

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.** If you are in any doubt as to the action you should take, you should seek your own personal financial advice from your stockbroker, bank manager, solicitor or other financial adviser authorised under the Financial Services and Markets Act 2000.

**If you sell or have sold or otherwise transferred all of your ordinary shares, please send this document, form of proxy and/or voting instruction form at once to the purchaser or transferee or to the bank, stockbroker or other agent through whom or by whom the sale or transfer was made, for delivery to the purchaser or transferee.**

This document comprises a circular relating to Avation PLC prepared in accordance with the Listing Rules of the United Kingdom Listing Authority. This circular has not been approved by the Financial Services Authority.

The contents of this circular relate only to the proposed subject matter of the resolutions to be proposed pursuant to the notice of annual general meeting seeking shareholder approval.

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## **AVATION PLC**

*(incorporated and registered in England and Wales with company number 5872328)*

### **Notice of Annual General Meeting**

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**The annual general meeting of Avation PLC (the AGM) will be held at 510 Thomson Road, #12-04 SLF Building, Singapore 298135 on 12 December 2011 at 5.00 pm (Singapore Time).**

**Whether or not you propose to attend the AGM, please complete and submit a form of proxy in accordance with the instructions printed on the enclosed form. The form of proxy must be received no later than 6:00 pm (UK time) on 8 December 2011. The return of a form of proxy will not preclude a member from attending, speaking or voting in person at the AGM should they so wish.**

## **AVATION PLC**

*(incorporated and registered in England and Wales with company number 5872328)*

### **Notice of Annual General Meeting**

Notice is hereby given that the sixth Annual General Meeting of Avation plc (the **Company**) will be held at 510 Thomson Road, #12-04 SLF Building, Singapore 298135 on 12 December 2011 at 5.00 pm (Singapore Time) (the **AGM**) for the purpose of considering and, if thought fit, passing the following resolutions which, in the case of resolutions 1 to 8 will be proposed as ordinary resolutions, and, in the case of resolutions 9 to 11 will be proposed as special resolutions.

Whether or not you propose to attend the AGM, please complete and submit a form of proxy in accordance with the instructions printed on the enclosed form. The form of proxy must be received no later than 6:00 pm (UK time) on 8 December 2011. The return of a form of proxy will not preclude a member from attending, speaking or voting in person at the AGM should they so wish.

Explanatory notes in respect of the resolutions are provided on pages 5 and 6 of this document.

#### **ORDINARY RESOLUTIONS**

##### **Resolution 1 – Report and Accounts**

*To receive and adopt the audited financial report of the Company for the financial year ended 30 June 2011, together with the reports of the directors and the auditors thereon.*

##### **Resolution 2 – Remuneration Report**

*To approve the remuneration report for the year ended 30 June 2011.*

##### **Resolution 3 - Re-Election of Bryant James McLarty as a Director**

*That Bryant James McLarty who retires by rotation be re-elected as a director of the Company.*

##### **Resolution 4 – Declaration of Final Dividend**

*That the directors' recommendation to declare a final dividend of 1 penny (GBP£0.01) per issued share in the capital of the Company, to be paid out of the profits of the Company for the financial year ended 30 June 2011, be approved and accordingly declared and that such dividend be paid on 6 January 2012 (the **Payment Date**) to the shareholders whose names appear in the register of members of the Company on 23 December 2011 (the **Associated Record Date**) with an ex dividend date on 21 December 2011."*

##### **Resolution 5 - Re-Appointment of Auditors**

*That Kingston Smith LLP be re-appointed as auditors of the Company until the conclusion of the Company's next annual general meeting.*

##### **Resolution 6 - Remuneration of Auditors**

*That the directors be authorised to determine the remuneration of the auditors.*

##### **Resolution 7 - Authority to Grant Warrants and Allot Shares Pursuant to Exercise of Warrants**

*That the directors be and are generally and unconditionally authorised to grant warrants to the following persons to subscribe for such number of ordinary shares in the capital of the Company as set out against their respective names, and to allot shares pursuant to the exercise of warrants:*

<b>Warrant Holders (or such other persons as they may each direct)</b>	<b>Number of Warrants to Subscribe for Shares</b>
Employees and executives, other than directors	750,000
Robert Jeffries Chatfield	400,000
Andrew Charles Baudinette	200,000
Bryant James McLarty	200,000

The terms of the warrants shall be as follows:

- (a) the subscription price per share is the average of the closing mid-price, as announced by London Stock Exchange PLC, on the day this resolution is passed by shareholders;
- (b) the warrants shall expire 24 months from the date of this resolution, subject to an extension of up to one month should the expiry date fall within a trading black-out period, after which time, all unexercised warrants shall lapse and be null and void; and
- (c) the warrants shall be subject to such other terms and conditions as set out in the warrant deed to be approved by the directors.

#### **Resolution 8 – Authority to Allot Shares**

*That the directors be and are hereby generally and unconditionally authorised in accordance with section 551 of the Companies Act 2006 (the **CA 2006**) to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for or convert any security into shares in the Company up to an aggregate nominal amount of £100,000 (being approximately 26 per cent. of the Company's issued share capital) to such persons and at such times and on such terms as the directors think proper, provided that the authority hereby conferred shall expire at the conclusion of the next annual general meeting of the Company after the passing of this resolution, unless and to the extent that such authority is renewed or extended prior to or at such meeting, save that the Company may, before the expiry of such period, make any offer or agreement which would or might require shares to be allotted after expiry of such period and the directors may allot shares in pursuance to such offer or agreement as if the authority conferred hereby had not expired.*

#### **SPECIAL RESOLUTIONS**

##### **Resolution 9 – Disapplication of Pre-Emption Rights**

*That, subject to the passing of the resolution 8 and in accordance with section 570 of the CA 2006, the directors be generally empowered to allot equity securities (as defined in section 560 of the CA 2006) pursuant to the authority conferred by resolution 8, as if section 561(1) of the CA 2006 did not apply to any such allotment, provided that this power shall:*

- (a) be limited to the allotment of equity securities up to an aggregate nominal amount of £100,000; and
- (b) expire at the conclusion of the next annual general meeting of the Company after the passing of this resolution, unless and to the extent that such authority is renewed or extended prior to or at such meeting, save that the Company may, before the expiry of such period, make any offer or agreement which would or might require shares to be allotted after expiry of such period and the directors may allot shares in pursuance to such offer or agreement as if the authority conferred hereby had not expired.

## **Resolution 10 - Share Buy Back Mandate**

*That the directors of the Company be and are generally and unconditionally authorised to make market purchases (within the meaning of section 701 of the CA 2006) of ordinary shares in the issued share capital of the Company (**Shares**), provided any purchase shall:*

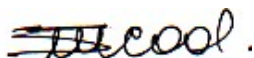
- (a) not exceed an aggregate 10 per cent. of the total number of Shares as at the date of the passing of this resolution;*
- (b) be at such price or prices as may be determined by the directors from time to time (but not under £0.50 per Share and not exceeding £3.00 per share, excluding brokerage, commission, applicable goods and services tax, stamp duty and other related expenses);*
- (c) be transacted through one or more duly licensed stockbrokers appointed by the Company for the purpose and otherwise in accordance with all other laws, regulations and rules of the relevant securities market as may for the time being be applicable;*

*and further provided that the authority conferred by the passing of this resolution shall expire at the conclusion of the Company's next annual general meeting but a contract of purchase may be made before the expiry which will or may be completed wholly or partly thereafter, and a purchase of Shares may be made in pursuance of any such contract.*

## **Resolution 11 – Notice of General Meetings**

*That a general meeting of the Company, other than an annual general, may be called on not less than 14 clear days' notice.*

By order of the Board



Siobhán Cool  
**Company Secretary**  
**AVATION PLC**

16 November 2011

*Registered Office:* Georgian House, 63 Coleman Street, London EC2R 5BB

*Directors:* Robert Jeffries Chatfield, Andrew Charles Baudinette and Bryant James McLarty

## **EXPLANATORY NOTES TO THE PROPOSED RESOLUTIONS**

### **Resolution 1 – Report and Accounts**

The directors are required by company law to present the financial statements, the directors' report and the auditors' report on the financial statements to the meeting.

### **Resolution 2 – Remuneration Report**

Shareholders are asked to approve the remuneration report, a copy of which is set out in page 10 of the 2011 annual report of the Company.

### **Resolution 3 - Re-Election of Bryant James McLarty as a Director**

Bryant James McLarty, who retires in accordance with article 117 of the Company's articles of association and being eligible, offers himself for re-election.

Appointed as a Director of the Company in 2007, Mr McLarty has extensive experience in corporate strategy and management with a practical working knowledge of securities and equity markets. He currently is Executive Chairman of the Australian pharmaceutical company PharmAust Limited and has been the Managing Director of several ASX listed companies and is currently a director of a number of listed and unlisted companies. He is also a member of the Australian Institute of Company Directors.

### **Resolution 5 - Re-Appointment of Auditors**

The Company is required at each general meeting at which financial statements are laid to appoint auditors who will remain in office until the next general meeting at which financial statements are laid. Messrs Kingston Smith LLP have expressed their willingness to continue in office for a further year.

### **Resolution 6 - Remuneration of Auditors**

In accordance with company law and good corporate governance practice, shareholders are asked to authorise the directors to determine the auditors' remuneration.

### **Resolution 7 - Authority to Grant Warrants and Allot Shares Pursuant to Exercise of Warrants**

As incentives to certain personnel of the Company, the shareholders are asked to approve that the Company be and are generally and unconditionally authorised to grant warrants to the persons listed in the resolution to subscribe for such number of ordinary shares in the capital of the Company as set out against their respective names, and to allot shares pursuant to the exercise of warrants.

### **Resolution 8 – Authority to Allot Shares**

This resolution would give the directors' authority to allot new shares. The authority, if approved, will expire on the date of the 2012 annual general meeting. The authority will allow the directors generally and unconditionally to allot shares in the Company and to grant rights to subscribe for or convert any security into shares in the Company up to an aggregate nominal amount of £100,000 (being approximately one 26 per cent. of the Company's issued share capital<sup>1</sup>) to such persons and at such times and on such terms as the directors think proper.

### **Resolution 9 – Disapplication of Pre-Emption Rights**

If the directors wish to allot new shares (and other equity securities), or sell treasury shares, for cash, the CA 2006 requires that these shares are offered first to shareholders in proportion to their existing holdings. These rights are known as pre-emption rights. There may be occasions, however, when, in order to act in the best interests of the Company, the directors will need the flexibility to finance business opportunities by the issue of shares without a pre-emptive offer to existing shareholders. This resolution would give the directors the authority to allot shares for cash without first offering them to existing shareholders in proportion to their existing holdings. The resolution would limit any

allotment to an aggregate nominal amount of £100,000 and expire at the conclusion of the next annual general meeting.

#### **Resolution 10 - Share Buy Back Mandate**

This resolution seeks authority for the Company to make market purchases of its own ordinary shares. If passed, the resolution gives authority for the Company to purchase shares representing up to 10 per cent. of its ordinary shares in issue as at the date of the passing of the resolution (excluding treasury shares). The directors will only exercise the authority to purchase ordinary shares where they consider that such purchases will be in the best interests of shareholders generally and will result in an increase in earnings per ordinary share.

#### **Resolution 11 – Notice of General Meetings**

The notice period required by the CA 2006 for general meetings (other than AGMs) is 21 days unless the Company: (i) has gained shareholder approval for the holding of general meetings on 14 clear days' notice by passing a special resolution at the most recent AGM; and (ii) offers the facility for all shareholders to vote by electronic means. Resolution 11 seeks such approval. It is the board's intention that the shorter notice period would not be used as a matter of routine for such meetings, but only where the flexibility is merited by the business of matter meeting and is thought to be in the interests of shareholder as a whole. Should this resolution be approved, it will be valid until the end of the next AGM.

## NOTES TO NOTICE OF ANNUAL GENERAL MEETING

1. A member of the Company entitled to attend and vote at the AGM may appoint a proxy or proxies to attend and to speak and vote instead of him. A member may appoint more than one proxy in relation to the AGM 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.
2. The attached form of proxy for use at the AGM should be completed, signed and returned to the Company's registrars (the **Registrars**) at The Registrar, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY, United Kingdom (if the form is posted outside the United Kingdom, you should return it in an envelope specifying "par avion" (airmail) using the Registrars' address above). It must arrive no later than 6:00 pm (UK time) on 8 December 2011. Completion and return of the form of proxy will not prevent a shareholder from subsequently attending the meeting and voting in person if they so wish.
3. To be effective, the instrument appointing a proxy, and any power of attorney or other authority under which it is signed (or a copy of any such authority certified notarially or in some other way approved by the directors), must be deposited with the Registrars at The Registrar, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY, United Kingdom no later than 6:00 pm (UK time) on 8 December 2011 (or 6:00 pm (UK time) on the day two days prior to an adjourned meeting) or, in the case of a poll taken more than 48 hours after it is demanded, not less than 24 hours before the time appointed for the taking of the poll at which it is to be used.
4. In the case of joint holders, the vote of the senior who tenders the vote shall be accepted to the exclusion of the votes of the other joint holders and for this purpose, seniority shall be determined by the order in which the names stand in the Register of Members of the Company.
5. All members are entitled to attend and vote at the AGM and ask questions. Under section 319A of the CA 2006, the Company must answer any question you ask relating to the business being dealt with at the meeting unless: answering the question would interfere unduly with the preparation for the 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 meeting that the question be answered.
6. Pursuant to regulation 41 of the Uncertificated Securities Regulations 2001, the Company has specified that to be entitled to attend and vote at the AGM (and for the purpose of determining the number of votes they may cast), members must be entered on the register of members of the Company by 6:00 pm (UK time) on 8 December 2011. If the meeting is adjourned then, to be so entitled, members must be entered on the register of members of the Company at 6:00 pm (UK time) on the day two days before the time fixed for the adjourned meeting, or, if the Company gives notice of the adjourned meeting, at any other time specified in that notice.
7. Under section 527 of the CA 2006, members meeting the threshold requirements set out in that section have the right to require the Company to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's accounts (including the auditors' report and the conduct of the audit) that are to be laid before the AGM; or (ii) any circumstances connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with section 437 of the CA 2006. The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with section 527 or 528 of the CA 2006. Where the Company is required to place a statement on a website under section 527 of the Companies Act 2006, it must forward the statement to the Company's auditors not later than the time when it makes the statement available on the website. The business which may be dealt with at the AGM includes any statement that the Company has been required under section 527 of the Companies Act 2006 to publish on a website.
8. 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 and the member by whom he 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 may, under any such agreement, have a right to give instructions to the member as to the exercise of voting rights. The statement of the rights of members in relation to the appointment of proxies in paragraph 1 above does not apply to Nominated Persons. The right described in that paragraph can only be exercised by members of the Company.
9. If the Chairman, as a result of any proxy appointments, is given discretion as to how the votes which are the subject of those proxies are cast and the voting rights in respect of those discretionary proxies, when added to the interests in the Company's securities already held by the Chairman, result in the

Chairman holding such number of voting rights that he has a notifiable obligation under the Disclosure and Transparency Rules, the Chairman will make the necessary notifications to the Company and the Financial Services Authority. As a result, any member holding 3 per cent. or more of the voting rights in the Company who grants the Chairman a discretionary proxy in respect of some or all of those voting rights and so would otherwise have a notification obligation under the Disclosure and Transparency Rules, need not make separate notification to the Company and the Financial Services Authority.

10. As at 15 November 2011 (the latest practicable date prior to the publication of this document), the Company's issued ordinary share capital consisted of 38,607,220 ordinary shares carrying one vote each. Therefore, the total number of voting rights in the Company as at 15 November 2011 was 38,607,220.
11. 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.
12. Shareholders and any proxies or representatives they appoint understand that by attending the meeting that they are expressly agreeing that they are willing to receive any communications, including communications relating to the Company's securities, made at the meeting.
13. No director has a service contract with the Company.
14. A copy of this notice and other information required by section 311A of the CA 2006 is published on the Company's website at <http://www.avation.net/notices.html>.



**FORM OF PROXY FOR USE AT THE 6<sup>TH</sup> ANNUAL GENERAL MEETING  
OF AVATION PLC  
TO BE HELD ON 12 DECEMBER 2011 AT 5.00 PM (SINGAPORE TIME)**

Attention: Michelle Davies

The Registrar  
Computershare Investor Services PLC  
The Pavilions, Bridgwater Road  
Bristol BS99 6ZY  
United Kingdom

Fax: +44 (0)870 7036116

**Before completing this form, please read the explanatory notes overleaf.**

I/We .....  
(block letters)

being a member of Avation PLC (incorporated in England and Wales) hereby appoint

..... of .....

or failing him/her, the Chairman of the annual general meeting (the **AGM**),  
to attend, speak and vote on my/our behalf at the sixth Annual General Meeting of the Company to be  
held at 510 Thomson Road, #12-04 SLF Building, Singapore 298135  
on 12 December 2011 at 5.00 pm (Singapore Time) and at any adjournment(s) thereof.

If two proxies are being appointed, the proportion of the member's voting rights which this proxy is  
appointed to represent is set out below.

**Instructions on Voting**

If you wish to direct your proxy how to vote in respect to the proposed resolutions, please indicate the  
manner in which your proxy is to vote by ticking the appropriate column below, otherwise your proxy  
may vote as he/she thinks fit.

No.	Resolutions	For	Against	Abstain
<b>ORDINARY RESOLUTIONS</b>				
1.	Receipt of Report and Accounts			
2.	Approval of Remuneration Report			
3.	Re-Election of Bryant James McLarty as a Director.			
4.	Declaration of Final Dividend			
5.	Re-Appointment of Messrs Kingston Smith LLP as Auditors			
6.	Remuneration of Auditors			
7.	Authority to Grant Warrants and Allot Shares Pursuant to Exercise of Warrants			
8.	Authority to Allot Shares			

	<b>SPECIAL RESOLUTIONS</b>			
9.	Disapplication of Pre-Emption Rights			
10.	Share Buy Back Mandate			
11.	Notice of General Meetings			

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2011.

\_\_\_\_\_  
Name of Shareholder

Total Number of Ordinary Shares Held: \_\_\_\_\_

Designation No. (if applicable) : \_\_\_\_\_

## NOTES TO THE FORM OF PROXY

1. A member of the Company entitled to attend and vote at the AGM may appoint a proxy or proxies to attend and to speak and vote instead of him. A member may appoint more than one proxy in relation to the AGM 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.
2. This for use at the AGM should be completed, signed and returned to the Company's registrars (the **Registrars**) at The Registrar, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY, United Kingdom (if the form is posted outside the United Kingdom, you should return it in an envelope specifying "par avion" (airmail) using the Registrars' address above). It must arrive no later than 48 hours before the time of the AGM. Completion and return of the form of proxy will not prevent a shareholder from subsequently attending the meeting and voting in person if they so wish.
3. To be effective, the instrument appointing a proxy, and any power of attorney or other authority under which it is signed (or a copy of any such authority certified notarially or in some other way approved by the directors), must be deposited with the Registrars at The Registrar, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY, United Kingdom no later than 48 hours before the time for holding the AGM (or adjourned meeting) or, in the case of a poll taken more than 48 hours after it is demanded, not less than 24 hours before the time appointed for the taking of the poll at which it is to be used.
4. The following principles shall apply in relation to the appointment of multiple proxies:
  - (a) the Company will give effect to the intentions of members and include votes wherever and to the fullest extent possible;
  - (b) where a proxy does not state the number of shares to which it applies (a **blank proxy**) then, subject to the following principles where more than one proxy is appointed, that proxy is deemed to have been appointed in relation to the total number of shares registered in the name of the appointing member (the **member's entire holding**). In the event of a conflict between a blank proxy and a proxy which does state the number of shares to which it applies (a **specific proxy**), the specific proxy shall be counted first, regardless of the time it was sent or received (on the basis that as far as possible, the conflicting forms of proxy should be judged to be in respect of different shares) and remaining shares will be apportioned to the blank proxy (pro rata if there is more than one);
  - (c) where there is more than one proxy appointed and the total number of shares in respect of which proxies are appointed is no greater than the member's entire holding, it is assumed that proxies are appointed in relation to different shares, rather than that conflicting appointments have been made in relation to the same shares. That is, there is only assumed to be a conflict where the aggregate number of shares, in respect of which proxies have been appointed, exceeds the member's entire holding;
  - (d) when considering conflicting proxies, later proxies will prevail over earlier proxies, and which proxy is later will be determined on the basis of which proxy is last sent (or, if the Company is unable to determine which is last sent, last received). Proxies in the same envelope will be treated as sent and received at the same time, to minimise the number of conflicting proxies;
  - (e) if conflicting proxies are sent or received at the same time in respect of (or deemed to be in respect of) an entire holding, none of them shall be treated as valid;
  - (f) where the aggregate number of shares in respect of which proxies are appointed exceeds a member's entire holding and it is not possible to determine the order in which they were sent or received (or they were all sent or received at the same time), the number of votes attributed to each proxy will be reduced pro rata;
  - (g) where the application of paragraph (f) above gives rise to fractions of shares, such fractions will be rounded down;
  - (h) if a member appoints a proxy or proxies and then decides to attend the meeting in person and vote, on a poll, using his poll card, then the vote in person will override the proxy vote(s). If the vote in person is in respect of the member's entire holding then all proxy votes will be disregarded. If, however, the member votes at the meeting in respect of less than the member's entire holding, then if the member indicates on his polling card that all proxies are to be disregarded, that shall be the case; but if the member does not specifically revoke

proxies, then the vote in person will be treated in the same way as if it were the last received proxy and earlier proxies will only be disregarded to the extent that to count them would result in the number of votes being cast exceeding the member's entire holding; and

- (i) in relation to paragraph (h) above, in the event that a member does not specifically revoke proxies, it will not be possible for the Company to determine the intentions of the member in this regard. However, in light of the aim to include votes wherever and to the fullest extent possible, it will be assumed that earlier proxies should continue to apply to the fullest extent possible.
5. All members are entitled to attend and vote at the AGM and ask questions. Pursuant to regulation 41 of the Uncertificated Securities Regulations 2001, the Company has specified that to be entitled to attend and vote at the AGM (and for the purpose of determining the number of votes they may cast), members must be entered on the register of members of the Company by 6:00 pm (UK time) on 8 December 2011. If the meeting is adjourned then, to be so entitled, members must be entered on the register of members of the Company at 6.00 pm (UK time) on the day two days before the time fixed for the adjourned meeting, or, if the Company gives notice of the adjourned meeting, at any other time specified in that notice.