

10 July 2015



To:

SHAREHOLDER

**DAILY INTERNET PLC**

*Registered office:*  
First Floor, Nelson House  
Park Road, Timperley  
Cheshire WA13 5BZ

*Registered in England No. 6172239*

## **Daily Internet Plc** **Availability of Annual Report and Accounts 2015** **Notice of Annual General Meeting**

Dear Shareholder,

**The Annual Report and Accounts for 2015 are now available for download from:**

<https://investor.daily.co.uk/financial-reports/>

The Annual Report and Accounts are also available from the registered office of the company and will be available at the AGM.

**Notice is hereby given that the Annual General Meeting of Daily Internet plc will be held on 14 August 2015 at 10.00am at Daily Internet Plc, Walker House, Exchange Flags, Liverpool L2 3YL for the purpose of considering and, if thought fit, passing the resolutions set out below, of which Resolutions 1 to 4 will be proposed as ordinary resolutions and Resolution 5 will be proposed as a special resolution.**

In addition, it should be noted that the value of the Company's net assets is now less than half of its called-up share capital. In these circumstances the Directors are required under section 656 of the Companies Act 2006 to consider at a General Meeting of the Company whether any, and if so what, steps should be taken to deal with the situation. In light of the Group's trend of continued improvement and management expectations of future performance, the Directors do not consider it necessary to have any specific resolutions proposed at the Annual General Meeting but the situation will be considered at the end of the Annual General Meeting.

### **Ordinary Business**

To consider and, if thought fit, pass the following resolutions:

1. **TO** receive, consider and adopt the Annual Report and Financial Statements for the year ended 31 March 2015, together with the Directors' and Auditors' Reports contained therein.
2. **TO** reappoint Robert Khalastchy as a director who retires by rotation.
3. **TO** reappoint BDO LLP Chartered Accountants as auditors of the Company and authorise the Directors to fix their remuneration.
4. **THAT** the Directors be generally and unconditionally authorised to allot equity securities (as defined in section 560(1) of the Companies Act 2006 ("the Act")):
  - a. up to an aggregate nominal amount of £800,000 in connection with an offer by way of a rights issue:
    - I. to holders of ordinary shares in proportion (as nearly as may be practicable) to their respective holdings; and
    - II. to holders of other equity securities as required by the rights of those securities or as the Directors otherwise consider necessary,

but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates, legal or practical problems in or under the laws of any territory or the requirements of any regulatory body or stock exchange; and

- b. in any other case, up to an aggregate nominal amount of £1,600,000 (such amount to be reduced by the nominal amount of any equity securities allotted under resolution 4(a) above in excess of £800,000), provided that this authority shall, unless renewed, varied or revoked by the Company, expire 15 months from the date this resolution is passed or, if earlier, the date of the next annual general meeting of the Company save that the Company may, before such expiry, make offers or agreements which would or might require Relevant Securities to be allotted and the Directors may allot Relevant Securities in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired.

This resolution revokes and replaces all unexercised authorities previously granted to the Directors to allot Relevant Securities but without prejudice to any allotment of shares or grant of rights already made, offered or agreed to be made pursuant to such authorities.

For the purposes of the resolution: 'Relevant Securities' means:

- I. shares in the Company other than shares allotted pursuant to: an employee share scheme (as defined by section 1166 of the CA 2006); a right to subscribe for shares in the Company where the grant of the right itself constituted a Relevant Security; or a right to convert securities into shares in the Company where the grant of the right itself constituted a Relevant Security; and
- II. any right to subscribe for or to convert any security into shares in the Company other than rights to subscribe for or convert any security into shares allotted pursuant to an employee share scheme (as defined by section 1166 of the CA 2006). References to the allotment of Relevant Securities in the resolution include the grant of such rights.

## Special business

As special business, to consider and, if thought fit, pass the following resolution:

**5. THAT**, subject to the passing of resolution 4, the Directors be given the general power to allot equity securities (as defined by section 560 of the Act) for cash, either pursuant to the authority conferred by resolution 4 or by way of a sale of treasury shares, as if section 561(1) of the Act did not apply to any such allotment, provided that this power shall be limited to:

- a. the allotment of ordinary shares of £0.005 (0.5 pence) each ("Ordinary Shares") pursuant to options granted to directors, employees and consultants to the Company up to an aggregate nominal value of £26,196.43;
- b. the allotment of Ordinary Shares pursuant to the convertible loan note instrument dated 4 January 2013 up to an aggregate nominal value of £28,000 (including interest).
- c. the allotment of Ordinary Shares pursuant to warrants granted pursuant to a warrant instrument dated 9 January 2012 up to an aggregate nominal value of £28,000;
- d. the allotment of equity securities in connection with an offer by way of a rights issue:
  - i. to the holders of ordinary shares in proportion (as nearly as may be practicable) to their respective holdings; and
  - ii. to holders of other equity securities as required by the rights of those securities or as the Directors otherwise consider necessary,

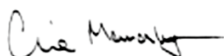
but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates, legal or practical problems in or under the laws of any territory or the requirements of any regulatory body or stock exchange; and

- e. the allotment (otherwise than pursuant to resolutions 5(a) to (d) above) of equity securities up to an aggregate nominal amount of £360,000

The power granted by this resolution will expire 15 months from the date this resolution is passed or, if earlier, the conclusion of the Company's next annual general meeting (unless renewed, varied or revoked by the Company prior to or on such date) save that the Company may, before such expiry make offers or agreements which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of any such offer or agreement notwithstanding that the power conferred by this resolution has expired.

This resolution revokes and replaces all unexercised powers previously granted to the Directors to allot equity securities as if section 561(1) of the 2006 Act did not apply but without prejudice to any allotment of equity securities already made or agreed to be made pursuant to such authorities.

#### By order of the board



**Clive Maudsley**  
*Company Secretary*  
19 June 2015

#### *Registered Office:*

First Floor, Nelson House  
Park Road, Timperley  
Cheshire WA14 5BZ

#### Notes

1. Any member entitled to attend and vote at the Annual General Meeting is entitled to appoint one or more proxies who need not be a member of the Company to attend and to vote instead of the member. Completion and return of a form of proxy will not preclude a member from attending and voting at the meeting in person, should he subsequently decide to do so.
2. In order to be valid, any form of proxy and power of attorney or other authority under which it is signed, or a notarially certified or office copy of such power of attorney, must reach the Company's Registered Office, First Floor, Nelson House, Park Road, Timperley, Cheshire. WA14 5BZ not less than 48 hours before the time of the meeting or of any adjournment of the meeting.
3. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 the Company specifies that to be entitled to attend and vote at the meeting (and for the purposes of the determination by the Company of the number of votes they may cast), holders of ordinary shares must be entered on the relevant register of securities by 10.00 am on 12 August 2015. Changes to entries on the relevant register of securities after 10.00am on 12 August 2015 shall be disregarded in determining the rights of any person to attend and vote at the meeting.
4. Copies of the service contracts and letters of appointment of each of the Directors of the Company together with the Register of Directors' Interests will be available for inspection at the registered office of the company during usual business hours on any weekday (Saturday and public holidays excluded) and at the place of the Annual General Meeting from at least 15 minutes prior to and until the conclusion of the Annual General Meeting.
5. The Directors have no present intention of exercising either the allotment authority under resolution 4 or the disapplication of pre-emption rights authority under resolution 5 other than as required pursuant to the authorities set out in paragraphs (a) to (e) of resolution 5.
6. The Annual Report and Financial statements can be downloaded from the investor section of our website at the following location <https://investor.daily.co.uk/financial-reports/>

**Daily Internet plc (Company)**  
**Annual General Meeting (AGM) 14 August 2015**  
**Proxy Form**

**Before completing this form, please read the explanatory notes**

I /We [ ] being a holder of ordinary shares in the Company appoint the Chairman of the meeting or (see note 3)

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as my/our proxy to attend, speak and vote on my/our behalf at the AGM of the members to be held at 10.00 a.m. on 14 August 2015 at Daily Internet PLC, Walker House, Exchange Flags, Liverpool, L2 3YL.

I/We direct my/our proxy to vote on the following resolutions as I/we have indicated by marking the appropriate box with an 'X'. If no indication is given, my/our proxy will vote or abstain from voting at his or her discretion.

RESOLUTION	For	Against
1. To receive and adopt the Annual Report and Financial Statements, together with the Directors' and Auditors' Reports contained therein		
2. To re-elect Robert Khalastchy as a director		
3. To re-appoint BDO LLP Chartered Accountants as Auditors and authorise the directors to determine their remuneration		
4. To grant the directors allotment authorities		
5. To disapply pre-emption rights		

Signature	Date

## Notes to the proxy form

1. As a holder of shares you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the AGM. You can only appoint a proxy using the procedures set out in these notes.
2. Appointment of a proxy does not preclude you from attending the meeting and voting in person. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.
3. A proxy does not need to be a member of the Company but must attend the meeting to represent you. To appoint as your proxy a person other than the Chairman of the meeting, insert their full name in the box. If you sign and return this proxy form with no name inserted in the box, the Chairman of the meeting will be deemed to be your proxy. Where you appoint as your proxy someone other than the Chairman, you are responsible for ensuring that they attend the meeting and are aware of your voting intentions.
4. To direct your proxy how to vote on the resolutions mark the appropriate box with an "X". If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the meeting.
5. Your proxy will have one vote in respect on a show of hands and one vote for each share that you hold when voting on a poll.
6. To appoint a proxy using this form, the form must be:
  - ∑ Completed and signed;
  - ∑ Sent or delivered to the Company at the First Floor, Nelson House, Park Road, Timperley, Cheshire, WA14 5BZ; and
  - ∑ Received by the Company no later than 10.00a.m on 12 August 2015;
7. In the case of a member which is a company, this proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.
8. Any power of attorney or any other authority under which this proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.
9. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of holders of loan notes in respect of the joint holding (the first-named being the most senior).
10. If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.
11. A vote given in accordance with your proxy instructions shall be valid notwithstanding the revocation of the proxy provided that no intimation in writing of such revocation has been received at the Company's registered office at least 2 hours before the commencement of the meeting at which the proxy is used.

12. A vote given in accordance with your proxy instructions shall be valid notwithstanding the revocation of the proxy provided that no intimation in writing of such revocation has been received at the Company's registered office at least 2 hours before the commencement of the meeting at which the proxy is used.