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If you have sold or otherwise transferred all of your ordinary shares in SpaceandPeople plc, you should send 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 transmission to the purchaser or transferee. The distribution of this document into jurisdictions other than the UK may be restricted by law. Persons into whose possession this document and/or the accompanying Form of Proxy comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws or regulations of any such jurisdictions. If you have sold only part of your holding of Ordinary Shares, please contact your stockbroker, bank or other agent through whom the sale or transfer was effected immediately.

The directors of the Company, whose names appear on page 6 of this circular, accept responsibility for the information contained in this circular. To the best of the knowledge and belief of the directors of the Company (who have taken all reasonable care to ensure that such is the case) the information contained in this circular is in accordance with the facts and does not omit anything likely to affect the import of such information.

SPACEANDPEOPLE PLC

(Registered in Scotland under the Companies Act 1985, number SC212277)

Proposed acquisition of Retail Profile Holdings Limited

Proposed placing of 1,935,484 Ordinary Shares

Notice of General Meeting

Nominated adviser and broker

Seymour Pierce Limited

Seymour Pierce Limited, which is authorised and regulated by the Financial Services Authority, is acting as nominated adviser and broker exclusively to the Company in connection with the matters contained herein and will not be responsible to any other person for providing the protections afforded to customers of Seymour Pierce Limited or for advising any other person on the contents of this document or any matter referred to herein. Its responsibilities as the Company's nominated adviser under the AIM Rules are owed solely to the London Stock Exchange and are not owed to the Company or to any director or shareholder of the Company or to any other person in respect of their decision to acquire shares in the Company in reliance on any part of this document. No representation or warranty, expressed or implied, is made by Seymour Pierce Limited as to any of the contents of this document. Seymour Pierce Limited will not be offering advice and will not otherwise be responsible for providing customer protections to recipients of this document or for advising them on the contents of this document or any other matter. Seymour Pierce Limited has not authorised the contents of this document for any purpose and, without limiting the statutory rights of any person to whom this document is issued, no representation or warranty, express or implied, is made by Seymour Pierce Limited as to any of the contents or the completeness of this document.

Application will be made for the New Shares to be admitted to trading on AIM. Subject to such admission becoming effective, it is expected that dealings in the New Shares will commence on AIM on 24 May 2010. The New Shares will rank *pari passu* in all respects with the Existing Ordinary Shares and all dividends and other distributions declared, paid or made in respect of the Ordinary Shares after Admission. The London Stock Exchange has not examined or approved the contents of this document. The whole of the text of this document should be read and your attention is drawn to the letter from the Chairman which is set out on page 6 of this document and which recommends you vote in favour of the Resolutions.

Notice of a General Meeting of SpaceandPeople plc, to be held at the offices of Seymour Pierce Limited, 20 Old Bailey, London EC4M 7EN at 9.00 a.m. on 21 May 2010, is set out at the end of this document. The Form of Proxy for use at the General Meeting accompanies this document and, to be valid, should be completed and returned in accordance with the instructions set out therein as soon as possible but in any event so as to reach the Company's registrars, Neville Registrars, Neville House, 18 Laurel Lane, Halesowen, West Midlands, B63 3DA, as soon as possible and, in any event, no later than 48 hours before the time and date of the General Meeting. Completion of a Form of Proxy will not prevent a Shareholder from attending the meeting and voting in person.

This document does not constitute an offer of securities to the public and accordingly is not a prospectus, neither does it constitute an admission document drawn up in accordance with the AIM Rules.

This document does not constitute an offer to buy or subscribe for, or the solicitation of an offer to buy or subscribe for, Ordinary Shares or any New Shares in any jurisdiction in which such offer or solicitation is unlawful. The New Shares have not been, and 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 nor do they qualify for distribution under any of the relevant securities laws of Australia, Canada, Japan, New Zealand or South Africa.

Accordingly, the New Shares may not, directly or indirectly, be offered, sold or taken up, delivered or transferred in or into the United States, Australia, Canada, Japan, New Zealand, South Africa or any other territory outside the United Kingdom. The distribution of this document outside the United Kingdom may be restricted by law and therefore persons outside the United Kingdom into whose possession this document has come should inform themselves and observe any restrictions as to the Placing or the distribution of this document.

This document contains a number of forward looking statements relating to the Enlarged Group with respect to, amongst others, the following: financial conditions; results of operations; the business of the Enlarged Group; future benefits of the acquisition; and management plans and objectives. The Company considers any statements that are not historical facts as “forward looking statements”. They relate to events and trends that are subject to risks, uncertainties and assumptions that could cause the actual results and financial position of the Enlarged Group to differ materially from the information presented in the relevant forward looking statement. When used in this document the words ‘estimate’, ‘project’, ‘intend’, ‘aim’, ‘anticipate’, ‘believe’, ‘expect’, ‘should’, and similar expressions, as they relate to the Enlarged Group or management of it, are intended to identify such forward looking statements. Shareholders are cautioned not to place undue reliance on these forward looking statements which speak only as at the date of this document. Neither the Company nor any member of the Enlarged Group undertakes any obligation to update publicly or revise any of the forward looking statements whether as a result of new information, future events or otherwise, save in respect of any requirement under applicable laws, the AIM Rules and other regulations.

A copy of this document will be available for inspection, free of charge, at the offices of Seymour Pierce Limited, 20 Old Bailey, London EC4M 7EN and DMH Stallard LLP, 6 New Street Square, London EC4A 3BF until 21 May 2010 and is available to download from the Company’s website at www.spaceandpeople.com.

DEFINITIONS

“Act”	the Companies Act 2006
“Acquisition”	the acquisition of RPH pursuant to the terms of the Sale & Purchase Agreement
“Acquisition Consideration”	the aggregate consideration for the Acquisition comprising cash, Consideration Shares and Loan Notes
“Admission”	admission of the New Shares to trading on AIM becoming effective in accordance with the AIM Rules
“AIM”	AIM, a market operated by London Stock Exchange plc
“AIM Rules”	the AIM Rules for Companies as published by the London Stock Exchange
“Circular”	this Circular to Shareholders dated 28 April 2010 issued by the Company including the GM Notice
“Consideration Shares”	the 5,824,000 new Ordinary Shares to be issued to RPH Shareholders pursuant to the Sale & Purchase Agreement
“Directors” or “Board”	the directors of SpaceandPeople whose names appear on page 6 of this document
“Enlarged Group”	the Company as enlarged by the Acquisition of RPH
“Enlarged Share Capital”	the enlarged issued ordinary share capital of the Company immediately following the issue of the New Shares and assuming that no further shares are issued after the date of this document and before the issue of the New Shares
“Existing Ordinary Shares”	the existing issued Ordinary Shares
“Form of Proxy”	the form of proxy accompanying this Circular for use at the GM
“General Meeting” or “GM”	the general meeting of the Company, convened for 9.00 a.m. on 21 May 2010, notice of which is set out at the end of this document
“GM Notice”	the notice convening the GM which is set out at the end of this document on page 12
“Lock-in Deed”	a deed entered into by each of the RPH Shareholders further details of which can be found at paragraph 6
“Loan Notes”	the £1.53 million of variable rate loan notes 2011 in the Company bearing an interest rate of 3.5 per cent. above the Bank of England base rate from time to time, to be issued to the RPH Shareholders on completion of the SPA
“New Shares”	together the Placing Shares and the Consideration Shares
“Ordinary Shares”	ordinary shares of 1p each in the Company
“Placing”	the proposed placing by Seymour Pierce of the Placing Shares
“Placing Shares”	the 1,935,484 Ordinary Shares to be issued to investors pursuant to the Placing Agreement

“Placing Agreement”	the Agreement dated 27 April 2010 between Seymour Pierce Limited and the Company pursuant to which the Placing Shares are to be issued
“Registrars”	Neville Registrars of Neville House, 18 Laurel Lane, Halesowen, West Midlands, B63 3DA
“Resolution”	the resolution to be proposed at the General Meeting, set out in the notice of General Meeting at the end of this document
“Retail Profile Holdings” or “RPH”	Retail Profile Holdings Limited
“Retail Profile”	Retail Profile Europe Limited, the wholly owned subsidiary of Retail Profile Holdings
“RPH Shareholders”	the holders of A, B and C ordinary 1p shares in RPH
“RMU”	Retail Merchandising Unit
“Sale & Purchase Agreement” or “SPA”	the Agreement dated 27 April 2010 between (1) the RPH Shareholders and (2) the Company relating to the Acquisition
“Seymour Pierce”	Seymour Pierce Limited, nominated adviser and broker to the Company
“Shareholders”	holders of Ordinary Shares
“SpaceandPeople” or the “Company”	SpaceandPeople plc

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

	<i>2010</i>
Announcement of the Acquisition and posting of the Circular and Forms of Proxy	28 April
Latest time and date for receipt of Forms of Proxy	19 May
General Meeting	21 May
Expected date for Admission of the New Shares and commencement of dealings in the New Shares	24 May
Expected date for CREST accounts to be credited in respect of the New Shares	24 May
Expected date for completion of the Acquisition	24 May
Expected date for despatch of definitive certificates in respect of the New Shares to be held in certificated form by	1 June

Each of the times and dates set out in the above timetable and mentioned throughout this document are London times unless otherwise stated and are subject to change.

ADMISSION AND PLACING STATISTICS

Placing Price per New Share	62p
Number of Ordinary Shares in issue as at the date of this document	11,656,579
Number of Consideration Shares being issued	5,824,000
Number of Placing Shares being issued	1,935,484
Number of Ordinary Shares in issue immediately following Admission ⁽¹⁾	19,416,063
Gross proceeds of the Placing before expenses	£1,200,000
New Shares as a percentage of the Enlarged Share Capital	39.96 per cent.
Estimated proceeds of the Placing to be received by the Company, net of expenses and net of the cash element of the Acquisition Consideration	£nil
Market capitalisation of the Company immediately following Admission, at 73 pence per Ordinary Share	£14.17 million

(1) Assumes no Ordinary Shares are issued between the date of this document and Admission.

SPACEANDPEOPLE PLC

(Registered in Scotland under the Companies Act 1985 number SC212277)

Directors:

David Henderson-Williams (*Non-executive Chairman*)
Matthew Bending (*Chief Executive Officer*)
Nancy Cullen (*Executive Director*)
Richard Chadwick (*Non-Executive Finance Director*)
Alfred Patrick Stirling (*Non-Executive Director*)

Registered Office:

141 St James Road
Glasgow
G4 0LT

28 April 2010

To Shareholders

Dear Shareholder,

Proposed acquisition of Retail Profile Holdings Limited Proposed placing of 1,935,484 Ordinary Shares Notice of General Meeting

1. Introduction

On 28 April 2010 SpaceandPeople announced that the Directors had reached agreement conditionally, *inter alia*, upon shareholder approval, for the proposed acquisition of RPH, the holding company of Retail Profile, one of the UK's leading operators of Retail Merchandising Units ("RMUs").

As consideration for the Acquisition, SpaceandPeople has conditionally agreed to (i) issue 5,824,000 Ordinary Shares, (ii) issue £1.53 million of Loan Notes in the Company, and (iii) make a payment of £1,127,975 to RPH Shareholders. The Company has conditionally raised £1.2 million (before expenses) through a firm placing of 1,935,484 Ordinary Shares, part of which will be used to fund the cash element of the Acquisition Consideration. The Placing is subject to the terms of the Placing Agreement described in paragraph 7 below.

At the General Meeting convened in connection with the Acquisition and Placing, the requisite Special Resolution is being proposed, *inter alia*, to give the Directors authority to:

- issue the Placing Shares and the Consideration Shares;
- issue Ordinary Shares pursuant to options granted by the Company; and
- issue further Ordinary Shares in line with common market practice.

Details of the Resolution and the General Meeting are set out in paragraph 10 below.

2. Information on SpaceandPeople

SpaceandPeople, which floated on AIM in December 2004, specialises in managing the common areas of shopping centres to enable "experiential marketing". This is the activity which allows major brands from a variety of sectors to engage in marketing and promotional activities in the common parts of high footfall areas such as shopping centres and other venues. The model enables property owners to create incremental revenue from unused space. The brand owners are attracted to the concept as it gives them the opportunity of showcasing their products to a huge audience of consumers who, given that they are within a shopping centre or similar venue, are likely to be making purchasing decisions. Experiential marketing has become established as a recognised method of putting customers in touch with a manufacturer's products or services.

SpaceandPeople is a market leader in the promotional space market in the United Kingdom. The Company has also expanded overseas, particularly in Germany and India. In addition to promotions, it also generates revenues from RMUs.

3. Information on Retail Profile Holdings

Retail Profile Europe Limited (“Retail Profile”) was established in 2004 by Julia Langkraehr, who had previously worked in similar markets in the US and had identified the opportunity for trading from Retail Merchandising Units (“RMUs”) in the UK. In April 2007, a company now called Retail Profile Holdings (“RPH”) established by Maurice Helfgott, Maurice Bennett and Michael Bennett purchased Retail Profile.

RMUs provide merchants with access to retail space that would normally be inaccessible to them, either because it would be too expensive for a small merchant to enter into a lease or because a landlord might be reluctant to offer the space under a traditional lease arrangement to a trader with little track record. Merchants range from entrepreneurs to well-established businesses and Retail Profile acts as an intermediary between the shopping centre owner and these smaller merchants. Landlords regard RMUs as an attractive addition to most shopping centres as they expand the shopping centres’ merchandise mix with non-competitive products. Merchants are typically offered licence agreements of between two weeks and four months in duration to keep the merchants’ RMU offering fresh.

Retail Profile is one of the UK’s leading operators of RMUs and draws on relationships with more than 500 merchants who trade from RMUs in over 34 shopping centres. Retail Profile owns and operates over 200 RMUs, the vast majority of which are currently located in shopping centres.

Retail Profile receives most of its income by way of a fixed licence fee from the merchants who trade from the RMUs. Its income is therefore not dependent on the immediate underlying profitability of the merchants’ own business.

Retail Profile’s clients include PruPim, Hammerson, Grosvenor, Capital Shopping Centres and Land Securities. Retail Profile has also successfully established operations in Russia under a long term franchise agreement with Retail Profile Russia. Retail Profile Russia has established itself as a leading operator in Russia with over 200 units across 13 MEGA shopping centres from Moscow to Novosibirsk operated by MEGA, one of Russia’s leading mall operators.

Maurice Helfgott is Chairman of Retail Profile. Martin Kemp is the Managing Director of Retail Profile and Julia Langkraehr is Retail Profile’s International Development Director.

In addition to the two executive directors, Retail Profile has nine leasing representatives, four maintenance contractors and five individuals in office management, accounts and administration.

4. Reasons for the Acquisition

The Company perceives that there are opportunities to increase critical mass by making selected acquisitions, which will improve the service provided to the shopping centre or venue owners, and also improve the offering to its marketing clients. In accordance with this policy the Directors believe that the Acquisition will deliver strategic benefits, including:

- **Earnings enhancing:** The Directors are of the opinion that the Acquisition will be earnings enhancing and that the synergistic benefits of the Proposed Transaction will lead to further improvement in the performance of the Enlarged Group.
- **UK business development:** UK property-owners are increasingly seeking a single provider for both RMUs and Promotions. In anticipation of the Acquisition, the directors of both companies are pleased that their respective businesses are working side-by-side to seek to deliver a coordinated approach to various shopping centre groups in the UK and in Germany, which, although in their early stages, are already being well received.
- **Increased demand and improved pricing and margins:** SpaceandPeople has a large outbound call centre specialising in sales of shopping centre promotions. The Company expects that this will be able to support further business growth for Retail Profile’s field-based leasing representatives. Promotional and RMU activities have historically sometimes competed for the same revenues in some centres, but, as a single provider, it is expected that the Enlarged Group will be better able to coordinate overall

pricing, margin and yield per revenue opportunity. Retail Profile has a solid financial track record with a customer and merchant base that should support continued revenue growth.

- **Significant international opportunities:** The geographic orientation of the respective companies' operations will complement one another. SpaceandPeople's operations are expanding in Germany and India. Retail Profile has a successful and growing franchise business in Russia. The Directors expect to be able to generate significant growth by delivering both RMU solutions to SpaceandPeople's international clients and promotional solutions to Retail Profile's international relationships.
- **Expansion of expertise:** The skills and knowledge base of Retail Profile will be complementary to SpaceandPeople's promotional operations.

5. Sale & Purchase Agreement

Pursuant to the Sale & Purchase Agreement ("SPA"), the RPH Shareholders have agreed to sell the entire issued share capital of, and have agreed to assign the loan notes in, Retail Profile Holdings, for the consideration referred to at paragraph 1 above.

The SPA is conditional upon:

- (i) the Resolution being duly passed at the GM, and
- (ii) Admission of the Consideration shares and the Placing Shares.

In the period between exchange and Admission the RPH Shareholders have agreed to procure that the business of Retail Profile Holdings is carried on in the ordinary and usual course and similar obligations apply to the Company.

The Company has the benefit of warranties and indemnities customary for a transaction of this nature in relation to Retail Profile Holdings, its subsidiaries and its business. The Company has given the RPH Shareholders limited warranties about its business. The Company or the RPH Shareholders may terminate the SPA for a material breach of warranty between exchange and completion and thereafter any remedy will be damages.

The RPH Shareholders have disclosed to the Company a possible claim against Retail Profile by a former shareholder of Retail Profile Limited, concerning the acquisition by Retail Profile of the business of Retail Profile Limited in 2004. The Company has looked into the claim and on the basis of the information made available to it and advice received by it does not consider that the claim has any merit.

Upon completion of the Acquisition, Martin Kemp and Maurice Helfgott will join the board of SpaceandPeople, as Director of Retail and as a non-executive director respectively.

Martin Kemp is managing director of Retail Profile. Prior to joining the company in August 2008, Martin spent 18 months in a start-up company in the entertainment sector and prior to that, four years as a Director of a homeware manufacturing business. After graduating with an Economics Degree, Martin spent over 20 years at Marks & Spencer, where he held a number of senior roles within the Clothing & Homeware Divisions, as well as a two year Executive assignment to the Chairman and CEO's office.

Maurice Helfgott is the founder director of Amery Capital Limited (www.amerycap.com), where he leads the acquisition and strategic development of its investments. He is a Director of Long Tall Sally Limited, which in October 2009 acquired Tall Girls (Canada) and is Chairman of luxury footwear brand, Oliver Sweeney. Prior to founding Amery Capital five years ago, he held a variety of roles at Marks & Spencer, over a 16 year career, including as an Executive director on the main board. He holds an MBA with High Distinction from Harvard Business School and is involved with a number of charitable and not-for-profit organisations.

6. Lock-in Deed

Pursuant to the terms of the SPA, the RPH Shareholders will enter into Lock-in Deeds in respect of any of the Consideration Shares which they hold or control pursuant to which the RPH Shareholders have

undertaken not to dispose of, or sell, any interests in the Consideration Shares held by them for a period of 12 months from Admission except in limited circumstances. Further, the Directors will enter into orderly market agreements for a period of 12 months from Admission.

7. Details of the Placing

Pursuant to the Placing Agreement, Seymour Pierce has agreed to use reasonable endeavours to procure subscribers for up to 1,935,484 Placing Shares at a placing price of 62p per Placing Share and has had firm commitments in respect of an aggregate amount of £1,200,000 as at the date of this document.

The Placing is conditional, *inter alia*, upon:

- (i) the Resolution to be proposed at the GM being passed without amendment;
- (ii) the Placing Agreement becoming unconditional in all respects (save for Admission) and it not having been terminated; and
- (iii) admission of the Placing Shares to trading on AIM becoming effective not later than 8.00 a.m. on 24 May 2010 (or such later time and date as the Company and Seymour Pierce may agree, being not later than 8.00 a.m. on 7 June 2010).

The Placing Agreement also contains certain warranties (subject to limitations which are normal for an agreement of this type) given by the Company in favour of Seymour Pierce as to certain matters relating to the Company and its business.

If at any time before Admission the Company fails, in any material respect, to comply with any of its obligations under the Placing Agreement or any of the warranties or undertakings contained in the Placing Agreement given by the Company has ceased to be true and accurate in any material respect Seymour Pierce may in its absolute discretion by notice in writing to the Company prior to Admission terminate its obligations under the Placing Agreement.

In addition, prior to Admission, Seymour Pierce shall have the right to terminate its obligations under the Placing Agreement if:

- (a) there shall occur, develop or come into effect any government regulation or other occurrence of any nature (including but without being limited to any change in financial, international or political conditions) which in the reasonable opinion of Seymour Pierce (acting at all times in good faith) is likely to have a material adverse effect on the business of the Company; or
- (b) there shall occur, develop or come into effect any change in market or economic conditions which in the reasonable opinion of Seymour Pierce (acting at all times in good faith) is likely to have a substantially adverse effect on the business of the Company so as to make it inadvisable or inexpedient to proceed with the Placing.

Application will be made to the London Stock Exchange for the New Shares to be admitted to trading on AIM. It is expected that Admission of the New Shares will become effective and dealings will commence on 24 May 2010.

The New Shares will, when issued and fully paid, rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive any dividend or other distribution declared, or made or paid after Admission.

It is expected that the Placing Shares will be delivered in CREST on 24 May 2010 and that (when appropriate) share certificates for the New Shares to be held in certificated form will be dispatched by first class post on 1 June 2010.

8. Directors' participation in the Placing

All of the Directors or persons connected with them have agreed to subscribe for New Shares at the Placing Price in the Placing in respect of an aggregate of 176,500 Placing Shares.

9. Share Capital and Authorities

The Company does not currently have sufficient authorities to issue the Placing Shares and it is accordingly seeking shareholder authority under paragraph (b)(i) of the Resolution to allot and issue up to 1,935,484 Ordinary Shares in connection with the Placing, under paragraph (b)(ii) of the Resolution in connection with a rights issue, open offer or other issue to all holders of Ordinary Shares, under paragraph (b)(iii) of the Resolution to issue and allot up to 1,276,700 Ordinary Shares pursuant to the exercise of options, and under paragraph (b)(iv) of the Resolution issue up to a further 970,900 new Ordinary Shares (representing 5 per cent. of the Enlarged Share Capital) for cash after disapplying statutory pre-emption rights.

The authorities being given to the Directors will include authority to allot shares pursuant to options granted by the Company up to the amount of £12,767 in nominal capital. The Directors will consider the grant of further options following completion of the Acquisition, but the extent of the authority being granted will be limited to so that the aggregate number of shares than can be issued pursuant to the grant of options (including options already granted) will be approximately 10 per cent. of the Enlarged Share Capital.

The full text of the Resolution is set out in the notice of General Meeting which appears at the end of this document.

10. General Meeting

You will find at the end of this document a notice convening a General Meeting of the Company, to be held at 9.00 a.m. on 21 May 2010 at the offices of Seymour Pierce Limited, 20 Old Bailey, London EC4M 7EN at which the Resolution will be proposed to authorise the Directors to allot and issue unissued Ordinary Shares otherwise than in accordance with the pre-emption provisions set out in Section 551(1) of the Act, such power to be limited to:

- (i) the allotment of the Placing Shares pursuant to the Placing Agreement; and
- (ii) the allotment of equity securities pursuant to a rights issue or similar offer to Shareholders;
- (iii) the allotment of equity securities up to an aggregate nominal amount of £12,767 pursuant to the exercise of any options under the Company's option arrangements; and
- (iv) the allotment (otherwise than pursuant to sub-paragraphs (i) to (iii) above) for cash of equity securities up to an aggregate nominal amount of £9,709.

In accordance with Section 571(6) of the Act, (a) the reasons for the Directors' recommendation to vote in favour of the Resolution are set out in the paragraph entitled "Recommendation" on page 10 of this document, (b) the amount to be paid to the Company in connection with the allotment of the Placing Shares is £nil, and (c) the Directors believe that the proposed disapplication of pre-emption rights pursuant to the Resolution is necessary in order to enable the Company to carry out the Placing without incurring the substantial costs and delays that would be involved in a rights issue or public offering.

11. Irrevocable Undertakings

In addition to the Directors, who have irrevocably undertaken to vote in favour of the Resolution in respect of their own beneficial holdings totalling 4,083,500 Ordinary Shares (35.03 per cent. of the Existing Ordinary Shares), Shareholders holding in aggregate a further 4,077,500 Ordinary Shares (34.98 per cent. of the Existing Ordinary Shares) have also irrevocably undertaken to vote in favour of the Resolution.

12. Action to be taken

A Form of Proxy is enclosed for use in connection with the General Meeting. You are asked to complete and return it in accordance with the instructions printed on it so as to arrive not less than 48 hours before the time of the General Meeting. Completion and return of the form of proxy does not preclude you from attending the General Meeting and voting in person, if you so wish.

13. Recommendation

The Directors consider the Acquisition, the Placing and the proposals set out in this Circular to be in the best interests of the Company and its Shareholders as a whole. Accordingly, the Board recommends shareholders to vote in favour of the Resolution to be proposed at the General Meeting, as they have irrevocably undertaken to do in respect of their own beneficial shareholdings, comprising an aggregate of 4,083,500 Ordinary Shares (representing 35.03 per cent. of the Existing Ordinary Shares).

Yours faithfully,

David Henderson-Williams
Non-executive Chairman

SPACEANDPEOPLE PLC (THE “COMPANY”)

(Incorporated and registered in Scotland with Registered No. SC212277)

NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN that a General Meeting of the Company will be held at the offices of Seymour Pierce Limited, 20 Old Bailey, London EC4M 7EN on 21 May 2010 at 9.00 a.m. for the purpose of considering and, if thought fit, passing the following resolution which will be proposed as a special resolution:

SPECIAL RESOLUTION

1. THAT, subject to the passing of resolution 5 held at the Annual General Meeting on 29 April 2010 at 11.00 a.m., or any postponement thereof:
 - (a) the terms of the Acquisition (as defined in the circular to shareholders dated 28 April 2010 (the “Circular”)) be approved; and
 - (b) in substitution for all previous powers granted to the Board to allot equity securities as if either section 89(1) of the Companies Act 1985 or section 561(1) of the Act did not apply, the Board be and is generally empowered in accordance with section 570 of the Act to allot equity securities (as defined in section 560 of the Act) for cash, pursuant to the authority conferred on it by resolution 1 above, as if section 561(1) of the Act did not apply to any such allotment, provided that this power shall (unless previously revoked, varied or renewed by the Company) expire on the conclusion of the annual general meeting to be held in 2011, save that the Company may make prior to such expiry an offer or agreement which would or might require equity securities to be allotted after expiry of the said period and the Board may allot equity securities in pursuance of such an offer or agreement notwithstanding the expiry of the authority given by this resolution and provided further that this power is limited to:
 - (i) the allotment of equity securities up to an aggregate nominal amount of £19,355 in connection with the Placing (as such term is defined in the Circular);
 - (ii) the allotment of equity securities in connection with an offer (whether by way of a rights issue, open offer or otherwise) to the holders of ordinary shares in the capital of the Company in proportion (as nearly as may be) to their existing holdings of ordinary shares as at the record date of such allotment but subject only to such exclusions or other arrangements as the Board deems necessary or expedient in relation to fractional entitlements or any legal or practical problems arising under the laws of any territory or the requirements of any recognised regulatory body or stock exchange;
 - (iii) the allotment of equity securities up to an aggregate nominal amount of £12,767 pursuant to the exercise of any options under the Company’s option arrangements; and
 - (iv) the allotment (otherwise than pursuant to sub-paragraphs (i) to (iii) above) for cash of equity securities up to an aggregate nominal amount of £9,709.

By order of the Board

Ken Long
WJM Secretaries Limited
Secretary

28 April 2010

Registered Office:

141 Saint James Road
Glasgow
Lanarkshire
G4 0LT

NOTES TO THE NOTICE OF GENERAL MEETING

Entitlement to attend and vote

1. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that only those members registered on the Company's register of members at:
 - 9.00 a.m. on 19 May 2010; or,
 - if this General Meeting is adjourned, at 9.00 a.m. on the day two days prior to the adjourned meeting,shall be entitled to attend and vote at the General Meeting.

Appointment of proxies

2. If you are a member of the Company at the time set out in note 1 above, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the General Meeting and you should have received a proxy form with this Notice of General Meeting. You can appoint a proxy only using the procedures set out in these notes and the notes to the proxy form. A member may appoint more than one proxy to attend the General Meeting but must specify the number of shares in respect of which each proxy is appointed.
3. A proxy does not need to be a member of the Company but must attend the General Meeting to represent you. Details of how to appoint the Chairman of the General Meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form.
4. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the General Meeting.

Appointment of proxy using hard copy proxy form

5. The notes to the proxy form explain how to direct your proxy how to vote on each resolution or withhold their vote.

To appoint a proxy using the proxy form, the form must be:

- completed and signed;
- sent or delivered to Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA; and
- received by Neville Registrars Limited no later 48 hours before the time and date of the General Meeting.

In the case of a member which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.

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.

Appointment of proxies through CREST

6. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the General Meeting and any adjournment(s) thereof by utilising the procedures described in the CREST Manual. 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 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 must be transmitted so as to be received by the issuer's agent (7RA11) by 9.00 a.m. 19 May 2010. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

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 messages. 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 providers 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.

Changing proxy instructions

7. To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.

Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA. Telephone 0121 585 1131 or from overseas +44 121 585 1131.

If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

Termination of proxy appointments

8. In order to revoke a proxy instruction you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.

The revocation notice must be received by Neville Registrars no later than 48 hours before the time and date of the General Meeting.

If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.

Appointment of a proxy does not preclude you from attending the General Meeting and voting in person. If you have appointed a proxy and attend the General Meeting in person, your proxy appointment will automatically be terminated.

Issued shares and total voting rights

9. As at 9.00 a.m. on 23 April 2010, the Company's issued share capital comprised 11,656,579 ordinary shares of 1 pence each. Consequently the total number of voting rights in the Company as at 9.00 a.m. on 28 April 2010 is 11,656,579.

Communication

10. Except as provided above, members who have general queries about the General Meeting should use the following means of communication (no other methods of communication will be accepted):

calling Neville Registrars' shareholder helpline on 0121 585 1131 or from overseas +44 121 585 1131.

You may not use any electronic address provided either in this Notice of General Meeting; or any related documents (including the chairman's letter and proxy form) to communicate with the Company for any purposes other than those expressly stated.

