

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document or the action you should take, you should immediately consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000.

If you have sold or otherwise transferred all of your Ordinary Shares in the Company, please forward this document to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee.

Notice of an Extraordinary General Meeting to be held at 2.30 p.m. on Thursday 6th December 2007 at the offices of Farrer & Co, 66 Lincoln's Inn Fields, London WC2A 3LH is set out at the end of this document. To be valid, the enclosed form of proxy for use in connection with the Extraordinary General Meeting should be completed and returned by post or by hand to Capita Registrars, Proxy Department, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU as soon as possible but, in any event, so as to arrive not later than 2.30 p.m. on Tuesday 4th December 2007.

Red24 PLC

(Registered in Scotland No SCO86069)

Directors

S A Richards MA MSc FCA (*Chairman*)
J E A Mocatta MA FCA (*Non-executive*)
M Worsley-Tonks

Registered Office:

Breckenridge House
274 Sauchiehall Street
Glasgow G2 3EH

To the red24 plc shareholders (and, for information only, to holders of options under the red24 plc Share Option Scheme and to holders of warrants to subscribe for shares in red24 plc).

Dear Shareholder

The accompanying interim statement for the half year to 30th September 2007, sets out the current trading position and the reasons for convening this Extraordinary General Meeting. Essentially your Board has concluded that further significant progress of the Group requires greater financial strength and that includes the ability to raise additional capital. To this end the existing par value of the shares in relation to the current share price is an obstacle and is likely to remain one. Accordingly your Board is proposing a subdivision of each existing ordinary share of 1p of the Company into one deferred share of 0.9p (a "Deferred Share") and one interim ordinary share of 0.1p (an "Interim Share"), and the subsequent immediate consolidation of every ten Interim Shares into one new ordinary share of 1p each. The Deferred Shares will not be admitted to trading on AIM, will carry no voting rights, shall not entitle the holders to any dividend and will only have notional rights in respect of a return of capital on a liquidation. The Company may, in the future, decide to buy back the Deferred Shares or to seek the consent of the Court for a cancellation of the Deferred Shares (by way of a reduction of capital). At the same time the Board is taking the opportunity to modernise certain of its articles with regard to meetings so that in future all meetings, other than the Annual General Meeting will be known as General Meetings and may be convened at 14 days notice.

You will find at the end of this document a notice convening an Extraordinary General Meeting for the purpose of approving the above mentioned matters and a form of proxy is enclosed with this document. Whether or not you propose to attend the Extraordinary General Meeting in person, you are requested to complete the form of proxy in accordance with the instructions printed thereon. To be valid, completed forms of proxy for must be completed and returned by post or by hand to Capita Registrars, Proxy Department, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU as soon as possible but, in any event, so as to arrive not later than 48 hours before the time appointed for holding the Extraordinary General Meeting or any adjournment thereof. If you complete and return a form of proxy, you may still attend and vote at the Extraordinary General Meeting in person should you decide to do so.

Yours faithfully,

S A Richards
Chairman

12th November 2007

Red24 plc

Notice of Extraordinary General Meeting

NOTICE IS HEREBY given that an Extraordinary General Meeting of red24 plc ("the Company") will be held at 2.30pm on Thursday 6th December 2007 at the offices of Farrer & Co, 66 Lincoln's Inn Fields, London WC2A 3LH for the following purposes:

Special Business

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

1. THAT: subject only to Resolution 2 below being passed as an Ordinary Resolution and Resolution 3 below being passed as a Special Resolution, each of the existing issued and unissued ordinary shares of 1p each in the capital of the Company be and is hereby sub-divided into one ordinary share of 0.1p each (each an "Interim Share") and one deferred share of 0.9p each (each a "Deferred Share"), each such Deferred Share having the rights attaching to it as set out in the Articles of Association of the Company as amended pursuant to Resolution 3 below (the "New Articles").
2. THAT: subject only to Resolution 1 above being passed as an Ordinary Resolution and Resolution 3 below being passed as a Special Resolution, every 10 Interim Shares of (whether issued or unissued) be and are hereby consolidated into 1 ordinary share of 1p each in the capital of the Company having the rights attaching to them as set out in the New Articles, and that any fractional entitlements be dealt with in accordance with the New Articles so that:-
 - 2.1 any fractions of shares arising on such consolidation be aggregated and sold on behalf of the members entitled thereto at the best price reasonably obtainable and the net proceeds of sale be distributed amongst such members in due proportions save that any amounts of £5.00 or less shall not be paid but shall instead be retained by the Company; and
 - 2.2 for the purposes of implementing such consolidation the Directors be authorised to appoint some person to execute transfers on behalf of persons otherwise entitled to any fractions arising therefrom and generally to make all arrangements which appear to them necessary or expedient for the settlement of such fractional entitlements.

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

3. THAT: subject only to Resolutions 1 and 2 above being passed as Ordinary Resolutions, the existing Articles of Association of the Company be and are hereby amended by the deletion of Article 2(1) in its entirety and the substitution of the following therefor:-

"(1) The share capital of the Company is £5,000,000 divided into 50,000,000 ordinary shares of 1p each ("Ordinary Shares") and 500,000,000 deferred shares of 0.9p each ("Deferred Shares").

The special rights and restrictions attaching to the Deferred Shares shall be as follows:

i) as regards voting:

the Deferred Shares shall not entitle the holders thereof to receive notice of or to attend or vote at any General Meeting of the Company;

(ii) as regards transfers:

the Company is authorised at any time:

aa. to appoint any person to execute on behalf of the holders of the Deferred Shares a transfer thereof and/or an agreement to transfer the same, without making any payment to the holders thereof and persons so entitled, to such person(s) as the Company may determine (or to the Company itself by way of a purchase of its own shares);

bb. pending any such transfer not to issue certificates for the Deferred Shares;

(iii) as regards variation of rights:

neither

aa. the passing by the Company of any resolution for a reduction of capital involving the cancellation of the Deferred Shares without any repayment of capital in respect thereof, or a reduction of share premium account, or the obtaining by the Company or the making by the Court of an order confirming any such reduction of capital or share premium account or the making effective of such order; nor

bb. the purchase by the Company in accordance with the provisions of the Act (to the extent it remains in force) and CA 2006 of any of its own shares or other securities or the passing of a resolution to permit any such purchase;

shall constitute a variation or abrogation of the rights attaching to the Deferred Shares;

and

(iv) as regards further issues:

the rights conferred by the Deferred Shares shall not be varied or abrogated by the creation or issue of further shares ranking *pari passu* with or in priority to the Deferred Shares.

(v) as regards income:

The Deferred Shares shall carry no right to receive any dividend or other distribution.

(vi) as regards capital:

On return of capital in a liquidation, but not otherwise, the holders of the Deferred Shares shall be entitled to receive the nominal amount of their respective holdings of Deferred shares but only after the holder of each Ordinary Share shall have received the amount paid up or credited as paid up on such Ordinary Share together with a payment of £1,000,000 per Ordinary Share and the holders of the Deferred Shares shall not be entitled to any further participation in the assets or profits of the Company."

4. THAT: the existing Articles of Association of the Company be and are hereby amended by the deletion of Articles 45, 46 and 47 (inclusive) in their entirety and substitution of the following new Articles 45, 46 and 47 therefor:-

"45. TYPES OF GENERAL MEETING

All general meetings of the Company other than annual general meetings shall be called general meetings.

46. CONVENING GENERAL MEETINGS

The Board may call general meetings whenever and at such times and places as it shall determine and, on the requisition of members pursuant to the provisions of the Act, shall forthwith proceed to convene a general meeting in accordance with the requirements of the Act. If at any time there are not within the United Kingdom sufficient Directors to call a general meeting, any Director may call a general meeting.

47. PERIOD OF NOTICE

Subject to the provisions of the Act, an annual general meeting shall be called by at least twenty one clear days' notice. All other general meetings shall be called by at least fourteen clear days' notice."

By order of the Board

J E A Mocatta
Secretary

12th November 2007

Registered office
Breckenridge House
274 Sauchiehall St
Glasgow G2 3EH

Registered in Scotland
No. SCO86069

Notes

1. A member entitled to attend and vote at the Meeting may appoint one or more proxies to attend and, on a poll, to vote instead of him or her. A proxy need not be a member.

A form of proxy is enclosed which you are also invited to complete and return. Completion and return of the proxy form in accordance with the instructions thereon will not prevent you from attending and voting at the Meeting, instead of your proxy, if you wish to do so.

red24 plc
(Incorporated and registered in Scotland with registered no. SCO86069)

FORM OF PROXY

Proxy for use at the EXTRAORDINARY GENERAL MEETING to be held at the office of Farrer & Co, 66 Lincoln's Inn Fields, London WC2A 3LH at 2.30 p.m. on Thursday 6th December 2007.

I/We (BLOCK CAPITALS PLEASE)

Of

Address

being a member(s) of red24 plc, hereby appoint

.....

or failing him/her the Chairman of the Meeting, as my/our proxy to attend and vote for me/us on my/our behalf at the Extraordinary General Meeting of the Company to be held at 2.30 p.m on Thursday 6th December 2007 and at any adjournment thereof.

SPECIAL BUSINESS

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

Resolutions		For	Against	Abstain
1.	To subdivide the existing ordinary shares			
2.	To consolidate the subdivided ordinary shares.			

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

Resolutions		For	Against	Abstain
1.	To amend the articles of the company to set out the rights attributable to the deferred shares			
2.	To amend the articles with regards to general meetings.			

Signed

Dated 2007

Notes

- (a) Please insert full name(s) of all holders.
- (b) Members entitled to attend and vote at the meeting may appoint one or more proxies of their own choice to attend, and, on a poll, vote in their stead.
- (c) Please indicate above with an "X" how you wish your vote to be cast. If you do not so indicate, then, in relation to the resolution proposed at the meeting, the proxy will abstain or vote at his/her discretion.
- (d) In the case of a corporation, this proxy must be under the common seal or under the hand of an officer or attorney duly authorised. In the case of joint holdings, the signature of the first named on the register of members will be accepted to the exclusion of the votes of the other joint holder(s).
- (e) Any alteration to this form of proxy should be initialled.
- (f) This proxy will be used in the event of a poll being directed or demanded.
- (g) To be valid, this form of proxy and the power of attorney or other authority (if any) under which it is signed, must reach the Company's Registrars, Capita Registrars, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4BR not less than forty-eight hours before the time appointed for the meeting or any adjournment thereof.
- (h) Completion of this proxy form will not prevent members from attending the meeting in person should they subsequently decide to do so.



Third fold and tuck in

BUSINESS REPLY SERVICE
Licence No MB122



**Capita Registrars
The Registry
34 Beckenham Road
BECKENHAM
Kent BR3 4BR**

First Fold

Second fold

