

## NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Annual General Meeting of Alternative Networks plc (the "Company") will be held at the offices of Alternative Networks plc at 56 Chatfield Road, London SW11 3UL, at 9.00am on 25 January 2010 when the following business will be proposed:

### ORDINARY BUSINESS

To consider and, if thought fit, to pass the following Resolutions which, in the case of Resolutions 1, 2, 3 and 5 will be proposed as ordinary resolutions, and in the case of Resolution 4 will be proposed as a special resolution:

### ORDINARY RESOLUTIONS

- 1 To receive and, if approved, to adopt the Company's Accounts for the financial year ended 30 September 2009 together with the Directors' Report, and the Auditors' Report on those accounts.
- 2 To re-appoint PricewaterhouseCoopers LLP as auditors of the Company to hold office from the conclusion of the meeting to the conclusion of the next meeting at which the accounts are laid before the Company at a remuneration to be determined by the Directors of the Company ("Directors").
- 3 That the Directors be and are hereby generally and unconditionally authorised for the purposes of Section 551 of the Companies Act 2006 (the "2006 Act") to exercise all the powers of the Company to allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company ("Rights"):
  - (a) comprising equity securities (as defined by Section 560 of the 2006 Act) up to an aggregate nominal amount of £36,948.08, which is an amount equal to approximately two thirds of the issued share capital of the Company (excluding treasury shares) (such amount to be reduced by the nominal amount of any shares in the Company or Rights allotted under paragraph (b) of this Resolution 3) in connection with an offer by way of a rights issue:
    - (i) to holders of ordinary shares in proportion (as nearly as may be practicable) to their respective holdings; and
    - (ii) to holders of other equity securities as required by the rights of those securities or as the Directors otherwise consider necessary,

but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates, legal or practical problems in or under the laws of any territory or the requirements of any regulatory body or stock exchange; and

- (b) in any other case, up to an aggregate nominal amount of £18,474.04, which is an amount equal to approximately one third of the issued share capital of the Company (excluding treasury shares) (such amount to be reduced by the nominal amount of any equity securities allotted under paragraph (a) of this Resolution 3 in excess of £18,474.04);

provided that this authority shall expire fifteen months from the date of this resolution or on the conclusion of the Company's AGM to be held in 2011 if earlier (the "Period of Authority"), save that the Company may before the expiry of the Period of Authority make an offer or agreement which would or might require shares to be allotted or Rights to be granted after such expiry and the Directors may allot shares or grant Rights in pursuance of any such offer or agreement as if the authority conferred by this resolution had not expired and provided further that all previous general authorities granted to the Directors pursuant to Section 80 of the Companies Act 1985 or Section 551 of the 2006 Act be and they are hereby revoked.

### SPECIAL RESOLUTION

- 4 That, subject to and conditional upon the passing of Resolution 3 above and pursuant to the authority conferred by Resolution 3 above, the Directors be and they are hereby authorised to allot equity securities (as defined by Section 560 of the 2006 Act) for cash, either pursuant to the authority conferred by Resolution 3 or by way of a sale of treasury shares, as if Section 561(1) of the 2006 Act did not apply to any such allotment, provided that this power shall be limited to:
  - (a) the allotment of equity securities in connection with a rights issue or other pro rata offer to holders of ordinary shares where the equity securities are offered to the ordinary shareholders in proportion (as nearly as they may be) to the respective numbers of ordinary shares held by them (excluding any person holding ordinary shares as treasury shares) subject in each case to such exclusions or other arrangements as the Directors may consider necessary or expedient to deal with fractional entitlements or legal or practical difficulties under the laws of any territory or the requirements of a regulatory body; and
  - (b) the allotment (otherwise than pursuant to paragraph (a) of this Resolution 4) of equity securities up to an aggregate nominal amount of £2,771.10,

and shall expire fifteen months from the date of this resolution or if earlier on the conclusion of the AGM of the Company to be held in 2011 except that the Company may, before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such offer or agreement as if the power conferred by this resolution had not expired.

# NOTICE OF ANNUAL GENERAL MEETING CONTINUED

## SPECIAL BUSINESS

To consider and, if thought fit, to pass the following resolution, which will be proposed as an ordinary resolution:

- 5 To declare a final dividend of 3.5p, recommended by the Directors, for the year ended 30 September 2009 payable on 26 January 2010 to holders of ordinary shares registered at the close of business on 18 December 2009.

## BY ORDER OF THE BOARD

**EDWARD SPURRIER**  
**COMPANY SECRETARY**

30 DECEMBER 2009

## REGISTERED OFFICE

**CHATFIELD COURT**  
**56 CHATFIELD ROAD**  
**LONDON SW11 3UL**

## NOTES

1. Any person entered on the register of members of the Company at 6.00 p.m. on 23 January 2010 (hereafter referred to as a "member") is entitled to attend and vote at the AGM pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001. Any changes to the register of members after the above time and date shall be disregarded in determining the rights of any person to attend and/or vote at the AGM.
2. Any member who is entitled to vote at the meeting is entitled to appoint one or more proxies to exercise all or any of his rights to attend, speak and vote at a general meeting of the Company instead of him/her. A proxy need not be a member of the Company.
3. You may appoint more than one proxy, provided that each proxy is appointed to exercise the rights attached to different shares, and you specify the number of shares in respect of which each proxy is entitled to exercise the related votes (ensuring that no proxy is appointed to exercise the votes which any other proxy has been appointed by you to exercise). Please refer to the notes on the Form of Proxy for guidance. If you require further assistance please contact the Company's registrar, Capita Registrars Limited on 0871 664 0300 (calls cost 10p per minute plus network extras).
4. The completion and return of a Form of Proxy does not preclude a member from attending and voting in person at the meeting convened by this notice or any adjournment of it.
5. To be valid, such Form of Proxy and any power of attorney or other authority (if any) under which it is signed or a notary certified copy of such power or authority or a copy certified in accordance with the Powers of Attorney Act 1971 must be deposited with the registrars of the Company, PXS, 34 Beckenham Road, Beckenham BR3 4TU in accordance with the instructions printed thereon, so as to be received no later than 48 hours before the time appointed for holding the meeting.
6. Copies of the following documents are available for inspection during normal business hours at the Registered Office of the Company from the date of this notice and at the place of the meeting from 9.00am until the close of the meeting:
  - (a) Directors' service contracts and terms of appointment for the Non-executive Directors; and
  - (b) terms of reference of the Audit, Remuneration and Nomination Committees.
7. In order to facilitate voting by corporate representatives at the AGM, arrangements will be put in place at the AGM 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 of 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 in accordance 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 ([www.icsa.org.uk](http://www.icsa.org.uk)) for further details of this procedure. The guidance includes a sample form of appointment letter if the Chairman is being appointed as described in (i) above.
8. In order for a proxy appointment 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 specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by Capita (ID RA10) not later than 48 hours before the time fixed for the AGM. 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 Capita is able to retrieve the message by enquiry to CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means. Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages and normal system timings and limitations will apply in relation to the input of a CREST Proxy Instruction. It is the responsibility of the CREST member concerned to take such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
9. The statement of the rights of shareholders in relation to the appointment of proxies does not apply to Nominated Persons. The rights described in that note can only be exercised by shareholders of the Company.

# FORM OF PROXY – ANNUAL GENERAL MEETING

## ALTERNATIVE NETWORKS PLC (THE “COMPANY”)

I/We .....  
 (IN BLOCK CAPITALS PLEASE)

Of .....

being (a) holder(s) of ordinary shares of 0.125p each in the capital of the Company hereby appoint the Chairman of the Meeting

(see Note 3) or .....in respect of .....

Ordinary shares of 0.125p each to be my/our proxy to vote for me/us on my/our behalf at the AGM of the Company to be held at the offices of Alternative Networks plc, Chatfield Court, 56 Chatfield Road, London SW11 3UL on 25 January 2010 at 9.00am and at any adjournment thereof.

Please indicate with an “X” here if this proxy appointment if one of multiple instructions being made.

I/We direct that our votes be cast on the Resolutions set out in the Notice convening the Meeting as indicated by an “X” in the appropriate box below and otherwise as my/our proxy shall think fit (see Note 4).

Signature(s) or common seal (as appropriate) .....

Date .....

Resolutions	For	Against	Vote withheld
1 To adopt the Company’s Accounts for the financial year ended 30 September 2009 together with the Directors’ Report, and the Auditors’ Report on those accounts.			
2 To re-appoint PricewaterhouseCoopers LLP as auditors of the Company at a remuneration to be determined by the Directors.			
3 To give the Directors of the Company authority under Section 551 of the Companies Act 2006.			
4 To disapply statutory pre-emption rights pursuant to Section 571 of the Companies Act 2006.			
5 To declare a final dividend of 3.5p recommended by the Directors, for the year ended 30 September 2009.			

### NOTES

- As a member of the Company you are entitled to appoint a proxy or proxies to exercise all or any of your rights to attend, speak and vote at a general meeting of the Company.
- To appoint more than one proxy you may photocopy this form. Please indicate the proxy holder’s name and the number of shares in relation to which they are authorised to act as your proxy (which, in aggregate, should not exceed the number of shares held by you). Please also indicate if the proxy instruction is one of multiple instructions being given by placing an “X” in the designated box above. All forms must be signed and should be returned together in the same envelope.
- A proxy need not be a member of the Company. A member may appoint a proxy or proxies of his own choice. If such an appointment is made, delete the words “the Chairman of the Meeting or” and insert the name of the person appointed proxy in the space provided. The Chairman of the Meeting will act as your proxy whether or not such deletion is made, if no other name is inserted.
- Please indicate by placing an “X” in the relevant column how you wish your votes to be cast. If you fail to select any of the given options, your proxy can vote as he or she chooses or can decide not to vote at all. On any other business (including a motion to adjourn the meeting or to amend a Resolution) the proxy will vote at their discretion.
- The “Vote withheld” option is provided to enable you to abstain on the Resolution. However, it should be noted that a “Vote withheld” vote is not a vote in law and will not be counted in the calculation of the proportion of the votes “For” or “Against” the Resolution.
- In the case of joint holders, the signature of any one holder will be sufficient, but the names of the joint holders should be stated. The vote of the senior joint holder (according to the order in which the names stand in the register in respect of the holding) who tenders a vote in person or by proxy shall be accepted to the exclusion of the vote of the other joint holder(s).
- In the case of a corporation this form should be executed either under its common seal or signed on its behalf by an attorney or duly authorised officer of the corporation.
- To be valid, a completed and signed proxy form, together with any letter or power of attorney under which it is signed or a notarially certified copy thereof (or a copy certified in accordance with the powers of Attorney Act 1971) must be deposited at the Company’s registrar, Capita Registrars, The Proxy Department, 34 Beckenham Road, Beckenham BR3 4TU not later than 48 hours before the time appointed for the holding of the Meeting.
- Completion and return of this Form of Proxy will not preclude a member from attending and voting at the Meeting in person.
- CREST members should use the CREST electronic proxy appointment service and refer to Note 8 of the Notice of AGM in relation to the submission of a proxy appointment via CREST.



Business Reply  
Licence Number  
RSBH-UXKS-LRBC

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PXS  
34 Beckenham Road  
BECKENHAM  
BR3 4TU

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first fold

