

TANGENT COMMUNICATIONS PLC

(a company incorporated in England and Wales and registered with number 3967805)

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 2010 annual general meeting of Tangent Communications plc (the "**Company**") will be held at the offices of Pinsent Masons LLP, CityPoint, One Ropemaker Street, London, EC2Y 9AH on 31 August 2010 at 11 a.m. (the "**Annual General Meeting**") for the following purposes:

You will be asked to consider and vote on the resolutions below of which resolutions 1 to 8 will be proposed as ordinary resolutions and resolutions 9 and 10 will be proposed as special resolutions:

Ordinary Business

1. To receive the accounts and the reports of the directors and the auditors for the financial year ended 28 February 2010.
2. To declare a final dividend for the financial year ended 28 February 2010 of 0.2 pence per ordinary share.
3. To re-elect Timothy Green as a director (who is retiring and is eligible for re-appointment in accordance with the Company's articles of association).
4. To re-elect Paul Murray as a director (who is retiring and is eligible for re-appointment in accordance with the Company's articles of association).
5. To re-elect Kevin Cameron as a director (who, having been appointed as a director since the last Annual General Meeting, is retiring and is eligible for re-appointment in accordance with the Company's articles of association).
6. To re-elect Alan Smith as a director (who, having been appointed as a director since the last Annual General Meeting, is retiring and is eligible for re-appointment in accordance with the Company's articles of association).
7. To re-appoint UHY Hacker Young LLP as auditors of the Company from the conclusion of this Meeting until the conclusion of the next general meeting at which accounts are laid before the shareholders of the Company (the "**Shareholders**") and to authorise the directors to fix the auditors' remuneration.
8. That the directors be and they are hereby generally and unconditionally authorised for the purposes of Section 551 of the Companies Act 2006 (the "**Act**") to exercise all powers of the Company to allot ordinary shares of 1 pence each in the Company (the "**Shares**") or grant rights to subscribe for, or convert any security into, Shares provided that:
 - (a) this authority shall be in substitution for any equivalent authority which may have been given to the directors prior to the date of the passing of this resolution (save to the extent that the same is exercisable pursuant to Section 551(7) of the Act by reason of any offer or agreement made prior to the date of this resolution which would or might require Shares to be allotted or rights to subscribe for, or convert any security into, Shares to be granted on or after that date); and
 - (b) this authority shall be limited to Shares or rights to subscribe for, or convert any securities into, Shares up to an aggregate nominal amount of £544,664;

- (c) This authority is to expire 15 months after the date of the passing of this resolution or at the conclusion of the next annual general meeting of the Company following the passing of this resolution, whichever first occurs first (unless previously renewed, varied or revoked by the Company in general meeting) except that the Company may, before such expiry, make an offer or agreement which would or might require Shares to be allotted or rights to subscribe for, or convert any security into, Shares to be granted after such expiry and the directors may allot Shares and grant rights to subscribe for, or convert any security into, Shares in pursuance of such an offer or agreement as if this authority had not expired.

Special Business

As special business, to consider and, if thought fit, to pass the following resolutions as special resolutions:

- 9. To:
 - (a) amend the articles of association of the Company by deleting all the provisions of the Company's memorandum of association ("**memorandum**") which, by virtue of Section 28 of the Act, are to be treated as provisions of the articles of association of the Company; and
 - (b) adopt as the articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association of the Company, the articles of association of the Company produced to the Meeting and initialled by the Chairman of the Meeting for the purpose of identification (the "**New Articles**").
- 10. That, subject to the passing of resolution 8, the directors be and they are generally empowered pursuant to Section 570 of the Act to allot equity securities (within the meaning of Section 560 of the Act) for cash pursuant to the authority conferred by resolution 8, provided that this power:-
 - (a) expires 15 months after the date of the passing of this resolution or at the conclusion of the next annual general meeting of the Company following the passing of this resolution, whichever occurs first (unless previously renewed, varied or revoked by the Company in general meeting), except that the Company may, before such expiry, make an offer or agreement which would or might require equity securities to be allotted after expiry of this authority and the directors may allot equity securities in pursuance of such an offer or agreement as if this authority had not expired; and
 - (b) is limited to:-
 - (i) allotments of equity securities where such securities have been offered (whether by way of a rights issue, open offer or otherwise) to holders of Shares made in proportion (as nearly as may be) to their existing holdings of Shares but subject to the directors having a right to make such exclusions or other arrangements in connection with the offering as they deem necessary or expedient:-
 - (1) to deal with equity securities representing fractional entitlements; and
 - (2) to deal with legal or practical problems under the laws of any territory or the requirements of any regulatory body or stock exchange; and

- (ii) the allotment of equity securities for cash pursuant to the authority granted under resolution 8 above otherwise than pursuant to paragraph 10(b) of this resolution up to an aggregate nominal amount of £85,266.

This authority shall be in substitution for any equivalent authority which may have been given to the directors prior to the date of the passing of this resolution (save to the extent that the same is exercisable by reason of any offer or agreement made prior to the date of this resolution which would or might require Shares to be allotted or rights to subscribe for, or convert any security into, Shares to be granted on or after that date).

By Order of the Board

Kevin Cameron
Company Secretary

6 August 2010

Registered office:

84-86 Great Portland Street
London
W1W 7NR

VOTING NOTES

1. A member entitled to attend and vote at the Meeting is also entitled to appoint a proxy or proxies to attend, speak and vote instead of him. A member may appoint more than one proxy in relation to the Meeting, provided that each proxy is appointed to exercise the rights attached to a different Share or Shares held by that member. A proxy need not be a member of the Company. Appointment of a proxy will not preclude a member from attending and voting in person at the Meeting.
2. To appoint more than one proxy you may photocopy the Form of Proxy. Please indicate the proxy holder's name and the number of Shares in relation to which they are authorised to act as your proxy (which, in aggregate, should not exceed the number of Shares held by you). Please also indicate if the proxy instruction is one of multiple instructions being given. All Forms of Proxy must be signed and should be returned together in the same envelope.
3. 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.
4. To be effective, the instrument appointing a proxy and any power of attorney or other authority under which it is executed (or a notarially certified copy of such power or authority) must be completed, signed and deposited at the registrars' office, Capita Registrars, PXS, 34 Beckenham Road, Beckenham, Kent, BR3 4TU not less than 48 hours before the time for holding the Meeting. In the case of a member which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. A Form of Proxy is enclosed with this notice.
5. To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut off time for receipt of proxy appointments (see 4 above) also applies in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.
6. In the case of joint holders of a Share the vote of the senior holder who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose seniority is determined by the order in which the names of the holders stand in the register of members in respect of the joint holding.
7. The CREST electronic proxy service is available for this Annual General Meeting. To use this service CREST members should transmit a CREST proxy instruction, so as to reach the registrars by not later than 48 hours before the time fixed for the adjourned meeting.
8. To appoint a proxy or to give or amend an instruction to a previously appointed proxy via the CREST system, the CREST message must be received by the issuer's agent RA10 by 11 a.m. on 29 August 2010. 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. After this time any change of instructions to a proxy appointed through CREST should be communicated to the proxy by other means. CREST Personal Members or other CREST sponsored members, and those CREST Members who have appointed voting service provider(s) should contact their CREST sponsor or voting service provider(s) for assistance with appointing proxies via CREST. For further information on CREST procedures, limitations and system timings please refer to the CREST Manual. We may treat as invalid a proxy appointment sent by CREST in the circumstances set out in Regulation 35(5) (a) of the Uncertificated Securities Regulations 2001. In any case your proxy form must be received by the Company's registrars no later than 11 a.m. on 29 August 2010.

9. Copies of all directors' service contracts with the Company and the terms and conditions of appointment of non-executive directors will be available for inspection at the place of the Annual General Meeting from at least 15 minutes prior to the time of the Meeting until its conclusion.
10. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the time by which a person must be entered on the register of members in order to have the right to attend and vote at the Annual General Meeting is 6 p.m. on 29 August 2010 or, if the Meeting is adjourned, such time being not more than 48 hours prior to the time fixed for the adjourned meeting. Changes to entries on the register of members after that time will be disregarded in determining the right of any person to attend or vote at the Meeting.
11. Persons who are not Shareholders will not be admitted to the Meeting unless arrangements are made with the Company.
12. Explanatory notes in relation to the resolutions to be proposed at the Meeting are set out below.

EXPLANATORY NOTES

Resolution 1: Report and Accounts

The directors are required to present to the Meeting the audited accounts and the reports of the directors and the auditors for the financial year ended 28 February 2010.

Resolution 2: Declaration of Dividend

Final dividends must be approved by Shareholders but cannot exceed the amount which has been recommended by the directors.

Resolution 3 and Resolution 4: Re-appointment of Director Retiring by Rotation

Under Article 19.4 of the articles of association of the Company one third of the directors of the Company shall retire from office and shall be eligible for reappointment at each Annual General Meeting provided always that all directors must be subject to re-election at intervals of no more than three years. Although one third of the directors (not including the directors to be re-appointed pursuant to Article 19.2 of the articles of association) equates to one director, as Timothy Green and Paul Murray were last reappointed at the Annual General Meeting of 2007, they must retire and seek re-appointment.

Resolution 5 and Resolution 6: Re-appointment of Director

Article 19.2 of the Company's articles of association requires any director appointed by the Board to retire at the next Annual General Meeting. Kevin Cameron and Alan Smith were appointed as directors with effect from 8 June 2010 and accordingly Kevin Cameron and Alan Smith are now proposed by the Board for re-election.

Resolution 7: Re-appointment of Auditors

The Company is required to appoint auditors at each general meeting at which accounts are laid before the Company, to hold office until the end of the next such meeting. This resolution proposes the appointment and, in accordance with standard practice, gives authority to the directors to determine the remuneration to be paid to the auditors.

Resolution 8: Directors' authority to allot Shares

Section 551 of the Act provides that the directors of a company may not allot shares (or grant rights to subscribe for shares or to convert any security into shares) in a company unless they have been given prior authorisation for the proposed allotment by ordinary resolution of the company's shareholders or by the articles of association of a company.

Accordingly, this resolution seeks to grant a new authority under section 551 of the Act (which has superseded section 80 of the Companies Act 1985 ("CA 1985")) to authorise the directors to allot Shares or grant rights to subscribe for, or convert any securities into Shares and will expire 15 months after the date of the passing of this resolution or at the conclusion of the next annual general meeting of the Company following the passing of this resolution, whichever occurs first.

If passed, resolution 8 would give the directors authority to allot Shares or grant rights to subscribe for, or convert any security into, Shares up to an aggregate nominal value of £544,664 representing approximately 32 per cent. of the Company's existing issued share capital as at the date of this notice.

There is no present intention to exercise this authority, however it is considered prudent to maintain the flexibility that this authority provides and therefore extending the authority at this time.

Resolution 9: Adoption of the New Articles

Further to the amendments previously made to the articles of association of the Company, the remaining provisions of the Act came into force on 1 October 2009. It is proposed to adopt the New Articles in order to reflect those provisions of the Act now in force.

The principal changes to the articles of association of the Company are set out below. Changes which are of a minor, technical or consequential nature are not highlighted here and your attention is drawn to the New Articles (a copy of which is available for inspection at Pinsent Masons LLP, CityPoint, One Ropemaker Street, London, EC2Y 9AH during usual business hours on any weekday (public holidays excepted) until and during the Annual General Meeting).

The Company's Objects

The Act significantly reduces the constitutional significance of a company's memorandum and provides that a memorandum will record only the names of subscribers and the number of shares each subscriber has agreed to take in the company.

Under the Act, with effect from 1 October 2009, the objects clause and certain other provisions which are currently contained in the memorandum are deemed to be contained in the Company's articles of association but the Company can remove these provisions by special resolution. Further the Act states that unless a company's articles of association provide otherwise, a company's objects are unrestricted. This abolishes the need for companies to have objects clauses.

For this reason the Company is proposing to remove its objects clause together with all other provisions of its memorandum which, by virtue of the Act, have formed part of the Company's articles of association as of 1 October 2009. Resolution 9 confirms the removal of these provisions for the Company. As the effect of this resolution will be to remove the statement currently in the memorandum regarding limited liability, the New Articles also contain an express statement regarding the limited liability of Shareholders.

Change of name

Under the CA 1985, a company could only change its name by special resolution. Under the Act a company is able to change its name by other means provided for by its articles of association. To take advantage of this provision, the New Articles enable the directors to pass a resolution to change the Company's name.

Authorised share capital

The Act abolishes the requirement for a company to have an authorised share capital and the New Articles reflect this. The directors will still be limited as to the number of Shares they can at any time allot because authority to allot continues to be required under the Act, save in respect of employee share schemes. Shareholders' protections are retained through the Board needing to be authorised to allot Shares and to grant rights to subscribe for or convert any security and further needing to be authorised to allot equity securities on a non pre-emptive basis. Authorities are proposed at resolution 8 and resolution 10.

Authority to purchase own shares

Under the CA 1985, a company required specific enabling provisions in its articles of association to purchase its own shares as well as shareholder authority to undertake the relevant action. The articles of association of the Company include this enabling provision. Under the Act a company will only require shareholder authority to do any of these things and it

will no longer be necessary for articles of association to contain enabling provisions. Accordingly the relevant enabling provisions have been removed in the New Articles.

Vacation of office by directors

The articles of association of the Company specify the circumstances in which a director must vacate office. The New Articles update these provisions to reflect the approach taken on mental and physical incapacity.

Security Arrangements

The New Articles set out the security provisions available to the Company pursuant to the Act.

General

Generally the opportunity has been taken to bring clearer language and layout into the New Articles.

Resolution 10: Dis-application of pre-emption rights

Under section 561(1) of the Act, if directors wish to allot any of the unissued shares or grant rights over shares or sell treasury shares for cash (other than pursuant to an employee share scheme) they must in the first instance offer them to existing shareholders in proportion to their holdings. There may be occasions, however, when the directors will need the flexibility to finance business opportunities by the issue of shares without a pre-emptive offer to existing shareholders. This cannot be done under the Act unless the shareholders have first waived their pre-emption rights.

Resolution 10 empowers the directors to allot equity securities for cash other than in accordance with the statutory pre-emption rights up to a maximum nominal amount of £85,266, representing approximately 5 per cent. of the nominal value of the issued ordinary share capital of the Company as at the date of this notice.