

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in doubt about the contents of this document or about the action you should take you should consult immediately your stockbroker, solicitor, accountant or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000.

If you have sold or transferred all of your Ordinary Shares in Stockcube plc, please send this document, together with the accompanying Form of Proxy, to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee.

Application will be made for the New Ordinary Shares arising from the Share Consolidation to be admitted to trading on AIM. It is expected that admission will become effective and that dealings in the New Ordinary Shares will commence on 25 May 2006.

STOCKCUBE PLC

Proposed Share Consolidation

Notice of Extraordinary General Meeting

A notice of an Extraordinary General Meeting of the Company to be held at the Company's offices at Unit 1.23, Plaza 535, Kings Road, London SW10 0SZ on 24 May 2006 at 10.30am is set out at the end of this document. Shareholders are requested to complete and return the enclosed Form of Proxy to the Company's Registrars, Capita Registrars (Proxies), The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4BR as soon as possible, but in any event, so as to arrive no later than 10.30am on 22 May 2006, whether or not they propose to be present at the Extraordinary General Meeting.

CONTENTS

	Page
Expected Timetable of Principal Events	1
Definitions	2
Letter from the Chairman	4
Notice of Extraordinary General Meeting	8

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Circular posted to Shareholders	28 April 2006
Latest time and date for receipt of Forms of Proxy	10.30am on 22 May 2006
Extraordinary General Meeting	10.30am on 24 May 2006
Record Date for the Share Consolidation	Close of business on 24 May 2006
Expected date on which New Ordinary Shares will be admitted to trading on AIM	8.00am on 25 May 2006
Expected date on which CREST accounts are to be credited	25 May 2006
Expected date by which definitive new share certificates are to be despatched	8 June 2006

DEFINITIONS

In this document and in the accompanying Form of Proxy, the following words and expressions shall, except where the context requires otherwise, have the following meanings:

“Act”	the Companies Act 1985 (as amended);
“Admission”	the admission of the New Ordinary Shares to trading on AIM becoming effective in accordance with the AIM Rules;
“AIM”	the market operated by the London Stock Exchange;
“AIM Rules”	the rules applicable to AIM companies, as published by the London Stock Exchange from time to time;
“Articles”	the articles of association of the Company;
“Board” or “Directors”	the board of directors of the Company;
“Business Day”	means a day (other than a Saturday or Sunday) on which banks are generally open in London for the transaction of normal business;
“Capita Registrars”	a trading division of Capita IRG Plc;
“certificated” or “in certificated form”	the description of a share or other security which is not in uncertificated form (that is, not in CREST);
“CREST”	the relevant system (as defined in the CREST Regulations) for the paperless settlement of share transfers and the holding of shares in uncertificated form in respect of which CRESTCo is the Operator (as defined in the CREST Regulations);
“CRESTCo”	CRESTCo Limited;
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001 No.1/3755) (as amended);
“Existing Ordinary Shares”	the existing ordinary shares of 1p each in the Company in issue at the date of this document;
“Extraordinary General Meeting” or “EGM”	the extraordinary general meeting of the Company to be held at the Company’s offices at Unit 1.23, Plaza 535, Kings Road, London SW10 0SZ, notice of which is set out at the end of this document;
“Form of Proxy”	the form of proxy for use by Shareholders in connection with the Extraordinary General Meeting;
“Fractional Shareholder”	has the meaning ascribed to that expression in paragraph 3 of the letter from the Chairman commencing on page 4 of this document;
“London Stock Exchange”	London Stock Exchange plc;

“New Ordinary Shares”	the new ordinary shares of 10p each in the Company arising on consolidation of the Existing Ordinary Shares;
“Optionholders”	holders of options under the Share Option Schemes;
“Record Date”	close of business on 24 May 2006 (or such other time and date as the Directors may determine);
“Resolution”	resolution 1 to be proposed at the EGM as set out in the Notice of EGM at the end of this document;
“Share Consolidation”	the proposed consolidation of the Company’s ordinary share capital resulting in every 10 Existing Ordinary Shares being consolidated into 1 New Ordinary Share;
“Share Option Schemes”	the Stockcube Founder Employee Share Plan; the Stockcube plc (Revenue Approved) Executive Share Option Scheme and the Stockcube plc (No 2) Executive Share Option Scheme;
“Shareholder”	a holder of Existing Ordinary Shares;
“Shareholding”	a holding of Existing Ordinary Shares;
“Stockcube” or “Company”	Stockcube plc;
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland;
“uncertificated” or “in uncertificated form”	as being held in uncertificated form in CREST and title to which by virtue of the Regulations may be transferred by means of CREST.

STOCKCUBE PLC

(Registered in England and Wales with company number 03838579)

Directors:

Edward Forbes, Non executive chairman
Julian Burney, Chief Executive
Shirley Yeoh, Finance Director
Andrew Ashman, Executive Director
Dennison Veru, Non executive director
Timothy Horlick, Non executive director

Registered Office:

Unit 1.23
Plaza 535
Kings Road
London
SW10 0SZ

28 April 2006

To Shareholders and, for information only, to Optionholders

Dear Shareholder,

PROPOSED SHARE CONSOLIDATION AND NOTICE OF EGM

1. INTRODUCTION

I am writing to you to explain the background to the holding of an Extraordinary General Meeting of the Company on 24 May 2006. The notice of the meeting is set out at the end of this document.

For the reasons set out below the Board believes that it would be appropriate to effect a 1 for 10 consolidation of the Company's Existing Ordinary Shares.

2. BACKGROUND TO AND REASONS FOR THE PROPOSED SHARE CONSOLIDATION

The middle market share price for the Company's Existing Ordinary Shares as at the close of business on 26 April 2006, was 5.25p, with a 4.5p – 6.0p bid/offer spread. The Board believes that this bid/offer spread deters potential investors by, effectively, building in an immediate notional loss of 25% on every purchase.

In order, inter alia, to reduce the relative bid/offer spread in the shares, the Board proposes to consolidate every 10 Existing Ordinary Shares of 1p each into 1 New Ordinary Share of 10p.

3. DETAILS OF THE PROPOSED SHARE CONSOLIDATION

Upon implementation of the Share Consolidation, Shareholders on the register of members of the Company at the close of business on the Record Date, which is expected to be 24 May 2006, will exchange 10 Existing Ordinary Shares for 1 New Ordinary Share and so in proportion for any other number of Existing Ordinary Shares then held. The proportion of the issued ordinary share capital of the Company held by each Shareholder following the Share Consolidation will, save for fractional entitlements and subject to the exercise of share options, be unchanged.

Other than the change in nominal value, the New Ordinary Shares arising on implementation of the Share Consolidation will have the same rights as the Existing Ordinary Shares, including voting, dividend and other rights.

No Shareholder will be entitled to a fraction of a New Ordinary Share and where, as a result of the consolidation of Existing Ordinary Shares described above, any Shareholder is entitled to a fraction of a New Ordinary Share in respect of their holding of Existing Ordinary Shares at the Record Date (a "Fractional Shareholder") such fractions shall be

aggregated with the fractions of New Ordinary Shares to which other Fractional Shareholders of the Company may be entitled so as to form full New Ordinary Shares and shall be sold. This means that any such Shareholder will not have a resultant shareholding of New Ordinary Shares exactly equal to 10% of their holding of Existing Ordinary Shares.

Any Shareholder not holding a number of Existing Ordinary Shares which is exactly divisible by 10 on the Record Date will be entitled to receive the proceeds of this sale in respect of his fractional entitlement.

The Directors will be authorised to sell New Ordinary Shares arising from fractional shareholdings on behalf of the Fractional Shareholders in the market as soon as reasonably practicable following the passing of the Resolution for the best price then reasonably available for those shares.

The proceeds of such sale (net of all costs and expenses) will then be distributed to the Fractional Shareholders in proportion to the fractions of New Ordinary Shares held by each of them. Any issue as to what constitutes a "holding" for these purposes will be determined by the Directors in their absolute discretion. It is intended that holdings in a CREST account and a non-CREST account in the same name or holdings where the name and address of the person concerned are not identical in all respects in the register of members of the Company will be treated as separate holdings.

However, in accordance with the Articles, cash proceeds of less than £3 will not be distributed to Fractional Shareholders but will be retained for the benefit of the Company. In view of the current share price, the Directors do not believe that the due proportion of the proceeds of the sale of any fractional entitlements will amount to £3 and consider it unlikely that any sums will be paid to the Shareholders concerned.

4. **ADMISSION TO AIM**

The Share Consolidation is conditional upon permission being granted by the London Stock Exchange for the New Ordinary Shares to be admitted to trading on AIM. Application for such Admission will be made so as to enable the New Ordinary Shares to be admitted to trading on AIM as soon as practicable following the Record Date. It is expected that Admission will become effective at 8.00am on 25 May 2006 whereupon the Share Consolidation will be effective.

5. **SETTLEMENT**

If you hold a share certificate in respect of your Existing Ordinary Shares in the Company, your certificate will no longer be valid from the time the proposed Share Consolidation becomes effective (expected to be 25 May 2006). If you hold more than 10 Existing Ordinary Shares on the Record Date you will be sent a new share certificate evidencing the New Ordinary Shares to which you are entitled under the Share Consolidation. Such certificates are expected to be despatched no later than 8 June 2006. Upon receipt of the new certificate, you should destroy any old certificates. Pending the despatch of the new certificates, transfers of certificated New Ordinary Shares will be certified against the Company's share register.

If you hold your Existing Ordinary Shares in uncertificated form, you should expect to have your CREST account credited with the New Ordinary Shares to which you are entitled on implementation of the Share Consolidation on 25 May 2006 or as soon as practicable after the Share Consolidation becomes effective.

Any monies payable to Shareholders in respect of the sale (on behalf of Fractional Shareholders) of New Ordinary Shares arising out of the sub-division of Existing Shares will be paid by cheque to the Shareholders entitled thereto (at such Shareholder's risk) and

such cheques are expected to be despatched by no later than 8 June 2006. In the case of Shareholders who hold shares in an uncertificated form, any cash entitlements will be either dispatched by means of CREST by the procuration of the creation of an assured payment obligation in favour of the Shareholder's payment bank, in accordance with the CREST assured payment arrangements or (if for any reason the Company wishes to do so) by cheque (at such Shareholder's risk) in the manner described above. All cash payments will be made in pounds sterling by cheque drawn on a branch of a UK clearing bank and despatched by second class post.

6. EFFECTS OF THE PROPOSED SHARE CONSOLIDATION ON THE SHARE OPTION SCHEMES

The rules of the Share Option Schemes provide that in the event of any consolidation or sub-division of the share capital of the Company, then the number of shares subject to an option and the exercise price payable on exercise of an option may be adjusted by the Board in such manner and with effect from such date as the Board may determine to be appropriate subject to the written confirmation of the auditors of the Company that the adjustments are, in their opinion, fair and reasonable. Adjustments to options granted under the Executive Share Option Scheme cannot take effect until they have been approved by HM Revenue & Customs.

The effect of these provisions will be that, following the Share Consolidation, the number of shares subject to any option held under the Share Option Schemes will decrease broadly to one-tenth of their number prior to consolidation whilst the price payable for the exercise of each option will increase broadly by a multiple of 10. There should, therefore, subject to the relevant consents, be no material alteration to the current potentially dilutive effects of the options granted under the Share Option Schemes. Notice of the adjustments to the options will be sent to individual optionholders as soon as reasonably practicable following the Share Consolidation.

7. TAXATION

The following statements are intended only as a general guide to the current tax position under UK taxation law and practice. They relate only to certain limited aspects of the UK tax position of Shareholders who are the beneficial owners of Existing Ordinary Shares and who are resident or (in the case of individuals) ordinarily resident in the UK for tax purposes and who hold their shares in the Company beneficially as an investment (and not as securities to be realised in the course of a trade). The following is not, and is not intended to be, an exhaustive summary of the tax consequences of acquiring, holding and disposing of Existing Ordinary Shares or New Ordinary Shares. A Shareholder who is in any doubt as to his or her tax position or is subject to tax in any jurisdiction other than the UK should consult his or her duly authorised professional adviser without delay.

The proposed Share Consolidation should constitute a reorganisation of the Company's share capital for the purposes of section 126 of the Taxation of Chargeable Gains Act 1992. For the purposes of UK taxation of chargeable gains, to the extent that you receive New Ordinary Shares under the proposed Share Consolidation, you should not be treated as making a disposal of any of your Existing Ordinary Shares or an acquisition of New Ordinary Shares. The New Ordinary Shares will be treated as the same asset as, and as having been acquired at the same time and for the same aggregate cost as, the holding of Existing Ordinary Shares from which they derive.

Any entitlements to fractions of New Ordinary Shares arising as a result of the Share Consolidation will be consolidated and sold in the market on behalf of the Shareholders entitled to the same.

If you hold fewer than 10 Existing Ordinary Shares at the time the proposed Share Consolidation takes effect and accordingly you only receive cash under the proposed Share Consolidation, as a result of this sale, you will be treated as having disposed of such Existing Ordinary Shares. As a result you may, depending on your individual circumstances, realise a chargeable gain or an allowable loss for tax purposes.

If and to the extent that you receive cash and New Ordinary Shares under the proposed Share Consolidation as a result of the sale of fractional entitlements, you may, under the current practice of HM Revenue and Customs, treat the cash received as a deduction from any base cost you may have in your Existing Ordinary Shares (and, accordingly, the New Ordinary Shares held after the proposed Share Consolidation) rather than as consideration for a disposal of the Existing Ordinary Shares held representing such fractional entitlement.

No liability to stamp duty or stamp duty reserve tax will be incurred by a holder of Existing Ordinary Shares as a result of the proposed Share Consolidation.

8. **EXTRAORDINARY GENERAL MEETING**

In order to give effect to the Share Consolidation, the Resolution needs to be approved by Shareholders in general meeting.

You will therefore find set out at the end of this document a notice convening the Extraordinary General Meeting to be held at the Company's offices at Unit 1.23, Plaza 535, Kings Road, London SW10 0SZ at 10.30am on 24 May 2006 at which the Resolution set out in the notice of meeting will be proposed.

To be passed, the Resolution requires a majority voting in person or on a poll in favour of the Resolution.

In addition, resolutions will also be proposed at the EGM to grant authority to allot shares and to disapply statutory pre-emption rights in respect of certain issues of new shares.

9. **ACTION TO BE TAKEN**

A Form of Proxy is enclosed for use by Shareholders at the Extraordinary General Meeting. If you are a Shareholder, you are requested to complete, sign and return the Form of Proxy, whether or not you intend to be present at the meeting, and return it to Capita Registrars (Proxies), The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4BR. The completion and return of a Form of Proxy will not prevent you from attending the meeting and voting in person should you subsequently wish to do so.

10. **RECOMMENDATION**

The Directors consider that the proposed Share Consolidation is in the best interests of the Company and its Shareholders as a whole.

Accordingly, the Directors unanimously recommend that you vote in favour of the Resolution (and the other resolutions) being proposed at the Extraordinary General Meeting, as they intend to do in respect of their own beneficial holdings amounting to, in aggregate, 7,775,000 Existing Ordinary Shares representing approximately 8.09% of the issued share capital of the Company.

Yours faithfully

Edward Forbes

STOCKCUBE PLC

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of the Company will be held at the Company's offices at Unit 1.23, Plaza 535, Kings Road, London SW10 0SZ at 10.30am on 24 May 2006 for the purpose of considering and, if thought fit, passing the following resolutions, of which resolutions 1 and 2 will be proposed as ordinary resolutions and resolution 3 will be proposed as a special resolution:

ORDINARY RESOLUTIONS

1. THAT subject to and conditional upon the New Ordinary Shares (as defined in sub-paragraph (a) of this Resolution) being admitted to trading on AIM by the London Stock Exchange plc, the existing share capital of the Company be reorganised as follows:
 - (a) every 10 existing authorised issued and unissued ordinary shares of 1p each in the capital of the Company ("**Existing Ordinary Shares**") be and are hereby consolidated into 1 new ordinary share of 10p each in the capital of the Company ("**New Ordinary Shares**"), provided always that, where such consolidation results in any shareholder registered on the Company's register of members at 6.00pm on the date on which this resolution is passed (the "**Record Date**") being entitled to a fraction of a New Ordinary Share (a "**Fractional Shareholder**"), such fraction shall, so far as possible, be aggregated with the fractions of New Ordinary Shares to which other Fractional Shareholders of the Company may be entitled to form full New Ordinary Shares ("**Aggregated Shares**"); and
 - (b) the directors of the Company be and are hereby authorised in accordance with Article 12.3 of the Company's Articles of Association to sell (or appoint any other person to sell), on behalf of the Fractional Shareholders, all the Aggregated Shares at the best price reasonably obtainable to such person or persons as the directors of the Company may, in their absolute discretion, determine and to distribute the proceeds of such sale (net of expenses) in due proportion among the Fractional Shareholders entitled thereto, provided always that:
 - (i) any fraction of a penny which would otherwise be payable shall be rounded up or down in accordance with the usual practice of the registrars of the Company for the time being;
 - (ii) the Company shall not be obliged to remit the net proceeds of such sale to any shareholder whose entitlement to such proceeds is less than £3; and
 - (iii) any director of the Company (or any person appointed by the directors of the Company) shall be authorised by the directors of the Company to execute an instrument of transfer in respect of such shares on behalf of the Fractional Shareholders and to do all things the directors of the Company consider necessary or expedient to effect the transfer of such shares to, or in accordance with the directions of, any buyer of any shares.
2. THAT the directors of the Company be and are hereby generally and unconditionally authorised pursuant to Section 80 of the Companies Act 1985 (as amended) (the "**Act**") to exercise all the powers of the Company to allot relevant securities (within the meaning of Section 80 of the Act) in the capital of the Company up to an aggregate nominal value of £320,000, such authority, unless previously revoked or varied by the Company in general meeting, to expire fifteen months from the date of this Resolution or, if earlier, at the end of the Annual General Meeting of the Company to be held in 2007, provided 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 of the Company may allot relevant securities in pursuance of such offer or agreement as if the authority conferred hereby had not expired.

SPECIAL RESOLUTION

3. THAT, subject to the passing of Resolution 2 above, the directors of the Company be and are hereby empowered pursuant to Section 95 of the Companies Act 1985 (as amended) (the "**Act**") to make

allotments of equity securities (as defined by Section 94 of the Act) wholly for cash pursuant to the authority conferred on them by Resolution 2 above as if sub-section (1) of Section 89 of the Act did not apply to such allotment, provided that this power shall be limited to:

- (a) the allotment of equity securities in connection with an issue in favour of shareholders where equity securities respectively attributable to the interests of the shareholders are proportionate (as nearly as may be) to the respective number of ordinary shares held by them, but subject to such exclusions or other arrangements as the directors may deem necessary or expedient to deal with legal or practical problems in respect of overseas shareholders, fractional entitlements or otherwise; and
- (b) the allotment otherwise than pursuant to sub-paragraph (a) above of equity securities up to an aggregate nominal value of £48,000 provided that this power shall, unless previously revoked or varied by special resolution of the Company in general meeting, expire fifteen months from the date of this Resolution or, if earlier, at the end of the Annual General Meeting of the Company to be held in 2007, save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the directors of the Company may allot equity securities in pursuance of such an offer or agreement as if the power conferred hereby had not expired.

Registered Office:
Unit 1.23
Plaza 535
Kings Road
London SW10 0SZ

BY ORDER OF THE BOARD

Shirley Yeoh
Company Secretary

28 April 2006

Notes:

1. Shareholders will only be entitled to attend and vote at the meeting if they are registered as the holders of Ordinary Shares at 6.00pm on 22 May 2006. This record time is being set by the Company for voting at the meeting pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 because the procedures for updating the register of members in respect of shares held in uncertificated form require a record time to be set for the purpose of determining entitlements to attend and vote at shareholder meetings. The Ordinary Shares are included for trading in uncertificated (electronic) form in CREST.
2. A member who is entitled to attend and vote at the above meeting may appoint one or more proxies to attend and vote on his behalf. A proxy need not be a member of the Company. A proxy is not entitled to vote except on a poll.
3. To be valid, a duly executed Form of Proxy for use at the meeting together, if appropriate, with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority or such other evidence as the directors may require must be deposited at the office of the Company's Registrars, Capita Registrars (Proxies), The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4BR not less than 48 hours before the time fixed for the meeting.
4. In the case of a corporation, the Form of Proxy should be executed under its common seal or signed by a duly authorised officer or attorney of the corporation.
5. Completion and return of a Form of Proxy will not preclude a member from attending the meeting and voting in person if he wishes to do so.