

**Company Number: 03213174**

**THE COMPANIES ACTS 1985 TO 2006**  
**PUBLIC COMPANY LIMITED BY SHARES**  
**NOTICE OF THE 2009 ANNUAL GENERAL MEETING**  
**OF**  
**LIPOXEN PLC**  
**(the "Company")**

Notice is hereby given that the 2009 Annual General Meeting of the Company will be held at the offices of Buchanan Communications, 45 Moorfields, London EC2Y 9AE on 24 July 2009 at 2.30p.m. to transact the following business of the Company:

As ordinary business, to consider and, if thought fit, to pass the following resolutions which will be proposed as ordinary resolutions:

- 1 To receive and adopt the annual accounts of the Company for the financial year ending 31 December 2008 and the reports of the Directors and Auditors thereon.
- 2 To re-elect Colin William Hill as a Director, who retires by rotation.
- 3 To re-elect Professor Gregory Gregoriadis as a Director, who retires by rotation.
- 4 To re-elect Igor Nikolaev as a Director, who was appointed since the last Annual General Meeting.
- 5 To re-appoint PFK (UK) LLP as the auditors of the Company.
- 6 To authorise the Directors to fix the remuneration of the auditors of the Company.

As special business, to consider and, if thought fit, to pass the following resolutions which will be proposed as ordinary resolutions:

- 7 THAT the Directors be and are hereby generally and unconditionally authorised to exercise all the powers of the Company to allot relevant securities (within the meaning of Section 80 of the Companies Act 1985 (the "Act")) up to an aggregate nominal amount of £256,764 provided that such power shall expire on the date of the next Annual General Meeting of the Company or fifteen months from the date of the passing of this resolution (whichever shall be sooner) save that the Company may before such expiry, make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the directors of the Company from time to time may allot relevant securities pursuant to any such offer or agreement as if the authority conferred hereby had not expired.
- 8 THAT the terms of the Lipoxen plc 2007 Share Option Scheme ("the 2007 Share Option Scheme"), a summary of the principal terms of which is set out in Appendix A of the Chairman's letter accompanying this Notice, and the granting of options under the 2007 Share Option Scheme be approved.
- 9 THAT the Lipoxen Executive Shared Ownership Plan (the "ExSOP"), a summary of the principal terms of which is set out in Appendix B of the Chairman's letter accompanying this Notice, be approved and established; and the directors be authorised to do all such acts and things as may be necessary or expedient to give effect to the ExSOP and to establish other employees' share schemes for the benefit of employees outside the UK based on the ExSOP but modified to take

account of local tax, exchange control or securities laws in overseas territories provided that any shares issued or which might be issued under such other schemes are treated as counting against the limit on overall participation in the ExSOP.

As special business, to consider and, if thought fit, to pass the following resolution which will be proposed as a special resolution:

10 THAT subject to the passing of resolution 7 above, the Directors be empowered pursuant to section 95 of the Act to allot equity securities (as defined in the Act) of the Company for cash pursuant to the authority conferred by resolution 7 as if section 89(1) of the said Act did not apply to any such allotment, provided that this power shall be limited to:

- (i) the allotment of equity securities in connection with or the subject of an offer or invitation, open for acceptance for a period fixed by the Directors, to holders of ordinary shares and such other equity securities of the Company as the Directors may determine on the register on a fixed record date in proportion (as near as maybe) to their respective holdings of such securities or in accordance with the rights attached thereto (but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient to deal with fractional entitlements that would otherwise arise or any legal or practical problems under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory);
- (ii) otherwise than as set out in (i) above, the allotment up to an aggregate nominal amount of £87,583; and

shall expire on the date of the next Annual General Meeting or fifteen months from the date of the passing of this resolution (whichever shall be the sooner) save that the Company may, before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the directors of the Company from time to time may allot equity securities in pursuance of any such offer or agreement as if the authority conferred hereby had not expired.

By Order of the Board dated 30 June 2009

**Colin Hill**  
**Director**

Corporate Office  
18 Pall Mall  
London SW1Y 5LU

Notes:

1. A member entitled to attend and vote at this meeting is entitled to appoint a proxy or proxies to attend, speak and vote in his/her place. A proxy need not be a member of the Company but must attend the meeting to represent the member who appointed him/her. Completion of a form of proxy does not preclude a member from attending the meeting and voting thereat in which case any votes cast by the proxy will be excluded and the member's proxy appointment will automatically be terminated.
2. A form of proxy is enclosed with this Notice. A member can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.
3. Any form of proxy, and any power of attorney or other authority under which it is

signed (or a duly certified copy thereof), in order to be valid, must be completed and signed and deposited with the Company's Registrars, Share Registrars Limited, Suite E, First Floor, 9 Lion and Lamb Yard, Farnham, Surrey GU9 7LL not less than 48 hours before the time of the Annual General Meeting.

4. Copies of all Directors' service contracts and copies of the terms and conditions of appointment of non-executive Directors are available for inspection at the registered office of the Company during usual business hours and will also be available for inspection at the place of the Annual General Meeting for at least 15 minutes before the meeting until the conclusion of the meeting.
5. The register of Directors' interests will be available for inspection during the Annual General Meeting.
6. The Company, pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, specifies that only those shareholders registered in the register of members of the Company as at 2.30p.m. on 22 July 2009 shall be entitled to attend and vote, whether in person or by proxy, at the Annual General Meeting, in respect of the number of ordinary shares registered in their name at that time. Changes to entries in the register of members after 2.30p.m. on 22 July 2009 shall be disregarded in determining the rights of any person to attend or vote at the Annual General Meeting. If the Annual General Meeting is adjourned, entitlements to attend and vote will be determined by reference to the register of members of the Company 48 hours before the time of the adjourned meeting.
7. As at 30 June 2009 (being the last business day prior to the publication of this Notice) the Company's issued share capital consists of 154,058,085 ordinary shares, carrying one vote each. Therefore, the total voting rights in the Company as at 30 June 2009 are 154,058,085.
8. In order to facilitate voting by corporate representatives at the meeting, arrangements will be put in place at the meeting so that:
  - (i) if a corporate shareholder has appointed the chairman of the meeting as its corporate representative to vote on a poll in accordance with the directions of all the other corporate representatives for that shareholder at the meeting, then on a poll those corporate representatives will give voting directions to the chairman and the chairman will vote (or withhold a vote) as corporate representative in accordance with those directions; and
  - (ii) if more than one corporate representative for the same corporate shareholder attends the meeting but the corporate shareholder has not appointed the chairman of the meeting as its corporate representative, a designated corporate representative will be nominated, from those corporate representatives who attend, who will vote on a poll and the other corporate representatives will give voting directions to that designated corporate representative. Corporate shareholders are referred to the guidance issued by the Institute of Chartered Secretaries and Administrators on proxies and corporate representatives ([www.icsa.org.uk](http://www.icsa.org.uk)) for further details of this procedure.

