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FOR IMMEDIATE RELEASE

11 March 2010

Recommended proposal for the acquisition of Xploite plc ("Xploite") by Avisen plc ("Avisen") to be implemented by means of a Scheme of Arrangement

SUMMARY

- The boards of Xploite and Avisen are pleased to announce that they have reached agreement on terms under which the entire issued share capital of Xploite will be acquired by Avisen in consideration for the issue of 3.6 New Avisen Shares for each Scheme Share.
- The Proposal will be implemented by means of a Court-sanctioned Scheme of Arrangement under Part 26 of the Act, which requires the approval of Scheme Shareholders and the sanction of the Scheme and confirmation of the Reduction of Capital by the Court and that, subject to the satisfaction or, where relevant, waiver of all relevant Conditions, is expected to become Effective by 14 April 2010.
- The Proposal values each Scheme Share at 52.2 pence and values the entire issued share capital of Xploite at approximately £11.38 million, based on the closing price of 36.5 pence per Xploite share and 14.5 pence per Avisen share on 10 March 2010, the last Business Day prior to the date of this Announcement.
- The Proposal represents a premium of approximately:
 - (a) 43.01 per cent. to the Closing Price of 36.5 pence per Xploite Share on 10 March 2010, the last Business Day prior to this Announcement; and
 - (b) 43.80 per cent. to the average Closing Price of 36.3 pence per Xploite Share over the three month period ended on and including 10 March 2010,in each case based on a Closing Price for Avisen Shares of 14.5 pence on 10 March 2010.
- The Proposal, assuming exercise of all the Xploite EMI Options and the surrender and cancellation of the balance of the Xploite Options held under the Xploite Option Schemes, will result in the issue of approximately 82,814,227 New Avisen Shares to Scheme Shareholders, representing approximately 36.87 per cent. of the Enlarged Issued Share Capital following the Scheme becoming effective.
- The Enlarged Group will be led by a team comprising Marcus Hanke as Chief Executive Officer, Ian Smith as Executive Chairman, Robert Arrowsmith as Chief Financial Officer, Tony Weaver as Chief Operating Officer and Louis Peacock as Executive Officer. The non-executive director will be Marcus Yeoman.
- The Xploite Board, who have been so advised by Brewin Dolphin, consider the terms of the Proposal to be fair and reasonable and in the best interests of Xploite and the Xploite Shareholders as a whole. In providing advice to the Xploite Board, Brewin Dolphin has taken into account the commercial assessments of the Xploite Board.
- The Xploite Directors intend to unanimously recommend that Xploite Shareholders vote in favour of the Resolutions as they have irrevocably undertaken to do so in respect of their entire beneficial holdings amounting, in aggregate, to 4,425,617 Xploite Shares, representing approximately 20.31 per cent. of the Xploite Shares in issue on 10 March 2010.
- An irrevocable undertaking to vote in favour of the Resolutions has also been received from Herald Investment Management Limited in respect of 1,976,910 Xploite Shares, representing approximately 9.07 per cent. of the Xploite Shares in issue on 10 March 2010.

- In addition, non-binding letters of intent to vote in favour of the Resolutions have been received from certain Xploite Shareholders in respect of 2,318,193 Xploite Shares, representing approximately 10.64 per cent. of the Xploite Shares in issue on 10 March 2010.
- In aggregate, therefore, irrevocable undertakings and non-binding letters of intent to vote in favour of the Resolutions have been received in respect of 8,720,720 Xploite Shares, representing approximately 40.01 per cent. of the Xploite Shares in issue on 10 March 2010.
- Avisen is a business and technology consultancy specialising in performance management with a focus on strategy creation, development and implementation. It provides advisory services and software distribution of solutions in the corporate performance management market. Avisen aims to provide specialist advice to enable organisations to build more effective capabilities in order to manage the performance of their businesses and allow them to achieve their desired targets. The solutions and advice provided by Avisen are used to assist clients in a number of areas including (i) development and implementation of improved business strategies, (ii) profitability management and cost reduction services, and (iii) business or corporate performance management.
- The main operating business of Xploite is that of Storage Fusion, a SRA software business which comprised part of the business of Itheon before it was hived out into Storage Fusion. Storage Fusion owns a range of tools that are focussed on storage analytics. These tools are offered using a Software as a Service (SaaS) business model and sold to customers both through licensed resellers and through a direct sales channel. The Storage Fusion marketing and pricing strategy has recently been altered and the SRA software is now distributed to customers using resellers, supported by certain direct sales activity. Since altering its approach Storage Fusion has secured six of the leading resellers in the market and has a visible pipeline of blue chip organisations which are beginning to convert into sales, demonstrating the viability of the SRA product.

Commenting on the Proposal, Marcus Hanke, Chief Executive Officer of Avisen, said:

"Avisen believes that Xploite offers an excellent strategic fit and synergy potential for Avisen in the Performance Management market. With this transaction, Avisen, intends to strengthen its position in the business and technology consultancy sector and with the expertise and proven track record of the Proposed Directors, Avisen expects that its ability to identify future opportunities will be enhanced. Avisen intends to utilise some of the cash resources in Xploite to significantly extend and enhance Inca's customer support offerings to its IBM client base. "

Commenting on the Proposal, Ian Smith, Chief Executive Officer of Xploite, said:

"We are delighted to have concluded the transaction with Avisen, which provides the enlarged group with the perfect platform to execute a buy and build strategy. We have a very strong and committed management team and we are currently looking at a number of opportunities which we believe will further enhance shareholder value."

In accordance with Rule 19.11 of the City Code, a copy of the following Announcement will be published on Xploite's website at www.xploite.co.uk and Avisen's website at www.avisenplc.com.

The Scheme Document containing further details of the Proposal (including notices in respect of the Meetings) will be posted to Xploite Shareholders and, for information only, to participants in the Xploite Option Schemes as soon as practicable and, in any event, within 28 days of the Announcement unless otherwise agreed with the Panel.

This summary should be read in conjunction with, and is subject to, the full text of the attached Announcement. Appendix I to the Announcement contains the Conditions to the Scheme and certain further terms of the Proposal. Appendix II to the Announcement contains definitions of certain expressions used in this Summary and in the Announcement. The Scheme will be subject to the full terms and conditions set out in the Scheme Document.

Enquiries:

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Zeus Capital Limited (financial adviser to Avisen) Ross Andrews Nick Cowles	0161 831 1512
Bishopsgate Communications (PR adviser to Avisen) Robyn Samuelson Siobhra Murphy	020 7562 3355
Xploite plc Ian Smith (Chief Executive Officer) Robert Arrowsmith (Chief Financial Officer)	0870 737 2001
Brewin Dolphin Investment Banking (financial adviser to Xploite) Matt Davis Neil McDonald	0845 213 1000
Hansard Communications (PR adviser to Xploite) Justine James Adam Reynolds	020 7245 1100

The following Announcement does not constitute, or form part of, any offer to sell or invitation to purchase any securities of the Company or the solicitation of any vote for approval in any jurisdiction. Any acceptance or other response to the Proposal should be made only on the basis of information referred to in the Scheme Document which the Company intends to despatch to Shareholders as soon as practicable and, in any event, within 28 days of the Announcement unless otherwise agreed with the Panel.

Unless otherwise determined by Avisen and permitted by applicable law and regulation, the Proposal will not be made, directly or indirectly, in, into or from, or by use of the mails of, or by any means or instrumentality (including, without limitation, facsimile transmission, telex, telephone or email) of interstate or foreign commerce of, or by any facility of a national securities exchange of, nor will it be made in, into or from any jurisdiction if to do so would constitute a violation of the relevant laws of such jurisdiction and the offer will not be capable of acceptance by any such use, means, instrumentality or facilities. Accordingly, copies of any documents relating to the Proposal must not be, directly or indirectly, mailed, transmitted or otherwise forwarded, distributed or sent, in whole or in part, in, into or from any jurisdiction if to do so would constitute a violation of the relevant laws of such jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not directly or indirectly mail, transmit or otherwise forward, distribute or send them in, into or from any such jurisdiction as to do so may invalidate any purported acceptance of the offer.

The availability of the Consideration Shares under the terms of the Scheme, if made, to persons who are not resident in the United Kingdom may be affected by the laws of the jurisdiction in which they are resident. Persons who are not resident in the United Kingdom should inform themselves about, and observe, applicable requirements.

Brewin Dolphin Investment Banking, a division of Brewin Dolphin Limited, which is authorised and regulated by the Financial Services Authority in the United Kingdom, is acting for Xploite and no one else in relation to the offer and will not be responsible to anyone other than Xploite for providing the protections afforded to clients of Brewin Dolphin Limited nor for providing advice in relation to the contents of the Announcement or any offer or arrangement referred to herein.

Zeus Capital Limited, which is authorised and regulated by the Financial Services Authority in the United Kingdom, is acting for Avisen and no one else in relation to the offer and will not be responsible to anyone other than Avisen for providing the protections afforded to clients of Zeus Capital Limited nor for providing advice in relation to the contents of the Announcement or any offer or arrangement referred to herein.

The Xploite Directors (all of whose names will be set out in the Scheme Document) accept responsibility for all information contained in the Announcement, except for the information for which the Avisen Directors or the Proposed Directors, together with Marcus Hanke, Marcus Yeoman and Louis Peacock, in relation to Enlarged Group, as the case may be, take responsibility. To the best of the knowledge and belief of the Xploite Directors (who have taken all reasonable care to ensure that such is the case), the information contained in the 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 Avisen Directors (all of whose names will be set out in the Scheme Document) accept responsibility for all information contained in the Announcement insofar as it relates to the Avisen Group, the Avisen Directors and their interests. 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 the 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 Proposed Directors, together with Marcus Hanke, Marcus Yeoman and Louis Peacock, accept responsibility for all information contained in the Announcement insofar as it relates to the Enlarged Group. To the best of the knowledge and belief of the Proposed Directors and each of Marcus Hanke, Marcus Yeoman and Louis Peacock (who have taken all reasonable care to ensure that such is the case), the information contained in the 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 Xploite Directors accept responsibility for the recommendation of the Scheme.

Forward looking statements

The following Announcement (including information incorporated by reference in the Announcement) may contain "forward-looking statements" concerning the Enlarged Group. The forward-looking statements contained herein include statements about the expected effects of the Proposal, the expected timing and scope of the Proposal and other statements other than in relation to historical facts. Forward-looking statements including, without limitation, statements typically containing words such as "intends", "anticipates" "targets", "estimates", "believes", "should", "plans", "will", "expects" and similar expressions or statements that are not historical facts are intended to identify those expressions or statements as forward-looking statements. The statements are based on the assumptions and assessments by the boards of Avisen and Xploite and are naturally subject to uncertainty and changes in circumstances. By their nature, forward-looking statements involve risk and uncertainty and the factors described in the context of such forward-looking statements in this document could cause actual results and developments to differ materially from those expressed in or implied by such forward-looking statements. There are a number of factors that could cause actual results or developments to differ materially from those expressed or implied by such forward-looking statements. These factors include, but are not limited to, the satisfaction or waiver of the conditions to the Scheme, local and global political and economic conditions, future revenues of Avisen and/or Xploite being lower than expected, expected cost savings from the Proposal or other future transactions not being realised fully or in line with expected timeframes, competitive pressures in the industry increasing, foreign exchange rate fluctuations and interest rate fluctuations (including those from any potential credit rating decline) and legal or regulatory developments and changes. Given these risks and uncertainties, investors should not place undue reliance on forward-looking statements.

Neither Xploite nor Avisen, nor any of their respective associates or directors, officers or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied by any forward-looking statements contained herein will actually occur. Other than in accordance with their legal or regulatory obligations (including under the AIM Rules, the Disclosure and Transparency Rules of the Financial Services Authority and the City Code), neither Xploite nor Avisen is under any obligation and each of them expressly disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Dealing Disclosure Requirements

Under the provisions of Rule 8.3 of the Code, if any person is, or becomes, "interested" (directly or indirectly) in one per cent. or more of any class of "relevant securities" of Xploite or Avisen, all "dealings" in any "relevant securities" of that company (including by means of an option in respect of, or a derivative referenced to, any such "relevant securities") must be publicly disclosed by no later than 3.30 p.m. (London time) on the Business Day following the date of the relevant transaction. This requirement will continue until the date on which the Scheme becomes Effective, (or, if implemented by way of an offer, the offer becomes, or is declared, unconditional as to acceptances, lapses) or otherwise lapses or is withdrawn or on which the "offer period" otherwise ends. If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire an "interest" in "relevant securities" of Xploite or Avisen, they will be deemed to be a single person for the purpose of Rule 8.3.

Under the provisions of Rule 8.1 of the Code, all "dealings" in "relevant securities" of Xploite or Avisen by Avisen or Xploite, or by any of their respective "associates", must be disclosed by no later than 12.00 noon (London time) on the Business Day following the date of the relevant transaction.

A disclosure table, giving details of the companies in whose "relevant securities" "dealings" should be disclosed, and the number of such securities in issue, can be found on the Takeover Panel's website at www.thetakeoverpanel.org.uk.

"Interests in securities" arise, in summary, when a person has long economic exposure, whether conditional or absolute, to changes in the price of securities. In particular, a person will be treated as having an "interest" by virtue of the ownership or control of securities, or by virtue of any option in respect of, or derivative referenced to, securities.

Terms in quotation marks are defined in the Code, which can also be found on the Panel's website. If you are in any doubt as to whether or not you are required to disclose a "dealing" under Rule 8, you should consult the Panel.

In accordance with Rule 2.10 of the Code, Xploite confirms that it has 21,797,054 ordinary shares of 10 pence in issue as at the date of the Announcement.

11 March 2010

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FOR IMMEDIATE RELEASE

11 March 2010

RECOMMENDED PROPOSAL FOR THE ACQUISITION OF

XPLOITE PLC

BY

AVISEN PLC

TO BE IMPLEMENTED BY MEANS OF A SCHEME OF ARRANGEMENT
UNDER PART 26 OF THE COMPANIES ACT 2006

1. Introduction

The boards of Xploite and Avisen are pleased to announce that they have reached agreement on terms under which the entire issued share capital of Xploite will be acquired by Avisen in consideration for the issue of 3.6 New Avisen Shares for each Scheme Share.

The Proposal will be implemented by means of a Court-sanctioned Scheme of Arrangement under Part 26 of the Act, which requires the approval of Scheme Shareholders and the sanction of the Scheme and confirmation of the Reduction of Capital by the Court and that, subject to the satisfaction or, where relevant, waiver of all relevant Conditions, is expected to become Effective by 14 April 2010.

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

For each Scheme Share: 3.6 fully paid New Avisen Shares

Xploite will become a wholly-owned subsidiary of Avisen on the Effective Date.

The Proposal represents a premium of approximately:

- (a) 43.01 per cent. to the Closing Price of 36.5 pence per Xploite Share on 10 March 2010, the last Business Day prior to this Announcement; and
- (b) 43.80 per cent. to the average Closing Price of 36.3 pence per Xploite Share over the three month period ended on and including 10 March 2010,

in each case based on a Closing Price for Avisen Shares of 14.5 pence on 10 March 2010.

The Proposal values the entire issued share capital of Xploite at approximately £11.38 million.

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 Scheme Shareholders. Fractional entitlements of new Avisen Shares will be aggregated and sold in the market and the net cash proceeds of the sale distributed to the Scheme Shareholders entitled thereto.

Scheme becoming effective

It is expected that subject to the satisfaction (or, where applicable, waiver) of the Conditions, including passing of the Avisen Resolutions, the Scheme Court Hearing to sanction the Scheme will be held on 13 April 2010, the Reduction Court Hearing to confirm the Reduction of Capital will be held on 13 April 2010 and that the Effective Date will be 14 April 2010. The Proposal is conditional upon the Scheme becoming effective by no later than 14 July 2010, or such later date as Xploite and Avisen may agree (with, where applicable, the consent of the Panel and (if required) the approval of the Court), failing which it will lapse.

It is expected that the admission of the Xploite Shares to trading on AIM and dealings in such shares will be suspended from 7.00 a.m. on 13 April 2010.

The Scheme requires the approval of a majority in number of the Scheme Shareholders representing at least seventy-five per cent. in nominal value of the Scheme 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 Xploite Shareholders at the General Meeting.

If the Scheme becomes effective, it will be binding on all Scheme 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 LSE for admission to trading on AIM of its New Avisen Shares as soon as possible and, in any event, not later than 15 April 2010.

Interests in the Enlarged Group

Following the Scheme becoming effective, existing Avisen Shareholders will hold 141,799,928 Avisen Shares representing approximately 64.38 per cent. of the enlarged issued share capital of Avisen and existing Scheme Shareholders will hold approximately 82,814,227 Avisen Shares representing approximately 36.87 per cent. of the enlarged issued share capital of Avisen.

The New Avisen Shares shall rank pari passu with all other Avisen Shares in issue on the date on which the New Avisen Shares are issued and shall have the right to receive all dividends, distributions and other entitlements made or paid on the Avisen Shares for which the record date occurs after such date.

Statistics

Proposed number of New Xploite Shares to be acquired by Avisen *	23,003,952
Number of Avisen Shares in issue at the date of this Announcement	141,799,928
Number of Consideration Shares *	approximately 82,814,227
Enlarged Issued Share Capital	approximately 224,614,155
Consideration Shares as a percentage of the Enlarged Issued Share Capital	approximately 36.87 per cent
Market capitalisation of the Enlarged Group immediately following Admission **	£32,569,052
AIM trading symbol	AVI.L
ISIN	GB00B09LQS3

* Based on 21,797,054 Xploite Shares in issue on 10 March 2010 (being the latest practicable date prior to the publication of this Announcement) and the number of New Xploite Shares in issue following the

exercise of the Xploite EMI Options. The exact number of Consideration Shares shall be determined on 13 April 2010, prior to the Scheme Record Time.

** Based on the closing price of Avisen Shares of 14.5 pence on 10 March 2010 (being the latest practicable date prior to the publication of this Announcement)

2. Background and Reasons for the Proposals

Avisen is a business and technology consultancy specialising in performance management with a focus on strategy creation, development and implementation. It provides advisory services and software distribution of solutions in the corporate performance management market. Avisen aims to provide specialist advice to enable organisations to build more effective capabilities to manage the performance of their businesses and allow them to achieve their desired targets.

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 a "buy and build" strategy in the Corporate Performance Management market and to date has completed five 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. Examples include: Tesco, Kettle Foods and Heineken.

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

- establish a more experienced management team with a broader skill set through the appointment of Ian Smith, Robert Arrowsmith and Tony Weaver to the Avisen Board. This will further enhance the Enlarged Group's ability to identify future opportunities to enhance shareholder value;
- utilise the cash resources of Xploite in order to accelerate the growth of the Enlarged Group, both organically and by further acquisitions in the business and technology sector; and
- optimise the Storage Fusion Business as part of Avisen's existing performance management services.

3. Recommendation

The Xploite Board, who have been so advised by Brewin Dolphin, consider the terms of the Proposal to be fair and reasonable and in the best interests of Xploite and the Xploite Shareholders as a whole. In providing advice to the Xploite Board, Brewin Dolphin has taken into account the commercial assessments of the Xploite Board.

Accordingly, the Xploite Directors intend to unanimously recommend that the Xploite Shareholders vote in favour of the Resolutions to be proposed at the Meetings as they have irrevocably undertaken to do in relation to their entire beneficial holdings amounting, in aggregate, to 4,425,617 Xploite Shares, representing, in aggregate, approximately 20.31 per cent. of the Xploite Shares in issue on 10 March 2010 (being the latest practicable date prior to the publication of this Announcement).

4. Background and Reasons for the Recommendation

The Xploite Board has considered the terms of the Proposal and unanimously recommends that Xploite Shareholders vote in favour of the Resolutions to be proposed at the Meetings.

The Xploite Board advises that each Xploite 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 Xploite Shareholders should consider their individual

circumstances carefully before deciding whether to vote in favour of the Resolutions to be proposed at the Meetings.

Significant premium to current Xploite share price

The Proposal represents a premium of approximately:

- 43.01 per cent. to the Closing Price of 36.5 pence per Xploite Share on 10 March 2010, the last Business Day prior to this Announcement; and
- 43.80 per cent. to the average Closing Price of 36.3 pence per Xploite Share over the three month period ended on and including 10 March 2010,

in each case based on a Closing Price for Avisen Shares of 14.5 pence on 10 March 2010.

Continued exposure to 'Buy and Build' strategy under Xploite management team

As outlined below, the Company, under the leadership of the current executive management team, headed by Ian Smith, our Chief Executive Officer, has successfully executed a buy and build strategy and has been able to return a total of £19.8 million in cash to shareholders since 2003.

Most recently, in October 2009, the Xploite Board proposed a tender offer to allow the Xploite Shareholders at the time the opportunity to realise part of their investment in Xploite by tendering their shares for sale and announced the Company's intention to purchase up to 19 million shares (46.57 per cent. of the then issued share capital) at 50 pence per share.

As stated in the tender offer circular, since the Company disposed of Anix in June 2009, the Xploite Directors had not been able to identify suitable acquisitions of scale which would allow the Company to continue to implement its 'buy and build' strategy, and it was therefore proposed that the Company's focus shift to the sourcing of smaller acquisitions with a lesser requirement for significant cash investment. Accordingly, it was decided that 'surplus' cash totalling £9.5 million would be returned to shareholders through a tender offer.

On 20 November 2009 it was announced that approximately 70 per cent. of the Company's share capital had been tendered, representing a clear vindication of the Xploite Board's decision to make the tender offer.

The Xploite Board believes that the structure of the Proposal allows existing Xploite Shareholders to continue to participate in a buy and build strategy led by an experienced board of directors which will include the current executive management team of Xploite and, further, that the Company will benefit from the ability to execute that strategy from a larger platform.

Positive impact on Storage Fusion

As outlined below, since the sale of Anix in June 2009, the main operating business of the Company has been Storage Fusion.

The Xploite Board remains confident that the measures adopted to date to address Storage Fusion's underperformance will have the effect of significantly increasing the revenue and cash generation of the Storage Fusion Business over time and it remains the Xploite Board's objective to ensure that the Storage Fusion Business is cash positive on a month-to-month basis.

Nevertheless, the Xploite Directors believe that Storage Fusion would benefit further from increased scale and cost efficiencies gained from being part of a larger operator and one with a mutually beneficial client base such as Avisen.

The Xploite Board is confident that Avisen is a sound strategic fit for Storage Fusion and will provide an appropriate platform on which to further develop its revenue generating activities. The Xploite Directors believe that exposure to Avisen's customer base will increase market awareness of the SRA software

and, in turn, increase customer volumes, supporting the continued growth of the business and maintaining its recent improved levels of performance.

The Xploite Board has worked hard to position Storage Fusion to allow it to exploit the market opportunities for its product and the Board remains confident about the prospects for this business, particularly as part of the Enlarged Group.

The Xploite Directors believe that the combination of Avisen and Storage Fusion will deliver improved performance of the existing trading business whilst maintaining a strategy to identify, acquire, consolidate and develop businesses in the IT services sector.

5. Information on Xploite

Corporate History

Xploite floated on the AIM market of the London Stock Exchange in 2001, under the name Offshore Telecom plc, as a provider of satellite communication for the global leisure marine market. Having conducted a strategic review in April 2003, the Xploite Board withdrew from the satellite communication market and focused its attention on high performance IT network solutions.

Between 2003 and 2006, Xploite acquired nine businesses in the network integration sector of the IT industry. These businesses were consolidated into two operating divisions and in February 2006 and June 2006 Xploite disposed of these two operating divisions realising a profit of £19.2 million. In November 2006 Xploite returned £10.3 million to Shareholders through a reduction of share capital.

In February 2007, Xploite embarked on a new strategic development phase by announcing its plans to acquire and consolidate in the managed services sector of the IT industry. In the year ended 31 October 2007, Xploite acquired four businesses pursuant to this strategy which were all rebranded as "Anix" and, in December 2008, acquired Blue River Systems Limited which was fully integrated with the existing Anix businesses by 30 April 2009.

In October 2007, Xploite purchased the software business, Itheon Ltd. Itheon was acquired for its software development skills rather than monitoring software, which then represented the majority of its activities. The monitoring software business was sold in October 2008 whilst Xploite retained the SRA software business, which is now operated by Storage Fusion.

Since February 2007 the Xploite Group has disposed of three businesses: in September 2007, Fujin Technology Trading Limited; in October 2008, Itheon (less the SRA software business); and, in June 2009, Anix for £31.5 million (less a deduction for debt and working capital of c. £3 million).

When Xploite announced the disposal of Anix, it also announced that the Xploite Group would continue to seek further ways to create shareholder value through acquisitions in the Information Communications market.

Storage Fusion

Since the sale of Anix, the main operating business of Xploite is that of Storage Fusion, a SRA software business which comprised part of the business of Itheon before it was hived out into Storage Fusion.

Storage Fusion owns a range of tools that are focussed on storage analytics. These tools are offered using a Software as a Service (SaaS) business model and sold to customers both through licensed resellers and through a direct sales channel.

In the most recent reported results, announced on 2 February 2010, your board reported that Storage Fusion recorded a loss of £0.4 million for the twelve months to 31 October 2009 with sales momentum being slower to develop than originally envisaged, due in part to the software being sold on an enterprise licence basis. In addition, the Xploite Directors believe that the recent economic climate has hindered purchasing decisions at the large corporate organisations targeted by Storage Fusion and that,

as a result, the Storage Fusion Business has not achieved the levels of profitability that the Xploite Directors believe it has the potential to achieve.

The Storage Fusion marketing and pricing strategy has recently been altered to address this and the SRA software is now distributed to customers using resellers, supported by certain direct sales activity. Since altering its approach Storage Fusion has secured six of the leading resellers in the market and has a visible pipeline of opportunities with blue chip organisations which are beginning to convert into sales, demonstrating the viability of the SRA product.

The Xploite Board is confident that, as demonstrated by the series of contract wins announced on 26 October 2009, early indications are positive and in line with the revised business plan for the Storage Fusion Business.

Current Trading and Prospects

Xploite released its preliminary results for the 12 months ended 31 October 2009 on 2 February 2010. Xploite reported total turnover for the year of £27.8 million (2008: £48.0 million) and total profit for the year (after tax) of £4.4 million (2008: £1.5 million) although it was highlighted that those results should be reviewed in the context of significant change for the Xploite Group both in the 2009 financial year (and in the months that followed) and the reporting requirements for continuing and discontinued operations.

The Xploite Board is mindful that, further to the announcement by the Company on 16 March 2009, the dispute between VBHG Limited and Cantono is continuing. The Xploite Board continues to believe that the unparticularised potential claims of Cantono are opportunistic, speculative and lack merit and, were proceedings to be issued, they would be vigorously defended.

Further details on the potential claim will be set out in paragraph 9.1.1 of Part VI of the Scheme Document and are set out at paragraph 6 of this Announcement under "Effect of the Proposal on Avisen".

6. Information on Avisen

Avisen is a business and technology consultancy specialising in Performance Management with a focus on strategy creation, development and implementation. It provides advisory services and software distribution of solutions in the corporate Performance Management market.

Avisen aims to provide specialist advice to enable organisations to build more effective capabilities in order to manage the performance of their businesses and allow them to achieve their desired targets. The solutions and advice provided by Avisen are used to assist clients in a number of areas including:

- Development and implementation of improved business strategies;
- Profitability management and cost reduction services; and
- Business or corporate performance management.

Through its expertise, Avisen's objective is to deliver the following 'hard' and 'soft' benefits to its clients:

'Hard' Benefits

- Improved and more effective process
- Resource optimisation
- Timely access to data and insight
- Reduced time/costs to plan and report
- Reduced time/costs to inform

'Soft' benefits

- Higher levels of customer satisfaction management
- Goal-focused processes
- Operational efficiencies and higher employee satisfaction
- Demonstrable regulatory compliance performance
- Alignment between all levels of the internal/external stakeholders of business organisation in relation to company

Avisen Group's Existing Operations

Avisen Group's current operations are divided under the following brands, "Avisen" and "Inca".

"Avisen"

The Avisen brand is the Avisen Group's advisory services and traditional consulting brand, which is served by two trading entities in the UK and the Netherlands. Client work undertaken by these entities is positioned as "technology independent" (i.e. not reliant on software applications) and the team utilised for these types of engagement have broad skills across business disciplines ranging from strategic planning, operational planning, Balanced Scorecard and operational excellence change programmes alongside an awareness of multiple technology platforms.

Avisen's primary offering is a framework methodology called 'Keeping Strategy Alive'. It is underpinned by a process called PlanPoint® and, in the future, it is intended that it will be served by a proprietary software solution called StrategyGPSTM. It is intended that StrategyGPSTM will be rolled out to clients during 2010 and will be focused on providing them with a greater strategic insight into their own businesses.

The basic principles behind PlanPoint® and Strategy GPSTM can be summarised as follows:

- PlanPoint® – this is Avisen's methodology to manage the strategic planning process.
- StrategyGPSTM – this is Avisen's proprietary software which is intended to enable clients to effectively and constantly measure their performance against predetermined goals or actions. The software will utilise the Planpoint® methodology to manage the planning cycle.

"Inca"

Avisen announced the acquisition of Inca Holdings Limited ("Inca") on 17 July 2009. Inca is the largest EMEA IBM Cognos partner, providing customers with the full suite of IBM Cognos products.

IBM Cognos solutions are made up of 'planning and consolidation' to plan and drive performance and BI to analyse, create reports and understand the 'why' behind performance. When integrated within an organisation, all three components deliver Corporate Performance Management, enabling senior level executives to manage and monitor an organisation's performance.

Inca's professional services division has implemented IBM Cognos solutions for over 400 companies across a range of industry sectors, many of which are supported by Inca's application support centre.

The trading businesses of Eon Enterprises Limited, Inca Holdings Limited and Quadrum Consulting Limited (all of which have been acquired by Avisen following its admission to AIM and described in more detail in Part III of the Scheme Document) have now been consolidated under the "Inca" brand.

In addition, Solution Minds (UK) Limited, which was acquired by Avisen prior to its admission to AIM has also been consolidated under the "Inca" brand.

The consolidation of these businesses has strengthened the Avisen Group's customer base and resulted in significantly improved recurring revenue streams.

Effect of the Proposal on Avisen

Following the Scheme becoming effective, Xploite will become a wholly owned subsidiary of Avisen. Existing Avisen Shareholders will hold 141,799,928 Avisen Shares, representing approximately 63.13 per cent. of the Enlarged Issued Share Capital of Avisen.

As at the date of this Announcement, Xploite has cash resources of approximately £3 million and is due to receive up to £3.65 million in cash by September 2010 by way of deferred consideration. As will be

summarised in the Scheme Document, certain members of the Xploite Group or former members of the Xploite Group have entered into agreements under which the relevant company has provided, and Xploite has guaranteed, certain warranties, representations, indemnities and undertakings. Any successful claims (including the potential claim referred to below and in paragraph 9.1.1 of Part VI of the Scheme Document) made under the terms of these agreements could significantly impact on the existing cash resources of the Enlarged Group and on the timing and amount of any deferred consideration (or amounts held in escrow) to be paid to Xploite or its subsidiaries.

In particular, on 19 February 2010, Xploite received details of potential claims amounting to £4,538,000 in relation to a dispute between VBHG Limited and Cantono. The Xploite Board continues to believe that the unparticularised potential claims of Cantono are opportunistic, speculative and lack merit and, were proceedings to be issued, they would be vigorously defended.

The Enlarged Group will utilise the cash resources of Xploite to accelerate growth, both organically and by further acquisitions in the business and technology sector.

The Enlarged Group will also look to optimise the Storage Fusion Business as part of Avisen's existing Performance Management services.

Current Trading and Prospects

Following a period of significant growth both organically and through acquisition, Avisen now provides advisory services and software distribution to a growing number of blue chip corporations in the performance management market.

Avisen released its unaudited half yearly results for the six months ended 31 July 2009 on 30 October 2009.

Avisen reported turnover of £2.23 million and pre tax profit of £91,641. It was highlighted that due to the number and size of acquisitions completed since Avisen's admission to AIM on 2 February 2009 (through the reverse takeover of Z Group plc) that the Avisen board anticipated that the Avisen Group's revenues would improve significantly in the six months to 31 January 2010. Avisen now has over 400 clients in software support with an order book of over £1.5 million of higher margin recurring software support renewals.

As anticipated, the Avisen Group experienced improved revenue growth in the second half of the financial year and trading for the year ended 31 January 2010 was satisfactory. The results for the period to 31 January 2010 will be released following the Effective Date and no later than 31 July 2010.

7. Strategy of the Enlarged Group

The Proposed Directors, Marcus Hanke, Marcus Yeoman and Louis Peacock intend to create shareholder value both through further acquisitions and organic growth. The Proposed Directors and Marcus Hanke, Marcus Yeoman and Louis Peacock will be focused on acquiring additional businesses that either extend the customer base of Avisen'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:

- continue to increase market share in the CPM market through an increased service offering to a growing number of large corporate customers;
- optimise the Storage Fusion Business as part of Avisen's existing Performance Management services; and
- utilise the cash resources of Xploite in order to accelerate the growth of the Enlarged Group both organically and by further acquisitions in the business and technology sector.

In the opinion of the Proposed Directors and Marcus Hanke, Marcus Yeoman and Louis Peacock, having made due and careful enquiries, the working capital available to the Enlarged Group will be sufficient for its present requirements that is, for at least the twelve months following the Effective Date.

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

The Enlarged Group will be led by a team comprising Marcus Hanke as Chief Executive Officer, Ian Smith as Executive Chairman, Robert Arrowsmith as Chief Financial Officer, Tony Weaver as Chief Operating Officer and Louis Peacock as Executive Officer. The non-executive director will be Marcus Yeoman.

Following the Scheme becoming effective, Keith Jones will step down from the Avisen Board. In addition, Jonathan Claydon will resign as a non-executive chairman of Avisen. John Standen and Richard Ramsay will resign as directors of Xploite immediately following the Scheme becoming effective.

Pending any agreement to the contrary, and subject to the approval of Avisen's remuneration committee, the current terms of service of Ian Smith, Tony Weaver and Robert Arrowsmith will continue to apply.

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

The Enlarged Group will be headquartered in London.

9. The effect of the Scheme on the Xploite Option Schemes

The Scheme will extend to any Xploite Shares which are unconditionally allotted, issued and fully paid prior to the Scheme Record Time to satisfy the exercise of options and vesting of awards under the Xploite Option Schemes, but the Scheme will not extend to any Xploite Shares allotted or issued at any time on or after the Scheme Record Time. By virtue of the new article (details of which are set out in the notice of General Meeting) which is proposed to be inserted into Xploite's Articles, Xploite Shares issued after the Scheme Record Time, if any, will be automatically transferred to Avisen and/or its nominee(s) in return for the same consideration as Scheme Shareholders are entitled to receive under the Scheme.

Certain Xploite Directors, namely Ian Smith, Robert Arrowsmith and Tony Weaver, together with one other participant, an ex-employee of Xploite who retains options which remain exercisable, are the only holders of Xploite Options. In accordance with the rules of the Xploite Option Schemes, outstanding options will become exercisable during the six month period from the date on which the Scheme takes effect and will then lapse. The holders of Xploite Options have indicated to Xploite that they intend to exercise their Xploite EMI Options prior to and conditional upon the grant of the Scheme Court Order. The Scheme will extend to Xploite Shares allotted pursuant to the exercise of Xploite Options prior to the Scheme Record Time. In addition, these same holders of Xploite Options have agreed with Xploite that they will surrender and agree to the cancellation of all their rights in the balance of their Xploite Options over 2,250,000 Xploite Shares, representing all the options granted under the Xploite Unapproved Share Option Scheme, for nil consideration, conditional upon the delivery of the Scheme Court Order to the Registrar of Companies for England and Wales, and that accordingly the balance of the Xploite Options will lapse with effect from the Effective Date of the Scheme.

No further grants will be made to Xploite employees or other participants under the Xploite Option Schemes before the Scheme Court Hearing, nor thereafter, provided the Scheme becomes effective in accordance with its terms.

The holders of the Xploite Options have undertaken to Avisen that they shall not exercise any Xploite Options which they hold under the Xploite Unapproved Share Option Scheme at any time from the date of this Announcement.

In light of the above, Avisen does not intend to make any proposals to the holders of Xploite Options pursuant to Rule 15 of the City Code.

Save as set out above, the effect of the Scheme on the interests of the Xploite Directors does not differ from its effect on the interests of any other Xploite Shareholder.

10. Irrevocable Undertakings and letters of Intent

Avisen has received irrevocable undertakings from each of the Xploite Directors to vote or procure the vote in favour of the Resolutions in respect of their entire beneficial holdings of Xploite Shares amounting, in aggregate, to 4,425,167 Xploite Shares (representing approximately 20.31 per cent. of the existing issued share capital of Xploite).

Avisen has also received an irrevocable undertaking from Herald Investment Management Limited to vote or procure the vote in favour of the Resolutions in respect of its entire beneficial holding of Xploite Shares amounting to 1,976,910 Xploite Shares (representing approximately 9.07 per cent. of the existing issued share capital of Xploite);

In addition, Avisen has received non-binding letters of intent to vote in favour of the Resolutions from:

- Cazenove Capital Management Limited in respect of its entire beneficial holding of Xploite Shares amounting to 868,193 Xploite Shares (representing approximately 3.98 per cent. of the existing issued share capital of Xploite) and ;
- Paul Bailey in respect of his entire beneficial holding of Xploite Shares amounting to 1,450,000 Xploite Shares (representing approximately 6.65 per cent. of the existing issued share capital of Xploite).

In aggregate, Avisen has received irrevocable undertakings to vote in favour of the Resolutions in respect of 8,720,720 Xploite Shares, representing approximately 40.01 per cent. of the existing issued share capital of Xploite.

Irrevocable undertakings to vote in favour of the Avisen Resolutions at the Avisen General Meeting have been secured from the holders of 67,669,457 Avisen Shares (including all members of the Avisen Board) representing approximately 47.72 per cent. of the Avisen Shares in issue at the date of this Announcement.

11. Inducement Fee

Xploite entered into a Non-Solicitation Agreement with Avisen on 18 January 2010 under which Xploite has agreed, in certain circumstances, to pay to Avisen an Inducement Fee of approximately £115,000 being an amount equal to 1 per cent. of the aggregate value of the issued share capital of Xploite at this offer price per Xploite Share at the time of the Announcement.

Pursuant to the terms of the Non-Solicitation Agreement, Xploite unconditionally and irrevocably undertook with Avisen (on behalf of itself and as trustee for its associates (as such term is defined in the Code)) that it shall not solicit, initiate, encourage, negotiate or otherwise seek to procure and that it shall use reasonable endeavours to procure that none of its directors or professional advisers or agents or employees shall solicit, initiate, encourage, negotiate or otherwise seek to procure any discussions or negotiations with any third party in contemplation of an Independent Competing Offer for a period commencing on 18 January 2010 and expiring at midnight on 31 March 2010.

In the event that Xploite does receive an Independent Competing Offer during the period to 31 March 2010, Xploite has undertaken to Avisen that it shall:

- not recommend any such Independent Competing Offer for a period of three business days from the date the Independent Competing Offer is made to enable Avisen to match the value of any such offer or revise its Proposal; and
- in the event Xploite does make a revised proposal at a price per Xploite Share equal to or greater than the Independent Competing Offer or makes a revised proposal which would in the reasonable opinion of Brewin Dolphin, provides equal or superior financial value to Xploite Shareholders give a

unanimous and unqualified recommendation of such revised Proposal provided Avisen announces its revised proposal within seven business days from the date of the Independent Competing Offer.

In addition, Xploite unconditionally and irrevocably undertook with Avisen not to directly or indirectly offer or agree or enter into any work fee, inducement or break fee or other similar arrangement with any party other than Avisen until after 31 March 2010.

The Inducement Fee shall be payable by Xploite if it breaches any of the above provisions.

12. Conditions

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

- the approvals of the Xploite Shareholders and Scheme Shareholders;
- the sanction and confirmation of the Court;
- the Scheme becoming effective by no later than 14 July 2010 or such later date as Xploite 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; and
- admission of the New Avisen Shares to trading on AIM.

13. Meetings

The Scheme and the Proposal are subject to the satisfaction (or, where applicable, waiver) of the Conditions set out in the Scheme Document. In addition, the implementation of the Scheme will require approval by a special resolution of Xploite 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.

14. Overseas Shareholders

The provisions of the Scheme shall be subject to any prohibition or condition imposed by law. If, in respect of any holder of Scheme Shares with a registered address in a jurisdiction outside the United Kingdom, Avisen is advised that the allotment and/or issue of New Avisen Shares pursuant to the terms of the Scheme would infringe any laws of such jurisdiction or would require Avisen to observe any governmental or other consent or any registration, filing or other formality, Avisen may determine that no New Avisen Shares shall be allotted and/or issued to such holder but shall instead be allotted and issued to a nominee appointed by Avisen as trustee for such holder, on terms that the nominee shall, as soon as practicable following the Effective Date, sell the New Avisen Shares so allotted and issued at the best price which can reasonably be obtained and shall account for the net proceeds of such sale (after deduction of all related expenses and commissions) to the holder of such Xploite Shares.

15. General

The Scheme Document setting out the full details of the Proposal will be sent to Xploite Shareholders and persons with information rights as soon as and, in any event (save with the consent of the Panel), within 28 days of the date of this Announcement.

In accordance with Rule 2.10 of the Code, the current issued share capital of Xploite comprises 21,797,054 ordinary shares of 10 pence each (ISIN number GB00B037D647).

The current issued share capital of Avisen comprises 141,799,928 ordinary shares of 5 pence each (ISIN number GB00B09LQS34).

In accordance with Rule 19.11 of the City Code, a copy of this Announcement will be published on Xploite's website at www.xploite.co.uk and Avisen's website at www.avisenplc.com.

This Announcement does not constitute an offer or an invitation to purchase any securities.

Appendix I to this Announcement contains the Conditions to the implementation of the Scheme and the further terms of the Proposal.

Appendix II to this Announcement contains definitions of certain expressions used herein.

Enquiries:

Avisen plc
Marcus Hanke (Chief Executive Officer) 0870 880 2978

Zeus Capital Limited (financial adviser to Avisen)
Ross Andrews 0161 831 1512
Nick Cowles

Bishopsgate Communications (PR adviser to Avisen)
Robyn Samuelson 020 7562 3355
Siobhra Murphy

Xploite plc
Ian Smith (Chief Executive Officer) 0870 737 2001
Robert Arrowsmith (Chief Financial Officer)

Brewin Dolphin Investment Banking (financial adviser to Xploite)
Matt Davis 0845 213 1000
Neil McDonald

Hansard Communications (PR adviser to Xploite)
Justine James 020 7245 1100
Adam Reynolds

This Announcement does not constitute, or form part of, any offer to sell or invitation to purchase any securities of the Company or the solicitation of any vote for approval in any jurisdiction. Any acceptance or other response to the offer should be made only on the basis of information referred to in the Scheme Document which the Company intends to despatch to Shareholders as soon as practicable and, in any event, within 28 days of this Announcement unless otherwise agreed with the Panel.

Unless otherwise determined by Avisen and permitted by applicable law and regulation, the Proposal will not be made, directly or indirectly, in, into or from, or by use of the mails of, or by any means or instrumentality (including, without limitation, facsimile transmission, telex, telephone or email) of interstate or foreign commerce of, or by any facility of a national securities exchange of, nor will it be made in, into or from any jurisdiction if to do so would constitute a violation of the relevant laws of such jurisdiction and the offer will not be capable of acceptance by any such use, means, instrumentality or facilities. Accordingly, copies of any documents relating to the Proposal must not be, directly or indirectly, mailed, transmitted or otherwise forwarded, distributed or sent, in whole or in part, in, into or from any jurisdiction if to do so would constitute a violation of the relevant laws of such jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not directly or indirectly mail, transmit or otherwise forward, distribute or send them in, into or from any such jurisdiction as to do so may invalidate any purported acceptance of the offer.

The availability of the Consideration Shares under the terms of the Scheme, if made, to persons who are not resident in the United Kingdom may be affected by the laws of the jurisdiction in which they are resident. Persons who are not resident in the United Kingdom should inform themselves about, and observe, applicable requirements.

Brewin Dolphin Investment Banking, a division of Brewin Dolphin Limited, which is authorised and regulated by the Financial Services Authority in the United Kingdom, is acting for Xploite and no one else in relation to the offer and will not be responsible to anyone other than Xploite for providing the protections afforded to clients of Brewin Dolphin Limited nor for providing advice in relation to the contents of this Announcement or any offer or arrangement referred to herein.

Zeus Capital Limited, which is authorised and regulated by the Financial Services Authority in the United Kingdom, is acting for Avisen and no one else in relation to the offer and will not be responsible to anyone other than Avisen for providing the protections afforded to clients of Zeus Capital Limited nor for providing advice in relation to the contents of this Announcement or any offer or arrangement referred to herein.

The Xploite Directors (all of whose names will be set out in the Scheme Document) accept responsibility for all information contained in this Announcement, except for the information for which the Avisen Directors or the Proposed Directors, together with Marcus Hanke, Marcus Yeoman and Louis Peacock, in relation to Enlarged Group, as the case may be, take responsibility. To the best of the knowledge and belief of the Xploite 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 Avisen Directors (all of whose names will be set out in the Scheme Document) accept responsibility for all information contained in this Announcement insofar as it relates to the Avisen Group, the Avisen Directors and their interests. 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 Proposed Directors, together with Marcus Hanke, Marcus Yeoman and Louis Peacock, accept responsibility for all information contained in this Announcement insofar as it relates to the Enlarged Group. To the best of the knowledge and belief of the Proposed Directors and each of Marcus Hanke, Marcus Yeoman and Louis Peacock (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 Xploite Directors accept responsibility for the recommendation of the Scheme.

Forward looking statements

This Announcement (including information incorporated by reference in this Announcement) may contain "forward-looking statements" concerning the Enlarged Group. The forward-looking statements contained herein include statements about the expected effects of the Proposal, the expected timing and scope of the Proposal and other statements other than in relation to historical facts. Forward-looking statements including, without limitation, statements typically containing words such as "intends", "anticipates", "targets", "estimates", "believes", "should", "plans", "will", "expects" and similar expressions or statements that are not historical facts are intended to identify those expressions or statements as forward-looking statements. The statements are based on the assumptions and assessments by the Boards of Avisen and Xploite and are naturally subject to uncertainty and changes in circumstances. By their nature, forward-looking statements involve risk and uncertainty and the factors described in the context of such forward-looking statements in this document could cause actual results and developments to differ materially from those expressed in or implied by such forward-looking statements. There are a number of factors that could cause actual results or developments to differ materially from those expressed or implied by such forward-looking statements. These factors include, but are not limited to, the satisfaction or waiver of the conditions to the Scheme, local and global political and economic conditions, future revenues of Avisen and/or Xploite being lower than expected, expected cost savings from the Proposal or other future transactions not being realised fully or in line with expected timeframes, competitive pressures in the industry increasing, foreign exchange rate fluctuations and interest rate fluctuations (including those from any potential credit rating decline) and legal or regulatory developments and changes. Given these risks and uncertainties, investors should not place undue reliance on forward-looking statements.

Neither Xploite nor Avisen, nor any of their respective associates or directors, officers or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied by any forward-looking statements contained herein will actually occur. Other than in accordance with their legal or regulatory obligations (including under the AIM Rules, the Disclosure and Transparency Rules of the Financial Services Authority and the City Code), neither Xploite nor Avisen is under any obligation and each of them expressly disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Dealing Disclosure Requirements

Under the provisions of Rule 8.3 of the Code, if any person is, or becomes, "interested" (directly or indirectly) in one per cent. or more of any class of "relevant securities" of Xploite or Avisen, all "dealings" in any "relevant securities" of that company (including by means of an option in respect of, or a derivative referenced to, any such "relevant securities") must be publicly disclosed by no later than 3.30 p.m. (London time) on the Business Day following the date of the relevant transaction. This requirement will continue until the date on which the Scheme becomes Effective, (or, if implemented by way of an offer, the offer becomes, or is declared, unconditional as to acceptances, lapses) or otherwise lapses or is withdrawn or on which the "offer period" otherwise ends. If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire an "interest" in "relevant securities" of Xploite or Avisen, they will be deemed to be a single person for the purpose of Rule 8.3.

Under the provisions of Rule 8.1 of the Code, all "dealings" in "relevant securities" of Xploite or Avisen by Avisen or Xploite, or by any of their respective "associates", must be disclosed by no later than 12.00 noon (London time) on the Business Day following the date of the relevant transaction.

A disclosure table, giving details of the companies in whose "relevant securities" "dealings" should be disclosed, and the number of such securities in issue, can be found on the Takeover Panel's website at www.thetakeoverpanel.org.uk.

"Interests in securities" arise, in summary, when a person has long economic exposure, whether conditional or absolute, to changes in the price of securities. In particular, a person will be treated as having an "interest" by virtue of the ownership or control of securities, or by virtue of any option in respect of, or derivative referenced to, securities.

Terms in quotation marks are defined in the Code, which can also be found on the Panel's website. If you are in any doubt as to whether or not you are required to disclose a "dealing" under Rule 8, you should consult the Panel.

In accordance with Rule 2.10 of the Code, Xploite confirms that it has 21,797,054 ordinary shares of 10 pence in issue as at the date of this Announcement.

11 March 2010

APPENDIX I

CONDITIONS TO THE IMPLEMENTATION OF THE SCHEME AND FURTHER TERMS OF THE PROPOSAL

1. The Proposal will be conditional upon the Scheme becoming unconditional and becoming effective, subject to the City Code, by no later than 14 July 2010 or such later date (if any) as Avisen and Xploite 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 as set out in the notice of the General Meeting in this document 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 Xploite) 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) admission of the New Avisen Shares to trading on AIM becoming effective in accordance with the AIM Rules or if Avisen so determines (subject to consent of the Panel) the London Stock Exchange agreeing to admit such shares to trading on AIM subject to the allotment of such New Avisen Shares and/or the Scheme becoming or being declared unconditional in all respects.
3. In addition, Xploite 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, Xploite or any member of the Xploite 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 Xploite Shares or the acquisition of control or management of Xploite or the Xploite 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 Xploite Shares in, or to exercise voting or management control over, any member of the Xploite 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 Xploite 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 Xploite Group to acquire, or to offer to acquire, any shares or other securities (or the equivalent) in any member of the Xploite 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 co-ordinate 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 Xploite 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 Xploite Group in each such case to the extent that it is material in the context of the Xploite 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, Xploite or any other member of the Xploite Group or the carrying on by any member of the Xploite 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, Xploite or any other member of the Xploite Group by any member of the Avisen Group or the carrying on by any member of the Xploite 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 Xploite 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 10 March 2010 and except as Disclosed, there being no provision of any arrangement, agreement, licence, permit, franchise or other instrument to which any member of the Xploite 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, Xploite or any other member of the Xploite 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 Xploite 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 Xploite 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 Xploite 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 Xploite 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 Xploite Group or Avisen Group being or falling to be disposed of or ceasing to be available to any member of the Xploite 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 Xploite Group or Avisen Group otherwise than in the ordinary course of business;
 - (v) any member of the Xploite 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 Xploite 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 Xploite 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 Xploite 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 10 March 2010 and except as Disclosed by Xploite or otherwise as a result of the Proposal no member of the Xploite Group having:
- (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: (A) as between Xploite and wholly owned subsidiaries of Avisen; or (B) any shares issued upon the exercise of any options granted under the Xploite Option Schemes;

- (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 Xploite or a wholly-owned subsidiary of Xploite);
- (iv) except as between Xploite 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 Xploite and a wholly-owned subsidiary of Xploite 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 Xploite 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 Xploite 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 Xploite 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 Xploite Group, and which in any case is material in the context of the Xploite Group taken as a whole;
- (viii) other than pursuant to the Scheme (except as between Xploite 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 Xploite Group, which in any case is material in the context of the Xploite 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 Xploite 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 Xploite 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 Xploite 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 Xploite Group) relating to the employment or termination of employment of any person employed by the Xploite 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 10 March 2010 and except as Disclosed by Xploite:
- (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 Xploite Group which in any case is material in the context of the Xploite Group taken as a whole;
 - (ii) no contingent or other liability of any member of the Xploite Group having arisen or become apparent or increased which in any case is material in the context of the Xploite Group taken as a whole;
 - (iii) no litigation, arbitration proceedings, prosecution or other legal proceedings to which any member of the Xploite 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 Xploite Group which in any case is material in the context of the Xploite 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 Xploite Group which in any case is material in the context of the Xploite Group taken as a whole;
- (g) Avisen not having discovered, other than to the extent otherwise publicly announced by Xploite prior to the Announcement (by the delivery of an announcement to a Regulatory Information Service) or as otherwise fairly disclosed prior to the date of the Announcement in writing to Avisen by or on behalf of Xploite in the course of negotiations:
- (i) that any financial or business or other information concerning the Xploite Group disclosed at any time by or on behalf of any member of the Xploite 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 Xploite Group taken as a whole;
 - (ii) that any member of the Xploite Group is subject to any liability (actual or contingent) which is not disclosed in Xploite's annual report and accounts for the financial year ended 31 October 2009 and which in any case is material in the context of the Xploite 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 Xploite Group to an extent which is material in the context of the Xploite Group taken as a whole; and
- (h) since 10 March 2010 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, 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 (h);
- (i) in the period since 10 March 2010 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; and
- (j) save as Disclosed by Avisen, Xploite 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 Xploite 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 2009 or unaudited interim accounts for the 6 month period ended 31 July 2009; 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 Xploite Shares under the provisions of Rule 9 of the City Code, Avisen may (with the consent of Xploite) make such alterations to the conditions of the Proposal, including to the Conditions set out in paragraph 2 of this Part IV of the Scheme Document, 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 Xploite Shares to which such offer

would relate.

3. New Xploite 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 the Scheme Document and accompanying Forms of Proxy 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 Xploite) 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, Xploite 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. Xploite 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 Xploite's annual report and accounts for the year ended 31 October 2009; or
- (ii) as disclosed in Avisen's annual report and accounts for the year ended 31 January 2009;
- (iii) as publicly announced by any member of the Xploite Group or the Avisen Group (through a Regulatory Information Service) prior to the date of the Scheme Document; or
- (iv) as disclosed in the Scheme Document; or
- (v) as otherwise fairly disclosed prior to the date of the Announcement in writing to Xploite or Avisen by or on behalf of Avisen or Xploite in the course of negotiations.

APPENDIX II

DEFINITIONS

In this Announcement, the following words and expressions shall, except where the context requires otherwise, have the following meanings:

“Act” means the Companies Act 2006;

“Acquisition” means the proposed acquisition of the entire issued and to be issued ordinary share capital of Xploite by Avisen pursuant to the Proposal;

“AIM” means the AIM market operated by the London Stock Exchange;

“AIM Rules” means 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;

“Anix” means the IT services and infrastructure solutions operations of Xploite carried on under the Anix brand;

“Announcement” means this announcement regarding the Proposal and the Scheme made pursuant to Rule 2.5 of the City Code;

“Avisen” or “Offeror” means Avisen plc;

“Avisen Board” or “Avisen Directors” means the board of directors of Avisen as at the date of this Announcement;

“Avisen General Meeting” means 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;

“Avisen Group” means Avisen, its subsidiaries and subsidiary undertakings;

“Avisen Resolutions” means the resolutions to be proposed at the Avisen General Meeting in order to give effect to the Scheme;

“Avisen Shares” means ordinary shares of £0.05 each in the capital of Avisen;

“Articles” means the articles of association of Xploite from time to time;

“Business Day” means a day, not being a Saturday, Sunday or public holiday, on which the clearing banks in London are generally open for business;

“Brewin Dolphin” means Brewin Dolphin Investment Banking, a trading name of Brewin Dolphin Limited, a company incorporated under the laws of England and Wales with registered number 2135876;

“Cantono” means Cantono PLC, a company incorporated under the laws of England & Wales with registered number 05354873;

“Capita Registrars” means a trading name of Capita Registrars Limited;

“certificated” or “in certificated form” means 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” means in respect of a Business Day, 6.00 p.m. on that Business Day;

"Closing Price" means as regards securities quoted on AIM, the closing middle market quotation of a share derived from AIM;

"Code", "Takeover Code" or "City Code" means the City Code on Takeovers and Mergers issued by the Panel;

"Conditions" means the "Conditions to the Implementation of the Scheme and Further Terms of the Proposal" set out in Appendix I to this Announcement and "Condition" means any one of them;

"Connected Person" has the meaning given to it in section 252 of the Act;

"Consideration Shares" means the 3.6 New Avisen Shares to be issued under the terms of the Proposal in respect of each Scheme Share;

"Court" means the High Court of Justice of England and Wales;

"Court Meeting" means 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 100 Fetter Lane, London EC4A 1BN at 11.00 a.m. on 6 April 2010 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, notice of which will be set out in the Scheme Document;

"Court Orders" means the Scheme Court Order and the Reduction Court Order;

"CREST" means the relevant system (as defined in the Regulations) of which Euroclear is the Operator (as defined in the Regulations);

"CREST Application Host" means the system that is operated to receive, manage and control the processing of messages by CREST;

"CREST Manual" means the CREST manual issued by Euroclear;

"CREST member" means a person who is, in relation to CREST, a system-member (as defined in the Regulations);

"CREST participant" means a person who is, in relation to CREST, a system-participant (as defined in the Regulations);

"CREST sponsor" means a person who is, in relation to CREST, a sponsoring system-participant (as defined in the Regulations);

"CREST sponsored member" means a CREST member admitted to CREST as a sponsored member under the sponsorship of a CREST sponsor;

"Effective Date" means the date on which the Reduction Court Order is delivered to the Registrar of Companies in England and Wales;

"Enlarged Group" means the Avisen Group as enlarged by the Acquisition;

"Enlarged Issued Share Capital" means all of the issued Avisen Shares following the issue of the New Avisen Shares, assuming the Scheme becomes effective;

"Euroclear" means Euroclear UK & Ireland Limited;

"Forms of Proxy" means the respective forms of proxy for use in connection with the Court Meeting and the General Meeting or either of them as the context requires;

"FSA" means the Financial Services Authority;

"FSMA" means the Financial Services and Markets Act 2000 (as amended);

"General Meeting" means the general meeting (and any adjournment thereof) of Xploite Shareholders convened in connection with the Scheme to be held at 100 Fetter Lane, London EC4A 1BN at 11.15 a.m on 6 April 2010 to consider and, if thought fit, to approve the Special Resolutions in relation to the Scheme (with or without amendment), notice of which will be set out in the Scheme Document;

"HMRC" means HM Revenue & Customs;

"Holder" means a registered holder of shares and includes any person(s) entitled by transmission;

"Inducement Fee" means the fee to be paid by Xploite to Avisen pursuant to the Non-Solicitation Agreement;

"London Stock Exchange" or "LSE" means London Stock Exchange plc;

"Meetings" means the Court Meeting and the General Meeting and "Meeting" means either of them;

"New Avisen Shares" means up to 82,814,227 new Avisen Shares to be issued to Scheme Shareholders, as consideration for the New Xploite Shares pursuant to the Proposal;

"New Xploite Shares" means 23,003,952 new Xploite Shares to be issued to Avisen under the terms of the Scheme;

"Non-Solicitation Agreement" means the non-solicitation agreement between Avisen and Xploite dated 18 January 2010;

"Offer Period" means the period commencing on the date of this Announcement until announcement via a Regulatory Information Service by Xploite and/or Avisen that the Scheme has become effective or that the Scheme has lapsed or been withdrawn;

"Overseas Shareholders" means Xploite Shareholders who are resident 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" means the Panel on Takeovers and Mergers;

"Participant ID" means the identification code or membership number used in CREST to identify a CREST member or other CREST participant;

"Proposal" means the recommended acquisition by Avisen of the entire issued and to be issued share capital of Xploite to be effected by way of the Scheme and subject to the Conditions and on the terms of the Scheme Document including, where the context so requires, any subsequent revision, variation, extension or renewal of such proposal;

"Proposed Directors" means Ian Smith, Robert Arrowsmith and Tony Weaver, all of whom will be appointed on the Effective Date;

"Reduction of Capital" the proposed reduction of the ordinary share capital of Xploite 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" means the hearing at which the Reduction Court Order is made;

“Reduction Court Order” means 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” means the Uncertificated Securities Regulations 2001 (SI 2001 No. 01/3755);

“Regulatory Information Service” has the same meaning as defined in the AIM Rules;

“Resolutions” means 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” means any jurisdiction where local laws or regulations may result in a significant risk of civil, regulatory or criminal exposure for Avisen or Xploite if information or documentation concerning the Proposal is sent or made available to Xploite Shareholders in that jurisdiction;

“Scheme” or “Scheme of Arrangement” means the proposed scheme of arrangement under Part 26 of the Act between Xploite and the Scheme Shareholders, with or subject to any modification, addition or condition approved or imposed by the Court and agreed to by Xploite 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” means the hearing at which the Scheme Court Order is made;

“Scheme Court Order” means the order of the Court granted at the Scheme Court Hearing to sanction the Scheme under Part 26 of the Act;

“Scheme Document” means the scheme document to be issued in relation to the Proposal;

“Scheme Record Time” 6.00 p.m. on the Business Day immediately preceding the Reduction Court Hearing;

“Scheme Shareholders” means the Holders of Scheme Shares;

“Scheme Shares” means

- the Xploite Shares in issue at 6.00 p.m. on the date of the Scheme Document;
- (if any) Xploite Shares issued after the date of the Scheme Document and before the Voting Record Time; and
- (if any) Xploite 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, in each case, save for any shares held, legally or beneficially, by Avisen;

“SEC” means the US Securities and Exchange Commission;

“Securities Act” means the United States Securities Act of 1933 (as amended);

“South Africa” means the Republic of South Africa, its provinces, possessions, and territories and all areas subject to its jurisdiction and any political sub-division thereof;

“Special Resolutions” means the special resolutions to be proposed at the General Meeting to approve the Scheme, the Reduction of Capital and to amend the Articles;

“SRA” means storage resource analysis;

“Storage Fusion” means Storage Fusion Limited, a wholly-owned subsidiary of Xploite;

“Storage Fusion Business” means the business of Storage Fusion, being the development and sale of the SRA software;

"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" means the acquisition of the entire issued and to be issued ordinary share capital of Xploite by means of a takeover offer made pursuant to the City Code;

"TFE instruction" means a Transfer from Escrow instruction (as described in the CREST manual issued by Euroclear);

"TTE instruction" means a Transfer to Escrow instruction (as described in the CREST manual issued by Euroclear) in relation to Xploite Shares in uncertificated form;

"UK" or "United Kingdom" means the United Kingdom of Great Britain and Northern Ireland;

"UK Listing Authority" or "UKLA" means the FSA in its capacity as a competent authority under the Financial Services and Markets Act 2000;

"uncertificated" or "uncertificated form" means 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" means the United States of America, its territories and possessions, the District of Columbia, and all other areas subject to its jurisdiction;

"Voting Record Time" means 6.00 p.m. on 4 April 2010, or, in the event that the Court Meeting is adjourned by more than 48 hours, 6.00 p.m. on the day which is two days before such adjourned meeting;

"Xploite" or the "Company" means Xploite plc;

"Xploite Board" or "Xploite Directors" means the board of directors of Xploite as at the date of this Announcement;

"Xploite EMI Options" means the 1,206,898 Xploite Options exercisable under the Xploite EMI Option Scheme;

"Xploite EMI Option Scheme" means the EMI option scheme adopted by the Xploite Board on 19 March 2007;

"Xploite Group" means Xploite, its subsidiaries and subsidiary undertakings;

"Xploite Non-Executive Directors" means the non-executive directors of Xploite;

"Xploite's Receiving Agent" or "Capita Registrars" means Capita Registrars of The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU;

"Xploite Shares" means the existing unconditionally allotted or issued and fully paid ordinary shares of £0.10 each in the capital of Xploite and any further such shares of £0.10 each in the capital of Xploite which are unconditionally allotted or issued before the Scheme becomes effective;

"Xploite Shareholders" means holders of Xploite Shares from time to time; and

"Xploite Option" means an option over a Xploite Share which has been granted to a holder pursuant to the Xploite Option Schemes.