

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document or the action you should take you are recommended to seek your own independent financial advice from a person authorised under the Financial Services and Markets Act 2000 (“FSMA”) who specialises in advising on the acquisition of shares and other securities before taking any action. You should read the entire document.**

AIM is a market designed primarily for emerging or smaller companies in which a higher investment risk tends to be attached than to larger or more established companies. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser.

If you have sold or transferred all of your Existing Ordinary Shares, please pass 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 if you have sold or transferred only part of your holding of Existing Ordinary Shares you should retain this document.

Application will be made to the London Stock Exchange for the Subscription Shares to be admitted to trading on AIM. Subject to, amongst other things, the Resolutions being passed, it is expected that Admission will become effective and that dealings in the Subscription Shares will commence on AIM on 3 October 2013.

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# SureTrack Monitoring plc

*(Incorporated in England and Wales under the Companies Act 1985. Registered No. 06214926)*

(ISIN GB00B1WPSV60)

## **Proposed Disposal of IBP Limited**

## **Proposed Capital Reorganisation**

## **Proposed Subscription of 250,021,404 New Ordinary Shares at 0.1p per share**

## **Proposed New Investing Policy**

**and**

## **Notice of General Meeting**

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A notice convening a general meeting of the Company to be held at the offices of Sanlam Securities UK Limited, 10 King William Street, London EC4N 7TW on 2 October 2013 at 9.00 a.m. is set out at the end of this document. **To be valid, the Form of Proxy should be completed and returned to the Company’s registrars, Share Registrars Limited, Suite E, First Floor, 9 Lion and Lamb Yard, Farnham, Surrey, GU9 7LL as soon as possible and, in any event, so as to arrive no later than 9.00 a.m. on 30 September 2013.** The completion and return of a Form of Proxy will not preclude you from attending and voting in person at the General Meeting should you wish to do so.

If you hold Existing Ordinary Shares in CREST you may appoint a proxy by completing and transmitting a CREST Proxy Instruction to Share Registrars (CREST Participant ID: 7RA36) so that it is received no later than 9.00 a.m. on 30 September 2013. The completion and return of a CREST Proxy Instruction will not preclude Shareholders who hold their Existing Ordinary Shares in CREST from attending and voting in person at the General Meeting, or any adjournment thereof, should you wish to do so. The Subscription Shares will rank *pari passu* in all respects with the issued New Ordinary Shares, including the right to receive all dividends and other distributions declared, made or paid on the New Ordinary Shares after Admission.

Sanlam Securities UK Limited, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively for the Company and no-one else in connection with the Proposals and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Sanlam Securities UK Limited, or for providing advice in relation to the Proposals. Sanlam Securities UK Limited is not making any representation or warranty, express or implied, as to the content of this document. No liability is accepted by Sanlam Securities UK Limited for the accuracy of any information or opinions contained in or for the omission of any material information from this document, for which the Company and the Directors are solely responsible.

## DEFINITIONS

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

<b>“Act”</b>	the Companies Act 2006 (as amended)
<b>“Admission”</b>	admission of the Subscription Shares to trading on AIM becoming effective in accordance with the AIM Rules
<b>“AIM”</b>	the AIM Market of London Stock Exchange
<b>“AIM Rules”</b>	the rules published by London Stock Exchange from time to time governing the admission to and operation of AIM
<b>“Capital Reorganisation”</b>	the proposed (a) consolidation of the Existing Ordinary Shares followed by the proposed (b) sub-division and (c) re-designation of those shares into New Ordinary Shares and Deferred Shares, further details of which are set out in the paragraph entitled “Background to and reasons for the Capital Reorganisation” in the Letter from the Chairman
<b>“Capital Reorganisation Record Date”</b>	6.00 p.m. on 2 October 2013 (or such later time and date as the Board may determine)
<b>“Company” or “SureTrack”</b>	SureTrack Monitoring plc, a public limited company registered in England and Wales under registered number 06214926
<b>“Consideration”</b>	the consideration payable pursuant to the Sale and Purchase Agreement, details of which are set out in this document
<b>“CREST”</b>	the system for paperless settlement of trades and the holding of uncertificated shares administered through Euroclear UK & Ireland Limited
<b>“Deferred Shares”</b>	the new deferred shares of 0.50p each in the capital of the Company created pursuant to the Capital Reorganisation
<b>“Directors” or “Board”</b>	the existing directors of the Company as at the date of this document
<b>“Disposal”</b>	the proposed disposal of IBP pursuant to the Sale and Purchase Agreement
<b>“Enlarged Issued Ordinary Share Capital”</b>	the New Ordinary Shares in issue at Admission
<b>“Existing Ordinary Shares”</b>	the 618,808,861 issued ordinary shares of 0.05p each in the capital of the Company which will become 56,255,351 New Ordinary Shares pursuant to the Capital Reorganisation
<b>“Form of Proxy”</b>	the form of proxy accompanying this document for use in connection with the General Meeting
<b>“GM” or “General Meeting”</b>	the general meeting of the Company to be held at 9.00 a.m. on 2 October 2013, or any adjournment to that meeting
<b>“IBP”</b>	IBP Limited, a private limited company registered in England and Wales under registered number 02765423
<b>“Investing Company”</b>	has the meaning described to the definition of “Investing Company” set out in the AIM Rules, that is, any AIM company which has as its primary business or objective, the investing of its funds in securities, businesses or assets of any description

<b>“Investing Policy”</b>	the investing policy proposed to be adopted by the Company at the GM, subject to shareholder approval at the GM
<b>“ISIN”</b>	International Securities Identification Number
<b>“London Stock Exchange”</b>	London Stock Exchange plc
<b>“New Board”</b>	Hamish Harris, Daniel Maling and Simon Barrell
<b>“Notice of GM”</b>	the notice of General Meeting which forms part of this document
<b>“Proposals”</b>	the proposed Disposal, the proposed Share Reorganisation, the proposed Subscription and implementation of the proposed Investing Policy
<b>“Purchaser”</b>	Nicholas Iain McDonald Steven and Helen Steven both of Danleys, River Hill, Binsted, Hampshire GU34 4QH
<b>“Redenominated Shares” or “New Ordinary Shares”</b>	the ordinary shares of 0.05p each following the consolidation, sub-division and reclassification of the Existing Ordinary Shares pursuant to the Capital Reorganisation
<b>“Resolutions”</b>	the resolutions set out in the Notice of GM at the end of this document
<b>“Sale and Purchase Agreement”</b>	the conditional sale and purchase agreement dated 6 September 2013 between (1) SureTrack; (2) IBP; and (3) the Purchaser
<b>“Sanlam Securities”</b>	Sanlam Securities UK Limited, the Company’s Nominated Adviser and Broker
<b>“Shareholders”</b>	holders of Ordinary Shares
<b>“Subscribers”</b>	the subscribers for New Ordinary Shares pursuant to the Subscription
<b>“Subscription”</b>	the Subscription by the Subscribers for the Subscription Shares
<b>“Subscription Share Price”</b>	0.1p per New Ordinary Share
<b>“Subscription Shares”</b>	the 250,021,404 New Ordinary Shares to be issued by the Company pursuant to the Subscription
<b>“Subscription Warrants”</b>	the 250,021,404 warrants to subscribe for New Ordinary Shares at 0.1p per New Ordinary Share exercisable for five years to be issued by the Company pursuant to the Subscription

## Expected timetable of principal events

Posting of this document to Shareholders	10 September 2013
Latest time for receipt of Forms of Proxy for the General Meeting	9.00 a.m. on 30 September 2013
General Meeting	9.00 a.m. on 2 October 2013
Record date for the Capital Reorganisation	6.00 p.m. on 2 October 2013
Admission effective and trading expected to commence in the Redenominated Shares and the Subscription Shares	8.00 a.m. on 3 October 2013
CREST accounts credited with Subscription Shares and Redenominated Shares	3 October 2013
Share certificates in respect of Subscription Shares and Redenominated Shares expected to be despatched by no later than (where applicable)	16 October 2013

*Unless expressly stated otherwise, all future times and dates in this document are indicative only and may be subject to change.*

## Subscription statistics

Subscription Price	0.1p
Number of Subscription Shares being issued by the Company	250,021,404
Number of Subscription Warrants being issued by the Company	250,021,404
Number of Redenominated Shares in issue immediately before the issue of the Subscription Shares	56,255,351
Number of Redenominated Shares in issue immediately following the issue of the Subscription Shares	306,276,755
ISIN for the Redenominated Shares	GB00BDD2DY82
Percentage of Enlarged Issued Share Capital represented by the Subscription Shares	81.63 per cent.
Amount, before expenses, being raised in the Subscription	£250,000
Market capitalisation at the Subscription Price immediately following Admission	£306,277

## Letter from the Chairman

# SureTrack Monitoring plc

(Incorporated in England and Wales with registered number 06214926)

(ISIN GB00B1WPSV60)

*Directors:*

Simon Barrell (Chairman)  
Brian Wise (Non-executive Director)

*Registered office:*

Wolfe Lodge  
Farnham Road  
Bordon  
Hampshire  
GU35 0NH

10 September 2013

To the holders of Existing Ordinary Shares and, for information only, to holders of options over Existing Ordinary Shares

Dear Shareholder,

### **Proposed Disposal of IBP Limited**

### **Proposed Capital Reorganisation**

### **Proposed Subscription of 250,021,404 New Ordinary Shares at 0.1p per share**

### **Proposed New Investing Policy and Notice of General Meeting**

#### **Introduction**

The Company announced earlier today that it had entered into a conditional Sale and Purchase Agreement to dispose of its wholly owned subsidiary IBP to the Purchaser, and subject to a proposed Capital Reorganisation, that it intends to raise approximately £250,000 before expenses by means of a subscription for 250,021,404 New Ordinary Shares at 0.1p per Ordinary Share and that it intends to utilise those funds in connection with implementing a proposed new Investing Policy for the Company, further details of which are set out below. In addition, and under the terms of the Subscription, 250,021,404 Subscription Warrants to subscribe for New Ordinary Shares at an exercise price of 0.1p per New Ordinary Share exercisable for five years will be issued to the subscribers.

Further details of the Disposal and the terms of the Sale and Purchase Agreement, including details of the Consideration, are set out below under the heading "Principal Terms of the Disposal".

Following the disposal of SureTrack Europe Limited in March 2012, IBP has been the Company's only revenue generating operation. After removing the results of SureTrack Europe Limited from the Company's accounts for the 14 months ended 31 March 2012, IBP contributed 100 per cent. of the Company's revenues. Consequently, the Disposal constitutes a fundamental change of business under Rule 15 of the AIM Rules and is, therefore, conditional on the approval of Shareholders. Accordingly, the attached Notice of General Meeting at the end of this document puts to Shareholders a resolution to approve the Disposal. This resolution will be considered at a general meeting of the Company at 9.00 a.m. on 2 October 2013.

The Subscription is conditional, *inter alia*, upon: (i) Shareholders passing the Resolutions at the General Meeting and (ii) the Subscription Shares being admitted to trading on AIM. The Resolutions are contained in the Notice of General Meeting, which is set out at the end of this document. Application will be made for the Subscription Shares to be admitted to trading on AIM and it is expected that Admission will become effective and that dealings in these shares will commence on 3 October 2013.

The purpose of the document is to give you further information regarding matters described above and to seek the shareholder authorities to implement the Proposals at the forthcoming General Meeting.

## **Principal Terms of the Disposal and Use of Proceeds**

Pursuant to the Sale and Purchase Agreement between (1) SureTrack; (2) IBP; and (3) the Purchaser, the Purchaser has conditionally agreed to acquire the entire issued share capital of IBP. The Consideration payable by the Purchaser for IBP is £1 in cash on completion. SureTrack will retain ownership of debtors amounting to approximately £10,282 on IBP's balance sheet at the date of completion and the Purchaser will forward such debtor sums to SureTrack within ten working days of receipt in cleared funds.

In addition, SureTrack will receive royalty payments of 2.5 per cent. on all sales to a leading supermarket chain of the New Product Range (Rapid Deployment System (RDS) a fixed or temporary installation of a system for the protection of cash using Smokenotes™ and operating using UHF transmitters) from the date of completion until 31 March 2015, and royalty payments of 2.5 per cent. on all sales to an Eastern European Post Office, a leading supermarket chain and Safetell of the Existing Product Range (Secure Area System (SAS) a fixed installation system for the protection of cash using Smokenotes™ and operating using ultra low frequency transmitters) from the date of completion until 31 March 2015.

## **Reasons for the Disposal**

The Company was admitted to trading on AIM in August 2010 and its strategy at that time was to continue to concentrate on its core competencies of the supply of products to the asset protection and recovery markets through its two subsidiaries SureTrack Europe Limited and IBP Limited. SureTrack Europe Limited supplied proprietary GSM/GPRS/RF tracking devices to its customers via distributors and/or through direct sales. IBP Limited supplies a suite of products to its UK and European clients that focus on deterring or reducing the incidence of robbery, primarily related to cash and protecting the client's employees and customers from violent crime.

Over the last few years the Company has found the markets it has been operating in to be very challenging and despite significant efforts to develop and sell new products, the Company has struggled to compete effectively. In March 2012 the decision was taken to dispose of the Company's loss making subsidiary, SureTrack Europe Limited.

The Board are now of the opinion that the revenue and profits derived from IBP are not sufficient to fully offset the central costs associated with the Company being quoted on AIM. Disappointingly none of the major contract wins that the Company has been targeting have come to fruition and as a result forecast revenues are extremely weak. The Board are of the opinion that the Disposal and related Proposals set out in this document represent the best chance for the Company to realise future value for Shareholders.

## **Proposed New Investing Policy**

If the Disposal is approved, SureTrack will have disposed of all of its trading businesses. In this situation under Rule 15 of the AIM Rules the Company will be reclassified as an Investing Company. Under the AIM Rules, Investing Companies are required to adopt an Investing Policy that must be approved by Shareholders.

The Company's proposed new Investing Policy is to invest in and/or acquire companies and/or projects within the natural resources and/or agriculture sector with potential for growth. The Company will also consider opportunities in other sectors as they arise if the New Board considers there is an opportunity to generate an attractive return for Shareholders. The geographical focus will primarily be Africa, however, investments may also be considered in other regions to the extent that the New Board considers that valuable opportunities exist and returns can be achieved.

In selecting investment opportunities, the New Board will focus on businesses, assets and/or projects that are available at attractive valuations and hold opportunities to unlock embedded value.

Where appropriate, the New Board may seek to invest in businesses where it may influence the business at a board level, add their expertise to the management of the business, and utilise their significant



industry relationships and access to finance. The ability to work alongside a strong management team to maximise returns through revenue growth will be something the New Board will focus upon initially.

The Company's interests in a proposed investment and/or acquisition may range from a minority position to full ownership and may comprise one investment or multiple investments. The proposed investments may be in either quoted or unquoted companies; be made by direct acquisitions or farm-ins; and may be in companies, partnerships, earn-in joint ventures, debt or other loan structures, joint ventures or direct or indirect interests in assets or projects. The New Board may focus on investments where intrinsic value can be achieved from the restructuring of investments or merger of complementary businesses.

The New Board expects that investments will typically be held for the medium to long term, although short term disposal of assets cannot be ruled out if there is an opportunity to generate an attractive return for Shareholders. The New Board will place no minimum or maximum limit on the length of time that any investment may be held. The Company may be both an active and a passive investor depending on the nature of the individual investment.

There is no limit on the number of projects into which the Company may invest, and the Company's financial resources may be invested in a number of propositions or in just one investment, which may be deemed to be a reverse takeover under the AIM Rules. The Directors intend to mitigate risk by appropriate due diligence and transaction analysis. Any transaction constituting a reverse takeover under the AIM Rules will also require Shareholder approval. The New Board considers that as investments are made, and new promising investment opportunities arise, further funding of the Company may also be required.

Where the Company builds a portfolio of related assets it is possible that there may be cross holdings between such assets. The Company does not currently intend to fund any investments with debt or other borrowings but may do so if appropriate. Investments in early stage assets are expected to be mainly in the form of equity, with debt potentially being raised later to fund the development of such assets. Investments in later stage assets are more likely to include an element of debt to equity gearing. The New Board may also offer new Ordinary Shares by way of consideration as well as cash, thereby helping to preserve the Company's cash for working capital and as a reserve against unforeseen contingencies including, for example, delays in collecting accounts receivable, unexpected changes in the economic environment and operational problems.

Investments may be made in all types of assets and there will be no investment restrictions on the type of investment that the Company might make or the type of opportunity that may be considered. The Company may consider possible opportunities anywhere in the world.

The New Board will conduct initial due diligence appraisals of potential business or projects and, where they believe further investigation is warranted, intend to appoint appropriately qualified persons to assist. The New Board believes it has a broad range of contacts through which they are aware of various opportunities which may prove suitable, although at this point only preliminary due diligence has been undertaken. The New Board believes its expertise will enable it to determine quickly which opportunities could be viable and so progress quickly to formal due diligence. The Company will not have a separate investment manager. The Company proposes to carry out a comprehensive and thorough project review process in which all material aspects of a potential project or business will be subject to rigorous due diligence, as appropriate.

As an Investing Company, the Company will be required to make an acquisition or acquisitions which constitutes a reverse takeover under the AIM Rules or otherwise implement its proposed Investing Policy on or before the date falling twelve months from the Disposal and the adoption of the Investing Policy failing which, the Company's Ordinary Shares would then be suspended from trading on AIM. In the event that the Company's Ordinary Shares are so suspended and the Company fails to obtain Shareholders' consent to renew such policy, the admission to trading on AIM would be cancelled six months from the date of suspension.

## **The Subscription**

Under the terms of the Subscription Letters, the Subscribers have agreed to subscribe for 250,021,404 Subscription Shares, in aggregate, at the Subscription Price, raising approximately £250,000 before expenses for the benefit of the Company. The Subscribers will be issued with one Subscription Warrant for each Subscription Share and these warrants will be exercisable at the Subscription Price for five years from the date of issue.

The Subscription is conditional, *inter alia*, upon the passing of the Resolutions and the admission of the Subscription Shares to trading on AIM. Accordingly, the Company has convened the General Meeting, notice of which is set out at the end of this document.

The Subscription Shares, when issued and fully paid, will rank equally in all respects with the New Ordinary Shares. The Subscription Warrants will not be admitted to trading on any market but will be freely transferable.

It is expected that Admission will become effective and dealings in the Subscription Shares will commence on or about 3 October 2013.

Following the Subscription and Admission, the Company will have 306,276,755 New Ordinary Shares in issue and admitted to trading on AIM.

Terry Tyrell, a substantial shareholder of the Company, has agreed to subscribe for 20,000,000 Subscription Shares at the Subscription Price. Due to the size of his existing shareholding, his participation in the Subscription constitutes a related party transaction as defined by the AIM Rules. The directors of the Company, having consulted with Sanlam Securities UK Limited, the Company's nominated adviser, consider that Mr Tyrell's participation in the Subscription is fair and reasonable insofar as Shareholders are concerned.

## **Background to and Reasons for the Capital Reorganisation**

Prior to the proposed Capital Reorganisation, the Subscription Price would have needed to be 0.01p which is less than the current nominal value of the Existing Ordinary Shares and under the Act a company cannot issue shares at a price below their nominal value. In addition, the Company also currently has a large number of issued shares and the New Board believes that a Capital Reorganisation will reduce the number of shares to an amount more appropriate for a company of SureTrack's size. This may assist in reducing volatility and aid future fundraisings. The Directors therefore propose to effect a Capital Reorganisation on the following basis:

- (a) the Existing Ordinary Shares of 0.05p each will be consolidated into ordinary shares of 0.55p each at a ratio of 11 Existing Ordinary Shares for every 1 new ordinary share of 0.55p each; and
- (b) each of the new ordinary shares of 0.55p each will then be subdivided into and reclassified as one Redenominated Share (being an ordinary share in the capital of the Company with a nominal value of 0.05 p each) and one Deferred Share (being a deferred share in the capital of the Company of 0.50 p nominal value).

The Deferred Shares will carry negligible value and will not be admitted to trading. The Deferred Shares shall have limited rights, and shall be subject to the restrictions, set out in the Company's articles of association. No share certificates will be issued in respect of the New Deferred Shares.

The Existing Ordinary Shares are currently admitted to CREST. Application will be made for the Redenominated Shares arising from the Capital Reorganisation, to be admitted to CREST, all of which may then be held and transferred by means of CREST. The record date of the Capital Reorganisation is 6.00 p.m. on 2 October 2013.

The rights attaching to the Redenominated Shares will be identical in all respects to those of the Existing Ordinary Shares.

No fractional entitlement arising in connection with the Capital Reorganisation will be allotted.

It is anticipated that new certificates for the new Redenominated Shares will be issued and dispatched at the shareholder's risk by 16 October 2013 and that CREST holders will have their CREST accounts



credited with their new holdings on 3 October 2013. Application will be made for the Redenominated Shares to be admitted to AIM at the same time as the Subscription Shares and it is expected that Admission will become effective and that dealings in these shares will commence on or about 3 October 2013. The ISIN for the Redenominated Shares is GB00BDD2DY82.

### **Share Options**

The Company intends to grant options to subscribe for Ordinary Shares from time to time to incentivise directors, employees and consultants at the discretion of the New Board. Options granted to subscribe for New Ordinary Shares in this manner will not exceed 10 per cent. of the Company's issued share capital from time to time without the prior approval of the Shareholders.

The Company also intends to adopt an incentive plan under which it may award New Ordinary Shares for no cost to directors, employees and consultants. New Ordinary Shares issued under this plan will not exceed 10 per cent. of the Company's issued share capital from time to time without the prior approval of Shareholders.

### **The New Board**

Conditional on Admission, Hamish Harris and Daniel Maling will be appointed to the Board. I will remain on the Board and Brian Wise will resign from the Board, conditional on Admission. Following Admission, the New Board will consist of: Hamish Harris as Non-executive Director, Daniel Maling as Non-executive Director and I will be Non-executive Chairman. Subject to the Company's articles of association, I will remain on the Board until such time as the new Investing Policy is implemented. Further information on Hamish Harris and Daniel Maling is set out below.

**Hamish Hamlyn Harris (proposed Non-executive Director), aged 43**, holds a Bachelor of Commerce from the University of Tasmania. He has held positions within product control, market risk and risk management at a number of financial institutions including Nomura Group, Dresdner Kleinwort Wasserstein, Deutsche Bank AG and Lloyds Banking Group plc. Hamish currently holds a position with Nivalis Capital. He is currently a director of Marlin Atlantic Finance Limited and a Non-executive Director of AIM quoted Polemos plc and AIM quoted Doriemus plc.

**Daniel Maling (proposed Non-executive Director), aged 38**, has over 15 years senior commercial management experience primarily in the oil and gas and mining sectors. He has worked with several AIM, ASX and TSX companies providing corporate finance, business development, corporate strategy and investor relations advice. Daniel was previously Business Development manager at AIM quoted mining investment house Cambrian Mining Plc before the group was acquired by Walter Energy for \$3.3bn in 2011 and has more recently been retained by oil and gas clients Pura Vida Energy Plc (ASX-PVD) and Mart Resources (TSX-MMT). Daniel has a Bachelor of Commerce & Law and is a member of the Institute of Chartered Accountants in Australia.

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

The attached Notice of General Meeting to be held at 9.00 a.m. on 2 October 2013 at the offices of Sanlam Securities, 10 King William Street, London EC4N 7TW, sets out the Resolutions.

A form of proxy for use at the General Meeting is enclosed. Whether or not you propose to attend the General Meeting, you are requested to complete the form in accordance with the instructions printed on it and return it to Share Registrars Ltd by post to Suite E, First Floor, 9 Lion and Lamb Yard, Farnham, Surrey GU9 7LL or by scan and email to proxies@shareregistrars.uk.com, as soon as possible, but in any event, to arrive not later than 9.00 a.m. on 30 September 2013.

The return of the form of proxy will not prevent you from attending the General Meeting and voting in person if you so wish.

### **Irrevocable Undertakings**

The Directors and certain other shareholders have irrevocably undertaken to vote in favour of the Resolutions to be proposed at the General Meeting, in respect of their aggregate beneficial holdings

totalling 71,685,715 Existing Ordinary Shares, which represent approximately 11.58 per cent. of the Company's Existing Ordinary Shares.

**Recommendation**

**The Directors believe that the terms of the Proposals are in the best interest of the Company and its Shareholders as a whole. Accordingly, the Directors unanimously recommend that you vote in favour of the Resolutions as they themselves intend to do in respect of their aggregate shareholdings of 2,500,001 Existing Ordinary Shares, equivalent to 0.40 per cent. of the Company's Existing Ordinary Shares.**

Yours faithfully

**Simon Barrell**  
*Chairman*

# SURETRACK MONITORING PLC

(Registered in England and Wales with registered number 06214926)

## Notice of General Meeting

Notice is hereby given that the General Meeting of SureTrack Monitoring Plc (the “**Company**”) will be held at the offices of Sanlam Securities UK Limited, 10 King William Street, London EC4N 7TW on 2 October 2013 at 9.00 a.m. for the purpose of considering and, if thought fit, passing the following resolutions. Resolutions 1, 2, 3 and 4 will be proposed as ordinary resolutions and resolution 5 will be proposed as special resolution.

The definitions as set out in the circular to shareholders dated 10 September 2013 issued by the Company (the “**Circular**”) shall apply to this Notice of General Meeting subject to a contrary definition be used in this notice.

### SPECIAL BUSINESS

#### ORDINARY RESOLUTIONS

1. **THAT** the disposal (the “**Disposal**”) by the Company of its subsidiary, IBP Limited, which constitutes a fundamental change of business under AIM Rule 15 on the terms and subject to the conditions set out in the Sale and Purchase Agreement and related documentation to be entered into pursuant to the Sale and Purchase Agreement, be and are hereby approved with such minor amendments as the Directors may approve, and the Directors or any duly authorised committee of the Directors be hereby authorised to take all steps necessary or desirable to complete the Disposal.
2. **THAT** the Investing Policy, as set out in the Circular, be approved and adopted and the Directors be authorised to take all such steps as they may consider necessary or desirable to implement that investing policy.
3. **THAT**, subject to the passing of Resolutions 1 and 2 above,
  - (a) each issued existing ordinary share of 0.05p each in the capital of the Company as shown on the Register of Members at 6.00 p.m. on 2 October 2013 (or such other time and/or date as the Directors of the Company may determine) be and is hereby consolidated at a ratio of 11 to 1 into new ordinary shares of 0.55p each having the same rights and being subject to the same restrictions (save as to nominal value) as the existing ordinary shares of 0.05p each in the capital of Company; and
  - (b) each new ordinary share of 0.55 p each in the capital of the Company then be sub-divided and reclassified into one new ordinary share of 0.05p having the same rights and being subject to the same restrictions as the existing ordinary shares in the capital of Company and one deferred share of 0.50 p (“**Deferred Share**”) having the rights and being subject to the restrictions attached to Deferred Shares as set out in the existing articles of association of the Company.
4. **THAT**, subject to the passing of Resolutions 1 to 3 (inclusive) above, in accordance with section 551 of the Act, the Directors be generally and unconditionally authorised to allot equity securities (as defined by section 560 of the Act) up to an aggregate nominal amount of £5,000,000 provided that this authority shall, unless renewed, varied or revoked by the Company, expire on the earlier of conclusion of the next Annual General Meeting of the Company or on the anniversary of the general meeting being convened by this notice save that the Company may, before such expiry, make offer(s) or enter agreement(s) which would or might require shares to be allotted or equity securities to be granted after such expiry and the Directors may allot or grant equity securities in pursuance of such offers or agreements notwithstanding that the authority conferred by this resolution has expired.

## SPECIAL RESOLUTION

5. **THAT** conditional on passing Resolutions 1 to 4 (inclusive) above, and in accordance with section 570 of the Act, the Directors be generally empowered to allot equity securities (as defined in section 560 of the Act) for cash pursuant to the authority conferred in Resolution 4 or by way of a sale of treasury shares, as if section 561(1) of the Act did not apply to any such allotment, provided that this power shall be limited to the allotment of equity securities:
- (a) up to an aggregate nominal amount of £225,021.41 pursuant to the Subscription; and
  - (b) (otherwise than pursuant to paragraph 5(a) above) up to an aggregate nominal amount of £4,774,978.59.

and provided that this power shall expire on the earlier of conclusion of the next Annual General Meeting of the Company or on the anniversary of the general meeting being convened by this notice (unless renewed, varied or revoked by the Company prior to or on that date) save that the Company may, before such expiry, make offer(s) or agreement(s) which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of any such offers or agreements notwithstanding that the power conferred by this resolution has expired.

*Registered Office:*

Wolfe Lodge  
Farnham Road  
Bordon  
Hampshire  
GU35 0NH

*By order of the Board*

Simon Barrell  
Company Secretary

10 September 2013

## Notes to the Notice of General Meeting

### Entitlement to attend and vote

1. Pursuant to Regulation 41 of The Uncertificated Securities Regulations 2001 and paragraph 18(c) of The Companies Act 2006 (Consequential Amendments) (Uncertificated Securities) Order 2009, the Company specifies that only those members registered on the Company's register of members 48 hours before the time of the Meeting shall be entitled to attend and vote at the Meeting. In calculating the period of 48 hours mentioned above no account shall be taken of any part of a day that is not a working day.

### 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 Meeting and you should have received a proxy form with this notice of meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.
3. A proxy does not need to be a member of the Company but must attend the Meeting to represent you. Details of how to appoint the Chairman of the Meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form. If you wish your proxy to speak on your behalf at the Meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.
4. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy please contact the registrars of the Company, Share Registrars Limited on 01252 821 390.
5. 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 Meeting.

### **Appointment of proxy using hard copy proxy form**

6. 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 Share Registrars Limited at Suite E, First Floor, 9 Lion and Lamb Yard, Farnham, Surrey GU9 7LL or by facsimile transmission to 01252 719 232; and
- received by Share Registrars Limited no later than 48 hours (excluding non-business days) prior to the 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 proxy by joint members**

7. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).

### **Changing proxy instructions**

8. 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 Share Registrars Limited on 01252 821 390.

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**

9. In order to revoke a proxy instruction you will need to inform the Company using one of the following methods:

By sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to Share Registrars Limited at Suite E, First Floor, 9 Lion and Lamb Yard, Farnham, Surrey GU9 7LL or by facsimile transmission to 01252 719 232. 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.

In either case, the revocation notice must be received by Share Registrars Limited no later than 48 hours (excluding non-business days) prior to the 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 Meeting and voting in person. If you have appointed a proxy and attend the Meeting in person, your proxy appointment will automatically be terminated.

### **Issued shares and total voting rights**

10. As at 10 September 2013, the Company's issued share capital comprised 618,808,861 ordinary shares of 0.05 p each. Each ordinary share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at 10 September 2013 is 618,808,861.

### **Communications with the Company**

11. Except as provided above, members who have general queries about the Meeting should telephone Stephen F Ronaldson at Ronaldsons LLP on 020 7580 6075 (no other methods of communication will be accepted). 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.

### **CREST**

12. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the General Meeting and any adjournment(s) thereof by using 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 or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual (available via [euroclear.com/CREST](http://euroclear.com/CREST)).

The message, regardless of whether it relates to the appointment of a proxy or to 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: 7RA36) by the latest time(s) for receipt of proxy appointments specified above. 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. 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 Euroclear UK & Ireland Limited 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 or her 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 CREST 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.





