

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to the action you should take, you are recommended to seek your own personal financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000, if you are in the United Kingdom, or from another appropriately authorised independent financial adviser if you are in a territory outside the United Kingdom.

If you have sold or transferred all your ordinary shares in Helical Bar plc, please forward this document together with the accompanying documents 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. If you have sold or transferred only part of your holding of ordinary shares in Helical Bar plc, you should retain these documents.

Helical Bar plc

(Incorporated in England & Wales, Number 156663)

Annual General Meeting 2008

Notice of the eighty-eighth Annual General Meeting of Helical Bar plc to be held at **The Westbury, Bond Street, London W1S 2YF at 11.30 a.m. on 23 July 2008** is set out at the end of this document.

Whether or not they intend to be present at the meeting, Shareholders are requested to return the accompanying form of proxy completed in accordance with the instructions set out thereon, to Helical Bar plc's registrars, Capita Registrars, Proxy Department, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU as soon as possible and in any event so as to be received by not later than 11.30 a.m. on 21 July 2008.

Table of contents

Section	Page
Expected timetable of principal events	2
Definitions	2
Letter from the Chairman in respect of the Annual General Meeting 2008	3
Notice of Annual General Meeting	6

Expected timetable of principal events

Event	Time and date 2008
Last time for receipt of forms of proxy for the Annual General Meeting	11.30 a.m. on 21 July
Annual General Meeting	11.30 a.m. on 23 July

Definitions

"Annual General Meeting"	the eighty-eighth annual general meeting of the Company to be held at The Westbury, Bond Street, London W1S 2YF at 11.30 a.m. on 23 July 2008
"Company" or "Helical Bar"	Helical Bar plc
"Directors"	the directors of the Company, whose names appear on page 3
"Directors' Remuneration Report"	the Directors' Remuneration Report contained in pages 36 to 42 of the financial statements of the Company for the year ended 31 March 2008
"Notice"	the notice to Shareholders of the Annual General Meeting
"Ordinary Shares"	the ordinary shares of 1 pence each in the capital of the Company
"Shareholders"	the holders of Ordinary Shares

Letter from the Chairman

Directors:

C. G. H. Weaver (Chairman)
M. E. Slade (Chief Executive)
N. G. McNair Scott
P. M. Brown
G. A. Kaye
M. C. Bonning-Snook
J. S. Pitman
A. R. Beevor
W. J. Weeks
A. E. G. Gulliford

Registered Office:

11/15 Farm Street
London W1J 5RS

27 June 2008

To holders of Ordinary Shares and, for information only, to holders of options under the Company's share schemes

Dear Shareholder

Annual General Meeting 2008

Introduction

This year's Annual General Meeting is to be held on 23 July 2008 at 11.30 a.m. at the following address: The Westbury, Bond Street, London W1S 2YF. Notice of the Annual General Meeting is set out at the end of this document. In addition to the ordinary business of the meeting, it is proposed to seek Shareholders' approval at the meeting to various items of special business. The purpose of this letter is to provide you with information concerning both the ordinary and special business.

Ordinary business

To receive and consider the annual accounts (resolution 1).

To declare the final dividend of 2.75 pence per Ordinary Share (resolution 2).

To re-appoint as Directors Mr C. G. H. Weaver, Mr W. J. Weeks, Mr M. C. Bonning-Snook and Mr J. S. Pitman (resolutions 3, 4, 5 and 6 respectively).

To re-appoint the auditors and authorise the Directors to fix their remuneration (resolutions 7 and 8).

Special business

Receive and approve the Directors' Remuneration Report (resolution 9)

Under the Directors' Remuneration Report Regulations 2002, listed companies are required to put a resolution to approve the report on directors' remuneration before their shareholders in general meeting. Therefore an ordinary resolution approving the Directors' Remuneration Report is proposed.

Authority to allot ordinary shares (resolution 10)

Your Directors may only allot shares or grant rights over shares if authorised to do so by Shareholders. The authority granted to your Directors in the annual general meeting of 2007 is due to expire on 24 July 2008. In line with current best practice, Shareholders are being asked to renew this authority annually. Therefore the second item of special business is an ordinary resolution renewing your Directors' general authority under Section 80 of the Companies Act 1985 to allot unissued shares in the capital of the Company for a period of one year, expiring on 22 July 2009. This resolution, if passed, will replace the existing authority and authorise the Directors to allot relevant securities up to an aggregate nominal amount of £319,108 representing approximately one-third of the Company's current issued ordinary share capital. Other than in respect of the Company's obligations under its employee share schemes, your Directors currently have no intention of issuing any shares pursuant to this authority; however we consider it desirable to have this authority in order to maintain flexibility for the future.

Disapplication of pre-emption rights (resolution 11)

Your Directors also require additional authority from Shareholders to renew the power to allot equity securities for cash otherwise than in accordance with statutory pre-emption rights in certain limited circumstances. The authority granted to your Directors in the annual general meeting of 2007 is due to expire on 24 July 2008. Resolution 11 will be proposed as a special resolution to grant the power for a period of one year, expiring on 22 July 2009. Apart from the issue of equity securities in connection with rights issues, this power is limited to the issue of equity securities up to an aggregate nominal amount of £47,866 representing approximately five per cent of the Company's current issued ordinary share capital.

Authority for the purchase of own ordinary shares (resolution 12)

The fourth item of special business is a special resolution authorising the Company to make market purchases of up to 9,563,672 Ordinary Shares representing 9.99 per cent of the Company's current issued ordinary share capital. The maximum and minimum prices are stated in the resolution. The authority sought by this resolution will expire at the conclusion of the annual general meeting of the Company to be held in 2009 or, if earlier, on 30 September 2009. In the period from 1 April 2007 to 26 June 2008, being the last practicable date prior to the publication of this circular, the Company did not purchase any shares for cancellation. This proposal should not be taken as an indication that the Company will purchase its own Ordinary Shares at any particular price or, indeed at all, or to imply any opinion on the part of your Directors as to the market value of the Ordinary Shares.

In the event that Ordinary Shares are purchased, they would either be cancelled (and the number of shares in issue would be reduced accordingly) or, subject to the Treasury Shares Regulations which came into force on 1 December 2003, retained as treasury shares. The Treasury Shares Regulations enable companies to hold shares repurchased as treasury shares with a view to possible resale at a future date rather than having to cancel them. The Company will consider holding repurchased shares pursuant to the authority conferred by this resolution as treasury shares. This would give the Company the ability to reissue treasury shares quickly and cost effectively and would provide the Company with additional flexibility in the management of its capital base. Any issues of treasury shares for the purposes of the Company's employee share schemes will be made within the ten per cent. dilution limit set by the Association of British Insurers. Your Directors will only exercise this authority if they are satisfied that a purchase would lead to an increase in the net asset value of the remaining shares and would be in the interests of Shareholders generally.

As at 26 June 2008, being the latest practicable date prior to the publication of this circular, options were outstanding over 1,939,965 new ordinary 1 pence shares under the Company's share schemes, representing approximately 2.0 per cent of the issued ordinary share capital of the Company after the exercise of such options. If the authority for the Company to purchase its own shares were to be exercised in full, the outstanding options would represent approximately 2.2 per cent of the reduced issued ordinary share capital of the Company after the exercise of such options.

Approve amendments to the Company's articles of association (resolution 13)

The final item of special business is a special resolution to amend the Company's articles of association.

During the last year, a number of sections of the Companies Act 2006 have come into force which affect the constitutional documents of UK listed public companies. Given the number of amendments to be made in connection with this, combined with the necessary amendments explained in the Appendix below, the Directors consider it prudent to adopt new articles of association to comply with this new legislation. An explanation of the principal changes to be made to the existing articles of association is set out in more detail in the Appendix. Other changes, which are of a minor, technical or clarifying nature and also some more minor changes which merely reflect changes made by the Companies Act 2006 have not been noted in the Appendix. The New Articles showing all the changes to the articles of association are available for inspection at the Company's registered office during normal business hours from the date of this notice until the date of the Annual General Meeting and will be available for inspection at the place of the Annual General Meeting for at least 15 minutes prior to and during the meeting.

New provisions in the Companies Act 2006, introduced on 20 January 2007, provide companies with wider powers to use electronic communications with shareholders. In future, subject to amendments in the proposed articles, the Company will be able to communicate electronically with shareholders who have consented to receive shareholder documentation in this way and have provided the Company with an email address or who are deemed to have provided such consent, whether or not they have provided an email address, by placing shareholder documents (including notices of meetings and copies of the annual reports and accounts) on a website and notifying them in writing that such documents are available. Before the Company can communicate with a member by means of a website communication, the relevant member must be asked individually by the Company to agree that the Company may send or supply documents or information to him by means of a website, and the Company must either have received a positive response or have received no response within the period of 28 days beginning with the date on which the request was sent. By taking advantage of these provisions, the Company will not only be able to reduce printing and mailing costs but also reduce the impact of these activities on the environment. The approval by shareholders of this resolution shall also constitute authorisation by the shareholders required for the use of electronic communications pursuant to Disclosure and Transparency Rule 6.1.8R(1).

The Company has not yet decided whether to use these new provisions, but seeks to have the power to do so.

The Companies Act 2006 sets out directors' general duties which largely codify the existing law but with some changes. Under the Companies Act 2006, from 1 October 2008 a director must avoid a situation where he has, or can have, a direct or indirect interest that conflicts, or may possibly conflict, with the company's interests. The requirement is very broad and could apply, for example, if a director becomes a director of another company or a trustee of another organisation. The Companies Act 2006 allows directors of public companies to authorise conflicts and potential conflicts where appropriate, where the articles of association contain a provision to this effect. The Companies Act 2006 also allows the articles to contain other provisions for dealing with directors' conflicts of interest to avoid a breach of duty. The proposed New Articles, as proposed to be altered with effect from 1 October 2008, give the directors authority to approve such situations and to include other provisions to allow conflicts of interest to be dealt with in a way similar to the current position.

There are safeguards that will apply when directors decide whether to authorise a conflict or potential conflict. First, only directors who have no interest in the matter being considered will be able to take the relevant decision, and secondly, in taking the decision the directors must act in a way they consider, in good faith, will be most likely to promote the company's success. The directors will be able to impose limits or conditions when giving authorisation if they think this is appropriate.

It is also proposed that the New Articles should contain provisions relating to confidential information, attendance at board meetings and availability of board papers to protect a director being in breach of duty if a conflict of interest or potential conflict of interest arises. These provisions will only apply where the position giving rise to the potential conflict has previously been authorised by the directors.

It is the Board's intention to report annually on the Company's procedures for ensuring that the Board's powers of authorisation of conflicts are operated effectively and that the procedures have been followed.

Action to be taken

Shareholders will find enclosed a form of proxy for use at the Annual General Meeting. Whether or not they intend to be present at the meeting, Shareholders are requested to return the form of proxy, completed in accordance with the instructions set out thereon, to Capita Registrars, Proxy Department, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU as soon as possible and in any event so as to be received by not later than 11.30 a.m. on 21 July 2008. The completion and return of a form of proxy will not preclude Shareholders from attending and voting at the Annual General Meeting in person should they so wish.

Recommendation

Your Directors consider that the resolutions to be proposed at the Annual General Meeting are in the best interests of the Company and its Shareholders as a whole and unanimously recommend that you vote in favour of the resolutions as they intend to do in respect of their own beneficial holdings of 18,084,381 Ordinary Shares (in aggregate) representing approximately 18.9 per cent of the Company's current issued ordinary share capital.

Yours sincerely

Giles Weaver
Chairman

Notice of Annual General Meeting

Notice is hereby given that the eighty-eighth Annual General Meeting of Helical Bar plc will be held at The Westbury, Bond Street, London W1S 2YF on 23 July 2008 at 11.30 a.m. for the transaction of the following business:

Ordinary business

1. To receive and consider the accounts of the Company for the year ended 31 March 2008 together with the reports of the Directors and the auditors thereon;
2. To declare a final dividend of 2.75 pence per ordinary share of 1 pence each in the capital of the Company, as recommended by the Directors of the Company;
3. To re-elect Mr C. G. H. Weaver, who having served more than nine years on the Board, offers himself for re-election as a Director of the Company, in accordance with the Financial Reporting Council's Combined Code on Corporate Governance;
4. To re-elect Mr W. J. Weeks, who retires by rotation, as a Director of the Company;
5. To re-elect Mr M. C. Bonning-Snook who, having been first appointed as a Director on 1 August 2007 offers himself for re-election, as a Director of the Company;
6. To re-elect Mr J. S. Pitman who, having been first appointed as a Director on 1 August 2007 offers himself for re-election, as a Director of the Company;
7. To re-appoint Grant Thornton UK LLP as auditors until the conclusion of the next general meeting of the Company at which accounts are laid; and
8. To authorise the Directors to fix the remuneration of the auditors.

Special business

To consider and, if thought fit, pass the following resolutions, of which resolutions 9 and 10 will be proposed as ordinary resolutions and resolutions 11, 12 and 13 will be proposed as special resolutions:

9. That the directors' remuneration report for the year ended 31 March 2008 be and is hereby approved;
10. That, in substitution for all unused existing authorities, the Directors be and they are hereby generally and unconditionally authorised, pursuant to Section 80 of the Companies Act 1985 (the "Act") Act, to exercise all powers of the Company to allot relevant securities (as defined in Section 80 of the Act) up to an aggregate nominal amount of £319,108 provided that this authority shall expire on 22 July 2009 save that the Company may before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the Directors may allot relevant securities in pursuance of any such offer or agreement as if the authority conferred hereby had not expired;
11. That, the Directors be and are hereby empowered pursuant to Section 95(1) of the Act to:
 - (a) subject to the passing of resolution 10 above, allot equity securities (as defined in Section 94 of the Act) for cash pursuant to the authority conferred by resolution 10 above as if Section 89(1) of the Act did not apply to any such allotment; and
 - (b) sell relevant shares (as defined in Section 94(5) of the Act) in the Company if, immediately before the sale, such shares are held by the Company as treasury shares (as defined in Section 162A(3) of the Act) ("Treasury Shares") for cash (as defined in Section 162D(2) of the Act), as if Section 89(1) of the Act did not apply to any such sale, provided that such power shall be limited to the allotment of equity securities and the sale of Treasury Shares:
 - (i) in connection with or pursuant to a rights issue or open offer or any other pre-emptive offer in favour of ordinary shareholders in proportion (as nearly as practicable) to the respective number of equity securities held by them on the record date for such allotment but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient to deal with fractional entitlements, Treasury Shares, record dates or legal or practical problems arising under the laws of any overseas territory or the requirements of any regulatory body or stock exchange in any territory or any other matter whatsoever; and
 - (ii) (otherwise than pursuant to sub-paragraph (i) above) up to an aggregate maximum nominal amount of £47,866;and this power shall expire on 22 July 2009, save that the Company may before the expiry of such power make an offer or agreement which would or might require equity securities to be allotted, or treasury shares to be sold, after such expiry and the Directors may allot equity securities or sell treasury shares in pursuance of such offer or agreement as if the power conferred hereby had not expired;

12. That the Company is hereby generally and unconditionally authorised for the purposes of Section 166 of the Act to make one or more market purchases (within the meaning of Section 163(3) of the Act) on the London Stock Exchange of any of the ordinary shares of 1 pence each in the capital of the Company ("Ordinary Shares") on such terms and in such manner as the Directors may from time to time determine and, where such shares are held as treasury shares, the Company may use them for the purposes of its employee share schemes, provided that:
- (a) the maximum number of Ordinary Shares hereby authorised to be purchased is 9,563,672;
 - (b) the maximum price which may be paid for an Ordinary Share is an amount equal to 105 per cent. of the average of the middle market quotations for an Ordinary Share as derived from the London Stock Exchange's Daily Official List for the five business days immediately preceding the day on which the Ordinary Share is contracted to be purchased;
 - (c) the minimum price which shall be paid for an Ordinary Share is 1 pence (exclusive of expenses, if any);
 - (d) the authority hereby conferred shall be in lieu of any existing authority conferred by ordinary or special resolution to purchase Ordinary Shares (but without prejudice to any purchase of Ordinary Shares previously made pursuant to such authority);
 - (e) unless previously renewed, revoked or varied, the authority hereby conferred shall expire at the conclusion of the next annual general meeting of the Company or on 30 September 2009, whichever is the earlier, unless such authority is renewed prior to such time; and
 - (f) the Company may make a contract to purchase the Ordinary Shares under the authority hereby conferred prior to the expiry of such authority which will or may be executed wholly or partly after the expiry of such authority and may make purchases of Ordinary Shares in pursuance of any such contract as if this authority had not expired; and
13. (a) That with immediate effect, the proposed new articles of association (the "New Articles") of the Company as submitted to the meeting marked "X" and initialled by the Chairman for the purposes of identification be 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; and
- (b) That with effect from 00.01 a.m. on 1 October 2008 (or such later date as section 175 of the Companies Act 2006 shall be brought into force), the New Articles be amended by the insertion of new Article 104.7 in the form of the draft produced to the meeting marked 'Y' and initialled by the Chairman for the purposes of identification.

Dated: 27 June 2008

By Order of the Board

T. J. Murphy
Secretary

Registered Office
11/15 Farm Street
London W1J 5RS

Notes to the Notice of Annual General Meeting

1. Appointment of Proxies

- (a) As a member of the Company you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at a general meeting of the Company. You can only appoint a proxy using the procedures set out in these notes.
- (b) Appointment of a proxy does not preclude you from attending the meeting and voting in person. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.
- (c) A proxy does not need to be a member of the Company but must attend the meeting to represent you. To appoint as your proxy a person other than the Chairman of the meeting, insert their full name in the box on your proxy form. If you sign and return your proxy form with no name inserted in the box, the Chairman of the meeting will be deemed to be your proxy. Where you appoint as your proxy someone other than the Chairman, you are responsible for ensuring that they attend the meeting and are aware of your voting intentions. If you wish your proxy to make any comments on your behalf, you will need to appoint someone other than the Chairman and give them the relevant instructions directly.
- (d) You may appoint more than one proxy provided each proxy is appointed to exercise the rights attached to a different share or shares held by you. You may not appoint more than one proxy to exercise rights attached to any one share.
- (e) If the proxy is being appointed in relation to less than your full voting entitlement, please enter in the box provided the number of shares in relation to which they are authorised to act as your proxy. If left blank your proxy will be deemed to be authorised in respect of your full voting entitlement (or if this proxy form has been issued in respect of a designated account for a shareholder, the full voting entitlement for that designated account). In the event of a conflict between a blank proxy form and a proxy form which states the number of shares to which it applies, the specific proxy form shall be counted first, regardless of whether it was sent or received before or after the blank proxy form, and any remaining shares in respect of which you are the registered holder will be apportioned to the blank proxy form. If you submit more than one completed valid proxy, the proxy received last before the latest time for receipt of proxies will take precedence.
- (f) To appoint more than one proxy (an) additional proxy form(s) may be obtained by contacting Capita Registrars, Proxy Department, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU or you may photocopy the proxy form. Please indicate in the box on the form the number of shares in relation to which they are authorised to act as your proxy. Please also indicate with an "X" in the place provided on the proxy form 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.
- (g) To direct your proxy how to vote on the resolutions, mark the appropriate box on your proxy form with an "X" To abstain from voting on a resolution, select the relevant "Vote withheld" box. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting as he or she sees fit.
- (h) To appoint a proxy using this form, your proxy form must be:
 - completed and signed;
 - sent or delivered to Capita Registrars, Proxy Department, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU; and
 - received by Capita Registrars no later than 11.30 a.m. on 21 July 2008.

Completed proxy forms should not be sent to the Company's registered office.

- (i) In the case of a member which is a company, your proxy form must be executed under its common seal or signed on its behalf by a duly authorised officer of the company or an attorney for the company stating their capacity (eg director, secretary).
- (j) Any power of attorney or any other authority under which your proxy form is signed (or a duly certified copy of such power or authority) must be included with your proxy form.
- (k) CREST members who wish to appoint a proxy or proxies by using the CREST electronic appointment service may do so by using the procedures described in the CREST Manual. To be valid, the appropriate CREST message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instructions given to a previously appointed proxy, must be transmitted so as to be received by our agent Capita Registrars, whose CREST participant ID is RA10, by 11.30 a.m. on 21 July 2008.
- (l) In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first named being the most senior).
- (m) If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.
- (n) Save through CREST, we do not have a facility to receive proxy forms electronically. Therefore, you may not use any electronic address referred to in the proxy form or any related document to submit your proxy form.
- (o) Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that only those members entered on the register of members of the Company at 6.00 p.m. on 21 July 2008 or, in the event that this meeting is adjourned, in the register of members as at 6.00 p.m. on the day two days before the date of any adjourned meeting shall be entitled to attend and vote at the meeting in respect of the number of ordinary shares registered in their names at that time. Changes to the entries on the register of members after 6.00 p.m. on 21 July 2008, or in the event that this meeting is adjourned, in the register of members after 6.00 p.m. on the day two days before the date of the adjourned meeting shall be disregarded in determining the rights of any person to attend or vote at the meeting.

2. Documents on display

Copies of service agreements under which Directors of the Company are employed, and copies of the terms and conditions of appointment of Non-Executive Directors (including the terms of the qualifying third party indemnity provisions made by the Company for the benefit of its Directors), a copy of the New Articles of the Company marked to show the changes being proposed in Resolution 13(a) and a copy of the New Articles marked to show the changes being proposed in Resolution 13(b) are available for inspection at the Company's registered office (and copies of the articles, as above, will also be available at the offices of Ashurst LLP, Broadwalk House, 5 Appold Street, London EC2A 2HA) during normal business hours from the date of this notice until the date of the Annual General Meeting and will be available for inspection at the place of the Annual General Meeting for at least 15 minutes prior to and during the meeting.

3. Nominated persons

If you are a person who has been nominated under section 146 of the Companies Act 2006 to enjoy information rights (a "Nominated Person"):

- (a) you may have a right under an agreement between you and the member of the Company who has nominated you to have information rights ("Relevant Member") to be appointed or to have someone else appointed as a proxy for the meeting;
- (b) if you either do not have such a right or if you have such a right but do not wish to exercise it, you may have a right under an agreement between you and the Relevant Member to give instructions to the Relevant Member as to the exercise of voting rights;
- (c) your main point of contact in terms of your investment in the Company remains the Relevant Member (or, perhaps, your custodian or broker) and you should continue to contact them (and not the Company) regarding any changes or queries relating to your personal details and your interest in the Company (including any administrative matters). The only exception to this is where the Company expressly requests a response from you; and
- (d) the statement of the rights of shareholders in relation to the appointment of proxies in paragraph 1 above do not apply to Nominated Persons. The rights described in paragraph 1 can only be exercised by members of the Company.

4. Issued shares and total voting rights

As at 6.00 pm on 26 June 2008, being the last practicable day prior to the publication of the Notice, the Company's issued share capital comprised 95,732,457 ordinary shares of 1 pence each. Each ordinary share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at 6.00 pm on 26 June 2008 is 95,732,457.

5. Corporate representatives

In order to facilitate voting by corporate representatives at the meeting, arrangements will be put in place at the meeting so that (i) if a corporate shareholder has appointed the Chairman of the meeting as its corporate representative to vote on a poll in accordance with the directions of all of the other corporate representatives for that shareholder at the meeting, then on a poll those corporate representatives will give voting directions to the Chairman and the Chairman will vote (or withhold a vote) as corporate representative in accordance with those directions; and (ii) if more than one corporate representative for the same corporate shareholder attends the meeting but the corporate shareholder has not appointed the Chairman of the meeting as its corporate representative, a designated corporate representative will be nominated, from those corporate representatives who attend, who will vote on a poll and the other corporate representatives will give voting directions to that designated corporate representative. Corporate shareholders are referred to the guidance issued by the Institute of Chartered Secretaries and Administrators on proxies and corporate representatives (www.icsa.org.uk) for further details of this procedure. The guidance includes a sample form of appointment letter if the Chairman is being appointed as described in (i) above.

6. Website publication of audit concerns

Shareholders should note that it is possible that, pursuant to requests made by members of the Company under section 527 of the Companies Act 2006, (the "2006 Act") the Company may be required to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the Annual General Meeting; or (ii) any circumstance connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid (in each case) that the members propose to raise at the Annual General Meeting. The Company may not require the members requesting any such website publication to pay its expenses in complying with sections 527 or 528 of the 2006 Act. Where the Company is required to place a statement on a website under section 527 of the 2006 Act, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the Annual General Meeting includes any statement that the Company has been required under section 527 of the Companies Act 2006 to publish on a website.

Appendix

Summary of material changes contained in the proposed New Articles of association of the Company

The principal changes which your Board recommends be made to the Company's existing articles of association are set out below.

1. General: Numerous changes have been made throughout the New Articles (in line with market practice) to reflect the provision for electronic communications mentioned above.
2. General: Generally the opportunity has been taken to bring clearer language into the proposed articles and in some areas to conform the language of the proposed New Articles.
3. General: References to statutory provisions in the Companies Act 1985 which have now been replaced by corresponding provisions in the 2006 Act are proposed to be amended.
4. General: the concept of an "extraordinary" resolution no longer exists under the Companies Act 2006 (the "2006 Act") and is replaced by special resolution, so the word "extraordinary" has been replaced with "special" or deleted throughout the proposed New Articles.
5. Article 60: Section 307 of the Companies Act 2006 (which came into force on 1 October 2007) provides that the annual general meetings of public limited companies require 21 days' notice and that all other meetings require 14 days' notice regardless of whether a special resolution is to be put to members. The proposed amendment incorporates this.
6. Articles 75 and 83: Under the 2006 Act proxies are entitled to vote on a show of hands whereas under the current articles proxies are only permitted to vote on a poll. Multiple proxies may be appointed provided that each proxy is appointed to exercise the rights attached to a different share held by the shareholder. The proposed New Articles reflect these new provisions.
7. Former Article 88: The articles currently enable members to act by written resolution. Under section 281(2) of the 2006 Act public companies can no longer pass written resolutions. These provisions have therefore been removed in the proposed articles.
8. Article 88: The proposed articles of association are amended to make it clearer that a shareholder that is a corporation may appoint more than one corporate representative.
9. Former Article 97. The requirement to keep a register of directors' interests was repealed on 1 April 2007 and, in line with market practice, we therefore propose to delete this article from the proposed New Articles.
10. Article 119: The proposed articles of association provide that the notice of a meeting of the Directors shall be deemed to be duly given to a Director if sent to that Director through electronic means.
11. Article 129.2: Section 44 of the 2006 Act provides that a document may be validly executed by a company if signed by a director in the presence of a witness who attests the signature. The proposed New Articles incorporate this amendment.
12. Article 159 and 160: The 2006 Act has in some areas widened the scope of the powers of a company to indemnify directors and to fund expenditure incurred in connection with certain actions against directors. In particular, the existing exemption allowing a company to provide money for the purpose of funding a director's defence in court proceedings now expressly covers regulatory proceedings and applies to associated companies.
13. During the last year, a number of sections of the Companies Act 2006 have come into force which affect the constitutional documents of UK listed public companies. Given the number of amendments to be made in connection with this, combined with the necessary amendments explained in the Appendix below, the Directors consider it prudent to adopt new articles of association to comply with this new legislation. An explanation of the principal changes to be made to the existing articles of association is set out in the Appendix. Other changes, which are of a minor, technical or clarifying nature and also some more minor changes which merely reflect changes made by the Companies Act 2006 have not been noted in the Appendix. The New Articles showing all the changes to the articles of association are available for inspection at the Company's registered office.

The Companies Act 2006 sets out directors' general duties which largely codify the existing law but with some changes. Under the Companies Act 2006, from 1 October 2008 a director must avoid a situation where he has, or can have, a direct or indirect interest that conflicts, or may possibly conflict, with the company's interests. The requirement is very broad and could apply, for example, if a director becomes a director of another company or a trustee of another organisation. The Companies Act 2006 allows directors of public companies to authorise conflicts and potential conflicts where appropriate, where the articles of association contain a provision to this effect. The Companies Act 2006 also allows the articles to contain other provisions for dealing with directors' conflicts of interest to avoid a breach of duty. The proposed New Articles, as proposed to be altered with effect from 1 October 2008, give the directors authority to approve such situations and to include other provisions to allow conflicts of interest to be dealt with in a way similar to the current position.

There are safeguards that will apply when directors decide whether to authorise a conflict or potential conflict. First, only directors who have no interest in the matter being considered will be able to take the relevant decision, and secondly, in taking the decision the directors must act in a way they consider, in good faith, will be most likely to promote the company's success. The directors will be able to impose limits or conditions when giving authorisation if they think this is appropriate.

It is also proposed that the New Articles should contain provisions relating to confidential information, attendance at board meetings and availability of board papers to protect a director being in breach of duty if a conflict of interest or potential conflict of interest arises. These provisions will only apply where the position giving rise to the potential conflict has previously been authorised by the directors.

It is the Board's intention to report annually on the Company's procedures for ensuring that the Board's powers of authorisation of conflicts are operated effectively and that the procedures have been followed.

New article 104.7

- 104.7 (A) For the purposes of Section 175 of the 2006 Act, the Directors may authorise any matter proposed to them in accordance with these Articles which would, if not so authorised, constitute or give rise to an infringement of duty by a Director under that Section.
- (B) Authorisation of a matter under sub paragraph (A) of this paragraph of this Article shall be effective only if -
- (i) the matter in question shall have been proposed by any person for consideration at a meeting of the Directors, in accordance with the Directors procedures, if any, for the time being relating to matters for consideration by the Directors or in such other manner as the Directors may approve;
 - (ii) any requirement as to the quorum at the meeting of the Directors at which the matter is considered is met without counting the Director in question and any other interested Director (together the "Interested Directors"); and
 - (iii) the matter was agreed to without the Interested Directors voting or would have been agreed to if the votes of the Interested Directors had not been counted.
- (C) Any authorisation of a matter pursuant to sub paragraph (A) of this paragraph of this Article shall extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised.
- (D) Any authorisation of a matter under sub paragraph (A) of this paragraph of this Article shall be subject to such conditions or limitations as the Directors may specify, whether at the time such authorisation is given or subsequently, and may be terminated or varied by the Directors at any time. A Director shall comply with any obligations imposed on him by the Directors pursuant to any such authorisation.
- (E) A Director shall not, by reason of his office or the fiduciary relationship thereby established, be accountable to the Company for any remuneration or other benefit which derives from any matter authorised by the Directors under sub-paragraph (A) of this paragraph of this Article and any contract, transaction or arrangement relating thereto shall not be liable to be avoided on the grounds of any such remuneration or other benefit or on the ground of the Director having any interest as referred to in the said section 175.
- (F) A Director shall be under no duty to the Company with respect to any information which he obtains or has obtained otherwise than as a director or officer or employee of the Company and in respect of which he owes a duty of confidentiality to another person. However, to the extent that his connection with that other person conflicts, or possibly may conflict, with the interests of the Company, this sub-paragraph (F) of this paragraph of this Article applies only if the existence of that connection has been authorised by the Directors under sub-paragraph (A) of this paragraph of this Article. In particular, the Director shall not be in breach of the general duties he owes to the Company by virtue of sections 171 to 177 Companies Act 2006 because he fails -
- (a) to disclose any such information to the Directors or to any Director or other officer or employee of the Company; and/or
 - (b) to use any such information in performing his duties as a Director or officer or employee of the Company.
- (G) Where the existence of a Director's connection with another person has been authorised by the Directors under sub-paragraph (A) of this paragraph of this Article and his connection with that person conflicts, or possibly may conflict, with the interests of the Company, the Director shall not be in breach of the general duties he owes to the Company by virtue of sections 171 to 177 of the 2006 Act because he -
- (a) absents himself from meetings of the Directors or any committee thereof at which any matter relating to the conflict of interest or possible conflict of interest will or may be discussed or from the discussion of any such matter at a meeting or otherwise; and/or
 - (b) makes arrangements not to receive documents and information relating to any matter which gives rise to the conflict of interest or possible conflict of interest sent or supplied by the Company and/or for such documents and information to be received and read by a professional adviser, for so long as he reasonably believes such conflict of interest (or possible conflict of interest) subsists.
- (H) The provisions of sub-paragraphs (F) and (G) of this paragraph of this Article are without prejudice to any equitable principle or rule of law which may excuse the Director from -
- (a) disclosing information, in circumstances where disclosure would otherwise be required under these Articles or otherwise; or
 - (b) attending meetings or discussions or receiving documents and information as referred to in sub-paragraph (G) of this paragraph of this Article, in circumstances where such attendance or receiving such documents and information would otherwise be required under these Articles.
- (I) For the purposes of this Article, a conflict of interest includes a conflict of interest and duty and a conflict of duties.

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