

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

If you have sold or otherwise transferred all of your ordinary shares of 10p each in Stockcube PLC, please send this document, together with the accompanying Form of Proxy and Blue Election Form 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.

STOCKCUBE PLC

(Incorporated in England and Wales with Registered Number 03838579)

Recommended Proposals for the return of approximately £2.4 million to Shareholders by way of a capital reorganisation

Notice of an Extraordinary General Meeting of Stockcube PLC, to be held at the Company's registered office, Unit 1.23, Plaza 535, King's Road, London SW10 0SZ at 11.15 am on 23 May 2007 (or such later time as the Annual General Meeting convened for the same day shall have concluded or been adjourned), is set out at the end of this document. To be valid, the enclosed Form of Proxy must be completed in accordance with the instructions set out on the form and returned so as to be received by hand or by post at Proxy Processing Centre, Telford Road, Bicester OX26 4LD or by hand at Capita Registrars, Proxies, 34 Beckenham Road, Beckenham, Kent BR3 4TU by no later than 11.15 am on 21 May 2007.

Your attention is drawn to the Chairman's Letter which is set out in this document. The Board unanimously recommends that you vote in favour of the resolution to be proposed at the Extraordinary General Meeting. You should note that the proposals for the return of approximately £2.4 million to Shareholders are conditional upon the approval by the Shareholders of the resolution to be proposed at the Extraordinary General Meeting.

DEFINITIONS

In this document and in the accompanying Form of Proxy and Blue Election Form, the following expressions shall (unless the context requires otherwise) have the following meanings:

“Act”	the Companies Act 1985, as amended
“AIM”	the AIM Market of the London Stock Exchange
“Articles”	the Articles of Association of the Company
““B” Shares”	the "B" shares of 5p each in the capital of the Company to be created by the Bonus Issue
“Blue Election Form”	the Election to Defer Cancellation of “B” Shares accompanying this document
“Bonus Issue”	the bonus issue of 5 “B” shares for every 1 Ordinary Share held by each Shareholder on the Record Date
“Capita Registrars”	a trading name of Capita IRG Plc
“Company” or “Stockcube”	Stockcube PLC
“Court”	the High Court of Justice in England and Wales
“2007 Court Hearing”	the effective hearing of the Company’s petition seeking the Court’s confirmation of the 2007 Reduction of Capital
“Directors” or “Board”	the directors of the Company as listed on page 4 of this document
“Extraordinary General Meeting” or “EGM”	the extraordinary general meeting of the Company to be held at the Company’s registered office, Unit 1.23, Plaza 535, King’s Road, London SW10 0SZ at 11.15 am on 23 May 2007 (or such later time as the Annual General Meeting convened for the same day shall have concluded or been adjourned), notice of which is set out at the end of this document
“Form of Proxy”	the form of proxy accompanying this document for use by Shareholders in connection with the EGM
“London Stock Exchange”	London Stock Exchange plc
“Ordinary Shares”	the existing issued ordinary shares of 10p each in the capital of the Company at the date of this document
“Record Date”	5.00 pm on the business day immediately preceding the day of the 2007 Court Hearing
“Reduction of Capital”	the proposed cancellation of the “B” Shares pursuant to the 2007 Reduction of Capital and the 2008 Reduction of Capital (if any)
“2007 Reduction of Capital”	the proposed cancellation of the “B” Shares (save for those where the holders thereof have elected to defer cancellation thereof until 2008) proposed to take place in June 2007
“2008 Reduction of Capital”	the proposed cancellation of all “B” shares not the subject of the 2007 Reduction of Capital (if any) proposed to take place in June 2008
“Resolution”	the resolution to be proposed as a special resolution at the EGM as detailed in the notice at the end of this document
“Shareholder(s)”	holder(s) of Ordinary Shares

PROPOSED TIMETABLE OF PRINCIPAL EVENTS

27 April 2007		Posting of this document to Shareholders
21 May 2007	11.15 am:	Latest time for receipt of Form of Proxy for the Extraordinary General Meeting
23 May 2007	11.00 am:	Annual General Meeting
23 May 2007	11.15 am:	Extraordinary General Meeting (or such later time as the Annual General Meeting shall have concluded or been adjourned)
19 June 2007*	5.00 pm:	Record Date
		Last time for receipt of Blue Election Forms
20 June 2007*		2007 Court Hearing
by 27 June 2007*		Despatch of cheques to shareholders in respect of "B" Shares the subject of the 2007 Reduction of Capital
		Despatch of share certificates to holders of "B" Shares not the subject of the 2007 Reduction of Capital (if any)
June 2008**		2008 Reduction of Capital

*** These dates are provisional only and are subject to alteration in the Court timetable.**

**** Details of the 2008 Reduction of Capital will be announced in April or May 2008.**

Any changes will be notified to Shareholders by an announcement on the Regulatory News Service of the London Stock Exchange.

LETTER FROM THE CHAIRMAN

Stockcube PLC

(Incorporated in England and Wales with Registered Number 03838579)

Registered Office:
Unit 1.23
Plaza 535
King's Road
London
SW10 0SZ

Directors:

Edward Forbes (*Non-executive Chairman*)
Julian Burney (*Chief Executive*)
Shirley Yeoh (*Finance Director*)
Andrew "Rusty" Ashman (*Executive Director*)
Dennison Veru (*Non-executive Director*)
Timothy Horlick (*Non-executive Director*)

27 April 2007

To Shareholders and, for information only, to holders of options over ordinary shares in the Company

Dear Shareholder,

1. INTRODUCTION

I am writing to inform you that the Directors are proposing to make a return of capital to Shareholders of approximately £2.4 million in aggregate.

Since the admission of the Company's shares to trading on AIM, the Directors have been seeking acquisitions which would have synergy with Stockcube's business, would enhance Shareholder value and would be available at what they consider appropriate values. While the Board will continue to look closely at strategic acquisitions and other business alliances it has concluded that organic growth will better serve Shareholders' interests and is therefore proposing to return approximately £2.4 million to shareholders.

In order to effect this return of capital, the Directors propose that each Shareholder will receive, by way of capitalisation of part of the Company's share premium account, 5 "B" Shares credited as fully paid up at par for every 1 Ordinary Share held on the Record Date and to then implement a reduction of capital to return the nominal value of the "B" Shares (approximately £2.4 million in aggregate) to Shareholders. The purpose of this letter is to explain the background to the proposals and how the return of capital is to be effected.

The Directors are recommending that:

- (i) the Bonus Issue be implemented with effect from the Record Date (expected to be 5.00 pm on 19 June 2007); and

- (ii) subject to the approval of the Court, the capital of the Company be reduced by the cancellation of the "B" Shares in consideration of the payment to holders thereof of 5p per "B" Share (being 5p of nominal capital per "B" Share).

The effect of the Bonus Issue and Reduction of Capital will be as follows:

for every 1 Ordinary Share held at the Record Date: a Shareholder will receive 25p in cash.

Pursuant to the Reduction of Capital there will be no change in the number of Ordinary Shares in issue.

Shareholders may elect to defer the cancellation of "B" Shares to be issued to them on the Record Date until 2008, as more fully set out under "The Reduction of Capital" below.

2. **BONUS ISSUE AND RIGHTS OF "B" SHARES**

The first step in the process, as explained above, is that 5 "B" Shares will be allotted for every 1 Ordinary Share held on the Record Date by way of bonus issue.

The "B" Shares will not be admitted to trading on AIM or any other market. No share certificates will be issued in respect of "B" Shares cancelled pursuant to the 2007 Reduction of Capital, but share certificates will be issued in respect of "B" Shares not cancelled thereunder (if any).

The "B" Shares will have no rights to participate in the profits of the Company. The holders of "B" Shares will not be entitled, in their capacity as holders of such shares, to receive notice of any general meeting of the Company or to attend, speak or vote at any such general meeting. On a return of capital on a winding up or otherwise there shall be paid to the holders of "B" Shares 5p in respect of each "B" Share held by them. The "B" Shares will be transferable, but no market will exist in them.

After the Bonus Issue, the Company will have in issue 48,053,150 "B" Shares. It is anticipated that the "B" Shares which are the subject of the 2007 Reduction of Capital will only be in issue for one day.

3. **THE REDUCTION OF CAPITAL**

Under the Act, a company may, with the sanction of a special resolution and the consent of the Court reduce or cancel existing paid up share capital which is in excess of its requirements. It may apply the sums resulting from such reduction in repaying holders of the share capital the amounts paid up on the share capital held by them which is cancelled. This is what the Board proposes to do in relation to the capital paid up on the "B" Shares (which it considers to be in excess of the Company's requirements) and is the mechanism by which shareholders will receive 5p for each of the "B" shares which they hold upon the Reduction of Capital taking place.

The Reduction of Capital is subject to the approval of the Court. The Company intends that an application will be made for the Court to approve the 2007 Reduction of Capital promptly after the EGM provided that the Resolution shall have been passed. Shareholders should note that if, for any reason, the Court declines to approve the 2007 Reduction of Capital, then the proposed return to Shareholders thereunder will not take place (although the Company would then make an application for the Court to cancel all of the "B" Shares pursuant to the 2008 Reduction of Capital). However, your Board has taken advice and, on the basis of the position as it currently exists, it has been advised that there is no reason why the 2007 Reduction of Capital should not be confirmed by the Court.

It is anticipated that Shareholders will be sent cheques for the proceeds of the 2007 Reduction of Capital by 27 June 2007.

Depending upon their individual tax and other circumstances, Shareholders may wish to defer the cancellation of "B" Shares to be issued to them on the Record Date until 2008. Shareholders wishing to defer such cancellation should complete the Blue Election Form which is enclosed, sign it and return it to

the Company's registrar, Capita Registrars Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU by no later than 5.00 pm on 19 June 2007.

Shareholders may only defer the cancellation of all (but not some only) of the "B" Shares to be issued to them.

Shareholders should be aware that circumstances may exist at the time of the 2008 Reduction of Capital which mean that the Court refuses to approve it (although no such circumstances are foreseen by your Board at the date of this document). Shareholders should also be aware that the "B" Shares have very restricted rights: please see "Bonus Issue and Rights of "B" Shares" above.

4. **BENEFITS OF THE DIRECTORS' PROPOSALS**

The Company has approximately £3.8m standing to the credit of its share premium account. The Directors believe that the majority of this reserve is surplus to the Company's requirements and that £2.4m should be returned to Shareholders for them to deploy elsewhere.

5. **SHARE OPTION SCHEMES**

The Company will be writing separately to participants in its share option schemes with details of the impact on them of the Bonus Issue and Reduction of Capital.

6. **EXTRAORDINARY GENERAL MEETING**

The proposals set out in this circular require the approval of the Shareholders. Accordingly, you will find set out at the end of this document a notice convening the EGM to be held at the Company's registered office, Unit 1.23, Plaza 535, King's Road, London SW10 0SZ at 11.15 am on 23 May 2007 (or such later time as the Annual General Meeting convened for the same day shall have concluded or been adjourned). At this meeting a special resolution will be proposed to make the Bonus Issue, cancel the "B" Shares and repay the nominal value to Shareholders.

7. **TAXATION**

The following comments are intended as a general guide only and are based on current UK legislation and H M Revenue & Customs practice as at the date of this document. These comments deal only with Shareholders who are resident or ordinarily resident for taxation purposes in the UK, who are the absolute beneficial owners of Ordinary Shares and who hold them as an investment. They do not deal with the position of certain classes of Shareholders, such as dealers in securities or persons regarded as having obtained their Ordinary Shares by reason of employment.

(i) Bonus Issue

The Bonus Issue should be treated as a "reorganisation" for the purposes of UK taxation of chargeable gains ("CGT"), so that a Shareholder should not be treated as making a disposal or part disposal of his Ordinary Shares for CGT purposes upon receipt of the "B" Shares. Instead, the "B" Shares will be treated as the same asset, acquired at the same time, as his Ordinary Shares. The CGT base cost of the "B" Shares and the Ordinary Shares should be calculated by apportioning the base cost of the Ordinary Shares between the "B" Shares and the Ordinary Shares based on their respective market values as at the date of any disposal for CGT purposes (including on cancellation).

(ii) Reduction of Capital

No part of the proceeds received by a Shareholder on cancellation of the "B" Shares should be an income distribution in the Shareholder's hands.

Section 703 of the Income and Corporation Taxes Act 1988 and Chapter 1 of Part 13 of the Income Tax Act 2007 ("ITA 2007") are anti-avoidance provisions which might be applied to the cancellation of the "B"

Shares so as to treat all or part of the receipt as income in the hands of shareholders within the charge to UK corporation tax and within the charge to income tax respectively. The Company would not expect section 703 to apply but the ITA 2007 is new legislation and so the Company proposes to apply for a clearance under both provisions accordingly. The Company anticipates receiving a response before the date of the EGM and if clearance is refused this will be announced to Shareholders by means of an announcement on the Regulatory News Service of the London Stock Exchange so that they can take that factor into account when they vote at the EGM.

On the basis of the comments above, the cancellation of the "B" Shares should be treated as a disposal of those shares for CGT purposes. In order to calculate any gain or loss on such a disposal the base cost of the "B" Shares will be determined as described under "Bonus Issue" above.

The disposal of the "B" Shares on cancellation may give rise to a liability to CGT depending on the shareholder's individual circumstances (including the availability of exemptions, reliefs or allowable losses).

In the case of a shareholder who is an individual, taper relief may apply to reduce the percentage of any chargeable gain arising on the cancellation of the "B" Shares, depending partly on the period for which the Ordinary Shares have been held. The period for which the "B" Shares are held for the purposes of calculating taper relief will continue to run until those shares are cancelled under the 2007 Reduction of Capital or the 2008 Reduction of Capital if so elected by the Shareholder. In the case of a shareholder within the charge to UK corporation tax, an indexation allowance may apply to reduce any chargeable gain arising on the cancellation of the "B" Shares.

This section is not intended to be, and should not be construed to be, legal or taxation advice to any particular Shareholder. Any Shareholder who has any doubt about his own taxation position, whether regarding CGT or otherwise, or who is subject to taxation in any jurisdiction other than the UK should consult his professional taxation adviser immediately.

8. NON-UNITED KINGDOM SHAREHOLDERS

Shareholders who are not resident in the United Kingdom or who are citizens, residents or nationals of other countries should consult their professional advisers to ascertain whether the Bonus Issue and/or Reduction of Capital will be subject to any restrictions or require compliance with any formalities imposed by the laws or regulations of, or any body or authority located in, the jurisdiction in which they are resident or to which they are subject. In particular, it is the responsibility of any Shareholder not resident in the United Kingdom or a citizen, resident or national of another country to satisfy himself as to full observance of the laws of each relevant jurisdiction in connection with the Bonus Issue and Reduction of Capital, including the obtaining of any government, exchange control or other consents which may be required, or the compliance with other necessary formalities needing to be observed and the payment of any issue, transfer or other taxes or duties in such jurisdiction.

The distribution of this document in certain jurisdictions may be restricted by law. Persons into whose possession this document comes should inform themselves about and observe any such restrictions. Neither this document nor any other document issued or to be issued by or on behalf of the Company in connection with the issue or cancellation of "B" Shares constitutes an invitation, offer or other action on the part of the Company in any jurisdiction in which such invitation, offer or other action is unlawful.

9. ACTION TO BE TAKEN

A Form of Proxy is enclosed for use at the EGM. Whether or not you intend to be present at the EGM, you are asked to complete, sign and return the Form of Proxy by hand or by post to the Company's registrars at Proxy Processing Centre, Telford Road, Bicester OX26 4LD or by hand at Capita Registrars, Proxies, 34 Beckenham Road, Beckenham, Kent BR3 4TU by no later than 11.15 am on 21 May 2007. The completion and return of a Form of Proxy will not preclude you from attending the EGM and voting in person should you wish to do so. Accordingly, whether or not you intend to attend the EGM in person, you are urged to complete and return the Form of Proxy as soon as possible.

A Blue Election Form is also enclosed. If you wish to defer the cancellation of all of the "B" Shares to be issued to you on the Record Date until 2008 please complete the Blue Election Form, sign it and return it to the Company's registrar, Capita Registrars Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU by no later than 5.00 pm on 19 June 2007.

10. **RECOMMENDATION**

The Directors consider that the above proposals are in the best interests of the Company and Shareholders as a whole. Accordingly, the Directors unanimously recommend Shareholders to vote in favour of the Resolution.

The Directors and persons connected with them intend to vote in favour of the Resolution in respect of their own beneficial holdings amounting, in aggregate, to 2,724,916 Ordinary Shares (representing approximately 28.35 per cent. of the issued ordinary share capital of the Company as at the date of this document).

Yours faithfully

Edward Forbes
Chairman

Stockcube PLC

(Registered in England and Wales with Registered Number 03838579)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an EXTRAORDINARY GENERAL MEETING of Stockcube PLC will be held at the Company's registered office, Unit 1.23, Plaza 535, King's Road, London SW10 0SZ at 11.15 am on 23 May 2007 (or such later time as the Annual General Meeting convened for the same day shall have concluded or been adjourned), for the purpose of considering and, if thought fit, passing the resolution set out below which will be proposed as a Special Resolution:

1. **THAT:**

1.1 the authorised share capital of the Company be and is hereby increased from £1,450,000 to £3,852,657.50 by the creation of 48,053,150 "B" Shares of 5p each in the capital of the Company ("B" Shares") with the following rights:

1.1.1 Income

the holders of "B" Shares shall have no right to any participation in the profits of the Company;

1.1.2 Capital

the holders of "B" Shares shall have the right on a winding up or other return of capital to the repayment of the nominal capital paid up or credited as paid up on the "B" Shares held by them and shall not be entitled to any further rights of participation in the assets of the Company. If on a winding up or other return of capital the amounts available for payment are insufficient to cover in full the amounts payable on the "B" Shares, the holders of such shares will share pro rata in the distribution of assets (if any) in proportion to the full amounts to which they would otherwise be entitled;

1.1.3 Voting

the holders of "B" Shares will not be entitled, in respect of their holdings of such shares, to receive notice of any general meeting of the Company or to attend, speak or vote at any such general meeting;

1.1.4 Class Rights

the Company may from time to time create, allot and issue further shares, whether ranking *pari passu* with or in priority to the "B" Shares. The creation, allotment or issue of any such further shares (whether or not ranking in any respect in priority to the "B" Shares) will be treated as being in accordance with the rights attaching to the "B" Shares and will not involve a variation of such rights for any purpose or require the consent of the holders of "B" Shares;

a reduction by the Company of the capital paid up or credited as paid up on the "B" Shares and the cancellation of such shares will be treated as being in accordance with the rights attaching to the "B" Shares and will not involve a variation of such rights for any purpose. The Company will be authorised at any time without obtaining the consent of the holders of "B" Shares to reduce its capital (in accordance with the Companies Act 1985 (as amended) or in accordance with the Companies Act 2006 to the extent that the relevant provisions thereof are in force at the relevant time); and

1.1.5 Form

the "B" Shares are not renounceable and any transfer of "B" Shares will be effected in writing in usual or common form or in any other form which the Directors may approve;

- 1.2 the Directors be and they are hereby authorised to capitalise an amount standing to the credit of the Company's share premium account not exceeding £2,402,657.50 and to apply such sum in paying up in full up to 48,053,150 "B" Shares and are hereby authorised pursuant to section 80 of the Companies Act 1985 (as amended) to allot and issue up to 48,053,150 "B" Shares each credited as fully paid up to the holders of ordinary shares of 10p each in the capital of the Company ("Ordinary Shares") on the register of members of the Company at 5.00 pm on 19 June 2007 (or such other time and/or date as the Directors may determine) on the basis of 5 "B" Shares for each Ordinary Share held, provided that the authority hereby conferred shall expire on 31 July 2007 and so that such authority shall be in addition to and without prejudice to the unexercised portion of the authority conferred upon the Directors pursuant to any resolution passed prior to this Extraordinary General Meeting;
- 1.3 following the issue of "B" Shares pursuant to paragraph 1.2 above, the capital of the Company be reduced by cancelling all the "B" Shares in the issued share capital of the Company except for any "B" Shares held by any member of the Company who has elected (by notice in writing delivered to the Company's registrars at Capita Registrars Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent by no later than 5.00 pm on 19 June 2007) to defer the cancellation of any "B" Shares issued to such member;
- 1.4 the capital paid up on the "B" Shares cancelled pursuant to paragraph 1.3 above be returned to the holders of such shares;
- 1.5 the capital of the Company be reduced by cancelling all the "B" Shares which remain in the issued share capital of the Company as at 6 June 2008 and the directors of the Company be and are hereby directed to take the necessary steps to seek the Court's confirmation of such reduction of capital as soon as practicable after 6 June 2008; and
- 1.6 the capital paid up on the "B" Shares cancelled pursuant to paragraph 1.5 above be returned to the holders of such shares.

By Order of the Board
Shirley Yeoh
Secretary

Registered Office:
Unit 1.23
Plaza 535
King's Road
London SW10 0SZ

Dated: 27 April 2007

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 21 May 2007. 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 by hand or by post at the office of the Company's Registrars at Proxy Processing Centre, Telford Road, Bicester OX26 4LD or by hand at Capita Registrars, Proxies, 34 Beckenham Road, Beckenham, Kent BR3 4TU 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.

