

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.** If you are in any doubt as to the action you should take, you should consult an appropriate independent financial adviser authorised under the Financial Services and Markets Act 2000 immediately. If you have sold or transferred all your Ordinary Shares in the Company, please forward this Circular together with the Form of Proxy to the purchaser, transferee, stockbroker or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee.

Notice of an Annual General Meeting of the Company to be held at the Life Bioscience Centre, Times Square, Newcastle upon Tyne NE1 4EP at 12.30pm on Friday 6 July 2012 is set out on pages 6 to 9 of the Circular. A Form of Proxy for use at the meeting is attached. To be valid, Forms of Proxy should be completed and returned in accordance with the notes to the Notice of Meeting and the Form of Proxy itself.

# ***Northern Investors Company PLC***

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Northumberland House Princess Square Newcastle upon Tyne NE1 8ER

T 0191 244 6000 F 0191 244 6001 E nic@nvm.co.uk

Registered in England no 1822966

Directors:

Nigel Guy, *Chairman*

John Barnsley

Philip Marsden

Frank Neale

Mark Nicholls

25 May 2012

Dear Shareholder

## **2012 ANNUAL GENERAL MEETING**

### **Introduction**

I am pleased to be writing to you with details of our Annual General Meeting which will take place at 12.30pm on Friday 6 July 2012 at the Life Bioscience Centre, Times Square, Newcastle upon Tyne NE1 4EP. The formal Notice of Annual General Meeting is set out on pages 6 to 9 of this document.

Explanatory notes on all the business to be considered at this year's AGM appear on pages 3 to 5 of this document. Mr Frank Neale retires from the Board at the AGM in accordance with the AIC Code and has indicated that he does not wish to seek re-election.

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

If you would like to vote on the resolutions but cannot attend the AGM, please complete the Form of Proxy attached to this notice and return it to the Company's registrars, Equiniti Limited, at Aspect House, Spencer Road, Lancing BN99 6DA as soon as possible. They must receive it no later than 12.30pm on Wednesday 4 July 2012. Completion and return of the Form of Proxy will not preclude you from attending the AGM and voting in person should you so wish.

### **Recommendation**

Your Board considers that all the resolutions to be put to the meeting are in the best interests of the Company and its Shareholders as a whole and are most likely to promote the success of the Company for the benefit of its Shareholders, and unanimously recommends that you vote in favour of the resolutions. Those Directors who hold shares in the Company will be voting in favour of the resolutions.

Yours sincerely



**NIGEL GUY**  
Chairman

## Definitions

In this letter, unless the context otherwise requires, the following expressions bear the following meanings:

AIC Code	the AIC Code of Corporate Governance published from time to time by the Association of Investment Companies
Annual General Meeting or AGM	the annual general meeting of the Company to be held at the Life Bioscience Centre, Times Square, Newcastle upon Tyne NE1 4EP at 12.30pm on Friday 6 July 2012
Articles	the articles of association of the Company as amended from time to time
Circular	this document dated 25 May 2012, addressed to the Shareholders
Company	Northern Investors Company PLC
Directors or Board	the directors of the Company, whose names are set out on page 1 of this document
Form of Proxy	the form of proxy for use at the Annual General Meeting
Listing Rules	the listing rules published from time to time by the Financial Services Authority acting in its capacity as the United Kingdom Listing Authority under Part VI of the Financial Services and Markets Act 2000 (as amended)
Ordinary Shares	ordinary shares of 25p each in the capital of the Company
Shareholders	holders of Ordinary Shares

## **EXPLANATION OF THE BUSINESS TO BE CONSIDERED AT THE 2012 ANNUAL GENERAL MEETING**

All resolutions will be proposed as ordinary resolutions, unless otherwise mentioned. For an ordinary resolution to be passed, more than half of the votes cast must be in favour of the resolution. For a special resolution to be passed, at least three-quarters of the votes cast must be in favour of the resolution.

### **Resolution 1: Approval of the accounts**

The Company is required by law to put the Company's annual report and financial statements for the year ended 31 March 2012 before the meeting. Shareholders are invited to vote to receive and adopt the annual report and financial statements for the year ended 31 March 2012.

### **Resolution 2: Approval of final dividend**

Shareholders are being asked to approve a final dividend of 6.8p per Ordinary Share in respect of the year ended 31 March 2012. Your Board has, as in 2010, decided to take advantage of provisions introduced by HM Revenue & Customs which enable the Company to "stream" income from interest-bearing investments into dividends that will be taxed in the hands of Shareholders as interest income, but which reduce the profits of the Company that are liable to corporation tax. Accordingly 4.3p of the proposed 6.8p final dividend will be paid in the form of an interest distribution. This has enabled the Company to reduce its corporation tax liability by approximately £170,000, has enhanced the revenue return per share for the year by 1.1p and has permitted a higher level of dividend distribution than would otherwise have been the case. Shareholders who are in any doubt as to the effect on their financial or taxation position may wish to consult their financial adviser. If you approve the recommended final dividend, this will be paid on 13 July 2012 to all Shareholders who were on the register of members on 22 June 2012.

### **Resolution 3: Approval of the Directors' remuneration report**

The Company is required by law to put to Shareholders the Directors' remuneration report in respect of the year ended 31 March 2012, which is set out on pages 18 and 19 of the Company's annual report for the year ended 31 March 2012. Whilst the payment of remuneration to the Directors is not dependent on the passing of the resolution, your Board will take the vote into account when considering the future development and operation of the Company's remuneration policy and practice.

### **Resolutions 4 to 6: Re-appointment of Directors**

Mr J C Barnsley, who has served as a Director for more than nine years, retires from the Board in accordance with the AIC Code, and seeks re-election. Mr N R A Guy and Mr P W F Marsden, who were appointed to the board since the last annual general meeting, retire from the Board in accordance with the Articles and also seek re-election. Your Board believes that each of the Directors seeking re-election makes a relevant and significant contribution to the operation of the Board and displays an appropriate level of knowledge and experience.

#### **Resolution 4: Re-appointment of Mr J C Barnsley as a Director**

Mr John Barnsley (aged 64) was appointed to the Board in 2002. He is chairman of the audit committee and a member of the management engagement committee and the nomination committee.

Mr Barnsley is a non-executive director of Grainger plc and an adviser to a number of other companies. He was UK managing partner of Price Waterhouse from 1994 to 1998 and then global leader of business process outsourcing at PricewaterhouseCoopers until his retirement from the firm in 2001.

#### **Resolution 5: Re-appointment of Mr N R A Guy as a Director**

Mr Nigel Guy (aged 54) was appointed to the Board as Chairman in September 2011. He is chairman of the management engagement committee and the nomination committee.

Mr Guy is non-executive chairman of FRP Advisory LLP and The Cornhill Partnership Limited, a non-executive director of Azzurri Holdings Limited and a board member of the corporate finance faculty of the Institute of Chartered Accountants in England and Wales. He has considerable experience of private equity having spent over 20 years in the industry holding leadership positions principally at 3i plc, where he spent almost 13 years, and as deputy managing director of Baird Capital Partners Europe Limited. He currently holds board positions in a number of businesses where there are significant financial stakeholders including private equity investors.

#### **Resolution 6: Re-appointment of Mr P W F Marsden as a Director**

Mr Philip Marsden (aged 60) was appointed to the Board in September 2011. He is a member of the audit committee, the management engagement committee and the nomination committee.

Mr Marsden is a non-executive director of TP70 2008(I) VCT plc and is a founding partner of Marsden Clark LLP, a provider of independent corporate finance advice to corporate clients. He has specialised for many years in the realisation of individual investments and portfolios of private equity investments. He qualified as a Chartered Accountant and then spent 5 years at Arthur Andersen before moving to 3i Group plc where he worked for 22 years, becoming a director of 3i plc and manager of the portfolio development team. He left 3i Group plc in 2002

and has subsequently worked at Vision Capital Limited, Vantis Corporate Finance Limited, where he was Managing Director, and RSM Tenon plc, where he was director of corporate finance.

#### **Resolution 7: Re-appointment of KPMG Audit Plc as auditors**

The Company is required by law to appoint auditors at the Annual General Meeting. Shareholders are invited to vote to re-appoint KPMG Audit Plc as independent auditors of the Company until the conclusion of the next annual general meeting of the Company.

#### **Resolution 8: Authority to fix the independent auditors' remuneration**

Shareholders are invited to vote to give the Directors authority to fix the independent auditors' remuneration.

#### **Resolutions 9 and 10: Authority to allot shares and disapplication of Shareholders' statutory pre-emption rights**

##### **Resolution 9**

Shareholders are being asked to grant the Directors a general authority to allot shares in the Company. This resolution, if passed, gives the Directors authority to allot Ordinary Shares up to a maximum nominal value of £189,105 (representing 5% of the issued ordinary share capital of the Company at the date of the notice convening the Annual General Meeting).

This authority will be effective until the conclusion of the next annual general meeting of the Company (expected to be held in July 2013) or, if earlier, 30 September 2013 except insofar as commitments to allot shares have been entered into before that date. The Directors have no present intention of exercising the authority granted by Resolution 9.

##### **Resolution 10**

This resolution supplements the Directors' authority to allot shares in the Company given to them by Resolution 9. The resolution authorises the Directors to allot equity Ordinary Shares, or sell treasury shares, for cash (otherwise than pro rata to existing Shareholders) up to an aggregate nominal value of £189,105 (representing 5% of the Company's issued ordinary share capital at the date of the notice convening the Annual General Meeting).

The authority will be effective until the conclusion of the next annual general meeting of the Company (expected to be held in July 2013) or, if earlier, 30 September 2013, save that the Directors may so allot equity shares in pursuance of an offer or agreement entered into before the authority expires.

Resolution 10 will be proposed as a special resolution.

##### **Resolution 11: Purchase of own shares**

This resolution authorises the Company to purchase in the market up to 1,512,844 Ordinary Shares (equivalent to approximately 10% of the issued ordinary share capital) at a minimum price per share of 25p and a maximum price per share of not more than 105% of the average market value of the relevant shares for the five business days prior to the date on which the purchase is made.

Unless previously renewed, varied or revoked, the authority will be effective until the conclusion of the next annual general meeting of the Company (expected to be held in July 2013) or, if earlier, 30 September 2013.

Purchases of Ordinary Shares will be made only within the guidelines established and to be reviewed from time to time by the Directors, and where it is considered that such purchases would be to the advantage of the Company and its Shareholders as a whole. It is the Directors' intention that purchases will be made in the market for cash only at prices below the prevailing net asset value per share, thereby enhancing the net asset value per share for the Company's remaining shareholders. Purchases will be financed from the Company's own cash resources or, if appropriate, from short term borrowings.

The cap on the price payable contained in the proposed resolution reflects part of a restriction on the Company contained in the Listing Rules. In addition under the Listing Rules the Company must not purchase shares at a price greater than the higher of the last independent trade and the highest current independent bid on the market where the purchase is carried out.

There are no existing Ordinary Shares covered by options or warrants at the date of publication of this document.

Shares purchased under this authority become treasury shares which the Company can cancel or hold for sale for cash.

Resolution 11 will be proposed as a special resolution.

## **Resolution 12: Amendment to the Articles**

Article 122 of the Articles provides for the creation of a capital reserve and sets out how that reserve may be applied by the Directors. As currently drafted, Article 122 prohibits the distribution of the Company's capital profits (otherwise than by way of redemption or purchase of the Company's own shares). This prohibition mirrored requirements in the Companies Act 2006 and the Corporation Tax Act 2010, which have since been relaxed.

While the prohibition has been removed from the Companies Act 2006 and the Corporation Tax Act 2010, the Company is restricted from making such distributions until the prohibition is also removed from the Articles.

Shareholders are therefore being asked to approve the amendment of Article 122 of the Articles to remove the prohibition on the Company from distributing its capital profits.

Resolution 12 will be proposed as a special resolution.

# Northern Investors Company PLC

## Notice of Annual General Meeting

Notice is hereby given that the twenty eighth annual general meeting of the Company will be held at the Life Bioscience Centre, Times Square, Newcastle upon Tyne NE1 4EP at 12.30pm on Friday 6 July 2012 for the following purposes:

### RESOLUTIONS

- 1 To receive the financial statements for the year ended 31 March 2012 and the Directors' and independent auditors' reports thereon.
- 2 To declare a final dividend of 6.8p per share in respect of the year ended 31 March 2012.
- 3 To approve the Directors' remuneration report in respect of the year ended 31 March 2012.
- 4 To re-elect as a director Mr J C Barnsley who retires in accordance with the AIC Code and offers himself for re-election.
- 5 To re-elect as a director Mr N R A Guy who retires in accordance with the Articles and offers himself for re-election.
- 6 To re-elect as a director Mr P W F Marsden who retires in accordance with the Articles and offers himself for re-election.
- 7 To re-appoint KPMG Audit Plc as independent auditors of the Company until the conclusion of the next annual general meeting of the Company.
- 8 To authorise the Directors to fix the independent auditors' remuneration.
- 9 To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That in substitution for and to the exclusion of any power previously conferred upon the Directors in this regard (save to the extent relied upon prior to the passing of this resolution), the Directors be generally and unconditionally authorised pursuant to Section 551 of the Companies Act 2006 ("the Act") to allot shares in the Company and to grant rights to subscribe for or to convert any security into shares in the Company up to a maximum nominal amount of £189,105 for a period expiring (unless previously renewed, varied or revoked by the Company in general meeting) on the conclusion of the next annual general meeting of the Company after the passing of this resolution or, if earlier, 30 September 2013, save that the Company may before expiry of this authority make an offer or agreement which would or might require shares to be allotted, or rights to subscribe for or to convert any security into shares to be granted, after expiry of this authority and the Directors may allot shares, or grant rights to subscribe for or convert any security into shares, in pursuance of that offer or agreement as if this authority had not expired."

- 10 To consider and, if thought fit, to pass the following resolution as a special resolution:

"That, subject to the passing of Resolution 9 above and in substitution for and to the exclusion of any power previously conferred upon the Directors in this regard (save to the extent relied upon prior to the passing of this resolution), the Directors may:

- (a) allot equity securities (as defined in Section 560 of the Companies Act 2006 ("the Act")) pursuant to the authorisation for the purposes of Section 551 of the Act conferred by Resolution 9 above; and
- (b) sell equity securities which immediately before the sale are held by the Company as treasury shares,

in each case as if Section 561(1) of the Act (existing shareholders' right of pre-emption) did not apply to the allotment or sale, provided that the power conferred by this resolution shall be limited to the allotment or sale of equity securities up to an aggregate nominal value of £189,105 and shall expire on the conclusion of the next annual general meeting of the Company after the passing of this resolution or, if earlier, 30 September 2013, save that the Company may before this power expires make an offer or agreement which would or might require equity securities to be allotted or treasury shares to be sold after the power expires."

- 11 To consider and, if thought fit, to pass the following resolution as a special resolution:

"That the Company be and is hereby generally and unconditionally authorised in accordance with Section 701 of the Companies Act 2006 ("the Act") to make one or more market purchases (within the meaning of Section 693(4) of the Act) of its ordinary shares of 25p each provided that:

- (a) the maximum number of ordinary shares hereby authorised to be purchased is 1,512,844;

- (b) the minimum price (excluding expenses) which may be paid for an ordinary share shall be 25p per share;
- (c) the maximum price (excluding expenses) which may be paid for an ordinary share shall not be more than 105% of the average market value of the ordinary shares of the Company for the five business days prior to the date the purchase is made; and
- (d) unless previously renewed, varied or revoked, the authority hereby conferred shall expire on the conclusion of the next annual general meeting of the Company after the passing of this resolution or, if earlier, 30 September 2013, save that the Company may conclude a contract of purchase before this authority expires that would or might be executed wholly or partly after this authority expires."

12 That the Articles of the Company be amended by substituting Article 122 with the following:

"The Directors may from time to time set aside out of the profits of the Company and carry to reserve such sums as they think proper which, at the discretion of the Directors, shall be applicable for any purpose to which the profits of the Company may be properly applied and pending such application may either be employed in the business of the Company or be invested. The Directors may divide the reserve into such special funds as they think fit and may consolidate into one fund any special funds or any parts of any special funds into which the reserve may have been divided. The Directors may also without placing the same to reserve carry forward any profits. In carrying sums to reserve and in applying the same the Directors shall comply with the provisions of the Companies Acts. The Directors shall establish a reserve to be called the capital reserve. All surpluses arising from the realisation or revaluation of investments and all other monies realised on or derived from the realisation, payment off of or other dealing with any capital asset in excess of the book value thereof and all other monies which are considered by the Directors to be in the nature of accretion to capital shall be credited to the capital reserve. Subject to the Act, the Directors may determine whether any amount received by the Company is to be dealt with as income or capital or partly one way and partly the other. Any loss realised on the realisation or payment off of or other dealing with any investments or other capital assets and, subject to the Act, any expenses, loss or liability (or provision therefor) which the Directors considers to relate to a capital item (including any proportion of the expenses of management or administration of its assets and/or of the finance costs of the Company) or which the Directors otherwise considers appropriate to be debited to the capital reserve, shall be carried to the debit of the capital reserve. Any amount standing to the credit of the capital reserve may be transferred to the revenue reserves of the Company or be regarded or treated as profits of the Company available for distribution (as defined by section 829 of the Act) or be applied in paying dividends on any shares in the Company."

By order of the Board

**C D MELLOR**

Secretary  
Northumberland House  
Princess Square  
Newcastle upon Tyne NE1 8ER

25 May 2012

## NOTES

- 1 A member entitled to attend and vote at this meeting is entitled to appoint another person as his or her proxy to exercise all or any of his or her rights to attend, to speak and, both on a show of hands and on a poll, to vote in his or her stead at the meeting. A proxy need not be a member of the Company. The appointment of a proxy does not preclude a member from attending and voting in person at the meeting should he or she subsequently decide to do so. A form of proxy which may be used is attached.
- 2 A member may appoint more than one proxy in relation to a meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him or her.
- 3 To be valid, a form of proxy together with, if applicable, the power of attorney or other authority under which it is signed, or a certified copy thereof, must be received by Equiniti Limited at Aspect House, Spencer Road, Lancing BN99 6DA not later than 12.30pm on Wednesday 4 July 2012.
- 4 The Company, pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, specifies that only those shareholders registered in the register of members of the Company as at 6.00pm on Wednesday 4 July 2012 shall be entitled to attend or vote (whether on a show of hands or on a poll) at the meeting in respect of the number of shares registered in their name at the time. Changes to entries on the register after 6.00pm on Wednesday 4 July 2012 (or after 6.00pm on the day which is two working days before any adjourned meeting) shall be disregarded in determining the rights of any person to attend or vote at the meeting.
- 5 As at 24 May 2012 (being the last business day prior to the date of this notice) the Company's issued share capital consisted of 15,128,440 ordinary shares each carrying one vote per share. Accordingly the total number of voting rights in the Company as at 24 May 2012 was 15,128,440.
- 6 CREST members who wish to appoint a proxy or proxies for the meeting or any adjournment thereof by utilising the CREST electronic proxy appointment service may do so by following the procedures described in the CREST Manual ([www.euroclear.com/CREST](http://www.euroclear.com/CREST)). CREST personal members or other CREST sponsored members and those CREST members who have appointed a voting service provider(s) should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's (EUI) specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID RA19) by the latest time(s) for receipt of proxy appointments specified in this notice. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Application Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular message. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed (a) voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

- 7 The above statement as to proxy rights does not apply to a person who receives this notice of meeting as a person nominated to enjoy "information rights" under Section 146 of the Companies Act 2006. If you have been sent this notice of meeting because you are such a nominated person, the following statements apply: (a) you may have a right under an agreement between you and the member of the Company by whom you were nominated to be appointed or to have someone else appointed as a proxy for this general meeting; and (b) if you have no such right or do not wish to exercise it, you may have a right under such an agreement to give instructions to that member as to the exercise of voting rights.
- 8 A copy of this notice, and the other information required by Section 311A of the Companies Act 2006, can be found at [www.nvm.co.uk/nicagm2012](http://www.nvm.co.uk/nicagm2012).
- 9 Any member attending the meeting has the right to ask questions.

- 10 You may not use any electronic address provided either in this Notice of Annual General Meeting or any related documents (including the Form of Proxy) to communicate with the Company for any purposes other than those expressly stated.
- 11 Members should note that it is possible that, pursuant to requests made by members of the Company under Section 527 of the Companies Act 2006, the Company may be required to publish on its website **www.nvm.co.uk** a statement setting out any matter such members propose to raise at the Annual General Meeting relating to: (a) the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the Annual General Meeting; or (b) any circumstance connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with Section 437 of the Companies Act 2006. The Company may not require the members requesting any such website publication to pay its expenses in complying with Section 527 or 528 of the Companies Act 2006. Where the Company is required to place a statement on a website under Section 527 of the Companies Act 2006, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the Annual General Meeting includes any statement that the Company has been required under Section 527 of the Companies Act 2006 to publish on its website.



# Northern Investors Company PLC

## Form of Proxy for the Annual General Meeting on 6 July 2012

I/We .....

(block capitals please)

of .....

being a member of Northern Investors Company PLC, hereby appoint (see notes 1 and 2)

or failing him/her the chairman of the meeting to be my/our proxy and exercise all or any of my/our rights to attend, speak and vote for me/us in respect of my/our voting entitlement on my/our behalf at the twenty eighth annual general meeting of the Company to be held at 12.30pm on 6 July 2012, and at any adjournment thereof. The proxy will vote as indicated below in respect of the resolutions set out in the notice of meeting:

<b>Resolution number</b>		<b>For</b>	<b>Against</b>	<b>Vote withheld</b>
1	To receive the financial statements for the year ended 31 March 2012	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2	To declare a final dividend of 6.8p per share in respect of the year ended 31 March 2012	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	To approve the Directors' remuneration report in respect of the year ended 31 March 2012	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4	To re-elect Mr J C Barnsley as a director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5	To re-elect Mr N R A Guy as a director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6	To re-elect Mr P W F Marsden as a director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7	To re-appoint KPMG Audit Plc as independent auditors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8	To authorise the Directors to fix the remuneration of the independent auditors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9	To authorise the Directors to allot shares pursuant to Section 551 of the Companies Act 2006	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10	To disapply Section 561 of the Companies Act 2006 in relation to certain allotments of equity securities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11	To authorise the Company to make market purchases of ordinary shares in accordance with Section 701 of the Companies Act 2006	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12	To amend the Articles	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please indicate by placing an **X** in this box if this proxy appointment is one of multiple appointments being made (see note 2 below).

**Please refer to the notes overleaf**

Signed: ..... Date: .....2012

### Attendance indication

Shareholders who intend to attend the Annual General Meeting are requested to place a tick in the box below in order to assist with administrative arrangements.

I/we intend to attend the Annual General Meeting at 12.30pm on 6 July 2012 at the Life Bioscience Centre, Times Square, Newcastle upon Tyne NE1 4EP

Signed: ..... Date: .....2012

NOTES RELATING TO FORM OF PROXY

- 1 Every member has the right to appoint some other person(s) of his/her choice, who need not be a member, as his/her proxy to exercise all or any of his/her rights to attend, speak or vote on his/her behalf at the meeting. A member wishing to appoint a person other than the chairman of the meeting as proxy should insert the name of such person in the space provided. If the proxy is being appointed in relation to less than your full voting entitlement, please enter alongside the proxy holder's name the number of shares in relation to which they are authorised to act as your proxy. If left blank your proxy will be deemed to be authorised 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). Any alteration or deletion must be signed or initialled.
- 2 A member may appoint more than one proxy in relation to a meeting, provided that the proxy is appointed to exercise the rights attached to a different share or shares held by him/her. To appoint more than one proxy, please contact Equiniti Limited on 0800 028 2349 for (an) additional form(s), or you may photocopy this form. Please indicate alongside the proxy holder's name the number of shares in relation to which the proxy holder is authorised to act as your proxy. Please also indicate by placing an **X** in the box provided if the proxy instruction is one of multiple instructions being given. All forms must be signed and returned together in the same envelope.
- 3 Use of the form of proxy does not preclude a member from attending and voting in person.
- 4 Where the form of proxy is executed by an individual it must be signed by that individual or his or her attorney.
- 5 Where the form of proxy is executed by joint shareholders it may be signed by any of the members, but the vote of the member whose name stands first in the register of members of the Company will be accepted to the exclusion of the votes of the other joint holders.
- 6 Where the form of proxy is executed by a corporation it must be either under its seal or under the hand of an officer or attorney duly authorised.
- 7 If the form of proxy is signed and returned without any indication as to how the proxy shall vote, the proxy will exercise his/her discretion as to whether and how he/she votes, as he/she will on any other matters to arise at the meeting.
- 8 To be valid, the form of proxy, together with, if applicable, the power of attorney or other authority under which it is signed, or a certified copy thereof, must be received by Equiniti Limited at Aspect House, Spencer Road, Lancing BN99 6DA not later than 12.30pm on Wednesday 4 July 2012.
- 9 The "vote withheld" option is provided to enable a member to abstain from voting on the 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 the votes "for" and "against" the resolution.