

PANMURE GORDON & CO
INTEGRITY IN INVESTMENT BANKING SINCE 1876

Notice of Annual General Meeting

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Please see notes on page 4 for a brief explanation of each of the proposed resolutions.

Notice is hereby given that the annual general meeting of Panmure Gordon & Co. plc (the "Company") will be held at Moorgate Hall, 155 Moorgate, London EC2M 6XB on Monday 24 May 2010 at 2.00 pm for the following purposes:

Ordinary Business

To consider and, if thought fit, pass the following resolutions numbered 1 to 10 (inclusive) as ordinary resolutions:

1. To receive the Company's financial statements together with the reports of the directors and auditors for the year ended 31 December 2009.
2. To elect Shahzad Shahbaz, who was appointed as a director of the Company since the last annual general meeting.
3. To elect Rommie Bhutani, who was appointed as a director of the Company since the last annual general meeting.
4. To elect Asar Mashkoo, who was appointed as a director of the Company since the last annual general meeting.
5. To elect Nader Shenouda, who was appointed as a director of the Company since the last annual general meeting.
6. To elect Ed Warner, who was appointed as a director of the Company since the last annual general meeting.
7. To re-elect Anthony Cann, who retires by rotation, as a director of the Company.
8. To re-appoint KPMG Audit Plc as auditors of the Company to hold office from the conclusion of the meeting until the conclusion of the next meeting at which the accounts are to be laid.
9. To authorise the directors to agree the remuneration of the auditors.
10. To approve the directors' remuneration report for the year ended 31 December 2009.

Special Business

To consider and, if thought fit, pass the following resolutions of which resolution 11 will be proposed as an ordinary resolution and resolutions 12 and 13 will be proposed as special resolutions.

Ordinary resolution

11 Authority to allot shares

That, in substitution for all existing authorities granted to the directors in respect of the allotment of relevant securities but without prejudice to the proper exercise of such authorities, the directors be generally and unconditionally authorised in accordance with section 551 of the Companies Act 2006 (the "Act") to exercise all the powers of the Company to allot relevant securities (within the meaning of section 561 of the Act) up to an aggregate nominal amount of £1,929,386 provided that such authority shall expire at the end of the annual general meeting of the Company in 2011 save that the Company may, before such expiry, make an offer or agreement which would, or might, require relevant securities to be allotted after such expiry and the directors may allot relevant securities in pursuance of such an offer or agreement as if the authority conferred by this resolution had not expired.

Special resolutions

12 Authority to disapply pre-emption rights

That, subject to, and conditional upon, the passing of resolution 11, the directors be empowered, pursuant to section 570 of the Act, to allot equity securities (within the meaning of section 560 of the Act) for cash pursuant to the authority conferred by resolution 11 as if section 561 of the Act did not apply to such allotment but without prejudice to the prior exercise of such authorities, provided that this power shall be limited to the allotment of equity securities:

- (a) in connection with an offer of such securities by way of rights to holders of ordinary shares, open for acceptance for a fixed period by the directors on a fixed record date, in proportion (as nearly as may be practicable) to their respective holdings of such shares, but subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to fractional entitlements or any legal or practical problems under the laws of any territory, or the requirements of any regulatory body or stock exchange in any territory; and
- (b) otherwise than pursuant to sub-paragraph 12 (a) above, up to an aggregate nominal amount of £578,815;

and shall expire at the end of the annual general meeting of the Company in 2011, save that the Company may, before such expiry, make an offer or agreement which would, or might, require equity securities to be allotted after such expiry and the directors may allot equity securities in pursuance of such an offer or agreement as if the authority conferred by this resolution had not expired.

This power applies in relation to a sale of shares which is an allotment of equity securities by virtue of section 560(2) of the Act as if in the first paragraph of this resolution the words "pursuant to the authority conferred by resolution 11" were omitted.

13 Authority to purchase own shares

That the Company be generally and unconditionally authorised, in accordance with section 693 of the Act, to make market purchases (within the meaning of section 693(4) of the Act) of ordinary shares of 4p each in the capital of the Company ("Ordinary Shares") on such terms as the directors think fit, and where such shares are held as treasury shares, the Company may use them for the purposes set out in section 727 of the Act, including for the purpose of its employee share schemes, provided that:

- (a) the maximum number of Ordinary Shares hereby authorised to be purchased is 14,470,399 Ordinary Shares (representing 10% of the Company's issued share capital);
- (b) the minimum price, exclusive of expenses, which may be paid for each Ordinary Share is 4p;
- (c) the maximum price, exclusive of expenses, which may be paid for each Ordinary Share is an amount equal to 5% above the average of the middle market price of the Ordinary Shares, as derived from the London Stock Exchange Daily Official List, for the five business days immediately preceding the date on which the Ordinary Shares are purchased; and
- (d) the authority hereby conferred shall, unless previously revoked or varied, expire at the end of the annual general meeting of the Company in 2011 except in relation to the purchase of Ordinary Shares the contract for which was concluded before the expiry of this authority and which will or may be executed wholly or partly after such expiry.

By order of the Board

Sarah Wigley
Company Secretary
15 April 2010

Notes

1. Only holders of Ordinary Shares, or their duly appointed representatives, are entitled to attend, vote and speak at the meeting. A member so entitled may appoint (a) proxy(ies), who need not be (a) member(s), to attend, speak and vote on his/her behalf. A form of proxy is enclosed with this notice.
2. To be effective, a completed and signed form of proxy and any power of attorney under which it is signed (or a notarially certified copy of such power of attorney) must be lodged with the Company's Registrars, Computershare Investor Services PLC, PO Box 82, Bridgwater Road, Bristol, BS99 7NH, by 2.00 pm on Thursday, 20 May 2010. Completion and return of a form of proxy will not preclude a shareholder from attending and voting at the meeting in person.
3. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that only those members registered on the Register of Members of the Company as at close of business on the day which is two days before the date of the meeting (or, if the meeting is adjourned, those members registered on the Register of Members of the Company not later than 48 hours before the time fixed for the adjourned meeting) shall be entitled to attend and vote at the meeting in respect of the number of shares registered in their names at that time. Subsequent changes to entries on the register after this time shall be disregarded in determining the rights of any persons to attend or vote at the AGM.
4. In the case of joint holders, the signature of only one of the joint holders is required on the form of proxy, but the vote of the first named on the Register of Members will be accepted to the exclusion of other joint holders.

Explanatory Notes

to the notice of annual general meeting

Resolution 1 – Report and accounts

The directors are required to lay the accounts for the year ended 31 December 2009 before a general meeting.

Resolutions 2 – 6 – Appointment of directors

The articles of association of the Company require any director appointed since the previous annual general meeting to stand for election at the next annual general meeting. Shahzad Shahbaz, Rommie Bhutani, Asar Mashkooor and Nader Shenouda were appointed as directors of the Company on 7 August 2009 upon completion of the placing of shares to QInvest LLC. Ed Warner was appointed as a director of the Company on 1 December 2009.

Resolution 7 – Re-appointment of director

The articles of association of the Company require one third of the directors to retire at each annual general meeting. Anthony Cann will retire by rotation and seek re-election.

Resolution 8 – Re-appointment of auditors

The Company is required to appoint auditors at each annual general meeting to hold office until the next general meeting at which accounts are presented. It is proposed that the Company's current auditors, KPMG Audit Plc, be re-appointed.

Resolution 9 – Remuneration of auditors

It is proposed that the directors be authorised to agree the remuneration of the auditors.

Resolution 10 – Remuneration report

In the interests of good corporate governance, the members of the Company are invited to approve the directors' remuneration report for the year ended 31 December 2009.

Resolution 11 – Authority to allot shares

The Company requires the flexibility to allot equity securities from time to time. Accordingly, this resolution seeks to grant the directors authority to allot equity securities up to an aggregate nominal amount of £1,929,386, being approximately one-third of the Company's issued share capital. If granted, such authority would expire at the end of the annual general meeting of the Company in 2011. Save in respect of the issue of new Ordinary Shares pursuant to the employee share schemes, the directors currently have no plans to allot relevant securities but the directors believe it to be in the interests of the Company for the Board to be granted this authority to enable the Board to take advantage of appropriate opportunities which may arise in the future.

Resolution 12 – Authority to disapply pre-emption rights

This resolution seeks to disapply the pre-emption rights provisions of section 561 of the Companies Act 2006 in respect of the allotment of equity securities pursuant to rights issues and other pre-emptive issues and in respect of other issues of equity securities for cash up to an aggregate nominal value of £578,815, being approximately 10% of the issued ordinary share capital. If given, this power will expire at the same time as the authority referred to in resolution 11. The directors consider this power desirable due to the flexibility afforded by it. They have no present intention of issuing any equity securities pursuant to this disapplication.

Resolution 13 – Authority to purchase own shares

The articles of association of the Company provide that the Company may from time to time purchase its own shares subject to any conditions imposed by law. Such purchases must be authorised by the shareholders at a general meeting. This resolution seeks to grant (until the end of the annual general meeting of the Company in 2011) the directors authority to purchase the Company's own shares up to a maximum of 10% of the issued share capital. In proposing this resolution, the directors consider that it is in the best interests of the Company and its shareholders that the directors should maintain the ability to make market purchases of the Company's own shares.