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This document is drawn up under the Public Offers of Securities Regulations 1995 (Regulations) and the AIM Rules. A copy of this document has been delivered to the registrar of companies in England and Wales for registration pursuant to regulation 4(2).

The directors of Global Gaming Technologies plc (Company), whose names appear on page 6 of this document, accept responsibility for the information contained in this document. To the best of the knowledge and belief of such directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

No person has been authorised to give any information or make any representations other than those contained in this document and, if given or made, such information or representations must not be relied upon as having been so authorised. Neither the delivery of this document nor any subscription made pursuant to this document will, under any circumstances, create any implication that there has been any change in the affairs of the Company since the date of this document or that the information in this document is correct at any time subsequent to the date of this document.

Application will be made for the entire issued and to be issued share capital of the Company to be admitted to trading on the AIM market operated by the London Stock Exchange plc (AIM). It is expected that such application to AIM will become effective and that dealings will commence on 29 November 2004.

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. A prospective investor should be aware of the risks in investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. The rules of AIM are less demanding than those of the Official List of the United Kingdom Listing Authority. It is emphasised that no application is being made for admission of the Ordinary Shares to listing on the Official List of the United Kingdom Listing Authority. London Stock Exchange plc has not itself examined or approved the contents of this document.

GLOBAL GAMING TECHNOLOGIES PLC

(incorporated in England and Wales with registered number 5181462)

PLACING OF UP TO 16,875,000 ORDINARY SHARES AT 4p PER SHARE

AND

APPLICATION FOR ADMISSION TO AIM

NOMINATED ADVISER AND BROKER

CANACCORD CAPITAL (EUROPE) LIMITED

SHARE CAPITAL

The following table shows the authorised and issued share capital of the Company as it is expected to be immediately following completion of the Placing, assuming Subscription in Full, described in this document:

	Authorised shares		Issued and fully paid shares	
	Number	Amount	Number	Amount
Ordinary Shares	4,000,000,000	£10,000,000	41,875,000	£104,688

The Placing Shares will on issue rank equally in all respects with the Existing Ordinary Shares and will rank in full for all dividends and other distributions declared after their issue in respect of the ordinary share capital of the Company.

The Company is a recently formed company with no trading record. The whole of the text of this document should be read and in particular your attention is drawn to the section entitled "Risk Factors" set out in part 1 of this document.

Canaccord Capital (Europe) Limited, which is authorised and regulated by Financial Services Authority Limited, is acting as Nominated Adviser and Broker to the Company. It is not acting for anyone else and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Canaccord Capital (Europe) Limited or for providing advice in relation to the contents of this document or the Placing or the Admission of the Ordinary Shares to trading on AIM. In particular Canaccord Capital (Europe) Limited, in its capacity of Nominated Adviser to the Company, owes certain responsibilities to the London Stock Exchange plc which are not owed to the Company or the Directors or to any other person in respect of his decision to acquire Ordinary Shares in reliance on any part of this document. No representation or warranty, express or implied, is made by Canaccord Capital (Europe) Limited as to the contents of this document, without limiting the statutory rights of any person to whom this document is issued.

It is a condition of the terms of the Placing that a person who is allotted Placing Shares pursuant to the Placing will be legally bound to subscribe for one further Ordinary Share for every three Placing Shares allotted, at 12p per share, on the occurrence of a specific event as described in this document. Your attention is drawn to page 7 and 10 of this document.

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Expected timetable of principal events

Publication of this document	15 November 2004
Payment to be received from the Placees in cleared funds	25 November 2004
Dealings in the Ordinary Shares both issued and to be issued pursuant to the Placing expected to commence on AIM	29 November 2004
CREST accounts expected to be credited	29 November 2004
Definitive share certificates for the Placing Shares expected to be despatched	6 December 2004

Definitions

The following definitions apply throughout this document, unless the context requires otherwise:

Admission	the effective admission of the Enlarged Share Capital of the Company to trading on AIM in accordance with the AIM rules
AIM	the AIM Market of the London Stock Exchange
AIM Rules	the rules applicable to companies whose shares are traded on AIM published by the London Stock Exchange from time to time
Board or Directors	the directors of the Company
CA 1985	Companies Act 1985, as amended
City Code	the City Code on Takeovers and Mergers
Canaccord	Canaccord Capital (Europe) Limited, the Company's nominated adviser and broker
Combined Code	the code of best practice, including the principles of good governance, as set out in the Combined Code on Corporate Governance published in July 2003 by the Financial Reporting Council
Company	Global Gaming Technologies plc, registered in England with company number 5181462
CREST	the system for paperless settlement of trades and the holding of uncertificated shares administered by CRESTCo Limited
Enlarged Share Capital	the issued share capital of the Company immediately following completion of the Placing, comprising the Existing Ordinary Shares and the Placing Shares
Existing Ordinary Shares	the 25,000,000 Ordinary Shares in issue at the date of this document
Group	the Company and any subsidiary of the Company
London Stock Exchange	London Stock Exchange plc
Minimum Amount	the minimum amount required to be raised from the Placing being £500,000 through the issue of 12,500,000 Placing Shares
Ordinary Shares	ordinary shares of 0.25p each in the capital of the Company
Placees	subscribers for Placing Shares
Placing	the placing of the Placing Shares described in this document

Definitions (continued)

Placing Agent	Walker Crips Stockbrokers Limited
Placing Agreement	the conditional agreement dated 15 November 2004 between the Company and the Placing Agent, details of which are set out at paragraph 7.7 of part 4 of this document
Placing Price	4p per Ordinary Share, representing a premium of 3.75p for each share
Placing Shares	the 16,875,000 Ordinary Shares the subject of the Placing
Regulations	the Public Offers of Securities Regulations 1995
Second Fundraising	the second fundraising of the Company details of which are set out on pages 7 and 10 of this document
Share Dealing Code	the code adopted by the Company on dealings in its securities that complies with the AIM rules
Subscription in Full	subscription by Placees of the maximum number of Placing Shares
Target Company or Target Companies	companies whose characteristics match the Company's investment strategy as set out in part 1 of this document
UK or United Kingdom	the United Kingdom of Great Britain and Northern Ireland

Placing statistics

Assuming Subscription in Full

Gross proceeds of the Placing receivable by the Company	£675,000
Placing Price	4p
Market capitalisation of the Company at the Placing Price	£1,675,000

Prior to Placing

Number of Ordinary Shares in issue	25,000,000
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Following Placing

Number of Placing Shares to be issued by the Company	16,875,000
Number of Ordinary Shares in issue	41,875,000
Percentage of issued share capital represented by the Placees (exclusive of those Placing Shares subscribed for by the Directors)	39.70 per cent.
Percentage of issued share capital represented by Directors' interests	10.95 per cent.

Following the Second Fundraising

Number of Ordinary Shares to be issued by the Company	5,625,000
Number of Ordinary Shares in issue	47,500,000
Percentage of issued share capital represented by the Placees (exclusive of those Ordinary Shares subscribed for by the Directors)	46.67 per cent.
Percentage of issued share capital represented by Directors' interests	9.82 per cent.

Directors and advisers

Directors	John James Leat (executive chairman) Graham Langham Porter (executive director) The business address of John Leat is 9th Floor, Bucklersbury House, 3 Queen Victoria Street, London EC4N 8EL and of Graham Porter is 12 Rue Pierre-Fatio, PO Box 3602, 1211 Geneva 3, Switzerland.
Registered office	Kitwell House The Warren Radlett Herts WD7 7DU
Company secretary	Kitwell Consultants Limited Kitwell House The Warren Radlett Herts WD7 7DU
Nominated Adviser and Broker	Canaccord Capital (Europe) Limited 1st Floor Brook House 27 Upper Brook Street London W1K 7QF
Placing Agent	Walker Crips Stockbrokers Limited Sophia House 76/80 City Road London EC1Y 2EQ
Solicitors to the Company	Fladgate Fielder 25 North Row London W1K 6DJ
Auditors and Reporting Accountants	Grant Thornton UK LLP Enterprise House 115 Edmund Street Birmingham B3 2HJ
Registrars	Capita Registrars The Registry 34 Beckenham Road Beckenham Kent BR3 4TU

Part 1

Introduction to the Company and the Placing

Introduction

Global Gaming Technologies plc is a new company that has been established to build, through acquisition, a group specialising in providing enabling technologies for gaming markets. Initial capital of £62,500 has already been raised through subscriptions for Ordinary Shares at par. The purpose of the Placing is to raise additional funds of up to £675,000 so that the Company can initiate its investment strategy.

Although, on Admission, the Company will have no trading business, it is the Directors' intention that the Company acquires a suitable technology-focused business or businesses in the gaming sector using as consideration, where appropriate, new Ordinary Shares or the cash proceeds of a further issue of new Ordinary Shares.

Assuming Subscription in Full, the net proceeds of the Placing of approximately £541,250 will be used to investigate suitable acquisition targets and to provide general working capital.

Second Fundraising

Following Admission, at the same time as and conditional on the Company completing the acquisition of its first Target Company, the Company proposes to conduct the Second Fundraising to raise up to a further £675,000 before expenses by issuing up to 5,625,000 further Ordinary Shares at 12p per share.

It is a term of the Placing that the Placees agree to make or procure the making of a further subscription for Ordinary Shares prior to but conditional on the completion of the acquisition by the Company of its first Target Company. The Placees will be legally bound to apply for one further Ordinary Share for every three Placing Shares subscribed, at 12p per share.

Background and investment strategy

The Directors intend to build a business focused on providing enabling technologies for multi sports and events-based gaming through a combination of the acquisition of Target Companies and organic growth.

The Company intends to exploit 'The Big Bang' in betting. This is epitomised by the advent and growth in the number of online and remote betting sites in over 50 jurisdictions. Estimates of the total market size of internet betting and gaming vary. Datamonitor predicted that by 2005 there would be over 15 million online gamblers generating a turnover of £20.7 billion, of which 1.4 million people would be using the internet to place their bets in the UK, spending over £2.8 billion each year. This compares to a report given by the National Office for Information Economy in Australia which estimates that the global online market taken in isolation could be worth anywhere between £7.3 billion and £73 billion.

It is further estimated that, globally, there are now over 1,700 betting and gaming web-sites offering services on the internet. In 2002, online gambling represented 1.5 per cent. of the total global gambling market (equating to £2.05 billion). In 2004, this figure was expected to grow to represent between 3 and 5 per cent. (with a value of £6.6 billion). Forecasts underline that this is a significant and growing international market and look even more favourable when set against the increasingly advantageous tax environment and the ongoing processes of legislative change.

The Directors believe that the gaming markets are still fragmented due to the relatively slow adoption of new technologies by established brands, especially when compared against the speed with which consumers are adopting new technology and the lack of comprehensive global data and information feeds. Broadband penetration is growing rapidly – over half of US internet home users now have broadband access as opposed to only 20 per cent. in early 2002.

It is the Directors' belief that the fragmented nature of the gaming industry is best demonstrated in the fast-growing Asian gaming markets. By virtue of its technology-led investment strategy, the Company will aim to achieve extensive penetration into the Asian sports and gaming sector, allowing the Company to access what the Directors believe to be one of the most consistent and fastest growing gaming markets in the world.

By its nature, the remote gambling market is a global one and the Company will therefore consider Target Companies based anywhere in the world.

The Company aims to invest in early-stage technology companies that offer some of the following attributes:

- gaming applications which deliver stickiness (the ability to retain customers on the website), differentiation and enhanced consumer appeal;
- proprietary betting search engines which enable global comparisons of price and odds;
- gaming data and information providers;
- operations with applications in the areas of financial spread betting, fixed betting and hedging amongst others;
- operations that facilitate remote gaming across mobile phone networks; and
- fantasy games providers involved in the operation of team-oriented fantasy and other data-dependent games.

The funds available following Admission may enable the Company to consider smaller investment opportunities, followed by the recruiting of appropriate individuals, while additionally conducting comprehensive due diligence on major opportunities.

The Company's investment strategy is intended to be long-term. If, however, circumstances arise whereby an acquired business or company may be floated in its own right, or disposed of at a suitable premium, such possibilities will be considered.

The Directors' preference is to acquire 100 per cent. of any potential Target Companies to obtain the full benefit of their growth prospects. Equity interests of less than 100 per cent. will not, however, be ruled out. Accordingly, in the majority of cases, the Company will be an active investor.

Investment process

Prior to any investment or acquisition an appropriate due diligence exercise will be undertaken. This due diligence process will be tailored to individual situations, but would normally be expected, as a minimum, to include the production of:

- a legal due diligence report addressing corporate, contractual and regulatory issues as well as broader legal information such as any litigation, the status of any intellectual property and relevant transactions. Such report will be provided by the Company's solicitors; and
- a financial due diligence report setting out, in the case of an investment with a trading history, the key points of the Target Company's financial reports for preceding years and any issues that have arisen from audits of that company. The report will also consider the Target Company's financial controls and reporting procedures and close attention will be paid to the business plan proposed by the management of the Target Company and the associated projected working capital requirement. Such report will be prepared by the Company's accountants.

Before any final investment decision is made, the investment and its terms must be approved by the Board. In addition, under the AIM rules, such investment may be subject to the consent of shareholders at an extraordinary general meeting of the Company.

The Directors intend to meet regularly to discuss and monitor the status of the Company's current and potential investments.

Investment sectors

The Directors believe they have the necessary experience in gaming and commercial transactions to enable the Company to achieve its objectives. Where and when appropriate, the Directors may seek to supplement the Board's access to expertise, skills and contacts specific to the real and fantasy games and gaming sectors by additional appointments either from among the key management of acquired businesses or from within the sector or data-oriented industries generally. The Directors consider that their existing contacts within the industry and the wider investment community mean that the Company may be expected to be offered appropriate investment opportunities. It is additionally the intention of the Directors that, where appropriate, the Company should seek the input of relevant consultants as part of the process of reviewing individual investment opportunities.

Current trading and prospects

Except for entering into the contracts referred to in paragraph 7 of part 4 of this document, the Company has not traded since incorporation. The Directors recognise that the Company's prospects depend upon the Company's ability to identify and acquire suitable Target Companies, businesses or equity stakes that offer potential for growth in value.

The Directors have identified a number of potential Target Companies. As yet, no discussions have advanced beyond a preliminary stage and no commitments have been entered into. Following Admission, the Directors intend to carry out a thorough review of the potential acquisition targets they have identified and enter into negotiations with those that appear to best fit the Company's criteria. There is no guarantee that negotiations will lead to a successful acquisition or acquisitions.

To implement its strategy, it may be necessary for the Company to raise additional capital through the issue of further Ordinary Shares over and above the Second Fundraising detailed further below.

Return of capital to shareholders

The Directors intend that if the Company has not made an investment within 18 months from Admission, they will convene an extraordinary general meeting at which proposals will be put to shareholders to liquidate the assets of the Company and distribute the proceeds amongst shareholders. On any winding up of the Company, potential investors should be aware that they will receive the same entitlement on a return of capital as the existing shareholders in the Company, despite having invested at a higher premium.

Reasons for and details of the Placing and Admission

The Directors recognise that the Company's investment strategy and expansion plans depend upon its ability to raise working capital. They believe that the proposed Admission will enable the Company to pursue opportunities for growth through the acquisition of Target Companies. The Directors also believe that a trading facility on AIM will benefit the Company in the following ways:

- **corporate profile** – the performance of acquired companies may be expected to benefit from the perceived status and stature of being part of a publicly traded group, which may enhance their reputation with customers;
- **access to capital markets** – the Company may need to raise further funds in the future to develop its business, to fund the cash element of additional acquisitions or generally to supplement its working capital resources. The Directors believe that capital for publicly traded companies carries a lower cost and is more freely available than that for private companies;
- **acquisition currency** – the issue of publicly traded shares as consideration for Target Companies may be more attractive to sellers than the issue of non-publicly traded shares; and

- ***incentivising key staff*** – the acquisition and retention of key staff can be facilitated through the use of share options which, on exercise, would leave staff with shares in a publicly traded group.

The Directors propose to raise up to £675,000 before expenses by the issue of up to 16,875,000 Placing Shares at a price of 4p per Placing Share.

Assuming Subscription in Full, the Placing Shares (excluding Directors' interests) will represent 39.70 per cent. of the issued share capital of the Company following the Placing. At the Placing Price, the Company would have a market capitalisation of £1,675,000.

The net proceeds of the Placing, assuming Subscription in Full, of approximately £541,250 will be used to investigate Target Companies and to provide general working capital.

Following the Placing the Directors will collectively hold 10.95 per cent. of the Company's issued ordinary share capital.

The Placing Shares will rank equally with the Existing Ordinary Shares and in full for any dividends and other distributions paid or made in respect of the ordinary share capital of the Company after their issue.

The Placing is not being underwritten and is conditional on the Company receiving the Minimum Amount of the Placing and Admission taking place on or before 29 November 2004, or such later date as the Company and the Placing Agent may agree, but in any event no later than 17 December 2004.

Dealings in the Ordinary Shares on AIM are expected to commence on 29 November 2004. Placees that have asked to hold their Ordinary Shares in uncertificated form will have their CREST accounts credited on the day of Admission. Where Placees have requested to receive their Ordinary Shares in certificated form, share certificates will be despatched by first-class post not later than 6 December 2004.

Second Fundraising

The Board proposes to raise up to a further £675,000 before expenses through the issue of up to a further 5,625,000 Ordinary Shares at 12p per share, conditional upon the Company completing the acquisition of its first Target Company. It is a term of the Placing that a Placee who is allotted shares pursuant to the Placing will be legally bound to subscribe for one further Ordinary Share at 12p for every three Placing Shares issued pursuant to the Placing.

Prior to completion of the acquisition by the Company of its first Target Company, the Company will issue letters of demand to the Placees for the subscription money for these further Ordinary Shares.

City Code on Takeovers and Mergers

Rule 9 of the City Code normally requires any person or group of persons acting in concert that acquires shares which, taken together with shares already held, carry 30 per cent. or more of the voting rights of a company to offer to acquire the balance of the equity share capital. Rule 9 of the City Code also normally requires any person who, together with persons acting in concert with him, holds between 30 per cent. and 50 per cent. of a company's voting rights and who acquires additional shares which increases his holding of voting rights to make such a mandatory offer.

Participants in the Placing should be aware that, at the date of this document, Corvus Capital Inc. owns 60.00 per cent. of the Company's voting rights. Corvus Capital Inc.'s holding will, following completion of the Placing, assuming Subscription in Full, decrease to 35.82 per cent. In accordance with the provisions of Rule 9, if Corvus Capital Inc. increases its holding it will incur an obligation under Rule 9 to make a mandatory offer.

Directors

Biographical details of the Directors are as follows:

John Leat (Executive Chairman)

John Leat, aged 57, has wide business experience and from 1974 to 2001 managed the business and personal affairs of the Al'Maktoum family, the ruling family of Dubai. John is currently a director of Corvus Capital Inc. and Canisp plc, both AIM quoted companies. Corvus Capital Inc. is a substantial shareholder in the Company.

Graham Porter (Executive Director)

Graham Porter, aged 45, has over 26 years' experience in the metal exchange markets. Graham worked as a metal broker in the City for 13 years, spending eight of these years with Billiton Enthoven Metal Brokers, before leaving the City in 1991 and moving overseas where he has been based ever since. Graham has over 20 years experience in the gaming sector having advised on the operation of more than 20 pitches at prestigious race tracks in the UK as well as providing consultancy services to bookmakers generally and in relation to legislative developments in fantasy gaming and online betting businesses. Mr Porter is currently a director of Corvus Capital Inc. a company whose shares are traded on AIM. Corvus Capital Inc. is a substantial shareholder in the Company.

Lock-ins and orderly market arrangements

Following the Placing and Admission the Directors will in aggregate be interested in 4,583,332 Ordinary Shares which, assuming Subscription in Full, will represent 10.95 per cent. of the Enlarged Share Capital. Details of these shareholdings are set out in paragraph 5.1 of part 4 of this document. The Directors and Corvus Capital Inc. have undertaken to the Company and Canaccord that, except in limited circumstances, they will not sell or dispose of any of their Ordinary Shares for a period of 12 months from Admission and, for a further 12 months thereafter, they will only sell or dispose of their Ordinary Shares through Canaccord or the Company's broker from time to time.

Share option scheme

The Directors believe it important that directors, employees and consultants of the Group are appropriately and properly motivated and rewarded. To this end, the Directors intend that following Admission, the Company will establish an appropriate share option scheme or schemes under which eligible persons will be invited to participate at the discretion of the Board.

Such share option scheme or schemes will be limited in total to 10 per cent. of the Company's issued share capital from time to time. The Board intends to allot and issue options under the share option scheme or schemes in accordance with performance-related criteria to be determined by the remuneration committee of the Board.

Dividend policy

The Company has not paid dividends since incorporation. It is the intention of the Directors that the Company should achieve capital growth. Following Admission, the Company's dividend policy will be reviewed in the light of the availability of distributable reserves and the need to retain funds to finance the further growth of the Group.

Corporate governance

Following Admission, the Directors intend to comply with the Combined Code as far as is applicable for a company of its size and nature.

The Company has adopted the Share Dealing Code for the Directors and future employees and will take steps to ensure compliance by the Directors and any relevant employees with the terms of this code.

The Directors will implement such corporate governance procedures and establish such committees of the Board as will be required, including audit and remuneration committees, for it to comply with the terms of the Combined Code upon completion of the first significant acquisition by the Company, in so far as is appropriate for a company of its size.

The Directors have established financial controls and reporting procedures which are considered appropriate given the size and structure of the Company. These controls will be reviewed in light of significant acquisitions and adjusted accordingly.

CREST

CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by written instrument.

The Company's articles of association contain provisions concerning the transfer of shares which are consistent with the transfer of shares in dematerialised form in CREST under the Uncertificated Securities Regulations 2001. The consent of CRESTCo Limited has been sought to issue the Company's shares in uncertificated form and, accordingly, settlement of transactions in the Ordinary Shares following Admission may take place within the CREST system if relevant shareholders so wish. CREST is a voluntary system and holders of Ordinary Shares who wish to receive and retain share certificates will be able to do so.

It is anticipated that on Admission the Ordinary Shares will be capable of being traded through CREST.

Risk factors

The investment detailed in this document may not be suitable for all its recipients. Before making an investment decision, prospective investors are advised to consult an investment adviser authorised under the Financial Services and Markets Act 2000 who specialises in investments of the kind described in this document. Prospective investors should consider carefully whether an investment in the Company is suitable for them in the light of their personal circumstances and the financial resources available to them.

In addition to the other relevant information set out in this document, the following specific factors should be considered carefully in evaluating whether to make an investment in the Company:

1. there can be no guarantee that the price of the Placing Shares will reflect their actual or potential market value;
2. there can be no guarantee that the subscription price of the Ordinary Shares Placées are obligated to subscribe for at the time of the Company's first acquisition will reflect their actual or potential market value;
3. the price at which investors may realise their Ordinary Shares and the timing of any disposal of them may be influenced by a large number of factors, some specific to the Company and its proposed operations, and some which may affect the business sectors in which the Company operates and generally. These factors could include the performance of the Company's operations, large purchases or sales of shares in the Company, liquidity or absence of liquidity in the Ordinary Shares, legislative or regulatory changes relating to the business of the Group and general economic conditions;
4. investors may not recover the whole of their investment. This investment may be volatile and investors could lose all their investment;
5. the Company's future performance, and that of any companies which it invests in, will depend heavily on its ability to retain the services of its Directors and to attract, motivate and retain the services of suitable personnel. Although such individuals have entered or would be expected to enter into service agreements or letters of appointment with the Company, the loss of the services of any such individual may have a material adverse affect on the business, operations, revenues and/or prospects of the Group;

6. the ability of the Directors to implement the Company's investment strategy could be adversely affected by changes in the economy and/or in the sectors in which they intend to invest. Although the Company has a defined strategy, there can be no guarantee that its objectives or any of them will be achieved on a timely basis or at all;
7. rapid growth in the online gaming business is a relatively recent phenomenon. The Directors cannot assure investors that the use of online gaming facilities will continue to develop at the same rate. If the number of online betting and fantasy gaming users do not continue to grow or grows more slowly than expected, the business of the Company and Target Companies may be adversely affected;
8. the market for online betting is characterised by rapid technological developments and frequent new product introductions. The emerging character of online gaming products and their rapid evolution will require that the Group continually improves the performance, features and reliability of its internet-based products. The Directors cannot assure investors that the Company will be successful in responding quickly, cost effectively and sufficiently to these developments;
9. the Target Companies are likely to be largely dependent on data. Although the Company will implement suitable back-up and disaster recovery procedures, as with all computer based forms of data, there is a risk of corruption or loss of data;
10. new laws, guidelines and regulations may be adopted covering areas such as access, content, taxation, encryption, communications and pricing and quality of the Group's online products and these laws, guidelines and regulations could limit the growth of the Group's business or have an otherwise negative impact on any businesses the Company invests in;
11. the Company has never traded and its future success will depend on the Directors' ability to implement its strategy. While the Directors are optimistic about the Company's prospects, there is no certainty that anticipated acquisitions, revenues or growth will be achieved;
12. although it is the Company's intention to issue Ordinary Shares to satisfy all or part of the consideration payable for acquisitions, sellers of Target Companies may not be prepared to accept shares traded on AIM;
13. potential investors should be aware that the value of shares can go down as well as up, and that an investment in a share which is to be traded on AIM is likely to be less realisable and to carry a higher degree of risk than an investment in a share quoted on the Official List of the London Stock Exchange;
14. the Company may face competition from various organisations wishing to invest in similar businesses and companies. Some of these competitors may have greater resources than the Company. There can be no assurance that such competition will not limit the Company's ability to implement its strategy; and
15. it may be necessary for the Company to raise additional capital in future years to finance the growth of the Company through future stages of development. Any such capital may not be available to the Company on favourable terms or at all and will, if existing shareholders choose not to subscribe, lead to a dilution of their interest.

These risk factors do not necessarily comprise all those associated with an investment in the Company.

Additional information

Your attention is drawn to the information contained in Parts 2 to 4 of this document.

Part 2

Taxation

The following paragraphs are intended as a general guide only for shareholders who are resident and ordinarily resident in the United Kingdom for tax purposes, holding Placing Shares as investments and not as securities to be realised in the course of a trade. They do not purport to be comprehensive nor to describe all potential relevant considerations. They are based on current legislation and UK Inland Revenue practice. Any shareholder or prospective purchaser of Placing Shares who is in any doubt about his tax position or who is subject to taxation in a jurisdiction other than the UK, should consult his own professional adviser immediately.

(a) Stamp duty and stamp duty reserve tax

No stamp duty or stamp duty reserve tax is payable on the issue of the Placing Shares.

Any subsequent disposal of the Placing Shares will generally give rise to payment of ad valorem stamp duty on the transfer document at the rate of 50p per £100, or part, on the amount or value of the consideration paid, subject to minimum duty of £5. Paperless transfers are generally subject to stamp duty reserve tax (unless, in general, the transfer of the relevant shares is duly stamped with ad valorem duty), generally at the rate of 0.5 per cent. of the amount or value of the consideration paid. Liability to pay any stamp duty or stamp duty reserve tax is generally that of the transferee or purchaser. Where a purchase or transfer is effected through a member of the London Stock Exchange or a qualified dealer, the member or dealer will normally account for the collection and payment of the tax, but in all other cases the transferee or purchaser must account for the tax to the Inland Revenue.

Persons operating clearance services or depositary receipt schemes may be required to account for stamp duty and stamp duty reserve tax at rates higher than those referred to above.

(b) Taxation of chargeable gains

A subsequent disposal of the Placing Shares by persons resident or ordinarily resident in the United Kingdom in a tax year which gives rise to gains may be liable to capital gains tax (individuals and trustees) and corporation tax (companies). Liability to tax and the rate of tax will depend on the shareholder's circumstances and the availability of exemptions or allowable losses.

Indexation allowance, which increases the acquisition cost of an asset in line with the rise in the retail price index, is available for corporate shareholders during the period of ownership.

On 5 April 1998, "taper relief" was introduced which applies to individual shareholders and trustees (but not to corporate shareholders). Taper relief reduces the proportion of any chargeable gain assessable to capital gains tax by reference to the period of ownership of the ordinary shares by a shareholder. The rate of taper depends upon whether the shareholder holds the ordinary shares as "business" or "non-business" assets, with the speed of taper relief being accelerated for ordinary shares held as "business" assets.

Individuals and certain trusts have an overall annual exemption from capital gains tax for the first £8,200 of chargeable gains in the current tax year. Settlements have an equivalent exemption of up to £4,100 in the current tax year.

Generally, losses realised on the disposal of assets may be set against other gains made during the tax year or carried forward and set against gains in future tax years.

Different tax treatment applies to persons who trade in securities.

Persons who are neither resident nor ordinarily resident in the United Kingdom will not normally be liable to tax in the United Kingdom in respect of any gain accruing to them on a disposal of the Placing Shares. The terms of a relevant double taxation treaty may apply to persons with dual residence.

(c) Taxation of dividends

When a company pays a dividend it is not required to withhold tax at source. A tax credit equal to ten per cent. of the dividend and the associated tax credit, attaches to a dividend, i.e. the tax credit is equivalent of one ninth of the dividend.

Individual shareholders resident in the United Kingdom who pay tax at the lower or basic rate only, which, in respect of dividend income, is ten per cent., have no further tax liability in respect of the dividend. Individual shareholders resident in the United Kingdom who pay tax at the higher rate, pay tax in respect of dividend income at 32.5 per cent. on the dividend received and the tax credit, but will be able to offset the tax credit against such liability. An individual UK resident shareholder who does not pay income tax or whose liability to income tax does not exceed the amount of the associated tax credit will not be entitled to claim repayment of the associated tax credit attaching to the dividend.

Whether individual shareholders who are not resident in the United Kingdom for tax purposes (other than Commonwealth citizens, EEA nationals, residents of the Channel Islands or the Isle of Man and certain other categories of shareholders who are entitled to a tax credit on dividends received as if they were resident in the United Kingdom) are entitled to claim the whole or any part of any tax credit in respect of a dividend will usually depend on the terms of any applicable double tax treaty between the United Kingdom and their jurisdiction of residence. Such shareholders may be subject to tax on such dividends in their jurisdiction of residence and should consult their own professional advisers.

United Kingdom resident corporate shareholders (other than a share dealer) are not normally liable to corporation tax on any dividends received.

For dividends paid to trustees of UK resident discretionary or accumulation trusts, the gross dividend will be subject to UK income tax at the "Schedule F trustee rate" of 32.5 per cent. To the extent that the associated tax credit exceeds the trustees' liability to account for income tax, the trustees will have no right to claim repayment of the associated tax credit. Trustees who are in any doubt as to their position should consult their own professional advisers immediately.

Persons who are not resident in the UK should consult their own tax advisers on the possible application of such provisions and on what relief or credit may be claimed for any such tax credit in the jurisdiction in which they are resident.

These comments are intended only as a general guide to the current tax position in the UK as at the date of this document. The comments assume that Placing Shares are held as an investment and not as a trading asset. The levels and basis of taxation can change. The value of a relief from taxation depends upon the circumstances of the taxpayer. If you are in any doubt as to your tax position, you should contact your professional adviser without delay.

Part 3

Accountants' Report

Grant Thornton 

Grant Thornton UK LLP
Enterprise House
115 Edmund Street
Birmingham B3 2HJ

The Directors
Global Gaming Technologies plc
Kitwell House
The Warren
Radlett
Herts WD7 7DU

and

The Directors
Canaccord Capital (Europe) Limited
1st Floor
Brook House
27 Upper Brook Street
London W1K 7QF

15 November 2004

Dear Sirs

Global Gaming Technologies plc ("the Company")

1. Introduction

1.1 We report on the financial information set out in paragraphs 2 to 5. This financial information has been prepared for inclusion in the Company's admission document dated 15 November 2004 ("the Admission Document").

Basis of preparation

1.2 The financial information set out in paragraphs 2 to 5 below is based on the transactions of the Company from incorporation on 16 July 2004 to 31 October 2004. No adjustments were considered necessary.

Responsibility

1.3 The directors of the Company are responsible for the contents of the Admission Document in which this report is included.

1.4 It is our responsibility to compile the financial information set out in our report, to form an opinion on the financial information and to report our opinion to you.

Basis of opinion

1.5 We conducted our work in accordance with the Statements of Investment Circular Reporting Standards issued by the Auditing Practices board. Our work included an assessment of evidence relevant to the amounts and disclosures in the financial information. It also included an assessment of whether the accounting policies are appropriate to the entity's circumstances, consistently applied and adequately disclosed.

1.6 We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial information is free from material misstatement whether caused by fraud or other irregularity or error.

Opinion

1.7 In our opinion the financial information gives, for the purposes of the Admission Document, a true and fair view of the state of affairs of the Company at 31 October 2004.

Consent

1.8 We consent to the inclusion in the Admission Document of this report and accept responsibility for this report for the purposes of paragraph 45(8)(b) of Schedule 1 to the Public Offers of Securities Regulations 1995.

2. Statutory information

- 2.1 Statutory information (including share movements) on the Company is as set out in Paragraph 1 of part 4 of the Admission Document.
- 2.2 The Company has not completed its first accounting period. No statutory financial statements have been prepared or audited since incorporation.
- 2.3 As at 31 October 2004 the Company had carried out no trading.

3. Accounting policies

The financial information has been prepared in accordance with applicable United Kingdom accounting standards under the historical cost convention.

4. Balance sheet at 31 October 2004

	Note	At 31 October 2004 £
Cash at bank and in hand		0.005
Share capital	5.1	0.005

5. Notes to the financial information

5.1 Share capital

	£
Authorised	
4,000,000,000 ordinary shares of 0.25p each	10,000,000
Issued and fully paid	
2 Ordinary shares of 0.25p each	0.005

- 5.2 The Company was incorporated on 16 July 2004 with an authorised share capital of £10,000,000 divided into 4,000,000,000 ordinary shares of 0.25p each. Two ordinary shares were issued at par.
- 5.3 On 5 November 2004 the Company allotted 24,999,998 ordinary shares of 0.25p each at par.

Yours faithfully

GRANT THORNTON UK LLP

Part 4

Statutory and general information

1. The Company

- 1.1 The Company was incorporated in England and Wales as a public limited company on 16 July 2004 under CA 1985, with registered number 5181462, with the name Fantasy Gaming plc. On 28 October 2004, the Company changed its name to Global Gaming Technologies plc.
- 1.2 The Company has applied for a certificate pursuant to section 117 CA 1985 to enable it to commence business and exercise its borrowing powers. The Company's principal place of business is at Kitwell House, The Warren, Radlett, Hertfordshire WD7 7DU.
- 1.3 The liability of the members of the Company is limited.
- 1.4 The Company was incorporated with an authorised share capital of £10,000,000 divided into 4,000,000,000 Ordinary shares of 0.25p each, of which two were issued as subscriber shares.
- 1.5 On 5 November 2004 the Company allotted 24,999,998 Ordinary Shares at par.
- 1.6 The authorised and issued share capital of the Company at the date of this document and following completion of the Placing, is and will be as follows:

	Number of Ordinary Shares			
	£	Authorised Shares	£	Allotted and fully paid Shares
Current	10,000,000	4,000,000,000	62,500	25,000,000
On Admission	10,000,000	4,000,000,000	104,688	41,875,000

- 1.7 The Directors are authorised for the purposes of section 80 CA 1985 to allot Ordinary Shares up to the maximum of authorised but unissued capital of £9,937,500, such authority to expire on 27 October 2009, unless previously revoked or varied by the Company in a general meeting.
- 1.8 The directors are authorised pursuant to section 95(1) CA 1985 to allot equity securities, as defined in section 94(2) CA 1985, as if section 89(1) CA 1985 did not apply to such allotment, such authority expiring on the conclusion of the next annual general meeting of the Company, and the directors may allot equity securities following an offer or agreement made before the expiry of the authority and provided that the authority is limited to:
- 1.8.1 the allotment of equity securities in connection with the Placing and Second Fundraising, but subject to any exclusions or arrangements the Directors think necessary or expedient for the purpose of dealing with fractional entitlement or legal or practical problems under the laws of any territory or the requirement of any recognised regulatory body or stock exchange in any territory up to an aggregate nominal amount of £56,250; and
- 1.8.2 the allotment of equity securities, otherwise than in accordance with paragraph 1.8.1, up to an aggregate nominal amount of £23,750 being 20 per cent. of the Company's issued share capital following Admission and the Second Fundraising (assuming Subscription in Full).
- 1.9 The proposed business of the Company and its principal activity is that of an investment company.
- 1.10 Prior to Admission, the Company has no subsidiaries and is a 60.00 per cent. subsidiary of Corvus Capital Inc., of which both John Leat and Graham Porter are directors. On Admission the Company will no longer form part of a group.
- 1.11 Other than as disclosed in this document, the Company does not have in issue any securities not representing share capital and there are no outstanding convertible securities issued by the Company.

2. Memorandum of association

The principal objects of the Company are set out in clause 3 of its memorandum of association and are to carry on business as a general commercial company.

3. Articles of association

The rights attaching to the Ordinary Shares, as set out in the articles of association of the Company, contain, amongst others, the following provisions:

Votes of members

- (a) Subject to any special terms as to voting or to which any shares may have been issued, no shares having been issued subject to any special terms, on a show of hands every member who being an individual is present in person or, being a corporation is present by a duly authorised representative, has one vote, and on a poll every member has one vote for every share of which he is the holder.
- (b) Unless the directors determine otherwise, a member of the Company is not entitled in respect of any shares held by him to vote at any general meeting of the Company if any amounts payable by him in respect of those shares have not been paid or if the member has a holding of at least 0.25 per cent. of any class of shares of the Company and has failed to comply with a section 212 notice.

Variation of rights

Subject to the provisions CA 1985, if at any time the capital of the Company is divided into different classes of shares, the rights attached to any class may be varied or abrogated with the consent in writing of the holders of at least three-fourths in nominal value of that class or with the sanction of an extraordinary resolution passed at a separate meeting of the holders of that class but not otherwise. The quorum at any such meeting is two or more persons holding, or representing by proxy, at least one-third in nominal value of the issued shares in question.

Transfers of shares

- (a) Subject to the provisions of the articles relating to CREST, all transfers of shares will be effected in the manner authorised by the Stock Transfer Act 1963 and must be signed by or on behalf of the transferor and, in the case of a partly paid share, by or on behalf of the transferee. The transferor is deemed to remain the holder of the share until the name of the transferee is entered in the register of members in respect of it.
- (b) The directors may, in their absolute discretion and without assigning any reason, refuse to register the transfer of a share in certificated form if it is not fully paid or if the Company has a lien on it, or if it is not duly stamped, or if it is by a member who has a holding of at least 0.25 per cent. of any class of shares of the Company and has failed to comply with a section 212 notice. In exceptional circumstances approved by the London Stock Exchange, the directors may refuse to register any such transfer, provided that their refusal does not disturb the market.
- (c) The articles of association contain no restrictions on the free transferability of fully paid ordinary shares provided that the transfers are in favour of not more than four transferees, the transfers are in respect of only one class of share and the provisions in the articles of association, if any, relating to registration of transfers have been complied with.

Payment of dividends

Subject to the provisions CA 1985 and to any special rights attaching to any shares, the shareholders are to distribute amongst themselves the profits of the Company according to the amounts paid up on the shares held by them, provided that no dividend will be declared in excess of the amount recommended by the directors. A member will not be entitled to receive any dividend if he has a holding of at least 0.25 per cent. of any class of shares of the Company, and has failed to comply with a section 212 notice. Interim dividends may be paid if profits are available for distribution and if the directors so resolve. The Company or its directors may fix a date as the record date for a dividend provided that the record date is not later than the date on which the dividend is paid or made.

Unclaimed dividends

Any dividend unclaimed after a period of 12 years from the date of its declaration will be forfeited and will revert to the Company.

Untraceable shareholders

The Company may sell any share if, during a period of 12 years, at least three dividends in respect of such shares have been paid, no cheque or warrant in respect of any such dividend has been cashed and no communication has been received by the Company from the relevant member. The Company must advertise its intention to sell any such share in both a national daily newspaper and a newspaper circulating in the area of the last known address to which cheques or warrants were sent. Notice of the intention to sell must also be given to the London Stock Exchange.

Return of capital

On a winding-up of the Company, the balance of the assets available for distribution will, subject to any sanction required by CA 1985, be divided amongst the members.

Borrowing powers

The directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital, or any part if it, and subject to the provisions CA 1985, to issue debentures and other securities whether outright or as collateral security for any debt, liability or obligation of the company or of any third party.

Directors

- (a) No shareholding qualification is required by a director.
- (b) The directors are entitled to fees at the rate decided by them, subject to an aggregate limit of £100,000 (one hundred thousand pounds sterling) per annum or such additional sums as the Company may by ordinary resolution determine. The Company may by ordinary resolution also vote extra fees to the directors which, unless otherwise directed by the resolution by which it is voted, will be divided amongst the directors as they agree, or failing agreement, equally. The directors are also entitled to be repaid all travelling, hotel and other expenses incurred by them in connection with the business of the Company.
- (c) At every annual general meeting, one third of the directors who are subject to retirement by rotation, or as near to it as may be, will retire from office. A retiring director is eligible for re-appointment.
- (d) The directors may from time to time appoint one or more of their body to be the holder of an executive office on such terms as they think fit.
- (e) Except as provided in paragraphs (f) and (g) below, a director may not vote or be counted in the quorum present on any motion in regard to any contract, transaction, arrangement or any other proposal in which he has any material interest, which includes the interest of any person connected with him, otherwise than by virtue of his interests in shares or debentures or other securities of or otherwise in or through the Company. Subject to CA 1985, the Company may by ordinary resolution suspend or relax this provision to any extent or ratify any transaction not duly authorised by reason of a contravention of it.
- (f) In the absence of some other material interest than is indicated below, a director is entitled to vote and be counted in the quorum in respect of any resolution concerning any of the following matters:
 - (i) the giving of any security, guarantee or indemnity to him in respect of money lent or obligations incurred by him or by any other person at the request of or for the benefit of the Company or any of its subsidiaries;
 - (ii) the giving of any security, guarantee or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;
 - (iii) any proposal concerning an offer of shares or debentures or other securities of or by the Company or any of its subsidiaries for subscription or purchase in which offer he is or is to be interested as a participant in its underwriting or sub-underwriting;
 - (iv) any contract, arrangement, transaction or other proposal concerning any other Company in which he is interested, as defined in Part VI CA 1985, provided that he is not the holder of or beneficially interested in one per cent. or more of any class of the equity share capital of such Company, or of a third Company through which his interest is derived, or of the voting rights available to members of the relevant Company, any such interest being deemed for the purpose of article 29.7 to be a material interest in all circumstances;
 - (v) any contract, arrangement, transaction or other proposal concerning the adoption, modification or operation of a superannuation fund or retirement, death or disability benefits scheme under which he may benefit and which has been approved by or is subject to and conditional upon approval by the Board of Inland Revenue;
 - (vi) any contract, arrangement, transaction or other proposal concerning the adoption, modification or operation of an employee share scheme which includes full time executive directors of the Company and/or any subsidiary or any arrangement for the benefit of

- employees of the Company or any of its subsidiaries and which does not accord to any director any privilege or advantage not generally accorded to the employees to whom such a scheme relates; and
- (vii) any contract, arrangement, transaction or proposal concerning insurance which the Company proposes to maintain or purchase for the benefit of directors or for the benefit of persons including the directors.
- (g) If any question arises at any meeting as to the materiality of a director's interest or as to the entitlement of any director to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question must be referred to the chairman of the meeting and his ruling in relation to any other director will be final and conclusive except in a case where the nature or extent of the interest of such director has not been fully disclosed. If the question concerns the chairman, it must be referred to such other director present at the meeting, other than the chairman, as the directors present appoint.
- (h) The directors may provide or pay pensions, annuities, gratuities and superannuation or other allowances or benefits to any director, ex-director, employee or ex-employee of the Company or any of its subsidiaries or any wife, widow, children and other relatives and dependants of any such director, ex-director, employee or ex-employee.

CREST

The directors may implement such arrangements as they think fit in order for any class of shares to be held in uncertificated form and for title to those shares to be transferred by means of a system such as CREST in accordance with the Uncertificated Securities Regulations 2001 and the Company will not be required to issue a certificate to any person holding such shares in uncertificated form.

4. Substantial shareholders

The holders of Ordinary Shares representing three per cent. or more of the nominal value of the Company's share capital at the date of this document and their percentage holding following the Placing, assuming Subscription in Full, are:

Name	Existing Ordinary Shares	Percentage current ordinary share capital	Percentage post Placing ordinary share capital
Corvus Capital Inc.	15,000,000	60.00	35.82
Solent Nominees Limited	2,000,000	8.00	4.78
Kitwell Consultants Limited			
Retirement Benefit Scheme	1,000,000	4.00	2.39
John Maundrell	1,000,000	4.00	2.39
Torono International Limited	1,000,000	4.00	2.39

5. Directors' interests and other matters

5.1 The interests of the Directors, their immediate families and persons connected with them, within the meaning of section 346 CA 1985, in the share capital of the Company, all of which are beneficial, at the date of this document and following the Placing, assuming Subscription in Full, are:

Name	Existing Ordinary Shares	Percentage current ordinary share capital	Ordinary Shares post Placing	Percentage post Placing ordinary share capital
John Leat	1,000,000	4.00	1,125,000	2.69
Graham Porter	3,333,332	13.33	3,458,332	8.26

5.2 Except as disclosed in paragraph 5.1, none of the Directors, nor any member of their respective immediate families, nor any person connected with them within the meaning of section 346 CA 1985, is interested in the share capital of the Company, or in any related financial products referenced to the Ordinary Shares.

5.3 The Company has entered into the following letters of appointment:

5.3.1 a letter of appointment with John Leat Consultants Limited dated 15 November 2004 conditional upon Admission pursuant to which Mr Leat was appointed as a director and chairman for an annual fee of £12,000, payable monthly in arrears. The appointment is for six months and is then terminable on three months' notice on either side. No compensation is payable for loss of office and the appointment may be terminated immediately if Mr Leat is, among other things, in material breach of the terms of the appointment; and

- 5.3.2 a letter of appointment with Graham Porter dated 15 November 2004 conditional upon Admission pursuant to which Mr Porter was appointed as a director for an annual fee of £12,000, payable monthly in arrears. The appointment is for six months and is then terminable on three months' notice on either side. No compensation is payable for loss of office and the appointment may be terminated immediately if Mr Porter is, among other things, in material breach of the terms of the appointment.
- 5.4 The aggregate remuneration paid and benefits in kind granted to the Directors for the period from the date of incorporation to Admission, under the arrangements in force at the date of this document, amount to £ nil. It is estimated that the aggregate remuneration payable to the Directors from the date of Admission to 31 March 2005 under arrangements in force at the date of this document will amount to £8,000.
- 5.5 The Directors have held the following directorships and partnerships (which unless otherwise stated are incorporated or established in the UK) within the five years prior to the publication of this document:

John Leat

Current	Canisp plc Corvus Capital Inc., BVI CVS Management Limited	John Leat Consultancy Limited Lodore Resources Inc, Cayman Islands Portfolio Products Limited
Past	Crosby Capital Partners Inc., Cayman Islands Goldolphin Management Co. Limited Kildangan Stud, Ireland	Manestate s.a.r.l., France Onyx Microsolutions Group plc Smech Management Company Limited Starshine Management Company Limited

Mr Leat resigned as a director of Onyx Microsolutions Group plc in April 2002, before the company went into creditors' voluntary liquidation on 10 September 2002. The principal creditors were shareholders of the company.

Graham Porter

Current	Corvus Capital Inc., BVI Fedmet Limited Futuras Limited	G.L. Porter Limited GTC Independent Brokers Limited Tambelan Company Limited
Past	None	

- 5.6 Except as disclosed above, no Director has:
- 5.6.1 any unspent convictions in relation to indictable offences;
- 5.6.2 had a bankruptcy order made against him or entered into an individual voluntary arrangement;
- 5.6.3 been a director of a company which has been placed in receivership, compulsory liquidation, creditors' voluntary liquidation, administration or company voluntary arrangement or which entered into any composition or arrangement with its creditors generally or any class of its creditors whilst he was a director of that company or within the 12 months after he ceased to be a director of that company;
- 5.6.4 been publicly criticised by any statutory or regulatory authority, including recognised professional bodies;
- 5.6.5 been a partner in any partnership placed into compulsory liquidation, administration or partnership voluntary arrangement where such director was a partner at the time of or within the 12 months preceding such event;
- 5.6.6 been subject to the receivership of any asset of such director or of a partnership of which the director was a partner at the time of or within 12 months preceding such event; or
- 5.6.7 been disqualified from acting as a director of a company or from acting in the management or conduct of the affairs of any company.
- 5.7 No Director has been interested in any transaction with the Company which was unusual in its nature or conditions or significant to the business of the Company during the current financial year which remains outstanding or unperformed.

6. Litigation

The Company is not involved in any legal or arbitration proceedings which have or, since incorporation, may have had a significant effect on the Company's financial position nor, so far as the Directors are aware, are any such proceedings pending or threatened against the Company.

7. Material contracts

The following contracts, not being contracts in the ordinary course of business, have been entered into by the Company since its incorporation and are, or may be, material.

- 7.1 On 28 October 2004 the Company entered into a consultancy agreement with Kitwell Consultants Limited for the provision of the consultancy services of Michael Hirschfield in relation to the Admission and the acquisition by the Company of its first Target Company. Under the terms of the agreement, the Company will pay a fee to Kitwell Consultants Limited of £7,500 on Admission and £12,500 on completion of the acquisition of the first Target Company.
- 7.2 On 28 October 2004 the Company entered into a consultancy agreement with John Maundrell for the provision of consultancy services in relation to the Admission and the acquisition by the Company of its first Target Company. Under the terms of the agreement, the Company will pay a fee to John Maundrell of £7,500 on Admission and £12,500 on completion of the acquisition of the first Target Company.
- 7.3 On 28 October 2004 the Company entered into an engagement letter with Kitwell Consultants Limited in relation to Kitwell Consultants Limited carrying out secretarial and administrative services for the Company. Under the terms of the letter, the Company will pay a monthly fee to Kitwell Consultants Limited of £1,000.
- 7.4 On 28 October 2004, the Company and Canaccord entered into a nominated adviser and broker engagement letter in relation to the latter acting as the Company's nominated adviser and broker for the proposed application for admission to AIM.
- 7.5 On 15 November 2004, the Company and Canaccord entered into a nominated adviser and broker agreement. Under this agreement Canaccord will receive an annual retainer of £20,000 for on-going broker and nominated adviser services. The Company has agreed to comply with its legal obligations and those of AIM and the London Stock Exchange and to consult and discuss with Canaccord all of its announcements and statements and to provide Canaccord with any information which Canaccord believes is necessary to enable it to carry out its obligations to the Company or the London Stock Exchange as nominated adviser and broker.
- 7.6 Agreements dated 15 November 2004 in which the Directors and Corvus Capital Inc. have agreed with the Company and Canaccord not to dispose of any interest in the shares in the capital of the Company for a period of 12 months from the date of Admission, except in the case of an intervening court order, a takeover offer relating to the Company's share capital becoming or being declared unconditional or, in the case of a Director, on the death of that Director. The parties have also agreed that during a period of 12 months after the expiry of the above period, they will only sell or dispose of any shares of the Company through Canaccord or the Company's broker from time to time.
- 7.7 On 15 November 2004 the Company and Walker Crips Stockbrokers Limited (**Placing Agent**) entered into a conditional agreement (**Placing Agreement**) under which the Placing Agent agreed to act as the Company's placing agent and to use all its reasonable endeavours to procure subscribers for the Placing Shares at 4p per share.

The Placing Agreement provides that, conditional upon completion of the Placing, the Placing Agent will be paid a commission of £25,000. The Company has agreed to pay all other costs and expenses relating to the Placing and the application for Admission.

The Placing Agreement is conditional upon, amongst other things, Admission having occurred and applications having been received from persons in respect of all the Placing Shares on or before 29 November 2004, or such later date as the Placing Agent and the Company may agree but not later than 17 December 2004.

The Placing Agreement contains certain warranties and indemnities by the Company and the Directors in favour of the Placing Agent. It also contains provisions entitling the Placing Agent to terminate it prior to the completion of the Placing in the event of a material breach of any of the warranties or the occurrence of an event which fundamentally and adversely affects the position of the Company.

7.8 By letter dated 15 November 2004 the Company agreed to pay Penkenna Limited, a BVI company, a commission of five per cent. of the gross Placing proceeds, in respect of the procurement by Penkenna Limited of subscribers for the Placing Shares. At the date of this document Penkenna Limited, its directors and beneficial owner have no interests in the share capital of the Company. The Company's directors have no interests in the share capital of Penkenna Limited.

8. Working capital

It is the Directors' opinion, having made due and careful enquiry, that the working capital available to the Company, taking into account the net proceeds of the Placing receivable by the Company, assuming subscription of the Minimum Amount, will be sufficient for its present requirements, that is for at least 12 months from Admission.

9. General

9.1 Except as set out in paragraph 7 of this part 4, the Company has not traded or conducted business since its incorporation. For the purposes of paragraphs 48 and 49 of schedule 1 of the Regulations there have been no significant recent trends concerning the business of the Company since its incorporation and the prospects of the Company are dependent on the successful implementation of the strategy referred to in part 1 of this document.

9.2 The expenses of the Placing are estimated at £133,750, exclusive of VAT, and are payable by the Company.

9.3 The Company's accounting reference date is 31 March.

9.4 There are no patents or other intellectual property rights, licences or particular contracts which are of fundamental importance to the Company's business.

9.5 There are no significant investments in progress by the Company.

9.6 No exceptional factors have influenced the Company's activities.

9.7 Except as stated in this document and for the advisers named on page 6 of this document, no person has received, directly or indirectly, from the Company within the 12 months preceding the Company's application for Admission to trading on AIM or has entered into any contractual arrangements to receive, directly or indirectly, from the Company on or after Admission, fees totalling £10,000 or more or securities in the Company with a value of £10,000 or more calculated by reference to the Placing Price or any other benefit with a value of £10,000 or more at the date of Admission.

9.8 The minimum amount which, in the opinion of the Directors, must be raised through the Placing to provide the sums required in respect of the matters specified in schedule 1 of the Regulations is £500,000, which will be applied as follows:

9.8.1 the purchase of property	£ nil
9.8.2 preliminary expenses and expenses of the Placing	£133,750
9.8.3 repayment of money borrowed in respect of 9.8.1 and 9.8.2 above	£ nil
9.8.4 working capital	£366,250

9.9 Except as disclosed in this document, there has been no significant change in the financial or trading position of the Company since its incorporation.

9.10 The nominated adviser and broker, Canaccord, has given and not withdrawn its written consent to the issue of this document with references to its name in the form and context in which they appear.

9.11 The reporting accountants, Grant Thornton UK LLP, have given and not withdrawn their written consent to the issue of this document with the inclusion in it of their report and references to it and to their name in the form and context in which they respectively appear.

9.12 For the purposes of paragraph 25 of Part 4 of Schedule 1 to the Regulations, the subscription list for the Placing will open at 3.00 pm on 15 November 2004 and may be closed any time thereafter but not later than 15 December 2004. Monies received from applicants pursuant to the Placing will be held in accordance with the terms of the placing letters issued by Walker Crips Stockbrokers Limited until such time as the Placing Agreement becomes unconditional in all respects. If the Placing Agreement does not become unconditional in all respects by 17 December 2004, application monies will be returned to the applicants at their risk without interest.

- 9.13 The financial information relating to the Company contained in this document does not comprise statutory accounts for the purposes of section 240 CA 1985.
- 9.14 The Placing Price of 4p represents a premium of 3.75p above the nominal value of an Ordinary Share, which is 0.25p.
- 9.15 It is expected that certificates in respect of the Placing Shares will be despatched on or before 6 December 2004 or CREST accounts altered on 29 November 2004.

10. Documents available for inspection

Copies of the following documents will be available for inspection during normal business hours on any weekdays, Saturdays and public holidays excepted, at the offices of Fladgate Fielder at 25 North Row, London W1K 6DJ for a period of one month from the date of this document:

- 10.1 the memorandum and articles of association of the Company;
- 10.2 the report of Grant Thornton UK LLP in part 3 of this document;
- 10.3 the letters of appointment of the Directors referred to in paragraph 5.3 of this part 4;
- 10.4 the material contracts referred to in paragraph 7 of this part 4; and
- 10.5 the written consents of Canaccord and Grant Thornton UK LLP referred to in paragraphs 9.10 and 9.11 of this part 4.

11. Copies of this document

Copies of this document will be available to the public free of charge at the offices of Canaccord, 1st Floor Brook House, 27 Upper Brook Street, London W1K 7QF during normal business on any weekday (other than Saturdays and public holidays), until one month following the date of Admission.

Dated: 15 November 2004

