

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. When considering what action to take, you are recommended to seek personal financial advice from your stockbrokers, 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 Prime People Plc, 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. Any person (including without limitation, custodians, nominees and trustees) who may have a contractual or legal obligation or may otherwise intend to forward this document to any jurisdiction outside the United Kingdom should seek appropriate advice before taking any action. Application will be made following the Capital Reorganisation for the new Ordinary Shares to be admitted to trading on AIM.

PRIME PEOPLE PLC

(Incorporated in England and Wales under the Companies Act 1948 (as amended) with registered number 1729887)

Proposed Capital Reorganisation

Notice of Extraordinary General Meeting

Notice of an extraordinary general meeting of Prime People Plc to be held at the offices of Howard Kennedy 19 Cavendish Square London W1A 2AW on 7 July 2009 immediately after the conclusion of Prime People Plc's Annual General Meeting is set out at the end of this document. The form of proxy for use at the meeting accompanies this document and, to be valid, should be completed and returned in accordance with the instructions set out thereon as soon as possible, but in any event so as to reach Neville Registrars Limited Neville House 18 Laurel Lane Halesowen West Midlands B63 3DA, not later than 11.00 a.m. on 5 July 2009 or 48 hours before the time for holding any adjourned meeting. Completion of a form of proxy will not preclude a Shareholder from attending and voting at the meeting in person.

Copies of this document will be available, free of charge, at the offices of Prime People Plc during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) from the date of this document until the date of the EGM.

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EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Publication date of this document	9 June 2009
Latest time and date for receipt of forms of proxy	11.00 a.m. on 5 July 2009
Extraordinary General Meeting	Immediately following the Annual General Meeting on 7 July 2009
Record Date for the Consolidation	5.00 p.m. on 7 July 2009
Despatch of Fraction Cheques	By 15 July 2009
Admission of new Ordinary Shares	8.00 a.m. on 8 July 2009
CREST accounts credited	8 July 2009
Share certificates despatched	On or about 15 July 2009

Prime People Plc
Company Number 1729887

Directors:

Robert Macdonald (Chairman)
Peter Moore (Managing director)
Christopher Heayberd (Finance director)
John Lewis (Non executive director)
Simon Murphy (Non executive director)

40a Dover Street
London
W1S 4NW

9 June 2009

Dear Shareholder

Proposed Capital Reorganisation

Introduction

The Board has announced a proposal to reorganise the Company's share capital to reduce the significant number of small shareholdings and provide the opportunity for these shareholdings to be disposed of without incurring dealing costs. Prime People Plc has a long history as a quoted company going back some twenty years and over this time its share register has developed 'legacy holdings' where the number of shares held is small. Servicing of these shareholdings costs the Company, in many cases, more than the value of the holding. The Board considers that it is in the interests of the Company and its Shareholders to reorganise the Company's share capital.

Capital Reorganisation

The Company moved from the official list of the UK Listing Authority to AIM in June 2004. Its share register now comprises approximately 600 Shareholders, many of whom hold 500 or fewer shares.

It can be difficult for Shareholders to sell small shareholdings and dealing charges make selling small shareholdings uneconomic. Maintaining a large register of very small shareholdings is expensive for the Company and not, the Board considers, in the best interests of Shareholders as a whole.

The Board has, therefore, sought to make arrangements to give the holders of small shareholdings cash in consideration for their Ordinary Shares without those Shareholders incurring dealing charges. This document provides details of the proposal.

The Capital Reorganisation is conditional upon the approval of Shareholders in general meeting. Part of the purpose of this document is to provide details of the Capital Reorganisation and to seek the approval of Shareholders.

Consolidation

The Directors propose to consolidate every 500 Ordinary Shares into one Consolidated Share. Following the Consolidation, resulting fractions of the Consolidated Ordinary Shares will be aggregated and sold by the Board of Directors of the Company with the proceeds being remitted to the relevant shareholders. The net proceeds arising from the sale of fractional entitlements will be distributed to Shareholders pro rata to the fractional entitlements to which they would otherwise have been entitled. In accordance with the articles of association of the Company, amounts of less than £3.00 payable to any Shareholder will not however be distributed but will be retained by the Company.

Subdivision

Following the Consolidation, it is proposed that every Consolidated Share be subdivided into 500 Ordinary Shares.

Effect of the Capital Reorganisation

The Directors anticipate that the Capital Reorganisation will reduce the number of Shareholders from the present level of approximately 600 to around 250, easing the administrative burden on the Company and reducing the associated cost whilst at the same time providing Shareholders who hold small shareholdings with a means of selling their Ordinary Shares free of dealing expenses.

The effect of the Capital Reorganisation is that Shareholders holding fewer than 501 Ordinary Shares on the Record Date will receive a cash payment equivalent to 21 pence, being the closing middle market price on 8 June 2009 for each of the Ordinary Shares they held. As a result they will have received full market value for their shareholding without suffering dealing commissions.

Holders of more than 500 Ordinary Shares on the Record Date will receive a cash payment equivalent to 21 pence for each of such number of their Ordinary Shares as become a fraction of a Consolidated Share when their holding is divided by 500 and will retain the balance of their shareholding. For example, a holder of 1,050 Ordinary Shares would receive a cash payment of £10.50 in consideration for 50 Ordinary Shares and would, following the Consolidation and Subdivision, retain 1,000 Ordinary Shares.

Provided the Resolution is passed, cheques in respect of the payment due, if any, to the Shareholders and share certificates in respect of their new shareholdings will be despatched on or shortly after 15 July 2009. CREST accounts will be credited with new Ordinary Shares on or shortly after 8 July 2009. Application will be made following the Capital Reorganisation for the new Ordinary Shares to be admitted to trading on AIM and it is expected that admission will commence at 8am on 8 July 2009. The ISIN for the new Ordinary Shares will be GB00B4ZG0R74 and the Company's existing ISIN will be cancelled from 8am on 8 July 2009.

Shareholders who may be expecting to sell most or all of their shares before 8 July and settle their sale bargains after that date are reminded of the need to check that sufficient shares will remain registered in their name(s) after the Capital Reorganisation to settle their sale bargains in full.

Action to be Taken

You will find enclosed with this document a form of proxy for use at the EGM. Whether or not you propose to attend the EGM in person, you are asked to complete the form of proxy and return it to the Company's registrars, Neville Registrars Limited Neville House

18 Laurel Lane Halesowen West Midlands B63 3DA, so as to arrive as soon as possible, but in any event so as to be received not later than 11.00 a.m. on 5 July 2009.

Completion and return of a form of proxy will not preclude you from attending and voting at the EGM in person if you wish.

If you are in any doubt as to what action you should take, you are recommended to seek personal financial advice from your stockbrokers, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 immediately.

Recommendation

Your Board considers the Resolution to be proposed at the EGM to be in the best interests of the Company and its Shareholders as a whole and accordingly your Directors unanimously recommend that Shareholders vote in favour of the Resolution, as they intend to do in respect of their own beneficial holdings which amount to 6,988,120 Ordinary Shares in aggregate, representing 58.09 per cent. of the existing issued ordinary share capital of the Company.

Yours faithfully,

Robert Macdonald
Executive Chairman

Definitions

"AIM"	a market operated by London Stock Exchange plc
"Board" or "Directors"	the directors of the Company
"Capital Reorganisation"	the Consolidation and the Subdivision
"Company"	Prime People Plc
"Consolidated Shares"	Ordinary shares of £50.00 each in the capital of the Company in issue following the Consolidation, prior to the Subdivision
"Consolidation"	the consolidation of every five hundred issued Ordinary Shares into one Consolidated Share
"EGM"	the extraordinary general meeting of the Company, which is to be held at the offices of Howard Kennedy 19 Cavendish square London W1A 2AW on 7 July 2009 immediately after the conclusion of Prime People Plc's Annual General Meeting at 11.00 a.m.
"Ordinary Shares"	ordinary shares of £0.10 each in the capital of the Company in issue either before the Capital Reorganisation and after the Subdivision as the context may require
"Record Date"	5.00 p.m. on 7 July 2009
"Resolution"	the resolution to be proposed at the EGM as set out in the notice of EGM
"Shareholders"	holders of Ordinary Shares
"Subdivision"	the subdivision of each Consolidated Share into five hundred Ordinary Shares

PRIME PEOPLE PLC

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of the above named Company will be held at the offices of Howard Kennedy 19 Cavendish Square London W1A 2AW on 7 July 2009 immediately after the conclusion of Prime People Plc's Annual General Meeting at 11.00 a.m. for the purposes of considering and, if thought fit, passing the following resolution that will be proposed as an ordinary resolution:

ORDINARY RESOLUTION

THAT:

- (a) every five hundred issued ordinary shares of £0.10 each in the capital of the Company be and they are hereby consolidated into one ordinary share of £50.00; and that, in accordance with Article 42 of the Company's articles of association, the Board of Directors of the Company be and is hereby authorised to sell any fractional shares arising from the consolidation and to distribute the net proceeds of such sale amongst the shareholders entitled to such fractions in due proportions UNLESS the value of any such fractional entitlement is, after deduction of proper expenses of such sale, less than £3.00, whereupon the net proceeds of such sale shall belong to and be vested in the Company; and
- (b) with effect from the completion of the sale by the Board of Directors of the Company of all the fractions of the consolidated ordinary shares of £50.00 each in the capital resulting from the implementation of the consolidation and the completion of the consolidation pursuant to resolution (a), every one consolidated ordinary share of £50.00 in the capital of the Company be and is hereby subdivided into five hundred ordinary shares of £0.10 each.

By Order of the Board
Christopher Heyberd
Secretary

Registered office:
40a Dover Street
London W1S 4NW
Dated: 9 June 2009

Notes:

1. A member entitled to speak, attend and vote at the above meeting convened by the above notice is entitled to appoint a proxy to attend, speak and vote in his place. Such proxy need not be a member of the Company. 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.
2. A member may appoint more than one proxy in relation to the meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by the member. A member wishing to appoint more than one proxy should photocopy the proxy card and indicate on each copy the name of the proxy he appoints and the number of shares in respect of which that proxy is appointed.
3. A form of proxy is enclosed. The appointment of a proxy will not prevent a Shareholder from subsequently attending and voting at the meeting in person, in which case any votes cast by the proxy will be excluded and the proxy appointment will automatically be terminated. In order to revoke a proxy appointment Shareholders will need to inform the Company by sending a signed hard copy notice clearly stating the intention to revoke the proxy appointment to the Company's registrars, Neville Registrars Limited, Neville House 18 Laurel Lane Halesowen West Midlands B63 3DA by the time appointed for holding the meeting or adjourned meeting, or in the case of a poll taken subsequently to the meeting or adjourned meeting, by the time appointed for taking the poll.
4. To be effective the instrument of proxy and the power of attorney or other written authority (if any) under which it is signed, or an office or notarially certified copy or a copy certified in accordance with the Powers of Attorney Act 1971 or the Enduring Powers of Attorney Act 1986 (or any statutory modification or re-enactment thereof for the time being in force) of any such power or written authority must be deposited at the Company's registrars, Neville Registrars Limited, Neville House 18 Laurel Lane Halesowen West Midlands B63 3DA, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting, or in the case of a poll taken subsequently to the meeting or adjourned meeting, not less than 24 hours before the time appointed for taking the poll. Where a poll is not taken forthwith but is taken less than 48 hours after it was demanded, the instrument of proxy together with any other documents required to be deposited shall be deemed to have been deposited if handed to the chairman of the meeting at which the poll is validly demanded at any time prior to the commencement of such meeting and if so delivered the instrument of proxy shall be treated as valid.
5. In accordance with Regulation 41 of the Uncertificated Securities Regulations 2001, only those Shareholders entered on the Company's register of members not later than 48 hours before the time of the meeting or, if the meeting is adjourned, Shareholders entered on the Company's register of members not later than 48 hours before the time fixed for the adjourned meeting, will be entitled to attend and vote at the meeting. Changes to entries on the register of members after such time on such date will be disregarded in determining the rights of any person to attend and vote at the meeting.

PRIME PEOPLE PLC
Extraordinary General Meeting
FORM OF PROXY

I/We (block capitals please) _____ of _____ being (a) holder(s) of Ordinary Shares in the above-named Company hereby appoint the Chairman of the Meeting, or (see Note 2) as my/our proxy to attend, speak and vote for me/us and on my/our behalf at the Extraordinary General Meeting of the Company to be held at the offices of Howard Kennedy 19 Cavendish Square London W1A 2AW on 7 July 2009 immediately after the conclusion of Prime People Plc's Annual General Meeting at 11.00 a.m. and at any adjournment thereof, and thereat to vote as indicated below.

Dated thisday of 2009

Signature(s)

Please indicate with an X in the spaces below how you wish your vote to be cast. If no indication is given, your proxy will vote for or against the resolution or abstain from voting as he thinks fit.

	FOR	AGAINST	ABSTAIN
Ordinary Resolution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If no indication is given, my/our proxy will vote or abstain from voting at his or her discretion and I/we authorise my/our proxy to vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the meeting.

Notes:

1. If any other proxy is preferred, strike out the words "Chairman of the Meeting" and add the NAME and ADDRESS of the proxy you wish to appoint and initial the alteration. The proxy need not be a member.
2. To appoint more than one proxy you may photocopy this form. Please indicate the proxy holder's name and the number of shares in relation to which they are authorised to act as your proxy (which, in aggregate, should not exceed the number of shares held by you). Please also indicate if the proxy instruction is one of multiple instructions being given. All forms must be signed and should be returned together in the same envelope.
3. If the appointer is a corporation, this form must be completed under its common seal or under the hand of some officer or attorney duly authorised in writing.
4. The signature of any one of the joint holders will be sufficient, but the names of all the joint holders should be stated. In the case of joint holders of a share, the vote of the senior who tenders a vote whether in person or by proxy shall be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority shall be determined by the order in which the names stand in the register of members in respect of the share.
5. To be effective this form and the power of attorney or other written authority (if any) under which it is signed, or an office or notarially certified copy or a copy certified in accordance with the Powers of Attorney Act 1971 or the Enduring Powers of Attorney Act 1986 (or any statutory modification or re-enactment thereof for the time being in force) of any such power or written authority must be deposited at the Company's registrars, Neville Registrars Limited, Neville House 18 Laurel Lane Halesowen West Midlands B63 3DA not less than 48 hours before the time appointed for holding the meeting or adjourned meeting, or in the case of a poll taken subsequently to the meeting or adjourned meeting, not less than 24 hours before the time appointed for taking the poll. Where a poll is not taken forthwith but is taken less than 48 hours after it was demanded, this form together with any other documents required to be deposited shall be deemed to have been deposited if handed to the Chairman of the Meeting at which the poll is validly demanded at any time prior to the commencement of such meeting and if so delivered the instrument of proxy shall be treated as valid.
6. The completion of this form will not preclude a member from attending the meeting and voting in person in which case any votes cast by the proxy will be excluded and your proxy appointment will automatically be terminated. In order to revoke a proxy appointment you will need to inform the Company by sending a signed hard copy notice clearly stating the intention to invoke the proxy appointment to the Company's registrars, Neville Registrars Limited, Neville House 18 Laurel Lane Halesowen West Midlands B63 3DA by the time appointed for holding the meeting or adjourned meeting, or in the case of a poll taken subsequently to the meeting or adjourned meeting, by the time appointed for taking the poll.
7. Any alteration of this form must be initialled.
8. In accordance with Regulation 41 of the Uncertificated Securities Regulations 2001, only those members entered on the Company's register of members not later than 48 hours before the time of the meeting or, if the meeting is adjourned, Shareholders entered on the Company's register of members not later than 48 hours before the adjourned meeting, will be entitled to attend and vote at the meeting. Changes to entries on the register of members after such time will be disregarded in determining the rights of any person to attend and vote at the meeting.

[ON REVERSE OF THE FORM OF PROXY]
Business Reply Service
Licence No. BM3865

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[OR]

box for
stamp

Neville Registrars Limited
Neville House 18 Laurel Lane Halesowen West Midlands B63 3DA