THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document and/or the action you should take, you should immediately consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000 if you are in the United Kingdom or, if not, another appropriately authorised independent financial adviser.

If you have sold or otherwise transferred all of your Existing Shares, please immediately forward this document, together with the accompanying Form of Proxy, to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. If you have sold only part of your holding of Existing Shares, please contact your stockbroker, bank or other agent through whom the sale or transfer was effected immediately.

The Directors, whose names appear on page 3 of this document, and the Company accept responsibility, collectively and individually, for the information contained in this document. To the best of the knowledge and belief of the Directors and the Company (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.

The Existing Shares are admitted to trading on AIM. Application will be made to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on AIM. It is expected that admission to AIM and dealings in the New Ordinary Shares will commence on 6 March 2007.

Redstone plc

(Incorporated and registered in England and Wales under the Companies Act 1985 with registered number 03336134)

Acquisition of Comunica Holdings Limited
Placing of 266,666,668 Placing Shares
at a price of 6.75 pence per Placing Share
and
Notice of Extraordinary General Meeting

EXPECTED SHARE CAPITAL IMMEDIATELY FOLLOWING ADMISSION

Authorised			*Issued and fully paid*	
Number	*Amount (£)*		*Number*	*Amount (£)*
2,000,000,000	20,000,000	Ordinary Shares of 1 penny each	1,446,899,478	14,468,994.78

Your attention is drawn to the letter from the Chairman of the Company which is set out in Part I of this document and which recommends you vote in favour of the Resolutions to be proposed at the Extraordinary General Meeting referred to below.

Evolution Securities Limited, which is authorised and regulated in the UK by the Financial Services Authority, is acting as nominated adviser and financial adviser to the Company in connection with the matters described in this document. Persons receiving this document should note that Evolution Securities Limited will not be responsible to anyone other than the Company for providing the protections afforded to clients of Evolution Securities Limited or for advising any other person on the arrangements described in this document. Evolution Securities Limited has not authorised the contents of, or any part of, this document and no liability whatsoever is accepted by Evolution Securities Limited for the accuracy of any information or opinions contained in this document or for the omission of any information.

The New Ordinary Shares will not be registered under the United States Securities Act of 1933 (as amended) or under the securities laws of any state of the United States or qualify for distribution under any of the relevant securities laws of Canada, Republic of Ireland, Australia or Japan, nor has any prospectus in relation to the New Ordinary Shares been lodged with or registered by the Australian Securities and Investments Commission or the Japanese Ministry of Finance. Accordingly, subject to certain exceptions, the New Ordinary Shares may not be, directly or indirectly, offered, sold, taken up, delivered or transferred in or into the United States, Canada, Republic of Ireland, Australia or Japan. Overseas Shareholders and any person (including, without limitation, custodians nominees and trustees) who have a contractual or other legal obligation to forward this document to a jurisdiction outside the UK should seek appropriate advice before taking any action.

Notice of an Extraordinary General Meeting of Redstone plc, to be held at the offices of Osborne Clarke, One London Wall, London EC2Y 5EB at 11.00 a.m. on 5 March 2007, is set out at the end of this document. To be valid the accompanying Form of Proxy for use in connection with the meeting should be completed, signed and returned as soon as possible and, in any event, so as to reach the Company's registrars, Capita Registrars, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, by not later than 11.00 a.m. on 3 March 2007. Completion and return of Forms of Proxy will not preclude Shareholders from attending and voting at the Extraordinary General Meeting should they so wish.

CONTENTS

DIRECTORS, SECRETARY AND ADVISERS

Directors	Alan Charles Coppin *(Non-executive Chairman)* Martin Balaam *(Chief Executive Officer)* Timothy Howard Perks *(Chief Financial Officer)* David Graham Payne *(Non-executive Director)* Oliver John Vaughan *(Non-executive Director)* Gerard Spencer *(Non-executive Director)*
Company Secretary	Peter Hayes
Registered Office	80 Great Eastern Street London EC2A 3RS
Nominated Adviser, Financial Adviser and Broker	Evolution Securities Limited 100 Wood Street London EC2V 7AN
Solicitors to the Company	Osborne Clarke One London Wall London EC2Y 5EB
Solicitors to the Placing	Dechert LLP 160 Queen Victoria Street London EC4V 4QQ
Registrars	Capita Registrars Northern House Woodsome Park Fenay Bridge Huddersfield West Yorkshire HD8 0LA

PLACING STATISTICS

Placing Price	6.75p
Number of Placing Shares being placed on behalf of the Company	266,666,668
Proceeds receivable by the Company, net of expenses	£16.4 million
Number of Consideration Shares being issued pursuant to the Acquisition	39,973,547
Number of Ordinary Shares in issue following Admission	1,446,899,478
Number of New Ordinary Shares as a percentage of the Existing Shares	26.9%

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Latest time and date for receipt of Forms of Proxy	11.00 a.m. on 3 March 2007
Extraordinary General Meeting	11.00 a.m. on 5 March 2007
Admission and dealings in the New Ordinary Shares expected to commence on AIM	8.00 a.m. on 6 March 2007

DEFINITIONS

The following definitions apply throughout this document unless the context otherwise requires:

"Acquisition"	the proposed acquisition by the Company of Comunica pursuant to the Acquisition Agreement
"Acquisition Agreement"	the conditional share purchase agreement dated 8 February 2007 and made between Redstone and the Comunica Shareholders relating to the Acquisition, further details of which are set out in Part III of this document
"Act"	the Companies Act 1985 (as amended)
"Admission"	admission of the Placing Shares and Consideration Shares to trading on AIM becoming effective in accordance with Rule 6 of the AIM Rules
"AIM"	the AIM Market operated by the London Stock Exchange
"AIM Rules"	the AIM rules for companies published by the London Stock Exchange from time to time
"business day"	a day (other than a Saturday, Sunday or public holiday) when the clearing banks are open for all normal banking business in the City of London
"Capita Registrars"	a trading division of Capita IRG Plc
"certificated form" or "in certificated form"	a share or other security recorded on a company's share register as being held in certificated form (namely, not in CREST)
"Company" or "Redstone"	Redstone plc
"Consideration Shares"	the 39,973,547 Ordinary Shares to be issued to the Comunica Shareholders pursuant to the terms of the Acquisition Agreement as part of the consideration in relation to the Acquisition
"CREST"	the relevant system (as defined in the Uncertificated Securities Regulations 2001) in respect of which CRESTCo is the operator (as defined in those regulations)
"CRESTCo"	CRESTCo Limited, the operator of CREST
"Comunica"	Comunica Holdings Limited
"Comunica Directors"	the directors of Comunica at the date of this document
"Comunica Group"	Comunica and its subsidiaries and subsidiary undertakings
"Comunica Shareholders"	holders of shares of Comunica
"Directors" or "Board"	the directors of the Company whose names are set out on page 3 of this document, or any duly authorised committee thereof
"EGM" or "Extraordinary General Meeting"	the extraordinary general meeting of the Company to be held at the offices of Osborne Clarke, One London Wall, London EC2Y 5EB at 11.00 a.m. on 5 March 2007
"EGM Notice"	the notice convening the EGM, which is set out on pages 25 and 26 of this document

"Enlarged Group"	the Group, as enlarged by the Acquisition
"Evolution Securities"	Evolution Securities Limited, the Company's nominated adviser, financial adviser and broker
"Existing Shares"	the Ordinary Shares in issue at the date of this document, all of which are admitted to trading on AIM
"Form of Proxy"	the form of proxy for use in connection with the EGM which accompanies this document
"Group"	the Company, its subsidiaries and its subsidiary undertakings
"London Stock Exchange"	London Stock Exchange plc
"New Ordinary Shares"	the Placing Shares and the Consideration Shares
"Ordinary Shares"	ordinary shares of 1 penny each in the capital of the Company
"Placing"	the conditional placing of the Placing Shares by Evolution Securities, as agent on behalf of the Company, pursuant to the Placing Agreement, further details of which are set out on pages 11 and 12 of this document
"Placing Agreement"	the conditional agreement dated 8 February 2007 and made between Evolution Securities and the Company in relation to the Placing, further details of which are set out on page 12 of this document
"Placing Price"	6.75 pence per New Ordinary Share
"Placing Shares"	the 266,666,668 new Ordinary Shares to be issued pursuant to the Placing
"Resolutions"	the resolutions set out in the EGM Notice
"Shareholders"	holders of Ordinary Shares
"SME"	small and medium sized enterprises
"UK"	the United Kingdom of Great Britain and Northern Ireland
"US" or "United States"	the United States of America, each state thereof, its territories and possessions (including the District of Columbia) and all other areas subject to its jurisdiction
"uncertificated" or "in uncertificated form"	a share or other security recorded on a company's share register as being held in uncertificated form in CREST and title to which, by virtue of the Uncertificated Securities Regulations 2001, may be transferred by means of CREST

PART I

LETTER FROM THE CHAIRMAN OF REDSTONE PLC

Redstone plc

(Incorporated and registered in England and Wales under the Act with registered number 03336134)

Directors:
Alan Charles Coppin *(Non-executive Chairman)*
Martin Balaam *(Chief Executive Officer)*
Timothy Howard Perks *(Chief Financial Officer)*
David Graham Payne *(Non-executive Director)*
Oliver John Vaughan *(Non-executive Director)*
Gerard Spencer *(Non-executive Director)*

Registered Office:
80 Great Eastern Street
London
EC2A 3RS

8 February 2007

To Shareholders

Acquisition of Comunica Holdings Limited
Proposed placing of 266,666,668 Placing Shares at 6.75 pence per Placing Share
Notice of Extraordinary General Meeting

Dear Shareholder,

1. Introduction

Your Board announced today that the Company has agreed to acquire the entire issued share capital of Comunica for a total consideration of up to £22.0 million. Comunica specialises in network and communications infrastructure solutions, providing design, implementation and project management services. It has a largely blue-chip client base across many industries, including financial and professional services, retail, energy, media, transport and the public sector.

Pursuant to the terms of the Acquisition Agreement, of the maximum consideration £16.1 million is payable in cash and £2.9 million is to be satisfied by the allotment of the Consideration Shares upon completion of the Acquisition. Up to a further £2.5 million is payable in cash and up to a further £0.5 million in Ordinary Shares of the Company subject to the achievement of certain pre-agreed financial milestones by Comunica for the year ending 31 May 2007. The Acquisition is conditional, *inter alia*, upon holders of over 90 per cent. of options over Comunica Shares accepting Redstone's offer to acquire their shares and the Placing Agreement completing in accordance with its terms. Further details of the terms of the Acquisition Agreement are set out in Part III of this document.

In order to part finance the cash consideration payable by Redstone pursuant to the Acquisition Agreement, the Company proposes to raise approximately £18.0 million before expenses (£16.4 million net of expenses) by way of a placing of 266,666,668 Placing Shares at a price of 6.75 pence per share. Any cash element due under the deferred consideration referred to above and the working capital requirements of Comunica will be financed from the Company's existing facilities with Barclays Bank PLC.

Your Board had hoped to provide existing Shareholders with the opportunity to participate in the fundraising through an offer of Ordinary Shares on a pre-emptive basis. However, the Board concluded that it was not in the best interests of the Company to make available such a pre-emptive offer due to the time and cost involved and the necessity to successfully complete the Acquisition in a timely manner.

The Placing, which has been arranged and underwritten by Evolution Securities pursuant to the terms of the Placing Agreement, is conditional, *inter alia,* upon the Acquisition Agreement completing in accordance with its terms (save for any conditions relating to Admission), the Company obtaining approval from its Shareholders to disapply statutory pre-emption rights and to grant the Board authority to allot the Placing Shares and Admission.

The purpose of this document is to provide you with information about the background to and reasons for the Acquisition and the Placing and to explain why your Board believes that the Placing is in the best interests of the Company and its Shareholders as a whole and to explain why the Directors unanimously recommend that you vote in favour of the Resolutions to be proposed at the EGM, as they and their immediate families and connected persons (within the meaning of Section 346 of the Act) intend to do so in respect of their aggregate holdings of 7,093,508 Existing Shares, representing 0.62 per cent. of the Company's existing issued ordinary share capital, notice of which is set out at the end of this document.

2. Background to and Reasons for the Acquisition

Redstone has stated its aim of becoming one of the leading IT and communications solution providers in the UK and Ireland.

The UK IT and communications sector is changing significantly as the increasing availability and affordability of broadband allows businesses and consumers to take advantage of converged technologies. As a consequence of these changes, there continues to be consolidation in this market sector as businesses scale up by acquiring complementary products and services and also enlarge their customer bases.

Redstone has previously announced its intention to be an active participant in this consolidating marketplace. In pursuit of this strategy, in April 2005, the Company acquired, and subsequently integrated, Xpert Group Limited and, in July 2006, acquired both Symphony Telecom Holdings plc and the Tolerant group of companies (being Tolerant Systems Limited, Net-Adept Limited, Net Quest Solutions Limited and Trent Datacomms Limited) both of which have been substantially integrated into the Group. In addition, on 22 January 2007, Redstone declared unconditional its offer for IDN Telecom plc ("IDN"), an acquisition that the Directors believe will further enhance the Group's market position and generate future growth.

The Directors believe that the acquisition of Comunica will represent a further step towards establishing the Company as a leading UK IT and communications solution provider.

Over the past year, Redstone's Converged Solutions business has successfully delivered on its contract with Royal Ascot and has experienced further successes, winning contracts from Foxtons, Telecom Service Centres Limited ("TSC") and Lancashire Schools (as part of the Government's £45 billion Building Schools for the Future project). Whilst these are significant contract wins for Redstone, which will deliver revenues in future periods, in order to compete for larger and more lucrative projects, Redstone's Converged Solutions business will need to add additional capacity to its existing business. The Acquisition represents a strategic move for Redstone's Converged Solutions division, as the business of Comunica is anticipated to complement this division providing the critical mass required to increase the profile of Converged Solutions with potential partners. It also provides Converged Solutions with the necessary skill sets to continue to bid for and deliver multiple larger projects, enabling this business area to continue to grow and take advantage of the significant market demand.

In addition, the Directors believe that the Acquisition provides Redstone with the following principal strategic benefits:

- Removal of a significant competitor from the converged solutions market.
- Enhanced prospects due to its increased capacity and scale, with a more substantial presence in key vertical markets;
- Increased purchasing power with suppliers, which is expected to help achieve increased revenue growth and win new accounts;
- Cost saving benefits of bringing together the back office functions of Redstone and Comunica and integrating their network solutions businesses; and
- Significant opportunities to cross sell Redstone's other products and services to Comunica's customer base.

The Redstone business is divided into five autonomous units to ensure that there is consistent focus on profitable business, but, moreover, to allow the Group to expand rapidly through acquisition whilst minimising disruption. Accordingly, post acquisition, the integration of Comunica will be confined to the Converged Solutions business and all other divisions within Redstone will be unaffected by this integration, save for the additional cross selling opportunities provided by the new customers introduced to the Group by Comunica. Similarly the integration of IDN, which has been acquired recently, will be confined to the Redstone Telecom division.

The expanded Converged Solutions business should provide the Enlarged Group with an improved revenue stream with higher margins, a greater element of contracted revenues and is expected to increase the contribution of IT services revenues to over 50 per cent. of the Enlarged Group's revenues.

Accordingly, the Directors anticipate that the Enlarged Group will be able to offer a far broader range of IT and communication solutions to businesses and public sector organisations in a market that is increasingly reliant on such solutions to transact business and interact with its end customers.

The Directors believe that Redstone's continued success will be based on its ability to offer its range of innovative IT and communications solutions to its customers, combined with excellent customer service. Redstone will continue to seek to enlarge both its customer base and its range of products and services with a focus on organic growth and the successful integration of the recently acquired businesses, whilst retaining the flexibility to make strategic acquisitions as opportunities arise.

3. Information on Redstone

Redstone is a provider of communications and IT solutions for businesses and public sector organisations. The Company's portfolio of products and services helps businesses to maximise the benefits of the latest telecom and converged IP solutions thereby enhancing customer satisfaction, increasing productivity, maximising operational efficiency, reducing costs and generating valuable new revenue channels. The Group's business is organised into five distinct business divisions:

Telecom

Redstone Telecom provides telephony network services to the private and public sector and its portfolio includes business telephony services, line rental, non-geographic services and premium rate services. Redstone Telecom has a strategic relationship with BT Wholesale delivering service quality and availability. This is complemented by customer-focused services including dedicated account management and around the clock customer support. The Company's recent acquisition of IDN Telecom plc will further strengthen this division of the Group and will, the Directors believe, increase Redstone's critical mass within its fixed line telecoms division and deliver cost savings through synergies from combining the two UK based fixed line telephony businesses.

Mobile

Redstone Mobile is a leading UK distributor of telecommunications products and services. Redstone sells mobile, fixed line and data products and services directly to the SME market and also acts as a distributor for all five mobile network operators within the UK. Redstone's channels to market include its own direct sales team, a network of independent fixed line and mobile dealers and eight joint ventures with established telephony equipment distributors.

Converged solutions

Redstone Converged Solutions is a provider of converged IP solutions, with expertise in contact centres, voice and video, IP networks, Intelligent Building (Onenet) solutions and security. Redstone Converged Solutions provides innovative solutions to businesses and organisations in the health, education, local government, retail and finance sectors. With over 10 years' expertise in the fields of voice and data, Redstone Converged Solutions represents a strong proposition in the convergence market.

Redstone Converged Solutions has developed long standing partnerships with world-class suppliers of voice and data technology solutions, including Avaya, BT, Cisco and Mitel. In addition to these relationships, Redstone Converged Solutions also partners with technology specific-suppliers which enables it to offer bespoke and innovative solutions for all voice and data technology applications. As it is vendor independent, Redstone Converged Solutions has the flexibility to specify the most appropriate solution for clients' bespoke requirements.

Managed solutions

Redstone Managed Solutions ("RMS") provides a portfolio of infrastructure and internet services suitable for businesses and public sector organisations. These include server and desktop deployment, application development, hosting and co-location, network and system management, internet service provision and consultancy.

RMS can manage and support business networks from enterprise level through to the desktop, with a single source service for business. RMS also provides hosting solutions from its London and Cambridge data centres, with scaleable solutions, from a single server to multiple racks. Redstone's ISP offers services including managed IP virtual private networks, managed firewall, email filtering, online data backup, global roaming internet access and a WiFi hotspot service. The Redstone Metropolitan Area Network in Cambridge comprises in excess of 25 kilometres of fibre, providing a state of the art communications backbone capable of delivering internet, voice, data or point to point services.

RMS has a dedicated education sector offering which provides services including ISP connection and filtered email and content control, hosting and domain registration services, together with niche software developments for schools including its education sector WebXchange portal and registration administration products.

Technology

Redstone Technology is one of Ireland's leading specialists in providing HP enterprise storage solutions and is a specialist in HP business critical enterprise-class servers and provides a wide array of professional, consulting, logistics and maintenance services in the Republic of Ireland and Northern Ireland.

Redstone Technology is an HP Preferred Partner and was the first HP Authorised Service Delivery Partner in Ireland, as well as being HP's leading partner in enterprise storage solutions and business critical servers in Ireland. Redstone Technology is also the first Red Hat Linux Advanced Partner in Ireland and a StorageTek Premier Plus Partner.

4. Information on Comunica

Comunica specialises in network and communications infrastructure solutions, providing design, implementation and project management services. Founded in 1986 and headquartered in Middlesex in the UK, Comunica employs over 300 experienced staff who deliver high-quality solutions to a largely blue-chip client base across industries including financial and professional services, retail, energy, media, transport and the public sector.

Comunica's business is made up of four service lines:

Support services

Comunica supplies the full range of network and desktop support services including software and hardware maintenance, network management, network maintenance, configuration management, PABX maintenance, helpdesk/desktop support, moves, additions and changes. Co-ordinated through its Enterprise Support Centre, services can be delivered either on-site or remotely, either in normal working hours or with a full 24 hour service.

Intelligent infrastructure management

Intelligent infrastructure management is the installation and integration of an intelligent cabling infrastructure with other applications and business processes, tracking users and IT assets in real time at a physical level, and then linking this information with a logical network management system. The installed solution is integrated with software applications and provides major productivity benefits in maximising utilisation of these assets, as well as significantly strengthening network security against hackers and other intruders.

Network solutions

Working with leading manufacturers, Comunica designs, commissions and maintains complete network implementations, including physical cable infrastructure, LAN, WAN, voice and converged network solutions. Key to this offering is the project management and delivery of large and complex branch roll-out projects across a variety of industry sectors.

Connectivity solutions

This has been the group's core activity since inception. This includes managing and delivering complex, bespoke connectivity infrastructure implementations in all environments including greenfield and refurbished sites and large distributed network roll-out projects. A key strength of the group's abilities in this area has been in its ability to deliver fast track projects to demanding timescales. Comunica provides support services, available 24 hours a day, 365 days per year for these projects.

Summary financial information on Comunica for the years ended 31 May 2005 and 31 May 2006 is set out in Part II of this document.

5. Current trading and prospects

Redstone

Redstone has recently successfully finalised the integration of the acquisitions of Symphony Telecom Holdings plc and the Tolerant group of companies and has declared unconditional the recommended offer to acquire all of the issued and to be issued share capital of IDN Telecom plc. Redstone has also continued to win significant new contracts, including those with Lancashire Schools for the Future, TSC and Foxtons.

The financial performance of the Group remains in line with the Directors' expectations and the Directors remain confident of a successful outcome to the financial year. The Directors have been encouraged by the gross and net margins generated across the Group and continue to focus on these and earnings before interest, tax and depreciation rather than turnover as a primary key performance metric.

Comunica

Comunica has continued to win significant new contracts over the course of this financial year. During the year the focus has been on margin improvement and winning several important new contracts. Comunica is currently the preferred bidder on the White City contract and is currently undertaking contract negotiations. The Directors believe that the prospects for Comunica are encouraging.

The Enlarged Group

Following the Acquisition the Directors believe that the Company will have established a firm basis from which to grow in the future. The Converged Solutions division will be in a position to bid for further large contracts and the Telecoms division, following the acquisitions of Symphony Telecom Holdings plc and IDN Telecom plc, has reached sufficient critical mass to optimize its usage of its existing network with BT. The Directors anticipate that the Enlarged Group will undertake increased investment in bidding for further contracts, leveraging off its recent successes, to establish a strong order book of committed revenue for future years. Inclusive of this investment, the Directors anticipate that the combination of the Acquisition and the acquisition of IDN Telecom plc will be earnings dilutive for the Group as a whole. This should not be construed as a profit forecast or be interpreted to mean that future earnings per share or profits of Redstone will necessarily be greater than its historic published earnings per share, profits or losses.

Redstone will continue to seek to maximise shareholder returns from the acquisitions it has undertaken over the past year through their successful integration, the continued promotion of cross selling throughout the Enlarged Group and through utilising the increased scale of the Converged Solutions business to win larger long term contracts and improve revenue visibility for the Enlarged Group. To complement this growth, Redstone will look to strengthen its Managed Solutions business and repeat in the UK the success its technology business has experienced in Ireland.

6. Details of the Placing and the Placing Agreement

The Placing

In order to part finance the cash consideration payable by Redstone pursuant to the Acquisition, the Company proposes to raise approximately £18.0 million before expenses (£16.4 million net of expenses) by way of a placing of 266,666,668 Placing Shares at a price of 6.75 pence per share.

The Placing Price represents a discount of 8.47 per cent. to the closing middle market price of 7.375 pence per Existing Share on 7 February 2007, being the last practicable date prior to the date of publication of this document. The Placing Shares will represent 18.4 per cent. of the Company's issued share capital immediately following Admission.

The Placing Agreement

Pursuant to the terms of the Placing Agreement, Evolution Securities has conditionally agreed to use its reasonable endeavours, as agent for the Company, to place the Placing Shares with certain institutional and other investors. The Placing has been fully underwritten by Evolution Securities. The Placing Agreement is conditional upon, *inter alia,* the Acquisition completing in accordance with its terms (save for any conditions relating to Admission), the Resolutions being duly passed at the EGM and Admission.

The Placing Agreement contains customary warranties from the Company in favour of Evolution Securities in relation to, *inter alia,* the accuracy of the information in this document and other matters relating to the Group and its business and Comunica. In addition, the Company has agreed to indemnify Evolution Securities in relation to certain liabilities it may incur in respect of the Placing.

Under the Placing Agreement, the Company has agreed to pay Evolution Securities a fee of £340,000, together with any applicable value added tax.

Settlement and dealings

Application will be made to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on AIM. It is expected that, subject to the passing of the Resolutions at the EGM, Admission will become effective on 6 March 2007.

The New Ordinary Shares will, when issued, rank *pari passu* in all respects with the Existing Shares including the right to receive dividends and other distributions declared following Admission.

7. Working capital and significant changes

The Directors are of the opinion that, taking into account existing cash resources, banking and other facilities available to the Enlarged Group, and the net proceeds of the Placing, the Enlarged Group has sufficient working capital for its present requirements, that is, for at least the next 12 months from the date of Admission.

There has been no significant change in the financial or trading position of Redstone since 30 September 2006 (the date to which the latest interim results of Redstone were prepared) or Comunica since 31 May 2006 (the date to which the latest audited accounts of Comunica were prepared).

8. Extraordinary General Meeting

Set out on pages 25 and 26 of this document is a notice convening the EGM to be held on 5 March 2007 at the offices of Osborne Clarke, One London Wall, London EC2Y 5EB at 11.00 a.m., at which the Resolutions will be proposed for the purposes of implementing the Placing.

Resolution 1, which will be proposed as an ordinary resolution and which is subject to the passing of Resolution 2 and the Placing Agreement becoming unconditional, is to authorise the Directors to allot the New Ordinary Shares in connection with the Placing and Acquisition.

Resolution 2, which will be proposed as a special resolution and which is subject to the passing of Resolution 1 and the Placing Agreement becoming unconditional, disapplies Shareholders' statutory pre-emption rights in relation to the issue of the Placing Shares.

9. Action to be taken

A Form of Proxy accompanies this document for use by Shareholders in relation to the EGM. Whether or not Shareholders intend to be present at the EGM they are requested to complete, sign and return the Form of Proxy in accordance with the instructions thereon to Capita Registrars, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU as soon as possible but in any event so as to arrive by no later than 11.00 a.m. on 3 March 2007. Completion and return of a Form of Proxy does not preclude a Shareholder from attending the EGM and voting in person if they wish to do so.

If you are in any doubt as to what action you should take, you are recommended to seek your own personal financial advice from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 immediately.

10. Recommendation

The Board, which has been so advised by Evolution Securities, considers that the Placing is in the best interests of the Company and its Shareholders as a whole. In giving this advice, Evolution Securities has relied upon the commercial assessments made by the Board.

Accordingly, the Directors unanimously recommend that you vote in favour of the Resolutions to be proposed at the EGM, as they and their immediate families and connected persons (within the meaning of Section 346 of the Act) intend to do in respect of their aggregate holdings of 7,093,508 Existing Shares, representing 0.62 per cent. of the Company's existing issued ordinary share capital.

Yours faithfully

Alan Coppin
Chairman

PART II

FINANCIAL INFORMATION ON COMUNICA HOLDINGS LIMITED

The selected financial information set out in Part II of this document below has been extracted without material adjustment from the audited accounts of Comunica Holdings Limited for the two financial years ended 31 May 2006 and does not constitute statutory accounts within the meaning of section 240 of the Act.

A. Consolidated Profit and Loss Account

	Note	*2006*	*2005*
		£	*£*
Turnover	2	**41,447,347**	44,733,921
Cost of sales		**(31,798,638)**	(36,533,700)
Gross profit		**9,648,709**	8,200,221
Administrative expenses		**(6,606,733)**	(6,705,316)
Operating profit	3	**3,041,976**	1,494,905
Interest receivable		**453**	3,106
Interest payable	4	**(444,657)**	(81,640)
Profit on ordinary activities before taxation		**2,597,772**	1,416,371
Taxation on profit on ordinary activities	5	**(968,461)**	(290,256)
Profit on ordinary activities after taxation		**1,629,311**	1,126,115

All amounts relate to continuing activities.

All recognised gains and losses in the current and prior year are included in the profit and loss account.

B. Consolidated Balance Sheet

	Note	2006 £	2006 £	2005 £	2005 £
Fixed assets					
Tangible assets	6		**1,017,591**		596,494
Current assets					
Stocks	7	**421,256**		213,839	
Debtors	8	**12,076,122**		13,939,681	
Cash at bank and in hand		**10,369**		3,273	
		12,507,747		14,156,793	
Creditors: amounts falling due within one year	9	**(9,608,142)**		**(12,199,923)**	
Net current assets			**2,899,605**		1,956,870
Total assets less current liabilities			**3,917,196**		2,553,364
Creditors: amounts falling due after more than one year	10		**(155,034)**		—
			3,762,162		**2,553,364**
Capital and reserves					
Called up share capital			**257,940**		413,301
Merger reserve			**617,416**		617,416
Other reserve			**756,429**		756,102
Profit and loss account			**2,130,377**		766,545
Shareholders' funds			**3,762,162**		**2,553,364**

C. Consolidated Cash Flow Statement

	Note	*2006* £	*2006* £	*2005* £	*2005* £
Net cash inflow from operating activities	12		**1,671,848**		1,423,557
Returns on investments and servicing of finance					
Interest paid		**(151,285)**		(68,382)	
Interest element of finance lease rental payments		—		(13,258)	
Dividends and redemption premium on shares classed as financial liabilities		**(568,232)**		—	
Interest received		**453**		3,106	
			(719,064)		(78,534)
Taxation					
UK corporation tax paid			**(441,057)**		(148,434)
Capital expenditure and financial investment					
Purchase of tangible fixed assets		**(706,895)**		(612,443)	
Sale of tangible fixed assets		**47,057**		43,710	
			(659,838)		(568,733)
Dividends paid – non-equity shares			—		(238,432)
Cash (outflow) / inflow before financing			**(148,111)**		389,424
Financing					
Redemption of shares		—		(489,999)	
Capital element of finance lease payments		—		(14,994)	
Repayment of loan		**(133,500)**		(178,000)	
			(133,500)		(682,993)
Decrease in cash	13		**(281,611)**		(293,569)

D. Notes to the Financial Statements

1. Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with applicable United Kingdom accounting standards.

The principal accounting policies of the company are set out below. In preparing the financial statements for the current year, the company has adopted the following Financial Reporting Standards:

FRS 21 'Events after the Balance Sheet date (IAS 10)'

The adoption of this new accounting standard has not resulted in any amendment to the financial statements in the current or preceding period.

FRS 25 'Financial Instruments: Disclosure and Presentation (IAS 32)'

The company has adopted the presentation requirements of FRS 25. This requires financial instruments to be presented in accordance with their substance. Therefore shares, which previously were always presented as part of shareholders' funds regardless of the substance of the instrument, may now be presented as a liability when in substance that share is equivalent to a liability. The accounting policy for financial instruments is set out more fully below, and the financial effect of this change in accounting policy is set out in note 15.

The directors have reviewed the principal accounting policies of the group and consider they remain the most appropriate for the group.

Basis of consolidation

The group financial statements consolidate those of the company and of its subsidiary undertakings drawn up to 31 May 2006.

Turnover

Turnover represents sales to outside customers at invoiced amounts together with the value of work carried out to the balance sheet date on long-term contracts less value added tax and discounts allowed.

Fixed assets

All fixed assets are recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Premises improvements	–	20%
Fixtures & fittings	–	20%
Office equipment	–	33 1/3%

Fixed asset investments

Investments are included at cost less amounts written off. Profits or losses arising from disposals of fixed asset investments are treated as part of the result from ordinary activities.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Long-term contracts

Long-term contracts are assessed on a contract by contract basis and are reflected in the profit and loss account by recording turnover and related costs as the contract progresses. Where the outcome of each long-term contract can be assessed with reasonable certainty before its conclusion the profit is recognised in the profit and loss account as the difference between the attributable turnover and related costs for the contract. Attributable turnover is based on the state of completion with reference to the fair value of the goods or services provided as a proportion of the fair value of the contract.

Short-term contracts

For short-term contracts, including period schedule work, turnover and profit are recognised based upon the state of completion on an individual job basis.

Finance lease agreements

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated in accordance with the above depreciation policies. Future instalments under such leases, net of finance charges, are included with creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account on a straight line basis, and the capital element which reduces the outstanding obligation for future instalments.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Pension costs

The company operates a defined contribution pension scheme for the directors and employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax. Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

Share based employee remuneration

When shares and share options are granted to employees a charge is made to the profit and loss account and a reserve created in capital and reserves to record the fair value of the awards in excess of any amounts paid in accordance with UITF Abstract Number 17 ‘Employee Share Schemes’.

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of charge on the outstanding liability.

Where none of the contractual terms of share capital meet the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Compound instruments

Compound instruments comprise both a liability and an equity component. At date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for a similar debt instrument without the equity feature. The liability component is accounted for as a financial liability.

The residual is the difference between the net proceeds of issue and the liability component (at time of issue). The residual is the equity component, which is accounted for as an equity instrument.

The interest expense on the liability component is calculated by applying the effective interest rate for the liability component of the instrument. The difference between this amount and any repayments is added to the carrying amount of the liability in the balance sheet.

2. Turnover

The turnover and profit before tax are attributable to the principal activity of the group.

An analysis of turnover is given below:

	2006	*2005*
	£	*£*
United Kingdom	**41,351,531**	43,668,705
Europe	**95,816**	1,065,216
	41,447,347	44,733,921

3. Operating profit

Operating profit is stated after charging/ (crediting):

	2006	*2005*
	£	*£*
Depreciation of owned fixed assets	**285,798**	200,547
Depreciation of assets held under finance leases and hire purchase agreements	—	10,046
Profit on disposal of fixed assets	**(47,053)**	(19,877)
Auditors' remuneration:		
Audit fees	**39,500**	32,000
Non audit services	**33,125**	41,325
Operating lease costs:		
Plant and machinery	**360,875**	355,267
Land and buildings	**283,977**	256,074
Hire of equipment	**211,892**	154,250
Net profit on foreign currency translation	**(3,475)**	(18,416)
Exceptional item	**(744,917)**	(119,968)

The exceptional item in both years represents the proceeds, net of associated costs, of claims against a former employee and the previous auditors of the company.

4. Interest payable and similar charges payable

	2006	*2005*
	£	*£*
Interest payable on bank borrowing	**147,920**	68,382
Hire purchase, finance lease charges and other interest	**3,366**	13,258
Dividends and redemption premiums on shares classified as financial liabilities	**293,371**	—
	444,657	81,640

5. Taxation on profit on ordinary activities

(a) Analysis of charge in the year

	2006 £	*2005* £
Current tax:		
UK Corporation tax based on the results for the year at 30% (2005 – 30%)	**906,889**	435,857
Under provision in prior year	**5,200**	5,734
Total current tax	**912,089**	441,591
Deferred tax movement	**56,372**	(151,335)
	968,461	290,256

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 30% (2005 - 30%).

	2006 £	*2005* £
Profit on ordinary activities before taxation	**2,597,772**	1,416,371
Profit on ordinary activities multiplied by rate of tax at 30% (2005 – 30%)	**779,332**	424,911
Expenses not deductible for tax purposes	**182,689**	74,905
Depreciation for period in excess of capital allowances	**(55,196)**	(66,996)
Other timing differences	**64**	7,814
Marginal relief adjustment	—	(4,777)
Adjustments to tax charge in respect of previous periods	**5,200**	5,734
Total current tax (note 5(a))	**912,089**	441,591

6. Tangible fixed assets

Group:	*Improvements to premises* £	*Fixtures & fittings* £	*Office equipment* £	*Total* £
Cost				
At 1 June 2005	240,410	263,343	2,551,802	3,055,555
Additions	63,826	19	643,050	706,895
Disposals and reclassifications	(116,466)	(214,557)	(2,074,355)	(2,405,378)
At 31 May 2006	187,770	48,805	1,120,497	1,357,072
Depreciation				
At 1 June 2005	136,081	230,352	2,092,628	2,459,061
Charge for the year	34,465	2,165	249,168	285,798
On disposals and reclassifications	(117,667)	(223,733)	(2,063,978)	(2,405,378)
At 31 May 2006	52,879	8,784	277,818	339,481
Net book value				
At 31 May 2006	**134,891**	**40,021**	**842,679**	**1,017,591**
At 31 May 2005	**104,329**	**32,991**	**459,174**	**596,494**

7. Stocks

Group	*2006*	*2005*
	£	*£*
Raw materials	**421,256**	213,839

In the opinion of the directors, the replacement value of stock is not significantly different from cost.

8. Debtors

	Group 2006	*Group 2005*
	£	*£*
Trade debtors	**6,672,505**	7,563,568
Other debtors	**60,127**	760,842
Prepayments and accrued income	**456,908**	374,848
Amounts recoverable on contracts	**4,791,619**	5,089,088
Amounts due from subsidiary undertakings	**—**	—
Deferred tax	**94,963**	151,335
	12,076,122	13,939,681

The debtors above include the following amounts falling due after more than one year:

	Group 2006	*Group 2005*
	£	*£*
Amounts recoverable on contracts	**141,298**	161,009

9. Creditors: amounts falling within one year

	Group 2006	*Group 2005*
	£	*£*
Bank loans and overdrafts	**1,710,797**	1,555,590
Trade creditors	**2,693,512**	6,289,870
Payments received on account	**429,671**	518,572
Corporation tax	**906,889**	435,857
Other creditors including taxation and social security	**1,856,298**	1,729,028
Dividends declared but unpaid	**57,715**	67,096
Accruals and deferred income	**1,953,260**	1,603,910
	9,608,142	12,199,923

The bank borrowings are secured by a fixed and floating charge over the assets of the company together with an unlimited guarantee given by the company.

10. Creditors: amounts falling due after more than one year

	Group 2006	*Group 2005*
	£	*£*
Shares classed as financial liabilities	**155,034**	—

11. Reconciliation of movements in consolidated shareholders' funds

	Group 2006 £	*Group 2005 £*
Profit for the year	**1,629,311**	1,126,115
Dividends	—	(222,068)
Share redemption	—	(489,999)
Increase in shareholders' funds	**1,629,311**	414,048
Opening shareholders' funds as originally stated	**2,553,364**	2,139,316
Re-statement in accordance with FRS 25	**(420,513)**	—
Opening shareholders' funds as re-stated	**2,132,851**	2,139,316
Closing shareholders' funds	**3,762,162**	2,553,364

12. Reconciliation of operating profit to net cash inflow/(outflow) from operating activities

	Group 2006 £	*Group 2005 £*
Operating profit	**3,041,976**	1,494,905
Depreciation	**285,798**	210,593
Profit on sale of fixed assets	**(47,053)**	(19,877)
Increase/(decrease) in stocks and work in progress	**(207,417)**	325,437
Decrease/(increase) in debtors	**1,807,185**	(2,009,012)
(Decrease)/increase in creditors	**(3,208,641)**	1,421,511
Net cash inflow from operating activities	**1,671,848**	1,423,557

13. Reconciliation of net cash outflow to movement in net debt

	Group 2006 £	*Group 2005 £*
Decrease in cash in the year	**(281,611)**	(293,569)
Cash outflow from decrease in debt and lease financing	**133,500**	192,994
Re-statement of shares classed as financial liabilities	**(155,034)**	—
Movement in net debt in the year	**(303,145)**	(100,575)
Opening net debt	**(1,552,317)**	(1,451,742)
Closing net debt	**(1,855,462)**	(1,552,317)

14. Commitments under operating leases

As at 31 May 2006, the group had annual commitments under non-cancellable operating leases expiring as set out below:

	2006 Land and buildings £	*2006 Other £*	*2005 Land and buildings £*	*2005 Other £*
Operating leases which expire:				
Within 1 year	**16,276**	**128,764**	—	39,879
In 2 to 5 years	**335,200**	**46,383**	191,500	69,904
After 5 years	—	—	57,240	—
	351,476	**175,147**	248,740	109,783

15. Contingent liabilities

There are contingent liabilities in respect of performance guarantees entered into by the group in the normal course of business.

There were no other contingent liabilities at 31 May 2006 or 31 May 2005.

16. Capital commitments

The group and the company had capital commitments of £322,000 at 31 May 2006 and nil at 31 May 2005.

17. Related party disclosure

The company has taken advantage of the exemption conferred by Financial Report Standard no.8 ‘Related Party Disclosures’ not to disclose transactions with members of the group headed by Comunica Holdings Limited on the grounds that at least 90 per cent. of the voting rights in the company are controlled within the group and the company is included in the consolidated financial statements.

Comunica Limited purchased products from iTracs Corporation, a company related by way of a common shareholder and director, P Pela. These transactions were conducted under normal commercial terms and at an arms length basis. During 2006, iTracs Corporation charged Comunica Limited £674,978 (2005: £420,300) for products and services. At the balance sheet date, Comunica Limited owed iTracs Corporation £71,641 (2005: £667).

PART III

SUMMARY OF THE KEY TERMS OF THE ACQUISITION AGREEMENT

Pursuant to the terms of the Acquisition Agreement, Redstone has conditionally agreed to acquire from the Comunica Shareholders, the entire issued share capital of Comunica free from any liens, charges, encumbrances or third party rights for an initial consideration of £19,000,000 to be satisfied as to £2.9 million by the issue of the Consideration Shares, and £16.1 million to be satisfied in cash upon completion of the Acquisition.

Deferred consideration of up to a maximum amount of up to £3.0 million (to be satisfied by the issue of up to £0.5 million of Ordinary Shares and up to £2.5 million in cash) is payable subject to Comunica achieving certain levels of earnings before interest and tax in the 12 month period ending 31 May 2007.

Completion of the Acquisition Agreement is conditional upon (i) the Placing Agreement becoming unconditional in all respects (save in relation to any condition in respect of the Acquisition Agreement becoming unconditional) and Admission and; (ii) over 90 per cent. of the holders of options over Comunica shares accepting Redstone's offer to acquire their shares (all of which is included in the total consideration payable referred to above).

The Acquisition Agreement contains various warranties, undertakings, indemnities and restrictive covenants of a type usual for a transaction from various of the Comunica Shareholders to Redstone. The amount of Consideration Shares and any Ordinary Shares issued pursuant to the deferred consideration will be calculated by reference to an Ordinary Share price of 7.375 pence, being the average price of an Ordinary Share for the five business days prior to the date of this document.

In addition, the majority of Comunica Shareholders receiving Ordinary Shares have agreed not to sell them for periods of between twelve and twenty four months from the date of Admission.

NOTICE OF EXTRAORDINARY GENERAL MEETING

Redstone plc

(Incorporated and registered in England and Wales under the Companies Act 1985 with registered number 03336134)

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting of Redstone plc (the **"Company")** will be held at the offices of Osborne Clarke, One London Wall, London EC2Y 5EB, at 11.00 a.m. on 5 March 2007 to consider and, if thought fit, to pass the following Resolutions of which resolution 1 will be proposed as an ordinary resolution of the Company and resolution 2 will be proposed as a special resolution of the Company:

ORDINARY RESOLUTION

1. **THAT,** conditional upon the passing of Resolution 2 and the Placing Agreement becoming unconditional in all respects (save only for the passing of the Resolutions and Admission (as each such term is defined in the circular to shareholders of the Company dated 8 February 2007 (the "Circular")) and in addition to, and without prejudice to, any equivalent authority which may have been given to the directors prior to the date of the passing of this resolution, the directors be and they are hereby generally and unconditionally authorised pursuant to section 80 of the Companies Act 1985 (the **"Act"**) to exercise all powers of the Company to allot relevant securities (as defined in section 80(2) of the Act) provided that this authority shall be limited to the allotment of up to 312,758,252 new ordinary shares of 1 penny each in the capital of the Company in connection with the Placing and Acquisition (as such term is defined in the Circular) and unless previously renewed, revoked, varied or extended, this authority shall expire at the earlier of the date which is 15 months from the date of the passing of this resolution and the conclusion of the next annual general meeting of the Company except that the Company may at any time before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the directors may allot relevant securities in pursuance of such an offer or agreement as if this authority had not expired.

SPECIAL RESOLUTION

2. **THAT,** conditional upon the passing of Resolution 1 and the Placing Agreement becoming unconditional in all respects (save only for the passing of the Resolutions and Admission) and in addition to, and without prejudice to, any existing power given to the directors pursuant to section 95 of the Act, the directors be and they are empowered pursuant to section 95(1) of the Act to allot equity securities (as defined in section 94(2) of the Act) of the Company for cash pursuant to the authority of the directors under section 80 of the Act conferred by Resolution 1 above, as if section 89(1) of the Act did not apply to such allotment provided that the power conferred by this resolution shall be limited to the allotment of 266,666,668 new ordinary shares of 1 penny each in the capital of the Company in connection with the Placing and unless previously renewed, revoked, varied or extended this power shall expire on the earlier of the conclusion of the next annual general meeting of the Company and the date falling 15 months after the date of the passing of this resolution except that the Company may before the expiry of this power 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 this power had not expired.

Registered Office:
80 Great Eastern Street
London
EC2A 3RS

By order of the Board:
Peter Hayes
Company Secretary

8 February 2007

Notes:

1. A member entitled to receive notice, attend and vote at the extraordinary general meeting is entitled to appoint a proxy or proxies to attend and, vote instead of him. Such proxy need not be a member of the Company. Completion of a form of proxy does not preclude your attendance at the meeting and voting in person if you so wish. To be valid, the instrument appointing a proxy, together, if appropriate, with a power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such authority, must be deposited at the offices of the Company's registrars, Capita Registrars, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, not less than 48 hours before the time fixed for the holding of the meeting. A pre-paid form of proxy accompanies this notice.

2. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the time by which a person must be entered on the register of members of the Company in order to have the right to receive notice, attend and vote at the extraordinary general meeting (and for the purposes of the determination by the Company of the members of votes they may cast) is 11.00 a.m. on 3 March 2007 or 48 hours before the time of adjournment of the meeting. The rights of members to attend and vote at the meeting will be determined by references to entries on the register of members as at 5.00 p.m. on 3 March 2007. Changes to entries on the register of members of the Company after that time will be disregarded in determining the rights of any person to attend or vote at the meeting.

3. In the case of joint holders, the signature of only one of the joint holders is required on the form of proxy, but the vote of the first named on the register of members will be accepted to the exclusion of the other joint holders.