



THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take, you are recommended to seek your own personal financial advice from your stockbroker or other independent financial adviser authorised under the Financial Services and Markets Act 2000. If you have sold or transferred all your ordinary shares in Frontier IP Group Plc, you should pass this document and the annual report and financial statements of Frontier IP Group Plc for the year ended 30 June 2009 and the form of proxy, without delay, to the stockbroker, bank or other person through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Frontier IP Group Plc

(Incorporated in England & Wales under the Companies Act 1985, Registered No.6262177)

Directors

Neil D Crabb (Chairman)
Alister F Minty (Managing Director)
Marilyn D Cole (Finance Director and Company Secretary)
Timothy B Cockroft (Non-executive Director)
Graham F Barnet (Non-executive Director)

Registered Office

NorthWest Wing
Bush House
Aldwych
London WC2B 4EZ

10 November 2009

Dear Shareholder

2009 ANNUAL GENERAL MEETING

This year's Annual General Meeting (AGM) of the Company is to be held at 11am on 7 December 2009 at 41 Charlotte Square, Edinburgh EH2 4HQ. The notice of the AGM is contained on pages 4 to 7 of this document and sets out the business to be considered at the AGM. The purpose of this letter is to explain that business to you.

Resolution 1: Receipt of Reports and Financial Statements (Ordinary Resolution)

This resolution relates to the receipt by the AGM of the Directors' and auditor's reports and the financial statements of the Group for the year ended 30 June 2009, which are enclosed with this letter and which are also available to download at the Company's website at www.frontierip.co.uk.

Resolutions 2 to 6 (inclusive): Re-appointment of Directors (each an Ordinary Resolution)

The Company's Articles of Association require that each of the Directors of the Company, having been appointed since the last annual general meeting of the Company, be reappointed at the AGM by ordinary resolution.

Resolution 7: Remuneration Report (Ordinary Resolution)

The Company is required to put its report on Directors' remuneration to an advisory shareholder vote. As the vote is advisory it does not affect the actual remuneration paid to any individual Director. The report on Directors' remuneration is set out in the Annual Report referred to in Resolution 1 above.

Resolution 8: Re-appointment and remuneration of the auditor (Ordinary Resolution)

It is proposed to re-appoint Chantrey Vellacott DFK LLP as auditor of the Company and to authorise the Directors to fix their remuneration.

Resolution 9: General authority to allot securities (Ordinary Resolution)

Resolution 9 seeks to give the Directors authority to allot a maximum of £220,655.33 of ordinary share capital (which equates to 220,655,330 ordinary shares). This maximum nominal amount represents (i) the 54,916,495 ordinary shares that are currently reserved to satisfy the exercise of share options and warrants which have not yet been granted, plus (ii) one-third of the Company's total ordinary share capital currently in issue, in accordance with institutional guidelines. These guidelines permit such authorities to be calculated on the basis of one-third of the Company's issued share capital.

The Directors already have all necessary authorities to allot the 61,649,485 ordinary shares that are currently reserved to satisfy the exercise of share options and warrants previously granted.

The authority conferred by this resolution will expire on the date of the Company's annual general meeting in 2010.

Resolution 10: General disapplication of pre-emption rights (Special Resolution)

Resolution 10 seeks to give the Directors power to allot a maximum of £220,655.33 of ordinary share capital (which equates to 220,655,330 ordinary shares) for cash without first being required to offer such shares to existing shareholders but this authority is limited to: (i) the allotment of shares should there be an offer to allot shares or other securities to shareholders *pro rata* in the future (subject to certain exclusions or arrangements as the Directors may deem necessary); (ii) the allotment of shares that are currently reserved to satisfy the exercise of share options and warrants which have not yet been granted; and (iii) the allotment of up to 99,443,299 ordinary shares for cash (for any purpose) representing 20% of the issued ordinary share capital of the Company at the date of this letter.

The power conferred by this resolution will expire on the date of the Company's annual general meeting in 2010.

Resolution 11: Purchase of own shares (Special Resolution)

Resolution 11 seeks to give the Directors power to make market purchases of up to 10 percent of the Company's issued ordinary share capital at the date of the passing of the resolution subject to a minimum price (0.1p per share) and a maximum price (105 percent of the average middle market price for the Company's ordinary shares over the previous 5 dealing days) that can be paid for the shares. As at 10 November 2009, the Company had 34,805,155 options to subscribe for ordinary shares outstanding and 26,844,330 warrants to subscribe for ordinary shares outstanding (together representing 12.40% of the issued ordinary share capital of the Company as at that date). If the buy back authority is conferred and is then utilised in full, the options and warrants outstanding at 10 November 2009 would represent 13.78% of the ordinary share capital of the Company.

This authority, if conferred, will only be exercised if to do so would result in an increase in earnings per ordinary share and is in the best interests of shareholders generally. The authority conferred by this resolution will expire on the date of the Company's annual general meeting in 2010.

Resolution 12: Adoption of new Articles of Association (Special Resolution)

The Company proposes to adopt new articles of association (the New Articles) at the AGM. These incorporate amendments to the current articles of association to reflect the changes in company law brought about by the Companies Act 2006 (the 2006 Act), which came into effect on 1 October 2009, and by the Companies (Shareholders' Rights) Regulations 2009 (the Shareholders' Rights Regulations), which came into effect on 3 August 2009 and which amend the provisions of the 2006 Act in relation to certain rights of shareholders at meetings of the Company. The principal changes in the New Articles relate to the Company's constitution and to proceedings and rights of shareholders at general meetings of the Company.

Under the 2006 Act, as from 1 October 2009, all provisions of the Company's memorandum of association are deemed to form part of the Company's articles of association including, in particular, the statement of objects and the statement of authorised share capital. The 2006 Act does not require a company to set out its objects. It provides that, unless the articles of association state otherwise, a company's objects will be unrestricted. The 2006 Act also removes the requirement for a company to have an authorised share capital.

Accordingly, this Resolution will delete all of the provisions of the Company's memorandum of association that are deemed to form part of the Company's articles of association with effect from 1 October 2009. The New Articles do not contain the objects clause and accordingly, pursuant to the provisions of the 2006 Act, the Company's objects will be unrestricted from the date of passing this Resolution. In relation to the Company's authorised share capital, however, it is proposed that, notwithstanding the 2006 Act, the Company retains a requirement to state its authorised share capital in its articles of association.

The Shareholders' Rights Regulations contain various provisions relating to the rights of shareholders at general meetings of the Company. These include provisions relating to voting on a show of hands by proxies and representatives of corporate members. They also include certain obligations applicable to traded companies, with which the Company is required to comply. The New Articles include changes to certain provisions relating to general meetings of the Company which take account of the provisions of the Shareholders' Rights Regulations.

A copy of the current articles of association and the proposed New Articles reflecting these changes will be available for inspection during normal business hours on Monday to Friday (public holidays excepted) at the registered office of the Company and at 41 Charlotte Square, Edinburgh EH2 4HQ up until the close of the AGM. A copy will also be available on the Company's website at www.frontierip.co.uk and at 41 Charlotte Square, Edinburgh EH2 4HQ on the morning of the AGM from 15 minutes prior to the meeting until its conclusion.

Action to be taken

A form of proxy for use by shareholders in connection with the AGM is enclosed with this letter. You are asked to complete and return it to the Company Secretary at 41 Charlotte Square, Edinburgh EH2 4HQ as soon as possible and in any event so as to be received not less than 48 hours before the time of the AGM. Further information regarding the appointment of proxies and voting can be found on pages 5 to 7 of this document. The return of a form of proxy will not prevent you from attending the AGM and voting in person should you wish to do so.

Recommendation

Your Board believes that the adoption of all the proposed resolutions will promote the success of the Company and is in the best interests of the Company and its shareholders as a whole. The Directors unanimously recommend that you vote in favour of the proposed Resolutions, as they intend to do in respect of their own beneficial shareholdings.

Yours sincerely

N D Crabb
Chairman

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Frontier IP Group Plc will be held at 11am on 7 December 2009 at 41 Charlotte Square, Edinburgh EH2 4HQ for the following purposes:

ORDINARY RESOLUTIONS

To consider and, if thought fit, pass the following resolutions as ordinary resolutions:

1. To receive the financial statements for the year ended 30 June 2009, together with the reports of the Directors and the auditor thereon.
2. To re-elect Neil D Crabb as a Director of the Company.
3. To re-elect Alister F Minty as a Director of the Company.
4. To re-elect Marilyn D Cole as a Director of the Company.
5. To re-elect Timothy B Cockroft as a Director of the Company.
6. To re-elect Graham F Barnet as a Director of the Company.
7. To approve the report on Directors' remuneration for the year ended 30 June 2009.
8. To reappoint Chantrey Vellacott DFK LLP as auditor of the Company to hold office until the conclusion of the next general meeting at which financial statements are laid before the Company and to authorise the Directors to determine their remuneration.
9. That, in substitution for any existing authority under section 80 of the Companies Act 1985, but without prejudice to the exercise of any such authority prior to the date hereof, the Directors be generally and unconditionally authorised pursuant to and in accordance with Section 551 of the Companies Act 2006 to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for, or to convert any security into, shares in the Company (Rights) up to a maximum nominal amount of £220,655.33 (being the nominal value of the ordinary shares that are currently reserved to satisfy the exercise of share options and warrants which have not yet been granted plus approximately 33% of the issued ordinary share capital of the Company), provided that this authority shall expire on the date of the annual general meeting of the Company to be held in 2010, save that the Company shall be entitled to make offers or agreements before the expiry of this authority which would or might require shares to be allotted or Rights to be granted after such expiry and the Directors shall be entitled to allot shares and grant Rights pursuant to any such offers or agreements as if this authority had not expired.

SPECIAL RESOLUTIONS

To consider and, if thought fit, pass the following resolutions as special resolutions:

10. That, in substitution for any existing power under section 95 of the Companies Act 1985, but without prejudice to the exercise of any such power prior to the date hereof, and subject to the passing of Resolution 9 set out above, the Directors be empowered pursuant to section 570 and section 573 of the Companies Act 2006 to allot equity securities, within the meaning of section 560 of that Act, for cash pursuant to the authority conferred by Resolution 9 above, as if section 561 (1) of that Act did not apply to any such allotment, provided that this power shall be limited to:
 - (i) the allotment of equity securities in connection with a rights issue, open offer or other offer of equity securities open for acceptance for a period fixed by the Directors to holders of equity securities on the register on a fixed record date where the equity securities respectively attributable to the interests of such holders are proportionate (as nearly as may be practicable) to their respective holdings of such equity securities or in accordance with the rights attached thereto (but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements or legal or practical problems under the laws of, or the requirements of any recognised body or any stock exchange in, any territory or by virtue of shares being represented by depositary receipts or any other matter);

- (ii) the allotment of up to 54,916,495 ordinary shares to satisfy the exercise of share options and warrants which the Directors are entitled to grant but have not yet granted; and
- (iii) the allotment to any person or persons (otherwise than in connection with a rights issue) of equity securities up to an aggregate nominal amount of £99,443.30 (being approximately 20% of the issued ordinary share capital of the Company);

and further provided that the power given by this resolution shall expire upon the expiry of the authority conferred by Resolution 9 set out above, save that the Directors shall be entitled to make offers or agreements before the expiry of such power which would or might require equity securities to be allotted after such expiry and the Directors shall be entitled to allot equity securities pursuant to any such offers or agreements as if the power conferred hereby had not expired.

11. That the Directors be and they are hereby generally and unconditionally authorised, pursuant to and in accordance with section 701 of the Companies Act 2006, to make market purchases (within the meaning of section 693 of the Companies Act 2006) of fully paid ordinary shares of 0.1p each in the capital of the Company on such terms and in such manner as the Directors may from time to time determine, such authority to expire on the date of the Company's annual general meeting in 2010 unless previously revoked, varied or renewed by the Company in general meeting, provided that:
- (i) the maximum aggregate number of shares hereby authorised to be acquired is 49,721,649 representing 10 percent of the issued share capital at the date of passing of this resolution;
 - (ii) the minimum price which may be paid for such shares is 0.1p per share (exclusive of all expenses);
 - (iii) the maximum price which may be paid for such shares is, in respect of a share contracted to be purchased on any day, an amount (exclusive of expenses) equal to 105 percent of the average middle market quotations of the ordinary shares of the Company as derived from PLUS Markets Group Plc on the 5 dealing days immediately preceding the day on which the shares are contracted to be purchased; and
 - (iv) the Company may make a contract to purchase its own shares under the authority hereby conferred prior to the expiry of such authority which will, or may be, executed wholly or partly after the expiry of such authority, and may make a purchase of its own shares in pursuance of any such contracts.
12. That, with immediate effect:
- (i) the Articles of Association of the Company be amended by deleting all the provisions of the Company's Memorandum of Association which, by virtue of section 28 of the Companies Act 2006, are treated as provisions of the Company's Articles of Association; and
 - (ii) the Articles of Association produced to the meeting and initialed by the chairman of the meeting for the purpose of identification be adopted as the new Articles of Association of the Company in substitution for, and to the exclusion of, the existing Articles of Association.

Dated: 10 November 2009

Registered Office:
NorthWest Wing
Bush House
Aldwych
London WC2B 4EZ

By Order of the Board

Marilyn Dawn Cole
Secretary

Notes:

The following notes explain your general rights as a shareholder and your rights to attend and vote at the AGM or to appoint someone else to vote on your behalf.

1. Only those shareholders registered in the Register of Members of the Company as at 11am on 8 December 2009 (the Specified Time) shall be entitled to attend or vote at the AGM in respect of shares registered in their name at that time. Changes to entries on the Register of Members after the Specified Time shall be disregarded in determining the rights of any person to attend or vote at the AGM, notwithstanding any provisions in any enactment, the articles of association of the Company or other instrument to the contrary. Should the AGM be adjourned to a time not more than 48 hours after the Specified Time, that time will also apply for the purpose of determining the entitlement of members to attend and vote (and for the purpose of determining the number of votes they may cast) at the adjourned AGM. Should the AGM be adjourned for a longer period, to be so entitled, members must have been entered on the Register by 11am two days prior to the adjourned AGM or, if the Company gives notice of the adjourned AGM, at the time specified in such notice.

2. A person entitled to receive notice of, and attend and vote at, the AGM may appoint a proxy or proxies to attend and exercise all or any of his rights to attend, speak and vote at that meeting in his stead. A proxy need not be a member of the Company but must attend the AGM to represent you. A member may appoint more than one proxy provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him. Appointment of a proxy will not preclude a member from attending and/or voting in person at the AGM. A form of proxy for use at the AGM is enclosed and, if used, should be lodged, together with any power of attorney or other authority (if any) under which it is signed, in accordance with the terms detailed on the form of proxy. To be valid the form of proxy must be received by the Company Secretary at 41 Charlotte Square, Edinburgh EH2 4HQ not less than 48 hours before the time of the AGM or any adjournment thereof. Any power of attorney or other authority under which the form of proxy is signed (or a certified copy of such authority) must be included with the form of proxy.
3. In order to facilitate voting by corporate representatives at the meeting, arrangements will be put in place at the meeting so that (i) if a corporate shareholder has appointed the chairman of the meeting as its corporate representative to vote on a poll in accordance with the directions of all of the other corporate representatives for that shareholder at the meeting, then on a poll those corporate representatives will give voting directions to the chairman and the chairman will vote (or withhold a vote) as corporate representative in accordance with those directions; and (ii) if more than one corporate representative for the same corporate shareholder attends the meeting but the corporate shareholder has not appointed the chairman of the meeting as its corporate representative, a designated corporate representative will be nominated, from those corporate representatives who attend, who will vote on a poll and the other corporate representatives will give voting directions to that designated corporate representative. Corporate shareholders are referred to the guidance issued by the Institute of Chartered Secretaries and Administrators on proxies and corporate representatives (www.icsa.org.uk) for further details of this procedure. The guidance includes a sample form of appointment letter if the chairman is being appointed as described in (i) above.
4. Members satisfying the thresholds in section 527 of the Companies Act 2006 can require the Company to publish a statement on its website setting out any matter relating to (a) the audit of the Company's accounts (including the Auditor's report and the conduct of the audit) that are to be laid before the AGM; or (b) any circumstances connected with an Auditor of the Company ceasing to hold office since the last AGM, which the members propose to raise at the meeting. The Company cannot require the members requesting the publication to pay its expenses. Any statement placed on the website must also be sent to the Company's Auditors no later than the time it makes its statement available on the website. The business which may be dealt with at the AGM includes any statement that the Company has been required to publish on its website pursuant to this right.
5. Pursuant to section 319A of the Companies Act 2006, the Company must cause to be answered at the AGM any question relating to the business being dealt with at the AGM which is put by a member attending the meeting, except in certain circumstances, including if it is undesirable in the interests of the Company or the good order of the meeting that the question be answered or if to do so would involve the disclosure of confidential information.
6. Members satisfying the thresholds in section 338 of the Companies Act 2006 may require the Company to give, to members of the Company entitled to receive notice of the AGM, notice of a resolution which those members intend to move (and which may properly be moved) at the AGM. A resolution may properly be moved at the AGM unless (i) it would, if passed, be ineffective (whether by reason of any inconsistency with any enactment or the Company's constitution or otherwise); (ii) it is defamatory of any person; or (iii) it is frivolous or vexatious. The business which may be dealt with at the AGM includes a resolution circulated pursuant to this right. A request made pursuant to this right may be in hard copy or electronic form, must identify the resolution of which notice is to be given, must be authenticated by the person(s) making it and must be received by the Company not later than 6 weeks before the date of the AGM.
7. Members satisfying the thresholds in section 338A of the Companies Act 2006 may request the Company to include in the business to be dealt with at the AGM any matter (other than a proposed resolution) which may properly be included in the business at the AGM. A matter may properly be included in the business at the AGM unless (i) it is defamatory of any person or (ii) it is frivolous or vexatious. A request made pursuant to this right may be in hard copy or electronic form, must identify the matter to be included in the business, must be accompanied by a statement setting out the grounds for the request, must be authenticated by the person(s) making it and must be received by the Company not later than 6 weeks before the date of the AGM.

8. In accordance with section 311A of the Companies Act 2006, the contents of this notice of meeting and, if applicable, any members' statements, members' resolutions or members' matters of business received by the Company after the date of this notice will be available on the Company's website at www.frontierip.co.uk.
9. As at 9 November 2009 (being the last business day prior to the publication of this notice), the Company's issued share capital consists of 497,216,495 ordinary shares, carrying one vote each. Therefore, the total number of voting rights of the Company as at 9 November 2009 is 497,216,495.

Communication

10. Except as provided above, members who have general queries about the AGM should contact the Company Secretary.
11. Shareholders may not use any electronic address provided either in this notice of AGM or any related documents (including the proxy form) to communicate with the Company for any purpose other than those expressly stated.