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FOR IMMEDIATE RELEASE

RECOMMENDED SHARE OFFER

For

1SPATIAL HOLDINGS PLC

By

AVISEN PLC

The Board of 1Spatial and the Board of Avisen are pleased to announce the terms of a merger between Avisen and 1Spatial to be effected by means of a scheme of arrangement whereby Avisen will acquire the entire issued share capital of 1Spatial. On completion, the Enlarged Group will transition to a single 1Spatial brand.

Highlights

- Under the proposed merger, 1Spatial Shareholders will be entitled to receive:

For each 1Spatial Share: 5.761 fully paid New Avisen Shares

- The Proposal values the entire issued share capital of 1Spatial at approximately £4.74 million and each 1Spatial Share at 22.35 pence (based on the Closing Price of 3.88 pence per Avisen Share on 6 October 2011, the last Business Day prior to this Announcement).
- The Proposal represents a discount of 10.6 per cent. to the Closing Price of 25 pence per 1Spatial Share on 6 October 2011, the last Business Day prior to this Announcement, based on a Closing Price for Avisen Shares of 3.88 pence on 6 October 2011, and premium of 17.3 per cent. to the Closing Price of 25 pence per 1Spatial Share on 6 October 2011, based on the average Closing Price for Avisen Shares of 5.09 pence over the three month period ended on and including 6 October 2011.
- 1Spatial Shareholders should note that the value of the Consideration that they will ultimately receive (once the Scheme is implemented and becomes effective in accordance with its terms) will depend upon the market value of New Avisen Shares received by them on the settlement date, and this value may vary.
- It is intended that the Proposal will be implemented by means of a Scheme of Arrangement under the Act, which requires the approval of 1Spatial Shareholders and the sanction of the Scheme and confirmation of the Reduction of Capital by the Court. The terms of the Scheme are summarised in this Announcement and will be set out in full in the Scheme Document to be sent to 1Spatial Shareholders shortly.
- The Proposal is also subject to approval by the Avisen Shareholders of certain resolutions at an Avisen General Meeting.
- The Enlarged Group will be led by a management team drawn from the boards of both 1Spatial and Avisen, comprising Steve Berry as Non-Executive Chairman, Marcus Hanke as Chief Executive Officer, Nic Snape as Managing Director, Claire Milverton as Chief Financial Officer, and Dr. Mike Sanderson as Director of Strategic Development. The non-executive directors will be Marcus Yeoman and Mark Battles.
- The Independent Directors of 1Spatial, who have been so advised by Libertas, consider the terms of the Proposal to be fair and reasonable. In providing financial advice to the Independent Directors

of 1Spatial, Libertas has taken into account the Independent Directors' commercial assessments. Libertas is providing independent financial advice for the purposes of Rule 3 of the City Code. Accordingly, the Independent Directors of 1Spatial intend unanimously to recommend that 1Spatial Shareholders vote in favour of the resolutions relating to the Proposal at the Meetings (or in the event that the Acquisition is implemented by way of an offer, to accept or procure acceptance of such offer).

- The Independent Directors have entered into irrevocable undertakings to vote in favour of the Resolutions in respect of 12,299,725 1Spatial Shares, representing approximately 58.0% per cent. of the existing issued ordinary share capital of 1Spatial. Irrevocable undertakings to vote in favour of the Resolutions have also been received from Seamus Gilroy, Christopher Wright, Steven Ramage and SF T1ps Smaller Companies Growth Fund in respect of 4,025,970 1Spatial Shares, representing approximately 19 per cent. of the existing issued ordinary share capital of 1Spatial.
- Irrevocable undertakings to vote in favour of the Avisen Resolutions at the Avisen General Meeting have been secured from the holders of 64,911,948 Avisen Shares (including all members of the Avisen Board) representing approximately 28.63 per cent. of the Avisen Shares in issue at the date of this Announcement.
- Further details of the Proposal and the Scheme will be contained in the Scheme Document which will be posted to 1Spatial Shareholders as soon as practicable and a circular containing notice of the Avisen General Meeting will be sent with a copy of the Scheme Document to Avisen Shareholders.

Nic Snape, CEO of 1Spatial commented:

“Our profile in the spatial industry has never been higher and the access to capital and business acumen that Avisen brings will enable us to capitalise on the foundation we have built from our own resources. The 1Spatial Board are confident that the combined companies will accelerate the growth of 1Spatial and provide significantly enhanced shareholder return.”

Marcus Hanke, CEO of Avisen commented:

“Avisen has achieved a secure financial position and a solid business proposition. It has been our intention to identify the right company to acquire to support the next phase of our development. We wanted a company that would enable greater value to be extracted from our current businesses as well as add additional scale to our overall operations. We are very excited about the merger with 1Spatial, as we believe it provides value to all of the combined shareholders and an excellent platform for mutual growth”

This summary should be read in conjunction with the following full Announcement and the Appendices.

The Proposal is subject to the Conditions and other terms set out in Appendix I to the Announcement and to the full terms and conditions which will be set out in the Scheme Document. Appendix II contains bases and sources of certain information contained in this Announcement. Details of irrevocable undertakings received by Avisen are set out in Appendix III to the Announcement. Certain terms used in this summary and the full Announcement are defined in Appendix IV to the Announcement.

A copy of this Announcement will be available, subject to certain restrictions in relation to persons resident in Restricted Jurisdictions, at 1Spatial's website at www.1spatial.com and at Avisen's website at www.avisen.com. Neither the content of 1Spatial's website, the content of Avisen's website, nor the content of any other website accessible from hyperlinks on either 1Spatial or Avisen's website, is incorporated into or forms part of this Announcement.

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This Announcement has been prepared for the purpose of complying with the laws of England and Wales and the City Code and the information disclosed may not be the same as that which would have been disclosed if this Announcement had been prepared in accordance with the laws of jurisdictions outside the United Kingdom. The release, publication or distribution of this Announcement in certain jurisdictions may be restricted by law. Persons who are not resident in the United Kingdom or who are subject to other jurisdictions should inform themselves of, and observe, any applicable requirements.

RECOMMENDED SHARE OFFER

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1SPATIAL HOLDINGS PLC

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AVISEN PLC

1. Introduction

The boards of 1Spatial and Avisen are pleased to announce that they have agreed terms of a merger whereby the entire share capital of 1Spatial would be acquired by Avisen in consideration for the issue of 5.761 New Avisen Shares for each 1Spatial Share. The Proposal is to be implemented by means of a Scheme of Arrangement under the Act, which requires the approval of 1Spatial Shareholders and the sanction of the Scheme and confirmation of the Reduction of Capital by the Court. On completion, the Enlarged Group will transition to a single 1Spatial brand.

2. Terms of the Scheme Offer

It is intended that the Scheme Offer will be implemented by means of a Court-sanctioned Scheme of Arrangement pursuant to Part 26 of the Act involving a reduction of capital of 1Spatial under the Act. The Scheme is subject to the satisfaction (or, where applicable, waiver) of the Conditions and sanction of the Court.

The Scheme provides that, if it becomes effective, all of the existing 1Spatial Shares will be cancelled under the Reduction of Capital and a like number of New 1Spatial Shares will be issued, fully paid, to Avisen. The reserve arising from the cancellation of the existing 1Spatial Shares will be used in paying up in full such New 1Spatial Shares. In exchange, under the Proposal, all 1Spatial Shareholders will be entitled to receive:

For each 1Spatial Share: 5.761 fully paid New Avisen Shares

1Spatial will become a wholly owned subsidiary of Avisen on the Effective Date. Avisen is a public company incorporated in England and Wales, and its shares are admitted to trading on AIM.

The Proposal values the entire issued share capital of 1Spatial at approximately £4.74 million and each 1Spatial Share at 22.35 pence (based on the Closing Price of 3.88 pence per Avisen Share on 6 October 2011, the last Business Day prior to this Announcement).

Entitlements to New Avisen Shares will be rounded down to the nearest whole number of Avisen Shares. Fractions of New Avisen Shares will not be allotted or issued to 1Spatial Shareholders. Fractional entitlements of New Avisen Shares will be aggregated and sold in the market and the net cash proceeds of the sale retained for the benefit of Avisen.

1Spatial Shareholders should note that the value of the Consideration that they will ultimately receive (once the Scheme is implemented and becomes effective in accordance with its terms) will depend upon the market value of New Avisen Shares received by them on the settlement date, and this value may vary.

The New Avisen Shares will be issued credited as fully paid, on identical terms to and will rank *pari passu* with the Avisen Shares in issue on the date on which the New Avisen Shares are issued, including the right to receive and retain all dividends, distributions or entitlements declared, paid or made after the Scheme becomes effective.

Application will be made to the London Stock Exchange for the New Avisen Shares to be admitted to trading on AIM following the Scheme becoming effective. Upon the scheme becoming effective, 1Spatial's shares will be cancelled and therefore no longer be admitted to trading on AIM.

If the Scheme becomes effective, 1Spatial will become a wholly owned subsidiary of Avisen on the Effective Date and the 1Spatial Shareholders will receive the Consideration referred to above.

Scheme becoming effective

The Scheme requires the approval of a majority in number of the 1Spatial Shareholders representing at least seventy-five per cent. in nominal value of the 1Spatial Shares present and voting (either in person or by proxy) at the Court Meeting (voting at which shall be conducted by way of a poll). In addition, the Reduction of Capital will require the approval of 1Spatial Shareholders at the General Meeting.

If the Scheme becomes effective, it will be binding on all 1Spatial Shareholders, irrespective of whether or not they attended or voted at the Court Meeting or the General Meeting.

Avisen intends to make an application to the London Stock Exchange for admission to trading on AIM of its New Avisen Shares. Upon the scheme becoming effective, 1Spatial's shares will no longer be admitted to trading on AIM.

Interests in the Enlarged Group

Following the Scheme becoming effective, existing Avisen Shareholders will hold 226,699,878 Avisen Shares representing approximately 65.0 per cent. of the Enlarged Issued Share Capital of Avisen and existing 1Spatial Shareholders will hold approximately 122,069,402 Avisen Shares representing approximately 35.0 per cent. of the Enlarged Issued Share Capital of Avisen.

3. Recommendation

The Independent 1Spatial Directors who have been advised by Libertas, consider the terms of the Proposal to be fair and reasonable and this is why they unanimously intend to recommend that 1Spatial Shareholders vote in favour of the Resolutions to give effect to the Proposal, as the Independent 1Spatial Directors have irrevocably undertaken to do in respect of their beneficial holdings of 12,299,725 1Spatial Shares representing approximately 58.0 per cent. of the existing issued ordinary share capital of 1Spatial. In providing its advice to the 1Spatial Board, Libertas has taken into account the commercial assessments of the Independent 1Spatial Directors.

In order to approve the terms of the Proposal, Scheme Shareholders will need to vote in favour of the Resolution to be proposed at the Court Meeting and 1Spatial Shareholders will need to vote in favour of the Resolutions to be proposed at the General Meeting to be held on 7 November 2011. The unanimous recommendation of the Independent 1Spatial Directors and advice to 1Spatial Shareholders is set out in paragraph 5 of this Announcement.

Marcus Hanke is a non-executive director of 1Spatial and is also an executive director of Avisen. As a result, Marcus Hanke has not participated in the consideration by the 1Spatial Board as to whether the Proposal is fair and reasonable, nor the decision to recommend the Proposal. Marcus Hanke owns or is interested in 32,690 1Spatial Shares representing approximately 0.15 per cent. of the 1Spatial Shares in issue and owns or is interested in 29,026,314 Avisen Shares representing approximately 12.8 per cent. of the Avisen Shares in issue. The Independent 1Spatial Directors do not have any interest in any Avisen Shares.

Statements made or referred to in this Announcement concerning Avisen's reasons for the Proposal and to the intentions and expectations of Avisen and its subsidiaries reflect the views of the Avisen Board. Statements made or referred to in this Announcement concerning the background to and reasons for the Independent 1Spatial Directors recommending the Proposal reflect the views of the 1Spatial Board.

4. Background to and reasons for the Proposal

On 19 October 2010, 1Spatial was admitted to trading on AIM by way of a reverse acquisition of IQ Holdings plc. The reasons for this transaction were three-fold:

- (i) to enable 1Spatial to raise capital by way of investment in shares in the listed company, which supported further investment in technology development and marketing;

- (ii) to enable 1Spatial to raise capital by way of investment in shares in the listed company in order to support geographic expansion by way of acquisition; and
- (iii) to strengthen the business acumen of the company by attracting independent advisors and investors.

Since the completion of the listing, 1Spatial has achieved a series of key milestones:

- completed an acquisition in Australia to exploit the growing demand for high quality spatial data to support environmental management and economic development
- completed the delivery of the landmark data management solution to Ordnance Survey Great Britain (OSGB)
- secured long term, high value contracts with Ordnance Survey Ireland for data re-engineering and enhancement and with OSGB to support the automation of their product generation capability
- restructured the company to factor in all exceptional costs and maximise future profitability

As a result, 1Spatial is now positioned for growth, which will be best achieved through further investment in its rule-engine. 1Spatial's rule-based approach to spatial data processing is gaining increasing acceptance in the marketplace. To exploit this, 1Spatial has structured the company to focus on three markets:

- (i) its core market: the National topographic mapping and cadastral agencies, who require enterprise solutions for nationwide data management. 1Spatial is branding this offering as Imperium, which now requires investment to productise and exploit its market advantage;
- (ii) the GIS market, where 1Spatial continues to strengthen strategic relationships with the major players in this sector, who are interested in integrating 1Spatial's rules engine and geo-processing components as the public data transparency initiatives lead to the development of new knowledge based applications; and
- (iii) the data quality market which is being addressed with a new Software as a Service offering, marketing under a new brand, Socium.

In addition, 1Spatial's Board of Directors believes that the wider analytics Business Intelligence marketplace provides an opportunity to extend the spatial data supply chain into location enabled decision-making.

Avisen operates through two businesses with the common focus of enhancing client profitability. Its business and technology consultancy, Avisen, specialises in Performance Management, with a focus on strategy creation, development and implementation through business advisory services and distribution and implementation of Acorn Systems software solutions. Storage Fusion develops and sells Storage Resource Analysis Software.

Avisen was admitted to trading on AIM on 2 February 2009 following its reverse takeover of Z Group plc. Since its admission, Avisen has pursued an acquisition strategy in the Corporate Performance Management market and to date has completed six acquisitions.

The Avisen management team has demonstrated its ability to rapidly absorb the new businesses in order to achieve cost savings and to grow the recurring income base of the Avisen Group through software and solution support.

Avisen now provides advisory services and software distribution to a growing number of blue chip corporations and examples include: Tesco Direct and Unilever.

The boards of Avisen and 1Spatial believe that Avisen's acquisition of 1Spatial will allow the Enlarged Group to:

- establish a more experienced management team with a broader skill set through the appointment of Nic Snape, Dr. Mike Sanderson and Steve Berry to the Avisen Board. This will further enhance the Enlarged Group's ability to identify future opportunities to enhance shareholder value;
- accelerate the investment in 1Spatial's Imperium, GIS Market Strategic Relationships and Avisen's new brand, Socium;

- utilise the cash resources of Avisen in order to accelerate the growth of the Enlarged Group, both organically and by further acquisitions in the business and technology sectors;
- extend the location supply chain capability, to offer location enabled decision making to the Business Intelligence market; and
- optimise the Storage Fusion Business as part of Avisen's existing performance management services.

Further information on Avisen and the strategy for the Enlarged Group will be set out in the Scheme Document.

5. Background to and reasons for recommending the Proposal

The Independent 1Spatial Directors have considered the terms of the Proposal and unanimously recommend that 1Spatial Shareholders vote in favour of the Resolutions to be proposed at the Meetings.

The Independent 1Spatial Directors have therefore advised that each 1Spatial Shareholder should consider carefully the information set out below in making a decision as to whether to approve the Proposal. This is not intended to be an exhaustive list of relevant factors and 1Spatial Shareholders should consider their individual circumstances carefully before deciding whether to vote in favour of the Resolutions to be proposed at the Meetings.

Effects of Proposal

- The Proposal represents a discount of 10.6 per cent. to the Closing Price of 25 pence per 1Spatial Share on 6 October 2011, the last Business Day prior to this Announcement based on a Closing Price for Avisen Shares of 3.88 pence on 6 October 2011; and
- The Proposal represents a premium of 17.3 per cent. to the Closing Price of 25 pence per 1Spatial Share on 6 October 2011 based on the average Closing Price for Avisen Shares of 5.09 pence over the three month period ended on and including 6 October 2011.

Additional reasons for recommending the Proposal:

- Avisen has significant cash reserves which provide funds to accelerate investment in technology development in order to exploit the market position that 1Spatial has achieved;
- Avisen has an established blue chip client list in the commercial sector. Avisen's contracts with Tesco Direct and Unilever provide a solid foundation for the market introduction of location enabled analytics business models; and
- Avisen's Directors would bring significant experience into 1Spatial's strategic planning, in particular expertise in digital media, which would have significant benefit to the development of 1Spatial's new brand, Socium.

The 1Spatial Board believe that the merged entity would have a significantly enhanced market capitalisation and would provide a more interesting vehicle to attract investment. The size of the combined company would be more attractive to the banking sector and have more credibility when pursuing larger system integration opportunities in 1Spatial's core market. All of these factors will provide the Enlarged Group with a significant platform from which to grow.

6. Information on 1Spatial

Corporate History

1Spatial was originally called Laser-Scan and was formed in 1969 as an offshoot from the Cavendish Laboratory at Cambridge University initially developing laser-tracking devices and progressing, in 1975, to technologies that support mapping. In 1979 a contract with Ordnance Survey Great Britain (OSGB) was secured to build a national mapping database. Over the next 10 years, 1Spatial focussed on the digital mapping sector, securing sales around the world.

In 2000 Laser-Scan was purchased by the Yeoman Group plc, which was developing a new offering of in-car navigation services via mobile phone. Laser-Scan technology was used to build the advanced spatial database that supported accurate navigation routing. In 2001, new management were appointed and major investments were made in the development of components that extended Oracle's mainstream database technology, giving users the ability to enhance and maintain the quality of their spatial data.

In June 2003, the new management team established 1Spatial as a new company in order to complete a management buy-out of the goodwill and certain assets of Laser-Scan, which had been placed into administration. 1Spatial became an independent company focussed on automating the management of spatial data quality. The company won a number of key contracts with the RAF, a consortium of German states, Northern Ireland's Mapping Agency and Land Registry Ireland, which gave the company a solid recurring revenue base and re-established its reputation. A growth strategy followed, with 1Spatial making a number of successful acquisitions. These strategic acquisitions provided additional technology capability and additional revenue from solid installed bases that remain today. They were as follows:

- Sysdeco Kongsberg AS, Norway November 2004
- IME UK Limited, Stirling, Scotland June 2007
- Proteus Solutions Limited, Cork, Ireland July 2007
- Comsine Limited, Hampshire June 2008

Having established a sound commercial base, 1Spatial embarked on significant technology developments. 1Spatial's object-oriented data cache was integrated into a mainstream web-service architecture which provided a new approach to capturing knowledge through the use of an open rules language. This new approach to spatial data validation, enrichment and optimisation enabled 1Spatial to win a landmark contract with OSGB. This offering is marketed under the 1Spatial brand name Radius Studio.

The OSGB project success has had a significant impact on the profile of 1Spatial. Many other mapping agencies are interested in the architecture and technology. Code delivery sign off occurred at the end of 2010. At the same time 1Spatial was awarded a contract by OSGB to provide technology to support automated map production based on 1Spatial's map generalisation, or simplification, technology. Radius Studio is also being used by other National Mapping agencies such as, the Royal Airforce Charting Unit, Land Information New Zealand, Land and Property Services Northern Ireland, Ordnance Survey Ireland, Swedish Maritime Administration, IGN Belgium, German Lande and PSMA Australia.

Following the completion of the reverse acquisition of IQ Holdings in October 2010 and the subsequent listing on AIM, 1Spatial has begun the process of exploiting its platform through expansion internationally and domestically. Lagen Spatial Pty Limited was acquired in April 2011 to strengthen capacity in Asia Pacific and take advantage of the significant opportunity in Australia.

Current Trading and Prospects

1Spatial has just completed its eighth year of trading since the management buyout in 2003. It was a disappointing year financially, with revenues falling to £7.311 million for the year ended 30 June 2011. This was largely due to significant delays in signing large contracts and the cancellation of planned investments by other customers. The impact of these was to shift £1 million of expected revenue into the future. OSGB and OS Ireland have now been secured, which provides good revenues for visibility for the 2012 financial year. Profitability and asset value were also impacted by the reverse acquisition, with exceptional costs in excess of £2 million being accounted for in the last financial year. 1Spatial is now structured to focus on three clear markets, with different business models and significant prospects for growth and increased profitability:

- **Data Providers.** The solution delivered to OSGB for data management and automated generalisation, is being marketed under the brand name Imperium. This is targeted at the National topographic mapping and cadastral agencies.
- **GIS Market.** The success of 1Spatial's rules engine and approach to spatial data integrity and processing has captured the attention of the major players in the GIS Sector. This is a £1.5 billion annual market. 1Spatial's focus is to continue to strengthen its strategic relationships with leading companies in that sector by developing components that integrate its rules engine and geo-

processing technology into solutions provided by key companies, who represent over half of the total annual market with a combined customer base of 100,000s.

- **SoftwareasaService.** The scalable, web services architecture of Radius Studio has enabled 1Spatial to launch a new company, offering spatial data quality improvement under a Software as a Service Business Model. This will give access to 1Spatial's sophisticated technology via a simple, 4 button web based application. This will open up its technology to a market of nearly 200,000 potential customers.

The 1Spatial Directors believe that by securing access to the cash reserves of Avisen through the merger and enabling 1Spatial's technology to be productised at an accelerated rate, 1Spatial will be in a better position to realise these potential prospects.

7. Information on Avisen

Avisen is a management consultancy and software business that provides companies with advice and solutions in order to enhance overall company profitability. It has two trading businesses:

- Avisen – Management consultancy specialising in profit improvement and exclusive distributor of Acorn Systems' Software in the UK and Ireland.
- Storage Fusion Ltd – Independent Software Vendor specialising in storage analytics for the heterogeneous storage estate delivered using Software as a Service (SaaS) architecture.

Avisen

Overview

Avisen, the Group's management consultancy business, focuses on providing global companies with advice in relation to improving overall company profitability. One of the key tools that Avisen uses during this process is a software technology known as Acorn Systems. Based on a costing methodology designed by Harvard Professor, Prof Dr Robert Kaplan and Steve Anderson who is on the Board of the Company, Acorn uses transaction level cost allocation to reveal profit improvement opportunities across the enterprise's customers, products, segments, vendors, channels and processes. This enables clients to make fact-based, profit-focused decisions which Avisen then help them implement. Although niche, the Avisen brand is uniquely positioned as it has the exclusive UK distribution rights for Acorn Systems' products and global distribution rights outside of the USA and a skilled team of Technical and Business Consultants.

Avisen has built over the last year a platform to sell its Acorn Systems solutions by providing pilots to various Blue Chip customers including Tesco Direct and Unilever. This has proved the product offering and provided a platform to sell Avisen's services and resell the Acorn software across the market.

Avisen's target market and competitors

Avisen's target market is quite well defined. A typical client is a company with revenues in excess of £100 million and with high-volumes of transactions where they understand the total cost of running the business but can't see how each product, customer or channel is driving up that cost. These are sectors such as fast moving consumer goods, distribution, retail, financial services, professional services and pharmaceuticals.

Avisen's competitors are distributors of other profitability management software (SAP, Oracle, Prodocapo, SAAS Institute etc). Avisen's focus is on building recurring revenue from software sales and support contracts. This enables Avisen to work with and provide paid services to the "Big 4" consulting companies and other niche consultancy businesses providing profitability improvement services using Acorn. Avisen markets directly to these businesses and to the finance and operational executives of its target clients.

The Group continually assesses the demand for its products and services in the market place and adapts its product offerings and pricing strategies to support this. It has focused the business on helping the large corporate market understand the true cost and profitability of their customers, products and

operations as well as providing support in reconfiguring them. Avisen sees the most interest for the use of its software and services in:

- Logistics and distribution, to understand the network cost of delivered and returned goods and reconfigure supply chain based on the detailed analysis that Avisen provides.
- In FMCG and retail, to move past gross margin and understand the actual delivered margin from products and services through the supply chain in order to see true customer profitability.
- In financial services, to understand the profitability of individual customers, segments and products by allocating all costs and revenues to that grouping.
- In shared services and outsourcing, to build transparent “charge-back” mechanisms to allocate cost to the business units that consume them.
- In healthcare, to track the cost of patients through a hospital or other care setting and the actual costs associated with different procedures.

Storage Fusion

Overview

Storage Fusion is the author of SRA which provides comprehensive analytics for enterprise storage environments through an affordable SaaS service and without the need for disruptive probes and agents.

SRA cuts through the complexity of heterogeneous storage environments without the necessity for expensive on-premise software, on-going support and maintenance, a time-consuming implementation project, disruptive future upgrades and additional hardware to run the solution. This delivers detailed analytics within a matter of hours.

Storage Fusion empowers companies with the analytics they need to make informed decisions about their storage resources, thereby reducing IT expenditure and improving business operations.

With complete transparency an entire storage environment, Storage Fusion’s SRA solution enables an organisation to undertake the following business critical activities to deliver operational effectiveness:

- Storage reclaim
- Internal charge-back
- Data centre migration/consolidation
- Vendor rationalisation
- Technology swaps/refreshes
- Asset tracking
- Capacity planning
- Depreciation reporting
- Cloud migration
- Virtualization and thin provisioning analysis
- Storage tiering
- Metrics analysis and report trending
- Identification of configuration exceptions

Demand for the SRA product has been clearly demonstrated with the signing of contracts with a large International bank in September 2010 and a subsequent sale to a worldwide information technology company.

Storage Fusion's target market and competitors

Storage Fusion's target market is any organisation that needs to report across their storage estate. Typically these are global companies that have multiple data centres, hardware from more than one storage vendor and in excess of 100 Terabytes of storage.

SRA is also used as a presales assessment tool by hardware vendors and partners to augment their hardware and professional services revenue.

In September 2010 Gartner's report, the Magic Quadrant for Storage Resource Management and SAN Management Software, Storage Fusion was noted as a new vendor within the segment.

Strategy and objectives of the business

Avisen's business strategy is to continue growth, both organically and by acquisition, and to convert this growth into higher profit and cash flow for distribution to shareholders.

Avisen has a record of successful acquisition and disposals. The most recent disposal was of Inca, a reseller of IBM Cognos software, in April 2011 for £7.3 million (including a £1.3 million deferred payment) and the extinguishment of £1.2 million of debt.

The management team undertook a full business review following the disposal of Inca and developed the following key objectives for the year ahead:

- Improve organic growth in the Avisen business by:
 - Utilising its skilled workforce to deliver on key contracts.
 - Planned campaigns to increase awareness within key target sectors. Using Avisen's success with existing customers to demonstrate its abilities.
 - Re-defining key corporate messages within its target market.
 - Leveraging further the success of the Acorn solution globally and optimising partner marketing activities.
 - Build on the "Big 4" accounting firm relationships as a new channel to market.
- Improve organic growth in the Storage Fusion Business by:
 - Launching SRA Enterprise Edition.
 - Developing global sales network via partners.
 - Implement marketing strategy to increase product awareness, brand and sales revenue.
 - Developing additional SRA apps to enable new features that increase overall product value and sales.
 - Re-defining corporate messages and identifying key sectors to approach.
 - Developing awareness amongst the analyst community through key contacts at Gartner.
- Identify key acquisition targets which complement the current existing businesses.

8. Strategy of the Enlarged Group

The Directors of the Enlarged Group intend to create shareholder value both through further acquisitions and organic growth. Directors of the Enlarged Group will be focused on acquiring additional businesses that either extend the customer base of Avisen and ISpatial's current offering or provide complementary services and support that can be delivered to the current client base or sold through its sales channels.

The Enlarged Group's strategy will be to:

- accelerate the investment in ISpatial's Imperium, GIS Market Strategic Relationships and Avisen's new brand, Socium;

- utilise the cash resources of Avisen in order to accelerate the growth of the Enlarged Group, both organically and by further acquisitions in the business and technology sectors;
- extend the location supply chain capability, to offer location enabled decision making to the Business Intelligence market; and
- optimise the Storage Fusion Business as part of Avisen's existing performance management services.

9. Directors, management, employees and location of the Enlarged Group

The Enlarged Group will be led by a team comprising Steve Berry as Non-Executive Chairman, Marcus Hanke as Chief Executive Officer, Nic Snape as Managing Director, Claire Milverton as Chief Financial Officer and Dr. Mike Sanderson as Director of Strategic Development. The non-executive directors will be Marcus Yeoman and Mark Battles.

Following the Scheme becoming effective, Jonathan Hill will step down from the Avisen Board and shall remain an employee. In addition, Mark Battles will resign as a non-executive chairman of Avisen and take on the role as a non-executive director of the Enlarged Group.

Peter Bullock and Duncan Guthrie will resign as directors of 1Spatial immediately following the Scheme becoming effective and remain employees of the Enlarged Group.

Pending any agreement to the contrary, and subject to the approval of Avisen's remuneration committee, the current terms of service of Nic Snape, Dr. Mike Sanderson and Steve Berry will continue to apply.

Avisen recognises the achievements of the management and employees of 1Spatial, and intends that 1Spatial will continue to develop and grow as part of the Enlarged Group. The Enlarged Group will be led by a board drawn from the existing boards of Avisen and 1Spatial.

Avisen intends to safeguard fully the existing employment rights of employees of both the 1Spatial Group and the Avisen Group.

The Enlarged Group will be headquartered in London in respect of its PLC function and in Cambridge for its operations. It is intended that 1Spatial's existing operating facilities will be maintained.

10. Irrevocable Undertakings

Avisen has received irrevocable undertakings from each of the Independent 1Spatial Directors to vote or procure the vote in favour of the Resolutions in respect of their entire beneficial holdings of 1Spatial Shares amounting, in aggregate, to 12,299,725 1Spatial Shares (representing approximately 58.0 per cent. of the existing issued share capital of 1Spatial).

Avisen has also received irrevocable undertakings from Seamus Gilroy, Christopher Wright, Steven Ramage and SF T1ps Smaller Companies Growth Fund to vote or procure the vote in favour of the Resolutions in respect of their entire beneficial holdings of 1Spatial Shares amounting to 4,025,970 1Spatial Shares (representing approximately 19.0 per cent. of the existing issued share capital of 1Spatial).

Irrevocable undertakings to vote in favour of the Avisen Resolutions at the Avisen General Meeting have been secured from the holders of 64,911,948 Avisen Shares (including all members of the Avisen Board) representing approximately 28.63 per cent. of the Avisen Shares in issue at the date of this Announcement.

Further details of the irrevocable undertakings (including the circumstances in which they shall lapse) are set out in Appendix III.

11. Conditions

The Conditions to the Proposal are set out in full in Appendix I. In summary, the implementation of the Scheme is conditional, *inter alia*, upon:

- the approvals of the 1Spatial Shareholders and Scheme Shareholders;
- the sanction and confirmation of the Court;
- the Scheme becoming effective by no later than 29 February 2012 or such later date as 1Spatial and Avisen may agree with (where applicable) the consent of the Panel and the approval of the Court, failing which the Scheme will lapse;
- approval by the Avisen Shareholders of the Avisen Resolutions at the Avisen General Meeting. Approval of such resolutions is required in order to implement the Scheme and their approval shall authorise an increase of the authorised share capital of Avisen, the allotment of New Avisen Shares to 1Spatial Shareholders, a sub-division of the existing share capital of Avisen and the amendment of the articles of association of Avisen; and
- admission of the New Avisen Shares to trading on AIM.

12. Meetings

The Scheme and the Proposal are subject to the satisfaction (or, where applicable, waiver) of the Conditions set out in Appendix I. In addition, the implementation of the Scheme will require approval by a special resolution of 1Spatial Shareholders to be proposed at the General Meeting. In order to become effective, the Scheme must be approved by Scheme Shareholders at the Court Meeting (at which voting will be conducted by way of a poll). The approval required at the Court Meeting is a majority in number of those Scheme Shareholders present and voting, whether in person or by proxy, representing not less than 75 per cent. in value of the Scheme Shares held by such Scheme Shareholders.

General

The Scheme Document, containing the full terms of the Scheme Offer, will be posted to 1Spatial Shareholders as soon as possible, but in any event, within 28 days of today's date. The conditions to the Scheme Offer are set out in Appendix I to this Announcement and, together with certain further terms of the Scheme Offer, will also be set out in full in the Scheme. In deciding whether to vote in favour of the Scheme Offer, 1Spatial Shareholders should rely on the information contained in, and follow the procedures described in, the Scheme Document and the Forms of Proxy.

Strand Hanson Limited is acting for Avisen and no one else in connection with the Scheme Offer and will not be responsible to anyone other than Avisen for providing the protections afforded to clients of Strand Hanson Limited, or for giving advice in connection with the Scheme Offer or any matter referred to herein.

Libertas, which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting exclusively for 1Spatial and no one else in connection with the Scheme Offer and will not be responsible to anyone other than 1Spatial for providing the protections afforded to clients of Libertas or for providing advice in connection with the Scheme Offer or any matter referred to herein. The principal place of business of Libertas is 16 Berkeley Street, London W1J 8DZ.

The Avisen Directors accept responsibility for the information contained in this Announcement, save for the information for which the 1Spatial Directors accept responsibility in accordance with the following paragraph. Save as aforesaid, to the best of the knowledge and belief of the Avisen Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Announcement for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.

The 1Spatial Directors accept responsibility for the information contained in this Announcement relating to 1Spatial, themselves and their immediate families, related trusts and connected persons. To the best of the knowledge and belief of the 1Spatial Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Announcement for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.

The attention of 1Spatial Shareholders is drawn to the fact that under the Code there are certain UK dealing disclosure requirements in respect of relevant securities during an offer period. An Offer Period was deemed to have commenced when this Announcement was released.

Overseas Shareholders

The release, publication or distribution of this Announcement in certain jurisdictions may be restricted by law. Persons who are not resident in the United Kingdom or who are subject to other jurisdictions should inform themselves of, and observe, any applicable requirements.

The Scheme Offer relates to shares of a UK company and is proposed to be effected by means of a scheme of arrangement under the laws of England and Wales. A transaction effected by means of a scheme of arrangement is not subject to the proxy solicitation or tender offer rules under the US Securities Exchange Act of 1934. Accordingly, the Scheme is subject to the disclosure requirements, rules and practices applicable in the United Kingdom to schemes of arrangement, which differ from the requirements of the US proxy solicitation and tender offer rules. However, if Avisen were to elect to implement the Scheme Offer by means of a takeover offer, such takeover offer will be made in compliance with all applicable laws and regulations, including the US tender offer rules, to the extent applicable.

Unless otherwise determined by Avisen or required by the City Code, and permitted by applicable law and regulation, the Scheme Offer will not be made available, directly or indirectly, in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction and no person may vote in favour of the Scheme Offer by any such use, means, instrumentality or form within a Restricted Jurisdiction or any other jurisdiction if to do so would constitute a violation of the laws of that jurisdiction. Accordingly, copies of this Announcement and all documents relating to the Scheme Offer are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction, and persons receiving this Announcement and all documents relating to the Scheme Offer (including custodians, nominees and trustees) must not mail or otherwise distribute or send them in, into or from such jurisdictions where to do so would violate the laws in that jurisdiction.

The availability of the Scheme Offer to ISpatial Shareholders who are not resident in the United Kingdom may be affected by the laws of the relevant jurisdictions in which they are resident. Persons who are not resident in the United Kingdom should inform themselves of, and observe, any applicable requirements.

Forward Looking Statements

This Announcement contains statements that are or may be forward looking statements. All statements other than statements of historical facts included in this Announcement may be forward looking statements. Without limitation, any statements preceded or followed by or that include the words “targets”, “plans”, “believes”, “expects”, “aims”, “intends”, “will”, “should”, “could”, “would”, “may”, “anticipates”, “estimates”, “synergy”, “cost-saving”, “projects”, “goal” or “strategy” or, words or terms of similar substance or the negative thereof, are forward looking statements. Forward looking statements include statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; (ii) business and management strategies and the expansion and growth of Avisen’s or ISpatial’s operations and potential synergies resulting from the Scheme Offer; and (iii) the effects of government regulation on Avisen’s or ISpatial’s business.

These forward looking statements are not guarantees of future financial performance. Except as expressly provided in this Announcement, they have not been reviewed by the auditors of Avisen or ISpatial. Such forward looking statements involve known and unknown risks and uncertainties that could significantly affect expected results and are based on certain key assumptions. Many factors could cause actual results to differ materially from those projected or implied in any forward looking statements. Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward looking statements, which speak only as of the date hereof. All subsequent oral or written forward looking statements attributable to Avisen or ISpatial or any of their respective members, directors, officers or employees or any persons acting on their behalf are expressly qualified in their entirety by the cautionary statement above. Avisen and ISpatial disclaim any obligation to update any forward looking or other statements contained herein, except as required by applicable law.

Dealing Disclosure Requirements

Under Rule 8.3(a) of the Code, any person who is interested in 1 per cent. or more of any class of relevant securities of an offeree company or of any paper offeror (being any offeror other than an offeror in respect

of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any paper offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any paper offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10th business day following the announcement in which any paper offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a paper offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in 1 per cent. or more of any class of relevant securities of the offeree company or of any paper offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any paper offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any paper offeror, save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a paper offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. If you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure, you should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129.

Information Relating to ISpatial Shareholders

Please be aware that addresses, electronic addresses and certain information provided by ISpatial Shareholders, persons with information rights and other relevant persons for the receipt of communications from ISpatial may be provided to Avisen during the offer period as requested under Section 4 of Appendix 4 of the Code to comply with Rule 2.12(c).

Publication on Website

A copy of this Announcement will be available free of charge (subject to any applicable restrictions with respect to persons resident in Restricted Jurisdictions) on ISpatial's and Avisen's websites (www.ispatial.com and www.avisen.com respectively) by no later than 12 noon (London time) on 10 October 2011.

Rule 2.10 Disclosure

In accordance with Rule 2.10 of the City Code, Avisen confirms that it has 226,699,878 Avisen Shares of 5p each in issue and admitted to trading on AIM under ISIN code GBOO and ISpatial confirms that it has 21,188,926 ISpatial Shares of 4p each in issue and admitted to trading on AIM under ISIN code GB00B4R5B464.

APPENDIX I

CONDITIONS AND FURTHER TERMS OF THE SCHEME OFFER

Part A: Conditions of the Scheme

1. The Proposal will be conditional upon the Scheme becoming unconditional and becoming effective, subject to the City Code, by no later than 29 February 2012 or such later date (if any) as Avisen and 1Spatial may, with the consent of the Panel, agree and (if required) the Court may approve.
2. The Scheme will be conditional upon the following Conditions:
 - (a) approval of the Scheme by a majority in number of the Scheme Shareholders entitled to vote and present and voting, either in person or by proxy, at the Court Meeting or at any adjournment of any such meeting, representing no less than 75 per cent. in value of the Scheme Shares so voted;
 - (b) the resolutions in connection with, or necessary to approve and implement, the Scheme being duly passed by the requisite majority at the General Meeting or at any adjournment thereof;
 - (c) the sanction of the Scheme and the confirmation of the Reduction of Capital by the Court (in each case without modification or with modification as agreed by Avisen and 1Spatial) and the delivery for registration of each of the Court Orders to the Registrar of Companies in England and Wales and the registration by the Registrar of Companies in England and Wales of the Reduction Court Order;
 - (d) the Avisen Resolutions being duly passed at the Avisen General Meeting, or any adjournment thereof; and
 - (e) the London Stock Exchange having acknowledged to Avisen or its agent (and such acknowledgement not having been withdrawn) that the application for the admission of the New Avisen Shares to trading on AIM has been approved and (after satisfaction of any conditions to which such approval is expressed to be subject (“admission conditions”)) will become effective as soon as a dealing notice has been issued by the London Stock Exchange and any admission conditions having been satisfied and (ii) the London Stock Exchange having acknowledged to Avisen or its agent (and such acknowledgement not having been withdrawn) that the New Avisen Shares will be admitted to trading on AIM.
3. In addition, 1Spatial and Avisen have agreed that the Scheme will also be conditional upon the following Conditions and, accordingly, the necessary actions to make the Scheme effective will not be taken unless such Conditions (as amended, if appropriate) have been satisfied, (or, where applicable, waived) (or, in each case, any other customary pre-admission conditions with the consent of the Panel):
 - (a) no Third Party (as defined below) having intervened and there not continuing to be outstanding any statute, regulation or order of any Third Party in each case which is or is likely to be material in the context of the Proposal which would or might reasonably be expected to:
 - (i) make the Scheme, its implementation or the acquisition or proposed acquisition by Avisen of any shares or other securities in, or control of, 1Spatial or any member of the 1Spatial Group void, illegal or unenforceable in any jurisdiction, or otherwise, directly or indirectly, restrain, prevent, prohibit, restrict or delay the same or impose additional conditions or obligations with respect to the Scheme or such acquisition, or otherwise impede, challenge or interfere with the Scheme or such acquisition, or require amendment to the terms of the Scheme or the acquisition or proposed acquisition of any 1Spatial Shares or the acquisition of control or management of 1Spatial or the 1Spatial Group by Avisen or any member of the Avisen Group;
 - (ii) limit or delay, or impose any material limitations on, the ability of any member of the Avisen Group to acquire or to hold or to exercise effectively, directly or indirectly, all or any rights of ownership in respect of shares, loans or other securities convertible into

1Spatial Shares in, or to exercise voting or management control over, any member of the 1Spatial Group;

- (iii) require, prevent or delay the divestiture or alter the terms envisaged for any proposed divestiture by any member of the Avisen Group of any shares or other securities in Avisen;
- (iv) require, prevent or delay the divestiture or alter the terms envisaged for any proposed divestiture by any member of the 1Spatial Group or by any member of the Avisen Group of all or any portion of their respective businesses, assets or properties or limit the ability of any of them to conduct any of their respective businesses or to own or control any of their respective assets or properties or any part thereof;
- (v) except pursuant to the Scheme or sections 974-991 of the Act, require any member of the Avisen Group or of the 1Spatial Group to acquire, or to offer to acquire, any shares or other securities (or the equivalent) in any member of the 1Spatial Group or the Avisen Group owned by any third party;
- (vi) limit the ability of any member of the Avisen Group to conduct or integrate or coordinate its business, or any material part of it, with the businesses or any part of the businesses of any other member of the Avisen Group or of the 1Spatial Group;
- (vii) otherwise adversely affect any or all of the business, assets, profits, financial or trading position or prospects of any member of the Avisen Group or of the 1Spatial Group in each such case to the extent that it is material in the context of the 1Spatial Group and/or the Avisen Group taken as a whole,

and all applicable waiting and other time periods during which any Third Party could intervene under the laws of any relevant jurisdiction having expired, lapsed or been terminated;

- (b) all notifications and filings which are necessary or are reasonably considered appropriate by Avisen having been made, all appropriate waiting and other time periods (including any extensions of such waiting and other time periods) under any applicable legislation or regulation of any relevant jurisdiction having expired, lapsed or been terminated (as appropriate) and all statutory or regulatory obligations in any relevant jurisdiction having been complied with or obtained on terms and in a form reasonably satisfactory to Avisen, in each case (and to the extent that it is material) in connection with the Scheme or the Proposal or the acquisition or the proposed acquisition of any shares or other securities in, or control or management of, 1Spatial or any other member of the 1Spatial Group or the carrying on by any member of the 1Spatial Group of its business, unless otherwise waived by Avisen, and no temporary restraining order, preliminary or permanent injunction or other order having been issued and being in effect by a court or other Third Party of competent jurisdiction which has the effect of making the Scheme or the Proposal illegal or otherwise prohibiting the consummation of the Scheme or the Proposal;
- (c) all Authorisations which are necessary or are reasonably considered necessary or appropriate by Avisen in any relevant jurisdiction for or in respect of the Scheme or the Proposal or the acquisition or proposed acquisition of any shares or other securities in, or control or management of, 1Spatial or any other member of the 1Spatial Group by any member of the Avisen Group or the carrying on by any member of the 1Spatial Group of its business having been obtained, in terms and in a form reasonably satisfactory to Avisen, from all appropriate Third Parties or from any persons or bodies with whom any member of the 1Spatial Group has entered into contractual arrangements and all such Authorisations remaining in full force and effect and there being no notice or intimation of any intention to revoke, suspend, restrict, modify or not to renew any of the same in connection with the Scheme or the Proposal;
- (d) since 6 October 2011 and except as Disclosed, there being no provision of any arrangement, agreement, licence, permit, franchise or other instrument to which any member of the 1Spatial Group or the Avisen Group is a party, or by or to which any such member or any of its assets is or are or may be bound, entitled or subject or any circumstance, which, in each case as a consequence of the Scheme or the Proposal or the acquisition or proposed acquisition of any shares or other securities in, or control of, 1Spatial or any other member of the 1Spatial Group or the Avisen Group by any member of the Avisen Group or otherwise, could or might reasonably be expected to result in:

- (i) any monies borrowed by or any other indebtedness or liabilities (actual or contingent) of, or any grant available to, any member of the 1Spatial Group or Avisen Group being or becoming repayable or capable of being declared repayable immediately or prior to its stated repayment date or the ability of any member of the 1Spatial Group or Avisen Group to borrow monies or incur any indebtedness being withdrawn or inhibited or becoming capable of being withdrawn;
 - (ii) the creation or enforcement of any mortgage, charge or other security interest over the whole or any part of the business, property, assets or interests of any member of the 1Spatial Group or Avisen Group or any such mortgage, charge or other security interest (wherever created, arising or having arisen) becoming enforceable;
 - (iii) any such arrangement, agreement, licence, permit, franchise or other instrument, or the rights, liabilities, obligations or interests of any member of the 1Spatial Group or Avisen Group thereunder, being, or becoming capable of being, terminated or adversely modified or affected or any adverse action being taken or any obligation or liability arising thereunder;
 - (iv) any material asset or material interest of any member of the 1Spatial Group or Avisen Group being or falling to be disposed of or ceasing to be available to any member of the 1Spatial Group or Avisen Group or any right arising under which any such asset or interest could be required to be disposed of or could cease to be available to any member of the 1Spatial Group or Avisen Group otherwise than in the ordinary course of business;
 - (v) any member of the 1Spatial Group or the Avisen Group ceasing to be able to carry on business under any name under which it presently does so;
 - (vi) the creation of material liabilities (actual or contingent) by any member of the 1Spatial Group or the Avisen Group other than in the ordinary course of business;
 - (vii) the rights, liabilities, obligations or interests of any member of the 1Spatial Group or the Avisen Group under any such arrangement, agreement, licence, permit, franchise or other instrument or the interests or business of any such member in or with any other person, firm, company or body (or any arrangement or arrangements relating to any such interests or business) being terminated or adversely modified or affected; or
 - (viii) the financial or trading position or the prospects or the value of any member of the 1Spatial Group or the Avisen Group being prejudiced or adversely affected; and
 - (ix) except as aforesaid, no event having occurred which, under any provision of any such arrangement, agreement, licence, permit or other instrument, would be reasonably likely to result in any of the events or circumstances which are referred to in paragraphs (i) to (viii) of this Condition 3(d);
- (e) since 6 October 2011 and except as Disclosed by 1Spatial or otherwise as a result of the Proposal no member of the 1Spatial Group having (except to an extent which is material in the context of the 1Spatial Group taken as a whole):
- (i) issued or agreed to issue, or authorised the issue of, additional shares of any class, or securities convertible into or exchangeable for, or rights, warrants or options to subscribe for or acquire, any such shares or convertible securities or transferred or sold any shares out of treasury other than as between 1Spatial and wholly-owned subsidiaries of Avisen;
 - (ii) purchased or redeemed or repaid any of its own shares or other securities or reduced or made any other change to any part of its share capital;
 - (iii) recommended, declared, paid or made any dividend or other distribution whether payable in cash or otherwise or made any bonus issue (other than to 1Spatial or a wholly-owned subsidiary of 1Spatial);
 - (iv) except as between 1Spatial and its wholly-owned subsidiaries or between such wholly-owned subsidiaries, made or authorised any material change in its loan capital;
 - (v) (other than any acquisition or disposal in the ordinary course of business or a transaction between 1Spatial and a wholly-owned subsidiary of 1Spatial or between such wholly-owned subsidiaries) merged with, demerged or acquired any body corporate, partnership or business or acquired or disposed of or transferred, mortgaged, charged or created any

- security interest over any assets or any right, title or interest in any assets (including shares in any undertaking and trade investments) or authorised the same (in each case to an extent which is material in the context of the 1Spatial Group taken as a whole);
- (vi) issued, agreed to issue or authorised the issue of, or made any change in or to, any debentures or (except in the ordinary course of business or except as between 1Spatial and its wholly-owned subsidiaries or between such wholly-owned subsidiaries) incurred or increased any indebtedness or liability (actual or contingent) which in any case is material in the context of the 1Spatial Group taken as a whole;
 - (vii) entered into, varied, or authorised any agreement, transaction, arrangement or commitment (whether in respect of capital expenditure or otherwise) which (A) is of a long term, onerous or unusual nature or magnitude or which is reasonably likely to involve an obligation of such nature or magnitude; or (B) is reasonably likely to restrict the business of any member of the 1Spatial Group, and which in any case is material in the context of the 1Spatial Group taken as a whole;
 - (viii) other than pursuant to the Scheme (except as between 1Spatial and its wholly-owned subsidiaries or between such wholly-owned subsidiaries), entered into, implemented, effected or authorised any merger, demerger, reconstruction, amalgamation, scheme, commitment or other transaction or arrangement in respect of itself or another member of the 1Spatial Group, which in any case is material in the context of the 1Spatial Group taken as a whole;
 - (ix) entered into or varied the terms of, or made any offer (which remains open for acceptance) to enter into or vary the terms of any contract, service agreement or arrangement with any of the directors or senior executives of any member of the 1Spatial Group;
 - (x) save in relation to the Scheme, taken any corporate action or had any legal proceedings instituted or threatened against it or petition presented or order made for its winding-up (voluntarily or otherwise), dissolution or reorganisation or for the appointment of a receiver, administrator, administrative receiver, trustee or similar officer of all or any material part of its assets and revenues or any analogous proceedings in any jurisdiction or appointed any analogous person in any jurisdiction which in any case is material in the context of the 1Spatial Group taken as a whole;
 - (xi) been unable, or admitted in writing that it is unable, to pay its debts or having stopped or suspended (or threatened to stop or suspend) payment of its debts generally or ceased or threatened to cease carrying on all or a substantial part of its business;
 - (xii) waived or compromised any claim, which is material in the context of the 1Spatial Group taken as a whole;
 - (xiii) (other than in connection with the Scheme) made any alteration to its memorandum or articles of association which is material in the context of the Scheme or the Proposal;
 - (xiv) (other than in connection with the Scheme) proposed, agreed to provide or modified the terms of any share option scheme, incentive scheme or other benefit (including in relation to any personal defined contribution pension scheme(s) of any director or any person employed by the 1Spatial Group) relating to the employment or termination of employment of any person employed by the 1Spatial Group; or
 - (xv) entered into any agreement, commitment or arrangement or passed any resolution or made any Proposal (which remains open for acceptance) or proposed or announced any intention with respect to any of the transactions, matters or events referred to in this Condition 3(e);
- (f) since 6 October 2011 and except as Disclosed by 1Spatial:
- (i) there having been no adverse change or deterioration in the business, assets, financial or trading positions or profit or prospects of any member of the 1Spatial Group which in any case is material in the context of the 1Spatial Group taken as a whole;

- (ii) no contingent or other liability of any member of the ISpatial Group having arisen or become apparent or increased which in any case is material in the context of the ISpatial Group taken as a whole;
 - (iii) no litigation, arbitration proceedings, prosecution or other legal proceedings to which any member of the ISpatial Group is or may become a party (whether as plaintiff, defendant or otherwise) having been threatened, announced, implemented or instituted by or against or remaining outstanding against or in respect of any member of the ISpatial Group which in any case is material in the context of the ISpatial Group taken as a whole;
 - (iv) no enquiry or investigation by, or complaint or reference to, any Third Party having been threatened, announced, implemented, instituted by or against or remaining outstanding against or in respect of any member of the ISpatial Group which in any case is material in the context of the ISpatial Group taken as a whole;
 - (v) no claim being made and no circumstance having arisen which might reasonably be expected to lead to a claim being made under the insurance of any member of the ISpatial Group where such claim would not be covered by such insurance and where such claim is material in the context of the ISpatial Group taken as a whole; and
 - (vi) no steps having been taken which are reasonably likely to result in the withdrawal (without replacement), cancellation or termination of any licence, permit or consent held by any member of the ISpatial Group which is necessary for the carrying on by such member of its business and which is material in the context of the ISpatial Group taken as a whole;
- (g) Avisen not having discovered, other than to the extent otherwise publicly announced by ISpatial prior to this Announcement (by the delivery of an announcement to a Regulatory Information Service) or as otherwise fairly disclosed prior to the date of this Announcement in writing to Avisen by or on behalf of ISpatial in the course of negotiations (except to an extent which is material in the context of the ISpatial Group taken as a whole”):
- (i) that any financial or business or other information concerning the ISpatial Group disclosed at any time by or on behalf of any member of the ISpatial Group, whether publicly or to any member of the Avisen Group, is misleading or contains any misrepresentation of fact or omits to state a fact necessary to make any information contained therein not misleading to an extent which in any case is material in the context of the ISpatial Group taken as a whole;
 - (ii) that any member of the ISpatial Group is subject to any liability (actual or contingent) which is not disclosed in ISpatial’s annual report and accounts for the financial year ended 30 June 2011 and which in any case is material in the context of the ISpatial Group taken as a whole; or
 - (iii) any information which affects the import of any information disclosed at any time by or on behalf of any member of the ISpatial Group to an extent which is material in the context of the ISpatial Group taken as a whole;
- (h) since 6 October 2011 and save as otherwise Disclosed by Avisen, no member of the Avisen Group having (in each case to an extent which is material in the context of the Avisen Group taken as a whole):
- (i) issued or agreed to issue, or authorised the issue of, additional shares of any class, or securities convertible into or exchangeable for, or rights, warrants or options to subscribe for or acquire, any such shares or convertible securities or transferred or sold any shares out of treasury;
 - (ii) purchased or redeemed or repaid any of its own shares or other securities or reduced or made any other change to any part of its share capital;
 - (iii) recommended, declared, paid or made any dividend or other distribution whether payable in cash or otherwise or made any bonus issue (other than to Avisen or a wholly-owned subsidiary of Avisen);

- (iv) except as between, Avisen and its wholly-owned subsidiaries or between such wholly owned subsidiaries, made or authorised any material change in its loan capital;
 - (v) (other than any acquisition or disposal in the ordinary course of business or a transaction between Avisen and a wholly-owned subsidiary of Avisen or between such wholly-owned subsidiaries) merged with, demerged or acquired any body corporate, partnership or business or acquired or disposed of or transferred, mortgaged, charged or created any security interest over any assets or any right, title or interest in any assets (including shares in any undertaking and trade investments) or authorised the same;
 - (vi) issued, agreed to issue or authorised the issue of, or made any change in or to, any debentures or (except in the ordinary course of business or except as between Avisen and its wholly-owned subsidiaries or between such wholly-owned subsidiaries) incurred or increased any indebtedness or liability (actual or contingent);
 - (vii) entered into, varied, or authorised any agreement, transaction, arrangement or commitment (whether in respect of capital expenditure or otherwise) which (A) is of a long term, onerous or unusual nature or magnitude or which is reasonably likely to involve an obligation of such nature or magnitude; or (B) is reasonably likely to restrict the business of any member of the Avisen Group;
 - (viii) other than pursuant to the Scheme (except as between Avisen and its wholly-owned subsidiaries or between such wholly-owned subsidiaries), entered into, implemented, effected or authorised any merger, demerger, reconstruction, amalgamation, scheme, commitment or other transaction or arrangement in respect of itself or another member of the Avisen Group;
 - (ix) entered into or varied the terms of, or made any offer (which remains open for acceptance) to enter into or vary the terms of any contract, service agreement or arrangement with any of the directors or senior executives of any member of the Avisen Group;
 - (x) save in relation to the Scheme, taken any corporate action or had any legal proceedings instituted or threatened against it or petition presented or order made for its winding-up (voluntarily or otherwise), dissolution or reorganisation or for the appointment of a receiver, administrator, administrative receiver, trustee or similar officer of all or any material part of its assets and revenues or any analogous proceedings in any jurisdiction or appointed any analogous person in any jurisdiction;
 - (xi) been unable, or admitted in writing that it is unable, to pay its debts or having stopped or suspended (or threatened to stop or suspend) payment of its debts generally or ceased or threatened to cease carrying on all or a substantial part of its business;
 - (xii) (other than in connection with the Scheme) made any alteration to its memorandum or articles of association which is material in the context of the Scheme;
 - (xiii) waived or compromised any claim which is material in the context of the Avisen Group;
 - (xiv) (other than in connection with the Scheme) proposed, agreed to provide or modified the terms of any share option scheme, incentive scheme or other benefit (including in relation to any personal defined contribution pension scheme(s) of any director or any person employed by the Avisen Group) relating to the employment or termination of employment of any senior person employed by the Avisen Group; or
 - (xv) entered into any agreement, commitment or arrangement or passed any resolution or made any offer (which remains open for acceptance) or proposed or announced any intention with respect to any of the transactions, matters or events referred to in this Condition 3(h);
- (i) in the period since 6 October 2011 and save as Disclosed by Avisen:
- (i) there having been no adverse change or deterioration in the business, assets, financial or trading positions or profit or prospects of any member of the Avisen Group which in any case is material in the context of the Avisen Group taken as a whole;

- (ii) no contingent or other liability of any member of the Avisen Group having arisen or become apparent or increased which in any case is material in the context of the Avisen Group taken as a whole;
 - (iii) no litigation, arbitration proceedings, prosecution or other legal proceedings to which any member of the Avisen Group is or may become a party (whether as plaintiff, defendant or otherwise) having been threatened, announced, implemented or instituted by or against or remaining outstanding against or in respect of any member of the Avisen Group which in any case is material in the context of the Avisen Group taken as a whole; and
 - (iv) no enquiry or investigation by, or complaint or reference to, any Third Party having been threatened, announced, implemented, instituted by or against or remaining outstanding against or in respect of any member of the Avisen Group which in any case is material in the context of the Avisen Group taken as a whole;
- (j) save as Disclosed by Avisen, 1Spatial not having discovered (in each case to an extent which is material in the context of the Avisen Group taken as a whole):
- (i) that any financial or business or other information concerning the Avisen Group disclosed at any time by or on behalf of any member of the Avisen Group, whether publicly or to any member of the 1Spatial Group, is misleading or contains any misrepresentation of fact or omits to state a fact necessary to make any information contained therein not misleading to an extent;
 - (ii) that any member of the Avisen Group is subject to any liability (actual or contingent) which is not disclosed in Avisen's annual report and accounts for the financial year ended 31 January 2011; or
 - (iii) any information which affects the import of any information disclosed at any time by or on behalf of any member of the Avisen Group.

Further Terms of the Proposal

1. If the Panel requires Avisen to make an offer for 1Spatial Shares under the provisions of Rule 9 of the City Code, Avisen may (with the consent of 1Spatial) make such alterations to the conditions of the Proposal, including to the Conditions set out in Appendix I, as are necessary to comply with the provisions of that Rule.
2. Avisen reserves the absolute right to elect, subject to the prior consent of the Panel, to implement the Proposal by way of a takeover offer in accordance with the City Code as it may determine in its absolute discretion. In such event, such offer will be implemented on the same terms (subject to appropriate amendment, including (without limitation and subject to the consent of the Panel) an acceptance condition set at 90 per cent. (or such lesser percentage (being more than 50 per cent.) as Avisen may decide) of the 1Spatial Shares to which such offer would relate.
3. New 1Spatial Shares will be acquired by Avisen fully paid and free from all liens, equitable interests, charges, encumbrances and other third party rights of any nature whatsoever and together with all rights attaching to them, including the right to receive and retain all dividends and distributions (if any) declared, made or payable after the Effective Date.
4. The Proposal will be on the terms and will be subject, amongst other things, to the Conditions which are set out in Appendix I and such further terms as may be required to comply with the AIM Rules, the provisions of the City Code and the provisions of the Act. The Scheme will be governed by the laws of England and Wales.
5. The availability of the Proposal to persons not resident in the United Kingdom may be affected by the laws of the relevant jurisdictions. Persons who are not resident in the United Kingdom should inform themselves about and observe any applicable requirements.
6. All of the Conditions set out in paragraphs 3(a) to (g) of this Part IV must be fulfilled, be determined by Avisen (only to the extent that such Conditions remain to be satisfied by 1Spatial) to be or remain satisfied or (if capable of waiver) be waived by the Scheme Record Time, failing

which the Proposal will lapse. Subject to the requirements of the Panel, Avisen reserves the right to waive all or any of the Conditions in paragraphs 3(a) to 3(g) (inclusive) of this Part IV, in whole or part. Avisen shall be under no obligation to waive (if capable of waiver), to determine to be or remain satisfied or to treat as fulfilled any of the Conditions in paragraphs 3(a) to 3(g) (inclusive) of this Part IV by a date earlier than the date specified in paragraph 1 of this Part IV above for the fulfilment thereof, notwithstanding that the other Conditions of the Proposal may at such earlier date have been waived or fulfilled and that there are, at such earlier date, no circumstances indicating that any of such Conditions may not be capable of fulfilment.

7. Subject to the requirements of the Panel, 1Spatial reserves the right to waive all or any of the Conditions in paragraph 3(d) (only to the extent that such Conditions remain to be satisfied by Avisen) and 3(h) to 3(j) (inclusive) of this Part IV, in whole or part. 1Spatial shall be under no obligation to waive (if capable of waiver), to determine to be or remain satisfied or to treat as fulfilled any of the Conditions in paragraphs 3(h) to 3(j) (inclusive) of this Part IV by a date earlier than the date specified in paragraph 1 of this Part IV above.
8. For the purpose of these Conditions:
 - (a) **“Third Party”** means any central bank, government, government department or governmental, quasi-governmental, supranational, statutory, regulatory or investigative body, authority (including any national anti-trust or merger control authority), court, trade agency, association, institution or professional or environmental body or any other person or body whatsoever in any relevant jurisdiction;
 - (b) a Third Party shall be regarded as having “intervened” if it has decided to take, institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference or made, proposed or enacted any statute, regulation, decision or order or taken any measures or other steps or required any action to be taken or information to be provided or otherwise having done anything and “intervene” shall be construed accordingly; and
 - (c) **“Authorisations”** means authorisations, orders, grants, recognitions, determinations, certificates, confirmations, consents, licences, clearances, provisions and approvals.
 - (d) **“Disclosed”** means:
 - (i) as disclosed in 1Spatial’s annual report and accounts for the year ended 30 June 2011; or
 - (ii) as disclosed in 1Spatial’s admission document dated 1 October 2010; or
 - (iii) as disclosed in Avisen’s annual report and accounts for the year ended 31 January 2011; or
 - (iv) as publicly announced by any member of the 1Spatial Group or the Avisen Group (through a Regulatory Information Service) prior to the date of this Announcement; or
 - (v) as disclosed in this Announcement; or
 - (vi) as otherwise fairly disclosed prior to the date of this Announcement in writing to 1Spatial or Avisen by or on behalf of Avisen or 1Spatial in the course of negotiations.

APPENDIX II

SOURCES OF INFORMATION AND BASES OF CALCULATION

Bases and sources of information

In this Announcement:

- unless otherwise stated, financial information relating to 1Spatial has been extracted from the report and accounts of 1Spatial for the periods ended 30 June 2011;
- unless otherwise stated, financial information relating to Avisen has been extracted from the report and accounts of Avisen for the periods 31 January 2009, 31 January 2010 and 31 January 2011;
- the calculation of the value of the issued share capital of 1Spatial is based upon 21,188,926 1Spatial Shares in issue on 6 October 2011 but excluding treasury shares (according to the records of 1Spatial);
- the calculation of the number of New Avisen Shares to be issued in respect the Proposal is based upon the number of 1Spatial Shares in issue (as described in 10.3 above) and on the assumption that 1Spatial has not adopted any share option schemes;
- the proportion of the enlarged capital of Avisen to be issued to the Scheme Shareholders is based on a total of 226,699,878 Avisen Shares in issue on 6 October 2011 (according to the records of Avisen);
- unless otherwise stated, all historic share prices quoted for 1Spatial Shares have been sourced from AIM and represent Closing Prices for 1Spatial Shares on the relevant dates; and
- unless otherwise stated, all historic share prices quoted for Avisen Shares have been sourced from AIM and represent Closing Prices for Avisen Shares on the relevant dates.

All quoted share prices contained in this Announcement have been rounded to two decimal places.

All references to share premium prices in this Announcement have been rounded to one decimal place.

Unless otherwise indicated, all references in this Announcement to times are to London times.

APPENDIX III

IRREVOCABLE UNDERTAKINGS

The following holders or controllers of 1Spatial Shares have given irrevocable undertakings to vote in favour of the Scheme at the Court Meeting and the resolutions to be proposed at the General Meeting.

1Spatial Directors

The following directors of 1Spatial who are 1Spatial Shareholders have given irrevocable undertakings to Avisen to vote in favour of the Scheme and the Resolutions at the Meetings (and, if Avisen exercises its right to acquire the 1Spatial Shares by means of a takeover offer, to accept any such offer):

<i>Name</i>	<i>1Spatial Shares</i>	<i>Approximate per cent. of issued 1Spatial Share Capital</i>
Steve Berry	858,120	4.05
Peter Bullock	1,634,515	7.71
Duncan Guthrie	1,634,515	7.71
Dr Michael Sanderson	6,538,060	30.84
Nic Snape	1,634,515	7.71

The undertakings given by the 1Spatial Directors cease to be binding if the Scheme is withdrawn, unless Avisen exercises its right to announce a takeover offer of the entire issued share capital of 1Spatial, in which case it shall cease to have effect on the withdrawal or lapsing of the takeover offer.

Other 1Spatial Shareholders

The following 1Spatial Shareholders have given irrevocable undertakings to Avisen to vote in favour of the Scheme and the Resolutions at the Meetings (and, if Avisen exercises its right to acquire the 1Spatial Shares by means of a takeover offer, to accept any such offer):

<i>Name</i>	<i>1Spatial Shares</i>	<i>Approximate per cent. of issued 1Spatial Share Capital</i>
Christopher Wright	751,876	3.5
Steven Ramage	915,328	4.3
SF T1ps Smaller Companies Growth Fund ¹	1,132,880	5.3
Seamus Gilroy	1,225,886	5.8

¹ 1,132,880 1Spatial Shares are held in the name of Bank of New York Nominees Limited.

The undertakings referred to in the table above will cease to be binding if the requisite majorities fail to approve the Resolutions at the Meetings, the Proposal otherwise lapses or fails to complete by 29 February 2012, or upon the announcement of a competing offer which comprises:

- I. a cash offer (or a cash or partial cash alternative to any securities exchange offer) in the equivalent or greater proportion per share as offered by Avisen and the value of such offer at the date of its announcement exceeds by more than 10 per cent. the value of the offer by Avisen; or
- II. a securities exchange offer (without a cash alternative) involving the issue of securities of a class already admitted to trading on a market for listed securities of the London Stock Exchange plc, the value of which as at the date of the announcement of such third party offer exceeds by more than 10 per cent. the value of the offer by Avisen.

All the irrevocable undertakings have been given on the basis of the Conditions.

The following holders or controllers of Avisen Shares have given irrevocable undertakings to vote in favour of the Avisen Resolutions to be proposed at the Avisen General Meeting:

Avisen Directors

The following directors of Avisen who are Avisen Shareholders have given irrevocable undertakings to Avisen to vote in favour of the Avisen Resolutions at the Avisen General Meeting:

<i>Name</i>	<i>Number of Avisen Shares</i>	<i>Approximate per cent. of issued Avisen Share Capital</i>
Marcus Hanke ¹	29,026,314	12.8
Marcus Yeoman ²	1,581,572	0.7
Claire Milverton ³	385,729	0.2
Mark Battles	17,500	0.0
Jonathan Hill ⁴	3,581,567	1.6

¹ 28,764,022 Avisen Shares are held in the name of Strand Nominees Limited and 262,292 Avisen Shares are held in the name of HSDL Nominees Limited.

² 1,382,640 Avisen Shares are held in the name of Pershing Nominees Limited and 198,932 Avisen Shares are held in the name of Springtime Consultants Limited, Marcus Yeoman's consulting company.

³ 10,004 Avisen Shares are held directly by Claire Milverton and 375,725 Avisen Shares are held in a Self-invested personal pension.

⁴ 3,581,567 Avisen Shares are held in a HSBC nominee account.

The undertakings given by the Avisen Directors cease to be binding if the Scheme is withdrawn, unless Avisen exercises its right to announce a takeover offer of the entire issued share capital of 1Spatial, in which case it shall cease to have effect on the withdrawal or lapsing of the takeover offer.

Other Avisen Shareholders

The following Avisen Shareholders have given irrevocable undertakings to Avisen to vote in favour of the Avisen Resolutions at the Avisen General Meeting:

<i>Name</i>	<i>Number of Avisen Shares</i>	<i>Approximate per cent. of issued Avisen Share Capital</i>
SF T1ps Smaller Companies Growth Fund ¹	26,894,266	11.9
Elite WAY Income and Growth Fund ²	3,425,000	1.5

¹ 26,894,266 Avisen Shares are held in the name of Bank of New York Nominees Limited.

² 3,425,000 Avisen Shares are held in the name of State Street Nominees Limited.

The undertakings referred to in the table above will cease to be binding if the Scheme is withdrawn, unless Avisen exercises its right to announce a takeover offer of the entire issued share capital of 1Spatial, in which case it shall cease to have effect on the withdrawal or lapsing of the takeover offer.

APPENDIX IV

DEFINITIONS AND GLOSSARY

In this Announcement, unless inconsistent with the subject or context or defined otherwise under the Scheme, the following expressions bear the following meanings:

“Act”	the Companies Act 2006;
“Admission”	the admission to trading on AIM of the New Avisen Shares;
“AIM”	the AIM market operated by the London Stock Exchange;
“AIM Rules”	the Rules and Guidance notes for AIM Companies and their nominated advisers issued by the London Stock Exchange from time to time relating to AIM traded securities and the operation of AIM;
“Announcement”	this announcement made by Avisen regarding the Proposal and the Scheme pursuant to Rule 2.7 of the City Code;
“Articles”	the articles of association of Avisen from time to time;
“Avisen” or “Offeror”	Avisen plc;
“Avisen Board” or “Avisen Directors”	the board of directors of Avisen as at the date of this Announcement;
“Avisen General Meeting”	the general meeting (or any adjournment thereof) of the Holders of Avisen Shares to be convened to consider and, if thought fit, to approve the resolutions to be proposed thereat in connection with the issue of the New Avisen Shares under the Scheme and the Sub-division;
“Avisen Group”	Avisen, its subsidiaries and subsidiary undertakings;
“Avisen Resolutions”	the resolutions to be proposed at the Avisen General Meeting in order to give effect to the Scheme and the Sub-division;
“Avisen Shareholders”	holders of Avisen Shares from time to time;
“Avisen Shares”	ordinary shares of £0.05 each in the capital of Avisen as at the date of this Announcement, and, following the Avisen General meeting and subject to the passing of the resolution for the Sub-division, the new ordinary shares of £0.01 each in the capital of Avisen;
“Business Day”	a day, not being a Saturday, Sunday or public holiday, on which the clearing banks in London are open for business;
“certificated” or “in certificated form”	recorded on the relevant register of the share or other security as being held in certificated form (that is, not in CREST);
“Close of Business”	in respect of a Business Day, 6.00 p.m. on that Business Day;
“Closing Price”	as regards securities quoted on AIM, the closing middle market quotation of a share derived from AIM;
“Code”, “Takeover Code” or “City Code”	the City Code on Takeovers and Mergers issued by the Panel;

“Conditions”	the “Conditions to the Implementation of the Scheme and Further Terms of the Proposal” set out in Appendix I and “Condition” means any one of them;
“Connected Person”	has the meaning given to it in section 252 of the Act;
“Consideration Shares”	the 122,069,402 New Avisen Shares to be issued under the terms of the Proposal in respect of each Scheme Share;
“Court”	the High Court of Justice of England and Wales;
“Court Meeting”	the meeting (and any adjournment thereof) of the Scheme Shareholders convened by an order of the Court pursuant to Part 26 of the Act to be held at Tennyson House, Cambridge Business Park, Cowley Road, Cambridge CB4 0WZ at 11.00 a.m. on 7 November 2011 at which the Scheme Shareholders will be asked to consider and, if thought fit, approve the Scheme (with or without amendment) and any adjournment thereof;
“Court Orders”	the Scheme Court Order and the Reduction Court Order;
“CREST”	the relevant system (as defined in the Regulations) of which Euroclear is the Operator (as defined in the Regulations);
“CREST Application Host”	the system that is operated to receive, manage and control the processing of message by CREST;
“CREST Manual”	the CREST manual issued by Euroclear;
“CREST member”	a person who is, in relation to CREST, a system member (as defined in the Regulations);
“CREST participant”	a person who is, in relation to CREST, a system participant (as defined in the Regulations);
“CREST sponsor”	a person who is, in relation to CREST, a sponsoring system-participant (as defined in the Regulations);
“CREST sponsored member”	a CREST member admitted to CREST as a sponsored member under the sponsorship of a CREST sponsor;
“Deferred Shares”	the deferred shares of £0.04 each in the capital of Avisen, following the Avisen General Meeting and subject to the passing of the resolution for the Sub-division;
“Effective Date”	the date on which the Reduction Court Order is delivered to the Registrar of Companies in England and Wales;
“Enlarged Group”	the Avisen Group as enlarged by the recommended acquisition by Avisen of the entire issued and to be issued share capital of ISpatial to be effected by way of the Scheme;
“Enlarged Issued Share Capital”	all of the issued Avisen Shares following the issue of the New Avisen Shares, assuming the Scheme becomes effective;
“Euroclear”	Euroclear UK & Ireland Limited;
“Existing Avisen Shares”	the 226,699,878 Avisen Shares in issue at the date of this Announcement, all of which are admitted to trading on AIM;

“FSA”	the Financial Services Authority;
“FSMA”	the Financial Services and Markets Act 2000 (as amended);
“General Meeting”	the general meeting (and any adjournment thereof) of 1Spatial Shareholders convened in connection with the Scheme to be held at Tennyson House, Cambridge Business Park, Cowley Road, Cambridge CB4 0WZ at 11.15 a.m. on 7 November 2011 to consider and, if thought fit, to approve the Special Resolutions in relation to the Scheme (with or without amendment);
“HMRC”	HM Revenue & Customs;
“Holder”	a registered holder of shares and includes any person(s) entitled by transmission;
“Independent Directors”	the 1Spatial Directors other than Marcus Hanke;
“Libertas”	Libertas Capital Corporate Finance Limited, a company incorporated under the laws of England and Wales with registered number 04271746;
“London Stock Exchange” or “LSE”	London Stock Exchange plc;
“Meetings”	the Court Meeting and the General Meeting and Meeting means either of them;
“New Avisen Converted Shares”	the new ordinary shares of £0.01 each in the capital of Avisen following the Sub-division;
“New Avisen Shares”	up to 122,069,402 new Avisen Shares to be issued to Scheme Shareholders, as consideration for the New 1Spatial Shares pursuant to the Proposal;
“New 1Spatial Shares”	21,188,926 new 1Spatial Shares to be issued to Avisen under the terms of the Scheme;
“Offer Period”	the period commencing on 7 October 2011 being the date of this Announcement until announcement via a Regulatory Information Service by 1Spatial and/or Avisen that the Scheme has become effective or that the Scheme has lapsed or been withdrawn;
“Overseas Shareholders”	1Spatial Shareholders who are residents in, or nationals or citizens of, jurisdictions outside the United Kingdom or who are nominees of, or custodians or trustees for, citizens or nationals of countries other than the United Kingdom;
“Panel” or “Takeover Panel”	the Panel on Takeovers and Mergers;
“Participant ID”	the identification code or membership number used in CREST to identify a CREST member or other CREST participant;
“Proposal”	the recommended acquisition by Avisen of the entire issued and to be issued share capital of 1Spatial to be effected by way of the Scheme and subject to the Conditions and on the terms of Scheme Document including, where the context so requires, any subsequent revision, variation, extension or renewal of such proposal;

“Proposed Directors”	Nic Snape, Dr. Mike Sanderson and Steve Berry, all of whom will be appointed on the Effective Date;
“Reduction of Capital”	the proposed reduction of the ordinary share capital of 1Spatial under Part 17, Chapter 10 of the Act by the cancellation and extinguishing of the Scheme Shares, to be effected as part of the Scheme;
“Reduction Court Hearing”	the hearing at which the Reduction Court Order is made;
“Reduction Court Order”	the order of the Court to be granted at the Reduction Court Hearing to confirm the Reduction of Capital provided for by the Scheme;
“Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001 No. 01/3755);
“Regulatory Information Service”	has the same meaning as defined in the AIM Rules;
“Resolutions”	the resolutions to be proposed at the Court Meeting (or any adjournment thereof) and the General Meeting (or any adjournment thereof), as appropriate;
“Restricted Jurisdiction”	any jurisdiction where local laws or regulations may result in a significant risk of civil, regulatory or criminal exposure for Avisen or 1Spatial were information or documentation concerning the Proposal to be sent or made available to 1Spatial Shareholders in that jurisdiction;
“1Spatial” or “the Company”	1Spatial Holdings plc;
“1Spatial Board” or “1Spatial Directors”	the board of directors of 1Spatial;
“1Spatial Group”	1Spatial, its subsidiaries and subsidiary undertakings;
“1Spatial Non-Executive Directors”	the non-executive directors of 1Spatial;
“1Spatial Receiving Agent” or “SLC Registrars”	SLC Registrars of Thames House, Portsmouth Road, Esher, Surrey KT10 9AD;
“1Spatial Shareholders”	holders of 1Spatial Shares from time to time;
“1Spatial Shares”	the existing unconditionally allotted or issued and fully paid ordinary shares of £0.04 each in the capital of 1Spatial and any further such shares of £0.04 each in the capital of 1Spatial which are unconditionally allotted or issued before the Scheme becomes effective;
“Scheme”, “Scheme Offer” or “Scheme of Arrangement”	the proposed scheme of arrangement under Part 26 of the Act between 1Spatial and the Scheme Shareholders, with or subject to any modification, addition or condition approved or imposed by the Court and agreed to by 1Spatial and Avisen, the full terms of which will be set out in the Scheme Document and (as the case may be) any supplemental circular(s);
“Scheme Court Hearing”	the hearing at which the Scheme Court Order is made;
“Scheme Court Order”	the order of the Court granted as the Scheme Court Hearing to sanction the Scheme under Part 26 of the Act;

“Scheme Document”	the document to be sent to 1Spatial Shareholders setting out the Scheme;
“Scheme Record Time”	6.00 p.m. on the Business Day immediately preceding the Reduction Court Hearing;
“Scheme Shareholders”	the Holders of Scheme Shares;
“Scheme Shares”	<ul style="list-style-type: none"> ● the 1Spatial Shares in issue at 6.00 p.m. on the date of the Scheme Document; ● (if any) 1Spatial Shares issued after the date of the Scheme Document and before the Voting Record Time; and ● (if any) 1Spatial Shares issued at or after the Voting Record Time and before the Scheme Record Time, either on terms that the original or any subsequent holders of such shares shall be bound by the Scheme, or in respect of which the original or any subsequent holders of such shares are, or shall have agreed in writing to be, bound by the Scheme, <p>in each case, save for any shares held, legally or beneficially, by Avisen;</p>
“SEC”	the US Securities and Exchange Commission;
“Securities Act”	the United States Securities Act of 1933 (as amended);
“SLC Registrars”	a trading name of SLC Registrars Limited;
“Special Resolution”	the special resolution to be proposed at the General Meeting to approve the Scheme and the Reduction of Capital;
“Storage Fusion”	Storage Fusion Limited, an indirect wholly-owned subsidiary of Avisen;
“Storage Fusion Business”	the business of Storage Fusion, being the development and sale of the SRA software;
“Strand Hanson”	Strand Hanson Limited, a company registered in England and Wales under company number 2780169;
“Sub-division”	the proposed sub-division of each Existing Avisen Share into one New Avisen Converted Share of £0.01 and one new Deferred Share of £0.04;
“subsidiary”	has the meaning given by section 1159 of the Act;
“subsidiary undertaking”	has the meaning given by section 1162 of the Act;
“Takeover Offer”	the acquisition of the entire issued and to be issued ordinary share capital of 1Spatial by means of a takeover offer made pursuant to the City Code;
“TFE instruction”	a Transfer from Escrow instruction (as described in the CREST manual issued by euroclear);
“TTE instruction”	a Transfer to Escrow instruction (as described in the CREST manual issued by Euroclear) in relation to 1Spatial Shares in uncertificated form;

“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland;
“UK Listing Authority” or “UKLA”	the FSA in its capacity as a competent authority under the Financial Services and Markets Act 2000;
“uncertificated” or “uncertificated form”	recorded on the relevant register of the share or security concerned as being held in uncertificated form (that is, in CREST), and title to which, by virtue of the Regulations, may be transferred by means of CREST;
“United States” or “US”	the United States of America, its territories and possessions, the District of Columbia, and all other areas subject to its jurisdiction;
“Voting Record Time”	6.00 p.m. on 4 November 2011, or, in the event that the Court Meeting is adjourned by more than 48 hours, 6.00 p.m. on the day which is one business day before such adjourned meeting;

GLOSSARY

“Analytics”	the skills, technologies, applications and practices for continuous iterative exploration and investigation of past business performance to gain insight and drive business planning;
“Balanced Scorecard”	the balanced scorecard is a performance management tool which has been developed from a concept of measuring if the smaller-scale operational activities of a company are aligned with its larger-scale objectives in terms of vision and strategy;
“Business Intelligence” or “BI”	business intelligence; specifically skills, knowledge, technologies, applications and practices used to help a business acquire a better understanding of market behaviour and business context. Businesses may refer to the collected information itself or the explicit knowledge developed from the information. BI applications provide historical, current, and predictive views of business operations, most often using operational data;
“Corporate Performance Management” or “CPM”	corporate performance management is a set of processes that help organisations optimise their business performance. It is a framework for organising, automating and analysing business methodologies, metrics, processes and systems that drive business performance. CPM helps businesses make efficient use of not only their financial, but also their human, material and other resources;
“Data Providers”	data providers are comprised of the world’s public sector National topographic mapping and cadastral agencies;
“Direct Attached Storage” or “DAS”	a digital storage system directly attached to a server or workstation, without a storage network in between;
“Geographic Information System”	a geographic information system (GIS), geographical information system, or geospatial information system is any system that captures, stores, analyses, manages, and presents data that are linked to location. In the simplest terms, GIS is the merging of cartography, statistical analysis, and database technology. GIS systems are used in cartography, remote sensing, land surveying, utility management, natural resource management, urban planning, emergency management, navigation and localised search engines. As GIS is a system, it establishes boundaries that may be jurisdictional, purpose or application oriented for which a specific GIS is developed;
“INSPIRE”	<p>infrastructure for Spatial Information in the European Community (INSPIRE). The INSPIRE directive 2007/2EC, March 2007 aims to create a European Union (EU) spatial data infrastructure. This will enable the sharing of environmental spatial information among public sector organisations and better facilitate public access to spatial information across Europe.</p> <p>To ensure that the spatial data infrastructures of the Member States are compatible and usable in a Community and transboundary context, the Directive requires that common Implementing Rules (IRB) are adopted in a number of specific areas (Metadata, Data Specifications, Network Services, Data and Service Sharing and Monitoring and Reporting). These IRs are adopted as Commission Decisions or Regulations, and are binding in their entirety;</p>

“Key Performance Indicators” or “KPI’s”	ways to periodically assess the performances of organisations, business units, and their division, departments and employees. Accordingly, KPIs are most commonly defined in a way that is understandable, meaningful and measurable;
“Knowledge Sector”	a term that refers to a market sector that is focussed on the production and management of knowledge (computer readable valued and trusted information). It includes government departments, utility companies and other organisations within the private sector all of which use location-based information to build their business critical datasets and applications;
“Network Area Storage” or “NAS”	a term used to refer to storage elements that connect to a network and provide file access services to computer systems. These elements generally consist of an engine that implements the file services, and one or more devices, on which data is stored;
“Object-Oriented”	a programming model that uses “objects” (data structures consisting of data fields and methods together with their interactions) to design applications and computer programs. Programming techniques may include features such as data abstraction, encapsulation, modularity, polymorphism, and inheritance. Many modern programming languages now support object-oriented programming. INSPIRE schemas are based on object models;
“Performance Management”	performance management is a tool designed to help organisations achieve their strategic goals. Performance management techniques are designed to help ensure that an organisation’s data works in the furtherance of organisational goals to provide information that is actually useful in achieving them;
“Public Data Transparency”	“Public Data” is the objective, factual, non-personal data on which public services run and are assessed, and on which policy decisions are based, or which is collected or generated in the course of public service delivery. The movement is supported by Sir Tim Berners-Lee and is a world-wide phenomenon. The UK, through data.gov.uk has published principles around the transparency (use, re-use, availability, timeliness, sharing and maintenance) of Public Data. The Public Sector Transparency Board, established by the UK Prime Minister, will drive forward the Government’s transparency agenda, making it a core part of all government business and ensuring that all departments meet the deadlines set for releasing key public datasets. In addition, it is responsible for setting open data standards across the whole public sector, listening to what the public wants and then driving through the opening up of the most needed data sets;
“Radius Studio”	<p>is an enterprise software solution developed and sold by 1Spatial. It enables organisations to rapidly transform and validate collections of location-based data into information that can speed up daily operations, reduce costs, meet compliance initiatives and aid decision making. By automating these traditionally time consuming and expensive tasks, significant time savings can be made and return on investment can be realised.</p> <p>By taking a powerful rules-based approach, Radius Studio enables organisations to be more agile as business and market needs change.</p>

	The solution is based on an open standards platform and compatible with a range of workflow applications, databases and geographical information systems (GIS). It is also available as an open architecture version for maximum enterprise interoperability;
“Software-as-a-Service (SaaS)”	Software-as-a-Service (SaaS) also known as Software on Demand is a software distribution model in which applications are hosted by a vendor or service provider and made available to customers over a network, typically the Internet. A provider licenses an application to customers as a service on demand, through a subscription, in a “pay-as-you-go” model, or increasingly at no charge;
“Spatial Data Infrastructure”	a spatial data infrastructure (SDI) is a framework of spatial data, metadata, users and tools that are interactively connected in order to use spatial data in an efficient and flexible way;
“SRM”	Storage Resource Management Software, used to manage and monitor large datasets on a variety of storage systems. Storage management is essential to ensure prevention of data loss, decrease of error rates of data replication, and decrease of the analysis time by ensuring that analysis tasks have the storage space to run to completion;
“Storage Area Network” or “SAN”	a network whose primary purpose is the transfer of data between computer systems and storage elements and among storage elements. A SAN consists of a communication infrastructure, which provides physical connections, and management layer, which organises the connections, storage elements and computer systems so that the data transfer is secure and robust;
“Storage Resource Analysis Software” or “SRA”	Storage Fusion’s Storage Resource Analysis (SRA) software automates the processes associated with storage analytics;
“Value-based Management”	this is a management approach that is designed to ensure companies are run consistently on value, i.e. typically to maximise shareholder value. Value-based Management comprises three key concepts – ‘Creating Value’ (ways to actually increase or generate maximum future value), ‘Managing for Value’ (governance, change management, organisational culture, communication, leadership) and ‘Measuring Value’.

