

## **THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

If you are in any doubt as to what action you should take, you should consult your own independent financial adviser authorised under the Financial Services and Markets Act 2000 (as amended).

If you have sold or transferred all of your shares in Hargreave Hale AIM VCT 1 plc and/or Hargreave Hale AIM VCT 2 plc, please send this document at once 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. However, such documents should not be forwarded or transmitted in or into the United States, Canada, Australia or Japan or any other jurisdiction if to do so would constitute a violation of the relevant laws of such jurisdiction.

The Companies, and the Directors accept responsibility for the information contained in this document. To the best of the knowledge of the Companies and the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and contains no omissions likely to affect its import.

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### **HARGREAVE HALE AIM VCT 1 PLC**

*(Incorporated in England and Wales under the Companies Act 1985 with registered number 05206425)*

### **HARGREAVE HALE AIM VCT 2 PLC**

*(Incorporated in England and Wales under the Companies Act 1985 with registered number 05941261)*

#### **General Meetings in connection with Recommended Proposals relating to:**

- (i) offers for subscription of up to £10,000,000 of Ordinary Shares of 1p each in Hargreave Hale AIM VCT 1 and up to £10,000,000 of Ordinary Shares of 1p each in Hargreave Hale AIM VCT 2**
- (ii) adoption of new Articles of Association of Hargreave Hale AIM VCT 1 and Hargreave Hale AIM VCT 2 in order to extend the life of the Companies to 2021**

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Your attention is drawn to the letter from the Chairmen of the Companies set out on pages 4 to 6 which contains a recommendation to vote in favour of the Resolutions to be proposed at the General Meetings.

You will find on pages 9 to 16 a notice of the General Meetings to be held on 7 November 2014 at 10.00 a.m. for Hargreave Hale AIM VCT 1 and at 10.15 a.m. for Hargreave Hale AIM VCT 2 to approve the Resolutions. The General Meetings will be held at the offices of the Companies, Accurist House, 44 Baker Street, London, W1U 7AL. To be valid, the forms of proxy enclosed with this document for the General Meetings should be returned not less than 48 hours before the General Meetings, either by post or by hand (during business hours only) to Equiniti, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA.

The whole of this Circular should be read. This document has been prepared to include all necessary information for Shareholders to make an informed decision regarding the matters being voted on. This Circular does not constitute the Prospectus which is a separate document and which sets out the full terms of the Offers. Shareholders are strongly recommended to read the full terms of the Prospectus if they wish to participate in the Offers. Copies of the Prospectus are available on request at the offices of the Companies, Accurist House, 44 Baker Street, London W1U 7AL and at the following website address: <http://www.hargreavehale.co.uk/fund-management/venture-capital-trusts/new-vct-offer.co.uk>.

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## EXPECTED TIMETABLE

Offers open	2 October 2014
Latest time and date for receipt of proxy forms for the General Meeting of Hargreave Hale AIM VCT 1	10.00 a.m. on 5 November 2014
Latest time and date for receipt of proxy forms for the General Meeting of Hargreave Hale AIM VCT 2	10.15 a.m. on 5 November 2014
General Meeting of Hargreave Hale AIM VCT 1	10.00 a.m. on 7 November 2014
General Meeting of Hargreave Hale AIM VCT 2	10.15 a.m. on 7 November 2014
Closing date for receipt of applications for investment in the Offers for the 2014/15 tax year	12.00 p.m. on 2 April 2015
Allotment of new Ordinary Shares under the Offers	Monthly
Admission and dealings expected to commence	Within 10 business days of any allotment
Closing date for receipt of applications for investment in the Offers for the 2015/16 tax year	12.00 p.m. on 30 September 2015
Dispatch of Share and tax certificates	Within 15 business days of any allotment

If there are any significant changes to the above times and/or dates Ordinary Shareholders will be notified by an announcement through a regulatory information service.

**Hargreave Hale AIM VCT 1 plc**  
**Hargreave Hale AIM VCT 2 plc**  
Accurist House  
44 Baker Street  
London  
W1U 7AL

3 October 2014

Dear Shareholder,

**Proposals relating to:**

- (i) **offers for subscription of up to £10,000,000 of Ordinary Shares in Hargreave Hale AIM VCT 1 and up to £10,000,000 of Ordinary Shares in Hargreave Hale AIM VCT 2**
- (ii) **adoption of new Articles of Association of Hargreave Hale AIM VCT 1 and Hargreave Hale AIM VCT 2 in order to extend the life of the Companies to 2021**

**Introduction**

The purpose of this Circular is to provide information on and seek approval from the Shareholders for making the Offers for subscription. In addition, both Companies are seeking an amendment to their Articles of Association in order to extend the life of the Companies to 2021.

**The Offers**

On 12 September 2014, the Companies announced their intention to launch separate offers for subscription of new Ordinary Shares. Full details of the Offers are contained in the Prospectus, published by the Companies on 2 October 2014. Hargreave Hale AIM VCT 1 and Hargreave Hale AIM VCT 2 are both seeking to raise up to £10 million each through the Offers.

Following the success of the 2013-14 offers in which £14.8 million was raised, the Companies have already invested £7.3 million in 22 Qualifying Companies. The raising of further funds by way of the Offers is intended to create the following benefits:

- provide the Companies with new capital for investment into Qualifying Companies;
- attract new capital to both Companies that will help promote their long time viability, meet expenses and reduce the Ongoing Expense Ratios. The extent to which the Ongoing Expense Ratios are reduced will depend on the amount raised under the Offers; and
- provide existing and new investors with the opportunity to invest into small companies through a tax efficient structure and with an award winning Investment Manager that has a long track record of successful investment into small companies.

In order to proceed with the Offers, each Company will need to authorise its Board to allot those Shares pursuant to the Offers on a non-pre-emptive basis.

**Duration of Companies and Amendments to the Articles**

It is proposed that the Articles of both Companies be amended so that the continuation resolution to be put to Shareholders at the annual general meeting of Hargreave Hale AIM VCT 1 in 2020 and Hargreave Hale AIM VCT 2 in 2020 is instead put to Shareholders at the annual general meetings of the Companies to be held in 2021 (and at each annual general meeting of the Company at five year intervals thereafter) in order that the new Ordinary Shares to be issued pursuant to the Offers can be retained for five years with the associated tax benefits.

### **The General Meeting of Hargreave Hale AIM VCT 1**

The General Meeting for Hargreave Hale AIM VCT 1 will consider the following Resolutions:

Resolution 1 will, if passed, give the Board authority, pursuant to the Companies Act 2006, to allot Ordinary Shares under the Offer during the period commencing on the passing of this Resolution and expiring on the first anniversary of this Resolution.

Resolution 2 will, if passed, give the Board authority under the Companies Act 2006 to allot the Shares referred to in Resolution 1, other than pro rata to existing Shareholders. This authority will expire on the first anniversary of the date of this Resolution.

Resolution 3 will, if passed, under the Companies Act 2006, adopt the articles of association of the Company for the reasons set out under the heading "Duration of Company and Amendments to the Articles" on page 4 of this document.

### **The General Meeting of Hargreave Hale AIM VCT 2**

The General Meeting for Hargreave Hale AIM VCT 2 will consider the following Resolutions:

Resolution 1 will, if passed, give the Board authority, pursuant to the Companies Act 2006, to allot Ordinary Shares under the Offer during the period commencing on the passing of this Resolution and expiring on the first anniversary of this Resolution.

Resolution 2 will, if passed, give the Board authority under the Companies Act 2006 to allot the Shares referred to in Resolution 1, other than pro rata to existing Shareholders. This authority will expire on the first anniversary of the date of this Resolution.

Resolution 3 will, if passed, under the Companies Act 2006, adopt the articles of association of the Company for the reasons set out under the heading "Duration of Company and Amendments to the Articles" on page 4 of this document.

### **Action to be taken in respect of the General Meetings**

Shareholders will find forms of proxy attached at the end of this document for each of the General Meetings which are to be held at the offices of Hargreave Hale, Accurist House, 44 Baker Street, London W1U 7AL. Whether or not you propose to attend the General Meetings, you are requested to complete and return the enclosed form of proxy to Equiniti, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, so as to be received not less than 48 hours before the time appointed for holding the relevant General Meeting. Completion and return of the form of proxy will not prevent a Shareholder from attending and voting in person at the relevant General Meeting should a Shareholder wish to do so.

### **Recommendation and Intentions of the Board of Hargreave Hale AIM VCT 1**

The Board of Hargreave Hale AIM VCT 1 considers that the Proposals are in the best interests of the Shareholders of Hargreave Hale AIM VCT 1 as a whole and unanimously recommends that Shareholders of Hargreave Hale AIM VCT 1 vote in favour of the Resolutions in respect of Hargreave Hale AIM VCT 1.

The Directors of Hargreave Hale AIM VCT 1 intend to vote in favour of the Resolutions in respect of their own beneficial shareholdings amounting to 0.4 per cent. of the Company.

## **Recommendation and Intentions of the Board of Hargreave Hale AIM VCT 2**

The Board of Hargreave Hale AIM VCT 2 considers that the Proposals are in the best interests of the Shareholders of Hargreave Hale AIM VCT 2 as a whole and unanimously recommends that Shareholders of Hargreave Hale AIM VCT 2 vote in favour of the Resolutions in respect of Hargreave Hale AIM VCT 2.

The Directors of Hargreave Hale AIM VCT 2 intend to vote in favour of the Resolutions in respect of their own beneficial shareholdings amounting to 1.3 per cent. of the Company.

Yours faithfully

**Sir Aubrey Brocklebank Bt**  
**Chairman**  
Hargreave Hale AIM VCT 1 plc

**David Hurst-Brown**  
**Chairman**  
Hargreave Hale AIM VCT 2 plc

### *Inspection Documents*

*A copy of the proposed new articles of association of the Companies will be available for inspection at the offices of Pinsent Masons LLP, 30 Crown Place, London EC2A 4ES from the date of this document until the date of the General Meetings and at Accurist House, 44 Baker Street, London, W1U 7AL from 15 minutes before each General Meeting until each General Meeting ends.*

## DEFINITIONS

<b>"Articles"</b>	the articles of association of each Company, as amended from time to time
<b>"Board" or "Directors"</b>	(i) with respect to Hargreave Hale AIM VCT 1: Sir Aubrey Brocklebank Bt, David Brock, and Giles Hargreave and (ii) with respect to Hargreave Hale AIM VCT 2: David Hurst-Brown, Philip Cammerman and Giles Hargreave
<b>"Circular"</b>	this document
<b>"Companies"</b>	Hargreave Hale AIM VCT 1 and Hargreave Hale AIM VCT 2, and "Company" means either one of them as the context requires
<b>"CREST"</b>	the relevant system (as defined in the Regulations) in respect of which Euroclear is the Operator (as defined in the Regulations)
<b>"Equiniti"</b>	Equiniti Limited
<b>"Euroclear"</b>	Euroclear UK and Ireland Limited
<b>"General Meetings"</b>	the general meetings of the Companies to be held on 7 November 2014 (or any adjournment thereof), and a "General Meeting" means either of the general meetings as the context requires
<b>"Hargreave Hale" or "Investment Manager"</b>	Hargreave Hale Limited, which is authorised and regulated by the FCA
<b>"Hargreave Hale AIM VCT 1"</b>	Hargreave Hale AIM VCT 1 plc
<b>"Hargreave Hale AIM VCT 2"</b>	Hargreave Hale AIM VCT 2 plc
<b>"Net Asset Value" or "NAV"</b>	the value of each Company's assets, less its liabilities (divided by the appropriate number of shares in issue when referred to on a per-share basis)
<b>"Notice of the General Meeting"</b>	the notice of the General Meeting set out on pages 9 to 16 of this document
<b>"Ordinary Shares"</b>	ordinary shares of 1p each in the capital of the relevant Company
<b>"Ordinary Shareholder"</b>	a holder of Ordinary Shares in the relevant Company
<b>"Offers"</b>	the offers for subscription for Ordinary Shares in the Companies as described in the Circular, and an "Offer" means either the offer for subscription by Hargreave Hale AIM VCT 1 or the offer for subscription by Hargreave Hale AIM VCT 2, as the context requires

<b>"Ongoing Expense Ratio"</b>	the total costs of managing and operating each Company divided by its NAV
<b>"Proposals"</b>	the recommended proposals relating to: <ul style="list-style-type: none"> <li>(i) offers for subscription of up to £10,000,000 of Ordinary Shares of 1p each in Hargreave Hale AIM VCT 1 and of up to £10,000,000 of Ordinary Shares of 1p each in Hargreave Hale AIM VCT 2</li> <li>(ii) adoption of new Articles of Association of Hargreave Hale AIM VCT 1 and Hargreave Hale AIM VCT 2 in order to extend the life of the Companies to 2021</li> </ul>
<b>"Prospectus"</b>	the prospectus dated 2 October 2014 relating to the Offers
<b>"Qualifying Investment" or "Qualifying Company"</b>	an investment made by a venture capital trust in a trading company which comprises a qualifying holding under Chapter 4 of Part 6 ITA
<b>"Regulations"</b>	the Uncertificated Securities Regulations 2001 (SI 2001/3755)
<b>"Resolutions"</b>	the resolutions set out in the Notice of General Meeting for each of the Companies
<b>"Shares"</b>	shares in the capital of the Companies
<b>"Shareholders"</b>	holders of Ordinary Shares in the capital of the Companies
<b>"VCT"</b>	a venture capital trust as defined in section 259 of the Income Tax Act 2007



## HARGREAVE HALE AIM VCT 1 PLC

### NOTICE OF THE GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that a General Meeting of Hargreave Hale AIM VCT 1 plc (the "Company") will be held at the offices of the Company, at Accurist House, 44 Baker Street, London, W1U 7AL at 10.00 a.m. on 7 November 2014 to consider and, if thought fit, pass the following resolutions which will be proposed as an ordinary resolution as to resolution (1) and as special resolutions as to resolutions (2) and (3):

#### *Ordinary Resolutions*

- (1) THAT, in substitution for existing authorities, the Directors be and are hereby generally and unconditionally authorised in accordance with section 551 of the Companies Act 2006 (the "Act") to exercise all the powers of the Company to allot shares in the capital of the Company and to grant rights to subscribe for or to convert any security into shares in the Company up to an aggregate nominal value of £170,000 during the period commencing on the passing of this resolution and expiring on the first anniversary of this resolution (unless previously revoked, varied or extended by the Company in general meeting), but so that this authority shall allow the Company to make before the expiry of this authority offers or agreements which would or might require shares to be allotted after such expiry.

Provided however that the power conferred by this resolution shall be limited to the allotment of equity securities in connection with the offers for subscription of up to £10,000,000 of ordinary shares of 1 pence each in the capital of the Company (the "Ordinary Shares") pursuant to a prospectus issued by the Company and Hargreave Hale AIM VCT 2 plc on the date of this Circular (the "Offer") and subject only to such arrangements as the Directors may consider necessary or expedient to deal with fractional entitlements or legal or practical problems under the laws of, or the requirements of any recognised regulatory body in any territory.

The power and authority conferred by this resolution shall be in substitution for all previous authorities.

#### *Special Resolutions*

- (2) THAT, (subject to resolution (1) being passed) in substitution for existing authorities, the Directors be and are hereby empowered in accordance with section 570(1) of the Act during the period commencing on the passing of this resolution and expiring on the first anniversary of this resolution (unless previously revoked, varied or extended by the Company in general meeting), to allot equity securities (as defined in Section 560 of the Act) for cash pursuant to the general authority conferred upon the Directors in resolution (1) above as if section 561 of the Act did not apply to any such allotment provided that this power shall expire on the first anniversary of the resolution but so that this authority shall allow the Company to make offers or agreements before the expiry and the Directors may allot equity securities in pursuance of such offers or agreements as if the powers conferred hereby had not so expired.
- (3) THAT, (subject to resolution (2) being passed), the draft regulations contained in the document marked "A" produced to the meeting, and for the purpose of identification signed by the chairman, be approved and adopted as the articles of association of the Company in substitution for and to the exclusion of the existing articles of association.

By order of the Board

Stuart Brookes

Secretary

Registered Office:

Accurist House  
44 Baker Street  
London  
W1U 7AL

Information regarding the General Meeting, including the information required by section 311A of the Act, is available from <http://www.hargreave-hale.co.uk/fund-management/venture-capital-trusts/hargreave-hale-aim-vct-1/offer-documents-and-reports/>

3 October 2014

## Notes

1. To be entitled to attend and vote at the meeting (and for the purposes of the determination by the Company of the votes they may cast), members must be registered in the register of members of the Company at 6.00 p.m. on 5 November 2014 (or, in the event of any adjournment, 6.00 p.m. on the date which is two days before the date of the adjourned meeting). Changes to the register of members of the Company after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.
2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend, speak and vote on his or her behalf. A proxy need not also be a member but must attend the meeting to represent the member. Details of how to appoint the chairman of the meeting or another person as a proxy using the form of proxy are set out in the notes on the form of proxy. If a member wishes a proxy to speak on the member's behalf at the meeting the member will need to appoint his or her own choice of proxy (not the chairman) and give his or her instructions directly to them. Under section 319A of the CA 2006, the Company must answer any question a member asks relating to the business being dealt with at the General Meeting unless:
  - answering the question would interfere unduly with the preparation for the General Meeting or involve the disclosure of confidential information;
  - the answer has already been given on a website in the form of an answer to a question; or
  - it is undesirable in the interests of the Company or the good order of the General Meeting that the question be answered.
3. A form of proxy is attached to this document. To be valid, a form of proxy and the power of attorney or other written authority, if any, under which it is signed or an office or notarially certified copy or a copy certified in accordance with the Powers of Attorney Act 1971 of such power and written authority, must be delivered to Equiniti at Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA not less than 48 hours before the time appointed for holding the General Meeting or adjourned meeting at which the person named in the form of proxy proposes to vote. In the case of a poll taken more than 48 hours after it is demanded, the document(s) must be delivered as aforesaid not less than 24 hours before the time appointed for taking the poll, or where the poll is taken not more than 48 hours after it was demanded, the document(s) must be delivered at the meeting at which the demand is made. 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 7 November 2014 and any adjournment(s) thereof by using the procedures described in the CREST

Manual on the Euroclear website ([www.euroclear.com](http://www.euroclear.com)). 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. The message, regardless of whether it constitutes the appointment of a proxy or 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 RA19) by 10.00 a.m. on 5 November 2014. 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 provider(s) 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 CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service provider(s) 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.

4. As at 30 September 2014 (being the last business day prior to the publication of this notice), the Company's issued voting share capital was 36,473,134 Ordinary Shares, carrying one vote each. Therefore, the total voting rights in the Company as at 30 September 2014 was 36,473,134.
5. Any person to whom this notice is sent who is a person nominated under section 146 of the CA 2006 to enjoy information rights (a "Nominated Person") may, under an agreement between him/her and the member by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.
6. The statement of the rights of members in relation to the appointment of proxies in paragraph 2 above does not apply to Nominated Persons. The rights described in this paragraph can only be exercised by members of the Company.
7. 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.
8. Appointment of a proxy will not preclude a member from subsequently attending and voting at the meeting should the member subsequently decide to do so. A member can only appoint a proxy using the procedures set out in these notes and the notes to the form of proxy.
9. Except as provided above, members who have general queries about the General Meeting should call Equiniti Limited on 0871 384 2714 for UK based holders or for overseas callers on +44 121 415 7047 (no other methods of communication will be accepted). Calls to this number are charged at 8p per minute plus network extras. Lines open 8.30 a.m. to 5.30 p.m., Monday to Friday.
10. Members may not use any electronic address provided either in this notice of General Meeting, or any related documents (including the Chairman's letter and form of proxy), to communicate with the Company for any purposes other than those expressly stated.

11. 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, the proxy will vote or abstain from voting at his or her discretion. The proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the General Meeting.
12. A copy of this Notice, and other information required by Section 311A of the Companies Act 2006, can be found on the Company's website <http://www.hargreave-hale.co.uk/fund-management/venture-capital-trusts/hargreave-hale-aim-vct-1/offer-documents-and-reports/>

## HARGREAVE HALE AIM VCT 2 PLC

### NOTICE OF THE GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that a General Meeting of Hargreave Hale AIM VCT 2 plc (the "Company") will be held at the offices of the Company, at Accurist House, 44 Baker Street, London, W1U 7AL at 10.15 a.m. on 7 November 2014 to consider and, if thought fit, pass the following resolutions which will be proposed as an ordinary resolution as to resolution (1) and as a special resolution as to resolutions (2) and (3):

#### *Ordinary Resolutions*

- (1) THAT, in substitution for existing authorities, the Directors be and are hereby generally and unconditionally authorised in accordance with section 551 of the Companies Act 2006 (the "Act") to exercise all the powers of the Company to allot shares in the capital of the Company and to grant rights to subscribe for or to convert any security into shares in the Company up to an aggregate nominal value of £120,000 during the period commencing on the passing of this resolution and expiring on the first anniversary of this resolution, or the date of the closing of the Offers, whichever is the later (unless previously revoked, varied or extended by the Company in general meeting), but so that this authority shall allow the Company to make before the expiry of this authority offers or agreements which would or might require shares to be allotted after such expiry.

Provided however that the power conferred by this resolution shall be limited to the allotment of equity securities in connection with the offers for subscription of up to £10,000,000 of ordinary shares of 1 pence each in the capital of the Company (the "Ordinary Shares") pursuant to a prospectus issued by the Company and Hargreave Hale AIM VCT 1 plc on the date of this Circular (the "Offers") and subject only to such exclusions or other arrangements as the Directors may consider necessary or expedient to deal with fractional entitlements or legal or practical problems under the laws of, or the requirements of any recognised regulatory body in any territory.

The power and authority conferred by this resolution shall be in substitution for all previous authorities.

#### *Special Resolutions*

- (2) THAT, (subject to resolution (1) being passed) in substitution for existing authorities, the Directors be and are hereby empowered in accordance with section 570(1) of the Act during the period commencing on the passing of this resolution and expiring on the first anniversary of this resolution, or the date of the closing of the Offers, whichever is the later (unless previously revoked, varied or extended by the Company in general meeting), to allot equity securities (as defined in Section 560 of the Act) for cash pursuant to the general authority conferred upon the Directors in resolution (1) above as if section 561 of the Act did not apply to any such allotment provided that this power shall expire on the first anniversary of the resolution but so that this authority shall allow the Company to make offers or agreements before the expiry and the Directors may allot equity securities in pursuance of such offers or agreements as if the powers conferred hereby had not so expired.
- (3) THAT, (subject to resolution (2) being passed), the draft regulations contained in the document marked "B" produced to the meeting, and for the purpose of identification signed by the chairman, be approved and adopted as the articles of association of the Company in substitution for and to the exclusion of the existing articles of association.

By order of the Board

Stuart Brookes

Secretary

Registered Office:

Accurist House  
44 Baker Street  
London  
W1U 7AL

Information regarding the General Meeting, including the information required by section 311A of the Act, is available from <http://www.hargreave-hale.co.uk/fund-management/venture-capital-trusts/hargreave-hale-aim-vct-2/offer-documents-and-reports/>

3 October 2014

## Notes

1. To be entitled to attend and vote at the meeting (and for the purposes of the determination by the Company of the votes they may cast), members must be registered in the register of members of the Company at 6:00 p.m. on 5 November 2014 (or, in the event of any adjournment, 6:00 p.m. on the date which is two days before the date of the adjourned meeting). Changes to the register of members of the Company after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.
2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend, speak and vote on his or her behalf. A proxy need not also be a member but must attend the meeting to represent the member. Details of how to appoint the chairman of the meeting or another person as a proxy using the form of proxy are set out in the notes on the form of proxy. If a member wishes a proxy to speak on the member's behalf at the meeting the member will need to appoint his or her own choice of proxy (not the chairman) and give his or her instructions directly to them. Under section 319A of the CA 2006, the Company must answer any question a member asks relating to the business being dealt with at the General Meeting unless:
  - answering the question would interfere unduly with the preparation for the General Meeting or involve the disclosure of confidential information;
  - the answer has already been given on a website in the form of an answer to a question; or
  - it is undesirable in the interests of the Company or the good order of the General Meeting that the question be answered.
3. A form of proxy is attached to this document. To be valid, a form of proxy and the power of attorney or other written authority, if any, under which it is signed or an office or notarially certified copy or a copy certified in accordance with the Powers of Attorney Act 1971 of such power and written authority, must be delivered to Equiniti at Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA not less than 48 hours before the time appointed for holding the General Meeting or adjourned meeting at which the person named in the form of proxy proposes to vote. In the case of a poll taken more than 48 hours after it is demanded, the document(s) must be delivered as aforesaid not less than 24 hours before the time appointed for taking the poll, or where the poll is taken not more than 48 hours after it was demanded, the document(s) must be delivered at the meeting at which the demand is made. 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 7 November 2014 and any adjournment(s) thereof by using the procedures described in the CREST Manual on the Euroclear website ([www.euroclear.com](http://www.euroclear.com)). 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. The message, regardless of whether it constitutes the appointment of a proxy or 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 RA19) by 10.15 a.m. on 5 November 2014. 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 provider(s) 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 CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service provider(s) 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.

4. As at 30 September 2014 (being the last business day prior to the publication of this notice), the Company's issued voting share capital was 16,202,640, carrying one vote each. Therefore, the total voting rights in the Company as at 30 September 2014 was 16,202,640.
5. Any person to whom this notice is sent who is a person nominated under section 146 of the CA 2006 to enjoy information rights (a "Nominated Person") may, under an agreement between him/her and the member by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.
6. The statement of the rights of members in relation to the appointment of proxies in paragraph 2 above does not apply to Nominated Persons. The rights described in this paragraph can only be exercised by members of the Company.
7. 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.
8. Appointment of a proxy will not preclude a member from subsequently attending and voting at the meeting should the member subsequently decide to do so. A member can only appoint a proxy using the procedures set out in these notes and the notes to the form of proxy.
9. Except as provided above, members who have general queries about the General Meeting should call Equiniti Limited on 0871 384 2714 for UK based holders or for overseas callers on +44 121 415 7047 (no other methods of communication will be accepted). Calls to this number are charged at 8p per minute plus network extras. Lines open 8.30 a.m. to 5.30 p.m., Monday to Friday.
10. Members may not use any electronic address provided either in this notice of General Meeting, or any related documents (including the Chairman's letter and form of proxy), to communicate with the Company for any purposes other than those expressly stated.
11. 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, the proxy will vote or abstain from voting at his or her discretion. The proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the General Meeting.

12. A copy of this Notice, and other information required by Section 311A of the Companies Act 2006, can be found on the Company's website <http://www.hargreave-hale.co.uk/fund-management/venture-capital-trusts/hargreave-hale-aim-vct-2/offer-documents-and-reports/>



## FORM OF PROXY

### HARGREAVE HALE AIM VCT 1 PLC

For use at the GENERAL MEETING (Block capitals please)

I/We .....

of .....

being a shareholder(s) of the above-name Company, appoint the chairman of the meeting or

.....

for the following number of ordinary shares :

--

to act as my/our proxy to vote for me/us and on my/our behalf in respect of my/our voting entitlement\* at the General Meeting of the Company to be held at 10.00 a.m. on 7 November 2014 and at every adjournment thereof. Please indicate with an 'X' if this is one of multiple proxy Instructions being made. Please refer to **Note 2**.

Please indicate with an X in the space below how you wish your vote to be cast. If no indication is given your proxy will vote for or against the resolution or abstain from voting as he thinks fit. The proxy is directed to vote as follows:

Ordinary Business	For	Against	Withheld
Resolution 1: To authorise the directors to allot ordinary shares pursuant to Section 551 of the Companies Act 2006			
Special Business	For	Against	Withheld
Resolution 2: To authorise the Directors pursuant to Section 570 of the Companies Act 2006 to allot equity securities for cash without regard to pre-emption rights			
Resolution 3: To adopt the new articles of association			

The "Vote Withheld" option is to enable you to abstain on any of the specified resolutions.

Please note that a Vote Withheld has no legal effect and will not be counted in the votes "For" and "Against" a resolution.

Signature ..... Dated .....2014

**Notes**

1. If any other proxy is preferred, strike out the words "chairman of the meeting" and add the name of the proxy you wish to appoint and initial the alteration. The proxy need not be a member.
2. 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, (an) additional form(s) of proxy should be obtained by contacting the Company's registrar, Equiniti. Please indicate in the box next to the proxy holder's name the number of shares in relation to which they are authorised to act as your proxy. Please also indicate by ticking the box provided if the proxy instruction is one of multiple instructions being given.
3. Any alterations to the form should be initialled.
4. If the appointer is a corporation, this form must be completed under its common seal or under the hand of an officer or attorney duly authorised in writing.
5. The signature of any one of joint holders will be sufficient, but the names of all the joint holders should be stated.
6. To be valid, this form of proxy and the power of attorney or other written authority, if any, under which it is signed or an office or notarially certified copy or a copy certified in accordance with the Powers of Attorney Act 1971 of such power and written authority, must be delivered to Equiniti at Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the form of proxy proposes to vote. In the case of a poll taken more than 48 hours after it is demanded, the document(s) must be delivered as aforesaid not less than 24 hours before the time appointed for taking the poll, or where the poll is taken not more than 48 hours after it was demanded, the document(s) must be delivered at the meeting at which the demand is made.
7. CREST members who wish to appoint a proxy or proxies by using the CREST electronic appointment service may do so by using the procedures described in the CREST manual on the Euroclear website ([www.euroclear.com](http://www.euroclear.com)). To be valid, the appropriate CREST message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instructions given to a previously appointed proxy, must be transmitted so as to be received by our agent Equiniti, ID RA 19, no later than 10.00 a.m. on 5 November 2014. Please see the notes to the notice of meeting for further information on proxy appointments through the CREST facility.
8. The completion of this form will not preclude you from attending the meeting and voting in person.
9. You may not use any electronic address provided in this form of proxy to communicate with the Company for any purpose other than those expressly stated.

## FORM OF PROXY

### HARGREAVE HALE AIM VCT 2 PLC

For use at the GENERAL MEETING (Block capitals please)

I/We .....

of .....

being a shareholder(s) of the above-name Company, appoint the chairman of the meeting or

.....

for the following number of ordinary shares :

to act as my/our proxy to vote for me/us and on my/our behalf in respect of my/our voting entitlement\* at the General Meeting of the Company to be held at 10.15 a.m. on 7 November 2014 and at every adjournment thereof. Please indicate with an 'X' if this is one of multiple proxy instructions being made. Please refer to **Note 2**.

Please indicate with an X in the space below how you wish your vote to be cast. If no indication is given your proxy will vote for or against the resolution or abstain from voting as he thinks fit. The proxy is directed to vote as follows:

Ordinary Business	For	Against	Withheld
Resolution 1: To authorise the directors to allot ordinary shares pursuant to Section 551 of the Companies Act 2006	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Special Business	For	Against	Withheld
Resolution 2: To authorise the Directors pursuant to Section 570 of the Companies Act 2006 to allot equity securities for cash without regard to pre-emption rights.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3: To adopt the new articles of association.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The "Vote Withheld" option is to enable you to abstain on any of the specified resolutions.

Please note that a Vote Withheld has no legal effect and will not be counted in the votes "For" and "Against" a resolution.

Signature ..... Dated .....2014

**Notes**

1. If any other proxy is preferred, strike out the words "chairman of the meeting" and add the name of the proxy you wish to appoint and initial the alteration. The proxy need not be a member.
2. 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, (an) additional form(s) of proxy should be obtained by contacting the Company's registrar, Equiniti. Please indicate in the box next to the proxy holder's name the number of shares in relation to which they are authorised to act as your proxy. Please also indicate by ticking the box provided if the proxy instruction is one of multiple instructions being given.
3. Any alterations to the form should be initialled.
4. If the appointer is a corporation, this form must be completed under its common seal or under the hand of an officer or attorney duly authorised in writing.
5. The signature of any one of joint holders will be sufficient, but the names of all the joint holders should be stated.
6. To be valid, this form of proxy and the power of attorney or other written authority, if any, under which it is signed or an office or notarially certified copy or a copy certified in accordance with the Powers of Attorney Act 1971 of such power and written authority, must be delivered to Equiniti at Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the form of proxy proposes to vote. In the case of a poll taken more than 48 hours after it is demanded, the document(s) must be delivered as aforesaid not less than 24 hours before the time appointed for taking the poll, or where the poll is taken not more than 48 hours after it was demanded, the document(s) must be delivered at the meeting at which the demand is made.
7. CREST members who wish to appoint a proxy or proxies by using the CREST electronic appointment service may do so by using the procedures described in the CREST manual on the Euroclear website ([www.euroclear.com](http://www.euroclear.com)). To be valid, the appropriate CREST message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instructions given to a previously appointed proxy, must be transmitted so as to be received by our agent Equiniti, ID RA 19, no later than 10.15 a.m. on 5 November 2014. Please see the notes to the notice of meeting for further information on proxy appointments through the CREST facility.
8. The completion of this form will not preclude you from attending the meeting and voting in person.
9. You may not use any electronic address provided in this form of proxy to communicate with the Company for any purpose other than those expressly stated.