

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt about the action to be taken, you should immediately consult your bank manager, stockbroker, solicitor, accountant or other independent financial adviser authorized pursuant to the Financial Services and Markets Act 2000.

If you have sold or otherwise transferred all of your Shares in Foresight VCT plc (the “Company”), please send this document and accompanying documents, as soon as possible, to the purchaser or transferee or to the stockbroker, independent financial adviser or other person through whom the sale or transfer was effected for delivery to the purchaser or transferee. Application has been made to the UKLA for the New Shares to be listed on the Official List and will be made to the London Stock Exchange for such New Shares to be admitted to trading on its market for listed securities. The New Shares will rank *pari passu* with the existing issued Ordinary Shares from the date of issue.

BDO LLP (“BDO”) is acting for the Company and Keydata Income VCT 1 plc and Keydata Income VCT 2 plc (“Keydata 1” and “Keydata 2” respectively) and no-one else and will not be responsible to anyone other than the Company for providing the protections afforded to customers of BDO nor for providing advice in relation to the Proposals. BDO is authorised and regulated in the United Kingdom by the FSA.

R W Blears LLP, which is regulated in the United Kingdom by the Solicitors Regulation Authority, is acting as legal adviser to the Company and Keydata 1 and Keydata 2 and no-one else and will not be responsible to any other person for providing advice in connection with any matters referred to herein.

FORESIGHT VCT PLC

(Registered in England and Wales with registered number 03421340)

Recommended Proposals to:

- **acquire the assets and liabilities of Keydata Income VCT 1 plc and Keydata Income VCT 2 plc;**
- **reconstruct the Ordinary Share capital;**
- **renew allotment and repurchase authorities; and**
- **effect an Enhanced Buyback.**

Your attention is drawn to the letter from the chairman of the Company set out in Part III of this document which contains a recommendation to vote in favour of the resolutions to be proposed at the Foresight Meetings referred to below. Your attention is also drawn to the risk factors set out in Part II of this document.

You will find set out at the end of this document notices of the Foresight Meetings, to be held at 12 noon and thereafter, on 18 February 2011 at Over-Seas House, Park Place, St James’s Street, London SW1A 1LR to approve resolutions to effect the proposals contained herein. To be valid, the forms of proxy attached to this document for the Foresight Meetings should be returned not less than 48 hours before the Foresight Meetings, either by post or by hand (during normal business hours only) to the Company’s registrar, Computershare Investor Services PLC, The Pavilions, Bristol BS99 6ZZ. For further information on any of the meetings or the completion and return of a form of proxy, please telephone Computershare Investor Services PLC helpline between 9.00 am and 5.30 pm (GMT) Monday to Friday (except UK public holidays) on telephone number 0870 703 6388 or, if telephoning from outside the UK, on +44 (0)870 703 6388. Calls to Computershare Investor Services PLC helpline are charged at national rates. Calls to the helpline from outside of the UK will be charged at applicable international rates. Further details will be available from your service provider. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. For legal reasons, Computershare Investor Services PLC will be unable to give advice on the merits of the Proposals or provide financial, legal, tax or investment advice.

This document should be read in conjunction with the Prospectus issued by the Company. The Prospectus includes the Registration Document dated 28 January 2010 and the Summary and Securities Note dated 27 January 2011 which accompanies this document.

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EXPECTED TIMETABLES

EXPECTED TIMETABLE FOR THE COMPANY

Latest time for receipt of forms of proxy for the Foresight Meetings	12 noon on 16 February 2011
Foresight Meetings	12 noon on 18 February 2011 and thereafter
Calculation Date	After 5.00 pm on 24 February 2011
Effective Date for the transfer of the assets and liabilities of Keydata 1 and Keydata 2 to the Company and the issue of New Shares	28 February 2011
Announcement of the results of the Foresight Meetings and completion of the Scheme	28 February 2011
Admission of and dealings in the New Shares to commence	1 March 2011
Reconstruction of Ordinary Share capital by the creation and off market purchase of Deferred Shares	After close of business on 1 March 2011
Certificates for the New Shares despatched by	8 March 2011

EXPECTED TIMETABLE FOR KEYDATA 1 AND KEYDATA 2

Latest time for receipt of forms of proxy for the Keydata First General Meetings	10.00 am and 10.05 am on 16 February 2011
Keydata First General Meetings	10.00 am and 10.05 am on 18 February 2011
Date from which it is advised that dealings in Keydata 1 and Keydata 2 should only be for cash settlement and immediate delivery of documents of title	22 February 2011
Record Date for Keydata Shareholders entitlements under the Scheme	24 February 2011
Register of Members of Keydata Shareholders closed	24 February 2011
Calculation Date	After 5.00 pm on 24 February 2011
Latest time for receipt of forms of proxy for the Keydata Second General Meetings	10.00 am and 10.05 am on 26 February 2011
Keydata Second General Meetings	10.00 am and 10.05 am on 28 February 2011
Effective Date for the transfer of the assets and liabilities of Keydata 1 and Keydata 2 to the Company and the issue of New Shares	28 February 2011
Announcement of the results of the Second General Meetings of Keydata 1 and Keydata 2 and completion of the Scheme	28 February 2011
Cancellation of the listing of Keydata 1 Shares and Keydata 2 Shares	1 March 2011

CORPORATE INFORMATION

Directors

John Howard Gregory
(Chairman of the Company)
Peter Frederick Dicks
Dr Antony Richard Diment
Gordon James Humphries

Registered Office

ECA Court
24-26 South Park
Sevenoaks
Kent TN13 1DU

Company Registration Number

03421340

Website

www.foresightgroup.eu

Telephone Number

01732 471 800

Company Secretary and Custodian

Foresight Fund Managers Limited
ECA Court
South Park
Sevenoaks
Kent TN13 1DU

Registrars and Receiving Agent

Computershare Investor Services PLC
The Pavilions
Bridgewater Road
Bristol BS99 6ZZ

Investment Manager

Foresight Group LLP
ECA Court
South Park
Sevenoaks
Kent TN13 1DU

Auditors

Ernst & Young LLP
1 More London Place
London SE1 2AF

Solicitors and VCT Tax Advisers

R W Blears LLP
125 Old Broad Street
London EC2N 1AR

Broker

Singer Capital Markets Limited
1 Hanover Street
London W15 1YZ

Sponsor

BDO LLP
125 Colmore Row
Birmingham B3 3SD

Bankers

Barclays Bank plc
54 Lombard Street
London EC3P 3AH

PART I

DEFINITIONS

“Additional Consideration”	the additional consideration payable to Keydata Shareholders who participate in the Scheme in the form of Additional New Shares subject to and in accordance with the terms of the Scheme
“Additional New Shares”	the additional New Shares to be issued to Keydata Shareholders pursuant to and in accordance with the Scheme (and each an “Additional New Share”) equal in aggregate value to the Additional Consideration for the Shares
“Admission”	the date on which the New Shares are listed on the Official List of the UK Listing Authority and admitted to dealing on the London Stock Exchange’s market for listed securities
“Articles”	the articles of association of the Company, as amended from time to time
“Board” or “Directors”	the board of directors of the Company
“Boyle”	Boyle Electrical Generation Limited
“Burley”	Burley Energy Limited
“CA 1985”	Companies Act 1985, as amended
“CA 2006”	Companies Act 2006, as amended
“Calculation Date”	the date on which the Roll-Over Value and the Merger Value will be calculated, this being 24 February 2011
“Clarke”	Clarke Power Services Limited
“Companies”	Foresight, Keydata 1 and Keydata 2
“Computershare Investor Services PLC”	a trading name for Computershare Limited
“Companies Acts”	CA 1985 and CA 2006
“Company” or “Foresight”	Foresight VCT plc
“Cooke”	Cooke Generation Limited
“Deferred Shares”	that number of Ordinary Shares which, pursuant to resolution 2 of the resolutions to be proposed at the Foresight General Meeting will (immediately after the issue of New Shares pursuant to the Scheme) be redesignated as Deferred Shares and repurchased by Foresight pursuant to the Ordinary Share Reconstruction
“Derby Project”	the proposed 3.0MW biomass-fuelled electricity generation station in Derby within the scope of the Planning Permission to be built in stages between 2011 and 2012 including the Equipment and all other tangible and intangible assets, liabilities, revenues, profits and business directly attributable or derived therefrom
“Effective Date”	the date on which the Scheme will be completed, this is anticipated as being 28 February 2011
“Enhanced Buyback”	the proposed tender offer by the Company to purchase existing Ordinary Shares held by Shareholders where such selling Shareholders commit to acquire new Ordinary Shares pursuant to an open offer made by the Company, summary details of which are contained in Part III of this document
“Enlarged Company”	the Company, following implementation of the Scheme

“Enterprise Value of the Derby Project”	the fair value of the ownership interests held by Participators in the Derby Project on the basis of the 12 months ending 30 September 2013 estimated by Foresight Group in accordance with a methodology regarded as appropriate by the auditors of Foresight in the context of the International Private Equity and Venture Capital Valuation Guidelines
“the Equipment”	all the equipment (mainly engines and gasification equipment in storage) acquired by the Keydata Portfolio Companies for the purposes of the Derby Project prior to 23 December 2010
“Foresight General Meeting”	the general meeting of Shareholders of the Company to be held on 18 February 2011
“Foresight Group”	Foresight Group LLP, investment manager to the Company and Keydata 1 and Keydata 2, of ECA Court, 24-26 South Park, Sevenoaks, Kent TN13 1DU
“Foresight Meetings”	the Foresight General Meeting, Foresight Ordinary Shareholder Class Meeting and Foresight Planned Exit Shareholder Class Meeting
“Foresight Ordinary Shareholder Class Meeting”	the class meeting of Ordinary Shareholders of the Company to be held on 18 February 2011
“Foresight Planned Exit Shareholder Class Meeting”	the class meeting of Planned Exit Shareholders of the Company to be held on 18 February 2011
“HMRC”	HM Revenue & Customs
“IA 1986”	Insolvency Act 1986, as amended
“ICTA 1988”	Income and Corporation Taxes Act 1988, as amended
“ITA 2007”	Income Tax Act 2007, as amended
“Keydata 1”	Keydata Income VCT 1 plc registered in England and Wales under number 05366736, whose registered office is at ECA Court, 24-26 South Park, Sevenoaks, Kent, TN13 1DU
“Keydata 2 ”	Keydata Income VCT 2 plc registered in England and Wales under number 05366735, whose registered office is at ECA Court, 24-26 South Park, Sevenoaks, Kent, TN13 1 DU
“Keydata Boards”	the boards of directors of Keydata 1 and Keydata 2
“Keydata Circular”	the circular to Keydata Shareholders dated 27 January 2011
“Keydata First General Meeting”	the first general meeting of Keydata 1 and Keydata 2 to be held on 18 February 2011
“Keydata Investment Services”	Keydata Investment Services Limited
“Keydata Meetings”	the Keydata First General Meeting and the Keydata Second General Meeting
“Keydata Portfolio Companies”	all those companies in which Keydata1 and Keydata 2 hold shares as at the date of this document
“Keydata Second General Meeting”	the second general meeting of Keydata 1 and Keydata 2 to be held on 28 February 2011
“Keydata 1 Shares”	ordinary shares of 1p each in the capital of Keydata 1 (and each a “Keydata 1 Share”)
“Keydata 2 Shares”	ordinary shares of 1p each in the capital of Keydata 2 (and each a “Keydata 2 Share”)
“Keydata Shares”	Keydata 1 Shares and the Keydata 2 Shares
“Keydata Shareholders”	holders of Keydata 1 Shares and Keydata 2 Shares

“Keydata VCTs”	Keydata 1 and Keydata 2
“Liquidators”	Ian Schofield and Charles Escott of PKF (UK) LLP whose registered office is Farringdon Place, 20 Farringdon Road, London, EC1M 3AP being the proposed liquidators for Keydata 1 and Keydata 2
“Listing Rules”	the listing rules of the UKLA
“Loan Creditor”	in relation to the Keydata Portfolio Companies, means a creditor (including a person carrying on a business of banking): (a) in respect of any debt: for any money borrowed or capital assets acquired by the Keydata Portfolio Companies; for any right to receive income created in favour of the Keydata Portfolio Companies; or for consideration the value of which to the Keydata Portfolio Companies was (at the time when the debt was incurred) substantially less than the amount of the debt (including any premium on the debt); and (b) in respect of any redeemable loan capital issued by the Keydata Portfolio Companies; and, for these purposes, a person who is not the creditor in respect of any debt or loan capital, but has a beneficial interest in that debt or loan capital, is, to the extent of that interest, to be treated as a loan creditor in respect of that debt or loan capital
“London Stock Exchange”	London Stock Exchange plc
“Merger Regulations”	Venture Capital Trusts (Winding-up and Mergers) (Tax) Regulations 2004
“Merger Value”	the value of an Ordinary Share calculated in accordance with paragraph 4 of Part IV of this document
“NAV” or “net asset value”	net asset value
“Nevin”	Nevin Energy Resources Limited
“New Shares”	the new Ordinary Shares to be issued by the Company to Keydata Shareholders in accordance with the Scheme (and each a “New Share”)
“Official List”	the official list of the UKLA
“Ordinary Shares”	shares of 1p each in the capital of the Company
“O-Gen UK”	O-Gen UK Limited
“Ordinary Share Fund”	the capital and assets attributable to the Ordinary Shares
“Ordinary Share Reconstruction”	the reconstruction, pursuant to resolution 2 of the resolutions to proposed at the Foresight General Meeting, of the Ordinary Shares capital so as to ensure, as nearly as practicable, that the net asset value per Ordinary Share shall be 100p and to be implemented by the redesignation of a certain number of Ordinary Shares as Deferred Shares and their repurchase by the Company for a nominal consideration of one pence in aggregate
“Ordinary Shareholders”	holders of Ordinary Shares
“Participators”	all persons having a share or interest in the capital or income of the Keydata Portfolio Companies, including for these purposes (a) a person who possesses, or is entitled to acquire, share capital or voting rights in the Keydata Portfolio Companies, (b) a Loan Creditor of the Keydata Portfolio Companies, (c) a person who possesses a right to receive or participate in distributions of the Keydata Portfolio Companies or any amounts payable by the Keydata Portfolio Companies (in cash or in kind) to Loan Creditors by way of premium on redemption, (d) a person who is entitled to acquire such a right as is mentioned in paragraph (c), and (e) a person who is entitled to secure that income or assets (whether present or future) of the Keydata Portfolio Companies will be applied directly or

	indirectly for that person's benefit and in all cases treating a person as entitled to do anything which that person is entitled to do at a future date, or will at a future date be entitled to do
"Planned Exit Shares"	planned exit shares of 1p each in the capital of the Company
"Planning Permission"	the planning permission to build the Derby Project granted by Derby City Council under application number DER/02/08/00261/PRI approved on the 28 July 2008 as it exists as at the date of this document
"Planned Exit Shareholders"	holders of the Planned Exit Shares
"Proposals"	the proposals to effect the merger of the Companies by way of the Scheme and pass the resolutions numbered 1, 2, 3 and 4 to be proposed at the Foresight Meetings
"Prospectus"	the Registration Document published by the Company on 28 January 2010 and the Summary and Securities Note
"Reconstruction"	the reconstruction effected on 16 January 2007 whereby, 14,791,348 ordinary shares in the capital of Foresight in issue as at 15 January 2007 were redesignated as 10,177,029 C ordinary shares in accordance with a conversion ratio such that the total number of shares so redesignated was in proportion to the ratio which the unaudited net asset value of the such ordinary shares bore to the unaudited net asset value of the C Shares in the capital of Foresight in issue as at 15 January 2007. The balance of 4,614,319 ordinary shares also in issue as at 15 January 2007, having a nominal value of £46,143 was redesignated as deferred shares and was purchased by Foresight for an aggregate amount of 1p. All of the resulting 45,153,120 C Shares were then redesignated as Ordinary Shares and the articles of association of Foresight were amended so that all of the assets and liabilities of Foresight as at 16 January 2007 were merged into a single pool of assets and liabilities to which the holders of Ordinary Shares are exclusively entitled
"Record Date"	the record date by reference to which Keydata Shareholders' entitlements will be allocated pursuant to the Scheme, this being 24 February 2011
"Registration Document"	the registration document dated 28 January 2010 which forms part of the Prospectus
"Roll-Over Value"	the value of a Keydata 1 Share and Keydata 2 Share calculated in accordance with paragraph 4 of Part IV of this document
"Summary and Securities Note"	the summary and securities note published on 27 January 2011 by Foresight that forms part of the Prospectus
"Scheme"	the proposed merger of the Company with Keydata 1 and Keydata 2 by means of placing Keydata 1 and Keydata 2 into members' voluntary liquidation pursuant to Section 110 of IA 1986 and the acquisition by the Company of all of the assets and liabilities of Keydata 1 and Keydata 2 in consideration for New Shares and the payment of Additional Consideration as set out in Part IV of this document
"Shareholder"	a holder of Shares
"Shares"	Ordinary Shares and Planned Exit Shares (and each a "Share") as the context may require
"Spencer"	Spencer Energy Services Limited
"TCGA 1992"	Taxation of Chargeable Gains Act 1992, as amended
"Transfer Agreement"	the agreement between the Company and Keydata 1 and Keydata 2

(acting through the Liquidators) for the transfer of all of the assets and liabilities of Keydata 1 and Keydata 2 by the Liquidators to the Company pursuant to the Scheme

“UK”

the United Kingdom

“UKLA” or “UK Listing Authority”

the UK Listing Authority, being the Financial Services Authority acting in its capacity as the competent authority for the purposes of Part VI of the Financial Services and Market Act 2000

“VCT” or “venture capital trust”

a company satisfying the requirements of Chapter 3 of Part 6 of ITA 2007 for venture capital trusts

“VCT Rules”

the legislation rules and HMRC interpretation and practice regulating the establishment and operation of venture capital trusts

PART II

RISK FACTORS

Shareholders and prospective Shareholders should consider carefully the following risk factors in addition to the other information presented in this document. If any of the risks described below were to occur, it could have a material effect on the Company's business, financial condition or results of operations. The risks and uncertainties described below are not the only ones the Company, the Board or Shareholders will face. Additional risks not currently known to the Company or the Board, or that the Company or the Board currently believe are not material, may also adversely affect the Company's business, financial condition or results of operations. The value of the Shares could decline due to any of the risk factors described below and Shareholders could lose part or all of their investment. Shareholders and prospective Shareholders should consult an independent financial adviser authorised under the Financial Services and Markets Act 2000. References to the Company should be taken as including the Enlarged Company.

Completion of the Proposals is dependent upon a number of conditions precedent being fulfilled, including the approval of Shareholders and the Scheme becoming effective. Whilst the Board has identified a number of potential benefits for the Enlarged Company, there is no certainty that these benefits will lead to improved prospects for the Enlarged Company.

The value of Shares can fluctuate and Shareholders may not get back the amount they invested. In addition, there is no certainty that the market price of Shares will fully reflect their underlying NAV or that any dividends will be paid, nor should Shareholders rely upon any Share buy-back policy to offer any certainty of selling their Shares at prices that reflect the underlying NAV.

Although the existing Shares have been (and it is anticipated that the New Shares to be issued pursuant to the Scheme will be) admitted to the Official List and are (or will be) traded on the London Stock Exchange's market for listed securities, the secondary market for VCT shares is generally illiquid and, therefore, there may not be a liquid market (which may be partly attributable to the fact that initial tax reliefs are not available for VCT shares generally bought in the market and because VCT shares usually trade at a discount to NAV) and Shareholders may find it difficult to realise their investment. An investment in the Company should, therefore, be considered as a long-term investment.

The past performance of the Company, Keydata 1 and Keydata 2 and/or the Foresight Group is no indication of future performance. The return received by Shareholders will be dependent on the performance of the underlying investments. The value of such investments, and interest income and dividends therefrom, may rise or fall.

Although the Company may receive conventional venture capital rights in connection with some of its unquoted investments, as a minority investor it may not be in a position to fully protect its interests.

The Company's investments (the policy being to invest in private companies and companies traded on AIM and PLUS-traded or PLUS-quoted markets) may be difficult, and take time, to realise. There may also be constraints imposed on the realisation of investments in order to maintain the VCT tax status of the Company.

It can take a number of years for the underlying value or quality of the businesses of smaller companies, such as those in which the Company invests, to be fully reflected in their market values and their market values are often also materially affected by general market sentiment, which can be negative for prolonged periods.

Investment in private companies and companies traded on AIM and PLUS-traded or PLUS-quoted markets, by its nature, involves a higher degree of risk than investment in companies listed on the Official List. In particular, small companies often have limited product lines, markets or financial resources and may be dependent for their management on a small number of key individuals and may be more susceptible to political, exchange rate, taxation and other regulatory changes. In addition, the market for securities in smaller companies is often less liquid than that for securities in larger companies, bringing with it potential difficulties in acquiring, valuing and disposing of such securities. Proper information for determining their value or the risks to which they are exposed may also not be available. Investment returns will, therefore, be uncertain and involve a higher degree of risk than investment in a company listed on the Official List.

Whilst it is the intention of the Board that the Enlarged Company will continue to be managed so as to qualify as a VCT, there can be no guarantee that such status will be maintained. Failure to continue to meet the qualifying requirements could result in Shareholders losing the tax reliefs available for VCT shares, resulting in adverse tax consequences including, if the holding has not been held for the relevant holding period, a requirement to repay the tax reliefs obtained. Furthermore, should the Company lose its VCT status, dividends and gains arising on the disposal of Shares would become subject to tax and the Company would also lose its exemption from corporation tax on its capital gains.

If a Shareholder disposes of his or her Shares within five years of issue (three years if such Shares were issued on or between 6 April 2000 and 5 April 2006), he or she will be subject to clawback by HMRC of any income tax reliefs originally claimed. For these purposes, the date of issue of the New Shares and the Additional New Shares issued pursuant to the Scheme will be the original date of issue of the Keydata 1 Shares and Keydata 2 Shares from which they are derived.

If at any time VCT status is lost for the Company, dealings in its Shares will normally be suspended until such time as proposals to continue as a VCT or to be wound-up have been announced.

The tax rules, or their interpretation, in relation to an investment in the Company and/or the rates of tax may change during the life of the Company and may apply retrospectively.

Any purchaser of existing Shares in the market will not qualify for the then (if any) available tax reliefs afforded to subscribers of new VCT shares on the amount invested.

Ordinary Shareholders may be adversely affected by the performance of the investments, whether acquired from Keydata 1 and Keydata 2 or made by the Company. The performance of the investments in Keydata 1 and Keydata 2 as well as the investments of the Company may restrict the ability of the Company following the merger to distribute any capital and revenue gains achieved on the investments transferred from Keydata 1 and Keydata 2 to the Company (as well as the investments of the Company). In particular, the Keydata Portfolio Companies are closely connected investments which represent a significant portion of the assets of Keydata 1 and Keydata 2, and will collectively represent approximately 15 per cent. of the Enlarged Company's Ordinary Share portfolio of investments, the performance of which may affect the performance of the Ordinary Share Fund of the Enlarged Company. However, in the opinion of the Board, the risk of any adverse impact has been reduced by structuring the merger so that the initial consideration is calculated by reference, in particular, to a physical valuation of the Equipment which is less than its book value as at 30 June 2010 within the Keydata Portfolio Companies and that additional consideration is only paid if the Enterprise Value of the Derby Project after 30 September 2013 exceeds the aggregate Roll Over Value of the assets and liabilities of Keydata 1 and Keydata 2. Any gains (or losses) made on the investments of the Company will, following the merger with Keydata 1 and Keydata 2, be shared amongst the holders of all Ordinary Shares (including New Shares) then in issue. To the extent that such gains or losses do not occur in the same proportions as the Roll-Over Value and the Merger Value, the existing Ordinary Shareholders in the Company or the shareholders in Keydata 1 and Keydata 2 may gain or lose accordingly.

Ordinary Shareholders may be adversely affected by a change in the VCT status of the Company if a number of the investments acquired from Keydata 1 and/or Keydata 2, or the investments of the Company, are or become unable to meet VCT requirements.

PART III

LETTER FROM THE CHAIRMAN OF FORESIGHT VCT PLC

registered in England and Wales with registered number 03421340

Directors:

John Gregory (Chairman)
Peter Dicks
Antony Diment
Gordon Humphries

Registered Office:

ECA Court
24-26 South Park
Sevenoaks
Kent TN13 1DU

27 January 2011

Dear Shareholder

Recommended proposals to acquire all of the assets and liabilities of Keydata 1 and Keydata 2 pursuant to the Scheme, to carry out the Ordinary Share Reconstruction, to renew the authority to issue and repurchase Ordinary Shares, and to effect the Enhanced Buyback

The Board announced on 1 September 2010 that terms for the merger of Keydata 1 and Keydata 2 with Foresight had been agreed.

The purpose of this letter is to set out for Shareholders the terms of that agreement and to put the Proposals to Shareholders for consideration. The Proposals will, if effected, result in Keydata 1 and Keydata 2 being merged into Foresight creating an Enlarged Company having net assets of over £30 million which is expected to deliver cost savings and strategic benefits.

In connection with the Proposals relating to the Scheme, the Ordinary Share Reconstruction, the renewal of the authority to issue and repurchase Ordinary Shares and the Enhanced Buyback, the Company has published this circular and the Prospectus.

The Board first announced that the Company intended to offer holders of Ordinary Shares the opportunity to participate in an enhanced buyback on 28 January 2010 and authority to proceed with an enhanced buyback was given by Shareholders at the general meeting of the Company held on 23 February 2010. It was subsequently decided to postpone an enhanced buyback until after the Scheme was completed so that the shareholders of Keydata 1 and Keydata 2 might also have the opportunity to participate. Accordingly, if the Proposals are approved by Shareholders at the Foresight meetings, the Company intends to publish, as soon as practicable after completion of the Scheme and the Ordinary Share Reconstruction, a further document which will enable Ordinary Shareholders, including ex Keydata shareholders, to participate in the Enhanced Buyback. The Enhanced Buyback will not be suitable for all Ordinary Shareholders for the reasons described below in the paragraph entitled "Considerations relating to the Enhanced Buyback" but the Board expects that many Ordinary Shareholders, including the ex-Keydata Shareholders, will find the opportunity to participate attractive.

To effect the Proposals the consent of Shareholders, pursuant to the Companies Acts, Listing Rules and the Articles, is being sought at the Foresight Meetings to approve the merger of the Companies pursuant to the Scheme, to carry out the Ordinary Share Reconstruction, to renew the authority to issue and repurchase Ordinary Shares and to effect the Enhanced Buyback. A specific resolution to approve the acquisition of the assets and liabilities of Keydata 1 and Keydata 2 pursuant to the Scheme is not required, however, in light of the nature of the Proposals the Board believes it appropriate to include this as part of resolution 1.

Rationale for the Merger

The Board believes that there is an optimum size for the Company which is at least £30 million of net assets. In attaining this optimum size, the Board wishes and expects to achieve and maintain a more diversified portfolio of investments for the benefit of Ordinary Shareholders.

As at 30 June 2010 the Company's net assets (attributable to both the Ordinary Shares and the Planned Exit Shares) were approximately £28,458,000.

A merger of the Company with Keydata 1 and Keydata 2 will create an Enlarged Company with combined net assets of over £30 million. It will also create the strategic benefit of increasing the

Company's footprint in the environmental infrastructure sector; an asset class which the Board and Foresight Group believe offers real growth potential for the future. The Board believes this will benefit both the holders of Planned Exit Shares as well as the holders of Ordinary Shares.

Merger with Keydata 1 and Keydata 2 and the Derby Project

The Board has reached an agreement with the Keydata Boards to merge Keydata 1 and Keydata 2 with the Company (subject to the conditions set out in paragraph 8 of Part IV of this document).

(i) Terms of the Merger

The merger will provide for all of the assets and liabilities of Keydata 1 and Keydata 2 to be transferred to the Company in consideration for:

- the issue of New Shares to Keydata Shareholders equal in value to the aggregate Roll Over Value of the Keydata Shares on 24 February 2011; and
- the issue of Additional New Shares to Keydata Shareholders by way of Additional Consideration if the Enterprise Value of the Derby Project as at 30 September 2013, exceeds the Roll Over Value of the Keydata Shares on 24 February 2011

The maximum consideration (comprising the New Shares and the Additional New Shares) which may be paid by the Company for the acquisition of the assets of Keydata 1 and Keydata 2 will not exceed £6.4 million. Therefore the maximum Additional Consideration will be the difference between the aggregate Roll Over Value of the Keydata Shares on 24 February 2011 and £6.4 million.

The merger will be completed, as regards the initial consideration, on a relative net asset value basis and will be subject to the Scheme becoming unconditional. The acquisition of the asset and liabilities of Keydata 1 and Keydata 2 is in line with the Company's investment policy.

Following the transfer, the listing of the Keydata Shares will be cancelled and Keydata 1 and Keydata 2 will be wound up.

(ii) The Derby Project

One of the Keydata Portfolio Companies, Boyle Electrical Generation Limited (Boyle) agreed a strategic development agreement with O-Gen UK Limited (O-Gen UK) for the development of up to 10MW of energy assets in the Midlands region, with the first facility to be located in Derby (the Derby Project) where planning permission has been secured for the construction of a 3MW biomass plant to redeploy a portion of the Keydata VCTs operational assets. It is anticipated that further planning permissions acquired from O-Gen UK will be part of this strategic development.

With the Scheme in mind, the Company recently invested £0.375 million in the Derby Project, making a total of £1.5 million in conjunction with other funds managed by Foresight Group (the Companies investment manager). A further £1.5 million will be invested by funds managed by Foresight Group subject to the completion of the merger and legal documentation being agreed, taking the total additional funding for the Derby Project to £3 million.

For the purposes of the Scheme, the value of the assets owned by Keydata 1 and Keydata 2 have been considered to be made up of two component parts: first, the physical valuation of the Equipment and cash at bank owned by the Keydata Portfolio Companies and the Keydata VCTs and second, the future Enterprise Value of the Derby Project once the assets owned by the Keydata Portfolio Companies have become operational and are generating electricity.

The value of the initial issue of New Shares to Keydata Shareholders will therefore be based on the Roll Over Value of the physical assets of Keydata 1 and Keydata 2 at that time.

Keydata Shareholders will receive Additional New Shares as Additional Consideration if the Enterprise Value of the Derby Project as at 30 September 2013 exceeds this Roll Over Valuation at that date and accordingly, the maximum consideration which may be paid by the Company for the acquisition of the assets of Keydata 1 and Keydata 2 will not exceed £6.4 million.

This structure recognises the execution risks that Foresight will be assuming as a consequence of the proposed merger in relation to the Derby Project by incorporating separate valuations for each of the current and potential value of the assets of Keydata 1 and Keydata 2. It is envisaged that the Derby Project will be constructed in three stages. Stage 1 at 0.5MW should be constructed during Q1 2011. Stage 2 which should see an increase in the plant capacity to 1.5MW should be constructed during Q3 2011 and

Stage 3 where the plant will be brought up to full capacity of 3MW should be constructed during Q2 2012. Timely completion of stage 3 should allow sufficient time for the Derby Project to become fully operational before the Enterprise Value of the Derby Project can be estimated.

(iii) Benefits anticipated from the merger

The merger of the Companies should result in cost savings and enhanced administrative efficiency. As the Companies have the same investment manager, common advisers and similar investment policies, the merger should be achievable without major additional cost or disruption to the portfolio investments. The existing investment management arrangements between Foresight Group and the Company will remain in place.

The Board considers that this merger should bring significant benefits to Shareholders and the Keydata Shareholders through:

- creation of a single VCT of a more economically efficient size with a greater capital base over which to spread administration and management costs;
- a reduction in annual running costs for the Enlarged Company compared to the aggregate annual running costs of the three separate companies;
- creation of an enlarged entity with a larger cash positive position making the Company better positioned to meet its ongoing obligations and to support existing investee companies, in this challenging economic environment;
- the Enlarged Company will hold a more diversified portfolio thereby dispersing the portfolio risk;
- an increased exposure to the environmental infrastructure asset class which is believed by the Board and Foresight Group to offer real growth for the future; and
- the potential to make regular distributions in the future, particularly as costs per Share are reduced.

Annual running costs attributable to the Ordinary Shares of the Company and Keydata 1 and Keydata 2 are approximately £717,000, £188,000 and £188,000 respectively (ignoring the current annual cost cap of 3.5 per cent. of the net asset value for Keydata 1 and Keydata 2 as this would not apply in the Enlarged Company). This represents 3.7 per cent. of the unaudited NAV attributable to the Ordinary Shares of the Company at 30 June 2010 and 5.2 per cent. of Keydata 1 and 5.2 per cent of Keydata 2's unaudited NAV at 30 November 2009. After the merger, the annual running costs are expected to be £885,000, a saving of £208,000 and reducing the combined annual running costs by 0.8 per cent. to approximately 3.3 per cent. of the net assets of the ordinary shares of the Enlarged Company.

The aggregate anticipated cost of undertaking the merger by way of the Scheme is approximately £300,000, including VAT, legal and professional fees, stamp duty and the costs of winding up Keydata 1 and Keydata 2. The costs of the Scheme will be borne by Keydata 1 and Keydata 2.

Shareholders should note that the merger will be outside the provisions of the City Code on Takeovers and Mergers.

The merger does not directly affect the Planned Exit Shares issued by the Company.

Foresight Group

Foresight Group will continue as the investment manager of the Enlarged Company on its existing management and performance incentive terms and the assets acquired from Keydata 1 and Keydata 2 will be rolled into these arrangements.

Keydata 1 and Keydata 2

Keydata 1 and Keydata 2 were established in February 2005 in order to invest in renewable energy companies concerned with wind, biomass and waste-to-energy power generation. In 2006, the Keydata VCTs agreed to invest an aggregate of £8 million in ten newly formed wind farm investment companies. Subsequently they were unable to agree satisfactory terms with the operator. The investment manager at that time therefore decided to look for alternative renewable energy investments meeting their requirements.

In June 2007, Keydata 1 and Keydata 2 announced they had signed agreements to invest up to £12.4 million into seven portfolio companies (Keydata Portfolio Companies). It is agreed that each of the operating Keydata Portfolio Companies should pursue different trades as referred to below. Initially,

they agreed on an initial collaboration together in order to focus on a renewable biomass combined heat and power generation project in St Helens based on the gasification of waste wood. Progress on the project was frustratingly slow, with a series of technical and implementation problems. In addition, the main engineering contractor had its own financial problems and, when it failed to raise new finance it was decided to withdraw from the project.

In June 2009 Keydata Investment Services Limited (Keydata Investment Services), who handled the administrative affairs of Keydata 1 and Keydata 2 was placed into administration. The enforced liquidation of Keydata Investment Services by the Financial Services Authority during June 2009 coincided with the abandonment of the St Helens project and this delayed the commencement of trading by each of the seven Keydata Portfolio Companies. The commencement of trading by investee companies within three years of a VCT raising funds is one of the qualifying conditions of maintaining VCT status.

Accordingly, the Keydata Boards acted quickly to appoint Foresight Group as the investment adviser of Keydata 1 and Keydata 2. The Keydata Boards selected Foresight Group because of its experience in environmental infrastructure, and specifically its involvement in investments in generating heat and power from biomass plants. Foresight Group and the boards of Keydata 1 and Keydata 2 instigated a course of action including the termination of all contracts involved with the renewable energy project in St Helens and the removal of the biomass energy assets from the St Helens' site. Keydata 1 and Keydata 2 retained their investment in the Keydata Portfolio Companies and therefore examined all options for the redeployment of the existing equipment owned by the Keydata Portfolio Companies and possibly developing a new project.

Subsequently, one of the Keydata Portfolio Companies, Boyle agreed a strategic development agreement with O-Gen UK, a company in which several venture capital trusts managed by Foresight Group hold an investment, which has particular expertise in the preparation of waste wood material, advanced thermal treatment and gas conditioning. O-Gen UK has recently commissioned a biomass combined heat and power facility in Stoke on Trent which is the first of its type in the UK to secure Ofgem certification.

The strategic development agreement with O-Gen UK is for the development of up to 10MW of energy assets in the Midlands region, with the first facility to be located in Derby (the Derby Project) where planning permission has been secured for the construction of a 3MW biomass plant to redeploy a portion of Keydata 1 and Keydata 2's operational assets. It is anticipated that further planning permissions acquired from O-Gen UK will be part of this strategic development.

It is envisaged that the Derby Project will be constructed in three stages. Stage 1 of 0.5MW should be constructed during Q1 2011. Stage 2, which should see an increase in the plant capacity to 1.5MW, should be constructed during Q3 2011 and Stage 3 where the plant will be brought up to full capacity of 3MW should be constructed during Q2 2012. Timely completion of Stage 3 should allow sufficient time for the Derby Project to become fully operational before the Enterprise Value of the Derby Project can be estimated for the purpose of calculating the Additional Consideration to Shareholders as soon as practicable following 30 September 2013.

Foresight Group also applied to HMRC for a waiver of the breach of the VCT rules which occurred because the delay in the commencement of trading by the Keydata Portfolio Companies. In recognition of the fact that this breach of the VCT rules was inadvertent and not the fault of Keydata 1 and Keydata 2, the Keydata Boards or the new manager, HMRC has granted Keydata 1 and Keydata 2 a series of waivers in recognition of the progress now being made by the Keydata Portfolio Companies in satisfying the trading requirement. The latest HMRC waiver covers the period from the end of November 2010 until the end of February 2011.

The Keydata Portfolio Companies, namely Boyle, Burley Energy Limited (Burley), Cooke Generation Limited (Cooke), Nevin Energy Resources Limited (Nevin), Clarke Power Services Limited (Clarke), Spencer Energy Services Limited (Spencer), Hughes Power Limited and Docherty Heat and Energy Distributor Limited have not yet commenced trading but they are now making good progress towards doing so. Electricity is expected to be produced in the first half of 2011 and each of the operating Keydata Portfolio Companies expect to be revenue generating within the same timescale.

The proposed trades of the Keydata Portfolio Companies continue to be separate, although, they will work alongside each other through their collaboration on the Derby Project. Boyle is the leaseholder for the Derby site responsible for all site related activities and services. It is intended that Boyle will grant sub-licenses to the other Keydata Portfolio Companies. Burley will burn waste wood in a gasifier to create dirty syngas which will be sold to Cooke. Cooke will buy the dirty syngas, clean it and sell it to Nevin. Nevin will run the clean syngas through a reciprocating engine to create electricity. Clarke will provide

operational support with external technical advisers and will employ the operations team. Spencer will provide administrative services. The Keydata Boards believe that the Keydata Portfolio Companies could pursue their trades with unconnected third parties, but following the enforced liquidation of Keydata Investment Services by the Financial Services Authority during June 2009 it was thought that shareholder value would be best preserved by a continued collaboration between the Keydata Portfolio Companies.

Aside from Clarke and Spencer, each of the Keydata Portfolio Companies owns assets such as gas powered engines, gasification and ancillary equipment that will be utilised within the Derby Project as part of the strategic development agreement and have approximately £0.8 million in aggregate in cash. However, although Keydata 1 and Keydata 2 retain a small proportion of cash (£0.3 million in aggregate) as at 30 September 2010, they cannot provide additional financial resources to the Derby Project and therefore the merger with Foresight will enable the Enlarged Company to support the strategic development agreement fully.

It had been intended that Keydata 1 and Keydata 2 would dispose of a number of the generator assets held by the Keydata Portfolio Companies in order to provide additional financial resources to support their participation in the strategic development agreement. In the event, a professionally managed auction process to sell these assets failed to achieve expected values.

The boards of Keydata 1 and Keydata 2, did consider various other options. These included a winding up of Keydata 1 and Keydata 2 to return cash to Keydata Shareholders. However considerable uncertainty surrounded the valuation of the Keydata Portfolio Companies' highly specialised assets. After allowing for costs, the valuations suggested by the auction process would have resulted in Keydata Shareholders receiving net cash proceeds of less than 18.0p per Keydata Share (before taking into account the costs of liquidation). In addition, a winding up of Keydata 1 and Keydata 2 might have resulted in a loss of the initial income tax relief obtained by Keydata Shareholders in respect of their investment in Keydata 1 or Keydata 2.

On 1 September 2010 Keydata 1 and Keydata 2 announced that the listings of their Shares had been suspended as at 1 September 2010 as each company was required to publish their annual financial report for the year ended 30 April 2010 by 31 August 2010. However, as they continued to progress the proposed merger they announced that they would not be publishing their annual financial reports as required by the Listing Rules. This was done to save the not insignificant costs associated with the production and distribution of financial reports. The Keydata Shares were therefore suspended and will remain so until such time as Keydata 1 and Keydata 2's Shareholders vote on the Scheme.

If the Scheme does not complete, Keydata 1 and Keydata 2 would envisage publishing their annual financial reports as soon as possible following the announcement that the merger will not proceed.

Acquisition of the assets and liabilities of Keydata 1 and Keydata 2 pursuant to the Scheme

The terms of the Scheme set out the method of calculation for the number of New Shares to be issued to the Keydata Shareholders on the Calculation Date and, subsequently, if applicable, by way of Additional Consideration. The merger will be completed by Keydata 1 and Keydata 2 being put into members' voluntary liquidation, all of the assets and liabilities of Keydata 1 and Keydata 2 being transferred to the Company for consideration as described under Terms of the Merger on page 13 and the listing of the Keydata 1 Shares and Keydata 2 Shares being cancelled.

The Scheme is conditional upon the approval by the shareholders of the Company and Keydata 1 and Keydata 2 of resolutions to be proposed at the Foresight Meetings and the Keydata Meetings and the other conditions set out in paragraph 8 of Part IV of this document.

The Liquidators will offer to purchase the holdings of dissenting Keydata Shareholders at the break value price for the Keydata Shares, this being an estimate of the amount a Keydata Shareholder would receive for Keydata Shares in an ordinary winding-up of Keydata 1 and Keydata 2 if all of the assets of Keydata 1 and Keydata 2 had to be realised. The break-value is expected to be significantly below the estimated Roll-Over Value. Accordingly, the effect of dissenting Keydata Shareholders will be both to reduce the overall number of New Shares to be issued (reflecting the reduction in the value of the assets to be transferred to the Company by the payment of the break value price) as well as to increase the number of New Shares to be issued to those Keydata Shareholders who vote in favour of the Scheme at the expense of those Keydata Shareholders who dissent.

Worked example

Had the Scheme been implemented on 30 June 2010, the unaudited NAV at that date of the Ordinary Share Fund of the Company (taken from the unaudited interim results of the Company) was £22.6 million and the Company's Merger Value per Ordinary Share (this being the unaudited NAV of the Company's Ordinary Shares as at 30 June 2010 divided by the number of Ordinary Shares in issue) would have been 47.3p.

Had the Scheme been implemented on 30 June 2010 the unaudited NAV at that date of Keydata 1 and Keydata 2 (taken from the Keydata 1 and Keydata 2 management accounts) and taking into account a reduced valuation of the Equipment to £2,365,000 by the Board in connection with the merger and including a reduction for amounts paid or accrued for the costs of the Scheme to be borne by Keydata 1 and Keydata 2 would have been £3.8 million and the Roll-Over Value per Share (this being the unaudited NAV of the Keydata Shares as at 30 June 2010 (taking into account that reduced valuation and including the aforementioned reduction), and divided by the number of Keydata Shares in issue), would have been 26.2p (assuming no dissenting Keydata Shareholders).

The number of New Shares to be issued to the Keydata Shareholders initially will be calculated by multiplying the number of Keydata 1 Shares and Keydata 2 Shares in issue by the ratio of the Roll-Over Value per Keydata 1 Share and Keydata 2 Share divided by the Merger Value per Share. Such New Shares will be issued *pro-rata* to Keydata Shareholders on the register of members on the Record Date. For these purposes dissenting shareholders in Keydata 1 and Keydata 2 will be disregarded.

Further information regarding the terms of the Scheme is set out in Part IV of this document.

Had the Scheme been implemented on 30 June 2010, based on the relative unaudited net asset values of the Company and Keydata 1 and Keydata 2 as at that day, 8,090,614 New Shares would have been issued to Keydata Shareholders representing 14.49 per cent. of the current issued Ordinary Share capital.

Ordinary Share Reconstruction

Following the issue of New Shares to Keydata Shareholders pursuant to the Scheme the Company intends to reconstruct its Ordinary Share capital so that the net asset value per Ordinary Share will be, as nearly as practicable, 100 pence per share. This will be done by the ratable redesignation of a proportion of the Ordinary Shares then in issue as nominally valued Deferred Shares and their subsequent off-market repurchase by the Company for a nominal consideration of one pence in aggregate. The purpose of the Ordinary Share Reconstruction is to make the Ordinary Shares more attractive to potential new investors should the Company decide to raise further capital in the future by the issue of new Ordinary Shares. A copy of the contract for this off-market purchase of Deferred Shares may be inspected at the registered office of the Company for the period of 15 days prior to the Foresight General Meeting and at the meeting itself.

The Deferred Shares will only have a nominal value because, as a class, the Deferred Shares will have restricted dividend rights, will not carry any rights to receive notice of, or to attend or vote at general meetings, will on a winding up be entitled only to 1p for every 1,000,000 Deferred Shares (with no further right to participate in any surplus assets of the Company), and will be capable of being purchased by the Company at any time for an aggregate consideration of 1p. If resolution number 2 to be proposed at the Foresight General Meeting is passed the Directors will be authorised to enter into an off-market contract to purchase all the issued Deferred Shares for an aggregate amount of 1p for all of the Deferred Shares and the Company's net asset value will increase to 100p per Ordinary Share. Shareholders do not need to take any action following the Foresight General Meeting.

The formula for calculating the number of Ordinary Shares to be redesignated as Deferred Shares (DS) is set out below below:

$$DS = N - X$$

where: N = the number of Ordinary Shares in issue immediately following the allotment of New Shares in connection with the Scheme

$$X = \frac{N}{Y}$$

$$Y = \frac{100}{Z}$$

Z = the Merger Value in pence per Ordinary Share

The effect of these transactions, based on the unaudited net asset values of the Companies as at 30 June 2010, on can be summarised in table format as follows:

	Number	£	Pence
Foresight*			
Ordinary Shares in issue as at 30 June 2010	47,741,385		
Net asset value of the Ordinary share Fund as at 30 June 2010		22,585,000	
Net asset value of the Ordinary Share Fund per Ordinary Share as at 30 June 2010			47.30
Keydata 1 and Keydata 2			
Ordinary Shares in issue for both companies	14,612,640		
Net asset value for both companies		3,826,000	
Net asset value per Keydata Share			26.2
New Ordinary Shares to be issued on merger	8,090,614		
Foresight enlarged Ordinary Share capital	55,831,999		
Following the Ordinary Share Reconstruction			
Ordinary Shares in issue	26,408,536		
Net asset value per Ordinary Share			100

* extracted from the interim report of Foresight

Share issue and repurchase Authorities

In order to implement the Scheme, the Company will need to authorise the Board to allot New Shares and Additional New Shares up to an aggregate nominal value of £106,638 pursuant to the Scheme but to allow for some flexibility, Shareholders are being asked to approve on allotment authority of up to £150,000.

The Company will also take this opportunity to renew its authorities to issue up to 10 per cent. of its enlarged issued Ordinary Share capital (having disapplied pre-emption rights) following the implementation of both the Scheme and the Ordinary Share Reconstruction and to buy-back up to 2,640,853 Ordinary Shares.

Enhanced Buyback

As soon as practicable following the completion of the Scheme and the Ordinary Share Reconstruction the Board intends to offer the Enhanced Buyback to Ordinary Shareholders. In an enhanced buyback, a shareholder is provided with the opportunity to sell shares back to his VCT and to subscribe for new shares at the same time, effectively retaining his investment whilst obtaining new VCT income tax relief of up to 30 per cent. of the amount re-subscribed. HMRC has confirmed that, in accordance with the

current VCT Rules and their interpretation, VCT income tax relief would be available on the total amount re-subscribed.

The Enhanced Buyback will be structured so that Shareholders will have the opportunity to sell Ordinary Shares back to the Company under a tender offer at the net asset value of an existing Ordinary Share two days prior to their purchase by the Company provided that they purchase new Ordinary Shares under an open offer at 102 per cent. of that net asset value in the ratio of 98 new Ordinary Shares for every 100 existing Ordinary Shares sold. The 2 per cent. difference in the pricing of the open offer and tender offer covers the costs of the Enhanced Buyback. Unless an Ordinary Shareholder decides to buy additional Ordinary Shares, an enhanced buyback is an administrative process and there is no requirement for cash to change hands. Settlement of the consideration due to an Ordinary Shareholder will be made by set off against amounts owed by that Ordinary Shareholder in accordance with procedures agreed between HMRC and the Company. Full details of the intended Enhanced Buyback will be included in a further circular to Shareholders.

Considerations relating to the Enhanced Buyback

All Ordinary Shareholders may participate in the Enhanced Buyback but Ordinary Shareholders should consult with their professional tax advisers as to whether it is appropriate for them to do so.

Shareholders who own Ordinary Shares purchased since 6 April 2006 will lose any “front end” income tax relief which they have obtained if they sell them under the Enhanced Buyback and therefore will most likely not want to participate.

Shareholders of Keydata 1 and Keydata 2 who acquire Ordinary Shares pursuant to the Scheme will not lose their “front end” income tax relief if they sell them under the Enhanced Buyback, provided they acquired their shares in Keydata 1 and Keydata 2 before 6 April 2006.

Shareholders who own Ordinary Shares purchased before 6 April 2004 may have made a claim to defer a chargeable gain. The sale of existing Ordinary Shares under the Enhanced Buyback is likely to constitute a disposal which will bring deferred gains back into charge which cannot be further deferred by subscribing for new Ordinary Shares under the Enhanced Buyback. For those Shareholders who hold Ordinary Shares which carry deferred gains as well as Ordinary Shares which do not, the task of identifying which is which may be complicated, particularly in view of the reconstruction undertaken by the Company in January 2007. Such Shareholders will be strongly advised to seek the advice of their professional advisers before completing an application form in relation to the Enhanced Buyback. Further information regarding the Reconstruction which took place in 2007 is provided in the Registration Document.

Shareholders who hold Ordinary Shares which carry deferred gains may wish to consider the possible merits of crystallising those deferred gains by a sale of their Ordinary Shares under the Enhanced buyback at a time when the rates of CGT are 18 per cent or 28 per cent. for individuals (the tax rate used depends on the total amount of an individual’s taxable income) rather than at some future date when the CGT rate may be higher; particularly if any capital gains tax payable on crystallisation is offset by VCT income tax relief obtained by subscribing for new Ordinary Shares under the Enhanced Buyback.

As soon as possible after completion of the Scheme and the Ordinary Share Reconstruction, Shareholders will receive a further document giving full details of the Enhanced Buyback together with an application form in order to participate if they so wish.

Taxation

The following information is based on current UK law and practice, is subject to changes therein, is given by way of general summary and does not constitute legal or tax advice. If you are in any doubt about your position, or if you may be subject to tax in a jurisdiction other than the UK, you should consult your independent financial adviser.

The implementation of the Scheme should not affect the status of the Company as a VCT or the tax reliefs obtained by Shareholders on subscription of existing Shares. It is the intention of the Board to continue to comply with the requirements of ITA 2007 following implementation of the Scheme so that the Enlarged Company continues to qualify as a VCT.

Foresight Meetings

Notices of the Foresight General Meeting, Foresight Ordinary Shareholder Class Meeting and Foresight Planned Exit Shareholder Class Meeting are set out at the end of this document. The Foresight General Meeting will be held at 12 noon on 18 February 2011 at Over-Seas House, Park Place, St James's Street, London SW1A 1LR.

An explanation of the resolutions to be proposed at the Foresight General Meeting and of the resolutions to be proposed at the Foresight Ordinary Shareholder Class Meeting and Foresight Planned Exit Shareholder Class Meeting is set out below:

At the Foresight General Meeting,

Resolution 1 is a composite resolution to approve the acquisition of all of the assets and liabilities of Keydata 1 and Keydata 2 under the Scheme and create and issue New Shares and Additional New Shares in connection with the Scheme.

Paragraph 1.1 of the resolution will seek the approval of Shareholders for the purchase by the Company of all of the assets and liabilities of Keydata 1 and Keydata 2 pursuant to the Scheme.

Paragraph 1.2 of the resolution will authorise the Directors pursuant to Section 551 CA 2006 to allot New Shares and Additional New Shares in the Company up to an aggregate nominal value of £150,000. The authority conferred by paragraph 1.2 of the resolution will expire on the fifth anniversary of the date of the passing of this resolution unless renewed, varied or revoked by the Company in general meeting. The New Shares to be allotted pursuant to this authority are anticipated not to exceed 14.49 per cent. of the issued Ordinary Share capital of the Company as at 26 January 2011, this being the latest practicable date prior to publication of this document in connection with the Scheme

Resolution 2 is a composite resolution to reconstruct the Ordinary Share capital of the Company immediately following the issue of New Shares pursuant to the Scheme if, as anticipated, the Merger Value per Ordinary Share as at the Calculation Date is less than 100 pence per Ordinary Share. The purpose of the reconstruction is to ensure that, as nearly as possible, the net asset value per Ordinary Share is 100 pence. This will be done in the following way.

Immediately following the allotment of New Shares in connection with the Scheme a number of Ordinary Shares will be ratably redesignated as Deferred Shares and then purchased off-market by the Company for a nominal consideration so that the net asset value of the remaining Ordinary Shares is, as nearly as possible, 100 pence per Ordinary Share.

It is proposed by paragraphs 2.1 and 2.3 of the resolution to amend the Articles to include provisions reflecting the rights and restrictions attaching to the Deferred Shares as set out below:

- dividends — the Deferred Shares will have the right to receive a fixed cumulative preferential dividend from the revenue profits of the Company which are available for distribution and which the Directors determine to distribute by way of dividend in priority to any dividend payable on ordinary share capital at the rate of 1p per annum in aggregate to be paid amongst the holders of Deferred Shares as a class. The Deferred Shares will carry no further right to a dividend;
- voting — the Deferred Shares will not have any rights to receive notice of, or to attend or vote at general meetings;
- return of capital — the Deferred Shares will have, on a winding-up, a preferential right to be paid out of the assets of the Company available for distribution an amount equal to 1p for every 1,000,000 Deferred Shares (or part thereof) held prior to the surplus being distributed to the holders of ordinary share capital. The Deferred Shares will have no further right to participate in any surplus assets of the Company; and
- purchase by the Company — the Deferred Shares shall be capable of being purchased by the Company at any time for an aggregate consideration of 1p (and for such purposes the Directors may authorise any person to execute on behalf of and as attorney for the holders of Deferred Shares an appropriate contract and may deliver it or them on their behalf).

Pursuant to paragraphs 2.1 and 2.4 of the resolution, the Directors will be authorised to enter into a contract to purchase all the issued Deferred Shares for an aggregate amount of 1p in accordance with the Articles as amended pursuant to paragraph 2.3 of the resolution (in the form of the contract tabled at the meeting and which as at the date of the meeting will have been on display at the Company's registered office and available for inspection by members for not less than 15 days).

The Articles shall, following the purchase of the Deferred Shares, be automatically amended to delete any references to the Deferred Shares. The Company shall not be obliged to: (i) issue share certificates in respect of the Deferred Shares; (ii) give any prior notice to the holders of Deferred Shares that such shares are to be purchased in accordance with the Articles; or (iii) account to any holder of Deferred Shares for the purchase moneys in respect of the purchase of such shares.

Resolution 3 proposes a renewal of allotment and repurchase authorities.

Paragraph 3.1 of the resolution will authorise the Directors pursuant to Section 551 CA 2006 to allot Ordinary Shares in the Company up to an aggregate nominal value amount of 10 per cent. of the issued Ordinary Share capital of the Company following completion of the Scheme and the Ordinary Share Reconstruction for the purpose set out in paragraph 3.2 of the resolution. The authority conferred by paragraph 3.1 of the resolution will expire on the conclusion of the annual general meeting of the Company to be held in 2012.

Paragraph 3.2 of the resolution will disapply pre-emption rights in respect of the allotment of up to an aggregate of 10 per cent. of the issued Ordinary Share capital following completion of the Scheme and the Ordinary Share Reconstruction for the purpose set out in paragraph 3.2 of the resolution. The authority conferred by paragraph 3.2 of the resolution will expire on the conclusion of the annual general meeting of the Company to be held in 2012.

Paragraph 3.3 of the resolution will authorise the Company to make market purchases of Ordinary Shares with a nominal value not exceeding £26,408. The Board intends to cancel any Ordinary Shares bought back under this authority. The authority conferred by paragraph 3.3 of the resolution will expire on the conclusion of the annual general meeting of the Company to be held in 2012. Any Ordinary Shares purchased under this authority will be purchased at a minimum price of one pence per share or maximum price of the higher of: (i) 105 per cent. of the average of the middle market quotation for Ordinary Shares taken from the London Stock Exchange daily official list for the five business days immediately preceding the day on which the Ordinary Shares are purchased; and (ii) the value of an Ordinary Share calculated on the basis of the higher of the price quoted for the last independent trade of, and the highest currently independent bid for, any number of the Company's Ordinary Shares on the trading venue where the purchase is carried out. This authority is to renew the Company's existing authority. The extent to which the Board will utilize such authority will be kept under review as part of the Company's existing buy-back policy and will primarily be utilized for the purpose of managing any discount between the Company's share price and NAV per share.

Resolution 4 is a composite resolution to effect the Enhanced Buyback.

Paragraph 4.1 of the resolution will authorise the Directors pursuant to section 551 of the CA 2006 to allot Ordinary Shares up to an aggregate nominal amount of £300,000 representing 114 per cent of the anticipated issued Ordinary Share capital of the Company following completion of the Scheme and the Ordinary Share Reconstruction (or, if Resolutions numbered 1 and 2 above are not passed, an aggregate nominal amount of £477,415) for the purpose set out in paragraph 4.2 of the resolution. Any Ordinary Shares bought back under this authority may be cancelled or held in treasury as may be determined by the Board.

Paragraph 4.2 of the resolution will disapply pre-emption rights in respect of the allotment of Ordinary Shares to: facilitate: (i) the Enhanced Buyback; and (ii) an open offer of Ordinary Shares to Ordinary Shareholders in proportion (as nearly as may be practicable) to their existing holdings in each case at a price per Ordinary Share equal to 102 per cent. of the net asset value of an existing Ordinary Share as at close of business two days prior to the date of allotment (rounded up to the nearest 0.01p per Ordinary Share). The authority conferred by paragraph 4.2 of the resolution will expire on the first anniversary of the passing of the resolution

Paragraph 4.3 of the resolution enables the Company to make market purchases of Ordinary Shares by means of a tender offer to all holders of Ordinary Shares to purchase up to 30,000,000 Ordinary Shares (representing 114 per cent. of the anticipated number of Ordinary Share which will be in issue following the completion of the Scheme and the Ordinary Share Reconstruction) or, if Resolutions numbered 1 and 2 above are not passed, an aggregate nominal amount of £477,415 at a fixed price equal to the latest net asset value per Ordinary Share as at close of business two days prior to the date of purchase and rounded down to the nearest 0.01p per Share (such fixed price shall, for the purposes of section 701 (3) (b) of the CA 2006 constitute both the maximum and the minimum price that may be paid for the Ordinary Shares purchased. The authority conferred by paragraph 4 of the Resolution ("the Enhanced Buyback Authority") will expire on the first anniversary of the date of the passing of this resolution save that the

Company may, before such expiry, make offers or agreements which would or might require Ordinary Shares to be allotted and purchased and the Directors may allot and purchase Ordinary Shares in pursuance of such offers or agreements notwithstanding that the authority conferred by this resolution has expired.

The above resolutions will each be proposed as special resolutions requiring the approval of 75 per cent. of the votes cast at the Foresight General Meeting.

At the Foresight Ordinary Shareholder Class Meeting

The holders of the Ordinary Shares are asked to approve the passing of the resolutions to be proposed at the Foresight General Meeting and any effect on, variation, abrogation, dealing with and/or deemed variation or abrogation of the rights and privileges attached to the Ordinary Shares which will or may, result from the passing and carrying into effect of the resolutions and notwithstanding that the passing and carrying into effect of the resolutions may affect the rights and privileges.

At the Foresight Planned Exit Shareholder Class Meeting

The holders of the Planned Exit Shares are asked to approve the passing of the resolutions to be proposed at the Foresight General Meeting and any effect on, variation, abrogation, dealing with and/or deemed variation or abrogation of the rights and privileges attached to the Planned Exit Shares which will, or may, result from the passing and carrying into effect of the resolutions and notwithstanding that the passing and carrying into effect of the resolutions may affect the rights and privileges.

At the Keydata meetings

At the Keydata First General Meetings, Keydata Shareholders will be asked to approve the Scheme and to authorise its implementation by the Liquidators.

At the Keydata Second General Meetings, Keydata Shareholders will be asked to resolve that Keydata 1 and Keydata 2 respectively be put into liquidation and to appoint and remunerate the Liquidators for the purposes of such winding-up. They will also be asked to authorise the Liquidators to exercise certain powers for which express sanction of Keydata Shareholders is required under the IA 1986, such as paying classes of creditors in full, and to approve the cancellation of the listing of Keydata 1 Shares and Keydata 2 Shares following successful completion of the Scheme.

The resolutions to be proposed at the Foresight Meetings are not conditional on the passing of resolutions to be proposed at the Keydata Meetings; however the resolutions 1, 2 and 3 are not capable of taking effect unless the Scheme is approved by Keydata Shareholders. Resolution 4 (the Enhanced Buyback) is capable of taking effect even if the Scheme does not proceed and it is the intention of the Board to proceed to implement this resolution in any event, subject to its approval at the Foresight Meetings.

Action to be taken

Before taking any action, you are recommended to read the further information set out in this document.

Shareholders will find attached at the end of this document the forms of proxy for use at the Foresight Meetings. Whether or not you propose to attend the Foresight Meetings, you are requested to complete and return the forms of proxy attached so as to be received not less than 48 hours before the time appointed for holding of the Foresight Meetings. Completion and return of a form of proxy will not prevent you from attending and voting in person at the Foresight Meetings should you wish to do so.

Recommendation

The Board believes that the Proposals and resolutions numbered 1, 2, 3 and 4 are in the best interests of the Shareholders as a whole and unanimously recommends you to vote in favour of the resolutions to be proposed at the Foresight Meetings as they intend to do in respect of their own holdings of 151,615 Ordinary Shares representing approximately 0.32 per cent. of the issued Ordinary Share capital of the Company. None of the Directors own or have an interest in the Planned Exit Share capital of the Company.

Yours sincerely

John Gregory (Chairman)

PART IV

THE SCHEME

1. Definitions and interpretation

The definitions set out in Part I of this document shall have the same meanings when used in the context of this Part IV.

On or immediately prior to the Calculation Date, Foresight Group (on the instruction of the Liquidators) shall calculate the Roll-Over Value and the Merger Value in accordance with paragraph 4 below.

2. Provision of information

On the Effective Date, the Liquidators shall receive all the cash, undertakings and other assets and liabilities of Keydata 1 and Keydata 2 and shall deliver to the Company:

- particulars of all of the assets and liabilities of Keydata 1 and Keydata 2;
- a list certified by the registrars of the names and addresses of, and the number of Keydata Shares held by, each of the Keydata Shareholders on the register at 5.30 pm on the Record Date;
- an estimate of the winding-up costs of Keydata 1 and Keydata 2 which will form part of the costs of the Scheme; and
- the amount estimated to be required to purchase the holdings of any dissenting Keydata Shareholders.

3. Transfer Agreement

On the Effective Date, the Company and the Liquidators (on behalf of Keydata 1 and Keydata 2) will enter into the Transfer Agreement (subject to such modifications as may be agreed between the parties thereto) pursuant to which the Liquidators will procure the transfer of all of the assets and liabilities of Keydata 1 and Keydata 2 to the Company in exchange for the issue of New Shares (fully paid) to the Keydata Shareholders on the basis set out in paragraph 4 below together with the rights of Keydata Shareholders to receive Additional Consideration by way of an issue of Additional New Shares if, as at 30 September 2013, the Enterprise Value of the Derby Project exceeds the Roll Over Value of the Shares on merger. The maximum consideration which may be paid by the Company for the acquisition of the assets of Keydata 1 and Keydata 2 will not exceed £6.4 million.

The Company will, pursuant to the Transfer Agreement, undertake to pay all liabilities incurred by the Liquidators including but not limited to the implementation of the Scheme, the winding up of Keydata 1 and Keydata 2 and the purchase for cash of any holdings of dissenting shareholders in Keydata 1 and Keydata 2, which liabilities should be taken into account when calculating the Roll-Over Value.

4. Calculation of the Roll-Over Value, the Merger Value and the number of New Shares and of Additional New Shares to be issued

Except as otherwise provided for in these Scheme terms, for the purposes of calculating the Roll-Over Value, the Merger Value and the number of New Shares and Additional New Shares to be issued, the following provisions will apply:

Keydata 1 and Keydata 2

The Roll-Over Value for each of Keydata 1 and Keydata 2 will be calculated separately and references to “Keydata” and “Shares” in the formula below shall mean: (i) “Keydata 1” and “Keydata 1 Shares” when calculating the Roll-Over Value for Keydata 1, and shall mean (ii) “Keydata 2” and “Keydata 2 Shares” when calculating the Roll-Over Value for Keydata 2.

The Roll-Over Value will be calculated as:

$$\frac{(A - B - C) - (D + E)}{F}$$

Where:

- A = the unaudited net asset value of Keydata as at 5.00 pm on the Calculation Date, calculated in accordance with its normal accounting policies;
- B = any adjustment required to A in order to reflect a reduced valuation of the Equipment owned by the Keydata Portfolio Companies of £2,365,000;
- C = any adjustment that both the Board and the Keydata Boards (acting jointly) consider appropriate to reflect any other actual or contingent liability of Keydata between 31 August 2009 and the Calculation Date (including, for the avoidance of doubt, the running costs of Keydata);
- D = the costs of the Scheme (to the extent not already paid or accrued for by Keydata 1 and Keydata 2 and reflected for in “A” above) plus £10,000* (representing an amount of contingency to cover any unforeseen additional costs attributable to Keydata incurred by the Company, which will indemnify the Liquidators in respect of all costs of Keydata following the transfer on the Effective Date);
- E = the amount estimated to be required to purchase the holdings of shares from dissenting holders of Keydata Shares; and
- F = the number of Shares in issue following close of business on the Record Date (save for any Keydata Shares held by dissenting holders of Keydata Shares).

*Any unutilized part of the contingency sum of £10,000 will be added to the Enterprise Value of the Derby Project.

The Company

The Merger Value will be calculated as follows:

$$\frac{G + H + I}{J}$$

Where:

- G = the unaudited net asset value of the Ordinary Share Fund of Company as at 30 June 2010 calculated in accordance with the Company’s normal accounting policies;
- H = any increase/decrease in the valuations of: (i) quoted investments held by the Ordinary Share Fund in securities listed on a recognised stock exchange (including AIM and the PLUS-traded or PLUS-quoted markets) by reference to their bid price as at the close of business from 30 June 2010 to the Calculation Date; (ii) unquoted investments held by the Ordinary Share Fund where there has been an event in the period between 30 June 2010 and the Calculation Date which requires a revaluation of the investment in accordance with Financial Reporting Standards 26 ‘Financial Instruments: Measurement (IAS 39)’ and using the International Private Equity and Venture Capital Valuation Guidelines; and (iii) an investment held by the Ordinary Share Fund following an event in the period between 30 June 2010 and the Calculation Date, which, in the opinion of both the Board and the Keydata Boards (acting jointly), has had a material impact on such an investment;
- I = any adjustment that both the Board and the Keydata Boards (acting jointly) consider appropriate to reflect any other actual or contingent benefit or liability of the Ordinary Share Fund between 30 June 2010 and the Calculation Date (including, for the avoidance of doubt, acquisitions and disposals of investments, income from securities and running costs of the Company);
- J = the number of the Ordinary Shares in issue following close of business on the Calculation Date.

Number of New Shares to be issued

The number of New Shares (excluding the Additional New Shares) to be issued to Keydata Shareholders (save for any dissenting Keydata Shareholders) will be calculated as follows:

$$\left(\frac{R}{M}\right) \times F$$

Where:

R = the Roll-Over Value;

M = the Merger Value; and

F = as above, the number of Keydata Shares in issue as at close of business on the Record Date (save for any Keydata Shares held by dissenting Keydata Shareholders).

The New Shares to be issued pursuant to the Scheme will be issued directly to Keydata Shareholders (save for any dissenting Keydata Shareholders) *pro rata* to their existing holdings on instruction of the Liquidators.

Following the issue of New Shares (excluding the Additional Shares) and after the close of business on 28 February 2011 the Company will reconstruct its Ordinary Share capital by the rateable redesignation of a proportion of the Ordinary Shares then in issue (including the New Shares) as Deferred Shares carrying rights which render such shares of a nominal value only and the immediate repurchase by the Company of the Deferred Shares for a nominal consideration of one penny in aggregate. The number of issued Ordinary Shares to be so redesignated and repurchased shall be such as to ensure, as nearly as practicable, that the net asset value per share of the remaining Foresight Ordinary Shares shall be 100 pence.

Entitlements will be rounded down to the nearest whole number and any fractional entitlements (which will not exceed £5) will be sold in the market and the proceeds retained for the benefit of the Enlarged Company.

The New Shares will be issued in registered form. New Shares are eligible for electronic settlement and can be held within the CREST system. If, following issue, recipients of New Shares pursuant to the Scheme should wish to hold their New Shares in uncertificated form they should contact their broker or independent financial adviser. Dividend payment mandates provided for Keydata 1 and Keydata 2 will, unless Keydata Shareholders advise otherwise, be transferred to the Company.

Application will be made to the UKLA for the New Shares to be listed on the Official List and will be made to the London Stock Exchange for such New Shares to be admitted to trading on its market for listed securities. The New Shares will rank *pari passu* with the existing issued Ordinary Shares from the date of issue.

Additional Consideration

As soon as practicable following 30 September 2013 the Company will announce to Keydata Shareholders the Enterprise Value of the Derby Project (excluding, for the avoidance of doubt, any assets, liabilities, revenues and profits attributable to businesses purchased or commenced by the Keydata Portfolio Companies after the merger).

If the Shareholder percentage of the Enterprise Value of the Derby Project expressed on a per Share basis exceeds the Roll Over Value of the Keydata 1 Shares and Keydata 2 Shares then Additional Consideration (by way of the issue of Additional New Shares to Keydata Shareholders) shall be due to Keydata Shareholders at the rate of one pence for every one pence by which that excess is greater than the Roll Over Value.

The maximum consideration which may be paid by the Company for the acquisition of the assets of Keydata 1 and Keydata 2 (by way of the issue of Additional New Shares to Keydata Shareholders equal in value to the aggregate Roll Over Value of the Keydata Shares plus the issue of Additional New Shares) will not exceed £6.4 million.

The Shareholder percentage of the Enterprise Value of the Derby Project (“SEV”) will be calculated by multiplying the Enterprise Value of the Derby Project by the same percentage of the Derby Project to which the Company would be entitled, if the Keydata Portfolio Companies were to be liquidated following the close of business on 30 September 2013 and the Derby Project distributed in specie to all Participants in accordance with their rights, pursuant to the rights which the Company enjoys as the holder of the investments in the Keydata Portfolio Companies which it acquires pursuant to the Transfer Agreement subject to the SEV Adjustment (as defined below).

The Shareholder Percentage of the Enterprise Value of the Derby Project expressed on a per Share basis (“SEVps”) will be calculated by the Company as follows:

$$\left(\frac{SEV}{F}\right)$$

where

“SEV” = as above, the Enterprise Value of the Derby Project multiplied by the same percentage of the Derby Project to which Foresight VCT would be entitled if the Keydata Portfolio Companies were to be liquidated following the close of business on 30 September 2013 and the Derby Project distributed in specie to all Participators in accordance with their rights, pursuant to the rights which Foresight enjoys as the holder of the investments in the Keydata Portfolio Companies which it acquires pursuant to the Transfer Agreement, subject to the SEV Adjustment;

“F” = as above, the number of Keydata 1 Shares and Keydata 2 Shares in issue as at close of business on the Record Date (save for any Keydata 1 and Keydata 2 Shares held by dissenting Keydata Shareholders).

“SEV Adjustment”; the amount of the SEV shall be reduced by the amount of any actual or contingent liability of Keydata 1 and/or Keydata 2 after the Record Date.

The Additional Consideration will be satisfied by the issue to Keydata Shareholders of a number of additional New Shares to be calculated by the Company as follows:

$$\left(\frac{SEVps}{FV}\right) \times F$$

where:

SEVps = as above, the Shareholder Percentage of the Enterprise Value of the Derby Project expressed on a per Share basis;

FV = the future value of Ordinary Shares calculated by dividing the unaudited net asset value of the Ordinary Share Fund as at close of business on 30 September 2013, calculated in accordance with the Company’s normal accounting policies, by the number of Ordinary Shares in issue following the close of business on 30 September 2013; and

F = as above, the number of Keydata Shares in issue as at close of business on the Record Date (save for any Keydata Shares held by dissenting Keydata Shareholders).

The Additional New Shares to be issued pursuant to the Scheme will be issued directly to Keydata Shareholders (save for any dissenting Keydata Shareholders) *pro rata* to their existing holdings on instruction of the Liquidators. Entitlements will be rounded down to the nearest whole number and any fractional entitlements (which will not exceed £5) will be sold in the market and the proceeds retained for the benefit of the Company.

Application will be made to the UKLA for the Additional New Shares to be listed on the Official List and will be made to the London Stock Exchange for such Additional New Shares to be admitted to trading on its market for listed securities following the agreement of the Additional Consideration. In addition, the issue of the Additional New Shares will only be made pursuant to the Listing Rules at that time. The Additional New Shares will rank *pari passu* with the existing issued Ordinary Shares from the date of issue.

5. Modifications

The provisions of the Scheme shall have effect subject to such non-material modifications or additions as the parties to the Transfer Agreement may from time to time approve in writing.

6. Reliance on information

The Liquidators and the Company shall be entitled to act and rely, without enquiry, on any information furnished or made available to them or any of them, as the case may be, in connection with the Scheme and the Transfer Agreement including, for the avoidance of doubt, any certificate, opinion, advice, valuation, evidence or other information furnished or made available to them by the Company, Keydata

1 and Keydata 2, the Board or the Keydata Boards (or any individual director of the Company and Keydata 1 and Keydata 2), Foresight Group, the registrar or the bankers of the Company and Keydata 1 and Keydata 2 or its or their other professional advisers and the Liquidators shall not be liable or responsible for any loss suffered as a result thereof.

7. Liquidators' Liability

Nothing in the Scheme or in any document executed under or in connection with the Scheme shall impose any personal liability on the Liquidators or either of them save for any liability arising out of any negligence, breach of duty or willful default by the Liquidators in the performance of their duties and this shall, for the avoidance of doubt, exclude any such liability for any action taken by the Liquidators in accordance with the Scheme or the Transfer Agreement.

8. Conditions

The Scheme is conditional upon:

- the passing of resolution 1 to be proposed at the General Meeting and of the resolutions proposed at the separate meetings of the holders of Ordinary Shares and Planned Exit Shares;
- notice of dissent not having been received from Keydata Shareholders holding more than 10 per cent. in nominal value of the issued share capital of respectively Keydata 1 and Keydata 2 under Section 111 IA 1986 (this condition may be waived by the Keydata Boards);
- the passing of the resolutions to be proposed at the Keydata Meetings; and
- Foresight confirming that it has received no notice of any claims, proceedings or actions of whatever nature threatened or commenced against Keydata 1 and/or Keydata 2 which the Foresight Board regard as material.

Subject to the above, the Scheme shall become effective immediately after the passing of the special resolutions for the winding up of Keydata 1 and Keydata 2 to be proposed at the Keydata Second General Meeting. If it becomes effective, the Scheme shall be binding on all Keydata Shareholders and all persons claiming through or under them.

If the conditions set out above have not been satisfied by 31 March 2011, the Scheme shall not become effective. The Board will then review all options available to it regarding the future of the Company.

9. Effect of the Scheme

Had the Scheme been implemented on 30 June 2010, the unaudited NAV at that date of the Ordinary Share Fund of the Company (taken from the unaudited interim results of the Company) was £22.6 million and the Company's Merger Value per Ordinary Share (this being the unaudited NAV of the Company's Ordinary Shares as at 30 June 2010 divided by the number of Ordinary Shares in issue) would have been 47.3p.

Had the Scheme been implemented on 30 June 2010 the unaudited NAV at that date of Keydata 1 and Keydata 2 (taken from the Keydata 1 and Keydata 2 unaudited management accounts) and taking into account a reduced valuation of the Equipment to £2,365,000 by the Board in connection with the merger and including a reduction for amounts paid or accrued for the costs of the Scheme to be borne by Keydata 1 and Keydata 2 would have been £3.8 million and the Roll-Over Value per Share (this being the unaudited NAV of the Keydata Shares as at 30 June 2010 (taking into account that reduced valuation and including the aforementioned reduction), and divided by the number of Keydata Shares in issue), would have been 26.2p (assuming no dissenting Keydata Shareholders).

The number of New Shares to be issued to the Keydata Shareholders initially to be calculated by multiplying the number of Keydata 1 Shares and Keydata 2 Shares in issue by the ratio of the Roll-Over Value per Keydata 1 Share and Keydata 2 Share divided by the Merger Value per Share. Such New Shares will be issued *pro-rata* to Keydata Shareholders on the register of members on the Record Date. For these purposes dissenting shareholders in Keydata 1 and Keydata 2 will be disregarded.

Had the Scheme been implemented on 30 June 2010, based on the relative unaudited net asset values (calculated as above) of the Company and Keydata 1 and Keydata 2 as at that date, 8,090,614 New Shares would have been issued to Keydata Shareholders representing approximately 14.49 per cent. of the current issued Ordinary Share capital.

10. Dissenting Keydata Shareholders

The Liquidators will offer to purchase the holdings of dissenting Keydata Shareholders at the break value price, this being an estimate of the amount a Keydata Shareholder would receive per Keydata 1 Share and Keydata 2 Share in an ordinary winding-up of Keydata 1 and Keydata 2 if all of the assets of Keydata 1 and Keydata 2 had to be realised. The break value is expected to be significantly below the Roll-Over Value.

11. Governing Law

The Scheme shall, in all respects, be governed by and construed in accordance with the laws of England and Wales.

PART V

ADDITIONAL INFORMATION

1. Responsibility

The Directors, whose names appear in paragraph 4 below, accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. Share Capital

2.1 As at 26 January 2011 (this being the latest practicable date prior to the publication of this document), the authorised and issued Share capital of the Company was as follows:

	Issued and fully paid no. of shares	£
Ordinary Shares	47,541,385	475,413.85
Planned Exit Shares	6,179,833	61,798.33

2.2 As at 26 January 2011 (this being the latest practicable date prior to the publication of this document), no share or loan capital of the Company was under option or had been agreed, conditionally or unconditionally, to be put under option, nor did the Company hold any share capital in treasury.

3. Shares and net asset value statistics

The following is for information purposes only, and shows the expected issued capital and NAV of the Ordinary Share capital of the Enlarged Company following completion of the Scheme and the Ordinary Share Reconstruction.

	Number	£	Pence
Foresight*			
Ordinary Shares in issue as at 30 June 2010	47,741,385		
Net asset value per Ordinary Share as at 30 June 2010		22,585,000	
Net asset value per Ordinary Share as at 30 June 2010			47.30
Keydata 1 and Keydata 2			
Ordinary Shares in issue for each company	7,306,320		
Ordinary Shares in issue for both companies	14,612,640		
Net asset value for both companies		3,826,000	
Net asset value per Keydata Share			26.2
New Ordinary Shares to be issued on the Merger	8,090,614		
Foresight enlarged Ordinary Share capital	55,831,999		
Ordinary Share reconstruction			
Deferred Shares N-X			
N	55,831,999		
X	26,408,536		
Y	2.11		
Z	47.30		
So Deferred Shares	29,423,464		
Reduced Foresight Ordinary Share capital	26,408,536		
Revised Foresight net asset value per share			100

* extracted from the interim report of Foresight

4. Directors and their Interests

4.1 The names and business addresses of the Directors, all of whom are non-executive, are as follows:

- John Gregory
- Peter Dicks
- Antony Diment
- Gordon Humphries

all of ECA Court, 24-26 South Park, Sevenoaks, Kent TN13 1DU (the registered office and principal place of business of the Company).

4.2 As at 26 January 2011 (this being the latest practicable date prior to publication of this document), the interests of the Directors (and their immediate families) in the issued share capital of the Company were as follows:

Director	Ordinary Shares		Planned Exit Shares	
	Number	% of Share Capital	Number	% of Share Capital
John Gregory	nil	nil	nil	nil
Peter Dicks	91,283	0.19	nil	nil
Antony Diment	54,128	0.11	nil	nil
Gordon Humphries	6,204	0.01	nil	nil

4.3 None of the Directors has an interest in Keydata 1 Shares and Keydata 2 Shares and none of the directors in Keydata 1 and Keydata 2 has an interest in the Shares.

4.4 John Gregory was appointed as a director on 30 July 2010. Peter Dicks and Antony Diment were appointed on 22 August 1997 as directors of Foresight. Gordon Humphries was appointed as a director of Foresight on 9 March 2007. None of the Directors has a service contract and may resign at any time by giving 12 month's notice in writing to the Board or by mutual consent. All Directors are subject to retirement by rotation. Their appointment does not confer any right to hold office for any period nor any right to compensation if they cease to be directors. The total annual remuneration receivable by John Gregory as chairman is £25,000 per annum and of Peter Dicks is £18,250. The total annual remuneration receivable by Antony Diment and Gordon Humphries is £19,500 and £18,250 respectively. The office of non-executive director of Foresight is not pensionable. Aggregate Directors' emoluments in respect of qualifying services for the period ended 31 December 2009 amounted to £62,750 (plus applicable VAT) and aggregate emoluments for the current year are expected to be £81,000. Emoluments for the current year are not expected to change if the Scheme is approved or not approved by Shareholders.

4.5 No Director is or has been interested in any transaction which is or was unusual in its nature or conditions or significant to the business of the Company and which was effected by the Company in the financial year ended 31 December 2009 or in the current financial year or which was effected in an earlier financial year and remains in any respect outstanding or unperformed.

5 Substantial Shareholders

As at 26 January 2011 (this being the latest practicable date prior to publication of this document), the Company is not aware of any person, who immediately following the issue of the New Shares pursuant to the Scheme, directly or indirectly, has an interest in the Company's capital or voting rights which is notifiable under UK law (under which, pursuant to CA 2006 and the Listing Rules and the Disclosure & Transparency Rules of the Financial Services Authority, a holding of 3 per cent. or more must be notified to the Company).

6 Material Contracts

6.1 Save as disclosed in this paragraph 6.1, the Company has not entered, other than in the ordinary course of business, into any contract which is or may be material to the Company within the two years immediately preceding the publication of this document or into any contract containing

provisions under which the Company has any obligation or entitlement which is material to the Company as at the date of this document:

- 6.1.1 An investment adviser's agreement dated 11 October 1999 between Foresight (1) and VCF Partners (novated to Foresight Group pursuant to a novation agreement dated 1 April 2002) (2) (as amended by supplemental agreements dated 17 October 2003 and 28 January 2010) pursuant to which Foresight Group agreed to act as investment adviser to Foresight. In respect of the Ordinary Shares Fund the appointment is terminable on not less than one year's notice in writing. In respect of the Planned Exit Fund the appointment is terminable on not less than one year's notice in writing at any time after the second anniversary of the closing date of the Offer or Planned Exit Shares announced on 28 January 2010. In respect of both the Ordinary Shares fund and the Planned Exit Shares fund this appointment may also be terminated in circumstances of material breach by either party and, in any event, Foresight may appoint other parties in substitution of Foresight Group as investment adviser or manager in respect of the whole or part of Foresight's investment portfolio if it believes that this is necessary to preserve the status of Foresight as a VCT. The investment adviser acts as custodian of the Company's unquoted assets pursuant to this agreement.
- 6.1.2 In respect of the Ordinary Shares Fund, Foresight Group receives an annual management fee of 2.0 per cent. of the net assets of the Ordinary Shares fund, calculated and payable quarterly in advance, together with any applicable VAT thereon. In respect of the Planned Exit Shares fund Foresight Group receives an annual management fee of 1.0 per cent. of the net assets of the Planned Exit Shares fund, calculated and payable quarterly in advance, together with any applicable VAT thereon.
- 6.1.3 A carried interest agreement dated 16 January 2007 between Foresight (1) and Foresight Group (2). Pursuant to this agreement Foresight has granted to Foresight Group the entitlement to subscribe at par for such number of Ordinary Shares as represents 15 per cent. (at the then prevailing net asset value per Ordinary Share adjusted to take into account the relevant dividend to be paid) of the aggregate of each (revenue or capital) distribution paid to the holders of Ordinary Shares. Ordinary Shares will only be issued if the Total Return per Ordinary Share amounts to at least 100p per Ordinary Share immediately before the relevant dividend is paid and after the issue of such Ordinary Shares. For these purposes "Total Return" shall mean the aggregate of (i) the then NAV of Ordinary Shares and (ii) an amount equal to 10.75p (these being the distributions as at the date of the Reconstruction) and (iii) all distributions following that date per Ordinary Share. Any such performance fee would be calculated each time a distribution is declared and any Ordinary Shares to be allotted would be issued on the date the distribution is made to Shareholders (or as soon as practicable thereafter). Foresight Group's entitlement shall cease or be reduced on a sliding scale depending on the nature of a termination or resignation of Foresight Venture Partner's appointment.
- 6.1.4 A carried interest agreement dated 28 January 2010 between Foresight (1) and Foresight Group ("Manager") (2). Pursuant to this agreement if investors have first received capital and income Distributions equal to 110p per Planned Exit Share ("the Hurdle") Foresight Group is entitled to receive a performance incentive the value of which is, as calculated below ("Value") by the Manager subscribing at par for Planned Exit Shares, or at the discretion of the Directors, to receive Value wholly in cash or partly in cash and partly by subscribing at par for Planned Exit Shares. Value is calculated as follows: if the Hurdle is not satisfied then Value is nil; or if the Hurdle is satisfied and the Net Return Per Share is equal to or less than 15p, then Value is the net return per share multiplied by the number of Planned Exit Shares issued under the offer for subscription published by the Company on 28 January 2010 and remaining in issue at the date of calculation; or if the Hurdle is satisfied and the net return per share is greater than 15p then Value is the sum of 15p plus 20 per cent. of the remaining net return per share after deduction of 15p, both multiplied by the number of shares issued under that offer and remaining in issue at the date of calculation. For these purposes the net return per share is the greater of zero and the sum of the gross return per share minus the Hurdle; the gross return per share is the gross return divided by the number of shares issued under the offer and remaining in issue at the date of calculation, and the gross return is the sum of all distributions made from the final closing date of the offer to the date of calculation plus the nav of the net assets attributable to the Planned Exit Shares at the time of calculation.

- 6.1.5 These arrangements will continue to apply to the Enlarged Company following the Merger. Accordingly, Foresight Group will receive an annual investment management fee of 2 per cent. on the enlarged asset base of the Enlarged Company. Foresight Group will be eligible to receive an incentive fee on the basis described above on any future investments made by the Enlarged Company.
- 6.1.6 A sponsor and promoter agreement dated 28 January 2010 between Foresight (1) Foresight 2 (2), the Foresight Directors (3), the Foresight 2 Directors (4) Foresight Group (5) and BDO LLP (6) whereby:
- 6.1.6.1 BDO LLP agreed to act as sponsor in connection with the Planned Exit Share offer. The agreement contains warranties (which are usual for an agreement of this type) which are given by Foresight and Foresight 2, the Directors and Foresight Group to BDO LLP. In addition the Company agreed to indemnify BDO LLP for any loss suffered in respect of its role as sponsor to that offer. The Company's liability under this indemnity is shared equally and is unlimited; and
- 6.1.6.2 Foresight Group agreed to act as promoter in connection with the Offer. The agreement contains warranties given by the Companies and the Directors to Foresight Group. Foresight and Foresight 2 will pay to Foresight Group a commission of 5.5 per cent. of the gross amount subscribed under the Planned Exit Share Offer out of which will be paid all costs, charges and expenses of or incidental to the Offer including the fees of BDO LLP and RW. Blears LLP, save that Foresight and Foresight 2 shall, pursuant to the terms of the Offer pay to Foresight Group an annual trail fee of 0.5 per cent. per annum of the NAV of the Subscription Shares until a maximum of 3 per cent. of the amount subscribed for them has been paid out of which Foresight Group will pay annual trail commission to IFAs.
- 6.2 The following contracts will be entered into, subject, *inter alia*, to the approval by Shareholders of the resolutions to be proposed at the Foresight Meetings:
- 6.2.1 A transfer agreement between the Company and Keydata 1 and Keydata 2 (acting through the Liquidators) pursuant to which all of the assets and liabilities of Keydata 1 and Keydata 2 will be transferred to the Company (subject only to the consent required to transfer such assets and liabilities) in consideration for New Shares and Additional New Shares in accordance with Part IV of this document. The Liquidators will agree under this agreement that all sale proceeds and/or dividends received in respect of the underlying assets of Keydata 1 and Keydata 2 will be transferred on receipt to the Company as part of the Scheme. This agreement will be entered into as part of the Scheme.
- 6.2.2 An indemnity from the Company to the Liquidators pursuant to which the Company will indemnify the Liquidators for expenses and costs incurred by them in connection with the Scheme. A liquidation fee has been agreed (including an amount representing contingency) and taken into account in the merger calculations. This agreement will be entered into as part of the Scheme.
- 6.2.3 A contract for the purchase of the Deferred Shares for a nominal consideration.

7. Transactions with Foresight Group and Foresight Fund Managers

No Director has an interest in any contract to which the Company is a party.

Bernard Fairman was previously a director of Foresight, and resigned on 18 June 2010. Mr Fairman is the managing partner of Foresight Group, the investment manager to the Company and a director of Foresight Fund Managers (a subsidiary of Foresight Group), which is the Company secretary and accountant. Foresight Group and Foresight Fund Managers have earned the following fees in respect of such appointments (net of VAT):

- 7.1 Current year to date - Foresight Group (£191,917 (Ordinary shares fund) and £16,332 (Planned Exit Shares Fund)) and Foresight Fund Managers (£50,000).
- 7.2 Year ended 31 December 2009 - Foresight Group (£399,111) and Foresight Fund Managers (£100,000).
- 7.3 Year ended 31 December 2008 - Foresight Group (£547,373) and Foresight Fund Managers (£74,864).
- 7.4 Year ended 31 December 2007 - Foresight Group (£709,708) and Foresight Fund Managers (£50,000).

8. General

- 8.1 The Company was incorporated and registered in England and Wales under CA 1985 as a public company with limited liability on 19 August 1997, with registered number 03421340. The principal legislation under which the Company operates are the Companies Acts (and regulations made thereunder). The legal and commercial name of the Company is Foresight VCT plc. The Company is domiciled in England.
- 8.2 Statutory accounts of the Company for the years ended 31 December 2007, 31 December 2008 and 31 December 2009 in respect of which the Company's auditors, Ernst & Young LLP, have made unqualified reports under Section 235 CA 1985, have been delivered to the Registrar of Companies and such reports did not contain any statements under Sections 237(2) or (3) CA 1985.
- 8.3 Save for the fees paid to Foresight Group as mentioned in paragraph 6 above and the fees paid to the Directors as detailed in paragraph 3.4 above, there were no related party transactions or fees paid during the years ended 31 December 2007, 31 December 2008 and 31 December 2009 or to date in the current financial year.
- 8.4 There has been no significant change in the financial or trading position of the Company since 30 June 2010, the date to which the last unaudited interim results of the Company has been published.
- 8.5 The Company is not and has not been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) since incorporation which may have, or have had in the recent past, significant effects on the Company and/or its financial position or profitability
- 8.6 Foresight Group has recently been subject to a restructuring of its membership resulting in Bernard Fairman ceasing to be a member of, and Foresight Group CI Limited becoming a member of, Foresight Group on 24 February 2010. Foresight Group CI Limited is a company incorporated and registered in Guernsey on 12 February 2010, with registered number 51471. Whilst Bernard Fairman is no longer a member of Foresight Group, Bernard Fairman is the sole shareholder of, and provides services to, Foresight Group CI Limited, which has a majority of the voting rights in Foresight Group.

The investment management agreement between each Company and Foresight Group is intended (subject to the approval of the relevant Board) to be transferred to Foresight Group CI Limited. Foresight Group will provide services to Foresight Group CI Limited as required and agreed with the relevant Board to fulfil its obligations under the transferred investment management agreement such that the provision of services to the Company will not be materially affected. The performance incentive arrangements in respect of each Company will remain with Foresight Group for commercial reasons.

9. Documents Available for Inspection

Copies of the following documents will be available for inspection during normal business hours on any day (Saturdays, Sundays and public holidays excepted) from the date of this document until the Effective Date at the offices of R W Blears LLP at 125 Old Broad Street, London EC2N 1AR and also at the registered office of the Company:

- 9.1 the memorandum and articles of association of the Company;
- 9.2 the audited report and accounts of the Company for the financial years ended 31 December 2007, 31 December 2008 and 31 December 2009 and the unaudited interim accounts of the Company to 30 June 2010;
- 9.3 the audited report and accounts of Keydata 1 and Keydata 2 for the financial years ended 28 February 2007, 28 February 2008 and 28 February 2009 and the unaudited interim accounts of Keydata 1 and Keydata 2 for the six months to 31 August 2009;
- 9.4 the material contracts referred to in paragraph 5 above being contracts entered into otherwise than in the ordinary course of business to which the Company is a party;
- 9.5 the Keydata Circular dated 27 January 2011;
- 9.6 the Prospectus; and
- 9.7 this document.

27 January 2011

FORESIGHT VCT PLC

(Registered in England and Wales with registered number 03160586)

NOTICE OF GENERAL MEETING

Notice is hereby given that a general meeting of Foresight VCT plc ("the Company") will be held at 12 noon on 18 February 2011 at Over-Seas House, Park Place, St James's Street, London SW1A 1LR for the purposes of considering and, if thought fit, passing the following resolutions, which will be proposed as special resolutions:

Special Resolutions

Approval of merger

1. That subject to the Scheme (as defined in and provided for in the circular to shareholders dated 27 January 2011 ("Circular")) becoming unconditional:
 - 1.1 the acquisition of the assets and liabilities of Keydata 1 and Keydata 2 on the terms set out in the Circular) be and hereby is approved; and
 - 1.2 the directors be and hereby are generally and unconditionally authorised in accordance with section 551 of the Companies Act 2006 ("the Act") to exercise all of the powers of the Company to allot New Shares and Additional New Shares up to an aggregate nominal value of £150,000 in connection with the Scheme, provided that the authority conferred by this paragraph 1.2 shall expire on the fifth anniversary of the date of the passing of this resolution unless renewed, varied or revoked by the Company in general meeting.

Reconstruction

2. That
 - 2.1 subject to the passing of resolution 1 above, if the Merger Value per Ordinary Share as at the Calculation Date is less than 100 pence per Ordinary Share, then immediately following the allotment of New Shares in connection with the Scheme a number of Ordinary Shares in issue as is represented by "DS" in the following formula (fractional entitlements being rounded down) shall be redesignated as deferred shares of 1 pence each ("Deferred Shares"), such shares having the rights and restrictions set out in paragraph 2.3 below:

$$DS = N - X$$

where: N = the number of Ordinary Shares in issue immediately following the allotment of New Shares in connection with the Scheme

$$X = \frac{N}{Y}$$

$$Y = \frac{100}{Z}$$

Z = the Merger Value in pence per Ordinary Share

and such Deferred Shares so created shall then be immediately repurchased by the Company as set out in paragraph 2.4 below.

- 2.2 the Deferred Shares shall:
 - 2.2.1 carry the right to receive a fixed cumulative preferential dividend from the revenue profits of the Company which are available for distribution and which the Directors determine to distribute by way of dividend in priority to any dividend payable in respect

2.2.2 not confer any right to receive notice of, or to attend or vote at general meetings;

2.2.3 on a winding up confer a preferential right to be paid out of the assets of the Company available for distribution an amount equal to 1p for all Deferred Shares held prior to the surplus being distributed to the holders of Ordinary Share capital, but do not confer any right to participate in any surplus assets of the Company; and

2.2.4 be capable of being purchased by the Company at any time for an aggregate consideration of 1p (and for such purposes the Directors may authorise any person to execute on behalf of and as attorney for the holders of Deferred Shares an appropriate contract and may deliver it or them on their behalf);

2.3.1 incorporate in Article 1 of the Articles a definition of the Deferred Shares to read as follows:

2.3.2 renumber Article 2.1 as Article 2.1 (A); and

2.4 the Company, acting by its Directors, be and hereby is authorised to enter into a contract to purchase all the issued Deferred Shares for an aggregate amount of 1p in accordance with the Articles as amended pursuant to paragraph 2.3 above (in the form of the contract tabled at the meeting and initialled by the Chairman for the purposes of identification and which as at the date of the meeting will have been on display at the Company's registered office and available for inspection by members for not less than 15 days);

2.6 the Company shall not be obliged to issue share certificates in respect of the Deferred Shares; give any prior notice to the holders of Deferred Shares that such shares are to be purchased in accordance with Article 2.1 (B); or account to any holder of Deferred Shares for the purchase monies in respect of such shares.

3. That, subject to the passing of resolution 1 and resolution 2 above:

3.2 in addition to existing authorities, the Directors be and hereby are empowered pursuant to sections 570 and 573 of the Act to allot or make offers or agreements to allot equity securities (which expression shall have the meaning ascribed to it in section 560(1) of the Act) for cash pursuant to the authority given pursuant to paragraph 3.1 of this resolution as if section 561(1) of the Act did not apply to such allotment, provided that this power shall be limited to the allotment and issue of Shares up to an aggregate nominal value representing 10 per cent of the issued share capital of the Company from time to time, where the proceeds may in whole or in part be used to purchase Ordinary Shares

- 3.3 in addition to existing authorities, the Company be and hereby is empowered to make one or more market purchases within the meaning of Section 693(4) of the Act of its own Ordinary Shares (either for cancellation or for the retention as treasury shares for future re-issue or transfer) provided that:
- 3.3.1 the aggregate nominal amount of the Ordinary Shares to be purchased shall not exceed £26,408;
 - 3.3.2 the minimum price (excluding expenses) which may be paid for each Ordinary Share is one pence;
 - 3.3.3 the maximum price (excluding expenses) which may be paid for each Ordinary Share is the higher of:
 - 3.3.3.1 105 per cent of the average of the middle market quotation for Ordinary Shares taken from the London Stock Exchange daily official list for the five business days immediately preceding the day on which Ordinary Shares are purchased; and
 - 3.3.3.2 the value of an Ordinary Share calculated on the basis of the higher of the price quoted for: the last independent trade of, and the highest current independent bid for, any number of the Company's Ordinary Shares on the trading venue where the purchase is carried out.
 - 3.3.4 the authority conferred by this resolution shall expire on the conclusion of the annual general meeting of the Company to be held in the year 2012 unless such authority is renewed prior to such time; and
 - 3.3.5 the Company may make a contract to purchase Ordinary Shares under the authority conferred by this resolution prior to the expiry of such authority which will or may be executed wholly or partly after the expiration of such authority and may make a purchase of Ordinary Shares pursuant to such contract.

Enhanced Buyback

4. That

- 4.1 in addition to existing authorities, the Directors be, and hereby are generally and unconditionally authorised pursuant to section 551 of the CA 2006 to allot Ordinary Shares of one pence each in the capital of the Company ("Ordinary Shares") up to an aggregate nominal amount of £300,000; representing 114 per cent of the anticipated issued Ordinary Share capital of the Company following completion of the Scheme and the Ordinary Share Reconstruction (or, if Resolutions numbered 1 and 2 above are not passed) an aggregate nominal amount of £477,415;
- 4.2 In addition to existing authorities, the Directors be and hereby are given the general power to allot Ordinary Shares of one pence each in the capital of the Company for cash pursuant to the authority conferred by paragraph 4.1 as if section 561(1) of the Act did not apply to any such allotment, provided that this power shall be limited to: (i) the allotment of Ordinary Shares in substitution for shares of the same class already admitted to trading on the same regulated market where the issue of Ordinary Shares does not involve any increase in the issued Ordinary Share capital of the Company and where the proceeds of the issue may be used in whole or in part to finance the purchase of Ordinary Shares pursuant to paragraph 4.3 below; and (ii) the allotment of Ordinary Shares to Ordinary Shareholders in proportion (as nearly as may be practicable) to their existing holdings in each case at a price per Ordinary Share equal to the net asset value of an existing Ordinary Share as at close of business two days prior to the date of allotment divided by 0.98 (rounded up to the nearest 0.01p per Ordinary Share); and
- 4.3 In addition to existing authorities, the Company be generally and unconditionally authorised pursuant to section 701 of the Act to make market purchases (within the meaning of section 693(4) of the Act) of Ordinary Shares by means of a tender offer to all holders of Ordinary Shares to purchase up to 30,000,000 Ordinary Shares (representing approximately 114 per cent. of the anticipated number of Ordinary Shares which will be in issue following the completion of the Scheme and the Ordinary Share Reconstruction) (or, if Resolutions numbered 1 and 2 above are not passed) a tender offer to all holders of Ordinary Shares to

purchase up to 47,741,385 Ordinary Shares at a fixed price equal to the latest net asset value per Ordinary Share as at close of business two days prior to the date of purchase and rounded down to the nearest 0.01p per Share (which fixed price shall, for the purposes of section 701 (3) (b) of the Act constitute both the maximum and the minimum price that may be paid for the Ordinary Shares purchased; and

- 4.4 the authority conferred by this resolution (“the Enhanced Buy Back Authority”) shall expire on the first anniversary of the date of the passing of this resolution save that the Company may, before such expiry, make offers or agreements which would or might require Ordinary Shares to be allotted and purchased and the Directors may allot and purchase Ordinary Shares in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired

Dated 27 January 2011

By order of the Board

Foresight Fund Managers Limited
Company Secretary

ECA Court
24-26 South Park
Sevenoaks
Kent TN13 1DU

Notes to the notice of general meeting of Foresight VCT plc

Entitlement to attend and vote

1. Only those members registered on the Company’s register of members at: 6.00 pm on 16 February 2011; or, if this meeting is adjourned, at 6.00 pm on the day two days prior to the adjourned meeting, shall be entitled to attend and vote at the meeting.

Foresight Group LLP website provides information regarding the meeting

2. Information regarding the meeting, including the information required by section 311A of the Companies Act 2006, is available from <http://www.foresightgroup.eu>.

Attending in person

3. If you wish to attend the meeting in person, please bring with you the attendance card provided.

Appointment of proxies

4. If you are a member of the Company at the time set out in note 1 above, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the meeting and you should have received a proxy form with this notice of meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.
5. If you are not a member of the Company but you have been nominated by a member of the Company to enjoy information rights, you do not have a right to appoint any proxies under the procedures set out in this “Appointment of proxies” section. Please read the section “Nominated persons” below.
6. A proxy does not need to be a member of the Company but must attend the meeting to represent you. Details of how to appoint the Chairman of the meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form. If you wish your proxy to speak on your behalf at the meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.
7. 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.
8. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If you either select the “Discretionary” option or if no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the meeting.

Appointment of proxy using hard copy proxy form

9. The notes to the proxy form explain how to direct your proxy how to vote on each resolution or withhold their vote.

To appoint a proxy using the proxy form, the form must be: completed and signed; sent or delivered to Computershare Investor Services PLC at The Pavilions, Bridgewater Road, Bristol BS99 6ZY; and be received by Computershare Investor Services PLC no later than 12 noon on 16 February 2011. In the case of a member which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.

Electronic Proxy Voting

10. To vote electronically, members should register on www.eproxyappointment.com where they will be asked to provide a Control Number, Shareholder Reference Number and PIN, details of which can be found on the enclosed proxy form. To be valid, the vote must be registered electronically no later than 48 hours before the time appointed for the meeting or any adjourned meeting. This is the only acceptable means by which proxy instructions may be submitted electronically.

Appointment of proxy by joint members

11. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).

Changing proxy instructions

12. To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded. Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact Computershare Investor Services PLC at The Pavilions, Bridgewater Road, Bristol BS99 6ZY; If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

Termination of proxy appointments

13. In order to revoke a proxy instruction you will need to inform the Company using one of the following method: By sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to Computershare Investor Services PLC at The Pavilions, Bridgewater Road, Bristol BS99 6ZY. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice. The revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid. Appointment of a proxy does not preclude you from attending the Meeting and voting in person. If you have appointed a proxy and attend the Meeting in person, your proxy appointment will automatically be terminated.

Corporate representatives

14. A corporation which is a member can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a member provided that no more than one corporate representative exercises powers over the same share.

Issued shares and total voting rights

15. As at 26 January 2011 the Company's issued share capital comprised 47,541,385 ordinary shares of 1p each and 6,179,833 planned exit shares of 1p each. Each ordinary share and planned exit share carries the right to one vote at a general meeting of the Company and, therefore, the total number

of voting rights in the Company as at 26 January 2011 is 53,721,218. The website referred to in note 2 will include information on the number of shares and voting rights.

Questions at the Meeting

16. Under section 319A of the Companies Act 2006, the Company must answer any question you asked by a Shareholder relating to the business being dealt with at the meeting unless: answering the question would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information; the answer has already been given on a website in the form of an answer to a question; or it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

Communication

17. Except as provided above, members who have general queries about the Meeting should call our shareholder helpline on 0870 703 6388.

Nominated persons

18. If you are a person who has been nominated under section 146 of the Companies Act 2006 to enjoy information rights (Nominated Person): You may have a right under an agreement between you and the member of the Company who has nominated you to have information rights (Relevant Member) to be appointed or to have someone else appointed as a proxy for the Meeting. If you either do not have such a right or if you have such a right but do not wish to exercise it, you may have a right under an agreement between you and the Relevant Member to give instructions to the Relevant Member as to the exercise of voting rights. Your main point of contact in terms of your investment in the Company remains the Relevant Member (or, perhaps, your custodian or broker) and you should continue to contact them (and not the Company) regarding any changes or queries relating to your personal details and your interest in the Company (including any administrative matters). The only exception to this is where the Company expressly requests a response from you.

FORESIGHT VCT PLC

NOTICE OF SEPARATE CLASS MEETING OF ORDINARY SHAREHOLDERS

Notice is hereby given that a separate meeting of the holders of Ordinary Shares of 1p each in the capital of the Company will be held on 18 February 2011 at 12.10 pm at Over-Seas House, Park Place, St James's Street, London SW1A 1LR (or as soon thereafter as the general meeting of the Company convened for 12 noon on that day has been concluded or adjourned) for the following purpose of considering and, if thought fit, passing the following resolution which will be proposed as an extraordinary resolution.

The holders of the Ordinary Shares of 1p each in the capital of the Company hereby sanction, approve and consent to:

- a) the passing and carrying into effect, as special resolutions of the Company, resolutions 1 to 4 set out in the notice of general meeting of the Company convened for 12 noon on 18 February 2011 (a copy of which is produced to the meeting and signed by the Chairman for the purposes of identification); and
- b) any effect on, variation, abrogation, dealing with and/or deemed variation or abrogation of the rights and privileges attached to the Ordinary Shares which will, or may, result from the passing and carrying into effect of the said resolutions and notwithstanding that the passing and carrying into effect of such resolutions may affect the rights and privileges.

By order of the Board

Foresight Fund Managers Limited
Company Secretary

ECA Court
24-26 South Park
Sevenoaks
Kent TN13 1DU

27 January 2011

Notes to the notice of class meeting of Foresight Ordinary Shareholders

Entitlement to attend and vote

1. Only those members registered on the Company's register of members as holders of Ordinary Shares at: 6.00 pm on 16 February 2011 or, if this meeting is adjourned, at 6.00 pm on the day two days prior to the adjourned meeting, shall be entitled to attend and vote at the meeting.

Foresight Group LLP website provides information regarding the meeting

2. Information regarding the meeting, including the information required by section 311A of the Companies Act 2006, is available from www.foresightgroup.eu.

Attending in person

3. If you wish to attend the meeting in person, please bring please bring with you the attendance card provided.

Appointment of proxies

4. If you are a member of the class at the time set out in note 1 above, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the meeting and you should have received a proxy form with this notice of meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.
5. If you are not a member of the class but you have been nominated by a member of the class to enjoy information rights, you do not have a right to appoint any proxies under the procedures set out in this "Appointment of proxies" section. Please read the section "Nominated persons" below.
6. A proxy does not need to be a member of the class but must attend the meeting to represent you. Details of how to appoint the Chairman of the meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form. If you wish your proxy to speak on your behalf

at the meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.

7. 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.
8. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If you either select the “Discretionary” option or if no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the meeting.

Appointment of proxy using hard copy form of proxy

9. The notes to the form of proxy explain how to direct your proxy how to vote on each resolution or withhold their vote. To appoint a proxy using the form of proxy, the form must be: completed and signed; sent or delivered to Computershare Investor Services PLC at The Pavilions, Bridgwater Road, Bristol BS99 6ZY; and be received by Computershare Investor Services PLC no later than 12.10 pm on 16 February 2011. In the case of a member which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.

Electronic Proxy Voting

10. To vote electronically, members should register on www.eproxyappointment.com where they will be asked to provide a Control Number, Shareholder Reference Number and PIN, details of which can be found on the enclosed proxy form. To be valid, the vote must be registered electronically no later than 48 hours before the time appointed for the meeting or any adjourned meeting. This is the only acceptable means by which proxy instructions may be submitted electronically.

Appointment of proxy by joint members

11. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company’s register of members in respect of the joint holding (the first-named being the most senior).

Changing proxy instructions

12. To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded. Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact Computershare Investor Services PLC at The Pavilions, Bridgwater Road, Bristol BS99 6ZY; If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

Termination of proxy appointments

13. In order to revoke a proxy instruction you will need to inform the Company using one of the following method: By sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to Computershare Investor Services PLC at The Pavilions, Bridgwater Road, Bristol BS99 6ZY. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice. The revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid. Appointment of a proxy does not preclude you from attending the Meeting and voting in person. If you have appointed a proxy and attend the Meeting in person, your proxy appointment will automatically be terminated.

Corporate representatives

14. A corporation which is a member can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a member provided that no more than one corporate representative exercises powers over the same share.

Issued shares and total voting rights

15. As at 26 January 2011, the Company's issued ordinary share capital comprised 47,541,385 ordinary shares of 1p each. Each ordinary share carries the right to one vote at a class meeting of ordinary shareholders and, therefore, the total number of voting rights in the class as at 26 January 2011 is 47,541,385. The website referred to in note 2 will include information on the number of shares and voting rights.

Questions at the Meeting

16. Under section 319A of the Companies Act 2006, the Company must answer any question you ask relating to the business being dealt with at the meeting unless: answering the question would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information; the answer has already been given on a website in the form of an answer to a question; or it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

Quorum and notice of adjourned meeting

17. Notice is hereby further given that the necessary quorum for the above meeting shall be ordinary shareholders present in person or by proxy holding not less than one-third of the paid up ordinary share capital and that if within half an hour from the time appointed for the above meeting a quorum is not present it shall be adjourned to 19 February 2011 at 9.30 am at ECA Court, South Park, Sevenoaks, Kent, TN13 1DU or as soon thereafter as may be arranged and at such adjourned meetings the Ordinary Shareholders present in person or by proxy shall be a quorum regardless of the number of ordinary shares held.

Communication

18. Except as provided above, members who have general queries about the meeting should call our shareholder helpline on 0870 703 6088.

Nominated persons

19. If you are a person who has been nominated under section 146 of the Companies Act 2006 to enjoy information rights (Nominated Person): You may have a right under an agreement between you and the member of the Company who has nominated you to have information rights (Relevant Member) to be appointed or to have someone else appointed as a proxy for the Meeting. If you either do not have such a right or if you have such a right but do not wish to exercise it, you may have a right under an agreement between you and the Relevant Member to give instructions to the Relevant Member as to the exercise of voting rights. Your main point of contact in terms of your investment in the Company remains the Relevant Member (or, perhaps, your custodian or broker) and you should continue to contact them (and not the Company) regarding any changes or queries relating to your personal details and your interest in the Company (including any administrative matters). The only exception to this is where the Company expressly requests a response from you.

FORESIGHT VCT PLC

NOTICE OF SEPARATE CLASS MEETING OF PLANNED EXIT SHAREHOLDERS

Notice is hereby given that a separate meeting of the holders of Planned Exit Shares of 1p each in the capital of the Company will be held on 18 February 2011 at 12.20 pm at Over-Seas House, Park Place, St James's Street, London SW1A 1LR (or as soon thereafter as the class meeting of the holders of Ordinary Shares of the Company convened for 12.10 pm on that day has been concluded or adjourned) for the following purpose of considering and, if thought fit, passing the following resolution which will be proposed as an extraordinary resolution.

The holders of the Planned Exit Shares of 1p each in the capital of the Company hereby sanction, approve and consent to:

- a) the passing and carrying into effect, as special resolutions of the Company, resolutions 1 to 4 set out in the notice of general meeting of the Company convened for 12 noon on 18 February 2011 (a copy of which is produced to the meeting and signed by the Chairman for the purposes of identification); and
- b) any effect on, variation, abrogation, dealing with and/or deemed variation or abrogation of the rights and privileges attached to the Planned Exit Shares which will, or may, result from the passing and carrying into effect of the said Resolutions and notwithstanding that the passing and carrying into effect of such resolutions may affect the rights and privileges attached to such Planned Exit Shares.

By order of the Board

Foresight Fund Managers Limited
Company Secretary

ECA Court
24-26 South Park
Sevenoaks
Kent TN13 1DU

27 January 2011

Notes to the class meeting of Planned Exit Shareholders

Entitlement to attend and vote

1. Only those members registered on the Company's register of members as holders of Planned Exit Shares at: 6.00 pm on 16 February 2011; or, if this Meeting is adjourned, at 6.00 pm on the day two days prior to the adjourned meeting, shall be entitled to attend and vote at the Meeting.

Foresight Group LLP Website provides information regarding the meeting

2. Information regarding the Meeting, including the information required by section 311A of the Companies Act 2006, is available from www.foresightgroup.eu.

Attending in person

3. If you wish to attend the Meeting in person, please bring please bring with you the attendance card provided.

Appointment of proxies

4. If you are a member of the class at the time set out in note 1 above, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the meeting and you should have received a proxy form with this notice of meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the form of proxy.
5. If you are not a member of the class but you have been nominated by a member of the class to enjoy information rights, you do not have a right to appoint any proxies under the procedures set out in this "Appointment of proxies" section. Please read the section "Nominated persons" below.

6. A proxy does not need to be a member of the class but must attend the meeting to represent you. Details of how to appoint the Chairman of the Meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form. If you wish your proxy to speak on your behalf at the Meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.
7. 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.
8. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If you either select the “Discretionary” option or if no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the Meeting.

Appointment of proxy using hard copy form of proxy

9. The notes to the form of proxy explain how to direct your proxy how to vote on each resolution or withhold their vote. To appoint a proxy using the form of proxy, the form must be: completed and signed; sent or delivered to Computershare Investor Services PLC at The Pavilions, Bridgwater Road, Bristol BS99 6ZZ; and be received by Computershare Investor Services PLC no later than 12.20 pm on 16 February 2011. In the case of a member which is a company, the form of proxy must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the form of proxy is signed (or a duly certified copy of such power or authority) must be included with the form of proxy.

Electronic Proxy Voting

10. To vote electronically, members should register on www.eproxyappointment.com where they will be asked to provide a Control Number, Shareholder Reference Number and PIN, details of which can be found on the enclosed proxy form. To be valid, the vote must be registered electronically no later than 48 hours before the time appointed for the meeting or any adjourned meeting. This is the only acceptable means by which proxy instructions may be submitted electronically.

Appointment of proxy by joint members

11. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company’s register of members in respect of the joint holding (the first-named being the most senior).

Changing proxy instructions

12. To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded. Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact Computershare Investor Services PLC at The Pavilions, Bridgwater Road, Bristol BS99 6ZZ; If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

Termination of proxy appointments

13. In order to revoke a proxy instruction you will need to inform the Company using one of the following method: By sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to Computershare Investor Services PLC at P.O. Box 859 The Pavilions, Bridgwater Road, Bristol BS99 6ZY. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice. The revocation is received after the time specified then, subject to the

paragraph directly below, your proxy appointment will remain valid. Appointment of a proxy does not preclude you from attending the Meeting and voting in person. If you have appointed a proxy and attend the Meeting in person, your proxy appointment will automatically be terminated.

Corporate representatives

14. A corporation which is a member can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a member provided that no more than one corporate representative exercises powers over the same share.

Issued shares and total voting rights

15. As at 26 January 2011, the Company's issued Planned Exit Share capital comprised 6,179,833 Planned Exit Shares of 1p each. Each Planned Exit Share carries the right to one vote at a class meeting of Planned Exit Shareholders and, therefore, the total number of voting rights in the class as at 26 January 2011 is 6,179,833. The website referred to in note 2 will include information on the number of shares and voting rights.

Questions at the Meeting

16. Under section 319A of the Companies Act 2006, the Company must answer any question you ask relating to the business being dealt with at the meeting unless: answering the question would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information; the answer has already been given on a website in the form of an answer to a question; or it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

Quorum and notice of adjourned meeting

17. Notice is hereby further given that the necessary quorum for the above meeting shall be Planned Exit Shareholders present in person or by proxy holding not less than one-third of the paid up Planned Exit Share capital and that if within half an hour from the time appointed for the above meeting a quorum is not present it shall be adjourned to 19 February 2011 at 9.40 am at ECA Court, South Park, Sevenoaks, Kent, TN13 1DU or as soon thereafter as may be arranged and at such adjourned meetings the Ordinary Shareholders present in person or by proxy shall be a quorum regardless of the number of Planned Exit Shares held.

Communication

18. Except as provided above, members who have general queries about the Meeting should call our shareholder helpline on 0870 703 6088.

Nominated persons

19. If you are a person who has been nominated under section 146 of the Companies Act 2006 to enjoy information rights (Nominated Person): You may have a right under an agreement between you and the member of the Company who has nominated you to have information rights (Relevant Member) to be appointed or to have someone else appointed as a proxy for the Meeting. If you either do not have such a right or if you have such a right but do not wish to exercise it, you may have a right under an agreement between you and the Relevant Member to give instructions to the Relevant Member as to the exercise of voting rights. Your main point of contact in terms of your investment in the Company remains the Relevant Member (or, perhaps, your custodian or broker) and you should continue to contact them (and not the Company) regarding any changes or queries relating to your personal details and your interest in the Company (including any administrative matters). The only exception to this is where the Company expressly requests a response from you.

