

Notice of Annual General Meeting

Notice is hereby given that the 2009 Annual General Meeting of Guinness Peat Group plc ("the Company") will be held at 10.00 a.m. on 22 May 2009 at The Army and Navy Club, 36 Pall Mall, London SW1Y 5JW to consider and, if thought fit, to pass the following resolutions of which resolutions 1-8 will be proposed as ordinary resolutions and resolutions 9-11 will be proposed as special resolutions:

- 1 To receive the directors' report, auditor's report and the financial statements for the year ended 31 December 2008.
- 2 To receive and approve the directors' remuneration report, as set out in the 2008 Annual Report, for the year ended 31 December 2008.
- 3 To re-elect Sir Ron Brierley a director of the Company.
- 4 To re-appoint Deloitte LLP as auditor of the Company, to hold office until the conclusion of the next general meeting at which accounts are laid before the Company.
- 5 To authorise the directors to fix the remuneration of the auditor.
- 6 That the directors be and they are hereby generally and unconditionally authorised in accordance with Section 80 of the Companies Act 1985 ("the Act") to exercise all the powers of the Company to allot relevant securities (as defined in Section 80(2) of the Act) up to an aggregate maximum nominal amount of £23,712,885, provided that this authority shall expire on the fifth anniversary of the passing of this resolution, save that the Company shall be entitled to make offers or agreements before the expiry of such authority which would or might require relevant securities to be allotted after such expiry and the directors shall be entitled to allot relevant securities pursuant to any such offer or agreement as if this authority had not expired; and all unexercised authorities previously granted to the directors to allot relevant securities save for the unexercised authority conferred by Resolution 9 passed at the Company's 2004 Annual General Meeting be and are hereby revoked.
- 7 That, upon the recommendation of the directors, it is desirable to capitalise up to £7,493,744 being part of the amount standing to the credit of the Other reserve of the Company and accordingly such amount be set free for distribution among the holders of the ordinary shares of 5p of the Company ("ordinary shares") whose names are entered on the register of members at the close of business on the UK register of members or on the New Zealand or Australian branch registers on 29 May 2009, in proportion to the number of such ordinary shares then held by them respectively, on the basis that it be not paid in cash but be applied in paying up in full at par up to 149,874,880 new ordinary shares and that such shares be allotted and distributed, credited as fully paid up, to and among the said holders of ordinary shares in the proportion of 1 new ordinary share for every 10 ordinary shares held by them, and that the directors be authorised and directed to apply the said £7,493,744 and generally and unconditionally authorised to allot the said new ordinary shares accordingly on or prior to 31 December 2009 upon such terms that such new ordinary shares shall rank in all respects *pari passu* with such of the existing issued ordinary shares as are fully paid or credited as fully paid.
- 8 That:
 - (i) pursuant to Article 123 of the Articles of Association of the Company, the directors be and they are hereby authorised to offer those shareholders entitled to any dividend declared or payable prior to the beginning of the fifth annual general meeting next following the date on which this resolution is passed the right to elect in lieu of the cash dividend to receive additional ordinary shares, credited as fully paid on the terms and subject to any conditions that the directors consider to be in the best interests of the Company and provided that any earlier power of the directors to offer shares in lieu of a cash dividend as aforesaid be and is hereby revoked; and
 - (ii) pursuant to Article 123(f) of the Articles of Association of the Company, the directors be and are hereby authorised to capitalise out of the amount for the time being standing to the credit of any reserve or fund whether or not the same is available for distribution, or any profits which could otherwise have been applied in paying dividends in cash, as the directors may determine, a sum equal to the aggregate nominal amount of the additional ordinary shares to be allotted pursuant to elections made as aforesaid, and to apply such sum in paying up in full the appropriate number of unissued ordinary shares in the Company and to allot such ordinary shares to the members of the Company who have validly so elected; and
 - (iii) in the event that the middle market quotation of an ordinary share of the Company on The Official Daily List of the London Stock Exchange as at the latest reasonably practicable date prior to the issue of the shares described in (i) above as determined by the directors in their absolute discretion is below the middle market quotation of an ordinary share on the date on which the proposed scrip dividend issue is publicly announced, the directors be and they are hereby entitled to withdraw the offer to shareholders who have elected in lieu of the relevant cash dividend to receive additional ordinary shares, and they will receive the relevant cash dividend instead.

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9 That the directors be and they are hereby empowered pursuant to Section 95 of the Act to allot equity securities (as defined in Section 94 of the Act) for cash pursuant to the authority conferred by Resolution 6 above, as if Section 89(1) of the 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 a rights issue, open offer or other offer of securities in favour of the holders of ordinary shares on the register of members at such record date, as the directors of the Company may determine, in any or all jurisdictions where equity securities are listed on any recognised stock exchange, in favour of ordinary shareholders where the equity securities respectively attributable to the interests of the ordinary shareholders are proportionate (as nearly as may be) to the respective numbers of ordinary shares held by them on the record date of such allotment but subject to such exclusions or other arrangements as the directors may deem necessary or expedient to deal with any treasury shares, fractional entitlements or the legal or practical matters in respect of overseas holders or otherwise; and
- (ii) the allotment (otherwise than pursuant to sub-paragraph (i) above) to any person or persons of equity securities for cash up to an aggregate nominal value not exceeding £3,556,932,

such power, unless renewed or otherwise varied by the Company in general meeting, shall expire upon the expiry of the general authority conferred by Resolution 6 above. The Company may make an offer or agreement before this power has expired, which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities pursuant to any such offer or agreement as if the authority conferred hereby had not expired. Any earlier power of the directors to allot equity securities as aforesaid be and is hereby revoked.

10 That the Company be generally and unconditionally authorised for the purpose of Section 166 of the Act to make market purchases (within the meaning of Section 163(3) of the Act) of ordinary shares in the capital of the Company provided that:

- (i) the maximum number of ordinary shares hereby authorised to be acquired is 213,273,695; and
- (ii) the minimum price which may be paid for any such share is 5p; and
- (iii) the maximum price which may be paid for any such share is the amount equal to 105% of the average of the middle market quotations for an ordinary share in the Company as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which such share is contracted to be purchased (exclusive of associated expenses); and
- (iv) the authority hereby conferred shall expire on 22 November 2010 or the date of the next Annual General Meeting of the Company whichever shall be the earlier; and
- (v) the Company may contract to purchase its ordinary shares under the authority hereby conferred prior to the expiry of such authority which will or might be executed wholly or partly after the expiration of such authority, and may purchase its ordinary shares in pursuance of any such contract.

11 That a general meeting, other than an Annual General Meeting, may be called on not less than 14 clear days' notice.

REGISTERED OFFICE:
First Floor
Times Place
45 Pall Mall
London SW1Y 5GP
Registered Number: 103548

By order of the Board
Richard Russell
Secretary
30 March 2009

For further information, see the Notes to the Notice of Meeting on pages 3 and 4.

Explanatory Note in respect of Resolutions 6 to 11

a) Resolution 6

Under section 80 of the Companies Act 1985 ("the Act") the Directors are not permitted to allot shares (or other relevant securities such as rights to subscribe for, or convert securities into, GPG ordinary shares) unless they are authorised to do so by the Company's shareholders in general meeting.

This resolution, if passed, renews and increases the Directors' authority (given by shareholders at the 2008 AGM) to allot shares and other relevant securities for up to 5 years subject to the maximum amount set out in the resolution, and is consistent with the level commonly proposed by other UK listed companies.

The figure of £23,712,885 is equivalent to one-third of the current issued share capital.

b) Resolution 7

This resolution, if passed, enables the Directors to carry out the proposed 1:10 capitalisation ("bonus") issue in respect of all those shares issued and registered on the Company's share registers on the relevant Record Date. It is in similar terms to the authority given by shareholders at previous annual general meetings.

c) Resolution 8

In accordance with the provisions of the Company's Articles of Association, this resolution, if passed, enables the Directors for up to 5 years to offer a Scrip Dividend Alternative ("SDA") without the need to seek shareholders' approval on each occasion an SDA is proposed. It extends by approximately one year the 5-year authority granted by shareholders in 2008.

d) Resolution 9

This resolution is to enable the Directors to allot shares either for a rights issue to existing shareholders or (up to the specified amount) for cash without first offering them to existing shareholders *exactly* in proportion to their existing shareholdings (which would otherwise be required under UK statutory pre-emption rights contained in section 95 of the Act).

This resolution, if passed, renews and increases the Directors' authority (given by shareholders at the 2008 AGM) for up to 5 years to allot shares and other equity securities for cash, in appropriate circumstances, subject to the maximum amount set out in the resolution, and is consistent with the level commonly proposed by other UK listed companies.

The maximum amount is 5% of the current issued share capital.

e) Resolution 10

This resolution, if passed, renews and increases the authority (given by shareholders at the 2008 AGM) to allow the Company to re-purchase up to 213,273,695 ordinary shares representing approximately 15% of the current total issued share capital of the Company and again the proposed level is consistent with that commonly adopted by other UK listed companies.

f) Resolution 11

At last year's Annual General Meeting, new articles of association were adopted which include a provision allowing general meetings of the Company to be called on the minimum notice period provided for in the Companies Act 2006. For general meetings other than AGMs the minimum notice period permitted by the Companies Act 2006 is currently 14 days. The 2006 Act provisions relating to meetings are due to be amended with effect from August 2009, as a result of the UK implementation of the EU Shareholder Rights Directive. One of the amendments to be made will, in accordance with the Directive, increase the minimum notice period for listed company general meetings to 21 days, but with an ability for companies to reduce this period back to 14 days (other than for AGMs) provided that two conditions are met. The first condition is that the Company offers facilities for shareholders to vote by electronic means and this will be subject to regulation by the UK Government when it implements the Directive. The second condition is that there is an annual resolution of shareholders approving the reduction in the minimum notice period from 21 days to 14 days. The board is therefore proposing Resolution 11 as a special resolution to approve 14 days as the minimum period of notice for all general meetings of the Company other than AGMs. The approval will be effective until the Company's next AGM, when it is proposed that the approval be renewed. All references to 'days' in this paragraph shall be interpreted as 'clear days'.

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Notes to Notice of Annual General Meeting

- 1 The venue for the 2009 AGM is The Army and Navy Club, which is a private members' club. Shareholders intending to attend the 2009 AGM are requested to conform to the Club's dress code.
- 2 A member of the Company entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and, on a poll, to vote instead of the member. A member can appoint more than one proxy in relation to the meeting, provided that each proxy is appointed to exercise the rights attaching to different shares. A proxy need not be a member of the Company. A relevant form of proxy is enclosed.
- 3 Forms of proxy and a power of attorney or other authority, if any, under which they are signed, or a notarially certified copy of a power or authority should be sent to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS13 8FB (from UK registered members), Computershare Investor Services Limited, Private Bag 92119, Auckland 1142 (from New Zealand registered members) or Registries Limited, PO Box R67, Royal Exchange, Sydney, NSW 1224 (from Australian registered members) so as to arrive not later than **10a.m. (local time) on Wednesday 20 May 2009**. Completion and return of the appropriate form of proxy enclosed with this Notice will not preclude a member from attending and voting at the meeting in person should he find himself able to do so.
- 4 The Chairman intends to vote any undirected proxies given to him in favour of all the Resolutions set out in the Notice of the 2009 AGM.
- 5 Copies of the service contracts and directors' indemnities in favour of Tony Gibbs, Blake Nixon and Gary Weiss will be available for inspection at the offices of the Company at First Floor, Times Place, 45 Pall Mall, London SW1Y 5GP during normal business hours any week day (Saturdays and public holidays excepted) from the date of this document until 22 May 2009 being the date of the Annual General Meeting and at the venue of the 2009 AGM from 15 minutes before the start of the meeting until the end of the meeting.
- 6 A summary of the proceedings at the 2009 AGM will be made available upon request to any shareholder applying to any one of the Company's share registrars whose locations are set out below or to the Company Secretary, Guinness Peat Group plc, First Floor, Times Place, 45 Pall Mall, London SW1Y 5GP.
- 7 To have the right to attend and vote at the 2009 AGM (and also for the purposes of calculating how many votes a person may cast) pursuant to Regulation 41(1) of the Uncertificated Securities Regulations 2001, a person must have his/her name entered on the register of members by no later than 11 a.m. (UK time) on the date two days prior to the date of the meeting or any adjourned meeting. Changes to entries on the register after this time shall be disregarded in determining the rights of any person to attend or vote at the meeting or adjourned meeting.
- 8 As at the date of this Annual Report, the Company has 1,422,773,154 Ordinary Shares in issue, carrying one vote each. Therefore the total voting rights in the Company are 1,422,773,154.
- 9 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 with instructions to vote on a poll in accordance with the directions of all of 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.
- 10 A copy of this notice has been sent **for information only** to persons who have been nominated by a member to enjoy information rights under section 146 of the Companies Act 2006 (a "Nominated Person"). The right to appoint a proxy cannot be exercised by a Nominated Person: they can only be exercised by the member.