

**Lo-Q plc**  
**(“Lo-Q” or the “Company”)**  
**Registered number 3959429**

**NOTICE IS HEREBY GIVEN THAT** the 2013 Annual General Meeting of the Company will be held at Unit 2, The Pavilions, Ruscombe Park, Twyford, Berkshire, RG10 9NN on Tuesday 2 April 2013 at 10.15 a.m. for the following purposes:

**Ordinary Business**

- Resolution 1:** To receive the audited financial statements of the Company for the period ended 4 November 2012 and to receive the Directors’ Report and the Auditors’ Report thereon.
- Resolution 2:** To re-elect as a Director Mr Thomas James Wardlaw Burnet, who retires by rotation and offers himself for re-election.
- Resolution 3:** To re-elect as a Director Mr Matthew Jonathan Cooper, who, having been appointed by the Board since the last AGM, retires in accordance with the Articles of Association and offers himself for re-election.
- Resolution 4:** To re-elect as a Director Mr Steven Kyle Brown, who, having been appointed by the Board since the last AGM, retires in accordance with the Articles of Association and offers himself for re-election.
- Resolution 5:** To re-elect as a Director Mr Anthony Victor William Bone, who is offering himself for re-election.
- Resolution 6:** To re-appoint BDO LLP as Auditors of the Company until the conclusion of the next Annual General Meeting.
- Resolution 7:** To authorise the Directors to determine the remuneration of the Auditors.

**Special Business**

- Resolution 8:** To consider and, if thought fit, pass the following resolution as an ordinary resolution:
- “**THAT** in substitution for all existing authorities the Directors be given power under Section 551 of the Companies Act 2006 (“the Act”) to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for, or to convert any security into, shares in the Company (‘Rights’)
- (i) up to an aggregate nominal amount of £64,754.02; and,
  - (ii) up to a further aggregate nominal amount of £64,754.02 provided that (a) they are equity securities (within the meaning of section 560(1) of the Act) and (b) they are offered by way of a rights issue to holders of ordinary shares in the Company at such record dates as the directors may determine where the equity securities attributable to the interests of the ordinary shareholders are proportionate (as nearly as may be practicable) to the respective numbers of ordinary shares held by them on any such record date, subject to such exclusions or other arrangements as the directors may deem necessary or expedient to deal with fractional entitlements or legal or practical problems arising under the laws of any overseas territory or the requirements of any regulatory body or stock exchange or any other matter whatsoever, provided that this authority shall expire at the conclusion of the next Annual General Meeting of the Company or 30 April 2014 (whichever is sooner) unless any offer or agreement is made before the end of that period in which case the Directors may allot shares and grant Rights pursuant to such offer or agreement as if the power granted by this resolution had not expired.”

**Resolution 9** To consider and, if thought fit, pass the following resolution as a special resolution:  
“**THAT**, in substitution for all existing powers and subject to the passing of Resolution 8, the Directors be given power to allot equity securities (as defined in Section 560 of the Companies Act 2006) as if the pre-emption provisions of Section 561 of the Act did not apply to such allotment. The power shall be limited to the allotment of equity securities up to an aggregate nominal amount of £19,426.21 being 10% of the Company’s issued share capital and shall expire at the next Annual General Meeting of the Company or 30 April 2014 (whichever is the sooner) unless any offer or agreement is made before expiry of this power in which case the Directors may allot securities pursuant to such offer or agreement as if the power granted by this resolution had not expired.”

**Registered Office:**  
Thames House  
Portsmouth Road  
Esher  
Surrey  
KT10 9AD

BY ORDER OF THE BOARD

**Douglas Armour**  
**Company Secretary**  
**1 March 2013**

**Your attention is drawn to the Notes below**

**Notes:**

1. A member entitled to attend and vote at the meeting is entitled to appoint more than one proxy to exercise all or any of his rights to attend, speak and vote in his place on a show of hands or on a poll provided that each proxy is appointed to a different share or shares. Such proxy need not be a member of the Company. A form of proxy is enclosed. Appointment of a proxy will not preclude a member from attending the meeting and voting in person.
2. To be valid, the completed and signed form of proxy must be returned to the Company’s Registrars, SLC Registrars, Thames House, Portsmouth Road, Esher, Surrey, KT10 9AD by 10.15 a.m. on Wednesday 27 March 2013. Lodging a form of proxy does not preclude a member from attending and voting at the meeting.
3. Any corporation which is a member may appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a member provided that no more than one corporate representative exercises powers over the same shares.
4. Pursuant to regulation 41 of the Uncertificated Securities Regulations 2001 (as amended), entitlement to attend and vote at the Meeting and the number of votes which may be cast thereat will be determined by reference to the Register of Members of the Company at the close of business on Wednesday 27 March 2013, the day which is two working days before the day of the meeting. Changes to entries on the Register of Members after that time shall be disregarded in determining the rights of any person to attend and vote at the meeting.
5. You may not use any electronic address provided either in this notice of AGM or any related documents (including the form of proxy) to communicate for any purposes other than those expressly stated.
6. The following documents are available for inspection during normal business hours at the Company’s registered office up to the date of the Annual General Meeting and will be available for inspection at the place of the Annual General Meeting from 15 minutes before the start of the meeting until conclusion of the meeting:
  - Copies of all Directors’ Service Contracts for periods in excess of one year with the Company or any of its subsidiaries;

## **Explanatory notes to the resolutions**

### **Resolution 1 Annual Report and Accounts**

The directors must lay before shareholders the accounts of the Company for the financial year ended 4 November 2012, the report of the directors and the report of the auditors of the Company on these accounts.

### **Resolutions 2 to 5 Directors**

Article 111 of the Articles of Association requires that at each annual general meeting one-third of the directors, or if the number of directors is not three or a multiple of three, the number of directors nearest to but not exceeding one third shall retire by rotation.

Resolution 2 proposes the re-election of Thomas James Wardlaw Burnet who was appointed as a director on 4 October 2010 as the director retiring by rotation at this annual general meeting.

Article 116 of the Articles of Association requires that where the directors have appointed an additional director any director so appointed will only hold office until the next Annual General Meeting of the Company and they must offer themselves for re-appointment.

Resolution 3 proposes the election of Matthew Jonathan Cooper who was appointed as a director on 1 September 2012. Resolution 4 proposes the election of Steven Kyle Brown who was appointed as a director on 4 December 2012.

The UK Corporate Governance Code ("the Code") provides at B.7.1 that non-executive directors who have served for longer than nine years should be subject to annual re-election. Although the provisions of the Code apply to Premium Listed companies the directors of the company are fully supportive of the aims of the Code. The Company has one non-executive director who has served on the board for a period in excess of nine years.

Anthony Victor William Bone who has been a director of the Company since 23 September 2000 is offering himself for re-election pursuant to resolution 5.

Biographical details of the directors offering themselves for re-election are included in the last page of this notice.

The Board of Directors considers the performance of each of the Directors standing for re-election at the Annual General Meeting to be fully effective and they each demonstrate the commitment and behaviours expected of a Lo-Q director. The Board of Directors also concluded that the non-executive directors standing for re-election are, with the exception of Mr Bone in respect of his length of service, independent in terms of the criteria set out in the UK Corporate Governance Code.

### **Resolution 6 and 7 Reappointment and remuneration of auditors**

The Company is required to appoint auditors at each general meeting at which accounts are laid before the Company to hold office until the next such meeting. Resolution 6 proposes the reappointment of BDO LLP as auditors to the Company. Resolution 7 authorises the directors to agree the auditors' remuneration.

### **Resolution 8 Authority to allot shares**

The authority sought by this resolution is for the Directors to be authorised to allot Ordinary Shares up to two-thirds of the Company's current issued share capital at the date of this notice. Paragraph (i) of the resolution will give the Directors a general authority to allot up to an aggregate nominal value of £64,754.02 being the equivalent of one-third of the Company's issued ordinary share capital at the date of this notice. This is in accordance with the ABI guidelines. In addition, the guidelines permit the authority to extend to a further third of the issued share capital, where any such shares allotted using this additional authority are in connection with a rights issue. Paragraph (ii) of the resolution proposes this additional authority be granted to the Directors.

The Directors are seeking the annual renewal of this authority in accordance with best practice and to ensure the Company has maximum flexibility in managing its capital resources. Should the additional authority described in paragraph (ii) of the resolution be used, all Directors will stand for re-election at the next Annual General Meeting as required by the ABI.

### **Resolution 9 Disapplication of pre-emption rights**

When shares are to be allotted for cash, Section 561 of the Companies Act 2006 provides that existing shareholders have pre-emption rights and that any new shares are offered first to such shareholders in proportion to their existing shareholdings. This resolution is seeking to authorise the Directors to allot shares of up to an aggregate nominal amount of £19,426.21 otherwise than on a pro-rata basis. This represents 10% of the Company's issued share capital at the date of this notice and is within guidelines issued by institutional investors for companies listed on AIM.

The Directors are seeking the annual renewal of this authority in accordance with best practice and to ensure the Company has maximum flexibility in managing its capital resources.

### **Voting Recommendation**

**The Board of Directors believes that all of the proposed resolutions set out in the Annual General Meeting notice are in the best interests of shareholders as a whole and the Company and unanimously recommends that members vote in favour of all the resolutions, as the Directors intend to do in respect of their own beneficial shareholdings.**

### **Details of the Directors offering themselves for re-election:**

#### **Thomas James Wardlaw Burnet, Chief Executive Officer**

Tom joined Lo-Q as Chief Executive Officer in October 2010. He joined from Serco plc where he was Managing Director of the company's 5,000 person defence services division. Prior to Serco, Tom was Managing Director of QinetiQ's capability support division, a high growth £50 million Technical Consultancy, working with governments and industry around the world.

Tom is responsible for the leadership, strategic direction and growth of Lo-Q.

#### **Matthew Jonathan Cooper, Non-Executive Director**

Matt joined Lo-Q in September 2012. He currently serves as Chairman of both Octopus Capital Limited and Octopus Investments Limited, serves as Executive Chairman of AIM listed Imaginatik plc, and also holds further directorships at both private and public companies and of consumer body, Which? Financial.

Matt started his career in the United States and held senior roles at Capital One Financial Corporation before re-locating to the United Kingdom to manage the international expansion of Capital One in the UK and wider Europe, playing a pivotal role in growing Capital One's UK business from zero to two million customers and a workforce of more than 2000 employees.

Matt is Chairman of the audit committee and is a member of the remuneration committee.

#### **Steven Kyle Brown, Chief Operating Officer - North America**

Steve was appointed to the Board in December 2012 following the acquisition of accesso LLC.

Steve spent 16 years with the Walt Disney Co. where he held executive positions as Director of Walt Disney World Ticketing and Vice President of Revenue Management for Disneyland Resort. He has also worked as Corporate Vice President of Ticket Strategy and Sales for Six Flags, before becoming CEO and Principal of accesso in 2008.

#### **Anthony Victor William Bone, Non-Executive Director**

Tony spent over 30 years in the IT industry with ICL, from hardware design, software design, consultancy and then general management. In 1988 he was one of the founder directors of the OSI Group which specialised in program and project management, IT, and change consultancy. OSI was acquired by the FI Group plc in 1999. Mr. Bone now acts as an investor in, and non-executive director of, a number of high technology companies.

Tony, in addition to normal board duties, provides advice in product strategy and development to the company as well as chairing the remuneration committee and serving on the audit committee.

**Lo-Q plc (the "Company")**  
**Registered number 3959429**

**Form of Proxy**

I/We, \_\_\_\_\_ of \_\_\_\_\_  
being a member of Lo-Q plc hereby appoint the Chairman of the meeting or \_\_\_\_\_  
of \_\_\_\_\_ as my/our proxy to  
vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held on  
Tuesday 2 April 2013 and at any adjournment thereof.

Please tick here if this proxy appointment is one of multiple appointments being made. Please refer to Explanatory Note 2.

Please indicate with an 'X' in the space below how you wish your votes to be cast.

Resolutions	For	Against	Discretionary	Vote Withheld
1 To receive the report and accounts for the period ended 4 November 2012				
2 To re-elect Thomas John Wardlaw Burnet as a director				
3 To re-elect Matthew Jonathan Cooper as a director				
4 To re-elect Steven Kyle Brown as a director				
5 To re-elect Anthony Victor William Bone as a director				
6 To re-appoint BDO LLP as auditors				
7 To authorise the directors to determine the auditors remuneration				
8 To renew the directors' authority to allot securities				
9 To waive shareholders' rights of pre-emption on allotment of securities				

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2013

.....  
Signature or common seal (please refer to Explanatory Note 3). (Any one joint holder may sign)

## Explanatory Notes:

1. Every shareholder has the right to appoint some other person(s) of their choice who need not be a shareholder as his proxy, to exercise all or any of his rights, to attend, speak and vote on their behalf at the meeting. To appoint a person other than the Chairman please insert the name of your chosen proxy holder in the space provided. Unless you authorise your proxy to act in respect of your full voting entitlement (or if this proxy form has been issued in respect of a designated account for a shareholder, the full voting entitlement for that designated account), please specify next to their name the number of shares in relation to which they are authorised.
2. To appoint more than one proxy, you should photocopy this form and specify next to the proxy holder's name the number of shares in relation to which they are authorised to act. Please also indicate by ticking the box provided if the proxy instruction is one of multiple instructions being given. All forms must be signed and should be returned together in the same envelope.
3. To be valid this proxy form must, in the case of an individual, be signed by the holder or his/her attorney, or, in the case of a corporation, be either given under its common seal or signed on its behalf by an attorney or duly authorised officer, and lodged with SLC Registrars, Thames House, Portsmouth Road, Esher, Surrey, KT10 9AD no later than 10.15 a.m. on Wednesday 27 March 2013 before the time appointed for the meeting. Any Power of Attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.
4. The 'Vote Withheld' box is provided to enable you to abstain on any particular resolution. However, it should be noted that a vote withheld is not a vote in law and will not be counted in the calculation of the proportion of votes 'for' and 'against' a resolution.
5. Only those shareholders registered on the register of members of the Company at 6.00 p.m. on Wednesday 27 March 2013 shall be entitled to attend or vote at the meeting in respect of the number of shares registered in their name at that time. Changes to the entries on the register of members thereafter will be disregarded in determining the rights of any person to attend or vote at the meeting.
6. In the case of joint shareholders, the signature of one holder on a proxy card will be accepted and the vote of the senior holder who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose seniority shall be determined by the order in which the names stand in the register of members of the Company.
7. If in respect of any resolution you have not indicated as to how your proxy should vote, or you have marked as 'Discretionary', your proxy will have discretion to vote on that resolution, in respect of your total holding, as they see fit. Your proxy will also have the discretion to vote as they see fit on any other business which may properly come before the meeting, including amendments to resolutions, and at any adjournment of the meeting.
8. The completion and return of this form will not preclude a member from attending the meeting and voting in person.