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If you have sold or otherwise transferred all of your Shares, please send this document together with the accompanying documents at once 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. However, such documents should not be forwarded or transmitted in or into any jurisdiction in which such act would constitute a violation of the relevant laws of such jurisdiction.

The distribution of this document and/or the accompanying documents (in whole or in part) in or into jurisdictions in other than the United Kingdom may be restricted by the laws of those jurisdictions and therefore persons into whose possession this document comes should inform themselves about, and observe, any such restrictions. Failure to comply with any such restrictions may constitute a violation of the securities laws of any such jurisdiction.

The Evolve Directors, whose names are set out 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 Evolve Directors, who have taken all reasonable care to ensure that such is the case, the information in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

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# **EVOLVE CAPITAL PLC**

*(incorporated and registered in England and Wales with registered number 06383902)*

## **Consideration of steps to be taken in connection with a loss of capital Approval of financial statements and reappointment of auditors and Notice of General Meeting**

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Notice of a General Meeting, to be held on 27 July 2011 at 11.30 a.m. at the offices of Fasken Martineau LLP, Third Floor, 17 Hanover Square, London W1S 1HU, is set at the end of this document. Shareholders are asked to complete and return the enclosed Form of Proxy in accordance with the instructions printed thereon as soon as possible, but in any event so as to be received by Evolve's registrars, Share Registrars Limited, Proxy Department, Suite E, First Floor, 9 Lion & Lamb Yard, Farnham, Surrey GU9 7LL, not less than 48 hours before the meeting.

The whole text of this document should be read.

## DEFINITIONS

The words and expressions set out below have the following meanings throughout this document unless the context requires otherwise:

“Act”	the Companies Act 2006
“Evolve” or “Company”	Evolve Capital PLC, incorporated in England and Wales with registered number 06383902 and its subsidiary undertakings
“Evolve Directors” or “Evolve Board” or “Board”	the persons whose names are set out on page 3 of this document or, where the context so requires, the directors of Evolve from time to time
“Financial Statements”	the Directors’ report, the Audited Statement of Accounts and Independent Auditors’ report for the year ended 31 December 2010
“Form of Proxy”	the form of proxy sent to Shareholders with this document for use in connection with the General Meeting
“General Meeting”	the general meeting of Evolve convened by the notice set out at the end of this document, including any adjournment thereof
“holder”	a registered holder of Shares and includes any person(s) entitled by transmission
“Resolutions”	the resolutions to be proposed at the General Meeting
“Share(s)”	the ordinary shares of 0.1 pence each in the capital of Evolve
“Shareholders”	the holders of Shares

## PART 1

### LETTER FROM THE CHAIRMAN OF EVOLVE CAPITAL PLC

*Registered in England and Wales No. 06383902*

*Directors:*

Oliver Vaughan *Chairman*  
David Snow *Non-Executive Director*  
Michael Jackson *Non-Executive Director*

*Registered and head office*  
223a Kensington High Street  
London W8 6SG

29 June 2011

Dear Shareholder

#### **Consideration of steps to be taken in connection with a loss of capital**

#### **Approval of financial statements and reappointment of auditors**

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

##### **1. Introduction**

Under English law a public company is required to hold its annual general meeting within six months of the end of its accounting period. Therefore, on 3 June 2011, Company convened its 2011 annual general meeting for 28 June 2011. Unfortunately, at that time it was not possible to send Shareholders the Financial Statements. For that reason, the notice convening the annual general meeting did not contain resolutions to receive and adopt the Financial Statements nor to reappoint the Company's auditors.

I am pleased to report that the Financial Statements are now available and they are enclosed with this letter. The Financial Statements disclose that the net assets of the Company currently represent less than half of its called-up share capital and the General Meeting has been convened partly to comply with the statutory requirement relating to this.

The notice of the General Meeting is set out at the end of this document.

##### **2. Loss of assets**

If a public company's net assets fall to half or less of its called-up share capital, the directors of that company are required by section 656 of the Act to convene a general meeting to discuss whether any, and if so what, steps ought to be taken in relation to this situation. Following the finalisation of the Financial Statements, it became clear that Evolve's net assets are approximately £3.439 million and that its issued share capital is approximately £13.679 million i.e. that Evolve's net assets are less than half of its called-up share capital. The General Meeting has therefore been convened partly to comply with this statutory requirement. It is the Evolve Directors' current view that the most appropriate course of action would be to continue to maintain tight control over the running costs of the Company and to wait for one or more of its investments to reach a stage at which it can be profitably realised.

##### **3. Action to be taken by Shareholders**

A Form of Proxy is enclosed with this document for use at the General Meeting. If you are a Shareholder, whether or not you intend to attend the General Meeting, you are requested to complete the Form of Proxy in accordance with the instructions printed on it and return it to Share Registrars Limited, Proxy Department, Suite E, First Floor, 9 Lion and Lamb Yard, Farnham, Surrey GU9 7LL so as to arrive as soon as possible and in any event no later than 11.30 a.m. on 25 July 2011.

#### **4. General Meeting**

A General Meeting of the Company is being convened for 11.30 a.m. on 27 July 2011 to be held at the offices of Fasken Martineau LLP, Third Floor, 17 Hanover Square, London W1S 1HU: (a) for the purpose of considering in accordance with section 656 of the Act whether any, and, if so, what, steps should be taken to deal with the situation that the net assets of the Company currently represent less than half of its called-up share capital; and (b) at which the following resolutions will be proposed:

- Resolution 1 will be proposed as an ordinary resolution to receive and adopt the Financial Statements; and
- Resolution 2 will be proposed as an ordinary resolution to reappoint Deloitte LLP as the auditors of the Company and to authorise the Directors to fix their remuneration.

The Notice of General Meeting is set out at the end of this document.

#### **5. Recommendation**

The Evolve Directors consider the Resolutions to be in the best interests of the Company and Shareholders as a whole. Accordingly, the Evolve Directors unanimously recommend that Shareholders vote in favour of the Resolutions).

Yours faithfully

**Oliver Vaughan**  
*Chairman*

## NOTICE OF GENERAL MEETING

# EVOLVE CAPITAL PLC

Notice is hereby given that a general meeting of Evolve Capital PLC (the “**Company**”) will be held on 27 July 2011 at 11.30 a.m. at the offices of Fasken Martineau LLP, Third Floor, 17 Hanover Square, London W1S 1HU (the “**General Meeting**”) for the purpose of: (a) considering in accordance with section 656 of the Companies Act 2006 whether any, and if so what, steps should be taken to deal with the situation that the net assets of the Company currently represent less than half of its called-up share capital; and (b) considering and, if thought fit, passing the following resolutions, both of which will be proposed as ordinary resolutions:

### ORDINARY RESOLUTIONS

- 1 To receive and adopt the Directors’ report, the Audited Statement of Accounts and Independent Auditors’ report for the year ended 31 December 2010.
- 2 To reappoint Deloitte LLP as the auditors of the Company and to authorise the Directors to determine their remuneration.

By Order of the Evolve Board

**Oliver Cooke**  
*Company Secretary*

223a Kensington High Street  
London W8 6SG

29 June 2011

Registered in England and Wales No. 06383902

## Notes:

The following notes explain your general rights as a shareholder of the Company and your right to attend and vote at this meeting or to appoint someone else to vote on your behalf.

1. Only those members registered in the Register of Members of the Company as at 6.00 p.m. on 26 July 2011 shall be entitled to attend and vote at the meeting convened above in respect of the number of shares registered in their names at that time. This time will still apply for the purpose of determining who is entitled to attend and vote if the general meeting is adjourned from its scheduled time by 48 hours or less. If the General Meeting is adjourned for longer, members who wish to attend and vote must be on the Company's register of members by 48 hours before the time fixed for the adjourned meeting. Changes to entries on the register of members after that time will be disregarded in determining the rights of any person to attend or vote at the meeting.
2. A member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint another person as his proxy to exercise all or any of his rights to attend and to speak and vote at a meeting of the Company. On a poll demanded, all of a member's voting rights may be exercised by one or more duly appointed proxies. Any such member may appoint more than one proxy provided that each proxy is appointed to exercise the rights attached to a different share or shares held by such member. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, please contact Share Registrars Limited. A proxy need not be a member of the Company. Appointing a proxy will not prevent a member from attending in person and voting at the meeting. 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 of the meeting) and give your instructions directly to them. A proxy must vote in accordance with any instructions given by the appointing member.
3. A form of appointment of proxy is enclosed. To appoint a proxy using this form in hard copy form, this form must be completed and signed, sent or delivered at Share Registrars Limited, Proxy Department, Suite E, First Floor, 9 Lion & Lamb Yard, Farnham, Surrey GU9 7LL. 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 of the company. If you return more than one proxy appointment, that received last by the registrar before the latest time for the receipt of proxies will take precedence.
4. The appointment of a proxy and the original or duly certified copy of the power of attorney or other authority (if any) under which it is signed or authenticated should be deposited with the Company's registrar at the address shown on the Form of Proxy not later than 11.30 a.m. on 25 July 2011 or 48 hours before the time for holding any adjourned meeting (or in the case of a poll not taken on the same day as the meeting or adjourned meeting before the taking of the poll at which it is to be used).
5. In the case of joint holders of shares, 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).
6. Any person to whom this notice is sent who is a person nominated under section 146 of the Act to enjoy information rights (a "nominated person") may, under an agreement between him/her and the member by whom he/she was nominated have a right to be appointed (or to have someone else appointed) as a proxy for the General Meeting. If a nominated person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the member as to the exercise of voting rights. The statement of rights of Shareholders in relation to the appointment of proxies described in this notice of General Meeting does not apply to nominated persons. Such rights can only be exercised by Shareholders.



