royde

Registered office

Sopwith House
Brook Avenue
Warsash
Southampton
SO31 9ZA

4 December 2010

To Shareholders and, for information only, to participants in the Existing Gresham Share Plans

Dear Shareholder

New Share Option Plans Amendment of Articles of Association Notice of General Meeting

Introduction

As the Gresham Group seeks to continue to transition its businesses through stability into improved trading and onward into growth, the Remuneration Committee believes that it is important to incentivise senior employees of the Group to a greater extent than the Existing Gresham Share Plans permit.

The Listing Rules require that shareholder approval be sought for the adoption of any long-term incentive scheme. Accordingly, approval for the new share option plans proposed to be introduced by the Company will be sought at a General Meeting being convened to be held at Singer Capital Markets Limited of One Hanover Street, London W1S 1YZ on Thursday 30 December 2010 at 11.00 a.m.

In view of the need to hold a General Meeting to approve the New Share Plans, it is proposed that at such meeting approval of Shareholders also be sought for certain amendments proposed to be made to the Company's Articles of Association primarily to reflect changes in company law which have become effective on implementation of the Shareholder Rights Directive in the UK in August 2009 and the remaining provisions of the Companies Act 2006 and certain amendments to the Uncertificated Securities Regulations 2001 in October 2009.

The notice of meeting, including the relevant ordinary and special resolutions to be proposed, is enclosed. Parts 2, 3 and 4 of this document contain background information on the New Share Plans and details of their principal terms.

The Company's Share Option Schemes

The Company has two existing share option schemes:

- the Executive Scheme 1998; and
- the Executive Option Plan 2007.

The Executive Scheme 1998 is closed and no further options over Ordinary Shares can be granted under it. The scheme will continue unaffected by the proposed New Share Plans. Options over a total of 562,897 Ordinary Shares have been granted and are still outstanding under the Executive Scheme 1998, representing approximately 1.0 per cent. of the existing issued share capital of the Company. The exercise prices of these Executive Scheme 1998 options, all of which have vested, range as follows: 557,897 at £0.36 and 5,000 at £0.70.

The Executive Option Plan 2007 is currently open, although it is intended that this Plan will be cancelled and replaced with the New Share Plans if approved by the passing of the resolutions included herein. Options over a total of 1,520,000 Ordinary Shares have been granted and are still outstanding under the Executive Option Plan 2007, representing approximately 2.6 per cent. of the existing issued share capital of the Company. The exercise prices of these Executive Option Plan 2007 options, none of which have vested, range as follows: 1,250,000 at £1.15, 225,000 at £0.62 and 45,000 at £0.70. The target share prices to be achieved in order that the holders may exercise their options range from £2.50 to £4.00.

In order to provide suitable incentives to the senior executives in the Group, the Remuneration Committee believes that it is now an appropriate time to introduce additional share option plans.

The Remuneration Committee has accordingly resolved that, subject to approval by Shareholders, there be established by the Company three new share option plans to be known respectively as:

- the Gresham Computing plc Enterprise Management Incentive Plan 2010;
- the Gresham Computing plc Unapproved Share Option Plan 2010; and
- the Gresham Computing plc Non Employee Share Option Plan 2010.

As its name implies, the EMI Plan is intended to operate as an enterprise management incentive scheme complying with the EMI Code and accordingly being entitled to certain beneficial tax treatment.

The Unapproved Plan is intended to enable the Remuneration Committee to grant share options in excess of the limits applicable under the EMI Code and/or to employees of the Group who do not qualify for EMI treatment.

The Non Employee Plan is intended to enable the Remuneration Committee to grant share options to persons whose services are made available to the Group without a formal employment relationship.

It is the Remuneration Committee's intention, subject to approval of the New Share Plans, to grant options under those plans over up to 5,813,597 Ordinary Shares, representing approximately 10 per cent. of the Company's existing issued share capital. This will result in total options outstanding amounting to approximately 11 per cent. of the Company's existing issued share capital including the existing Executive Scheme 1998.

The intention to create the New Share Plans was approved, in principle, by the Remuneration Committee on 26 November 2010. It was resolved by the Remuneration Committee that Shareholder approval for the introduction of these three new plans would be sought at the earliest suitable opportunity.

None of the three New Share Plans can be amended without the prior approval of Shareholders, except in the limited circumstances set out (in relation to the EMI Plan) in paragraph 8 of Part 2 of this document, (in relation to the Unapproved Plan) in paragraph 8 of Part 3 of this document and (in relation to the Non Employee Plan) under a corresponding rule of that plan.

Accordingly, the Remuneration Committee considers that each of the New Share Plans should be adopted and Shareholder approval for them will accordingly be sought at the General Meeting which is being convened for 30 December 2010.

Summary details of each of the three New Share Plans are set out in Parts 2, 3 and 4 respectively of this document.

General Meeting

The Notice convening the General Meeting to be held at the offices of Singer Capital Markets Limited of One Hanover Street, London W1S 1YZ at 11.00 a.m. on Thursday 30 December 2010 is set out at the end of this document. At the General Meeting the following resolutions will be proposed:

Resolutions 1 to 3

Resolutions 1 to 3 will be proposed as ordinary resolutions and comprise separate resolutions to approve and to authorise the Directors to implement each of the New Share Plans.

Resolution 4, 5, and 6

Resolution 4 will be proposed as a special resolution. Resolution 4 proposes that the Company's Articles of Association be amended as summarised above.

Resolution 5 proposes that, in substitution for existing authorities, the Directors be authorised to allot shares in the Company or to grant rights to subscribe for or convert any securities into shares in the Company up to a maximum nominal amount of £290,680, representing 5,813,597 Ordinary Shares, which comprises 10 per cent. of the issued share capital of the Company as at 3 December 2010 (being the latest practicable date before publication of this document). This authority will expire immediately prior to the fifth anniversary of the date such resolution is passed.

Resolution 6 will be proposed as a special resolution. Resolution 6 proposes that the Directors be empowered to dis-apply pre-emption rights in relation to allotments of Ordinary Shares and rights to subscribe for Ordinary Shares up to a maximum nominal amount of £290,680, representing 5,813,597 Ordinary Shares, pursuant to the New Share Plans. This authority will expire immediately prior to the fifth anniversary of the date such resolution is passed.

Documents available for inspection

Copies of the following documents will be available for inspection during normal business hours on any weekday (Saturdays and public holidays excepted) at the registered office of the Company and at the offices of Blake Lapthorn at Watchmaker Court, 33 St John's Lane, London EC1M 4DB from and including the date of this document up to and including the date of the General Meeting, and also at the place of the meeting for fifteen minutes prior to and during such meeting:

- 1 the Rules of the Gresham Computing plc Enterprise Management Incentive Plan 2010;
- 2 the Rules of the Gresham Computing plc Unapproved Share Option Plan 2010;
- 3 the Rules of the Gresham Computing plc Non Employee Share Option Plan 2010;
- 4 the current Articles of Association of the Company; and
- 5 the amended Articles of Association of the Company as proposed to be adopted by Resolution number 4.

Action to be taken

A Form of Proxy for use at the General Meeting is enclosed. Whether or not you intend to be present at the meeting, you are requested to complete, sign and return the Form of Proxy in accordance with the instructions printed on it to the Company Secretary, Sopwith House, Brook Avenue, Warsash, Southampton SO31 9ZA, as soon as possible but, in any event, so as to be received no later than 11.00 a.m. on 28 December 2010, being 48 hours before the time of the meeting. The completion and return of a Form of Proxy will not prevent you from attending the General Meeting and voting in person if you wish to do so.

Recommendation

The Directors believe that the introduction of the New Share Plans would be in the best interests of the Company and Shareholders as a whole and accordingly, are unanimously recommending that you vote in favour of all Resolutions at the General Meeting, as they intend to do in respect of a total of 3,422,594 Ordinary Shares held, directly or indirectly, by them, representing approximately 5.89 per cent. of the Company's existing issued share capital.

Yours faithfully

Ken Archer
Non Executive Chairman

PART 2

SUMMARY OF THE PRINCIPAL FEATURES OF THE GRESHAM COMPUTING PLC ENTERPRISE MANAGEMENT INCENTIVE PLAN 2010

The EMI Plan is intended to comply with the requirements of Schedule 5 ("Schedule 5") and other relevant provisions of ITEPA.

The EMI Plan is documented by means of a set of rules (the "Rules"), with annexed ancillary documentation, including a form of EMI agreement for each option grant.

The Remuneration Committee will be responsible for administering the plan.

1. Eligibility and Grant of Options

- 1.1 The Remuneration Committee may grant options to acquire Ordinary Shares to any employees and directors of the Group.
- 1.2 The Rules provide for the grant of both options which qualify under Schedule 5 and options which do not so qualify. However they also provide that
 - EMI options may be granted only for commercial reasons in order to recruit or retain an employee who is an eligible employee under Schedule 5; and
 - any option granted under the EMI Plan which is intended to be an EMI option but does not so qualify will take effect as a non-qualifying option only if the Remuneration Committee specifically allows it to do so.
- 1.3 Options are granted free of charge and are non-transferable.
- 1.4 No benefits provided under the EMI Plan will be pensionable.

2. Period for the Grant of Options

The first grant of options will be made within 42 days following the adoption of the EMI Plan. Thereafter, options may be granted within 42 days following either (a) the announcement of the Company's interim or final results for any period or (b) the day an individual first becomes an Eligible Employee (as defined) of the Group or is promoted to a position which qualifies him to receive an Option. In exceptional circumstances, options may be granted at other times.

3. Exercise Price

The exercise price per Ordinary Share will be determined by the Remuneration Committee but will not be less than the nominal value of a share if the shares are to be subscribed; and will not be less than 110 per cent. of the middle market price for such shares as derived from the Daily Official List for the dealing day immediately preceding the date of grant of the relevant option .

4. Exercise Conditions

- 4.1 The Rules provide that an option may be granted under the EMI Plan on terms that it may not be exercised until any objective condition or conditions as determined by the Remuneration Committee in its absolute discretion (an "**Exercise Condition**") has been satisfied.
- 4.2 An Exercise Condition shall:
 - 4.2.1 after the fulfilment or attainment of such objective condition or conditions not be dependent upon the further discretion of any person; and
 - 4.2.2 only be capable of amendment, substitution or waiver if the Remuneration Committee in its absolute discretion acting fairly and reasonably considers that an amendment, substitution or waiver of the condition(s) is appropriate and is not materially more difficult to satisfy.

5. Exercise and Lapse of Options

5.1. Vesting

An option may normally be exercised only on or after the third anniversary of the date of grant; save to the extent that the Remuneration Committee in its discretion declares any other period for exercise.

5.2 Cessation of Employment

An option may normally be exercised in whole or in part only while the grantee is a director or employee of the Group and will lapse on cessation of such employment, save to the extent the Remuneration Committee in its discretion allows it to remain exercisable for such period following the cessation as it may determine (subject to specified limits).

5.3 Takeovers

Exercise is permitted in conjunction with a takeover or similar transaction (including one effected by a scheme of arrangement) and in such circumstances the vesting period does not apply.

In the event of a takeover, an option holder may by agreement with the acquirer exchange his options for options over shares in the acquiring company. Where the ultimate ownership of the acquiring company is substantially the same as that of the Company, the consideration for the takeover entirely comprises shares in the acquiring company and the acquiring company offers exchange options within specified timescales, then the rules permitting exercise of options in conjunction with a takeover do not apply.

6. Plan Limits

In any ten year period ending on the relevant date of grant, the maximum number of Ordinary Shares which may be issued or are issuable under the EMI Plan and any other share reward plan approved on the same date as such plan shall not exceed 10 per cent. of the issued ordinary share capital of the Company in issue immediately prior to that date. For this purpose, any options which have been released or lapsed unexercised shall fall out of account.

7. Variations of Share Capital

On any capitalisation, rights issue, consolidation, subdivision, reduction or other variation of the share capital of the Company, the exercise price and the number of Ordinary Shares comprised in subsisting options may, subject to any necessary approval of HMRC, be varied in such manner as the Remuneration Committee may determine to be fair and reasonable.

8. Amendment

8.1 The Board, in its absolute discretion, may waive or amend any of the Rules of the EMI Plan or introduce such new rules as it sees fit provided that while the Ordinary Shares are listed on the Official List any amendments to any of the following:

- the definition of eligible employee or employee;
- the limits on the maximum number of Ordinary Shares which may be issued under the plan;
- the terms of and the basis for determining a participant's entitlement to Ordinary Shares under the plan; and
- the basis on which an option may be adjusted if there is a variation of capital,

which are to the advantage of existing or future participants may not be made without the approval of the members of the Company in general meeting.

8.2 Notwithstanding the above, the Board may amend the provisions of the EMI Plan and/or related option agreements and the terms of any option as it considers necessary or desirable in order to:

- make the administration of the plan more effective or easier;
- comply with or take account of the provisions of any proposed or existing legislation;
- take account of any of the events mentioned in rule 6 (takeovers etc); or

- obtain or maintain favourable tax or regulatory treatment for the Company or any member of the Group or any participant,

without any need for the prior approval of the Company in general meeting provided that such amendments or additions do not affect the basic principles of the plan and/or any option agreements entered into pursuant to it.

9. Termination

The EMI Plan will terminate 10 years after its adoption or earlier, if the Remuneration Committee so determines.

PART 3

SUMMARY OF THE PRINCIPAL FEATURES OF THE GRESHAM COMPUTING PLC UNAPPROVED SHARE OPTION PLAN 2010

The Unapproved Plan is documented by means of a set of rules (the “Rules”), with annexed ancillary documentation, including a form of option agreement for each option grant.

The Remuneration Committee will be responsible for administering the Unapproved Plan.

The Rules include many provisions to similar effect as those of the EMI Plan other than provisions of the latter which relate to the EMI Code.

In particular, the Rules of the Unapproved Plan include provisions as follows:

1. Eligibility and Grant of Options

- 1.1 The Remuneration Committee may grant options to acquire Ordinary Shares to any employees and directors of the Group.
- 1.2 Options are granted free of charge and are non-transferable.
- 1.3 No benefits provided under the Unapproved Plan will be pensionable.

2. Period for the Grant of Options

The first grant of options will be made within 42 days following the adoption of the Unapproved Plan. Thereafter, options may be granted within 42 days following either (a) the announcement of the Company's interim or final results for any period or (b) the day an individual first becomes an employee of the Group or is promoted to a position which qualifies him to receive an Option. In exceptional circumstances, options may be granted at other times.

3. Exercise Price

The exercise price per Ordinary Share will be determined by the Remuneration Committee but will not be less than the nominal value of a share if the shares are to be subscribed; and will not be less than 110 per cent. of the middle market price as derived from the Daily Official List for the dealing day immediately preceding the date of grant of the relevant option.

4. Exercise Conditions

- 4.1 The Rules provide that an option may be granted under the Unapproved Plan on terms that it may not be exercised until any objective condition or conditions as determined by the Remuneration Committee in its absolute discretion (an “**Exercise Condition**”) has been satisfied.
- 4.2 An Exercise Condition shall be capable of amendment, substitution or waiver if the Remuneration Committee in its absolute discretion acting fairly and reasonably considers that an amendment, substitution or waiver of the condition(s) is appropriate and is not materially more difficult to satisfy.

5. Exercise and Lapse of Options

5.1 **Vesting**

An option may normally be exercised only on or after the third anniversary of the date of grant; save to the extent that the Remuneration Committee in its discretion declares any other period for exercise.

5.2 **Cessation of Employment**

An option may normally be exercised in whole or in part only while the grantee is a director or employee of the Group and will lapse on cessation of such employment, save to the extent the

Remuneration Committee in its discretion allows it to remain exercisable for such period following the cessation as it may determine (subject to specified limits).

5.3 **Takeovers**

Exercise is permitted in conjunction with a takeover or similar transaction and in such circumstances the vesting period does not apply.

In the event of a takeover, an option holder may by agreement with the acquirer exchange his options for options over shares in the acquiring company. Where the ultimate ownership of the acquiring company is substantially the same as that of the Company, the consideration for the takeover entirely comprises shares in the acquiring company and the acquiring company offers exchange options within specified timescales, then the rules permitting exercise of options in conjunction with a takeover do not apply.

6. **Plan Limits**

In any ten year period ending on the relevant date of grant, the maximum number of Ordinary Shares which may be issued or are issuable under the Unapproved Plan and any other share reward plan approved on the same date as such plan shall not exceed 10 per cent. of the issued ordinary share capital of the Company in issue immediately prior to that date. For this purpose, any options which have been released or lapsed unexercised shall fall out of account.

7. **Variations of Share Capital**

On any capitalisation, rights issue, consolidation, subdivision, reduction or other variation of the share capital of the Company, the exercise price and the number of Ordinary Shares comprised in subsisting options may be varied in such manner as the Remuneration Committee may determine to be fair and reasonable.

8. **Amendment**

8.1 The Board, in its absolute discretion, may waive or amend any of the Rules of the Unapproved Plan or introduce such new rules as it sees fit provided that while the Ordinary Shares are listed on the Official List, any amendments to any of the following:

- the definition of eligible employee or employee;
- the limits on the maximum number of Ordinary Shares which may be issued under the plan;
- the terms of and the basis for determining a participant's entitlement to Ordinary Shares under the plan; and
- the basis on which an option may be adjusted if there is a variation of capital,

which are to the advantage of existing or future participants may not be made without approval of the members of the Company in general meeting.

8.2 Notwithstanding the above, the Board may amend the provisions of the Unapproved Plan and/or related option agreements and the terms of any option as it considers necessary or desirable in order to:

- make the administration of the plan more effective or easier;
- comply with or take account of the provisions of any proposed or existing legislation;
- take account of any of the events mentioned in rule 5 (takeovers etc); or
- obtain or maintain favourable tax or regulatory treatment for the Company or any member of the Group or any participant,

without the need for the prior approval of the Company in general meeting provided that such amendments or additions do not affect the basic principles of the plan and/or any option agreements entered into pursuant to the plan.

PART 4

SUMMARY OF THE PRINCIPAL FEATURES OF THE GRESHAM COMPUTING PLC NON EMPLOYEE SHARE OPTION PLAN 2010

The Non Employee Plan is documented by means of a set of rules which are largely similar to the Rules of the Unapproved Plan subject to certain modifications, and with annexed ancillary documentation, including a form of option agreement for each option grant.

The Remuneration Committee will be responsible for administering the Non Employee Plan.

The main modifications made to the Rules of the Unapproved Plan for the purpose of the rules of the Non Employee Plan are as follows:

1. the Board may, in accordance with the Non-Employee Plan, grant options to any person selected by the Board as being eligible to participate in such plan;
2. the rules of the Unapproved Plan whereby an option may normally be exercised in whole or in part only while the grantee is a director or employee of the Group and will lapse on cessation of such employment are dis-applied.

PART 5

DEFINITIONS

The following definitions apply throughout this document, except where the context requires otherwise.

“Board” or “Directors”	the board of directors of the Company, whose names are set out on page 3 of this document
“Business Day”	any day (excluding Saturdays and Sundays) on which banks are open in the City of London for the conduct of normal banking business
“Circular”	this circular dated 4 December 2010
“Daily Official List”	the daily record setting out the prices of all trades in shares and other securities conducted on the London Stock Exchange
“EMI Code”	Chapter 9 of Part 7 of, and Schedule 5 to, ITEPA
“EMI Plan”	the Gresham Computing plc Enterprise Management Incentive Plan 2010
“Executive Scheme 1998”	the Gresham Computing plc Executive Scheme 1998
“Executive Option Plan 2007”	the Gresham Computing plc Executive Option Plan 2007
“Existing Gresham Share Plans”	the Executive Scheme 1998 and the Executive Option Plan 2007
“Financial Services Authority” or “FSA”	the UK Financial Services Authority
“Form of Proxy”	the form of proxy accompanying this document for use by Shareholders at the General Meeting
“FSMA”	the Financial Services and Markets Act 2000 (as amended) including any revisions made pursuant thereto at the date of this document
“General Meeting”	the general meeting of the Company convened for 11.00 a.m. on Thursday 30 December 2010 (or any adjournment thereof)
“Gresham” or “the Company”	Gresham Computing plc
“Gresham Group” or the “Group”	the Company and its subsidiary undertakings
“ITEPA”	the Income Tax Earnings and Pensions Act 2003
“Listing Rules”	the listing rules made by the FSA in the exercise of its function as competent authority pursuant to Part VI of FSMA
“London Stock Exchange”	London Stock Exchange plc
“New Share Plans”	together, the EMI Plan, Unapproved Plan and Non Employee Plan
“Non Employee Plan”	the Gresham Computing plc Non Employee Share Option Plan 2010
“Notice of General Meeting” or “Notice”	the notice of General Meeting set out at the end of this document

"Official List"	the Official List of the FSA
"Ordinary Shares"	ordinary shares of 5 pence each in the capital of the Company
"Remuneration Committee"	the remuneration committee of the Board
"Resolutions"	the resolutions to be proposed at the General Meeting as set out in the Notice
"Shareholders"	holders of the Company's existing issued share capital
"Unapproved Plan"	the Gresham Computing plc Unapproved Share Option Plan 2010
"UK" or "United Kingdom"	the United Kingdom of Great Britain and Northern Ireland

Gresham Computing plc

(Incorporated and registered in England and Wales with registered number 1072032)

NOTICE OF GENERAL MEETING

NOTICE is hereby given that a General Meeting of Gresham Computing plc (the “**Company**”) will be held at the offices of Singer Capital Markets Limited of One Hanover Street, London W1S 1YZ at 11.00 a.m. on Thursday 30 December 2010 for the purpose of considering and, if thought fit, passing the following resolutions of which resolutions 1 to 3 (inclusive) and resolution 5 will be proposed as ordinary resolutions and resolutions 4 and 6 will be proposed as special resolutions:

Ordinary Resolutions

1. THAT

- 1.1 approval be and is hereby given for the adoption by the Company of the Gresham Computing plc Enterprise Management Incentive Plan 2010 (the “**EMI Plan**”), the principal features of which are summarised in Part 2 of the document of which this notice of meeting forms part, and that the rules of such plan be substantially in the same form as the draft rules submitted to this meeting and signed for the purpose of identification by the Chairman; and
- 1.2 the directors be and are hereby authorised:
 - (a) to do all other acts and things necessary to carry the EMI Plan into effect; and
 - (b) to vote as directors on any matter connected with the EMI Plan notwithstanding that they may be interested in the same and the prohibition on interested directors voting contained in the articles of association of the Company be and is hereby suspended to that extent, except that no director shall vote on any resolution concerning his own participation in such plan or be counted in the quorum for the consideration of any such resolution.

2. THAT

- 2.1 approval be and is hereby given for the adoption by the Company of the Gresham Computing plc Unapproved Share Option Plan 2010 (the “**Unapproved Share Option Plan**”), the principal features of which are summarised in Part 3 of the document of which this notice of meeting forms part, and that the rules of such plan be substantially in the same form as the draft rules submitted to this meeting and signed for the purpose of identification by the Chairman; and
- 2.2 the directors be and are hereby authorised:
 - (a) to do all other acts and things necessary to carry the Unapproved Share Option Plan into effect; and
 - (b) to vote as directors on any matter connected with the Unapproved Share Option Plan notwithstanding that they may be interested in the same and the prohibition on interested directors voting contained in the articles of association of the Company be and is hereby suspended to that extent, except that no director shall vote on any resolution concerning his own participation in such plan or be counted in the quorum for the consideration of any such resolution.

3. THAT

- 3.1 approval be and is hereby given for the adoption by the Company of the Gresham Computing plc Non Employee Share Option Plan 2010 (the “**Non Employee Share Option Plan**”), the principal features of which are summarised in Part 4 of the document of which this notice of meeting forms part, and that the rules of such plan be substantially in the same form as the draft rules submitted to this meeting and signed for the purpose of identification by the Chairman; and
- 3.2 the directors be and are hereby authorised:
 - (a) to do all other acts and things necessary to carry the Non Employee Share Option Plan into effect; and

- (b) to vote as directors on any matter connected with the Non Employee Share Option Plan notwithstanding that they may be interested in the same and the prohibition on interested directors voting contained in the articles of association of the Company be and is hereby suspended to that extent, except that no director shall vote on any resolution concerning his own participation in such plan or be counted in the quorum for the consideration of any such resolution.

Special Resolution

- 4 THAT there be hereby approved and adopted as the Articles of Association of the Company in substitution for and to the exclusion of the existing Articles of Association of the Company the regulations contained in the document now produced to the meeting and for the purpose of identification signed by the Chairman.

Ordinary Resolution

- 5 THAT in substitution for and to the exclusion of all existing authorities but without prejudice to the allotment of any shares or any grant of rights to subscribe for or to convert any security in to shares already made pursuant thereto, the directors be and they are hereby generally and unconditionally authorised pursuant to section 551 of the Companies Act 2006 (the "Act") to allot shares (or to grant rights to subscribe for or to convert any security into shares) in the Company up to an aggregate nominal value of £290,680. Such authority, unless previously renewed, extended, varied or revoked by the Company in general meeting, shall expire on the day immediately preceding the fifth anniversary of the date on which this resolution is passed, save that the Company may, prior to the expiry of such period, make an offer or agreement which would or might require shares in the Company to be allotted after such expiry and the directors may allot shares in the Company in pursuance of such offer or agreement notwithstanding the expiry of the authority given by this resolution.

Special Resolution

- 6 THAT, subject to and conditional upon the passing of resolution 5 above, in substitution for and to the exclusion of all existing authorities but without prejudice to the allotment of any equity securities already made pursuant thereto, the directors be and they are hereby empowered pursuant to section 571 of the Act to allot equity securities (as defined in section 560(1) of the Act) which are the subject of the authority granted by resolution 5 for cash, as if section 561(1) of the Act did not apply to any such allotments pursuant to any of the following

- (i) the EMI Plan;
- (ii) the Unapproved Plan; and
- (iii) the Non Employee Plan;

up to an aggregate nominal amount of £290,680;

provided that such authority under this resolution 6 shall, unless previously renewed, extended, varied or revoked by special resolution of the Company in general meeting, expire on the day immediately preceding the fifth anniversary of the date on which this resolution is passed, save that the Company may, prior to the expiry of such authority, make an offer or agreement which would or might require shares in the Company to be allotted after the expiry thereof and the directors may allot shares in the Company in pursuance of such offer or agreement notwithstanding the expiry of the authority given by this resolution.

By order of the Board

Rob Grubb

Secretary

Dated: 4 December 2010

Registered office

Sopwith House

Brook Avenue

Warsash

Southampton

SO31 9ZA

Notes

1. As at 3 December 2010 (being the latest practicable date before publication of this document), the issued share capital of the Company comprised 58,135,978 ordinary shares of 5 pence each (the **"Ordinary Shares"**) and the total number of voting rights was 58,135,978. There are no Ordinary Shares held by the Company in treasury.
2. Shareholders entitled to attend and vote at the General Meeting are entitled to appoint a proxy to exercise all or any of their rights to attend, speak and vote on their behalf at the meeting and at any adjournment of it. A form of proxy for use by shareholders is enclosed with this document. A shareholder may appoint more than one proxy in relation to the meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. To appoint more than one proxy, you may photocopy the form of proxy. Please indicate the proxy holder's name and the number of Ordinary Shares in relation to which they are authorised to act as your proxy (which, in aggregate, should not exceed the number of Ordinary Shares held by you). A proxy need not be a member of the Company.
3. Details of how to appoint the Chairman of the meeting or another person as your proxy are set out in the notes to the form of proxy. If you do not have a form of proxy and believe that you should have one, or if you require additional forms, please contact the Company Secretary on 01489 555 500.
4. To be valid any form of proxy or other instrument appointing a proxy must be received by post or (during normal business hours only) by hand to the Company Secretary, Sopwith House, Brook Avenue, Warsash, Southampton SO31 9ZA no later than 11.00 a.m. on 28 December 2010, together with, if appropriate, the power of attorney or other authority (if any) under which it is signed or a duly certified copy of that power or authority.
5. The return of a completed form of proxy or other such instrument will not prevent a shareholder attending the meeting and voting in person if he/she wishes to do so. If a shareholder submits more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.
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. Under section 319A of the Act, the Company must answer any question you ask relating to the business being dealt with at the meeting unless:
 - 7.1 answering the question would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information;
 - 7.2 the answer has already been given on a website in the form of an answer to a question; or
 - 7.3 it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.
8. A vote withheld option is provided on the form of proxy to enable you to instruct your proxy not to vote on any particular resolution, however, it should be noted that a vote withheld in this way is not a 'vote' in law and will not be counted in the calculation of the proportion of the votes 'For' and 'Against' a resolution.
9. To be entitled to attend and vote at the meeting (and for the purpose of the determination by the Company of the votes they may cast), shareholders must be registered in the register of members of the Company at 11.00 a.m. on 28 December 2010 (or, in the event of any adjournment, 11.00 a.m. on the date which is two days (excluding non-working days) before the time of the adjourned meeting). Changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.
10. Any person to whom this notice is sent who is a person nominated under section 146 of the Act to enjoy information rights (a **"Nominated Person"**) may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights. The statement of the rights of shareholders in relation to the appointment of proxies in paragraph 2 does not apply to Nominated Persons. The rights described in that note can only be exercised by members of the Company.
11. Further information regarding the meeting, including the information required by section 311A of the Act, is available from www.gresham-computing.com.

