

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.

AVATION PLC

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

Notice of Annual General Meeting

The annual general meeting of Avation PLC (the AGM) will be held at 510 Thomson Road, #12-04 SLF Building, Singapore 298135 on 3 December 2012 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 30 November 2012. 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 seventh Annual General Meeting of Avation plc (the **Company**) will be held at 510 Thomson Road, #12-04 SLF Building, Singapore 298135 on 3 December 2012 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 7 will be proposed as ordinary resolutions, and, in the case of resolutions 8 to 10 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 30 November 2012. 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 2012, 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 2012.

Resolution 3 - Re-Election of Robert Jeffries Chatfield as a Director

That Robert Jeffries Chatfield who retires by rotation be re-elected as a director of the Company.

Resolution 4 – 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 5 - Remuneration of Auditors

That the audit committee be authorised to determine the remuneration of the auditors.

Resolution 6 - 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:

Warrant Holders (or such other persons as they may each direct)	Number of Warrants to Subscribe for Shares
<i>Employees and executives, other than directors</i>	<i>500,000</i>
<i>Robert Jeffries Chatfield</i>	<i>400,000</i>
<i>Andrew Charles Baudinette</i>	<i>200,000</i>
<i>Roderick Douglas Mahoney</i>	<i>300,000</i>

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 to be approved by the directors .

Resolution 7 – 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 £150,000 (being approximately 33.8 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 8 – Disapplication of Pre-Emption Rights

That, subject to the passing of this resolution 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 this resolution 7, 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 £150,000; 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 9 - 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 that any purchase shall:*

- (a) *not exceed in 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 10 – 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

Duncan Scott
Company Secretary
AVATION PLC

1 November 2012

Registered Office: *Cheyne House Crown Court*
62-63 Cheapside
London
EC2V 6AX
United Kingdom

Directors: *Robert Jeffries Chatfield,*
Andrew Charles Baudinette
Roderick Douglas Mahoney
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 pages 18 to 20 of the 2012 annual report of the Company.

Resolution 3 - Re-Election of Robert Jeffries Chatfield as a Director

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

Mr Chatfield is Chairman of the Company and was a founding director, appointed on 11 July 2006. Mr Chatfield has managed and been a director of a number of companies involved in the airline, data distribution, electronics, investment, broadcasting and manufacturing sectors. He is the author of a variety of patents held by the Company and its subsidiaries. He has a Bachelor of Engineering and a Masters in Engineering Science from the University of Western Australia, and holds a diploma in corporate governance from the Australian Institute of Company Directors. He is a graduate member of the Australian Institute of Company Directors and a member of Singapore Institute of Directors. He was born in Perth, Australia and is a Permanent Resident of Singapore.

Resolution 4 - 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 5 - Remuneration of Auditors

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

Resolution 6 - 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 7 – 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 2013 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 £150,000 (being approximately 33.8 per cent. of the Company's issued share capital¹) to such persons and at such times and on such terms as the directors think proper.

Resolution 8 – 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 £150,000 and expire at the conclusion of the next annual general meeting.

Resolution 9 - 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 10 – 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 10 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 nature of the business to be considered by the 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 30 November 2012. 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 30 November 2012 (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 30 November 2012. 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 31 October 2012 (the latest practicable date prior to the publication of this document), the Company's issued ordinary share capital consisted of 44,374,463 ordinary shares carrying one vote each. Therefore, the total number of voting rights in the Company as at 31 October 2012 was 44,374,463.
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. The following documents will be available for inspection at 510 Thomson Road, #12-04 SLF Building, Singapore 298135 and at the offices of Speechly Bricam LLP, 6 New Street Square, London EC4A 3LX from the date of this document until the end of the AGM:
 - (i) copies of the executive director's contract of employment; and
 - (ii) copies of the Chairman's contract of employment and the letters of appointment of non-executive directors.
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>.