

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take, you should seek your own personal financial advice from your stockbroker, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2004 (“FSMA”) if you are resident in the UK or, if not, another appropriately authorised independent adviser.

If you have sold or otherwise transferred all or some of your Ordinary Shares you should send this document at once to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for delivery to the purchaser or transferee, except that such documents should not be forwarded into the United States or any of the Excluded Territories.

The Directors, whose names appear on page 2 of this document, accept responsibility for the information contained in this document. To the best of the knowledge of the Directors, who have taken all reasonable care to ensure that such is the case, the information contained in this document is in accordance with the facts and makes no omission likely to affect the import of such information.

Application will be made for the listing of the Ordinary Shares listed on the Official List of the UK Listing Authority to be cancelled and for the Ordinary Shares to be admitted to trading on the Alternative Investment Market of London Stock Exchange plc (“AIM”). It is expected that cancellation will take place at 8.00 am on 25 November 2005 and admission to AIM will take place and that trading in the Ordinary Shares will commence on AIM at 8.00 am 25 November 2005.

AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the United Kingdom Listing Authority.

CALDWELL INVESTMENTS P.L.C.

(Incorporated in England and Wales with registered number 269566)

Transfer from Official List to AIM

Williams de Broë Plc is authorised and regulated by the Financial Services Authority and subject to approval of the transfer to AIM will become nominated adviser and broker to Caldwell Investments P.L.C. (“Caldwell Investments” or the “Company”). Williams de Broë Plc is not acting for any other person and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Williams de Broë Plc, or for providing advice in relation to the contents of this document or any matter referred to in this document. No liability is accepted by Williams de Broë Plc for the accuracy of any information or opinions contained in, or for the omission of any material information from, this document for which the Directors are solely responsible. Williams de Broë Plc has given and not withdrawn its consent in writing to the inclusion of the reference to its name in this document in the form and context in which it appears.

The Ordinary Shares have not been and will not be registered under the United States Securities Act 1933, as amended, or under the securities legislation of any state of the United States, Canada, Australia, Japan or the Republic of Ireland (“Excluded Territories”). Accordingly, subject to certain exceptions, the Ordinary Shares may not, directly or indirectly, be offered or sold within the United States, Canada, Australia, Japan or the Republic of Ireland or to or for the benefit of any national, resident or citizen of Canada, Australia, Japan or the Republic of Ireland or any person located in the United States.

Your attention is drawn to the letter from the Chairman of Caldwell Investments which is set out on pages 2 and 3 of this document and which recommends you vote in favour of the resolution to be proposed at the Extraordinary General Meeting referred to below.

Notice of an Extraordinary General Meeting of the Company to be held at Centurion House, 37 Jewry Street, London EC3N 2ER at 11.30 am on 27 October 2005 is set out on page 4 of this document. A Form of Proxy for use at the meeting forms part of this document and in order for it to be valid it should be completed and returned to Company Secretary, Caldwell Investments P.L.C., 647 Roundhay Road, Leeds LS8 4BA in accordance with the instructions printed thereon as soon as possible and in any event so as to arrive no later than 11.30 am on 25 October 2005.

LETTER FROM THE CHAIRMAN OF CALDWELL INVESTMENTS



CALDWELL INVESTMENTS P.L.C.

(Incorporated in England and Wales with registered number 269566)

Directors:

S J Wootliff, *Chairman and Managing Director*
G Haselden, *Finance Director*
J L Posner FCA, *Non-Executive*
K M Robinson MA LLB (Cantab), *Non-Executive*

Registered Office:

647 Roundhay Road
Leeds
LS8 4BA

10 October 2005

Dear Shareholder

Transfer to the Alternative Investment Market (the “Transfer”) Notice of Extraordinary General Meeting (“EGM”)

Introduction

Your board has decided that it would be in the best interests of shareholders for the Company to transfer from the Official List of the UK Listing Authority (“Official List”) to the Alternative Investment Market (“AIM”), the (“Transfer”). The purpose of this document is to give you the reasons for, and details of the proposed Transfer, and to convene the necessary Extraordinary General Meeting (“EGM”) to seek approval of shareholders for the Transfer by proposing the Resolution set out in the Notice of EGM on page 4 of this document.

The Transfer is conditional, inter alia, on the passing of the Resolution and Admission.

Background to and reasons for the Transfer

The Board has for some time been considering the possibility of a transfer of the issued share capital of the Company from the Official List to AIM. In the light of the recent changes to the regulatory environment for companies on the Official List, the Board now believes that AIM is a more appropriate market for a company of Caldwell Investments size and resources. Being on AIM will also enable the Company to react more quickly should acquisition or other development opportunities arise.

AIM was launched by the London Stock Exchange in 1995. The market was and remains specifically designed for smaller companies and provides a simplified regulatory environment.

The obligations of an AIM company are similar to those of a company on the Official List with certain exceptions, of which the significant ones are referred to below.

- Under the listing rules of the UK Listing Authority a broad range of transactions require shareholder approval. For AIM companies, prior shareholder approval is only required for reverse-takeovers and disposals that result in a fundamental change of business (transactions that exceed 75 per cent. of various size tests, such as the ratio of the consideration of the transaction to the market capitalisation.
- There is no requirement under the AIM Rules for or admission documents for further issues of securities, except as otherwise required by law or on admission of a new class of securities to trading.
- Under the AIM Rules, a Nominated Adviser is required at all times and has ongoing responsibilities to both the Company and London Stock Exchange plc.

The Company has a significant number of private shareholders. Companies whose shares trade on AIM are deemed to be unlisted for the purposes of certain areas of UK taxation. Following the transfer to AIM, individuals who hold shares may enjoy certain inheritance tax advantages. You are strongly advised to seek your own personal financial advice from your stockbroker, accountant or other independent financial adviser authorized under the FSMA in relation to any taxation implication of the Transfer.

Application for Admission to AIM and cancellation of Listing

Following the passing of the resolution(s) at the EGM, application will be made for Admission of the company's Shares to trading on AIM and it is expected that dealings in the shares will commence on AIM at 8.00 am on 25 November 2005. It is the Board's intention to cancel its current listing immediately prior to Admission to AIM.

Extraordinary General Meeting Notification

The Transfer is conditional upon, inter alia, the approval of shareholders and for this purpose the Special Resolution to approve the Transfer will be put at the EGM convened for 11.30 am on 27 October 2005. The Notice of EGM is set out on page 4 of this document.

Action to be Taken

A Form of Proxy for use by shareholders at the EGM accompanies this document. Whether or not shareholders intend to be present at the EGM, they are asked to complete, sign and return the Form of Proxy to the Company Secretary, as soon as possible, but in any event so as to arrive no later than 11.30 am on 25 October 2005. The completion and return of a Form of Proxy will not preclude shareholders from attending the EGM and voting in person should they wish to do so. Accordingly, whether or not shareholders intend to attend the EGM in person they are urged to complete and return the Form of Proxy as soon as possible.

Following approval of the Transfer at the EGM, application will be made immediately for the whole of the issued share capital of the Company, comprising 19,911,956 Ordinary Shares of 10p each to be admitted to AIM and, subject to such application being successful, for the cancellation of the current listing of the shares on the Official List of the UK Listing Authority. It is anticipated that admission will take place and that trading in the Ordinary Shares will commence on AIM at 8.00 am on 25 November 2005. Your existing share certificate will remain valid for all purposes.

Recommendation

The Board consider the Transfer to be in the best interests of the shareholders as a whole. The Board unanimously recommends shareholders to vote in favour of the resolution to be proposed at the EGM, as they intend to do in respect of their own holdings of 4,733,600 ordinary shares, representing approximately 23.8 per cent. of the current issued ordinary share capital of the Company.

Yours faithfully

S J Wootliff
Chairman
For and on behalf of the Board

NOTICE OF EXTRAORDINARY GENERAL MEETING
CALDWELL INVESTMENTS P.L.C.

(Registered number 296566)

NOTICE is hereby given that an Extraordinary General Meeting of Caldwell Investments P.L.C. (the "Company") will be held at Centurion House, 37 Jewry Street, London EC3N 2ER on 27 October 2005 at 11.30 am for the purpose of considering and, if thought fit, passing the following resolution as a special resolution:

Special Resolution

THAT the cancellation of the full listing of the issued share capital of the Company on the Official List of the UK Listing Authority and the transfer to the Alternative Investment Market of London Stock Exchange plc ("AIM") of the issued share capital of the Company, comprising 19,911,956 ordinary shares of 25p each be and it is hereby approved.

Dated 10 October 2005

BY ORDER OF THE BOARD

S J Wootliff
Chairman

Registered Office:
647 Roundhay Road
Leeds
LS8 4BA

Notes:

A member entitled to attend and vote at the meeting hereby convened is entitled to appoint one or more proxies to attend and, on a poll, vote in his place. A proxy need not be a member of the Company.

The instrument appointing a proxy must be signed and lodged with the Company Secretary, Caldwell Investments P.L.C., 647 Roundhay Road, Leeds LS8 4BA, not later than 48 hours before the time appointed for the holding of the meeting hereby convened.

Completion and return of a form of proxy will not prevent a member from attending the meeting hereby convened and voting in person should the member so wish.