

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document or about what action you should take, you should consult a person authorised for the purposes of the Financial Services and Markets Act 2000 who specialises in advising on the acquisition of shares and other securities. If you have sold or transferred all of your Ordinary Shares, please send this document and the accompanying Form of Proxy to the purchaser or transferee or to the stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

The Company and the Directors, whose name appear on page 3 of this document, accept responsibility, individually and collectively, for the information contained in this document and compliance with the AIM rules. To the best of the knowledge and belief of the Company and the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information

Strathdon Investments Plc

(Registered in England and Wales with company number 726423)

**Proposed cancellation of admission to trading on AIM
Proposed re-registration as a private limited company
and
Notice of General Meeting**

A letter from the Chairman of Strathdon is set out on page 2 of this document.

Notice of a General Meeting of the Company to be held at the offices of Wallace LLP at One Portland Place, London, W1B 1PN at 9.30 a.m. on 30 December 2011 is set out at the end of this document. A Form of Proxy for use at the General Meeting accompanies this document and, to be valid, must be completed and returned to the Company's solicitors, Wallace LLP, One Portland Place, London W1B 1PN as soon as possible but in any event to be received not later than 48 hours before the time of the meeting. Completion of a Form of Proxy will not preclude a Shareholder from attending and voting at the General Meeting in person.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Date of circular	7 December 2011
Latest time and date for receipt of completed Forms of Proxy for the General Meeting	9.30 a.m. on 28 December 2011
General Meeting	9.30 a.m. on 30 December 2011
Last day of dealings in Ordinary Shares on AIM	9 January 2012
Delisting takes effect	7.00 a.m. on 10 January 2012

Notes:

- (i) If any of the above times and/or dates change, the revised times and/or dates will be notified to Shareholders by an announcement through a regulatory information service recognised by the London Stock Exchange.
- (ii) The Delisting and the Re-registration require the approval of not less than 75 per cent. of the votes cast by Shareholders at the General Meeting.
- (iii) Assuming that the Resolutions are passed, then the Re-registration will become effective after the Delisting occurs and upon the Registrar of Companies issuing a certificate of incorporation on Re-registration. The Registrar of Companies will issue such a certificate when it is satisfied that no valid application can be made to cancel the Resolution relating to the Re-registration. It is expected that this will be on or around the date which is 28 days from when the Delisting takes effect.

DEFINITIONS

The following definitions shall apply throughout this document and accompanying Form of Proxy unless the context otherwise requires:

“Admission”	the admission of the Ordinary Shares to trading on AIM
“Act”	the Companies Act 2006, as amended
“AIM”	the AIM market operated by the London Stock Exchange
“AIM Rules”	the rules published by the London Stock Exchange relating to AIM, as amended from time to time
“Articles”	the articles of association of the Company
“Company” or “Strathdon”	Strathdon Investments plc
“CREST”	a relevant system (as defined in the Regulations) in respect of which Euroclear UK and Ireland Limited is the Operator (as defined in the Regulations)
“Delisting”	the proposed cancellation of admission of the Ordinary Shares to trading on AIM
“Directors” or “Board”	the directors of the Company
“Form of Proxy”	the form of proxy for use by Shareholders enclosed with this document
“General Meeting”	the general meeting of the Company convened for 30 December 2011 at 9.30 a.m., or any adjournment thereof, notice of which is set out at the end of this document
“London Stock Exchange”	London Stock Exchange Plc
“Memorandum”	the memorandum of association of the Company
“Ordinary Shares”	the existing ordinary shares in the capital of the Company
“Proposals”	together the Delisting and the Re-registration
“Regulations”	the Uncertificated Securities Regulations 2001 No. 3755, as amended from time to time
“Re-registration”	the proposed re-registration of the Company in accordance with section 97(1) of the Act
“Resolutions”	the resolutions contained in the notice of General Meeting enclosed with this document
“Shareholders”	the persons who are registered as holders of Ordinary Shares prior to the General Meeting

LETTER FROM THE INDEPENDENT NON-EXECUTIVE CHAIRMAN

Strathdon Investments plc

(Registered in England and Wales with company number 726423)

Directors:

S D Hunt – Chairman
P Loizou – (Executive)
J R Cusins – (Executive)
J S B Smith – (Executive)

Registered Office:

73/75 Mortimer Street
London
W1W 7SQ

7 December 2011

To Shareholders

Dear Shareholder

Re: Proposed Delisting and Re-registration

Introduction

On 7 December 2011, the Company announced that it intends to seek Shareholder approval to cancel the Admission and to re-register the Company as a private limited company.

The purpose of this letter is to explain the background to the proposed Delisting and Re-registration and the reasons why the Board consider the Proposals to be in the best interests of the Company and its Shareholders as a whole and to seek your approval to the Proposals at the General Meeting convened for this purpose. The Notice of the General Meeting is set out at the end of this document.

Rationale for the Delisting and Re-registration

Following careful consideration, the Directors have concluded that it is no longer in the best interests of the Company or its Shareholders for Strathdon to maintain the Admission or to remain a public limited company. In reaching this conclusion, the Directors considered the following factors:

- the significant professional fees associated with the Admission (such as legal, accounting, London Stock Exchange and nominated adviser costs);
- the disproportionate amount of senior management time spent in ensuring compliance with the AIM Rules and related regulatory requirements, including reporting, disclosure and corporate governance requirements;
- that the Admission no longer serves a useful function for the Company in terms of providing access to capital or enabling the Ordinary Shares to be used to effect acquisitions, although the Directors acknowledge the benefit to Shareholders of having a public market in the Ordinary Shares; and
- the lack of liquidity in trading of the Ordinary Shares (there have been under twenty trades during the calendar year).

As a result of the Delisting and Re-registration, the Company would benefit from substantial cost savings. The Directors estimate that the cost saving which will be achieved following the Delisting and the Re-registration will total approximately £50,000-70,000 per annum.

The Directors believe that as a result of the Delisting and Re-registration, Strathdon would be better placed to focus on its orderly exit from the Company's existing portfolio of investments. The Directors believe that greater shareholder value will ultimately be derived by operating the Company's business off-market.

Current Trading and Strategy following the Delisting

The Company Directors report that the trading conditions of the largest three investment portfolio companies are satisfactory to the end of November 2011 with each of the portfolio companies achieving expected results for the current year. There have been no changes in the portfolio since the year ending 31 March 2011 in terms of acquisitions or disposals.

Following the Delisting the Company will continue to work to maximise the value of its existing assets and to seek an orderly exit from the Company's existing portfolio of investments.

The Directors will send out annual financial statements to Shareholders. The Directors also intend to keep Shareholders informed of the Company's financial and operational performance (including the directors' valuation of the portfolio) through periodic updates via the Company's website: www.strathdoninvestmentsplc.com.

Process for Delisting

In accordance with Rule 41 of the AIM Rules, the Company has notified the London Stock Exchange of the Delisting. Under the AIM Rules, it is a requirement that the Delisting is approved by the requisite majority of Shareholders voting at the General Meeting (being not less than 75 per cent. of the votes cast). Accordingly, the Resolution numbered 1 set out in the Notice of General Meeting seeks Shareholders' approval to the Delisting. The Resolution approving the Delisting is not conditional on the passing of any of the other Resolutions. Subject to the Resolution approving the Delisting being passed at the General Meeting, it is anticipated that trading in the Ordinary Shares on AIM will cease at close of business on 9 January 2012 with the Delisting taking effect at 7.00 a.m. on 10 January 2012.

Upon the Delisting becoming effective, Seymour Pierce Limited will cease to be nominated adviser to the Company. The Company will no longer be required to comply with the AIM Rules. The Company will no longer be bound (nor able) to announce, via a regulatory information service, material events, administrative changes or material transactions nor to announce interim or final results. The Company will no longer be required to comply with any of the additional specific corporate governance requirements for companies admitted to trading on AIM.

Upon the Delisting becoming effective, the Company's CREST facility will be cancelled and Shareholders who hold Ordinary Shares in uncertificated form prior to Delisting will receive share certificates. Shareholders should note however that the Company will nevertheless remain subject to the provisions of the City Code on Takeovers and Mergers for a period of 10 years from the Delisting.

Transactions in the Ordinary Shares following Delisting

Immediately following the Delisting, there will be no market facility for dealing in the Ordinary Shares and no price will be publically quoted. As a result the Board recognises that the Delisting will make it more difficult for the Shareholders to buy and sell Ordinary Shares should they want to do so. In view of this and in order to assist Shareholders, the Board intends to facilitate a dealing arrangement within six months of the Delisting to enable Shareholders to trade the Ordinary Shares. Once the facility has been arranged, details will be sent to all Shareholders and also made available to Shareholders via the Company's website: www.strathdoninvestmentsplc.com.

Process for Re-registration

In order for the Company to effect the Re-registration (and to make certain consequential amendments to the Memorandum and the Articles), Shareholders will be asked to pass the Resolution numbered 2 set out in the Notice of General Meeting. The Resolution approving the Re-registration will be conditional on the Resolution approving the Delisting being passed and the Delisting taking effect.

If the Resolution numbered 2 set out in the Notice of General Meeting is duly passed by the Shareholders and the Re-registration becomes effective, the Memorandum and Articles will need to be updated to reflect the fact that the Company is no longer a public company, the Memorandum is no longer required and to remove certain provisions which will no longer be relevant. The main provisions which will be removed are those relating to the disclosure of interests in shares and uncertificated shares (which will no longer apply). Certain consequential amendments will also need to be made to remove definitions which will no longer be used and to update the numbering of the Articles. Accordingly, the Resolution relating to the Re-registration also seeks Shareholders' approval to the deletion of the Memorandum and the amendments to the Articles. Copies of the proposed new articles of association showing the proposed amendments can be viewed, together with the current Articles, on the Company's website: www.strathdoninvestmentsplc.com and are also available for inspection at the Company's registered office during usual business hours on any weekday (Saturdays, Sundays and public holidays excluded) until the date of the General Meeting and at the General Meeting itself.

If the Resolution approving the Re-registration is passed, then, following the satisfaction of the conditions, the Company will file the requisite documents with the Registrar of Companies at Companies House along with the relevant fee for re-registration. The Re-registration will become effective upon the Registrar of Companies issuing a certificate of incorporation on re-registration, which will be issued once the Registrar is satisfied that no valid application can be made to cancel the Re-registration Resolution.

Irrevocable Undertakings

The Company has received irrevocable undertakings from each of the Directors and other Shareholders, who together hold 41,156,166 Ordinary Shares, representing approximately 39.45 per cent. of the current issued Ordinary Share capital, that they will vote in favour of the Resolutions.

General Meeting

Set out at the end of this document is a notice convening the General Meeting to be held at the offices of Wallace LLP at One Portland Place, London W1B 1PN at 9.30 a.m. on 30 December 2011 at which the Resolutions will be put to Shareholders.

Action to be taken

Shareholders will find enclosed with this document a Form of Proxy for use at the General Meeting.

Whether or not you intend attend the General Meeting, you are requested to complete the Form of Proxy in accordance with the instructions printed and return it to the Company's solicitors, Wallace LLP at One Portland Place, London W1B 1PN, as soon as possible and, in any event, so that it is received no later than 9.30 a.m. on 28 December 2011. Completion and return of a Form of Proxy will not preclude you from attending and voting in person at the General Meeting, should you wish to do so.

Recommendation

For the reasons set out on page 3, the Directors believe that the Proposals are fair and reasonable and are in the best interests of the Company and its Shareholders as a whole. Accordingly, the Board unanimously recommends Shareholders to vote in favour of the Resolutions to be proposed as they intend to do in respect of their own beneficial holdings representing, in aggregate, 16.47 per cent. of the Ordinary Shares in issue.

Yours faithfully



Simon Hunt

Non-Executive Chairman

**NOTICE OF GENERAL MEETING
STRATHDON INVESTMENTS PLC (Co. No. 726423)**

NOTICE IS HEREBY GIVEN THAT A GENERAL MEETING of Strathdon Investments Plc (“**the Company**”) will be held at One Portland Place, London W1B 1PN on 30 December 2011 at 9.30 am for the purpose of considering and if thought fit approving the following resolutions:

SPECIAL RESOLUTIONS

1. **THAT** the admission of the Company’s Ordinary Shares of 1p each to trading on AIM be cancelled (the “Delisting”) and that the Directors of the Company be and are hereby authorised to take all steps which are necessary or desirable in order to effect the Delisting.

2. **THAT** conditional upon the Resolution numbered 1 above being passed and on the Delisting taking effect:
 - 2.1 the Company be re-registered as a private company under the Companies Act 2006 by the name of Strathdon Investments Limited

 - 2.2 the memorandum of association of the Company is deleted; and

 - 2.3 **THAT** the Regulations contained in the documents submitted to the meeting and for the purposes of identification signed by the Chairman be approved and adopted as the articles of association of the Company in substitution for and to the exclusion of the existing articles of association of the Company with effect from the date of the re-registration of the Company as a private company.

By Order of the Board:

Central Secretarial Nominees Limited
Secretary

Registered office:
73-75 Mortimer Street
London
W1W 7SQ

7 December 2011

Notes:

- (1) A member of the Company entitled to attend and vote at the Meeting may appoint a proxy to attend and, on a poll, vote instead of him/her. A proxy need not be a member of the Company.

- (2) A member may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. To appoint more than one proxy you may photocopy the proxy form. Please indicate on the line below the proxy’s name the number of shares in relation to which they are authorised to act as your proxy. Please also indicate by ticking the box provided if the proxy instruction is one of multiple instructions being given. All forms must be signed and should be returned together in the same envelope.

- (3) To be valid, a form of proxy must be lodged with the Company’s solicitors Wallace LLP, One Portland Place, London W1B 1PN not later than 48 hours before the time of appointment for holding the Meeting.

- (4) In accordance with Regulation 41 of The Uncertified Securities Regulations 2001, only those members entered on the Company’s register of members not later than 48 hours before the meeting, or if the meeting is adjourned, Shareholders entered on the Company’s register of members not later than 48 hours before the time fixed for the adjourned meeting, shall be entitled to attend and vote at the meeting. Shareholders (or their proxies) attending the meeting are deemed, for the purpose of the Financial Services and Markets Act 2000, to have requested any information given to them orally by the Directors of any other person on their behalf at the meeting.

- (5) Completion and return of a form of proxy will not preclude a member of the Company from attending and voting in person at the Meeting if he/she wishes to do so.

Please note that beneficial owners of shares who have been nominated by the registered holder of those shares to receive information rights under section 146 of the Act are required to direct all communications to the registered holder of their shares rather than to the Company's registrar, Capita Registrars, or to the Company directly. In accordance with Section 324 of the Act, the right to appoint proxies does not apply to persons nominated to receive information rights under section 146 of the Act. Persons nominated to receive information rights under section 146 of the Act who have been sent a copy of this notice of meeting are hereby informed, in accordance with Section 149 (2) of the Act, that they may have a right under an agreement with the registered member by whom they were nominated to be appointed, or to have someone else appointed, as a proxy for this meeting. If they have no such right, or do not wish to exercise it, they may have a right under such an agreement to give instructions to the member as to the exercise of voting rights. Nominated persons should contact the registered member by whom they were nominated in respect of these arrangements.