



COMPANIES ACT 1985
COMPANY LIMITED BY SHARES
RESOLUTIONS OF
YOUR SPACE PLC (THE "COMPANY")

NOTICE OF ANNUAL GENERAL MEETING
(Passed on 28 October 2005)

At a duly convened Annual General Meeting of the above named Company held at Halliwells LLP, St James's Court, Brown Street, Manchester, M2 2JF on 28 October 2005, the following resolutions were passed as indicated below:-

ORDINARY RESOLUTIONS

- 1 **THAT** the accounts for the year ended 31 March 2005, together with the reports of the directors and the auditors be received, considered and adopted;
- 2 **THAT** Abraham Samuel Marrache, a director who is retiring by rotation in accordance with Article 24.7 of the Company's Articles, be re-elected as a director of the Company;
- 3 **THAT** Seamus Joseph Millar, a director who is retiring by rotation in accordance with Article 24.7 of the Company's Articles, be re-elected as a director of the Company;
- 4 **THAT** Laurence Howard Davis, a director who is retiring by rotation in accordance with Article 24.1 of the Company's Articles, be re-elected as a director of the Company;
- 5 **THAT** Christopher Robin Leslie Phillips, a director who is retiring by rotation in accordance with Article 24.1 of the Company's Articles, be re-elected as a director of the Company;
- 6 **THAT** Grant Thornton UK LLP Chartered Accountants and Registered Auditors be appointed as auditors of the Company until the conclusion of the next annual general meeting **AND THAT** the directors of the Company be authorised to determine their remuneration.
- 7 **THAT**, in substitution for all existing and unexercised authorities, for the purposes of and pursuant to section 80 of Act, the directors of the Company be and they are hereby generally and unconditionally authorised and empowered to exercise all the powers of the Company to allot relevant securities (within the meaning of section 80(2) of the Act) to a nominal amount of £3,022,245.50 to such persons and at such times and upon such terms and conditions as they may determine (subject always to the articles of association of the Company) provided that this authority and power shall, unless previously renewed, varied or revoked, expire at the conclusion of the next annual general meeting of the Company or 15 months from the date of the passing of this resolution (whichever is the earlier) and provided further that the directors of the Company may before the expiry of such period make any offer, agreement or arrangement which would or might require relevant securities to be allotted after the expiry of such period, and the

directors of the Company may then allot relevant securities pursuant to any such offer, agreement or arrangement as if the authority or power hereby conferred had not expired.

- 8 **THAT** the waiving, subject to the consent of the Panel on Takeovers and Mergers, of the obligation on members of the Concert Party (as defined in the circular to shareholders of the Company dated 30 September 2005) under Rule 9 of the City Code on Takeovers and Mergers, to make a general offer to the shareholders of the Company arising out of the Concert Party's shareholding in the Company increasing beyond the 30 per cent threshold from 52,309,008 Ordinary Shares representing 26.45 percent of the Company's issued share capital to a maximum of 5,230,900 New Ordinary Shares representing 35.4 per cent of the Company's issued share capital, as a result of the exercise by the Company of the authority sought in Resolution 11 below to make market purchases, be and is hereby approved.

SPECIAL RESOLUTIONS

- 9 **THAT**, subject to the passing of Resolution 7 above, in substitution for all existing and unexercised authorities and powers, pursuant to section 95(1) of the Act, the directors of the Company be and they are hereby authorised and empowered to allot equity securities (within the meaning of section 94 of the Act) pursuant to the general authority and power conferred by Resolution 7 above as if section 89(1) of the Act did not apply to any such allotment provided that this authority and power shall be limited to:
- (a) the allotment of equity securities pursuant to a rights issue or similar offer to ordinary shareholders where the equity securities respectively attributable to the interests of all ordinary shareholders are proportionate or as nearly as practicable (and taking into account any prohibitions against or difficulties concerning the making of an offer or allotment to shareholders whose registered address or place of residence is overseas and subject to such exclusions as the directors of the Company may deem necessary or expedient to deal with fractional entitlement or record dates) to the respective numbers of ordinary shares held by them; and
 - (b) the allotment (otherwise than pursuant to paragraph a. above) for cash of equity securities up to an aggregate nominal amount of £3,022,245.50 and provided further that this authority and power shall, unless previously renewed, varied or revoked, expire at the conclusion of the next annual general meeting of the Company or 15 months from the date of the passing of this resolution (whichever is the earlier) save that the Company may before such expiry, make an offer or agreement which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities in pursuance of such offer or agreement as if the power conferred hereby had not expired.
- 10 **THAT** with effect from 6.00 p.m. on 28 October 2005 or such later date as the Directors shall determine each 10 of the Ordinary Shares of 1p each in the capital of the Company whether issued or unissued be consolidated into one New Ordinary Share of 10p on the basis that:
- (a) any fractional entitlements arising will be aggregated by the Company and sold for the benefit of the Company; and

- (b) new certificates shall be issued by 7 November 2005 in respect of Shareholders on the register on 28 October 2005 whereupon all existing certificates for Ordinary Shares of 1p in the Company shall become void and CREST accounts shall be credited accordingly on 31 October 2005; and
 - (c) the Directors of the Company be entitled to retain the proceeds of sale of fractional entitlements to shares resulting from a consolidation of the Company's share capital for the benefit of the Company by replacing the words "distribute the proceeds of sale in due proportion among the members who would have been entitled to the fractions of shares" with the words "retain the proceeds of sale for the benefit of the Company" in Article 13.3 by way of alteration to the Articles of Association of the Company.
- 11 **THAT**, subject to the passing of Resolution 10 and pursuant to Article 3.5, the Company be and is hereby granted general and unconditional authority for the purposes of section 166 of the Companies Act 1985 to make one or more market purchases (within the meaning of section 163(3) of the Companies Act 1985) of New Ordinary Shares of 10p each in its capital provided that:
- (a) the maximum aggregate number of New Ordinary Shares hereby authorised to be purchased is 5,000,000;
 - (b) the minimum price which may be paid for such shares is 10p per share (exclusive of expenses);
 - (c) the maximum price (exclusive of expenses) which may be paid for a New Ordinary Share is an amount equal to 105% of the average of the middle market quotations for a New Ordinary Share in the Company as derived from the AIM Appendix to the Daily Official List for the 5 business days immediately preceding the date on which the New Ordinary Share is purchased;
 - (d) unless previously renewed, varied or revoked, the authority hereby conferred shall expire at the conclusion of the Company's next annual general meeting or 18 months from the date of passing of this resolution, whichever is earlier; and
 - (e) the Company may make a contract or contracts to purchase New Ordinary Shares under the authority hereby conferred prior to the expiry of such authority which will or may be executed wholly or partly after the expiry of such authority and may make a purchase of New Ordinary Shares in pursuance of any such contract or contracts;



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