

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IT CONTAINS PROPOSALS RELATING TO PICTON PROPERTY INCOME LIMITED (THE “COMPANY”) ON WHICH YOU ARE BEING ASKED TO VOTE. If you are in any doubt about the contents of this document or the action you should take, you are recommended to seek immediately your own personal financial advice from an appropriately qualified independent adviser authorised pursuant to the UK Financial Services and Markets Act 2000 if in the United Kingdom or otherwise regulated under the laws of your own country.

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

This document should be read as a whole. Your attention is drawn to the letter from the Chairman of the Company which is set out in this document and which recommends that you vote in favour of the Resolution to be proposed at the EGM. Your attention is also drawn to the section entitled “Action to be Taken” on page 8 of this document.



PICTON PROPERTY INCOME LIMITED

(an authorised closed-ended investment scheme incorporated as a non-cellular company limited by shares under the laws of Guernsey with registered number 43673)

Recommended proposal for the disapplication of pre-emption rights in connection with the proposed fundraising by way of an Initial Placing, Offer for Subscription and Placing Programme in respect of New Ordinary Shares

and

Notice of Extraordinary General Meeting

The Capital Raise described in this document is conditional on Shareholder approval at the EGM. Notice of the EGM to be held at 10.00 a.m. on 19 May 2014 at Trafalgar Court, Les Banques, St. Peter Port, Guernsey GY1 3QL for the purpose of considering and, if thought fit, passing the Resolution, is set out at the end of this document.

Shareholders are requested to return a Form of Proxy by one of the following methods: (i) in hard copy form by post, by courier or by hand to the Company's registrar, Computershare Investor Services (Guernsey) Limited, c/o The Pavilions, Bridgwater Road, Bristol BS99 6ZY or (ii) in the case of CREST members, by utilising the CREST electronic proxy appointment service (details of which are contained in this document), in any case so as to be received by the Company's registrar as soon as possible and, in any event, not less than 48 hours before the time at which the Extraordinary General Meeting (or any adjournment thereof) is to begin. In calculating such 48-hour period, no account shall be taken of any part of a day that is not a Business Day. Completion of a Form of Proxy will not preclude a Shareholder from attending, speaking and voting in person at the Extraordinary General Meeting should they wish to do so (and they are so entitled).

Defined terms used in this document have the meanings ascribed to them in the section headed “Definitions” on page 9 of this document.

This document is not a prospectus and is not an offer to sell or a solicitation of any offer to buy any securities in the United States or in any other jurisdiction. The New Ordinary Shares have not been, and will not be, registered under the US Securities Act of 1933, as amended, and the Company has not been, and will not be, registered under the US Investment Company Act of 1940, as amended.

1 May 2014

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EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Date of Circular.....	1 May 2014
Latest time and date of receipt of Forms of Proxy for the Extraordinary General Meeting.....	10.00 a.m. on 15 May 2014
Extraordinary General Meeting.....	10.00 a.m. on 19 May 2014
Results of Extraordinary General Meeting announced	19 May 2014

Note: All times are London times. Times and dates are subject to change.

If you have any questions relating to the completion and return of the Form of Proxy please call Computershare Investors Services (Guernsey) Limited on +44(0) 870 707 404 from 9.00 a.m. to 5.00 p.m. (London time) on any Business Day.

Computershare Investor Services (Guernsey) Limited cannot provide any advice financial, legal or tax advice.

LETTER FROM THE CHAIRMAN

PICTON PROPERTY INCOME LIMITED

(an authorised closed-ended investment scheme incorporated as a non-cellular company limited by shares under the laws of Guernsey with registered number 43673)

Directors:

Nicholas Thompson (Chairman)
Trevor Ash
Vic Holmes
Roger Lewis
Robert Sinclair

Registered Office:

PO Box 255
Trafalgar Court, Les
Banques,
St Peter Port,
Guernsey GY1 3QL

1 May 2014

Dear Shareholders

NOTICE OF EXTRAORDINARY GENERAL MEETING RECOMMENDED PROPOSALS FOR THE DISAPPLICATION OF PRE-EMPTION RIGHTS

Introduction

Further to the announcement earlier today, the Board wishes to seek Shareholders' approval for the disapplication of pre-emption in connection with the proposed issue of up to 170 million New Ordinary Shares by way of an Initial Placing and Offer of Subscription (the **Initial Offers**) and a Placing Programme (together with the Initial Offers, the **Capital Raise**), as further described in a prospectus published by the Company on or around today's date in connection with the Capital Raise (the **Prospectus**).

An EGM of the Company is being convened at which Shareholders will be asked to consider and, if thought fit, approve a resolution for the disapplication of pre-emption rights in respect of 170 million New Ordinary Shares for the purposes of the Capital Raise (the **Resolution**).

The purpose of this document is to provide Shareholders with details of, and to seek Shareholders' approval for the Resolution. Shareholders are being asked to vote on the Resolution to enable the Company to proceed with the Capital Raise.

The Resolution is being proposed as an extraordinary resolution, requiring the approval of at least 75 per cent. of those Shareholders present and voting in order for it to be passed.

The Capital Raise is conditional on, *inter alia*, the passing of the Resolution at the EGM and on Admission of the New Ordinary Shares.

Your attention is drawn to the Notice convening the EGM of the Company to be held at 10.00 a.m. on 19 May 2014 at Trafalgar Court, Les Banques, St. Peter Port, Guernsey GY1 3QL.

The Capital Raise

Background to and reasons for the Capital Raise

With improved liquidity within the property market the Group has started to reshape its portfolio through the sale of a number of smaller or low yielding assets and investment into new opportunities that have enhanced the portfolio, providing additional prospects for further value creation. In addition, the Board has identified further projects within the existing portfolio which would benefit from additional capital investment, where existing space can be enhanced and occupier demand satisfied.

The Company is also seeing good investment opportunities, having access to both on and off market potential transactions. It has proven itself able to execute transactions swiftly and efficiently and believes that it could deploy the proceeds of a capital raise effectively and in relatively short order, such as recent purchases have demonstrated.

The Directors consider that the Company should now raise funds in order to put itself in a position to take advantage of investment opportunities that the Directors expect to arise during the coming year. However, the Directors do not believe that it would be in the best interests of Shareholders

to seek to raise all of the funds now as this would expose Shareholders to a portfolio containing a substantial amount of un-invested cash, which could potentially have an adverse effect on the Company's performance and dividend cover.

Consequently, the Directors have sought to structure the Capital Raise to provide the Group with as much flexibility as possible, enabling the Group to raise funds quickly, in a cost efficient manner and as investment opportunities are identified, while at the same time minimising cash drag. It is also the Director's belief that the Capital Raise will ensure that the Group's transactional reputation is enhanced in the market by providing the Group with an enhanced ability to undertake transactions which are not conditional on securing financing. This is likely to lead to better achieved prices and more attractive acquisition opportunities being offered to the Group.

Benefits of the Capital Raise

The Directors believe that the Capital Raise will confer the following benefits for Shareholders and the Company:

- providing additional capital will enable the Company to take advantage of current investment opportunities in the market and make further investment in the Group's existing investment portfolio
- the expected accretive yield on new investments should lead to growth in net income which in turn is likely to lead to an enhancement in NAV growth or the potential for an increase in the underlying dividend paid by the Group;
- by employing a placing programme this will minimise cash drag and assist in matching the capital requirements of the Company to the investment opportunities which arise over the next 12 months;
- enhancing the NAV per Ordinary Share through new share issues at a premium to NAV per Ordinary Share;
- providing a larger equity base over which the fixed costs of the Company may be spread, thereby reducing the Company's on-going expense ratio and increasing returns to Shareholders;
- a reduction in the Group's gearing ratio and stronger balance sheet, which would enable the Group to access more favourable debt funding in the future, and in particular ahead of the 2016 ZDP refinancing;
- providing the ability to increase the asset base outside the existing security pools to increase the flexibility around future investment and debt financing and, in particular, the ability to access further secured debt financing;
- the Capital Raise allows new investors to invest in the Company and is thereby expected to enhance liquidity in the Ordinary Shares;
- increases the market capitalisation of the Company, potentially increasing the scope for further institutional investment in the Company and improving the secondary market liquidity of the Ordinary Shares.

Use of Proceeds

The Board intends to use the Net Proceeds to finance further property acquisitions in accordance with the Group's investment policy, finance capital projects within its existing portfolio and for general corporate purposes. Of the £33.8 million net proceeds from the Initial Offers, approximately 75 per cent. is expected to be put towards property acquisitions with the remainder to be utilised within the existing portfolio.

The Group intends to use the Net Proceeds in excess of the amounts referred to above to finance further property acquisitions in accordance with its investment policy. The Group's geographic and asset diversity enables it to consider a wide choice of investment opportunities across the property market and as such the Board believes it should have good access to deal flow.

Within this framework, acquisitions will be made on an opportunistic basis, acquiring assets with strong property fundamentals and which will meet the Group's investment objective in the short to medium term. The Group's investment of the net proceeds should be income accretive for shareholders and is expected to improve the income profile within the property portfolio as well as providing further asset and income diversification. Additionally, it is expected that the investment of the net proceeds will continue to increase the average lot size within its portfolio, whilst providing

further opportunities to enhance both the income and/or capital position through active portfolio management.

The Group has identified approximately £5 million of capital projects within the existing portfolio, including further office led refurbishments in Croydon, Angel Gate, Fleet, Glasgow and Chester which are aimed at enhancing the quality of assets, with a view to improving letting prospects and achieving enhanced rental levels on lettings.

In addition, the Group is also considering other opportunities within the portfolio, where there may be further potential to create additional value including where “special purchaser” status may allow the Group to benefit from off-market opportunities and the creation of valuation synergies. In addition to the money spent on capital projects, the Group also intends to use approximately £4 million of the Net Proceeds for general corporate purposes.

The structuring of the Capital Raise

The Company intends to issue up to 170 million New Ordinary Shares pursuant to the Capital Raise, with up to 59,322,034 New Ordinary Shares available under the Initial Placing and Offer for Subscription.

Following the Initial Offers, the Directors intend to implement the Placing Programme. Pursuant to the Placing Programme, the Directors are authorised to issue up to 170 million New Ordinary Shares, less any such shares issued pursuant to the Initial Offers.

The Net Proceeds of the Capital Raise are dependent on the number of New Ordinary Shares issued pursuant to the Capital Raise.

Assuming the Capital Raise is fully subscribed and that any New Ordinary Shares issued pursuant to the Placing Programme are issued at an Issue Price of 59 pence per New Ordinary Share, the Company would raise £100.3 million of Gross Proceeds from the Capital Raise. After deducting expenses (including any commission) of approximately £2.1 million the Net Proceeds of the Capital Raise, would be approximately £98.2 million.

Applications will be made to the UK Listing Authority for the New Ordinary Shares to be admitted to the premium segment of the Official List and to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on its main market for listed securities. It is expected that Admission will become effective and that dealings in the New Ordinary Shares issued pursuant to the Initial Offers will commence at 8.00 a.m. on 23 May 2014.

The Company's share capital as at the date of this document is denominated in Sterling and consists of Ordinary Shares of no par value. The New Ordinary Shares issued pursuant to the Capital Raise will rank *pari passu* with the Ordinary Shares then in issue (save that New Ordinary Shares will not rank for any dividends or other distributions declared, made or paid on the Ordinary Shares by reference to a record date prior to the issue of the such New Ordinary Shares, including the 1 January to 31 March 2014 interim dividend for which the Record Date is 16 May 2014).

The percentage holding of an Existing Shareholder will be diluted to the extent that they do not participate in the Capital Raise *pro rata* to their current shareholding, for example by not participating in the Initial Placing and the Offer for Subscription and each Subsequent Placing under the Placing Programme in each case *pro rata* to their then current shareholding.

If 170 million New Ordinary Shares are issued pursuant to the Capital Raise (being the maximum number of New Ordinary Shares the Directors will be authorised to issue under the Capital Raise) an Existing Shareholder holding Ordinary Shares representing 10 per cent. of the Company's issued share capital and not subscribing for any New Ordinary Shares under the Capital Raise would, ignoring any dilution as a result of the Capital Raise, hold 6.9 per cent. of the Company following the Capital Raise.

Conditions of the Capital Raise

The Offer for Subscription is conditional on:

- a) Initial Admission occurring at 8.00 a.m. on 23 May 2014 (or such later time or date, not being later than 30 June 2014, as the Company, J.P. Morgan and Oriel Securities may agree); and
- b) the Resolution in connection with the Capital Raise being passed at the EGM.

If either of these conditions are not met, the Offer for Subscription will not proceed.

The Initial Placing and each Subsequent Placing under the Placing Programme is conditional on:

- a) in the case of the Initial Placing, Initial Admission occurring at 8.00 a.m. on 23 May 2014, (or such other time or date, not being later than 30 June 2014 as the Company, J.P. Morgan and Oriel Securities may agree);
- b) in the case of each Subsequent Placing, the Subsequent Admission occurring on such time and date as the Company, J.P. Morgan and Oriel Securities may agree prior to the closing of that Subsequent Placing, not being later than 30 April 2015;
- c) the Resolution in connection with the Capital Raise being passed at the EGM; and
- d) the Placing Agreement becoming otherwise unconditional in respect of the Initial Placing or the Subsequent Placing, and not being terminated in accordance with its terms before the Initial Admission or Subsequent Admission (as applicable) becomes effective.

If any of these conditions are not met, the Initial Placing or that Subsequent Placing will not proceed.

There is no minimum amount required to be raised under the Initial Offers in order for the Initial Offers to proceed.

Admission and Dealings

On 28 February 2014 the Company cancelled the secondary listing of its Ordinary Shares on the Channel Islands Stock Exchange. Consequently no application will be made for the New Ordinary Shares to be admitted to the official list of the Channel Islands Stock Exchange or to trading on the Channel Islands Stock Exchange.

Applications will be made to the UK Listing Authority for all the New Ordinary Shares to be issued pursuant to the Initial Offers to be admitted to the Official List. Application will also be made for the New Ordinary Shares to be admitted to trading on the London Stock Exchange's main market for listed securities. It is expected that such admission will become effective, and that dealings in such New Ordinary Shares will commence on 8.00 a.m. on 23 May 2014.

Applications will be made to the UK Listing Authority and the London Stock Exchange for all the New Ordinary Shares to be issued pursuant to the Placing Programme to be admitted to the premium segment of the Official List and to trading on the London Stock Exchange's main market for listed securities. It is expected that such admission will become effective, and that dealings in the New Ordinary Shares will commence, during the period from 23 May 2014 to 30 April 2015.

Costs of the Capital Raise

Assuming the Capital Raise is fully subscribed at an Issue Price of 59 pence, the total aggregate costs incidental to the Capital Raise which have been or will be borne by the Company, are estimated to be approximately £2.1 million. Of these costs, approximately £1.2 million are related to the Initial Offers. However, New Ordinary Shares will be issued at an Issue Price relative to the NAV per Ordinary Share such that, disregarding the costs incurred under the Initial Offers, no placing under the Placing Programme will dilute the NAV per Ordinary shares after taking into account the other costs of the Capital Raise borne by the Company.

No costs, expenses or taxes will be charged specifically to investors. The costs and expenses will be deducted from the gross proceeds of the Capital Raise and will therefore be indirectly charged to investors.

Intentions of Directors

The Directors will all vote in favour of the Resolutions and have committed to apply for the following numbers of New Ordinary Shares:

	Number of New Ordinary Shares to be applied for
Nicholas Thompson ¹	20,000
Trevor Ash	75,000
Vic Holmes	—
Roger Lewis	60,000
Robert Sinclair	—

1 In addition, Mrs Elizabeth Thompson, wife of Nicholas Thompson, has indicated an intention to apply for 20,000 New Ordinary Shares.

Extraordinary General Meeting

An Extraordinary General Meeting of the Company has been convened for 10.00 a.m. (London time) on 19 May 2014 in order to obtain Shareholders' approval for the Resolution disapplying the pre-emption rights in respect of the New Ordinary Shares for the purposes of the Capital Raise.

Notice of that meeting is set out at the end of this document.

Action to be taken

Existing Shareholders only will be sent a Form of Proxy for use in connection with the Extraordinary General Meeting. Shareholders who hold their Shares in certificated form (that is, not in CREST) are urged to complete and return the Form of Proxy so as to be received by no later than 10.00 a.m. on 15 May 2014. Proxies may also be submitted in CREST, further details of which are set out in note 11 of the Notice of EGM. Submitting a Form of Proxy will not preclude a Shareholder from attending the Extraordinary General Meeting and voting in person should they so wish.

Recommendation to Shareholders

The Board considers that the Capital Raising is in the best interests of Shareholders as a whole. Accordingly, the Board unanimously recommends that Shareholders vote in favour of the Resolution to be proposed at the Extraordinary General Meeting. The Board intends to vote in favour of the Resolution in respect of its own beneficial holdings of Ordinary Shares which amount in aggregate to 726,001 Ordinary Shares, constituting 0.19 per cent. of the issued Ordinary Share capital of the Company.

Yours faithfully,

Nicholas Thompson
Chairman

DEFINITIONS

Admission and Disclosure Standards	the current edition of the Admission and Disclosure Standards of the London Stock Exchange
Articles	the current articles of incorporation of the Company
Board or Directors	the board of directors of the Company and Director means any one of them
Business Day	a day not being a Saturday or a Sunday on which banks are open for business in the City of London and in Guernsey
Capital Raise	the issue of New Ordinary Shares pursuant to the Initial Placing, Offer for Subscription and the Placing Programme
Circular	this document
Companies Law	the Companies (Guernsey) Law, 2008 (as amended from time to time)
Company	Picton Property Income Limited
Extraordinary General Meeting or EGM	the extraordinary general meeting of the Shareholders of the Company to be held at 10.00 a.m. at Trafalgar Court, Les Banques, St Peter Port, Guernsey GY1 3QL on 19 May 2014 to consider and, if thought fit, approve the Resolution
FCA	Financial Conduct Authority
Form of Proxy	the enclosed form of proxy for use in relation to the Extraordinary General Meeting
Group	the Company and all of its subsidiaries from time to time
Initial Admission	the admission of the Initial Offers to listing on the Official List of the FCA and to trading on the London Stock Exchange's main market for listed securities becoming effective in accordance with the Admission and Disclosure Standards
Initial Offers	the Initial Placing and Offer for Subscription
Initial Placing	the placing of New Ordinary Shares under the Initial Placing, as described in the Letter from the Chairman set out above
J.P. Morgan	J.P. Morgan Securities plc, which conducts its UK investment banking activities as J.P. Morgan Cazenove
London Stock Exchange	London Stock Exchange plc
NAV	net asset value
Net Proceeds	the proceeds of the Capital Raise, after deduction of the issue costs
New Ordinary Shares	the new Ordinary Shares to be issued pursuant to the Capital Raise
Notice of EGM	the notice of the Extraordinary General Meeting set out at the end of this document
Offer for Subscription	the offer for subscription to the public in the UK of New Ordinary Shares to be issued at the Initial Placing and Offer Price of 59 pence each, as described in the Prospectus
Official List	the official list of the UK Listing Authority
Ordinary Shares	ordinary shares of no par value in the capital of the Company (including, where the context requires, the New Ordinary Shares) and/or Existing Ordinary Shares
Oriel Securities	Oriel Securities Limited
Placing Programme	the proposed programme of placings of New Ordinary Shares, as described in the Prospectus

Prospectus	the prospectus relating to the Capital Raise published by the Company on or about the date of this Circular
Resolution	the extraordinary resolution to be proposed at the EGM, as set out in the Notice of EGM
Shareholders	registered holders of Ordinary Shares
Subsequent Admission	the admission of New Ordinary Shares issued pursuant to a Subsequent Placing to listing on the Official List of the FCA and to trading on the London Stock Exchange's main market for listed securities becoming effective in accordance with the Admission and Disclosure Standards
Subsequent Placings	the placings of New Ordinary Shares under the Placing Programme as described in the Prospectus (and each a Subsequent Placing)

NOTICE OF EXTRAORDINARY GENERAL MEETING

PICTON PROPERTY INCOME LIMITED

(an authorised closed-ended investment scheme incorporated as a non-cellular company limited by shares under the laws of Guernsey with registered number 43673)

(the **Company**)

NOTICE is hereby given that an extraordinary general meeting of the Company (**EGM**) will be held at 10.00 a.m. on 19 May 2014 to consider and, if thought fit, to pass the following extraordinary resolution:

EXTRAORDINARY RESOLUTION

THAT the Directors be and are hereby authorised to allot, issue and/or sell equity securities for cash as if article 4.17 of the Articles did not apply to any such allotment, issue and/or sale, provided that this power shall be limited to the allotment, issue and/or sale as described in the Prospectus of up to an aggregate number of 170 million New Ordinary Shares or Ordinary Shares out of treasury in connection with the Capital Raise and shall expire on the date of the Company's annual general meeting to be held in 2015 (unless previously renewed, varied or revoked by the Company in a general meeting), save that the Company shall be entitled to make offers or agreements before the expiry of such power which would or might require equity securities to be allotted and issued after such expiry and the Directors shall be entitled to allot and issue equity securities pursuant to any such offer or agreement as if the power conferred hereby had not expired.

By order of the Board

PICTON PROPERTY INCOME LIMITED

Registered Office:
PO Box 255
Trafalgar Court,
Les Banques,
St Peter Port,
Guernsey GY1 3QL

Date: 1 May 2014

Notes:

- (i) A form of appointment of proxy (the **Form of Proxy**) is enclosed with this notice. A Shareholder entitled to attend, speak and vote is entitled to appoint one or more proxies to exercise all or any of his or her rights to attend, speak and vote at the Extraordinary General Meeting. A proxy need not be a Shareholder. If you wish to appoint a person other than the Chairman of the Extraordinary General Meeting, please insert the name of your chosen proxy holder in the space provided on the enclosed Form of Proxy.
- (ii) On a vote by show of hands, every Shareholder who is present in person has one vote and every duly appointed proxy who is present has one vote. On a poll vote, every Shareholder who is present in person or by way of a proxy has one vote for every Ordinary Share of which he/she is a holder. The "Vote Withheld" option on the proxy form is provided to enable you to abstain on any particular resolution. However it should be noted that a "Vote Withheld" is not a vote in law and will not be counted in the calculation of the proportion of votes "For" and "Against" a resolution.
- (iii) In the case of joint holders such persons shall not have the right to vote individually in respect of an Ordinary Share but shall elect one of their number to represent them and vote in person or by proxy in their name. In default of such an election, the vote of the person first named in the register of members of the Company tendering a vote will be accepted to the exclusion of the votes of the other joint holders.
- (iv) You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different Ordinary Shares. You may not appoint more than one proxy to exercise rights attached to any one Ordinary Share. To appoint more than one proxy you may photocopy the enclosed Form of Proxy. Please indicate the proxy holder's name and the number of Ordinary Shares in relation to which they are authorised to act as your proxy (which, in aggregate, should not exceed the number of Ordinary Shares held by you). Please also indicate if the proxy instruction is one of multiple instructions given by you. All hard copy Form of Proxies must be signed and should be returned together in the same envelope.
- (v) In order to be valid a Form of Proxy must be returned by one of the following methods:
 - (a) in hard copy form by post, by courier or by hand to the Company's registrar, Computershare Investor Services (Guernsey) Limited, c/o The Pavilions, Bridgwater Road, Bristol BS99 6ZY;
 - (b) in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out below,and in each case, the Form of Proxy must be received not less than 48 hours before the time for holding of the Extraordinary General Meeting. In calculating such 48-hour period, no account shall be taken of any part of a day that is not a Business Day. A Shareholder that appoints a person to act on its behalf under any power of attorney or other authority and wishes to use method (a) or (b) must return such power of attorney or other authority to Computershare Investor Services (Guernsey) Limited, c/o The Pavilions, Bridgwater Road, Bristol BS99 6ZY; prior to using such method and in any event not less than 48 hours before the time of the Extraordinary General Meeting.
- (vi) CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Extraordinary General Meeting and any adjournment thereof by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s) should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
- (vii) If the Chairman, as a result of any proxy appointments, is given discretion as to how the votes the subject of those proxies are cast and the voting rights in respect of those discretionary proxies, when added to the interests in the Company's securities already held by the Chairman, result in the Chairman holding such number of voting rights that he has a notifiable obligation under the Disclosure and Transparency Rules, the Chairman will make the necessary notification to the Company and the Financial Conduct Authority. As a result, any member holding 3 per cent. or more of the voting rights in the Company who grants the Chairman a discretionary proxy in respect of some or all of those voting rights and so would otherwise have a notification obligation under the Disclosure and Transparency Rules, need not make a separate notification to the Company and the Financial Conduct Authority.
- (viii) In order for a Form of Proxy, or instruction, made by means of CREST to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's ("EUI") specifications and must contain the information required for such instructions, as described in the CREST Manual. The message regardless of whether it relates to the Form of Proxy or to an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (3RA50) by the latest time(s) for receipt of Form of Proxies specified in the Notice of EGM. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 34 of the Uncertificated Securities (Guernsey) Regulations 2009. CREST members and where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy instructions. It is therefore the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his or her CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
- (ix) In the case of a Shareholder which is a company, a hard copy Form of Proxy must be executed under its common seal or under the hand of an officer or attorney duly authorised.
- (x) Any corporation which is a Shareholder may by a resolution of its directors or other governing body authorise such persons as it thinks fit to act as its representative at the Extraordinary General Meeting or to approve a resolution submitted in writing and the person so authorised shall be entitled to exercise on behalf of the corporation which he or she represents the same powers (other than to appoint a proxy) as that corporation could exercise if it were an individual Shareholder.
- (xi) Completion and return of the Form of Proxy will not preclude a holder of Ordinary Shares from subsequently attending, speaking and voting in person at the Extraordinary General Meeting should they so wish.
- (xii) If you submit more than one valid Form of Proxy, the Form of Proxy received last before the latest time for the receipt of proxies will take precedence. If the Company is unable to determine which Form of Proxy was last validly received, none of them shall be treated as valid in respect of the same.
- (xiii) To have the right to attend, speak and to vote at the Extraordinary General Meeting (and also for the purpose of how many votes a holder of Ordinary Shares casts), a holder of Ordinary Shares must first have his or her name entered in the register of holders of Ordinary Shares by no later than 10.00 a.m. on 16 May 2014. Changes to entries on the register of holders of

Ordinary Shares after that time shall be disregarded in determining the right of any holder of Ordinary Shares to attend and vote at the Extraordinary General Meeting.

- (xiv) A quorum consisting of two Shareholders being entitled to vote and attending in person or by proxy is required for the Extraordinary General Meeting. If within 5 minutes after the time appointed for the meeting a quorum is not present the Extraordinary General Meeting shall be adjourned for 7 days at the same time and place or to such other day and at such other time and place as the Board may determine and, provided that the Extraordinary General Meeting is not adjourned for thirty days or more, no notice of adjournment need be given at any such adjourned meeting. Those Shareholders present in person or by proxy shall constitute the quorum at any such adjourned meeting.
- (xv) The Resolution to be proposed at the Extraordinary General Meeting will be proposed as an extraordinary resolution which, to be passed, must receive the support of not less than three quarters of the total number of votes recorded.
- (xvi) To allow effective constitution of the Extraordinary General Meeting, if it is apparent to the Chairman of the Extraordinary General Meeting that no Shareholders will be present in person or by proxy, other than by proxy in the Chairman's favour, then the Chairman may appoint a substitute to act as proxy in his stead for any Shareholder, provided that such substitute shall vote on the same basis as the Chairman.
- (xvii) The Articles and the Prospectus will be available for inspection at (i) the registered office of the Company at PO Box 255, Trafalgar Court, Les Banques, St. Peter Port, Guernsey GY1 3QL; and (ii) the offices of Norton Rose Fulbright LLP, 3 More London Riverside, London SE1 2AQ, during normal business hours on any Business Day, from the date of the Circular until the conclusion of the Extraordinary General Meeting, and at the place of the Extraordinary General Meeting for at least 15 minutes prior to, and during, the Extraordinary General Meeting.
- (xviii) As at 29 April 2014, 379,869,729 Ordinary Shares of no par value were in issue (no Ordinary Shares were held in treasury). Accordingly, the total number of voting rights of the Company as at 29 April 2014 was 379,869,729.
- (xix) Defined terms used but not defined in this notice shall have the same meaning given to them in the Circular of the Company dated 1 May 2014.

