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If you sell or have sold or otherwise transferred all of your Ordinary Shares in Fieldbury plc you should deliver this document together with the attached Form of Proxy as soon as possible to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

The Directors, whose names are set out on page 5, accept responsibility for the information contained in this document. To the best of the knowledge and belief 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 does not omit anything likely to affect the importance of such information.

FIELDBURY PLC

(Incorporated and registered in England and Wales with No: 4220065)

Proposed disposal of Dixie Sales Company Inc.

Proposed cancellation of share premium account, capitalisation of reserves, reduction of share capital and amendments to Articles of Association

Notice of General Meeting

Your attention is drawn to the letter from the Chairman of the Company on pages 5 to 13 of this document recommending that you vote in favour of the Proposals outlined in this document.

This document does not constitute a prospectus for the purpose of the Prospectus Rules neither does it constitute an admission document drawn up in accordance with the AIM Rules.

The Notice of a General Meeting of Fieldbury plc to be held at the offices of Edwin Coe LLP, 2 Stone Buildings, Lincoln's Inn, London, WC2A 3TH on 24 July 2009 at 11.00 a.m. is set out at the end of this document. Whether or not you intend to be present at the General Meeting you are urged to complete and return the enclosed Form of Proxy in accordance with the instructions printed thereon so as to arrive as soon as possible and in any event not later than 11.00 a.m. on 22 July 2009.

Copies of this document, which is dated 9 July 2009, will be available free of charge to the public during normal working hours on any weekday (except Saturdays and public holidays) from the registered office of the Company from the date of this document until the expiry of one month after the General Meeting.

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EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Latest time and date for receipt of Forms of Proxy	11.00 a.m. on 22 July 2009
General Meeting	11.00 a.m. on 24 July 2009

DEFINITIONS

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

“Act”	the Companies Acts 1985 and 1989, as amended or replaced by the Companies Act 2006 (“2006 Act”) where the context requires
“AIM”	AIM, a market operated by the London Stock Exchange
“AIM Rules”	the rules governing the admission to, and operation of AIM contained in the document entitled the “AIM Rules” published by the London Stock Exchange
“Capitalisation”	the proposed capitalisation of the Company’s Merger Reserve the subject of the Proposals as set out in this document
“Capital Reorganisation”	the proposed cancellation of the Company’s share premium account, the capitalisation of the Company’s Merger Reserve and the cancellation of the Deferred Shares as detailed in this circular
“Charles Stanley”	Charles Stanley Securities, a division of Charles Stanley & Co. Limited, the Company’s Nominated Adviser for the purposes of the AIM Rules
“Company” or “Fieldbury” or “Group”	Fieldbury plc and its subsidiaries as the context requires
“Consortium”	the group of Shareholders listed on page 8 of this circular who have agreed to conditionally acquire Dixie Sales
“Deferred Shares”	the outstanding deferred shares of 45p each in the capital of the Company together with the new deferred shares of 45 pence each in the capital of the Company to be created pursuant to the Capital Reorganisation and then cancelled pursuant to the Reduction
“Deferred B Shares”	the deferred B shares of 5p each resulting from the conversion of the Ordinary Shares owned by members of the Consortium having the rights set out in the appendix to this circular
“Directors” or the “Board”	the directors of Fieldbury, whose names appear on page 5 of this document
“Disposal”	the proposed sale of Dixie Sales and the sale of the Note as explained in this Circular
“Disposal Agreement”	the conditional agreement dated 8 July 2009 relating to the Disposal, further details of which are set out in this circular
“Dixie Sales”	Dixie Sales Company Inc.
“EBITDA”	earnings before interest, tax and depreciation
“Form of Proxy”	the form of proxy enclosed with this document for use at the General Meeting
“Freeplay Division”	the former subsidiaries of the Company, comprising Freeplay Market Development Limited, Freeplay Market Development (Pty) Limited, Freeplay Energy India (Pvt) Limited and Baylis Generators Limited

“GM” or “General Meeting”	the General Meeting of the Company convened for 11.00 a.m. on 24 July 2009 by the Notice of GM and any adjournment thereof
“Independent Directors”	Rory Stear, Thomas Gordon Roddick and Andy Polansky
“London Stock Exchange”	London Stock Exchange plc
“Merger Reserve”	the Company’s merger reserve as set out in its audited accounts for the year ended 31 December 2008
“Note”	the promissory note which, on completion of the Disposal, will have a face value of US\$1 million due from Dixie Sales to Fieldbury, representing outstanding intercompany indebtedness
“Notice of GM”	the notice of GM set out at the end of this document
“Ordinary Shares”	ordinary shares of 5 pence each in the share capital of the Company
“Proposals”	the proposed disposal of Dixie Sales and the Note, the Capital Reorganisation and the adoption of the new articles of association
“Prospectus Rules”	the prospectus rules made by the Financial Services Authority pursuant to section 73A of the Financial Services and Markets Act 2000, as amended
“Reduction”	together, the cancellation of the Company’s share premium account and the cancellation of the Deferred Shares
“Resolutions”	the resolutions set out in the Notice of GM
“Shareholders”	holders of Ordinary Shares
“United States” or “US”	the United States of America, its territories and possession, any state of the United States and the District of Columbia

PART I
LETTER FROM THE CHAIRMAN

FIELDBURY PLC

(Incorporated and registered in England and Wales with No: 4220065)

Directors:

Roderick Morton Stear *(Chairman)*
Harold Reiter *(Executive Director)*
Thomas Gordon Roddick *(Non-executive Director)*
Andy Polansky *(Non-executive Director)*
William Barrett *(Non-executive Director)*
Edward Barrett *(Non-executive Director)*

Registered Office:

2 Stone Buildings
Lincoln's Inn
London
WC2A 3TH

Company Secretary: Russel Charles Shear

9 July 2009

Dear Shareholder,

Introduction

It was announced today that, subject amongst other things to Shareholders' approval, Fieldbury has entered into a conditional agreement to dispose of Dixie Sales to a group of Shareholders including three directors of the Company, Harold Reiter, William Barrett and Edward Barrett. As a result the Disposal is deemed a Related Party Transaction under the AIM Rules. It is also deemed to be a disposal resulting in a fundamental change of business for the purpose of AIM Rule 15 and therefore is subject to Shareholder approval.

The purpose of this document is to explain the background to and reasons for the Proposals, and why the Directors consider the Proposals to be in the best interests of the Company and its Shareholders.

Prior to the disposal of the Freeplay Division in August 2008, the Group was focused on the renewable energy sector and consumer markets. At the time of the disposal of the Freeplay Division the board confirmed that it would consider its strategic options for the Group going forward. Following the disposal of the Freeplay Division, the Group was left with one trading subsidiary in North America. Rather than concentrate the available resources within the Group to the development of Dixie Sales in North America, the Independent Directors believe that it would be in the best interests of the Group and the Shareholders to refocus its strategy back to the Company's core strength. Accordingly, the Independent Directors are recommending the Disposal to be in the best interests of the Company and the Shareholders as a whole.

If approved following the Disposal, the Company would become an Investing Company under the AIM rules, with the proposed strategy to acquire or take a controlling interest in a Company involved primarily in the following sectors: renewables, alternative energy, environmental or consumer markets as detailed in the Investment Policy below.

The Disposal will be effected by the sale of the entire issued share capital of Fieldbury Holdings Inc, which is the immediate parent company of Dixie Sales. The consideration in relation to the disposal of Dixie Sales consists of the following:

- the conversion by the Consortium of a total of 39,180,361 Ordinary Shares into Deferred B Shares having the restricted rights set out in the Appendix to this circular. The Deferred Shares will have no practical economic value, will not be listed, will be non-voting, will carry no right to a dividend and will be subject to eventual cancellation by the Company for a nominal amount. The Ordinary Shares owned by the Consortium amount to approximately 40 per cent. of the total issued Ordinary Shares.

- cash consideration of US \$500,000 for a promissory note which, on completion of the Disposal, will have a face value of US \$1 million due to the Company from Dixie Sales (in respect of intercompany indebtedness due from Dixie Sales to Fieldbury after set-off of amounts owed by Fieldbury to Dixie Sales and a contribution of a proportion of the Note as a capital contribution to Fieldbury Holdings Inc.). The Note will be sold, *inter alia*, to certain Shareholders of Fieldbury listed on page 8 of this circular
- the release of Fieldbury's guarantee of up to US \$1 million which Fieldbury has provided to Dixie Sales' bankers;
- the release of the promissory note issued by Fieldbury in 2006 at the time of the acquisition of Dixie Sales pursuant to which Fieldbury owed Barrett Marketing Group, Ltd approximately US \$28,000 as at 30 June 2009;

As at 8 July 2009, 40 per cent. of the Ordinary Shares had a market value by reference to the mid market price of £979,509 million or 2.5 pence per Ordinary Share. The Board estimates that following Completion, the cash in Fieldbury, including the cash consideration of \$500,000 and the sum of US \$1.5 million due to it under the terms of the sale of the Freeplay Division, will be US \$4.1 million (before expenses). This represents approximately 2.6 pence per Ordinary Share using an exchange rate of US \$1.6 per £1 which, following cancellation of approximately 39 million Ordinary Shares, will represent approximately 4.4 pence per Ordinary Share.

The Directors also propose to effect the Capital Reorganisation in order to eliminate the deficit on the profit and loss account of the Company (which, at 31 December 2008 stood at US \$28,832,000 and which has arisen as a result of past losses incurred) and to create distributable reserves.

The Capital Reorganisation involves four steps:

- the cancellation of the Company's share premium account;
- the capitalisation of the Merger Reserve, creating new Deferred Shares ranking *pari passu* with the existing Deferred Shares;
- the cancellation of the Deferred Shares so created and the existing issued Deferred Shares by way of a reduction of capital; and
- the cancellation of the Deferred B Shares to be issued to the members of the Consortium.

The result of the cancellation of the share premium account, the capitalisation of the Merger Reserve and the cancellation of the Deferred Shares and the Deferred B Shares, if approved by Shareholders and confirmed by the Court, will be to eliminate the current deficit on the Company's profit and loss account and to create a distributable reserve which the Company may use in due course to pay dividends to Shareholders, to distribute surplus cash and for other corporate purposes.

The disposal of Dixie Sales and the Capital Reorganisation are conditional, *inter alia*, upon the Company obtaining approval from Shareholders of the Resolutions. Accordingly a general meeting has been convened for 11.00 am on 24 July 2009. Notice of the GM is set out on page 15 of this document.

Disposal of the Freeplay Division

In May 2008 the Company entered into conditional agreements with Mr Devin Narang for the disposal of the Freeplay Division. These agreements were completed on 4 August 2008. The consideration for the sale of the Freeplay Division was US \$14.5 million, including the assumption of approximately US \$5 million of debt. The agreements for the sale of the Freeplay Division included a target on the amount of working capital that was required to be in place as at 30 June 2008. As the target level of working capital was not achieved, the overall disposal proceeds were reduced by US \$2.5 million to a total of US \$12 million. Your Board believes that this deal was very much in the best interests of Shareholders and the Company given the challenging conditions in the Freeplay Division's key end markets, coupled with additional working capital requirements that would have been needed for the Group. Following the disposal and sale of the rights of the Freeplay name and associated trade marks,

the Company changed its name from Freeplay Energy plc to its current corporate name of Fieldbury plc. As a result of the disposal of the Freeplay Division, Dixie Sales is now the sole operating company within the Group.

The sale of the Freeplay Division generated net proceeds, after adjustments, of US \$12 million resulting in a net gain from the sale of the Freeplay Division of US \$11.4 million.

Dixie Sales

Dixie Sales is an established sales, marketing, distribution and customer service provider based in Greensboro, North Carolina, USA. Dixie provides a full range of services to its customers and suppliers, which includes customer and supplier account management, customer and supplier logistics, consumer call centre services and technical services such as training and education to customers. Dixie Sales also has electronic ordering and ecommerce tools.

During 2007, Dixie Sales completed a strategic review as part of an overall Group restructuring and made significant progress in reducing its costs structure, exiting certain low margin businesses, reducing operating costs and refocusing the division away from low performing, low margin categories. The restructuring of Dixie Sales was largely completed at the end of March 2008 and, as a result of the measures undertaken, overall operational costs have been significantly reduced on an annualised basis. Despite a backdrop of continued consumer uncertainty in the core dealer parts and whole goods businesses, revenues and EBITDA for 2008 were in line with your Board's expectations.

Dixie Sales' revenue for the year ended 31 December 2008 was US \$34.3 million compared with US \$36.7 million for 2007. The 6.5 per cent. decline in 2008 revenue is as a result of the planned exit from a number of marginally profitable business activities. Revenue from core business activities increased approximately 8 per cent. over 2007.

Gross profit from ongoing operations increased 3.9 per cent. to US \$10.6 million compared with US \$10.2 million in 2007 due to an increased focus on higher margin products and activities. Dixie Sales also reduced its cost structure during 2008. Operating costs in 2008 were 7.3 per cent. lower, representing a US \$716,000 improvement compared to the previous year.

For the 4 months to April 2009, unaudited sales revenue for Dixie was \$9.8 million, with an operating loss of \$0.03 million and a loss before tax of \$0.5 million. Unaudited total assets at 30 April 2009 totalled \$15.4 million with current liabilities of \$12.6 million, including a line of credit of \$7.5 million. Net assets for the same period were \$2.8 million.

During 2008, Dixie Sales entered into a number of key new business relationships. Significant new business includes Distribution America which is a buying group for major independent hardware stores and Canadian Tire, an American armed forces employees store (an electronic store for the exclusive use of all active and retired USA military personnel).

Also during 2008, Dixie Sales determined following discussions with some of its manufacturing and mass merchant customers, that there was a need for assistance to manage the increasing number of products being returned by end users to retailers. In response to this, Dixie Sales has developed a Returned Asset Management Program to assist its partners in dealing with this problem. In February 2009, Dixie Sales commenced a pilot project with Positec USA, Inc. to manage the returned products for a number of its lines on a "fee for service" basis.

In December 2008 Dixie Sales completed a renewal of its banking facility which provides an extension of its banking arrangements to March 2010. Dixie Sales has a revolving credit facility with PNC Bank for up to US \$9.75 million. As at 31 May 2009 the sum of US \$7.2 million was drawn down on this facility. Dixie Sales also has a number of long term leases totalling US \$61,000 all of which is payable within twelve months.

In accordance with the requirements of Dixie Sales' bankers when its facility was renewed in December 2008, Fieldbury agreed to provide a guarantee of up to US \$1 million in respect of that bank facility. Under the terms of the agreement with the Consortium for the disposal of Dixie Sales, Fieldbury will be released from its obligations under this guarantee. In addition, Dixie Sales is indebted to Fieldbury

in respect of intercompany loans evidenced by the Note. In connection with the disposal of Dixie Sales, it is proposed that the benefit of the Note is sold to a group of individuals including certain shareholders of Fieldbury listed below for a total cash consideration of US \$500,000 payable on completion of the disposal of Dixie Sales. The face value of the Note will, on completion of the Disposal, amount to US \$1 million after set-off of amounts owed by Fieldbury to Dixie Sales and a contribution of a proportion of the Note as a capital contribution to Fieldbury Holdings, Inc.

The Consortium and Note Purchasers

The members of the Consortium, their holdings of Ordinary Shares and their holding of Deferred B Shares following conversion of their Ordinary Shares are as follows:

<i>Shareholder</i>	<i>Number of Ordinary Shares held</i>	<i>Deferred B Shares</i>
BMG Holdings Limited	22,924,984	22,924,984
William Barrett+	1,951,219	1,951,219
Edward Barrett+	975,609	975,609
Harold Reiter	975,609	975,609
Gilles Lamoureux	1,960,780	1,960,780
Michael Florence*	245,100	245,100
Sherfam Inc.*	9,803,920	9,803,920
Barry Tissenbaum	245,100	245,100
Carl Kalman*	98,040	98,040
Total	<u>39,180,361</u>	<u>39,180,361</u>

* These shares are held by the Bank of New York (Nominees) Limited, Nesburn ACCT.

+ These shares are held by TD Waterhouse Nominees (Europe) Limited.

The purchasers of the Note are as follows:

<i>Note Purchasers</i>	<i>Proportion of Note Purchased (%)</i>
Edward Barrett	10
John Bird	20
David Dunkin	20
Gilles Lamoureux	20
Harold Reiter	30

Principal Terms of the Disposal

On 8 July 2009, the Company entered into the Disposal Agreement with the Consortium and Note Purchasers referred to above for the sale of the entire issued share capital of Fieldbury Holdings Inc which is the immediate parent company of Dixie Sales, and for the sale of the Note respectively.

Completion of the Disposal is conditional, *inter alia*, upon:

- there being no material adverse change in the business or financial condition of Dixie Sales;
- the release of the Company's obligations pursuant to a guarantee provided by Fieldbury to Dixie Sales' bankers, PNC Bank, for up to US \$1 million;
- the approval of the Resolutions.

The consideration for the Disposal is explained on page 5 of this circular.

Fieldbury has also agreed for a period of two years following completion of the Disposal not to compete with Dixie Sales in relation to the Dixie Sales business as carried on at completion of the Disposal and, in relation to the Dixie Sales business, the brands represented by Dixie Sales at the date of such completion.

Fieldbury has given very limited representations and warranties to the members of the Consortium and the Note purchasers, principally concerning good title to the shares in Fieldbury Holdings Inc.

Change of Directors

The following Directors will remain on the Board following completion of the proposed Disposal:-

Roderick Morton Stear (*Chairman*)

Thomas Gordon Roddick (*Non-executive Director*)

Andy Polansky (*Non-executive Director*)

Upon completion of the disposal of Dixie Sales, Harold Reiter, William Barrett and Edward Barrett will resign as directors of Fieldbury.

Since they are part of the Consortium acquiring Dixie Sales and part of the group of individuals purchasing the Note, the transactions will constitute a substantial property transaction for the purposes of Section 190 of the Companies Act 2006. Accordingly, the transactions require the approval of shareholders before it can be completed. Resolution 1 of the Notice of GM deals with this requirement.

Remaining Group

Following the disposal of Dixie Sales, the Group will have no remaining trading business and its only assets (other than the retained shareholding equivalent to 10 per cent. of the issued share capital of Freeplay Market Development which the Company is obliged to transfer in consideration for the payment of the deferred cash consideration) will be cash and its right to receive the remaining deferred cash consideration of US \$1.5 million due to it under the terms of the sale of the Freeplay Division on 31 December 2009.

Your Board continues to explore a number of strategic options concerning the Group's future development. It is proposed that acquisition opportunities will be explored.

Following the Disposal the Company will be classified under the AIM Rules as an investing company. Accordingly, the Investing Policy, details of which are set out below, is also subject to the approval of Shareholders at the General Meeting. The Company will be required to make an acquisition or acquisitions which constitute a reverse takeover under the AIM Rules or otherwise implement its Investing Policy within 12 months of the General Meeting, failing which, the Company's Ordinary Shares would then be suspended from trading on AIM and the Board would therefore subsequently intend to wind up the Company and distribute all remaining cash back to Shareholders. Following completion of the Disposal, the Board estimates the cash in the Group, including the remaining deferred cash consideration of US\$1.5 million detailed above will amount to approximately US \$4.1 million (before expenses).

Proposed Investing Policy

If approved, following the Disposal, the Company would become an investing company under the AIM Rules. The Company's proposed Investing Policy, which is subject to shareholder approval, is set out below:

Fieldbury's proposed strategy is to acquire the entire share capital or an interest in a company or business involved primarily in the following sectors: renewables, alternative energy, environmental or consumer and financial services markets, where such a transaction has the potential to create value for Shareholders through the capital appreciation of the investment over time and/or where appropriate through dividends. Such investment will be actively managed and it is anticipated will be held for the long term.

The Company may seek businesses which are developing and which require funding to grow whereby the value of the cash within the Company can be maximised. The Directors believe the cash within the Company is a valuable asset for emerging companies for whom conventional fund raising opportunities are not always available. The Company will seek targets whose growth prospects, if achieved, will be earnings enhancing for Shareholders. The Company will also seek strongly managed businesses which the experience and scope of the Directors can add value to.

The focus of its acquisition strategy will be in a number of areas including the United Kingdom, North America and South Africa. However, given the nature of the sectors which the Company will focus on, the Directors will consider opportunities in other geographic locations should any such opportunities arise.

The acquisition would be satisfied primarily by existing cash resources and possibly by the issue of new Ordinary Shares to the relevant vendors or cash raised pursuant to the issue of new Ordinary Shares in conjunction with such acquisition, or a combination of the above. The Company may elect to raise further capital following the acquisition either by way of equity or debt subject to the cash requirements appropriate for growing the business.

Acquisition targets will be subject to the scrutiny of the Directors following the Disposal, some of whom have experience in those sectors and in raising capital for companies. The Directors have been involved in the flotation of a number of companies in a variety of sectors as founders, investors, or advisers. The Board believes that its collective experience and ability to proactively source deal flow will enable suitable targets to be identified and evaluated.

Capital Reduction

Whilst the Company's statutory accounts for the year ended 31 December 2008 show an accumulated deficit of US \$28,832,000 on its profit and loss account, the same accounts show it to have a sum of US \$28,761,000 standing to the credit of the Company's share premium account and US \$1,947,000 on its Merger Reserve account. The Company also has 1,730,098 Deferred Shares in issue, which represent a capital reserve of £778,544.10.

The accumulated deficit on its profit and loss account means that Fieldbury does not currently have distributable reserves and, accordingly, is currently prohibited under the Act from making distributions to its Shareholders, including the payment of dividends and purchases of its Ordinary Shares. In order to facilitate any future return of capital to Shareholders, the Board is therefore proposing that the Company eliminate the deficit on its profit and loss account as at 31 December 2008 and create distributable reserves by means of the Reduction.

The Company's share premium account is an undistributable reserve and, accordingly, the purposes for which a company can use any sums credited to that reserve are very limited. However, with the approval of Shareholders and the consent of the Court, a company may reduce or cancel its share premium account and move the sum which results upon such a reduction or cancellation to its profit and loss account where it may be set against any existing deficit.

The existing Deferred Shares carry no voting rights nor any rights to receive dividends or other distributions. In practice, the Deferred Shares are valueless in the hands of holders. However, in the Company's books, the capital paid up on the Deferred Shares represents a capital reserve of £778,544.10. That reserve can be applied for limited purposes. However, again, with the sanction of a special resolution of shareholders and the confirmation of the High Court, the reserve may be cancelled and (*inter alia*) set against the deficit on the Company's profit and loss account, thus reducing the deficit and bringing forward the time at which the Company may pay dividends in the future should its profits permit it to do so. Accordingly, it is proposed that the existing Deferred Shares will be cancelled. It is also proposed that the Deferred B Shares arising from the conversion of the Ordinary Shares owned by the members of the Consortium will also be cancelled. The capital which will be paid up on the Deferred B Shares will represent a capital reserve of £1,959,018.05. This reserve may also be cancelled and set against the accumulated deficit.

The Merger Reserve is also an undistributable reserve. It is not possible to reduce or cancel a Merger Reserve. However, the Company's articles of association permit it to capitalise any sum standing to the credit of the Company's reserve accounts. Once the reserve has been capitalised in this way, that capital may then be reduced or cancelled and, subject to the Court being satisfied that no creditor of the Company is prejudiced thereby, applied in writing off any remaining deficiency on the Company's profit and loss account and in creating distributable reserves.

Accordingly, the Company proposes to capitalise its Merger Reserve and to apply the capitalised sum in paying up new Deferred Shares which will rank *pari passu* with the existing Deferred Shares. The Directors propose that all the Deferred Shares then be cancelled and the sum set free on that cancellation will, subject to the approval of Shareholders and to satisfying the Court that no creditor is prejudiced thereby, be moved to the Company's profit and loss account.

The cancellation of the Deferred Shares and the Deferred B Shares is the subject of Resolution 7 set out in the Notice of General Meeting on page 15 of this document. Resolution 7 is proposed as a Special Resolution.

The Court application

The cancellation of the Deferred Shares and the Deferred B Shares and cancellation of the Company's share premium account will only take effect if sanctioned by the Shareholders at the GM and confirmed by the Court and upon the appropriate documents being lodged with the Registrar of Companies.

Assuming the passing of the Resolutions approving the Reduction, application will be made to the Court as soon as practicable.

The Directors have been advised that, having regard to the circumstances at the date of this document the Court should confirm the Reduction. The Directors are not, however, able to guarantee the Court's confirmation of the Reduction.

The Directors have also been advised that the Court is likely to require that the Company give undertakings for the protection of the Company's existing creditors and in particular that it will require that the Company put in place appropriate provisions for existing creditors or alternatively undertake not to make any distribution until all creditors outstanding at the date that the reduction of capital becomes effective consent or are paid or there is in place replacement share premium or share capital. The Company will give such further undertakings to the Court for the protection of creditors as it may be advised are appropriate to be given.

The application to the Court will be made as soon as practicable after the passing of the Resolutions and the procedure is expected to be completed within six to eight weeks. The Court order confirming the Reduction will then need to be registered at Companies House and advertised in the national press, which is likely to be completed two to three weeks after the date of the hearing.

The Reduction itself will not involve any distribution or repayment of capital or share premium by the Company and will not reduce the underlying net assets of the Company. Its principal effect will be to create distributable reserves to facilitate any future return of value to Shareholders.

Summary of proposed changes to the Articles of Association of Fieldbury PLC

The current articles of association of the Company have been reviewed in light of the on-going, phased implementation of the Companies Act 2006. As a result of this review, the Board has concluded that the following amendments should be made to the current articles of association.

- The 70 year age limit for directors of public companies has been removed – Article 111 has been amended accordingly.
- Under the 2006 Act, a director must avoid a situation where he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the Company's interests. This is a very broad requirement and could apply, for example, where a director of the Company becomes a director of another company or a trustee of another organisation.

The 2006 Act allows directors of public companies to authorise conflicts and potential conflicts where appropriate and also allows the Company's articles to contain other provisions for dealing with directors' conflicts of interest to avoid a breach of duty. New Articles 131 to 135 will give the directors authority to approve such situations and include other provisions to allow conflicts of interests to be dealt with in a similar way to the current position.

There are safeguards that will apply when directors decide whether to authorise a conflict or potential conflict: only directors who have no interest in the matter being considered will be able to take the relevant decision and in taking the decision the directors must act in a way they consider, in good faith, will be most likely to promote the success of the Company. The directors will be able to impose limits or conditions when giving authorisation if they think this is appropriate.

- The 2006 Act permits execution of documents by a single director in the presence of a witness – this is reflected in the amendment to Article 167 (formerly Article 165).
- The 2006 Act has brought in provisions allowing companies to enter into “liability limitation agreements” with their auditors, subject to approval by ordinary resolution, to limit the auditor’s liability to a company for negligence, default or breach of duty or trust in relation to the audit of the accounts.

Article 212 (formerly Article 210) has been amended to remove the reference to auditors from the general indemnity provision.

- A further Article has been added to deal with the rights attaching to the new Deferred B Shares which accord with those set out in the Appendix to this circular.

A copy of the proposed new Articles of Association will be placed on the Company’s website and will be made available in hardcopy should any Member request a copy in advance of the GM; hardcopies will also be available at the GM itself.

General Meeting

A notice convening the General Meeting to consider and, if thought fit, pass the Resolutions is set out on pages 15 and 16 of this document. A summary of the Resolutions is set out below:

- | | |
|---------------|---|
| Resolution 1 | seeks the authority of Shareholders for the disposal of Dixie Sales; |
| Resolution 2 | seeks the authority of Shareholders for an increase in the share capital of the Company; |
| Resolution 3 | seeks the authority of directors to allot the new Deferred Shares; |
| Resolution 4 | seeks authority for the capitalisation of the Merger Reserve and the issue of new Deferred Shares; |
| Resolution 5 | seeks the authority of Shareholders for the conversion of 39,180,361 Ordinary Shares owned by members of the Consortium into 39,180,361 Deferred B Shares and the amendment to the articles of association of the Company to deal with the terms and conditions attaching to the Deferred B Shares; |
| Resolution 6 | seeks the authority of Shareholders for the cancellation of the Company’s share premium account; |
| Resolution 7 | seeks the authority of Shareholders for the reduction of share capital by cancelling and extinguishing the Deferred Shares and the Deferred B Shares; |
| Resolution 8 | seeks the authority of Shareholders for the adoption of new articles of association of the Company; |
| Resolution 9 | seeks the authority of Shareholders that the Company be permitted to buy back up to 30,000,000 Ordinary Shares in the capital of the Company; |
| Resolution 10 | to approve the proposed Investing Policy. |

Action to be taken

Shareholders will find a Form of Proxy enclosed for use at the GM. Whether or not you intend to be present at the GM, you are requested to complete and return the Form of Proxy in accordance with the instructions printed thereon as soon as possible. To be valid, completed Forms of Proxy must be received by the Company’s Registrars, Capita Registrars, The Registry, 34 Beckenham Road, Beckenham,

Kent BR3 4TU not later than 11.00 a.m. on 22 July 2009, being 48 hours before the time appointed for holding the GM. Completion of the Form of Proxy will not preclude you from attending the meeting and voting in person if you so wish.

Recommendation

Your Independent Directors believe that the proposed Disposal is in the best interests of the Company and, having consulted with Charles Stanley, the terms for the proposed Disposal are fair and reasonable insofar as Shareholders are concerned. Accordingly, the Independent Directors recommend that you vote in favour of Resolutions 1 and 2 to be proposed at the General Meeting as they intend to do so in respect of their own aggregate holdings of 17,801,926 Ordinary Shares in which they are interested, representing approximately 18.38 per cent. of the existing issued ordinary share capital of the Company.

The Directors believe that the Disposal, the proposed Capital Reduction and the approval of the Resolutions set out in the notice of GM to be in the best interests of the Company and Shareholders as a whole. Accordingly, the Independent Directors unanimously recommend that you vote in favour of the Resolutions.

Yours faithfully

Rory Stear
Chairman

APPENDIX

Rights attaching to the Deferred B Shares

Deferred B Shares

The rights attaching to the Deferred B Shares are as follows:

- (a) the Deferred B Shares shall carry no right to receive any dividend or other distribution in respect of any financial year or other period of the Company;
- (b) on any return of capital whether on a winding up or reduction of capital or otherwise the holders of the Deferred B Shares shall not be entitled to participate in any distribution of the assets or the capital of the Company;
- (c) the holders of the Deferred B Shares shall have no right to receive notice of or to attend or to vote or to speak either in person or by proxy at any general meeting or class meeting of the Company;
- (d) the holders of the Deferred B Shares shall have no right to transfer any Deferred B Shares except to the Company or to such persons as the Company may determine;
- (e) the holders of the Deferred B Shares shall have no right to receive a certificate in respect of their holding;
- (f) neither the passing by the Company of any special resolution for the cancellation of the Deferred B Shares for no consideration by means of a reduction of capital requiring the confirmation of the court nor the obtaining by the Company nor the making by the court of any order confirming any such reduction of capital nor the making effective of such order shall constitute a modification, variation or abrogation of the rights attaching to the Deferred B Shares and accordingly the Deferred B Shares may at any time be cancelled for no consideration by means of a reduction in capital effected in accordance with the Act without sanction on the part of the holders of the Deferred B Shares;
- (g) the creation or issue of Deferred B Shares shall be deemed to confer irrevocable authority on the Company at any time thereafter to appoint any person to execute on behalf of any holder or holders of such shares a transfer thereof and/or an agreement to transfer the same, without making any payment to the holder thereof and without recourse to the holder, to such persons as the Company may determine as custodian thereof and to cancel the same (in accordance with the provisions of the Act) without making any payment to or obtaining the sanction of the holder or holders thereof and pending such transfer and/or cancellation to retain the certificate, if any, for such shares and to do all things necessary or desirable to give effect to such transfer or purchase. The Company may, at its option at any time, purchase all or any of the Deferred B Shares then in issue, at a price not exceeding £1 in aggregate;
- (h) the holders of the Deferred B Shares shall have no obligation to contribute any property, services or other consideration to the Company.

FIELDBURY PLC

(Incorporated and registered in England and Wales with No: 4220065)

NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN that a General Meeting of Fieldbury plc (“Company”) will be held at the offices of Edwin Coe LLP, 2 Stone Buildings, Lincoln’s Inn, London, WC2A 3TH on 24 July 2009 at 11.00 a.m. for the purpose of considering and, if thought fit, passing the following resolutions:

ORDINARY RESOLUTIONS

1. That the proposed disposal of Dixie Sales Company, Inc. and the sale of the Note (as defined in the circular to shareholders dated 9 July 2009 of which this notice forms part (the “Circular”)) on the terms and subject to the conditions of the agreement dated 8 July 2009 and made between the Company (1), certain shareholders in the Company and others (2) Dixie Sales Company, Inc (3) and Fieldbury Holdings, Inc (4) as more fully described in the Circular be and is hereby approved for the purposes of Section 190 of the Companies Act 2006 and rule 15 of the AIM Rules (as defined in the Circular) and the Independent Directors (as defined in the Circular), or a duly authorised committee thereof, be and are hereby authorised to take all such steps as may be necessary, expedient or appropriate in relation thereto and to carry the same into effect with such modifications, variations, revisions, waivers or amendments (providing such modifications, variations, revisions, waivers or amendments are not in the opinion of the Independent Directors, or any such committee, of a material nature) to such agreement or any documents relating thereto as they shall deem necessary, expedient or appropriate;
2. That the capital of the Company be increased from £9,349,792.50 to £9,523,428.60 and that the same be effected by creating 385,858 Deferred Shares of 45p each ranking *pari passu* with the existing Deferred Shares;
3. That the Directors of the Company be and are hereby authorised for the purposes of section 80 of the Companies Act 1985 to allot to and for the benefit of the members registered as the holders of the Ordinary Shares of the Company at the date of this resolution the said Deferred Shares credited as fully paid, such Shares to be distributed as far as practicable in the proportion 1 Deferred Share of 45p for each Ordinary Share of 1p each held by such ordinary Shareholder respectively and that the necessary entries be made in the Company’s books accordingly;

SPECIAL RESOLUTIONS

4. That the sum of US \$1,947,000, being the sum standing to the credit of the Merger Reserve in the Company’s books of account, be capitalised and applied in paying up in full at par 2,766,410 Deferred Shares of 45 pence each;
5. That conditional upon the passing of the resolutions numbered 1 above and 8 below, each of the ordinary shares of 5p each in the share capital of the Company registered in the name of each member of the Consortium (as defined in this Circular) as set out on page 8 of the Circular be converted into one deferred “B” share of 5p each in the share capital of the Company having the rights set out in the articles of association of the Company as amended by the resolution numbered 8 below;
6. That subject to the confirmation of the Court the Share Premium Account of the Company be cancelled;
7. That, subject to and conditional upon the passing of resolutions 1 to 4 above, and to the confirmation of the Court, the share capital of the Company be reduced from £9,700,792.50 divided into 110,819,639 ordinary shares of 5p each, 4,890,650 Deferred Shares of 45p and 39,180,361 Deferred B Shares of 5p each to £5,540,981.95 divided into 110,819,639 Ordinary

Shares of 5p each and that such reduction be effected by cancelling and extinguishing altogether the 4,496,508 issued and to be issued Deferred Shares of 45p each and the 39,180,361 to be issued Deferred B Shares of 5p each;

8. That conditional upon the passing of the resolutions numbered 1 and 5 above, the articles of association contained in the document produced to the meeting and signed by the chairman for the purposes of identification be and are approved and adopted as the articles of association of the Company in substitution for and to the exclusion of the existing articles of association of the Company;
9. That conditional upon passing of the resolution numbered 3 above, in accordance with Chapter VII of Part V of the Companies Act 1985 (“the Act”), the company be generally and unconditionally authorised to make market purchases (as defined in section 163(3) of the Act) of its own ordinary shares on such terms, and in such manner as the directors may, from time to time, determine, provided that:
 - (a) the maximum aggregate number of ordinary shares hereby authorised to be purchased is 30,000,000;
 - (b) the minimum price which may be paid for an ordinary share is 2.3p (excluding expenses);
 - (c) the maximum price which may be paid for an ordinary share is an amount equal to 105 per cent. of the average of the middle market quotations for an ordinary share as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the share is contracted to be purchased (excluding expenses); and
 - (d) the authority hereby conferred shall expire on the earlier of 9 July 2010 or the conclusion of the Annual General Meeting of the Company to be held in 2010, but a contract of purchase may be made before such expiry which will or may be executed wholly or partly thereafter and a purchase of shares may be made in pursuance of any such contract.
10. That conditional upon the passing of the resolutions numbered 1, 2 and 4 above, the proposed Investing Policy for the Company following completion of the disposal of Dixie Sales Company Inc. as described in the Circular be and is hereby adopted as the Investing Policy of the Company following the completion of such disposal.

Dated: 9 July 2009

By order of the Board
Company Secretary

Registered Office:
Fieldbury plc
2 Stone Buildings
Lincoln’s Inn
London
WC2A 3TH

Notes:

Eligibility to attend and vote

- 1 In accordance with Regulation 41 of the Uncertificated Securities Regulations 2001, to be entitled to attend and vote at the General Meeting (and for the purpose of determining the number of votes a member may cast), members must be entered on the Register of Members of the Company by 11.00 am on 22 July 2009. If the meeting is adjourned, members entered into the Register of Members of the Company not later than 48 hours before the time appointed for the adjourned meeting shall be entitled to attend and vote at the meeting.

Appointment of proxies

- 2 As a member of the Company, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the Meeting using the procedures set out in these notes and the notes to the proxy form.
- 3 A proxy does not need to be a member of the Company but must attend the Meeting to represent you. If you wish your proxy to speak on your behalf at the Meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.
- 4 The Form of Proxy, accompanied by any Power of Attorney under which it is executed (if applicable), must be received by the Company's registrars, during normal business hours, no later than 48 hours before the time appointed for the holding of the General Meeting. Shares held in uncertificated form (i.e. in CREST) may be voted through the CREST Proxy Voting Scheme (Issuer's agent ID: RA10) in accordance with the procedures set out in the CREST manual.
- 5 To appoint as a proxy a person other than the Chairman of the meeting, insert the full name in the space provided. A proxy need not be a member of the Company. You can also appoint more than one proxy provided that each proxy is appointed to exercise the rights attached to a different share or shares held by you. The following options are available:
 - 5.1 To appoint the **Chairman** as your **sole proxy** in respect of all your shares, simply fill in any voting instruction in the appropriate box and sign and date the Form of Proxy.
 - 5.2 To appoint a **person other than the Chairman as your sole proxy** in respect of all your shares, delete the words "the Chairman of the meeting" and insert the name and address of your proxy in the spaces provided. Then fill in any voting instructions in the appropriate box and sign and date the Form of Proxy.
 - 5.3 To appoint **more than one proxy**, please sign and date the Form of Proxy and attach a schedule listing the names and addresses (in block letters) of all of your proxies, the number of shares in respect of which each proxy is appointed (which, in aggregate, should not exceed the numbers of shares held by you) and indicating how you wish each proxy to vote or abstain from voting. If you wish to appoint the Chairman as one of your multiple proxies, simply write "the Chairman of the meeting".
- 6 A corporation must execute the Form of Proxy under either its common seal or the hand of a duly authorised officer or attorney.
- 7 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.

Appointment of proxy by joint members

- 8 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 Members in respect of the joint holding (the first-named being the most senior).

Communication

- 9 Except as provided above, members who have general queries about the Meeting should contact the Company's registrars.
- 10 You may not use any electronic address provided either in this notice of general meeting or any related documents (including the proxy form) to communicate with the Company for any purposes other than those expressly stated.

