

## ENDACE LIMITED

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### NOTICE OF ANNUAL MEETING 2010

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Endace Limited (the “Company”) gives you notice that its annual meeting will be held at the offices of Endace Europe Limited, Davidson House, Forbury Square, Reading, Berkshire RG1 3EU, United Kingdom on Wednesday 28 July 2010 at 9.30 am BST.

The business of the meeting will be:

#### **General Business**

To consider and, if thought fit, pass the following resolutions numbered 1-6 (inclusive) as ordinary resolutions:

1. To adopt the Directors’ Report, the Financial Statements, and the Auditors’ Report for the year ended 31 March 2010;
2. To elect Mark Giles as a director, being a director appointed by the Board during the year;
3. To re-elect Selwyn Pellett as a director, who, in accordance with the constitution of the Company, retired by rotation at this annual meeting and being eligible, offered himself for re-election;
4. To re-elect Michael Riley as a director, who, in accordance with the constitution of the Company, retired by rotation at this annual meeting and being eligible, offered himself for re-election;
5. To re-appoint PricewaterhouseCoopers as auditors and to authorise the board to fix the auditors’ fees and expenses; and
6. To authorise the payment of remuneration to all non-executive directors taken together in their capacity as directors of up to US\$ 300,000 per annum.

#### **Special Business**

7. To consider and, if thought fit, pass the following as an ordinary resolution:

“For the purposes of Article 4.2 of the Company’s constitution (the “Constitution”) the directors be and they are hereby generally and unconditionally authorised to exercise all the powers of the Company to allot Relevant Securities (as defined in the Constitution) up to an aggregate maximum of 4,944,370 ordinary shares (being equivalent to 33% of the 14,982,942 ordinary shares in issue at the date of the notice convening this meeting). The authority conferred by this resolution shall expire fifteen months after the passing of this resolution or the conclusion of the Company’s next annual meeting if earlier but may be previously revoked or varied from time to time by the Company in general meeting. Under the authority hereby conferred the directors may during such period make agreements which would or might require Relevant Securities to be allotted after such expiry, revocation or variation and the directors may allot Relevant Securities in pursuance of such offer or agreement as if such authority had not expired or been revoked or varied.”

8. To consider and, if thought fit, pass the following resolution which will be proposed as a special resolution:

“That (subject to the passing of resolution 7 set out in the notice convening this meeting) the directors be and they are hereby empowered for the purposes of Article 4.3 of the Constitution to allot Equity Securities and sell Treasury Stock (as defined in the Constitution) pursuant to the authority conferred by such resolution otherwise than pursuant to a Pre-Emptive Issue (as defined in the Constitution) provided that such power shall be limited to

the allotment of Equity Securities or the sale of Treasury Stock up to an aggregate maximum of 749,147 ordinary shares (being equivalent to 5% of the 14,982,942 ordinary shares in issue at the date of the notice convening this meeting). The power hereby conferred shall expire fifteen months after the passing of this resolution or at the conclusion of the Company's next annual meeting if earlier but may be previously revoked or varied from time to time by special resolution. Under the authority hereby conferred the directors may during such period make agreements which would or might require Equity Securities to be allotted or Treasury Stock to be sold after such expiry, revocation or variation and the directors may allot Equity Securities and sell Treasury Stock in pursuance of such offer or agreement as if such power had not expired or been revoked or varied."

### **Other Business**

9. To consider any other matter that may be properly brought before the meeting.

### **Notes:**

1. A shareholder who is entitled to attend and vote at the meeting may appoint one or more proxies to attend and, on a poll, vote on his or her behalf, provided that only one proxy may be appointed by a shareholder in respect of a particular share held by him/her. A proxy need not be a shareholder of the Company. To be effective, a completed and signed proxy (and any power of attorney or other authority under which it is signed) must be delivered to Capita Registrars, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, England by no later than 48 hours before the time fixed for the meeting or any adjourned meeting. Completion and return of a proxy will not preclude a shareholder from attending and voting at the meeting in person, in which event the proxy shall be automatically revoked.
2. A body corporate which is a shareholder may appoint a representative to attend a meeting of shareholders on its behalf in the same manner as that in which it could appoint a proxy. A corporate representative will have the same rights and powers as if the representative were a proxy.
3. In the case of joint holders of shares in the Company, the vote of the person named first in the Company's share register and voting on a matter will be accepted to the exclusion of the votes of the other joint holders.
4. In the case of holders of depository interests representing ordinary shares in the Company, a form of direction must be completed in order to instruct Capita IRG Trustees Limited, the Depositary, to vote on the holder's behalf at the meeting or, if the meeting is adjourned, at the adjourned meeting. To be effective, a completed and signed form of direction (and any power of attorney or other authority under which it is signed) must be delivered to Capita Registrars, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, England by no later than 72 hours before the time fixed for the meeting or any adjourned meeting.
5. New Zealand-based shareholders may participate in the meeting by attending the Company's office at Level 2, Building A, The Millennium Building Phase 2, 600 Great South Road, Ellerslie, Auckland which will be connected to the meeting by video conference. The meeting commences at 8.30 pm New Zealand time.

### **Further Explanatory Notes:**

1. Resolution 1 – Directors' Report, the Financial Statements and Auditors' Report  
The directors are required to present for adoption the Directors' Report, the Financial Statements, and the Auditors' Report for the year ended 31 March 2010.
2. Resolutions 2, 3 and 4 – Re-election of Directors  
Clause 22.4 of the Constitution requires that any director appointed by the Board shall hold office only until the next annual meeting and shall then be eligible for re-election at that

meeting. Mark Giles was appointed by the Board and therefore seeks election by the shareholders at the annual meeting.

In accordance with the constitution of the Company, Selwyn Pellett and Michael Riley retire by rotation and being eligible, offer themselves for re-election.

Clause 22.6 of the Constitution requires that all Directors shall retire at intervals of no more than three years.

Under clause 22.5, as Selwyn Pellett and Michael Riley are retiring at this meeting, nomination by a shareholder is not required.

Clause 22.7 requires each appointment to be voted on individually.

Details of all of the Company's directors can be found in the enclosed Annual Report.

3. Resolution 5 – Re-appointment of Auditors

The Company is required to appoint auditors at each annual meeting to hold office until the next such meeting at which accounts are presented. These resolutions propose the re-appointment of the Company's existing auditors, PricewaterhouseCoopers, and authorise the directors to agree their remuneration.

4. Resolution 6 – Directors' Remuneration

This resolution asks the shareholders to approve the total remuneration to be paid to non-executive directors, as required by clause 28.1 of the Constitution. The resolution does not affect the remuneration of executive directors in their capacity as executives.

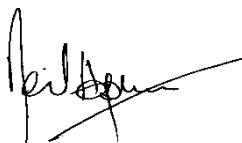
5. Resolution 7 – Authority to allot Relevant Securities

This resolution asks the shareholders to renew the directors' general authority to allot shares, should it be desirable to do so. If approved, this authority is limited to 33% of the Company's issued share capital. This authority will expire at the next annual meeting or, if earlier, 15 months from the date of the resolution.

6. Resolution 8 – Dis-application of Pre-Emptive Rights

This resolution asks the shareholders to renew an existing authority given to the directors to allot shares to persons other than existing shareholders up to a maximum of 5% of the Company's issued share capital. This authority, which will expire at the next annual meeting or, if earlier, 15 months from the date of the resolution, gives the directors flexibility to take advantage of business opportunities as they arise and the 5% limit ensures that existing shareholders' interests are protected.

By order of the Board



**Neil Hopkins**  
**Finance Director**  
**Endace Limited**  
**29 June 2010**