

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document or about what action you should take, you should consult a person authorised for the purposes of the Financial Services and Markets Act 2000 who specialises in advising on the acquisition of shares and other securities. If you have sold or transferred all of your Avisen Shares, please send this document and the accompanying Form of Proxy to the purchaser or transferee or to the stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

The Directors, whose names are set out on page 8 of this document, accept responsibility individually and collectively for the information contained in this document. The Proposed Directors, whose names are also set out on page 8 of this document, accept responsibility for the information contained in this document relating to themselves and Xploite and the Enlarged Group. To the best of the knowledge and belief of the Directors and the Proposed Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document for which they take responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

Avisen PLC

(Incorporated under the Companies Act 1985 with registered number 5429800)

Notice of General Meeting

in connection with

The Recommended Proposal for the acquisition of

Xploite plc

Nominated Adviser and Broker

Zeus Capital Limited

This document does not constitute a prospectus and a copy has not been delivered to the Registrar of Companies in England and Wales for registration. A copy of this circular will be available for collection, free of charge, from the offices of Brown Rudnick LLP, 8 Clifford Street, London W1S 2LQ and will also be available at www.avisenplc.com.

Notice of a General Meeting of the Company to be held at the offices of Brown Rudnick LLP, 8 Clifford Street, London W1S 2LQ at 10.00 a.m. on 6 April 2010 is set out at the end of this document. Shareholders will find enclosed a Form of Proxy for use in connection with the resolutions to be proposed at the General Meeting. Whether or not you intend to attend the General Meeting in person, you are requested to complete the Form of Proxy in accordance with the instructions printed on it and return it by post or (during normal business hours only) by hand to the Company's registrars, Capita Registrars, PXS, The Registry, 34 Beckenham Road, Beckenham Kent, BR3 4TU, as soon as possible but in any event to be received not later than 10.00 a.m., on 4 April 2010. Completion and return of the Form of Proxy will not preclude Shareholders from attending the General Meeting and voting in person, should they subsequently wish to do so.

Zeus Capital, which is a member of the London Stock Exchange and is regulated by the FSA, is acting for Avisen plc and no-one else in connection with the Proposal and the matters set out in this document and will not be responsible to anyone other than Avisen plc for providing the protections afforded to customers of Zeus Capital or for providing advice in relation to the Proposal and the matters set out in this document.

THIS DOCUMENT SHOULD BE READ IN CONJUNCTION WITH THE FULL TEXT OF THE SCHEME DOCUMENT WHICH ACCOMPANIES THIS DOCUMENT. AVISEN SHAREHOLDERS SHOULD READ THE WHOLE OF THE SCHEME DOCUMENT, IN PARTICULAR, THE LETTER FROM THE CHAIRMAN OF XPLOITE SET OUT IN PART I OF THE SCHEME DOCUMENT, THE EXPLANATORY STATEMENT SET OUT IN PART II AND THE RISK FACTORS SET OUT IN PART V OF THE SCHEME DOCUMENT AND SHOULD NOT RELY SOLELY ON THE INFORMATION SET OUT IN THIS DOCUMENT.

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FORWARD-LOOKING STATEMENTS

Certain statements contained herein constitute forward-looking statements. The forward-looking statements contained herein include statements about the expected effects of the Proposal, the expected timing and scope of the Proposal and other statements other than in relation to historical facts. Forward-looking statements including, without limitation, statements typically containing words such as “intends”, “anticipates” “targets”, “estimates”, “believes”, “should”, “plans”, “will”, “expects” and similar expressions or statements that are not historical facts are intended to identify those expressions or statements as forward-looking statements. The statements are based on the assumptions and assessments by the Board of Avisen and are naturally subject to uncertainty and changes in circumstances. By their nature, forward-looking statements involve risk and uncertainty and the factors described in the context of such forward-looking statements in this document could cause actual results and developments to differ materially from those expressed in or implied by such forward-looking statements. There are a number of factors that could cause actual results or developments to differ materially from those expressed or implied by such forward-looking statements. These factors include, but are not limited to, the satisfaction or waiver of the conditions to the Scheme, local and global political and economic conditions, future revenues of Avisen being lower than expected, expected cost savings from the Proposal or other future transactions not being realised fully or in line with expected timeframes, competitive pressures in the industry increasing, foreign exchange rate fluctuations and interest rate fluctuations (including those from any potential credit rating decline) and legal or regulatory developments and changes. Given these risks and uncertainties, investors should not place undue reliance on forward-looking statements.

Neither, Avisen, nor any of its respective associates or directors, officers or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied by any forward-looking statements contained herein will actually occur. Other than in accordance with their legal or regulatory obligations (including under the AIM Rules, the Disclosure and Transparency Rules of the Financial Services Authority and the City Code), Avisen is not under any obligation and expressly disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

<i>Event</i>	<i>Time and/or date</i>
Latest time and date for receipt of Forms of Proxy	10.00 a.m. on 4 April 2010
General Meeting	10.00 a.m. on 6 April 2010
Effective Date of the Scheme	15 April 2010
Admission of the New Avisen Shares to trading on AIM	8.00 a.m. on 16 April 2010

Avisen Shareholders should read the Scheme Document that accompanies this document which sets out the full timetable of principal events for the Scheme.

STATISTICS

Number of Avisen Shares in issue at the date of this document	141,799,928
Number of Consideration Shares*	approximately 82,814,227
Enlarged Issued Share Capital	approximately 224,614,155
Consideration Shares as a percentage of the Enlarged Issued Share Capital	approximately 36.87%
Market capitalisation of the Enlarged Group immediately following Admission**	£32,569,052
AIM trading symbol	AVIL
ISIN	GB00B09LQS34

* Based on 21,797,054 Xploite Shares in issue on 10 March 2010 (being the latest practicable date prior to the publication of the Announcement) and New Xploite Shares following the exercise of the Xploite EMI Options. The exact number of Consideration Shares will be determined on 14 April 2010, prior to the Scheme Record Time.

** Based on the closing price of Avisen Shares of 14.5 pence on 10 March 2010 (being the latest practicable date prior to the publication of the Announcement).

DEFINITIONS

In this document, unless inconsistent with the subject or context or defined otherwise in the Scheme Document, the following expressions bear the following meanings:

“Act”	the Companies Act 2006;
“Acquisition”	the proposed acquisition of the entire issued and to be issued ordinary share capital of Xploite by Avisen pursuant to the Proposal;
“Admission”	the admission to trading on AIM of the New Avisen Shares;
“AIM”	the AIM market operated by the London Stock Exchange;
“AIM Rules”	the Rules and Guidance notes for AIM Companies and their nominated advisers issued by the London Stock Exchange from time to time relating to AIM traded securities and the operation of AIM;
“Announcement”	the announcement made by Avisen and Xploite on 11 March 2010 regarding the Proposal and the Scheme made pursuant to Rule 2.5 of the City Code;
“Articles”	the articles of association of Xploite from time to time;
“Avisen” or “the Company”	Avisen plc;
“Avisen Board” or “Avisen Directors”	the board of directors of Avisen as at the date of this document whose names are set out on page 8 of this document;
“Avisen Group”	Avisen, its subsidiaries and subsidiary undertakings;
“Avisen Shares”	ordinary shares of £0.05 each in the capital of Avisen;
“Business Day”	a day, not being a Saturday, Sunday or public holiday, on which the clearing banks in London are generally open for business;
“Capita Registrars”	a trading name of Capita Registrars Limited;
“Close of Business”	means in respect of a Business Day, 6.00 p.m. on that Business Day;
“Code”, “Takeover Code” or “City Code”	the City Code on Takeovers and Mergers issued by the Panel;
“Conditions”	the “Conditions to the Implementation of the Scheme and Further Terms of the Proposal” set out in Part IV of the Scheme Document and “Condition” means any one of them;
“Consideration Shares”	the 3.6 New Avisen Shares to be issued under the terms of the Proposal in respect of each Scheme Share;
“Corporate Performance Management” or “CPM”	corporate performance management is a set of processes that help organisations optimise their business performance;

“Court”	the High Court of Justice of England and Wales;
“Court Meeting”	the meeting (and any adjournment thereof) of the Scheme Shareholders convened by an order of the Court pursuant to Part 26 of the Act to be held at 100 Fetter Lane, London EC4A 1BN at 11.00 a.m. on 6 April 2010 at which the Scheme Shareholders will be asked to consider and, if thought fit, approve the Scheme (with or without amendment) and any adjournment thereof;
“Court Orders”	the Scheme Court Order and the Reduction Court Order;
“Effective Date”	the date on which the Reduction Court Order is delivered to the Registrar of Companies in England and Wales;
“Enlarged Group”	the Avisen Group as enlarged by the Acquisition;
“Enlarged Issued Share Capital”	all of the issued Avisen Shares following the issue of the New Avisen Shares, assuming the Scheme becomes effective;
“Form of Proxy”	the form of proxy for use in connection with the General Meeting;
“FSA”	the Financial Services Authority;
“FSMA”	the Financial Services and Markets Act 2000 (as amended);
“General Meeting”	the general meeting (or any adjournment thereof) of the Holders of Avisen Shares to be convened to consider and if thought fit, to approve the resolutions to be proposed thereat in connection with the issue of the New Avisen Shares under the Scheme a notice of which is contained at the end of this document;
“Holder”	a registered holder of shares and includes any person(s) entitled by transmission;
“London Stock Exchange” or “LSE”	London Stock Exchange plc;
“New Avisen Shares”	up to 82,814,227 new Avisen Shares to be issued to Xploite Shareholders, as consideration for the New Xploite Shares pursuant to the Proposal;
“New Xploite Shares”	23,003,952 new Xploite Shares to be issued to Avisen under the terms of the Scheme;
“Panel” or “Takeover Panel”	the Panel on Takeovers and Mergers;
“Proposal”	the recommended acquisition by Avisen of the entire issued and to be issued share capital of Xploite to be effected by way of the Scheme and subject to the Conditions and on the terms of the Scheme Document including, where the context so requires, any subsequent revision, variation, extension or renewal of such Proposal;
“Proposed Directors”	Ian Smith, Robert Arrowsmith and Tony Weaver, all of whom will be appointed on the Effective Date;

“Reduction Court Hearing”	the hearing at which the Reduction Court Order is made;
“Reduction of Capital”	the proposed reduction of the ordinary share capital of Xploite under Part 17, Chapter 10 of the Act by the cancellation and extinguishing of the Scheme Shares, to be effected as part of the Scheme;
“Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001 No. 01/3755);
“Regulatory Information Service”	has the same meaning as defined in the AIM Rules;
“Resolutions”	the resolutions to be proposed at the General Meeting in order to give effect to the Scheme;
“Scheme” or “Scheme of Arrangement”	the proposed scheme of arrangement under Part 26 of the Act between Xploite and the Scheme Shareholders, with or subject to any modification, addition or condition approved or imposed by the Court and agreed to by Xploite and Avisen, the full terms of which are set out in Part X of the Scheme Document and (as the case may be) any supplemental circular(s);
“Scheme Document”	the document posted to Xploite Shareholders dated 12 March 2010, a copy of which accompanies this document;
“Scheme Record Time”	6.00 p.m. on the Business Day immediately preceding the Reduction Court Hearing;
“Scheme Shareholders”	the Holders of Scheme Shares;
“Scheme Shares”	<ul style="list-style-type: none"> ● the Xploite Shares in issue at 6.00 p.m. on the date of the Scheme Document; ● (if any) Xploite Shares issued after the date of the Scheme Document and before the Voting Record Time; and ● (if any) Xploite Shares issued at or after the Voting Record Time and before the Scheme Record Time, either on terms that the original or any subsequent holders of such shares shall be bound by the Scheme, or in respect of which the original or any subsequent holders of such shares are, or shall have agreed in writing to be, bound by the Scheme <p>in each case, save for any shares held, legally or beneficially, by Avisen;</p>
“SEC”	the US Securities and Exchange Commission;
“Securities Act”	the United States Securities Act of 1933 (as amended);
“Shareholders”	holders of Avisen Shares;
“SRA”	storage resource analysis;
“Storage Fusion”	Storage Fusion Limited, a subsidiary of Xploite;

“Storage Fusion Business”	the business of Storage Fusion Limited being the development and sale of the SRA software;
“subsidiary”	has the meaning given by section 1159 of the 2006 Act;
“subsidiary undertaking”	has the meaning given by section 1162 of the 2006 Act;
“takeover offer”	the acquisition of the entire issued and to be issued ordinary share capital of Xploite by means of a takeover offer made pursuant to the City Code;
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland;
“United States” or “US”	the United States of America its territories and possessions, the District of Columbia, and all other areas subject to its jurisdiction;
“Voting Record Time”	6.00 p.m. on 4 April 2010, or, in the event that the Court Meeting is adjourned by more than 48 hours, 6.00 p.m. on the day which is two days before such adjourned meeting;
“Xploite”	Xploite plc;
“Xploite Board”	the board of directors of Xploite as at the date of this document whose names are set out in paragraph 2.1 of Part VI of the Scheme Document;
“Xploite EMI Options”	the 1,206,898 Xploite Options exercisable under the Xploite EMI Option Scheme;
“Xploite EMI Option Scheme”	the EMI option scheme adopted by the Xploite board on 19 March 2007;
“Xploite Group”	Xploite, its subsidiaries and subsidiary undertakings;
“Xploite Options”	an option over a Xploite Share which has been granted to a holder pursuant to the Xploite Option Schemes;
“Xploite Option Schemes”	the Xploite EMI Option Scheme and the Xploite Unapproved Share Option Scheme adopted by the board of directors of Xploite on 19 March 2007;
“Xploite Shares”	the existing unconditionally allotted or issued and fully paid ordinary shares of £0.10 each in the capital of Xploite and any further such shares of £0.10 each in the capital of Xploite which are unconditionally allotted or issued before the Scheme becomes effective;
“Xploite Shareholders”	holders of Xploite Shares from time to time;
“Xploite Unapproved Share Option Scheme”	the unapproved option scheme adopted by the Xploite board on 19 March 2007; and
“Zeus Capital”	Zeus Capital Limited, a company registered in England and Wales under company number 4417845.

All quoted share prices contained in this document have been rounded to two decimal places.

All references to share premium prices in this document have been rounded to one decimal place.

Unless otherwise indicated, all references in this document to times are to London times.

DIRECTORS AND ADVISERS

Directors	Jonathan Claydon – <i>Non Executive Chairman</i> Marcus Hanke – <i>Chief Executive Officer</i> Louis Peacock – <i>Interim Finance Director/Executive Officer</i> Keith Jones – <i>Executive Director</i> Marcus Yeoman – <i>Non Executive Director</i>
Proposed Directors	Ian Smith – <i>Proposed Executive Chairman</i> Robert Arrowsmith – <i>Proposed Chief Financial Officer</i> Tony Weaver – <i>Proposed Chief Operating Officer</i>
Secretary	London Registrars plc 4th Floor Haines House 21 John Street London WC1N 2BP
Registered Office	Sterling House 20 Station Road Gerrards Cross SL9 8EL
Nominated Adviser & Broker	Zeus Capital Limited 3 Ralli Courts West Riverside Manchester M3 5FT
Auditors	Horwath Clark Whitehill LLP St Brides' House 10 Salisbury Square London EC4Y 8EH
Solicitors to the Company	Brown Rudnick LLP 8 Clifford Street London W1S 2LQ
Registrars	Capita Registrars Northern House Woodsome Park Fenay Bridge Huddersfield HD8 0GA

AVISEN PLC

(Registered and incorporated in England and Wales No.5429808)

Directors:

Jonathan Claydon (*Non-executive Chairman*)
Marcus Hanke (*Chief Executive Officer*)
Keith Jones (*Executive Director*)
Louis Peacock (*Interim Finance Director/Executive Officer*)
Marcus Yeoman (*Non-executive Director*)

Registered Office:

Sterling House,
20 Station Road,
Gerrards Cross,
SL9 8EL

12 March 2010

To: Shareholders and, for information only, the holders of options to subscribe for Avisen Shares

Dear Shareholder,

RECOMMENDED PROPOSAL FOR THE ACQUISITION BY AVISEN PLC OF XPLOITE PLC

1. INTRODUCTION

On 11 March 2010, the boards of Xploite and Avisen announced that they had agreed terms under which the entire share capital of Xploite would be acquired by Avisen in consideration for the issue of 3.6 New Avisen Shares for each Scheme Share. The Proposal is to be implemented by means of a Scheme of Arrangement under the Act which requires the approval of Scheme Shareholders and the sanction of the Scheme and confirmation of the Reduction of Capital by the Court.

Shareholders are strongly recommended to read the Scheme Document that accompanies this document, which sets out the full details of the Proposal, information on Xploite, reasons for the Proposal and a recommendation from the directors of Xploite to Xploite Shareholders.

The purpose of this circular is to explain the Proposal and to recommend that Shareholders vote in favour of the Resolutions to be proposed at the General Meeting, which will enable the Scheme to be implemented.

The Directors consider the Proposal to be in the best interests of the Company and its Shareholders as a whole. Accordingly those Directors who are also Shareholders (or their connected persons who are Shareholders) have undertaken to vote in favour of the Resolutions to be proposed at the General Meeting, notice of which is set out at the end of this document.

THE INFORMATION CONTAINED IN THIS DOCUMENT DOES NOT PURPORT TO BE COMPLETE AND SHOULD BE READ IN CONJUNCTION WITH THE FULL TEXT OF THE SCHEME DOCUMENT. AVISEN SHAREHOLDERS SHOULD READ THE WHOLE OF THE SCHEME DOCUMENT AND, IN PARTICULAR, THE LETTER FROM THE CHAIRMAN OF XPLOITE SET OUT IN PART I OF THE SCHEME DOCUMENT, THE EXPLANATORY STATEMENT SET OUT IN PART II AND THE RISK FACTORS SET OUT IN PART V OF THE SCHEME DOCUMENT AND SHOULD NOT RELY SOLELY ON THE INFORMATION SET OUT IN THIS DOCUMENT.

2. SUMMARY OF THE PROPOSAL

It is intended that the Proposal will be implemented by means of a Court-sanctioned Scheme of Arrangement pursuant to Part 26 of the Act involving a reduction of capital of Xploite under the Act. The Scheme is subject to the satisfaction (or, where applicable, waiver) of the Conditions and sanction of the Court. The terms of the Scheme are set out in full in Part X of the Scheme Document.

The Scheme provides that, if it becomes effective, all of the Scheme Shares will be cancelled under the Reduction of Capital and a like number of New Xploite Shares will be issued, fully paid, to Avisen. The reserve arising from the cancellation of the Scheme Shares will be used in paying up in full such New Xploite Shares. In exchange, under the Proposal, all Scheme Shareholders will be entitled to receive:

For each Scheme Share: 3.6 fully paid New Avisen Shares

Xploite will become a wholly owned subsidiary of Avisen on the Effective Date.

Certain Xploite Directors, namely Ian Smith, Robert Arrowsmith and Tony Weaver, together with one other participant, an ex-employee of Xploite who retains Xploite Options which remain exercisable, are the only holders of Xploite Options. In accordance with the rules of the Xploite Option Schemes, outstanding options will become exercisable during the six month period from the date on which the Scheme takes effect and will then lapse. The holders of Xploite Options have indicated to Xploite that they intend to exercise their Xploite EMI Options prior to and conditional upon the grant of the Scheme Court Order. The Scheme will extend to such Xploite Shares allotted pursuant to the exercise of Xploite Options prior to the Scheme Record Time. In addition, these same holders of Xploite Options have agreed with Xploite that they will surrender and agree to the cancellation of all their rights in the balance of their Xploite Options over 2,250,000 Xploite Shares representing all the options granted under the Xploite Unapproved Share Option Scheme, for nil consideration, conditional upon the delivery of the Scheme Court Order to the registrar of Companies for England and Wales, and that accordingly the balance of the Xploite Options will lapse with effect from the Effective Date.

The Proposal values the entire issued share capital of Xploite (including following the exercise of the Xploite EMI options) at approximately £11.38 million, based on a Closing Price for Avisen Shares of 14.5 pence on 10 March 2010, the last business day prior to the Announcement.

Following the Scheme becoming effective, existing Avisen Shareholders will hold 141,799,928 Avisen Shares representing approximately 63.13 per cent. of the enlarged issued share capital and existing Scheme Shareholders will hold up to 82,814,227 Avisen Shares representing approximately 36.87 per cent. of the enlarged issued share capital of Avisen.

The New Avisen Shares shall rank *pari passu* with all other Avisen Shares in issue on the date on which the New Avisen Shares are issued and shall have the right to receive all dividends, distributions and other entitlements made or paid on the Avisen Shares for which the record date occurs after such date.

Full details of the Scheme are set out in the Scheme Document. Shareholders are strongly advised to read the Scheme document in full.

3. BACKGROUND AND REASONS FOR THE PROPOSAL

Information on Avisen

Avisen is a business and technology consultancy specialising in performance management with a focus on strategy creation, development and implementation. It provides advisory services and software distribution of solutions in the Corporate Performance Management market. Avisen aims to provide specialist advice to enable organisations to build more effective capabilities to manage the performance of their businesses and allow them to achieve their desired targets.

Avisen was admitted to trading on AIM on 2 February 2009 following its reverse takeover of Z Group plc. Since its admission, Avisen has pursued a “buy and build” strategy in the Corporate Performance Management market and to date has completed five acquisitions which are summarised in paragraph 6 of Part III of the Scheme Document.

The Avisen management team has demonstrated their ability to rapidly absorb the new businesses in order to achieve cost savings and to grow the recurring income base of the Avisen Group through software and solution support.

Avisen now provides advisory services and software distribution to a growing number of blue chip corporations. Examples include: Tesco, Kettle Foods and Heineken.

The Avisen Directors believe the acquisition of Xploite will allow the Enlarged Group to:

- establish a more experienced management team with a broader skill set through the appointment of Ian Smith, Robert Arrowsmith and Tony Weaver to the Avisen Board. This will further enhance the Enlarged Group's ability to identify future opportunities to enhance shareholder value;
- utilise the cash resources of Xploite in order to accelerate the growth of the Enlarged Group, both organically and by further acquisitions in the business and technology sector; and
- optimise the Storage Fusion Business as part of Avisen's existing performance management services.

Current Trading and Prospects

Following a period of significant growth both organically and thorough acquisition, Avisen now provides advisory services and software distribution to a growing number of blue chip corporations in the performance management market.

Avisen released its unaudited half yearly results for the six months ended 31 July 2009 on 30 October 2009.

Avisen reported turnover of £2.23 million and pre tax profit of £91,641. It was highlighted that due to the number and size of acquisitions completed since Avisen's admission to AIM on 2 February 2009 (through the reverse takeover of Z Group plc) that the Avisen board anticipated that the Avisen Group's revenues would improve significantly in the six months to 31 January 2010. Avisen now has over 400 clients in software support with an order book of over £2.5 million of higher margin recurring software support renewals.

As anticipated, the Avisen Group experienced improved revenue growth in the second half of the financial year and trading for the year ended 31 January 2010 was satisfactory. The results for the period to 31 January 2010 will be released following the Effective Date and no later than 31 July 2010.

Effect of the Proposal on Avisen

Following the Scheme becoming effective, Xploite will become a wholly owned subsidiary of Avisen. Existing Avisen Shareholders will hold 141,799,928 Avisen Shares, representing approximately 63.13 per cent. of the Enlarged Issued Share Capital of Avisen.

As at the date of this document, Xploite has cash resources of approximately £3 million and is due to receive up to £3.65 million in cash by September 2010 by way of deferred consideration. As summarised in paragraph 7.3.1 of Part VI of the Scheme Document. Certain members of the Xploite Group or former members of the Xploite Group have entered into agreements under which the relevant company has provided, and Xploite has guaranteed, certain warranties, representations, indemnities and undertakings. Any successful claims (including the potential claim referred to below and in paragraph 9.1.1 of Part VI of the Scheme Document) made under the terms of these agreements could significantly impact on the existing cash resources of the Enlarged Group and on the timing and amount of any deferred consideration (or amounts held in escrow) to be paid to Xploite or its subsidiaries.

In particular, on 19 February 2010, Xploite received details of potential claims amounting to £4,538,000 in relation to the ongoing dispute between VBHG Limited and Cantono plc. The Xploite Board continues to believe that the unparticularised potential claims by Cantono plc are opportunistic, speculative and lack merit and, were proceedings to be issued, they would be vigorously defended. Details of the potential litigation with Cantono plc are set out in paragraph 9.1.1 of Part VI of the Scheme Document.

Further information on Avisen is contained in Part III of the Scheme Document and financial information on Avisen is contained in Parts VIII and IX of the Scheme Document. **Shareholders are strongly advised to read the Scheme Document in full.**

Information on Xploite

Information on Xploite is contained in Part I of the Scheme Document and financial information on Xploite is contained in Part VII of the Scheme Document. **Shareholders are strongly advised to read the Scheme Document in full.**

Information on Storage Fusion

Storage Fusion is the main operating business of Xploite which owns a range of tools that are focused on storage analytics. These tools are offered using a Software as a Service business model and sold to customers both through licensed resellers and through a direct sales channel.

In the most recent reported results, announced on 2 February 2010, the Xploite Board reported that Storage Fusion recorded a loss of £0.4 million for the twelve months to 31 October 2009 with sales momentum being slower to develop than originally envisaged, due in part to the software being sold on an enterprise licence basis. In addition, the Xploite Directors state in the Scheme Document that the recent economic climate has hindered purchasing decisions at the large corporate organisations targeted by Storage Fusion and that, as a result, the Storage Fusion Business has not achieved the levels of profitability that the Xploite Directors believe it has the potential to achieve.

The Xploite Board states in the Scheme Document that the Storage Fusion marketing and pricing strategy has recently been altered to address this issue and the SRA software is now distributed to customers using resellers, supported by certain direct sales activity. Since altering its approach Storage Fusion has secured six of the leading resellers in the market and has a visible pipeline of opportunities with blue chip organisations which are beginning to convert into sales, demonstrating the viability of the SRA product.

The Xploite Board states in the Scheme Document that it is confident that, as demonstrated by the series of contract wins announced by Xploite on 26 October 2009, early indications are positive and in line with the revised business plan for the Storage Fusion Business.

Further information on Storage Fusion is set out in paragraphs 4 and 5 of Part I of the Scheme Document. **Shareholders are strongly advised to read the Scheme Document in full.**

Strategy of the Enlarged Group

The Avisen Directors and Proposed Directors intend to create shareholder value both through further acquisitions and organic growth. The Avisen Directors and the Proposed Directors will be focused on acquiring additional businesses that either extend the customer base of Avisen's current offering or provide complementary services and support that can be delivered to the current client base or sold through its sales channels.

The Enlarged Group's strategy will be to:

- continue to increase market share in the CPM market through an increased service offering to a growing number of large corporate customers;
- optimise the Storage Fusion Business as part of Avisen's existing Performance Management services; and
- utilise the cash resources of Xploite in order to accelerate the growth of the Enlarged Group both organically and by further acquisitions in the business and technology sector.

In the opinion of the Avisen Directors and the Proposed Directors, having made due and careful enquiries, the working capital available to the Enlarged Group will be sufficient for its present requirements that is, for at least the twelve months following the Effective Date.

Further information on Xploite, Storage Fusion, Avisen and the strategy for the Enlarged Group is set out in Parts I to XI of the Scheme Document. Shareholders are advised to read the Scheme Document in full.

4. BOARD CHANGES

Following the Scheme becoming effective, I will resign as a non-executive chairman of Avisen and Keith Jones will step down from the Avisen Board.

In addition, following the Scheme becoming effective Ian Smith will be appointed Executive Chairman, Tony Weaver appointed Chief Operating Officer and Robert Arrowsmith appointed as Chief Financial Officer to the Enlarged Group.

Marcus Hanke will continue to lead the Enlarged Group in his role as Chief Executive Officer, Louis Peacock will remain as an Executive Officer and Marcus Yeoman will remain as a non-executive director.

A brief summary of the biographies of Ian Smith, Tony Weaver and Robert Arrowsmith are set out below:

Ian Smith (Aged 45), Proposed Executive Chairman

Ian joined the board of Xploite in April 2003. A highly experienced IT and communications industry developer of new business, Ian has held senior sales positions with Dataworkforce, Cisco Systems, Olympic Worldlink and Cable & Wireless. Whilst CEO of Xploite, Ian has been responsible for the buy, build and sell strategy that has seen 26 corporate transactions including 2 substantial disposals and the creation and return of c£20m of cash to Xploite's shareholders.

Tony Weaver (Aged 41), Proposed Chief Operating Officer

Tony joined the board of Xploite in November 2003. Tony has an IT and communications services background that started in the mid 1980's. Tony founded his first IT business in 1988 and is a founder of a number of other successful IT companies and has a very well established background in sales and business management. Whilst COO of Xploite, Tony has been responsible for the management of the acquired businesses including defining and running the integration of those businesses into single company entities that were sold as part of the Xploite group's buy, build and sell strategy.

Robert Arrowsmith (Aged 57) Proposed Chief Financial Officer

Robert joined the Xploite board in February 2007. Robert has significant experience in both mergers and acquisitions and the technology sector, having previously been Chief Executive of AIM-listed Mettoni plc. Prior to this, Robert had a number of senior roles including COO of DCS Group Plc, the software group, Finance Director of Systems Union Group plc and Finance Director of Xansa Plc. Robert qualified as a Chartered Accountant at Baker Tilly.

The Proposed Directors hold the following directorships and are partners in the following partnerships and have held the following directorships and been partners in the following partnerships within the five years prior to the date of this document:

Name	Current	Previous
Ian Smith	Decorum Connect Limited Fujin Nameco Limited FBHG Limited Intrinsic Networks Limited Matrix Network solutions Limited Netservices plc Norwood Adam Technical Services Limited Storage Fusion Limited Xploite IHC Limited Xploite Plc	Anix Business Systems Limited Anix Computers Limited Anix Group Limited Anix Holdings Limited AST Connections Limited Avisen Plc (then known as Z Group plc) Blue River Systems Limited Broadblue Catamarans Limited Calyx UK Limited Calyx CS Limited Data Workforce Limited Decourm Networks Limited

Name	Current	Previous
Ian Smith (continued)		Equip Technology Limited Fujin Technology Trading Limited Harrierzeuros Limited Harrierous Storage Solutions Limited Ikan Limited Itheon Limited MCG Solutions Limited MXC Integration Limited Network Partners (Holdings) Limited Norwood Adam Systems Limited Network Partners Limited Posetiv Limited Red Square Limited VBHG Limited
Tony Weaver	Broadblue Catamarans Limited Matrix Network Solutions Limited Norwood Adam Technical Services Limited Xploite Plc Xploite Holdings Limited	Broadblue Catamaran Sales Limited Carrier Distribution Limited Calyx UK Limited Calyx CS Limited Harrierzeuros Limited Ikan Limited Letlock Limited Norwood Adam Systems Limited Network Partners (Holdings) Limited VBHG Limited
Robert Arrowsmith	Arrowsmith & Arrowsmith Limited CM Interactive Limited Decorum Connect Limited FBHG Limited Intrinsic Networks Limited Norwood Adam technical services limited Matrix Network Solutions Limited Storage Fusion Limited The Thames Design Co Limited Thurston Arrowsmith & Company Limited Xploite plc Xploite Holdings Limited Xploite IHC Limited	Anix Holdings Limited Anix Group Limited Anix Business Systems Anix Computer Limited Blue River Systems Limited Bridgens (BL) Logistics Limited Coltran Products Limited Coltran UK Limited D. Resolution PLC Duncary 3 Limited Fujin Technology Trading Limited Hallco 1221 Limited Herts Care (Escort and Supervision Services) Ltd Herts Care Group Ltd Herts Care Limited Herts Care Property Ltd Herts Care Training Limited Itheon Limited Justicecare Solutions Limited Legh Road Investments Limited Meridian Care Solutions Limited M.S. Resolution Limited Nightowl Keyboards Ltd Posetiv Limited

Name	Current	Previous
Robert Arrowsmith (continued)		Q.C. Resolution Limited Quatrix Holdings Limited Red Squared Limited Startwell Learning Resources Limited Steve Gray Associates Limited VBHG Limited Visible Results (UK) Limited

Robert Arrowsmith was a director of Mettoni Group plc which was placed into administration in July 2002. The company has since been dissolved. There were no criticisms made against the directors.

Ian Smith and Tony Weaver were directors of Broadblue Catamarans Limited, a company engaged in the manufacture of sailing catamarans. The Company was placed into administration in February 2009. There have been no criticisms made against the directors.

Save as disclosed above, as at the date of this document no Proposed Director:

- has any unspent convictions in relation to any indictable offences; or
- has been bankrupt or entered into an individual voluntary arrangement; or
- was a director of any company at the time of or within 12 months preceding any receivership, compulsory liquidation, creditors voluntary liquidation, administration, company voluntary arrangement or any composition or arrangement with that company's creditors generally or with any class of its creditors; or
- has been a partner in a partnership at the time of or within 12 months preceding any compulsory liquidation, administration or partnership voluntary arrangement of such partnership; or
- has had his assets the subject of any receivership or has been a partner of a partnership at the time of or within 12 months preceding any assets thereof being the subject of a receivership; or
- has been subject to any public criticism by any statutory or regulatory authority (including any recognised professional body) nor has ever been disqualified by a court from acting as a director of a company or from acting in the management or conduct of the affairs of a company.

5. UNDERTAKINGS TO VOTE IN FAVOUR OF THE RESOLUTIONS

Undertakings have been received from each of the Avisen Directors to vote or procure the vote in favour of the Resolutions in respect of their entire beneficial holdings of Avisen Shares amounting, in aggregate, to 48,074,812 Avisen Shares (representing approximately 33.90 per cent. of the existing issued share capital of Avisen).

In addition, Avisen has received undertakings from certain Avisen Shareholders to vote or procure the vote in favour of the Resolutions in respect of their entire beneficial holdings of Avisen Shares amounting, in aggregate, to 19,594,645 Avisen Shares (representing approximately 13.82 per cent. of the existing issued share capital of Avisen).

In aggregate, Avisen has received undertakings to vote in favour of the Resolutions in respect of 67,669,457 Avisen Shares, representing approximately 47.72 per cent. of the existing issued share capital of Avisen.

6. RISK FACTORS

The attention of Shareholders is drawn to the potential risks for the Enlarged Group as set out in the section headed "Risk Factors" in Part V of the Scheme Document, in particular, Shareholders' attention is drawn to the Substantial Shareholding Exemption risk factor and the Potential Litigation risk factor, which relates to specific risks associated with Xploite. Shareholders' attention is also drawn to paragraph 9.1 of Part VI of the Scheme Document setting out details of potential litigation involving Xploite.

In addition, the attention of Shareholders is drawn to the section headed "Material Contracts", paragraph 7.3.1 (c) of Part VI of the Scheme Document and the reference to the warranties and indemnities given by Xploite IHC and which are guaranteed by Xploite. Xploite IHC is due to receive up to £3,150,000 as the deferred consideration under the terms of the VBHG SPA, once released from escrow in September 2010. However, there can be no guarantee that these monies will be paid in whole or part as there is a right of set off against any warranty or indemnity claims. To date no such claims have been made and nor have the Proposed Directors received notice of any such claim. However, under the indemnities given under the VBHG SPA, were a successful claim to be made against VBHG in respect of the Cantono litigation, the quantum of that successful claim would, subject to any defence thereto that Xploite might have, fall to be recovered from Xploite under the said indemnity and could be deducted from the sum held in escrow.

In addition, the Enlarged Group may be adversely affected by any successful claim under the terms of this agreement.

7. FURTHER INFORMATION

Further information on the Proposal is contained in the Scheme Document which Shareholders are recommended to read in full.

Copies of this document are available at Brown Rudnick LLP during normal business hours and from the Company's website at www.avisenplc.com.

8. GENERAL MEETING

Set out at the end of this document is a notice convening the General Meeting to be held at the offices of Brown Rudnick LLP at which the following Resolutions will be proposed for the following purposes:

1. to increase the authorised share capital of the Company; and
2. to authorise the Directors to allot and issue Avisen Shares, under section 551 of the 2006 Act (i) pursuant to the Scheme and on the terms and subject to the Conditions set out in the Scheme Document and (ii) generally.

The attention of Shareholders is also drawn to the voting intentions of the Directors and connected parties as set out in the paragraph entitled "Recommendation" below.

9. ACTION TO BE TAKEN

Set out at the end of this document, you will find a notice convening a General Meeting to be held at the offices of Brown Rudnick LLP, 8 Clifford Street, London W1S 2LQ at 10.00 a.m. on 6 April 2010 to consider and, if thought fit, approve the Resolutions.

Shareholders will find enclosed with this document a Form of Proxy for use in connection with the General Meeting. Whether or not Shareholders intend to be present at the General Meeting, they are requested to complete and return the Form of Proxy in accordance with the instructions printed thereon as soon as possible and, in any event, so as to be received by the Company's registrars, Capita Registrars, PXS, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU, not later than 10.00 a.m. on 4 April 2010. Completion of the Form of Proxy will not preclude a member from attending and voting in person.

10. RECOMMENDATION

The Directors believe that the Proposal is in the best interests of the Company and its Shareholders as a whole. Accordingly, your Directors unanimously recommend that you vote in favour of the Resolutions, as those of them who are Shareholders intend to do in respect of their own beneficial interests, which in aggregate amount to 48,074,812 Avisen Shares, representing approximately 33.90 per cent, of the current issued share capital of the Company.

Yours sincerely

JON CLAYDON

Chairman

for and on behalf of the Directors

Notice of General Meeting

Avisen plc

(Registered in England and Wales under company No: 5429800)

NOTICE IS HEREBY GIVEN that a General Meeting of Avisen plc (the “**Company**”) will be held at the offices of Brown Rudnick LLP, 8 Clifford Street, London W1S 2LQ at 10.00 a.m. on 6 April 2010 for the purpose of considering and, if thought fit, passing the following resolutions which will be proposed as ordinary resolutions (the “**Resolutions**”):

Ordinary Resolutions

1. THAT, the authorised share capital of the Company be and is hereby increased from £10,000,000 to £15,000,000 by the creation of 100,000,000 new ordinary shares of £0.05 each (“New Avisen Shares”), each ranking *pari passu* in all respects with the existing ordinary shares of £0.05 each in the capital of the Company.

2. THAT:

in addition to any existing and unexercised authorities, and subject to and conditional upon the proposed acquisition by the Company of the entire issued and to be issued share capital of Xploite plc (the “Acquisition”), whether implemented by way of a scheme of arrangement pursuant to Part 26 of the Companies Act 2006 (“2006 Act”) or takeover offer, substantially on the terms and subject to the conditions as set out in the scheme document to shareholders of Xploite dated 12 March 2010 (the “Scheme Document”), becoming effective in the case of a scheme of arrangement or unconditional in terms of a takeover offer, the Directors be and they are hereby generally and unconditionally authorised for the purposes of section 551 of Act 2006 to exercise all the powers of the Company to allot relevant securities up to an aggregate nominal amount of £4,721,937.66 provided that this authority shall be limited to:

(i) the allotment of up to 82,814,227 New Avisen Shares with a nominal value of £4,140,711.35 pursuant to the terms of the Acquisition on the terms and subject to the conditions set out in the Scheme Document (including, for the avoidance of doubt, those New Avisen shares to be issued to holders of Xploite Shares following the exercise of the Xploite EMI Options); and

(ii) the allotment of New Avisen Shares up to an aggregate nominal value of £581,226.25.

The authorities conferred by this resolution shall expire on the earlier of the conclusion of the next annual general meeting of the Company (unless previously renewed, varied or revoked by the Company in general meeting) or the expiry of 15 months from the passing of this Resolution, provided that the Company may before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the Directors may allot relevant securities in pursuance of such offer or agreement notwithstanding that the authority conferred hereby has expired (and in this resolution the expression “relevant securities” and reference to the allotment of relevant securities shall bear the same respective meanings as in sections 549 and 551(1) of the 2006 Act).

BY ORDER OF THE BOARD

Registered Office
Sterling House
20 Station Road
Gerrards Cross
SL9 8EL

Jon Claydon
Non-Executive Chairman

12 March 2010

Notes:

1. As a member of the Company you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at a general meeting of the Company.
2. The return of a completed proxy form, other such instrument or any CREST proxy instruction (as described in paragraph 14 below) does not preclude you from attending the meeting and voting in person. If you have appointed a proxy and attend the meeting in person and vote in respect of a particular resolution, then your proxy's vote if he or she makes one, will not be counted.
3. A proxy does not need to be a member of the Company but must attend the meeting to represent you. To appoint as your proxy a person other than the Chairman of the meeting, insert their full name in the box on your proxy form. If you sign and return your proxy form with no name inserted in the box, the Chairman of the meeting will be deemed to be your proxy. Where you appoint as your proxy someone other than the Chairman, you are responsible for ensuring that they attend the meeting and are aware of your voting intentions. If you wish your proxy to make any comments on your behalf, you will need to appoint someone other than the Chairman and give them the relevant instructions directly.
4. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. In the event of a conflict between a blank proxy form and a proxy form which states the number of shares to which it applies, the specific proxy form shall be counted first, regardless of whether it was sent or received before or after the blank proxy form, and any remaining shares in respect of which you are the registered holder will be apportioned to the blank proxy form. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, you should contact Capita Registrars, PXS, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU.
5. To direct your proxy how to vote on the resolutions mark the appropriate box on your proxy form with an 'X'. To abstain from voting on a resolution, select the relevant "Vote withheld" box. 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.
6. To be valid any proxy form or other instrument appointing a proxy must be:
 - completed and signed;
 - sent or delivered to Capita Registrars, PXS, The Registry, 34 Beckenham, Kent, BR3 4TU; and
 - received by Capita Registrars no later than 10.00 a.m. on 4 April 2010.
7. In the case of a member which is a company, your proxy form must be executed under its common seal or signed on its behalf by a duly authorised officer of the Company or an attorney for the Company.
8. Any power of attorney or any other authority under which your proxy form is signed (or a duly certified copy of such power or authority) must be included with your proxy form.
9. 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.
10. You may not use any electronic address provided in your proxy form to communicate with the Company for any purposes other than those expressly stated.
11. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the General Meeting to be held on 6 April 2010 at 10.00 a.m. 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 should refer to their CREST sponsors 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 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 Company's agent, Capita Registrars Limited (CREST Participant ID: RA10), no later than 48 hours before the time appointed for the meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which the Company'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 sponsor or voting service provider 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, to procure that his CREST sponsor or voting service provider takes) 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 sponsor or voting service provider 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.

12. Only those members entered on the register of members of the Company at 10.00 p.m. on 4 April 2010 or, in the event that this meeting is adjourned, in the register of members as at 10.00 p.m. on the day two days before the date of any adjourned meeting, shall be entitled to attend and vote at the meeting in respect of the number of ordinary shares registered in their names at that time. Changes to the entries on the register of members after 10.00 a.m. on 4 April 2010 or, in the event that this meeting is adjourned, in the register of members after the close of business on the day two days before the date of the adjourned meeting, shall be disregarded in determining the rights of any person to attend or vote at the meeting.
13. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.
14. Copies of the directors' service contracts and letters of appointment are available for inspection at the registered office of the Company during normal business hours on any business day and will be available for inspection at the place where the meeting is being held from 15 minutes prior to and during the meeting.