THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. It contains the Resolutions to be voted on at the General Meeting to be held at Telford House, Queensgate, Britannia Road, Waltham Cross, Hertfordshire EN8 7TF on 1 July 2013 at 2.00 p.m. If you are in any doubt about the contents of this document and/or the action you should take, you should immediately consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000 (as amended) if you are in the United Kingdom or, if not, another appropriately authorised independent financial adviser.

If you have sold or otherwise transferred all of your Ordinary Shares, please immediately forward this document, together with the accompanying Form of Proxy, to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. The Directors, whose names appear on page 2 of this document, 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 import of such information.

AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the United Kingdom Listing Authority. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. The London Stock Exchange has not itself examined or approved the contents of this document.

The Ordinary Shares are admitted to trading on AIM. Subject to Resolutions 1 and 3 being passed, application will be made to the London Stock Exchange for the Placing Shares to be admitted to trading on AIM. It is expected that admission to AIM and dealings in the Placing Shares will commence on 2 July 2013.

Telford Homes Plc

(Incorporated and registered in England and Wales under number 4118370)

Placing of 8,000,000 new Ordinary Shares at a price of 250 pence per share and Notice of General Meeting

Shore Capital and Corporate Limited

Nominated Adviser to the Company

Shore Capital Stockbrokers Limited

Broker

This document, including the Notice of General Meeting set out at the end of this document, should be read in conjunction with the Form of Proxy. Your attention is drawn to the letter from the Chairman of the Company which is set out on pages 6 to 9 of this document and which recommends that you vote in favour of the Resolutions to be proposed at the General Meeting referred to below.

Shore Capital and Corporate Limited and Shore Capital Stockbrokers Limited, each of which is authorised and regulated in the UK by the Financial Conduct Authority, are acting exclusively for the Company in connection with the Placing and will not be responsible to any person other than the Company for providing the protections afforded to their customers or for advising any other person on the contents of this document or any matter, transaction or arrangement referred to herein. The responsibilities of Shore Capital and Corporate Limited as the Company's nominated adviser under the AIM Rules for Nominated Advisers are owed solely to the London Stock Exchange and are not owed to the Company or to any Director, Shareholder or any other person. Shore Capital makes no representation or warranty, expressed or implied, as to the contents of this document, and Shore Capital does not accept any liability whatsoever for the accuracy of or opinions contained in this document (or for the omission of any material information) and shall not be responsible for the contents of this document.

The Placing Shares will not be registered under the United States Securities Act of 1933 (as amended) or under the securities laws of any state of the United States and do not qualify for distribution under any of the relevant securities laws of Canada, Australia or Japan, nor has any prospectus in relation to the Placing Shares been lodged with or registered by the Australian Securities and Investments Commission or the Japanese Ministry of Finance. Accordingly, subject to certain exceptions, the Placing Shares may not be, directly or indirectly, offered, sold, taken up, delivered or transferred in or into the United States, Canada, Australia or Japan. Overseas Shareholders and any person (including, without limitation, custodians, nominees and trustees) who have a contractual or other legal obligation to forward this document to a jurisdiction outside the UK should seek appropriate advice before taking any action.

Notice of the General Meeting of the Company to be held at Telford House, Queensgate, Britannia Road, Waltham Cross, Hertfordshire EN8 7TF on 1 July 2013 at 2.00 p.m. is set out at the end of this document. Whether or not you propose to attend the General Meeting, please complete and submit a Form of Proxy in accordance with the instructions printed thereon. The Form of Proxy must be received not less than 48 hours before the time of the General Meeting. Completion and return of a Form of Proxy will not preclude Shareholders from attending and voting in person at the General Meeting should they so wish.

This document does not constitute or form part of any offer or instruction to purchase, subscribe for or sell any shares or other securities in the Company nor shall it or any part of it or the fact of its distribution form the basis of, or be relied on in connection with, any contract therefor.

Certain statements contained in this document are or may constitute "forward looking statements". Such forward looking statements involve risks, uncertainties and other factors which may cause the actual results, performance or achievement of the Company, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements. Such risks, uncertainties and other factors include, among others, changes in the credit markets, changes in interest rates, legislative and regulatory changes, changes in taxation regimes, and general economic and business conditions, particularly in the United Kingdom.

DIRECTORS AND ADVISERS

Directors	Andrew Graham Wiseman, *Executive Chairman* Jonathan Graham Di-Stefano, *Chief Executive* Katie Rogers, *Financial Director* David Leonard Durant, *Executive Director* James Henry Furlong, *Executive Director* David Myles Campbell, *Executive Director* John Anthony Fitzgerald, *Executive Director* Mark Alexander Parker, *Executive Director* David John Holland, *Non-executive Director* Robert Charles Clarke, *Non-executive Director* The business address for the above Directors is at the Company's registered office
Company Secretary	Richard Colin Ellis
Registered Office	Telford House Queensgate Britannia Road Waltham Cross Hertfordshire EN8 7TF
Nominated Adviser	Shore Capital and Corporate Limited Bond Street House 14 Clifford Street London W1S 4JU
Broker	Shore Capital Stockbrokers Limited Bond Street House 14 Clifford Street London W1S 4JU
Solicitors to the Company	SJ Berwin LLP 10 Queen Street Place London EC4R 1BE
Solicitors to the Placing	Dechert LLP 160 Queen Victoria Street London EC4V 4QQ
Auditors	PricewaterhouseCoopers LLP 10 Bricket Road St Albans Hertfordshire AL1 3JX
Registrars	Capita Registrars Northern House Woodsome Park Fenay Bridge Huddersfield West Yorkshire HD8 0LA

PLACING STATISTICS

Placing Price	250p
Number of Ordinary Shares in issue prior to the Placing	50,373,272
Number of Placing Shares being placed on behalf of the Company	8,000,000
Estimated proceeds receivable by the Company, before expenses	£20,000,000.00
Number of Ordinary Shares in issue following the Placing	58,373,272
Number of Placing Shares as a percentage of the enlarged issued share capital	13.70 per cent.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS*

Dispatch of this document to Shareholders	14 June 2013
Latest time and date for receipt of Forms of Proxy	2.00 p.m. on 29 June 2013
Time and date of General Meeting	2.00 p.m. on 1 July 2013
Admission and dealings in the Placing Shares expected to commence on AIM	8.00 a.m. on 2 July 2013
Expected date for CREST stock accounts to be credited for the Placing Shares in uncertificated form	2 July 2013
Expected date for posting of share certificates for the Placing Shares	by 2 July 2013

*If any of the details contained in the above expected timetable should change the revised times and dates will be notified to Shareholders by means of an announcement through the Regulatory Information Service. All events listed in the above timetable following the General Meeting are conditional on the passing of Resolutions 1 and 3 at the General Meeting.

DEFINITIONS

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

"Act"	the Companies Act 2006 (as amended)
"Admission"	admission of the Placing Shares to trading on AIM becoming effective in accordance with Rule 6 of the AIM Rules
"AIM"	the AIM market operated by the London Stock Exchange
"AIM Rules"	the AIM Rules for Companies published by the London Stock Exchange as amended from time to time
"AIM Rules for Nominated Advisers"	the AIM Rules for Nominated Advisers published by the London Stock Exchange as amended from time to time
"Articles"	the articles of association of the Company from time to time
"certificated form" or "in certificated form"	an ordinary share recorded on a company's share register as being held in certificated form (namely, not in CREST)
"Company" or "Telford Homes"	Telford Homes Plc, a company registered in England and Wales with registered number 4118370
"CREST"	the relevant system (as defined in the Uncertificated Securities Regulations 2001) in respect of which Euroclear UK & Ireland Limited is the operator (as defined in those regulations)
"Directors" or "Board"	the directors of the Company whose names are set out on page 2 of this document, or any duly authorised committee thereof
"Form of Proxy"	the form of proxy which accompanies this document for use in connection with the General Meeting
"General Meeting"	the general meeting of the Company to be held at Telford House, Queensgate, Britannia Road, Waltham Cross, Hertfordshire EN8 7TF at 2.00 p.m. on 1 July 2013 (or any adjournment thereof)
"Group"	the Company and its subsidiaries
"London Stock Exchange"	London Stock Exchange plc
"Notice of General Meeting"	the notice convening the General Meeting set out at the end of this document
"Ordinary Shares"	the ordinary shares of 10 pence each in the capital of the Company
"Placing"	the conditional placing of the Placing Shares by Shore Capital Stockbrokers, as agent on behalf of the Company, pursuant to the Placing Agreement
"Placing Agreement"	the conditional agreement dated 11 June 2013 and made between the Company, the Directors, Shore Capital and Corporate and Shore Capital Stockbrokers in relation to the Placing
"Placing Price"	250 pence per Placing Share, being the price at which each Placing Share is to be issued under the Placing

"Placing Shares"	the 8,000,000 new Ordinary Shares to be issued pursuant to the Placing
"Resolutions"	the resolutions to be proposed at the General Meeting as set out in the Notice of General Meeting
"Shareholders"	holders of Ordinary Shares from time to time
"Shore Capital"	Shore Capital Stockbrokers and/or Shore Capital and Corporate, as the context permits
"Shore Capital and Corporate"	Shore Capital and Corporate Limited
"Shore Capital Stockbrokers"	Shore Capital Stockbrokers Limited
"uncertificated form" or "in uncertificated form"	an ordinary share recorded on a company's share register as being held in uncertificated form in CREST and title to which, by virtue of the Uncertificated Securities Regulations 2001, may be transferred by means of CREST.

Telford Homes Plc

(Incorporated and registered in England and Wales under number 4118370)

Directors:

Andrew Graham Wiseman, *Executive Chairman*
Jonathan Graham Di-Stefano, *Chief Executive*
Katie Rogers, *Financial Director*
David Leonard Durant, *Executive Director*
James Henry Furlong, *Executive Director*
David Myles Campbell, *Executive Director*
John Anthony Fitzgerald, *Executive Director*
Mark Alexander Parker, *Executive Director*
David John Holland, *Non-executive Director*
Robert Charles Clarke, *Non-executive Director*

Registered Office:

Telford House
Queensgate
Britannia Road
Waltham Cross
Hertfordshire EN8 7TF

14 June 2013

To the Shareholders and, for information only, to the holders of options under the Telford Homes Plc Employee Share Option Scheme

Dear Shareholder,

Placing of 8,000,000 new Ordinary Shares at a price of 250 pence per share and Notice of General Meeting

Introduction

Your Board announced on 12 June 2013 that it proposes to raise £20 million, before expenses, by way of a placing of 8,000,000 new Ordinary Shares at a price of 250 pence per share. The net proceeds of the Placing (expected to be approximately £19.24 million) will allow the Group to invest in new development opportunities. The Placing is conditional, amongst other things, upon Shareholders passing Resolutions 1 and 3 at the General Meeting. The Placing, which has been arranged by Shore Capital Stockbrokers pursuant to the terms of the Placing Agreement, is also conditional upon Admission.

The purpose of this document is to provide you with information regarding the Placing, to explain why your Board considers the Placing to be in the best interests of the Company and its Shareholders as a whole and why it unanimously recommends that you should vote in favour of the Resolutions to be proposed at the General Meeting, notice of which is set out at the end of this document.

Background to and reasons for the Placing

Telford Homes is an established residential property developer which builds new homes in inner London. The Company obtains planning consents within a complex planning environment, designs and constructs high quality developments and focuses on excellent customer service.

The housing market in inner London has been particularly strong in recent months with the Company reporting exceptional demand in its preliminary results for the year ended 31 March 2013 which were announced on 29 May 2013. This has led to an unprecedented pre-sales position with 99 per cent. of the expected open market completions for the year to 31 March 2014 having already been sold, and over 50 per cent. of the expected open market completions for each of the years ended 31 March 2015 and 2016 having also been sold. These pre-sales have been achieved without the benefits expected from the launch of the Government's Help to Buy equity loan scheme which is helping to increase the rate of sale for other developers. The Company expects to join this scheme in the next few weeks.

The Company's sales success is, in part, a function of an imbalance between the high level of demand for homes in London, both for purchase and to rent, and the level of supply of those homes. For several years the housebuilding industry has been unable to meet the anticipated demand for new homes in London and

yet population growth has continued throughout that period. The Directors have concluded that, in the light of the strength of the micro-economy in London, its continuing worldwide reputation and the fundamental on-going shortage of supply of new homes, there is capacity for the Company to significantly increase its output over the next few years.

The Company has been very successful in buying land over the last 18 months and has a development pipeline of 2,260 homes that are expected to deliver over £650 million of revenue over the next three to four years. In addition, the Company considers that there are many more opportunities in inner London and it has already identified some specific opportunities which the Directors believe will further enhance profits.

The Company has expertise in enhancing value for landowners and has long standing partnerships with affordable housing providers that have been a source of many development opportunities over the last few years. Furthermore, the Company has been elected to the Greater London Authority's 'London Development Panel' which is likely to be a major source of publically owned land over the next few years.

The Directors have therefore decided to raise approximately £20 million pursuant to the Placing in order to provide the Company with additional funds to acquire and construct new development opportunities.

The Company has already secured an increased debt facility of £120 million from its banking partners and therefore the finance is already in place to be drawn down alongside the equity raised. The Company expects that debt finance will represent 60 per cent. of any expenditure on new development opportunities.

The Placing

The Company is proposing to raise, in aggregate, £20 million (before commissions and expenses) through the issue of the Placing Shares at the Placing Price. The Placing Shares will represent approximately 13.70 per cent. of the Company's enlarged share capital immediately following Admission. The Placing Price represents a discount of approximately 0.8 per cent. to the closing middle market price on 11 June 2013, being the last practicable date prior to the announcement of the Placing. The Placing Shares will rank in full for all dividends with a record date on or after the date of Admission and otherwise equally with the existing Ordinary Shares from the date of Admission. It is expected that the Placing Shares will be admitted to trading on AIM on 2 July 2013. The Placing (which is not underwritten) is conditional, amongst other things, upon:

- the approval of Resolutions 1 and 3 at the General Meeting;
- the Placing Agreement becoming unconditional in all respects and not having been terminated in accordance with its terms; and
- Admission,

in each case by no later than 8.00 a.m. on 2 July 2013 (or such time and date as the Company and Shore Capital may agree, being not later than 5.00 pm on 31 July 2013).

The Placing Agreement

Pursuant to the terms of the Placing Agreement, Shore Capital Stockbrokers, as agent for the Company, has agreed conditionally to use its reasonable endeavours to place the Placing Shares on a non-underwritten basis at the Placing Price.

The Placing Agreement contains certain warranties from the Company and the Directors in favour of Shore Capital Stockbrokers and Shore Capital and Corporate in relation to, amongst other things, the accuracy of the information contained in this document and certain other matters relating to the Company and its business. In addition, the Company has agreed to indemnify Shore Capital Stockbrokers and Shore Capital and Corporate in relation to certain liabilities either of them may incur in respect of the Placing. Each of Shore Capital Stockbrokers and Shore Capital and Corporate has the right to terminate the Placing Agreement in certain circumstances prior to Admission, including without limitation, for an event of force majeure or in the event of a material breach of the warranties set out in the Placing Agreement.

Admission and dealings

Application will be made to the London Stock Exchange for the Placing Shares to be admitted to trading on AIM. It is expected that Admission to AIM will become effective and that dealings will commence on 2 July 2013. Admission is subject to the passing of Resolutions 1 and 3 at the General Meeting and to the Placing Agreement becoming unconditional in all respects (save only for Admission) and not being terminated in accordance with its terms.

General Meeting

A notice convening the General Meeting to be held at Telford House, Queensgate, Britannia Road, Waltham Cross, Hertfordshire EN8 7TF at 2.00 p.m. on 1 July 2013 is set out at the end of this document.

At the General Meeting, resolutions will be proposed to grant the Directors the authority to allot the Placing Shares without first offering them to existing Shareholders on a pre-emptive basis.

The Placing Shares have not been made available to the public and have not been offered or sold in any jurisdiction where it would be unlawful to do so. The Board strongly believes that raising equity finance using the flexibility provided by a non pre-emptive placing is the most appropriate fundraising structure for the Company at this time.

Resolution 1 in the Notice of General Meeting is an ordinary resolution and seeks to give the Directors authority to allot shares in the Company up to a maximum nominal amount of £800,000 in connection with the Placing, which represents approximately 15.88 per cent. of the current issued share capital of the Company.

Resolution 2 in the Notice of General Meeting is an ordinary resolution and seeks to give the Directors authority to:

- allot shares in the Company and to grant rights to subscribe for or to convert any security into shares in the Company up to a maximum nominal amount of £2,211,696, which represents 37.89 per cent. of the issued share capital of the Company immediately following the Placing (being one third of the issued share capital of the Company following the Placing to which have been added options to subscribe for 2,659,204 shares that have been granted by the Company); and
- allot equity securities in connection with a rights issue in favour of (i) holders of ordinary shares in proportion to their respective holdings of ordinary shares; and (ii) to holders of other equity securities as required by the rights attached to those securities or as the Directors otherwise consider necessary up to a maximum nominal amount of £2,211,696, which represents 37.89 per cent. of the issued share capital of the Company immediately following the Placing (being one third of the issued share capital of the Company following the Placing to which have been added options to subscribe for 2,659,204 shares that have been granted by the Company).

Resolution 3 in the Notice of General Meeting is a special resolution and seeks to empower the Directors generally to allot and issue equity securities for cash in the Company in connection with the Placing without first offering such securities to existing Shareholders.

Resolution 4 in the Notice of General Meeting is a special resolution and seeks to empower the Directors generally to allot and issue equity securities in the Company for cash up to a maximum nominal amount of £291,866, which represents five per cent. of the issued share capital of the Company immediately following the Placing.

The powers in Resolutions 1, 2, 3 and 4 are in substitution for the powers given to the Directors pursuant to Resolutions 6, 7, 8 and 9 which were passed at the 2012 annual general meeting. The authorities conferred by Resolutions 1, 2, 3 and 4 will lapse at the conclusion of the 2014 annual general meeting of the Company or, if earlier, 1 October 2014.

Action to be taken by Shareholders

Whether or not you are able to attend the General Meeting, you are asked to complete and return the Form of Proxy to the Company's Registrars or deliver it in person to: Capita Registrars, PXS, 34 Beckenham Road,

Beckenham, Kent BR3 4TU not less than 48 hours before the General Meeting. Any Form of Proxy received after this time shall be treated as invalid. Completion and return of the Form of Proxy will not preclude you from attending and voting in person at the General Meeting (in substitution for your proxy vote) should you subsequently decide to do so.

Should you require further assistance please call Capita Registrars on 0871 664 0300 from within the UK or on +44 (0) 20 8639 3399 if calling from outside the UK. Calls to the 0871 664 0300 number cost 10 pence per minute from a BT landline. Other network providers' costs may vary. Lines are open 9.00 a.m. to 5.30 p.m. (London time) Monday to Friday. Calls to the helpline from outside the UK will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the Placing nor give any financial, legal or tax advice.

Recommendation

Your Directors consider that the Placing and the authorities granted by the Resolutions are in the best interests of the Company and its Shareholders as a whole. Accordingly your Directors unanimously recommend that you vote in favour of the Resolutions as they intend to do in respect of their own shareholdings of 6,924,434 Ordinary Shares, representing approximately 13.74 per cent. of the Company's current issued share capital.

Yours sincerely,

Andrew Wiseman
Chairman

Telford Homes Plc

(Incorporated and registered in England and Wales under number 4118370)

(the "Company")

NOTICE OF GENERAL MEETING

Notice is hereby given that a general meeting of the Company will be held at Telford House, Queensgate, Britannia Road, Waltham Cross, Hertfordshire EN8 7TF on 1 July 2013 at 2.00 p.m., where you will be asked to consider and, if thought fit, pass the resolutions below.

RESOLUTIONS

Ordinary Resolutions

1. THAT the Directors be generally and unconditionally authorised pursuant to section 551 of the Companies Act 2006 (the "Act") to allot shares in the Company up to a maximum nominal amount of £800,000, in connection with the Placing described in the circular to shareholders dated 14 June 2013 (the "Circular"), for a period expiring (unless previously renewed, varied or revoked by the Company in general meeting) at the end of the 2014 annual general meeting of the Company or, if earlier, 1 October 2014, save that the Company may before expiry of this authority make an offer or agreement which would or might require shares to be allotted, or rights to subscribe for or to convert any security into shares to be granted, after expiry of this authority and the Directors may allot shares, or grant rights to subscribe for or convert any security into shares, in pursuance of that offer or agreement as if this authority had not expired.

2. THAT the Directors be generally and unconditionally authorised pursuant to section 551 of the Act and in place of the authorities given by Resolutions 6 and 8 at the 2012 annual general meeting of the Company:

   (a) in addition to the authority granted pursuant Resolution 1 above, to allot shares in the Company and to grant rights to subscribe for or to convert any security into shares in the Company up to a maximum nominal amount of £2,211,696 for a period expiring (unless previously renewed, varied or revoked by the Company in general meeting) at the end of the 2014 annual general meeting of the Company or, if earlier, 1 October 2014, save that the Company may before expiry of this authority make an offer or agreement which would or might require shares to be allotted, or rights to subscribe for or to convert any security into shares to be granted, after expiry of this authority and the Directors may allot shares, or grant rights to subscribe for or convert any security into shares, in pursuance of that offer or agreement as if this authority had not expired; and

   (b) in addition to the authority granted by Resolution 1 and sub-paragraph (a) of Resolution 2 above, to allot equity securities (within the meaning of section 560 of the Act) in connection with a rights issue in favour of (i) holders of ordinary shares in proportion (as nearly as may be) to their respective holdings of ordinary shares; and (ii) to holders of other equity securities as required by the rights attached to those securities or as the Directors otherwise consider necessary (but subject to such exclusions or other arrangements as the directors consider necessary or expedient in connection with treasury shares, fractional entitlements or any legal or practical problems arising under the laws or regulations of, or the requirements of any regulatory body or stock exchange in, any territory) up to a maximum nominal amount of £2,211,696 for a period expiring (unless previously renewed, varied or revoked by the Company in general meeting) at the end of the 2014 annual general meeting of the Company or, if earlier, 1 October 2014, save that the Company may before expiry of this authority make an offer or agreement which would or might require equity securities to be allotted after expiry of this authority and the Directors may allot equity securities in pursuance of that offer or agreement as if this authority had not expired.

Special Resolutions

3. THAT subject to the passing of Resolution 1 above the Directors be empowered pursuant to sections 570 and 573 of the Act to allot equity securities (within the meaning of section 560 of the Act) for cash

pursuant to the authority granted by Resolution 1 above as if section 561 of the Act did not apply to any such allotment. This power shall be limited to the allotment of shares in the Company up to a maximum nominal amount of £800,000 in connection with the Placing described in the Circular. This power shall expire at the conclusion of the 2014 annual general meeting of the Company or, if earlier, 1 October 2014, but the Company may before the expiry of this power make an offer or agreement which would or might require equity securities to be allotted after expiry of this power and the directors may allot equity securities in pursuance of that offer or agreement as if this power had not expired.

4 THAT subject to the passing of Resolution 2 above and in place of the authorities given by Resolutions 7 and 9 at the 2012 annual general meeting of the Company, the Directors be empowered pursuant to sections 570 and 573 of the Act to allot equity securities (within the meaning of section 560 of the Act) for cash pursuant to the authority granted by Resolution 2 above as if section 561 of the Act did not apply to any such allotment. This power shall be limited:

(a) to the allotment of equity securities in connection with an offer of such securities or an invitation to apply to subscribe for such securities (whether by way of rights issue, open offer or otherwise) in favour of (i) holders of ordinary shares in proportion (as nearly as may be) to their respective holdings of ordinary shares and (ii) to holders of other equity securities as required by the rights attached to those securities or as the Directors otherwise consider necessary but subject to such exclusions or other arrangements as the directors consider necessary or expedient in connection with treasury shares, fractional entitlements or any legal or practical problems arising under the laws or regulations of, or the requirements of any regulatory body or stock exchange in, any territory; and

(b) to the allotment (otherwise than pursuant to sub-paragraph (a) above) of equity securities up to an aggregate nominal amount of £291,866.

This power shall expire at the conclusion of the 2014 annual general meeting of the Company or, if earlier, 1 October 2014, but the Company may before the expiry of this power make an offer or agreement which would or might require equity securities to be allotted after expiry of this power and the directors may allot equity securities in pursuance of that offer or agreement as if this power had not expired.

14 June 2013

By order of the Board

Richard Ellis
Company Secretary

Registered Office:
Telford House
Queensgate
Britannia Road
Waltham Cross
Hertfordshire EN8 7TF

Registered in England and Wales No. 4118370

Notes

1. A member entitled to attend and vote at this meeting is entitled to appoint another person as his or her proxy to exercise all or any of his or her rights to attend, to speak and, both on a show of hands and on a poll, to vote in his or her stead at the meeting. A proxy need not be a member of the Company. The appointment of a proxy does not preclude a member from attending and voting in person at the meeting should he or she subsequently decide to do so. A Form of Proxy which may be used is enclosed.

2. A member may appoint more than one proxy in relation to a meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him or her.

3. To be valid, a Form of Proxy together with, if applicable, the power of attorney or other authority under which it is signed, or a certified copy thereof, must be received by Capita Registrars, PXS, 34 Beckenham Road, Beckenham, Kent BR3 4TU not later than 2.00 p.m. on 29 June 2013.

4. The Company, pursuant to Regulation 22 of the Uncertificated Securities Regulations 2001, specifies that only those shareholders registered in the register of members of the company as at 6.00 p.m. on 29 June 2013 shall be entitled to attend or vote (whether on a show of hands or on a poll) at the meeting in respect of the number of shares registered in their name at the time. Changes to entries on the register after 6.00 p.m. on 29 June 2013 (or after 6.00 p.m. on the day which is two days before any adjourned meeting) shall be disregarded in determining the rights of any person to attend or vote at the meeting.

5. As at 13 June 2013 (being the last business day prior to the date of this notice) the Company's issued share capital consisted of 50,373,272 ordinary shares each carrying one vote per share. Accordingly the total number of voting rights in the Company as at 13 June 2013 were 50,373,272.

6. CREST members who wish to appoint a proxy or proxies for the meeting or any adjournment thereof by utilising the CREST electronic proxy appointment service may do so by following the procedures described in the CREST Manual (www.euroclear.com/CREST). CREST personal members or other CREST sponsored members and those CREST members who have appointed a voting service provider(s) should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

   In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's (EUI) specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID RA10) by the latest time(s) for receipt of proxy appointments specified in this notice. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Application Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

   CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular message. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed (a) voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

   The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

7. A copy of this notice, and the other information required by section 311A of the Companies Act 2006, can be found at www.telfordhomes.plc.uk.

8. Any member attending the meeting has the right to ask questions.

9. If the total number of voting rights that the Chairman will be able to vote (taking into account any proxy appointments from Shareholders over which he is given discretion and any voting rights in respect of his own Shares) is such that he will have a notifiable obligation under the Disclosure and Transparency rules of the Financial Conduct Authority (the "DTRs"), the Chairman will make the necessary notifications to the Company and the Financial Conduct Authority. Therefore, any member holding 3 per cent. or more of the voting rights in the Company who grants the Chairman a discretionary proxy in respect of some or all of those voting rights and so would otherwise have a notification obligation under the DTRs, need not make a separate notification to the Company and to the Financial Conduct Authority. However, any member holding 3 per cent. or more of the voting rights in the Company who appoints a person other than the Chairman as proxy will need to ensure that both the member and the proxy comply with the respective disclosure obligations under the DTRs.