

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document or as to what action to take you should immediately consult your stockbroker, bank manager, solicitor, accountant or other independent adviser authorised pursuant to the Financial Services and Markets Act 2000.**

If you sell or have sold or otherwise transferred all of your ordinary shares in Alpha Strategic plc ("Alpha" or the "Company") please send this document, together with the accompanying form of proxy, immediately to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

The Directors of the Company (the "Directors"), whose names appear on page 3 of this document, 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.

## **Alpha Strategic plc**

(Incorporated and registered in England & Wales with Registered No. 5387808)

### **NOTICE OF ANNUAL GENERAL MEETING**

A letter from the Chairman of the Company explaining the background to and the reasons for the proposed resolutions, including grant of authority to the Directors to allot relevant securities, the disapplication of pre-emption rights and the amendment to the Articles of Association is set out on pages 3 to 6 of this document. **You are recommended to vote in favour of the Resolutions to be proposed at the Annual General Meeting.**

The notice convening the annual general meeting of the Company is set out at the end of this document. The Annual General Meeting will be held at the offices of the Company's solicitors, Marriott Harrison, at Staple Court, 11 Staple Inn Buildings, London WC1V 7QH on Tuesday 21 September 2010 at 10.00 a.m. **A form of proxy for use at the meeting is enclosed with this document and should be completed, signed and returned in accordance with the instructions thereon as soon as possible but in any event so as to be received by the Company, at the Company's registered office, 66 Buckingham Gate, London SW1E 6AU by not later than 10.00 a.m. on Friday 17 September 2010.** The completion and return of a form of proxy will not preclude you from attending and voting in person at the Annual General Meeting should you wish to do so.

This document does not comprise or form part of any offer or invitation to acquire or to dispose of or to subscribe for any interests in shares or securities in the Company and none of its contents nor the fact of its existence may be relied on in connection with any contract therefore.

## DEFINITIONS

<b><i>the "Act"</i></b>	the Companies Act 2006;
<b><i>"Annual General Meeting" or "AGM"</i></b>	the annual general meeting (and any adjournment of that meeting) of the Company to be held at the offices of the Company's solicitors, Marriott Harrison, at Staple Court, 11 Staple Inn Buildings, London WC1V 7QH at 10.00 a.m. on Tuesday 21 September 2010 and convened by the notice which is set out at the end of this document;
<b><i>"Articles of Association"</i></b>	Articles of Association of the Company;
<b><i>"A Shares"</i></b>	the convertible A shares of £24.75 each in the capital of the Company;
<b><i>"Chairman"</i></b>	the Chairman of the Company;
<b><i>the "Company" or "Alpha"</i></b>	Alpha Strategic plc, registered number 5387808 and having its registered office at 66 Buckingham Gate, London SW1E 6AU;
<b><i>"Directors"</i></b>	the Directors of the Company whose names are set out on page 3 of this document;
<b><i>"Form of Proxy"</i></b>	the form of proxy accompanying this document for use by Shareholders at the Annual General Meeting;
<b><i>"Notice of Annual General Meeting"</i></b>	the notice of the Annual General Meeting set out at the end of this document;
<b><i>"Ordinary Shares"</i></b>	ordinary shares of 1 pence each in the capital of the Company;
<b><i>"Resolutions"</i></b>	together the ordinary resolutions and the special resolutions proposed at the Annual General Meeting; and
<b><i>"Shareholders"</i></b>	the persons who are registered as holders of Ordinary Shares from time to time.

## **Letter from the Chairman**

### **Alpha Strategic plc**

(Incorporated and registered in England & Wales with Registered No. 5387808)

*Directors:*

Colin Barrow (Executive Chairman)  
Nicola Meaden Grenham (Chief Executive Officer)  
Christopher (Kit) Malthouse (Finance Director)  
Florence Lombard (Non-Executive Director)

*Registered Office:*

66 Buckingham Gate  
London  
SW1E 6AU

27 August 2010

*To Shareholders*

Dear Shareholder,

### **Notice of Annual General Meeting**

#### **Introduction and Background**

I am pleased to invite you to this year's Annual General Meeting. The AGM gives the Directors the opportunity to present the Company's performance and strategy to Shareholders and to listen and respond to your questions. The AGM is split into Ordinary Business which are the matters usually covered at annual general meetings and Special Business.

#### **Ordinary Business**

The following notes explain some of the items of ordinary business to be conducted at the AGM.

Resolution 2: Re-election of Colin Barrow.

According to Article 16.1 of the Articles of Association one third of the Directors must retire by rotation each year at the AGM, although they may put themselves up for re-election. It is my turn to retire by rotation this year.

Resolution 3: Re-election of Florence Lombard.

According to Article 16.6 of the Articles of Associate any Director must retire at the first AGM after their appointment but shall also be eligible for re-election at the AGM. We are delighted to welcome Florence to the board, who was appointed on 17 June 2010.

Resolution 5: Authority to allot shares

The purpose of Resolution 5 is to renew the Directors' power to allot shares.

The authority in Resolution 5 will allow the Directors to allot new shares and grant rights to subscribe for, or convert other securities into shares up to a nominal value of £36,165, which is equivalent to approximately 80 per cent of the total issued Ordinary Share capital of the Company, as at the date of publication of this document.

The Directors recognise that the Company will need to issue new Ordinary Shares as either share consideration or to fund cash consideration for any further acquisition and so are asking for a much larger authority than previous years. The Directors do not have a present intention of exercising the authority to be given by Resolution 5 because no acquisition or transaction has been finalised, although the Directors are actively marketing the Alpha model and discussions, both early stage and advanced stage are ongoing. The Directors will therefore consider issuing unissued shares if they believe it would be appropriate to do so in respect of business opportunities that arise consistent with the Company's strategic objectives.

If the resolution is passed, the authority will expire on the earlier of the end of the AGM in 2011 or on 21 December 2011.

#### Resolution 6: Disapplication of pre-emption rights

If the Directors wish to allot new shares and other equity securities, or sell treasury shares, for cash (other than in connection with an employee share scheme), company law requires that these shares are offered first to shareholders in proportion to their existing holdings.

The purpose of Resolution 6 is to authorise Directors to allot new shares pursuant to the authority given by Resolution 5, or sell treasury shares, for cash in connection with a pre-emptive offer or otherwise up to a nominal value of £36,165 equivalent to approximately 80 per cent of the total issued Ordinary Share capital of the Company as at the date of this document, in each case without the shares first being offered to existing shareholders in proportion to their existing holdings.

The Board considers the authority in Resolution 6 to be appropriate in order to allow the Company the flexibility to finance any further acquisitions or other opportunities without the need to comply with the strict requirements of the statutory pre-emption provisions.

### **Special Business**

In addition to the Ordinary Business of the Company, there will be the following items of Special Business.

#### Resolution 7: Share purchase

The Act permits a company to purchase its own shares provided that the purchase has been authorised by the company in general meeting. Whilst the Directors have no present intention of making such purchases, it is common practice for listed companies to seek such authority and the Directors consider that it is prudent for them to do so.

Resolution 7, if passed, would give the Company the authority to purchase its own issued Ordinary Shares of 1 pence each at a price (exclusive of expenses) of not less than 1 pence per share (being the nominal value of the Ordinary Shares) and not more than 105 per cent above the average of the middle market quotations of the Company's shares as shown in the London Stock Exchange Daily Official List for the five business days before the purchase is made. The authority is for the purchase of a maximum number 452,062 Ordinary Shares, being approximately 10 per cent of the Company's present issued Ordinary Share capital and will expire at the end of the AGM in 2011 or on 21 December 2011, whichever is the earlier.

The Directors have no present intention of exercising the authority to be given by Resolution 7.

Any shares purchased under this authority may be either treated as cancelled and the number of shares in issue reduced accordingly, or held as treasury shares. The Company may buy and hold their shares instead of cancelling them immediately. Shares purchased under this authority and held in treasury can in the future be cancelled, re-sold or used to provide shares for employee share plans. No treasury shares are held by the Company as at the date of this document.

#### Resolution 8: Transfer of A Shares

Colin Clark currently holds 200 A Shares, which were originally issued as a means of incentivising the Directors. Colin resigned as a Director on 17 June 2010, and has agreed that it is not appropriate for him to retain his A Shares, which subject to this Resolution 8 are to be transferred to Kit Malthouse.

This Resolution 8 is required to waive the prohibition on the transfer of A Shares between different persons.

#### Resolution 9: Amending the Articles of Association.

The Articles of Association currently provide that the A Shares may each be converted into 0.005 per cent. of the Fully Diluted Equity (defined in the Articles of Association as all the issued ordinary shares plus all the ordinary shares which may be issued assuming full performance of all rights, excluding conversion of further A Shares). The right to convert is only triggered if between the 1st and 5th anniversary of Admission (which was 11 August 2005), the Market Price (the mid-market closing price on AIM) of each Ordinary Share shall be at least double the Placing Price (namely £1) for 30 consecutive Business Days. The right to convert is only triggered after the 5th anniversary of Admission (from 12 August 2010) up until the 10th anniversary of Admission provided the Market Price for an ordinary share is 3 times the Placing Price for 30 consecutive Business Days.

The Directors propose that the Articles be amended to reflect the current Market Price of the Ordinary Shares, and replace the trigger which became effective on 12 August 2010, with a provision that the A Shares may be converted into Ordinary Shares if the Market Price is double the Placing Price up to the tenth anniversary of Admission.

#### **Action to be taken in respect of the Annual General Meeting by the holders of Ordinary Shares**

Set out at the end of this document is the notice convening the Annual General Meeting of the Shareholders to be held at the offices of the Company's solicitors, Marriott Harrison, at Staple Court, 11 Staple Inn Buildings, London WC1V 7QH on Tuesday 21 September 2010 at 10.00 a.m., at which the Resolutions will be proposed.

A Form of Proxy for use at the Annual General Meeting of the Shareholders is enclosed with this document.

Whether or not you intend to attend and participate at the Annual General Meeting, the Form of Proxy should be completed and signed in accordance with the instructions on it and in accordance with the Company's articles of association and returned to the Company's registered office, 66 Buckingham Gate, London SW1E 6AU as soon as possible, but in any event so as to be received not later than 10.00 a.m. on Friday 17 September 2010.

The completion and return of the Form of Proxy will not preclude you from attending the Annual General Meeting and voting in person should you so wish.

## **Recommendation**

The Directors consider that the Resolutions are in the best interests of the Company and its Shareholders as a whole and accordingly unanimously recommend that you vote in favour of the Resolutions as set out in the Notice of the Annual General Meeting, as your Directors intend to do or procure to be done in respect of their legal and beneficial holdings of Ordinary Shares, which amount, in aggregate, to 775,000 Ordinary Shares, representing approximately 17.14 per cent of the issued share capital of the Company, except in relation to Resolution 8, where the Directors consider that they have a conflict of interest, and shall abstain from voting, and in addition in relation to Resolution 7, where Kit Malthouse considers that he has a conflict of interest and shall abstain from voting his 50,000 Ordinary Shares.

Yours faithfully

**Colin Barrow, Chairman**

**Company Number: 05387808**

**ALPHA STRATEGIC PLC**

**(the "Company")**

**NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that the **ANNUAL GENERAL MEETING ("AGM")** of the Company will be held at the offices of the Company's solicitors:

**Marriott Harrison, Staple Court, 11 Staple Inn Buildings, London WC1V 7QH on 21 September 2010 at 10.00am.**

The meeting will be held in order to consider and, if thought fit, pass resolutions 1-5 as ordinary resolutions and resolutions 6-9 as special resolutions.

**Ordinary resolutions**

1. To receive and adopt the report and accounts of the Company for the period ended 31 March 2010.
2. To re-elect Colin Barrow as a director whose office terminates at the AGM and who becomes eligible for election pursuant to article 16.1 of the Articles.
3. To re-elect Florence Lombard as a Director whose office terminates at the AGM and who becomes eligible for re-election pursuant to article 16.6 of the Articles.
4. To re-appoint BDO Stoy Hayward LLP of 55 Baker Street, London W1U 3EU as auditors to hold office until the conclusion of the next Annual General Meeting of the Company at which accounts are laid and to authorise the directors to fix the remuneration of the auditors.
5. That the Directors be generally and unconditionally authorised pursuant to and in accordance with section 551 of the Companies Act 2006 (the "**Act**") to exercise all the powers of the Company to allot shares or grant rights to subscribe for or to convert any security into shares up to a nominal amount of £36,165 such authorities to apply in substitution for all previous authorities and to expire on the date which is earlier of the conclusion of the next annual general meeting of the Company or 15 months after the passing of this resolution unless previously renewed, varied or revoked by the Company in general meeting but, in each case, so that the Company may make offers and enter into agreements during the relevant period which would, or might, require shares to be allotted or rights to subscribe for or to convert any security into shares to be granted after the authority ends.

**Special resolution**

6. That, subject to the passing of resolution 5 above, the Directors be and are hereby empowered to allot equity securities (as defined in Section 560(1) of the Act) wholly for cash pursuant to the authority given by resolution 5 above or where the allotment constitutes an allotment of equity securities by virtue of Section 560(2) of the Act up to an aggregate normal amount of £36,165 as if Section 561(1) of the Act did not

apply to any such allotment, such authority to expire on the date which is earlier of the conclusion of the next annual general meeting of the Company or 15 months after the passing of this resolution unless previously renewed, varied or revoked by the Company in general meeting, but in each case, so that the Company may make offers and enter into agreements during the relevant period which would, or might, require equity securities to be allotted after the authority ends.

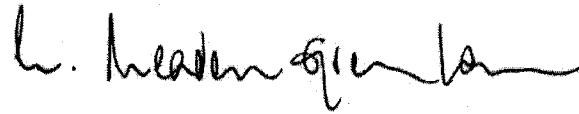
For the purposes of this resolution:

- (a) references to an allotment of equity securities shall include a sale of treasury shares; and
  - (b) the nominal amount of any securities shall be taken to be, in the case of rights to subscribe for or convert any securities into shares of the Company, the nominal amount of such shares which may be allotted pursuant to such rights.
7. That the Company be and is hereby unconditionally and generally authorised for the purposes of section 701 of the Act to make market purchases (within the meaning of section 693 of the Act) of ordinary shares of 1p each in the capital of the Company provided that:
- (i) the maximum number of shares that may be purchased is 452,062;
  - (ii) the minimum price which may be paid for each share is 1p;
  - (iii) the maximum price that may be paid for each share is 105 per cent of the average of the middle market quotations for an ordinary share of the Company as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the date on which such share is contracted to be purchased;
  - (iv) this authority shall expire on the date which is the earlier of the conclusion of the next annual general meeting of the Company or 15 months after the passing of this resolution unless previously revoked, varied or renewed; and
  - (v) the Company may make a contract to purchase shares under this authority prior to the expiry of this authority which will or may be executed wholly or partly after the expiry of such authority, and may make a purchase of shares pursuant to any such contract as if such authority had not expired.
8. To waive the provisions of Article 4.3 of the Articles of Association in respect of, and approve, a transfer of 200 A Shares from Colin Clark to Kit Malthouse.
9. That the Articles of Association of the Company be and are hereby amended so that Articles 4.2.1 of the Articles of Association shall be amended to:
- “Conditional on the Market Price of each Ordinary Share being double the Placing Price for 30 consecutive Business Days a holder of A Shares may exercise in whole or in part the conversion rights attaching to the A Shares held by him and any of his permitted transferees (if any) by notice provided in writing to the Company at any time between the first and tenth anniversary of Admission, together with the certificate for the A Shares to be converted and any evidence the Board may require to prove the title of

the person exercising the right to convert. A conversion notice once given may not be withdrawn without the Company's written consent."

BY ORDER OF THE BOARD

Signed:

A handwritten signature in black ink, appearing to read "L. Heald". The signature is fluid and cursive, with a long horizontal stroke at the end.

Director  
For and on behalf of Alpha Strategic Plc

Dated: 27 August 2010

Registered Office: 66 Buckingham Gate, London, SW1E 6AU

## NOTES:

1. Shareholders entitled to attend and vote at the meeting may appoint a proxy or proxies to attend and speak on their behalf. A shareholder may appoint more than one proxy in relation to the AGM provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy need not be a member of the Company. To appoint more than one proxy you may photocopy the Proxy Form which accompanies this notice. Investors who hold their shares through a nominee may wish to attend the meeting as a proxy, or to arrange for someone else to do so for them, in which case they should discuss this with their nominee or stockbroker. Shareholders are invited to complete and return the enclosed Proxy Form. Completion of the Proxy Form will not prevent a Shareholder from attending and voting at the meeting if subsequently he/she finds they are able to do so. To be valid, completed Proxy Forms must be received at the offices of the Company, 66 Buckingham Gate, London SW1E 6AU, by not later than 10.00 a.m. on 17 September 2010 (being 48 hours prior to the time fixed for the meeting excluding Saturday and Sunday) or, in the case of an adjournment, as at 48 hours prior to the time of the adjourned meeting.
2. Representatives of Shareholders which are corporations attending the meeting should produce evidence of their appointment by an instrument executed in accordance with section 44 of the Companies Act 2006 or signed on behalf of the corporation by a duly authorised officer or agent and in accordance with article 11.8 of the Company's articles of association.
3. In order to facilitate voting by corporate representatives at the meeting, arrangements will be put in place at the meeting so that (i) if a corporate shareholder has appointed the chairman of the meeting as its corporate representative to vote on a poll in accordance with the directions of all the other corporate representatives for that shareholder at the meeting, then on a poll those corporate representatives will give voting directions to the chairman and the chairman will vote (or withhold a vote) as corporate representative with those directions; and (ii) if more than one corporate representative for the same corporate shareholder attends the meeting but the corporate shareholder has not appointed the chairman of the meeting as its corporate representative, a designated corporate representative will be nominated, from those corporate representatives who attend, who will vote on a poll and the other corporate representatives will give voting directions to that designated corporate representative. Corporate shareholders are referred to the guidance issued by the Institute of Chartered Secretaries and Administrators on proxies and corporate representatives (<http://www.icsa.org.uk>) for further details of this procedure.
4. The Company, pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, specifies that only those holders of Ordinary Shares registered in the register of members of the Company at 10.00am on 19 September 2010 (being 48 hours prior to the time fixed for the meeting) shall be entitled to attend and vote at the AGM in respect of such number of shares registered in their name at that time. Changes to entries in the register of members after 10.00am on 19 September 2010 shall be disregarded in determining the rights of any person to attend or vote at the meeting.
5. The Directors' service agreements will be available for inspection during usual business hours on any weekday (Saturday and Public Holidays excluded) at the registered office of the Company until the date of the Annual General Meeting and at the place of the meeting for 15 minutes prior and until the termination of the meeting.