

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. When considering what action to take, you are recommended to seek your own personal financial advice from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 immediately.

If you have sold or transferred all of your Ordinary Shares in Trafalgar New Homes Public Limited Company, you should forward this document and the accompanying 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 transmission to the purchaser or transferee.

Trafalgar New Homes Public Limited Company

(Incorporated under the Companies Act 1985 with registered number 04340125)

Notice of General Meeting

Notice convening a General Meeting of the Company, to be held at the offices of Allenby Capital Limited, 3 St. Helen's Place, London EC3A 6AB at 10.30 a.m. on 15 July 2013 is set out at the end of this document. The enclosed form of proxy for use at the meeting should be completed and returned to the Company's registrars, Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA as soon as possible and to be valid must arrive not less than 48 hours before the time fixed for the meeting. Completion and return of a form of proxy will not preclude Shareholders from attending and voting in person at the meeting should they so wish.

CONTENTS

	Page
Expected timetable of principal events	2
Definitions	2
Letter from the Chairman	3
Notice of General Meeting	

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

2013

Publication of this circular and the Admission Document	27 June
Latest time and date for receipt of completed forms of proxy for the General Meeting	10.30 a.m. on 13 July
General Meeting	10.30 a.m. on 15 July
Cancellation of trading on ISDX Growth Market*	4.30 p.m. on 15 July
Commencement of dealings in Ordinary Shares on AIM*	8.00 a.m. on 16 July

* Subject to the Resolutions being passed at the General Meeting

DEFINITIONS

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

“Admission”	the admission of the ordinary share capital of the Company, issued and to be issued, to trading on AIM becoming effective in accordance with Rule 6 of the AIM Rules for Companies
“AIM”	the AIM market operated by London Stock Exchange plc
“Board” or “Directors”	the board of directors of the Company
“CA 2006”	the Companies Act 2006, as amended
“Company”	Trafalgar New Homes Public Limited Company
“Combe Bank Homes”	Combe Bank Homes Limited, a subsidiary of the Company
“Edenbridge Property”	the shop property at 67 High Street, Edenbridge, Kent
“Existing Articles”	the Company’s existing articles of association
“form of proxy”	the form of proxy accompanying this document for use by Shareholders at the General Meeting
“General Meeting”	the general meeting of the Company to be held on 15 July 2013, notice of which is set out at the end of this document
“Group”	the Company and its subsidiaries
“Ordinary Shares”	the ordinary shares of 1p each in the capital of the Company
“ISDX”	ISDX Securities & Derivatives Exchange Limited
“ISDX Growth Market”	the ISDX Growth Market operated by ISDX
“ISDX Rules”	the ISDX Rules for Issuers published by ISDX
“Resolutions”	the resolutions set out in the notice of General Meeting at the end of this document
“Shareholders”	holders of Ordinary Shares

LETTER FROM THE CHAIRMAN
TRAFALGAR NEW HOMES PUBLIC LIMITED COMPANY

(Incorporated and registered in England and Wales with No. 04340125)

Directors:

James Dubois, *non-executive Chairman*
Christopher Johnson, *Chief Executive*
Alexander Johnson, *Sales and Marketing Director*
Norman Lott, *non-executive Director*

Registered Office:

Chequers Barn
Chequers Hill
Bough Beech
Edenbridge
Kent
TN8 7PD

To Shareholders

27 June 2013

Dear Shareholder

Notice of General Meeting

1. Introduction

I am writing to you to provide you with notice of a general meeting of the Company, which is set out at the end of this document. The general meeting is to be held at the offices of Allenby Capital Limited, 3 St. Helen's Place, London EC3A 6AB at 10.30 a.m. on 15 July 2013.

The General Meeting is being called to propose a number of matters, primarily in connection with the Company's proposal to cancel its admission to trading on the ISDX Growth Market and apply for admission to trading on AIM, as announced today. Application will be made to the London Stock Exchange for the admission of the Company's entire issued and to be issued share capital to trading on AIM and you will find enclosed with this circular a copy of the Admission Document published in connection with the proposed Admission.

In our announcement on 23 May 2013 we provided a trading update and announced our intention to seek admission to trading on AIM and withdraw from trading on the ISDX Growth Market. It has always been the Company's intention to move to AIM at an appropriate time and the Directors believe that the Company has made sufficient progress such that the move to AIM is now a logical next step for the Company. Since the reverse takeover of Combe Bank Homes in November 2011, trading in the Company's ordinary shares on the ISDX Growth Market has been minimal. The Directors believe that admission to AIM will assist the Company in attracting new investors, improving liquidity in its shares and raising additional capital when required. The Directors also believe that admission to AIM will enhance the profile of the Company and help to attract future acquisition opportunities as the Company seeks to expand.

We are pleased to announce that in connection with Admission, the Company has raised £280,000 via a placing ("**Placing**") of new ordinary shares ("**Placing Shares**") with institutional and other investors, conditional on the passing of the Resolutions at the General Meeting and Admission. The proceeds of the Placing will be used for general working capital purposes.

In order to facilitate the Placing and Admission, shareholder approval is required of a number of Resolutions to be proposed at the General Meeting. At the General Meeting, the following resolutions will be proposed:

Resolution 1 – grant of general authority to allot shares

Resolution 2 – grant of authority to allot shares for cash, disapplying statutory pre-emption rights

Resolution 3 – re-appointment of Christopher Johnson as a Director

Resolution 4 – re-appointment of James Dubois as a Director

Resolution 5 – re-appointment of Norman Lott as a Director

Resolution 6 – to adopt the New Articles

Resolution 7 – to change the name of the Company

Resolution 8 – to terminate the ISDX Relationship Agreement. Christopher Johnson and Shareholders associated with him will not vote on this resolution

Resolution 9 – to affirm the disposal of the Edenbridge Property to the Combe Bank Homes Pension Fund. Christopher Johnson and Alexander Johnson will not vote on this resolution.

Shareholders are recommended to vote in favour of the Resolutions, as the Directors intend to do (other than in respect of any Resolution relating to his own appointment or on which he is required to abstain from voting, as stated above in relation to Resolutions 8 and 9) so that the Placing and Admission can proceed. Further details on the Resolutions are set out below.

2. Grant of authorities to allot shares

The Company currently has an issued share capital of £214,375.19 divided into 214,375,190 Ordinary Shares. The Board intends to seek to raise further funds by means of the Placing as part of the proposed admission to AIM.

Accordingly, resolutions will be proposed at the General Meeting for the purpose of (i) granting the Directors general authority to allot securities up to an aggregate nominal amount of £1,328,000 (132,800,000 Ordinary Shares), which includes authority to allot the Placing Shares and Ordinary Shares arising on the exercise of a warrant to be issued to Allenby Capital Limited (as described in the Admission Document) and also shares as consideration for any acquisition opportunities that may arise; and (ii) disapplying the statutory pre-emption rights in connection with the allotment of shares for cash pursuant to the foregoing authority, up to an aggregate nominal amount of £528,176 (52,817,600 Ordinary Shares). The authorities conferred upon the Directors will also include authority to allot shares or other securities for cash in connection with a rights issue or open offer, where the entitlements of Shareholders are in proportion (as nearly as may be practicable) to their then holdings of Ordinary Shares.

3. Re-appointment of Directors

The Existing Articles provide that Directors appointed by the Board should be re-appointed at the first annual general meeting following their appointment. The re-appointment of Christopher Johnson, James Dubois and Norman Lott was not dealt with at the last annual general meeting and accordingly the notice of General Meeting contains resolutions for their re-appointment now.

4. New Articles of Association

The opportunity is being taken to adopt new Articles of Association, in connection with the proposed admission to AIM. The Existing Articles already reflect the provisions of CA 2006, being the Model Articles provided for generic use under the CA 2006. However, the Directors consider that it would be more appropriate now to adopt new long form Articles of Association in the terms usually followed by AIM companies.

5. Change of Name

It is proposed to change the name of the Company from Trafalgar New Homes Public Limited Company to "Trafalgar New Homes plc".

6. Termination of relationship agreement

When the Company was readmitted to the ISDX Growth Market in November 2011 following the acquisition of Combe Bank Homes, Christopher Johnson became the principal Shareholder, holding approximately 87% of the issued share capital of the Company. Accordingly, to ensure that the business of the Group could be carried on independently in the interests of Shareholders as a whole, he entered into a relationship agreement ("**ISDX Relationship Agreement**") with the Company and its corporate adviser SVS Securities plc. As part of the move to AIM, it is proposed to terminate the ISDX Relationship Agreement. Under the terms of the ISDX Relationship Agreement, termination must be effected by the passing of a special resolution of Shareholders who are independent of Christopher Johnson. Accordingly, a resolution will be proposed at the General Meeting to terminate such agreement with effect from the date upon which the issued share capital of the Company ceases to be traded on the ISDX Growth Market. A new relationship agreement in similar terms will be

entered into by Christopher Johnson with the Company and the Company's nominated adviser with effect from the admission of the share capital of the Company to trading on AIM. In light of the interest of Christopher Johnson in the proposed termination of the ISDX Relationship Agreement such proposal has been considered by the other members of the Board.

7. Disposal of Edenbridge Property

In January 2013, the Edenbridge Property was purchased for £100,000 by the Combe Bank Homes Pension Fund. Because Christopher Johnson and Alexander Johnson are beneficiaries of the pension fund, this is a related party transaction. In addition, the disposal of the Edenbridge Property requires the affirmation of Shareholders in General Meeting for the purposes of section 190 of CA 2006. In the light of their interests, Christopher Johnson and Alexander Johnson have abstained from the Board's deliberations on the disposal of the Edenbridge Property.

The Directors have received independent confirmation from a leading firm of valuers that the purchase consideration for the Edenbridge Property is, in their opinion, equal to the consideration paid. The aggregate purchase consideration was settled in cash and was applied principally towards reducing existing bank indebtedness.

8. Action to be taken

Shareholders will find enclosed with this document a form of proxy for use at the General Meeting. Whether or not you intend to be present at the meeting, you are requested to complete, sign and return the form of proxy to the Company's registrars, Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA, as soon as possible but, in any event, so as to arrive by no later than 10.30 a.m. on 13 July 2013. The completion and return of a form of proxy will not preclude you from attending the meeting and voting in person should you wish to do so.

9. Recommendation

The Directors consider that Resolutions 1 to 7 to be proposed at the General Meeting of the Company to be in the best interests of the Company and its Shareholders as a whole and accordingly unanimously recommend that Shareholders vote in favour of those Resolutions, as they intend to do in respect of the 186,871,671 Ordinary Shares beneficially owned by them in aggregate (save for Resolutions 3, 4 or 5 as it relates to them). The Directors (excluding Christopher Johnson and Alexander Johnson, for the reasons explained above) consider Resolutions 8 and 9 to be in the best interests of the Company and its Shareholders as a whole and accordingly unanimously recommend that Shareholders vote in favour of Resolutions 8 and 9.

In accordance with the above, irrevocable undertakings have been given by Christopher Johnson in respect of 186,815,803 Ordinary Shares, representing approximately 87 per cent. of the Company's issued share capital, to vote in favour of Resolutions 1, 2 and 4 to 7, and by Alexander Johnson in respect of 1,868 Ordinary Shares, representing approximately 0.001 per cent. of the Company's issued share capital, to vote in favour of Resolutions 1 to 3 and 5 to 7.

Yours faithfully

James Dubois

Chairman

TRAFALGAR NEW HOMES PUBLIC LIMITED COMPANY

(Registered in England No. 04340125)

NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN that a General Meeting of the Company will be held at the offices of Allenby Capital Limited, 3 St. Helen's Place, London EC3A 6AB at 10.30 a.m. on 15 July 2013 for the purpose of considering and, if thought fit, passing the following resolutions, which will be proposed in the case of resolutions 1, 3, 4, 5, and 9 as ordinary resolutions and in the case of resolutions 2, 6, 7 and 8 as special resolutions:

RESOLUTIONS

- 1 THAT, the directors be authorised generally and unconditionally pursuant to Section 551 of the Companies Act 2006 as amended ("**2006 Act**") (in substitution for all other existing authorities to allot securities generally to the extent not utilised at the date this resolution is passed) to exercise all the powers of the Company to allot shares and/or rights to subscribe for or to convert any security into shares, provided that the authority conferred by this resolution shall be limited to the allotment of shares and/or rights to subscribe or convert any security into shares of the Company up to an aggregate nominal amount of £1,328,000 such authority (unless previously revoked, varied or renewed) to expire on the conclusion of the Annual General Meeting of the Company to be held in 2014 or, if earlier, 15 months after the date on which this resolution has been passed, provided that the Company may, before such expiry, make an offer, agreement or other arrangement which would or might require shares and/or rights to subscribe for or to convert any security into shares to be allotted after such expiry and the directors may allot such shares and/or rights to subscribe for or to convert any security into shares in pursuance of such offer, agreement or other arrangement as if the authority conferred hereby had not expired.
- 2 THAT, subject to resolution 1 above being duly passed, in substitution for any existing and unexercised authorities, the directors be and are hereby generally empowered pursuant to Section 570 of the 2006 Act to allot equity securities (within the meaning of Section 560 of the 2006 Act) for cash pursuant to the authority conferred by resolution 1 above or by way of sale of treasury shares as if Section 561 of the 2006 Act or any pre-emption provisions contained in the Company's articles of association did not apply to any such allotment, provided that the power conferred by this resolution shall be limited to
 - (i) any allotment of equity securities where such securities have been offered (whether by way of rights issue, open offer or otherwise) to holders of equity securities in proportion (as nearly as may be practicable) to their then holdings of such securities, but subject to the directors having the right to make such exclusions or other arrangements in connection with such offer as they deem necessary or expedient to deal with fractional entitlements or legal or practical problems arising in, or pursuant to, the laws of any territory or the requirements of any regulatory body or stock exchange in any territory or otherwise howsoever;
 - (ii) the allotment of equity securities up to an aggregate nominal amount of £185,676 in connection with the Placing and the grant of a warrant to subscribe for shares of the Company, in each case referred to in the circular to shareholders dated 27 June 2013;
 - (iii) the allotment (otherwise than pursuant to sub-paragraphs (i) and (ii) above) of equity securities up to an aggregate nominal value of £342,500,

such authority and power (unless previously revoked, varied or renewed) to expire on the earlier to occur of 15 months after the passing of this resolution or the conclusion of the Annual General Meeting of the Company to be held in 2014, provided that the Company may prior to such expiry make any offer, agreement or other arrangement which would or might require equity securities to be allotted after such expiry and the directors may allot

equity securities pursuant to any such offer, agreement or other arrangement as if the power hereby conferred had not expired.

- 3 THAT Christopher Johnson be re-appointed as a director of the Company.
- 4 THAT James Dubois be re-appointed as a director of the Company.
- 5 THAT Norman Lott be re-appointed as a director of the Company.
- 6 THAT the Articles of Association set out in the document produced to the meeting and initialled by the Chairman of the meeting for identification be and are hereby approved and adopted as the Articles of Association of the Company in substitution for and to the exclusion of all existing Articles of Association.
- 7 THAT the name of the Company be changed to "Trafalgar New Homes plc".
- 8 THAT the relationship agreement dated 13 October 2011 between Christopher Johnson (1), the Company (2) and SVS Securities plc (3) be and is terminated with effect from the date on which the issued share capital of the Company ceases to be traded on the ISDX Growth Market.
- 9 THAT the disposal of the shop property at 67 High Street, Edenbridge, Kent as described in the circular to shareholders of the Company dated 27 June 2013, be affirmed for the purposes of section 190 of the 2006 Act, and that the directors of the Company be authorised to do all such things as they may consider necessary or desirable to complete and/or implement to the disposal in accordance with its terms, subject to any non-material modifications as they may consider necessary or desirable.

Dated: 27 June 2013

Registered Office:
Chequers Barn
Chequers Hill
Bough Beech
Edenbridge
Kent
TN8 7PD

By order of the Board
Andrew Moore
Secretary

Notes:

1. 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 and you should have received a proxy form with this notice of meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.
2. A proxy does not need to be a member of the Company but must attend the Meeting to represent you. Details of how to appoint the Chairman of the Meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form.
3. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, you may photocopy the enclosed proxy form.
4. If you do not give your proxy an indication of how to vote on any resolution, 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. The notes to the proxy form explain how to direct your proxy how to vote on each resolution or withhold their vote.

To appoint a proxy using the proxy form, the form must be:

- (a) completed and signed;

- (b) sent or delivered to the Company's Registrars, Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA; and
- (b) received by no later than 10.30 a.m. on 13 July 2013.

Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.

6. To change your proxy appointment simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.

Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, you may photocopy the enclosed proxy form.

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.

7. In order to revoke a proxy appointment you will need to inform the Company by sending a signed hard copy notice clearly stating that you revoke your proxy appointment to Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.

The revocation notice must be received by no later than 10.30 a.m. on 13 July 2013.

If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.

Appointment of a proxy does not preclude you from attending the Meeting and voting in person.

8. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, only those members registered in the register of members of the Company as at 6.00 p.m. on 14 July 2013 shall be entitled to attend and vote at this Meeting in respect of the number of shares registered in their name at that time. Changes to entries on the relevant register of securities after such time shall be disregarded in determining the rights of any person to attend or vote at this Meeting.