

To the members of Brainspark plc

27 March 2009

Dear Shareholder

GENERAL MEETING: 21 APRIL 2009

In the announcement today to the London Stock Exchange, the Company said that it was seeking the consent of its shareholders to the elimination of (i) its share premium account and (ii) the deferred shares of 0.01 penny each that were created in 2005 (the "Deferred Shares").

The Company has been profitable in the last two financial years. Whilst the Company has only very limited resources to pay a cash dividend, it does have holdings in underlying investments that it might chose to distribute (often called a "dividend in specie"). However it is presently legally prevented from paying a dividend because of historic losses.

In order that a dividend may be paid, the Company has to go through a three-stage process. First, the permission of shareholders must be obtained formally to cancel the share premium account. Second, the High Court must be satisfied that the interests of creditors are protected before it will confirm this decision. Third, the Board must be satisfied that it is prudent to pay a dividend and to determine its amount.

But the Company would now like to begin preparing the ground so that it may legally pay a dividend or make a dividend in specie at such time as the Board considers it prudent to do so.

The first part of the process is to seek your approval. Please find enclosed a Notice of a General Meeting (the "GM") to be held the 22 Great James Street, London WC1N 3ES on 21 April at 11.00. A form of proxy is enclosed in case you are unable to attend the meeting.

The purpose of the GM is to put a resolution to the Company's shareholders for them to consider and (if thought fit) to approve as a special resolution (as set out in the Notice), namely the resolution to approve the cancellation of the Company's share premium account and the cancellation of the Deferred Shares ("the Proposal").

CANCELTION OF SHARE PREMIUM ACCOUNT

The Company's share premium account presently amounts to over £29.2 million.

Part (i) of Resolution 1 deals with the cancellation of the share premium account.

A company may cancel its share premium account provided that it obtains (i) the approval of shareholders by special resolution in general meeting and (ii) confirmation of the High Court.

The reserves which arise from cancelling the share premium account may be used in a number of ways. The reserves may be used in eliminating the Company's accumulated deficit on its profit and loss account, which at 30 June 2008 amounted to just over £27.8 million. The balance arising out the cancellation may be used against future losses and/or, if the court is satisfied that the interests of creditors are properly protected, may be treated as profits and distributed to members.

The second part of the process, seeking the High Court's confirmation, is itself split into two parts. The Company will seek a preliminary or "directions" hearing at which, amongst other things, the High Court will require that the Company advertise its intentions in the newspapers. At a second or "final" hearing, the Company will seek the High Court's confirmation of your agreement to the Proposal. In seeking the High Court's confirmation, it will be necessary for the Company to satisfy the High Court that the interests of its creditors are not prejudiced by the Proposal. The Board does not foresee any objections to the Proposal from its creditors and will put into place such creditor protection as the Court may require.

Assuming that the High Court makes an order confirming the cancellation of the Company's share premium account, the Proposal will become effective as soon as a copy of the order is registered by the Registrar of Companies.

At this point, on the basis of its current reserve position, the Company will have a large credit balance in its profit and loss account, which (subject to the form, if any, of creditor protection required by the High Court) it will no longer be legally restricted from distributing to shareholders.

The Company will make an appropriate announcement, including specific details in relation to the size, record date and payment date of the dividend, once registration has occurred.

CLASS MEETING FOR HOLDERS OF DEFERRED SHARES

Shareholders who acquired their shareholding before March 2005 may recall that, at that time, the share price for ordinary shares was less than the nominal amount of one penny. In 2005, a resolution was passed splitting each ordinary share into one ordinary share of 0.01 penny ("Ordinary Shares") and 99 Deferred Shares.

The rights attaching to the Deferred Shares were designed to make them of very limited economic value. Now is an appropriate moment to tidy up the Company's share capital and cancel the Deferred Shares.

The elimination of the Deferred Shares is dealt with in part (ii) of Resolution 1.

Not all holders of Ordinary Shares hold Deferred Shares. The cancellation of the Deferred Shares affects the holders of the Deferred Shares as a class over and above the effect on them as holders of shares generally.

Accordingly, immediately after the GM, a class meeting of the holders of the Deferred Shares will be held to seek their consent to the cancellation of the Deferred Shares.

I have written separately to the holders of Deferred Shares about that class meeting. That letter to holders of Deferred Shares is included in the same envelope in which you will have received this letter if you are such a holder.

AMENDMENTS TO ARTICLES

As the Company is holding a GM, the opportunity will be taken to update the Company's articles of association in relation to the Companies Act 2006 (the "Act"). This is dealt with in Resolution 2.

The Act introduced a statutory requirement for the directors of all companies in relation to conflicts of interest. The practical effect of the Act is that all companies should amend their

articles so that directors may deal with conflicts of interest by declaring their interest to the Board and, where appropriate, abstaining from voting in relation to matters where they are conflicted.

EXPECTED TIMETABLE OF EVENTS

Latest time for receipt of proxy forms	11.00 on 19 April
GM & Class Meeting for Deferred Shares	21 April
Directions Hearing before High Court	April 2009
Final Hearing before High Court	May 2009
Registration of court order	May 2009
Payment of dividend	Subject to the Board considering it prudent in the light of all circumstances at the time, early in June 2009.

RECOMMENDATION

The Directors consider that the Special Resolutions are in the best interests of the Company and the Shareholders.

Accordingly, the Directors unanimously recommend shareholders to vote in favour of the Special Resolutions proposed for this GM as they intend to do in respect of their own holdings which amount to 79,454,661 Ordinary Shares or approximately 24.03 per cent of the issued ordinary share capital of the Company.

The Directors will also vote in favour of the resolution to be put to the holders of the Deferred Shares in respect of the 3,225,924,504 Deferred Shares held by them, which represent 16.95 per cent of the Deferred Shares.

ACTION TO BE TAKEN BY SHAREHOLDERS

You will find enclosed a Form of Proxy for use if you are unable to attend the GM. Forms of Proxy should be completed and returned so that they arrive at the office of the Company's registrars or as soon as possible and in any event not later than 11.00 on 19 April. Completion and return of the Form of Proxy will not prevent you from attending and voting at the GM should you so wish.

I look forward to meeting those of you who wish to attend the GM. If you are unable to attend, I encourage you to complete and return the Form of Proxy so that your views are taken into account on this important subject.

Yours sincerely

Francesco Gardin

NOTICE OF GM
BRAINSPARK PLC (the "Company")

Notice is hereby given that a General Meeting of the Company will be held at the Company's offices at the 22 Great James Street, London WC1N 3ES on 21 April 2009 at 11.00 for the purpose of considering and, if thought fit, passing the following resolutions each as a special resolution:

SPECIAL RESOLUTIONS

- 1 THAT, subject to the confirmation of the High Court:
- (i) the amount standing to the credit of the share premium account of the Company be and the same is hereby cancelled; and
 - (ii) the share capital of the Company be reduced by the cancellation and extinguishment for no consideration of all the issued and unissued deferred shares of 0.01 pence.
- 2 THAT the Articles of Association of the Company be amended by the insertion of the following as Article 109A:-
- "109A Without limiting the operation of Articles 102 to 109 in any manner, the directors may authorise (if they think fit and subject to any conditions that they shall from time to time impose) to the fullest extent permitted by the Statutes:-
- 109A.1 any matter which would otherwise result in the a director infringing his duty to avoid conflicts or potential conflicts with the interests of the Company; and/or
- 109A.2 a director to accept or continue in any office, employment or position in addition to his office as a director of the Company
- PROVIDED THAT (a) any requirement as to quorum at the meeting at which the matter is considered is met without counting the director in question or other interested directors and (b) the matter was agreed to without their voting or would have been agreed if they had not voted.
- 109A.3 If a matter, office, employment or position has been authorised by the directors in accordance with this Article, then (subject to any conditions imposed by the Board):-
- (i) the director concerned shall not be required to disclose any confidential information relating to such matter, office, employment or position to the Company if to do so would breach a duty of confidence binding on him;
 - (ii) the director concerned may absent himself from discussions and exclude himself from information that relates to that employment; and
 - (iii) the director concerned shall not be accountable to the Company for the benefit derived from such matter, office, employment or position."

Dated 27 March 2009

BY ORDER OF THE BOARD

Registered Office

The Lightwell, 12-16 Laystall Street, London EC1R 0UR

Notes:-

- 1 A member of the Company entitled to exercise all or any of his rights to attend and to speak and to vote at a meeting of the Company instead of him. A member may appoint more than one proxy in relation to a meeting provided that each proxy is appointed to exercise rights attached to a different share or shares held by him. A proxy need not be a member of the Company.
- 2 The Company, pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, hereby specifies that only those shareholders registered on the Register of Members of the Company at 6.00pm on 19 April 2009 shall be entitled to attend or vote at the meeting in respect of shares registered in their name at the time. Changes to entries on the relevant Register of Members after this time shall be disregarded in determining the rights of any person to attend or vote at the meeting, notwithstanding any provisions in any enactment, the articles of association of the Company or other instrument to the contrary.
- 3 The Company, pursuant to Regulation 41(3) of the Uncertificated Securities Regulations 2001, hereby gives notice of its determination that only those shareholders registered on the Register of Members of the Company at the close of business on the 19 April 2009 shall be entitled to receive notice of this meeting.

FORM OF PROXY RELATING TO
GENERAL MEETING
OF
BRAINSPARK PLC

I/we***, being a member of the Company, hereby appoint

The Chairman of the meeting***

OR

.....***

to act as my/our*** proxy to vote in my/our*** name and on my/our behalf at the above mentioned meeting to be held at 11.00 at 22 Great James Street, London WC1N 3ES on 21 April, including any adjournment thereof, and to vote upon a poll called in respect of the following resolutions as described below

at his***/her*** discretion***

OR

as follows

- | | | |
|---|---|-------------------|
| 1 | To cancel the Share Premium Account/Deferred Shares | ***FOR/AGAINST*** |
| 2 | To amend Articles | ***FOR/AGAINST*** |

Duly executed by me/us*** the day of 2009

*** Please delete as appropriate

Signed

NAME

ADDRESS

NOTES

- 1 If you wish to appoint a proxy, this form must be returned to the office of the Company's registrars not later than 11.00 on 19 April 2009.
- 2 If you are a corporation, this form must be executed as deed.
- 3 If your shares are held jointly with some other person(s), the names and addresses of all joint holders should be given.