



ABCAM plc

Notice of Annual General Meeting

This document is important and requires your immediate attention. If you are in any doubt as to the action that you should take, you should immediately consult your stockbroker, bank manager, solicitor, accountant or other independent adviser authorised under the Financial Services and Markets Act 2000. For you to be able to attend and vote at the meeting, your ownership of shares must be registered at the office of Capita Registrars, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU at close of business on 31 October 2008.

Registered and Head Office

Abcam plc

332 Science Park
Cambridge
CB4 0WN

Directors:

David Cleevely (Chairman)
Jonathan Milner (Chief Executive Officer)
Jeff Iliffe (Chief Financial Officer)
Jim Warwick (Managing Director)
Tony Kouzarides (Director)
Peter Keen (Director)
Tim Dye (Director)
Mark Webster (Director)

Dear Shareholder

ANNUAL REPORT AND ACCOUNTS 2007/08

I have pleasure in enclosing your audited accounts and Directors' Reports for the year ended 30 June 2008.

ANNUAL GENERAL MEETING

A notice convening the Annual General Meeting ("AGM") of Abcam plc is set out on page 3 of this document. The AGM will be held on Monday 3 November 2008 at 332 Science Park, Cambridge, CB4 0WN at 10.00 am. Car-parking facilities are available.

In the interests of shareholders, cameras, camcorders or tape recorders will not be permitted in the AGM and we would ask that all mobile phones are turned off for the duration of the Meeting.

Shareholders with Special Needs who anticipate any difficulties should telephone Sarah Brutnell of Abcam on 01223 696000 before the AGM so that appropriate arrangements can be made.

Full explanatory notes to all the resolutions to be proposed at the AGM are contained on pages 5 to 9 and results of the voting will be available on the Company's website at www.abcamplc.com.

Your Directors consider that the resolutions are in the best interests of the Company and its shareholders. Accordingly, your Directors unanimously recommend shareholders to vote in favour of each of the resolutions to be proposed at the AGM, as they intend so to do in respect of their own beneficial holdings in the Company.

A Form of Proxy is enclosed for use by shareholders who may be unable to attend the AGM and who wish to nominate a proxy to act on their behalf. You are asked to complete and sign it in accordance with the instructions printed thereon and return it to the Company's Registrars no later than close of business on 31 October 2008. Completion and return of the Form of Proxy will not preclude you from attending the AGM and voting in person, if you wish.

Yours sincerely

David Cleevely FEng

Chairman
7 October 2008

Abcam plc

Notice of Annual General Meeting

NOTICE is hereby given that the 2008 Annual General Meeting of Abcam plc (the "Company") will be held on Monday 3 November 2008 at 332 Science Park, Cambridge, CB4 0WN at 10.00 am for the transaction of the following business:

1. To receive and adopt the reports of the Directors and the financial statements together with the report of the auditors for the year ended 30 June 2008.
2. To approve the Directors' Remuneration Report for the year ended 30 June 2008.
3. To declare a final dividend in respect of the year ended 30 June 2008 of 4.56 pence per Ordinary share in the Company.
4. To re-appoint Deloitte & Touche LLP as auditors of the Company and to authorise the Directors to determine their remuneration.
5. To re-elect David Cleevely (who has been a Director of the Company since April 1998 and who retires in line with the principles set out in the Combined Code on Corporate Governance) as a Director.
6. To re-elect Tony Kouzarides (who has been a Director of the Company since April 1998 and who retires in line with the principles set out in the Combined Code on Corporate Governance) as a Director.
7. To re-elect Jim Warwick (who retires by rotation in accordance with the Company's Articles of Association) as a Director.
8. To re-appoint Jeff Iliffe (who is standing for election for the first time following his appointment to the Board on 20 November 2007) as a Director.

9. To consider and, if thought fit, pass the following resolution as an Ordinary Resolution:

THAT the rules of the Abcam plc Long Term Incentive Plan (the "LTIP"), as produced to the Meeting and initialled by the Chairman for the purpose of identification, be and are hereby approved and that the Directors be authorised to do all acts and things which they may consider necessary or expedient to carry the LTIP into effect.

10. To consider and, if thought fit, pass the following resolution as an Ordinary Resolution:

THAT the amendments to the Abcam 2005 Share Option Scheme as produced to the meeting and initialled by the Chairman for the purposes of identification, be and are hereby approved.

11. To consider and, if thought fit, pass the following resolution as a Special Resolution:

THAT the amendments to the Articles of Association of the Company as produced to the Meeting and initialled by the Chairman for the purposes of identification, be adopted as the Articles of Association of the Company in substitution for, and to the exclusion of, the existing Articles of Association.

12. To consider and, if thought fit, pass the following resolution as an Ordinary Resolution:

THAT the Directors be and are hereby generally and unconditionally authorised, in accordance with section 80 of the Companies Act 1985 to exercise all the powers of the Company to allot relevant securities as defined in section 80 up to an aggregate nominal amount of £105,200 provided that this authority shall (unless renewed, varied or revoked by the Company in general meeting) expire on the conclusion of the next Annual General Meeting of the Company to be held in 2009, save that the Company may before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry, and the Directors may allot relevant securities in pursuance of such offer or agreement as if this authority had not expired, and provided further that this authority shall replace the existing authority given to the Directors pursuant to section 80 on 8 November 2007.

13. To consider and, if thought fit, pass the following resolution as a Special Resolution:

THAT the Directors be and are hereby empowered, pursuant to Section 95 of the Companies Act 1985 and Article 17 of the Articles of Association of the Company, to allot equity securities (as defined in Section 94 of that Act) for cash pursuant to the general authority conferred on them by Resolution 12 above as if Section 89(1) of that Act did not apply to any such allotment or sale and provided that this power shall be limited to:

- (i) the allotment of equity securities in connection with or pursuant to an offer or issue by way of rights, open offer or other preemptive offer to the holders of shares in the Company and other persons entitled to participate therein in proportion (as nearly as practicable) to their respective holdings, subject to such exclusions or other arrangements as the Directors may consider necessary or expedient to deal with fractional entitlements or legal or practical problems arising in, or under the laws of, any territory or the regulations or requirements of any regulatory authority or any stock exchange in any territory; and
- (ii) the allotment (otherwise than pursuant to sub-paragraph (i) above) of equity securities up to an aggregate nominal value of £17,500 and shall expire (if not previously expired by non-fulfilment of conditions) on the date of the next AGM of the Company to be held in 2009 save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Board may allot equity securities in pursuance of any such offer or agreement as if the power conferred hereby had not expired.

14. To consider and if thought fit, pass the following resolution as a Special Resolution:

THAT the Company be generally and unconditionally authorised pursuant to Article 10 of the Articles of Association of the Company and pursuant to section 166 of the Companies Act 1985, to make market purchases (as defined in section 163 of the Companies Act 1985) of up to 3,500,000 Ordinary shares of 1p each in the capital of the Company (being approximately 10% of the current issued Ordinary share capital of the Company) on such terms and in such manner as the Directors of the Company may from time to time determine, provided that:

- (i) the amount paid for each share (exclusive of expenses) shall not be more than the higher of (1) 5% above the average market value for the 5 business days before the date on which the contract for the purchase is made, and (2) an amount equal to the higher of the price of the last independent trade and current independent bid as derived from the AIM Appendix to the Daily Official List of the London Stock Exchange or less than 1p per share; and
- (ii) the authority herein contained shall expire at the conclusion of the AGM of the Company to be held in 2009 or on 2 May 2010, whichever is earlier, provided that the Company may, before such expiry, make a contract to purchase its own shares which would or might be executed wholly or partly after such expiry, and the Company may make a purchase of its own shares in pursuance of such contract as if the authority hereby conferred had not expired.

Ordinary Resolutions and Special Resolutions are defined in s282 and s283 of the Companies Act 1985.

By order of the Board
Jeff Iliffe
Director
7 October 2008

Registered Office:
332 Science Park
Cambridge
CB4 0WN

Documents available for inspection

The register of interests of directors in the share capital of the Company, Executive Directors' service contracts and the Chairman's and non-executive Directors' service contracts, are available for inspection during normal business hours at the Registered Office of the Company on any weekday (Saturdays, Sundays and public holidays excepted) from the date of this Notice until the date of the AGM and will also be available for inspection at the place of the AGM from 9.00 am on the day of the Meeting until the conclusion of the Meeting or any adjournment thereof.

EXPLANATORY NOTES ON RESOLUTIONS

Resolution 1 – Report and Accounts

The Directors are obliged to lay the Annual Financial Statements, the reports of the Directors and auditor's report before shareholders in general meeting.

Resolution 2 – Directors' Remuneration Report

The Directors are required to seek shareholders' approval of the Directors' Remuneration Report as contained on pages 21 to 23 of the Annual Report and Accounts. This resolution is an advisory vote, as permitted by law, and no entitlement to remuneration for the year ended 30 June 2008 is made conditional on the resolution being passed.

Resolution 3 – Declaration of Dividend

This resolution seeks shareholders' approval for the final dividend of 4.56 pence per Ordinary share recommended by the Directors for payment on 28 November 2008 to shareholders on the register at the close of business on 7 November 2008.

Resolution 4 – Appointment of Auditors and Auditors' Remuneration

The Company is required to appoint auditors at each general meeting at which accounts are laid before the Company to hold office until the next such meeting. This resolution proposes the re-appointment of Deloitte & Touche LLP as auditors and authorises the Directors to determine the auditors' remuneration.

Resolutions 5 to 8 – Election and Re-election of Directors

The Directors believe that effective corporate governance, appropriate to the Group considering its size and stage of development, will assist in the delivery of corporate strategy, the generation of shareholder value and the safeguarding of shareholders' long-term interests. The Directors are committed therefore, wherever it is reasonably practicable, to ensure that the Group is managed in accordance with the principles set out in the revised Combined Code on Corporate Governance ("the Code").

Under the Code non-executive directors who have been on the Board for more than nine years should stand for re-election annually. David Cleevly and Tony Kouzarides have each been Directors of the Company since April 1998 and consequently are standing for re-election at this meeting.

Jim Warwick will also stand for re-election under provisions set out in the Company's Articles of Association concerning regular re-election of directors to the Board.

Jeff Iliffe is standing for election for the first time as this is the first general meeting of the Company since he was appointed to the Board on 20 November 2007.

There is information about the Directors on pages 14 and 15 of the Annual Report and Accounts, which the Board believes is sufficient to enable shareholders to make an informed decision on their elections.

Resolution 9 - Introduction of the Abcam plc Long Term Incentive Plan

Background

The Remuneration Committee ("the Committee") has recently undertaken a review of the Company's equity incentive policy to ensure that:-

- the members of the management team who are critical to the continued success of the Company are appropriately motivated and retained, whilst taking into account the views of institutional shareholders and corporate governance best practice on the design of equity incentives;
- there is a close alignment between the interests of shareholders and those of the senior management team of the Company; and
- all employees of the Company are given the opportunity to participate in an equity based incentive arrangement.

As a result of the conclusions drawn from this review the Committee is proposing to introduce the Abcam plc Long Term Incentive Plan (the "LTIP") to incentivise members of the senior management team who are critical to driving long term shareholder value.

The Committee believes that the introduction of the LTIP will ensure that:-

- there is a strong tool to retain and motivate the senior management team who are focused on executing the business strategy;
- the annual grant of equity incentives to the senior management team is in line with corporate governance best practice;
- the senior management team are focused on driving shareholder value and are appropriately rewarded for success;
- the incentives offer the optimal cost-benefit ratio for the Company and shareholders; and
- the new arrangements align the interests of participants with those of shareholders.

The Committee has consulted with the Company's principal shareholders on the proposed terms of the LTIP and would like to thank those shareholders who took part in the consultation process.

In conjunction with the process of reviewing senior management share incentives the Company looked at the existing all employee share incentives. One of the factors taken into account by the Company in the review was a desire to ensure that employee arrangements had the best cost-benefit ratio for participants, the Company and shareholders. As a result the Company intends to introduce an HM Revenue & Customs approved Share Incentive Plan ("SIP") in October 2008. The SIP will replace the current Save As You Earn scheme and in part replace the Abcam 2005 Share Option Scheme as a mechanism to provide equity based incentives to UK employees. This will provide participants with the ability to purchase Company shares and receive awards of matching shares if certain conditions are satisfied.

Summary of Principal Terms of the LTIP

The following table sets out the principal terms of the proposed LTIP:-

Feature of the Plan	Detail
Type of Incentive	Participants in the LTIP will be granted an award of conditional shares or nil-cost options. Awards will vest at the end of a holding period subject to continued employment and the satisfaction of performance conditions
Participation	Initially awards will only be made to the Chief Executive Officer, Chief Operating Officer and Chief Financial Officer but will be extended to other senior managers.
Maximum Annual Grant	100% of salary per annum although in exceptional circumstances the Committee will have the discretion to award up to 150% of salary per annum.
Size of Awards	The Committee will consider each year whether to make an award under the LTIP (if any), the level of that award and whether the performance conditions continue to remain appropriate.
Performance/Holding Period	Three years.
Performance Conditions	Awards will vest at the end of a three year holding period and will be subject to such performance criteria as the Committee deem appropriate given the objectives of the plan.
Dilution Limits	The LTIP will operate within the dilution limits set out at the time of the Company's Initial Public Offering in 2005, namely 10% of the issued share capital in ten years for discretionary plans and 15% in ten years under all share arrangements.
Change of Control	On a change of control the number of shares capable of release will be based on the proportionate level of satisfaction of the performance conditions on the date of the change of control.
Cessation of Employment	The award will lapse if the participant is a bad leaver. If the participant is a good leaver the number of shares released will be calculated as follows:- <ul style="list-style-type: none">• the maximum number of shares capable of release will be calculated by pro-rating the number of shares subject to the award by the amount of the holding period completed on the date of cessation; and• of this maximum number capable of release the actual number released will be based on the proportionate level of satisfaction of the performance conditions at this point.
Re-Testing	No re-testing. The performance will be measured at the end of the performance period. If the performance conditions are not satisfied the award will lapse.

The 2008 Awards under the LTIP

The proposed levels and performance conditions for the 2008 annual award to Executive Directors are as follows:-

Size of Award	Position		2008 Award (percentage of Salary)	
	Jonathan Milner, Chief Executive Officer		100%	
	Jim Warwick, Managing Director		100%	
	Jeff Iliffe, Chief Financial Officer		100%	

Performance Conditions	<p>(i) Earnings per Share (“EPS”) 50% of the LTIP award is subject to the Company’s EPS growth over the performance period. The reasons for selecting EPS growth as a performance measure are:</p> <ul style="list-style-type: none"> - it is directly linked to the performance of the Company and the influence of the senior management team; and - the profit and loss cost of this part of the award will only be taken if a benefit is provided to the senior management team which will also mitigate the overall cost to the Company of the awards. <p>The target levels of EPS performance for the proposed awards are set out in the table below.</p>								
	<table border="1"> <thead> <tr> <th style="background-color: black; color: white;">Annual Average EPS Growth</th> <th style="background-color: black; color: white;">Percentage of Element of the Award Vesting</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">25%</td> <td style="text-align: center;">0%*</td> </tr> <tr> <td style="text-align: center;">33%</td> <td style="text-align: center;">100%*</td> </tr> </tbody> </table>		Annual Average EPS Growth	Percentage of Element of the Award Vesting	25%	0%*	33%	100%*	
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	25%	0%*							
33%	100%*								
<p>*Straight line vesting between these points.</p> <p>This means that no award will be granted for total EPS growth over three years of less than 95.3% and the maximum award would be made at 135.3% growth.</p>									
<p>(ii) Total Shareholder Return (“TSR”) 50% of the awards will be dependant on comparative TSR against a Comparator Group of companies which has been chosen to include companies with similar characteristics to Abcam plc in terms of their size, nature of operations, historic growth rates and market capitalisation. This performance measure has been selected because:</p> <ul style="list-style-type: none"> - the Company is keen that the senior management team are encouraged to focus on ensuring that the return to shareholders is competitive compared to the Comparator Group and that the value of the strategy they are implementing will be reflected in the share price and dividend flow of the Company going forward; - comparative TSR is a measure operated in conjunction with the majority of LTIPs introduced by quoted companies; - the measure is generally supported by shareholders; and - it will reduce the profit and loss cost of the awards. <p>The target levels of TSR performance for the proposed awards are set out in the table below.</p>									
<table border="1"> <thead> <tr> <th style="background-color: black; color: white;">Company Comparative TSR Performance</th> <th style="background-color: black; color: white;">Percentage of Element of the Award Vesting</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Below Median</td> <td style="text-align: center;">0%</td> </tr> <tr> <td style="text-align: center;">Median</td> <td style="text-align: center;">30%*</td> </tr> <tr> <td style="text-align: center;">Upper Quartile</td> <td style="text-align: center;">100%*</td> </tr> </tbody> </table>		Company Comparative TSR Performance	Percentage of Element of the Award Vesting	Below Median	0%	Median	30%*	Upper Quartile	100%*
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Below Median	0%								
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Upper Quartile	100%*								
<p>*Straight line vesting between these points.</p>									

The vesting of awards under the LTIP will depend upon the extent of the satisfaction of the performance conditions outlined above.

The Committee intends to make annual grants in the form of either conditional share awards or nil-cost options to members of the senior management team, which may have different, appropriately stretching performance conditions.

The use of nil-cost options reflects institutional investors' preference for "whole share" awards rather than market-priced options and the Committee has ensured that the proposed LTIP is fully compliant with corporate governance best practice. The LTIP will replace the Abcam 2005 Share Option Scheme (the "Scheme") for the provision of equity based incentives to senior management and it is the intention of the Committee not to grant any further awards under the Scheme to participants in the LTIP.

Further details of the LTIP are given in Appendix 1.

Resolution 10 – Amendments to the Abcam 2005 Share Option Scheme

The Scheme is proposed to be amended with respect to employees who are subject to United States income taxation. (This can include employees working at the Company's US facilities and US employees working in non-US facilities.) The US operation is an important part of Abcam's business with 46 employees and turnover last year of almost \$34 million. The Committee believes that the current share incentive arrangements could be improved by incorporating the features of Incentive Stock Options commonly issued in the USA. The amendments are intended to make clear that options granted to such employees under the Scheme can qualify for Incentive Stock Option treatment under the US Internal Revenue Code. Incentive Stock Option treatment is favourable for the recipients because, unlike a non-qualified stock option, a recipient does not pay tax on exercise. In addition, if the recipient holds the shares after exercise for a period of at least one year (or if longer, at least two years after the date of grant) before selling the shares, any gain is taxed at favourable capital gains tax rates rather than ordinary income tax rates. The Company, however, does not receive a tax deduction for an Incentive Stock Option if the employee holds the shares after exercise sufficiently long to qualify for capital gains tax treatment.

The amendments include allowing options to be specifically designated at grant as Incentive Stock Options for US tax purposes; setting a numerical cap on the number of shares that may be granted as incentive stock options; limiting the term to ten years; requiring a higher exercise price and shorter term if such options were ever granted to a 10% shareholder; specifying the dollar limits and period of exercise after cessation of employment for options to qualify for Incentive Stock Option tax treatment; and adding appropriate notification and transfer restriction provisions. The amendments are not expected to lessen obligations, such as vesting periods, that otherwise apply to participants in the Scheme and options granted would still be subject to performance conditions determined by the Committee.

The proposed amendments to the Scheme are set out in full in Appendix 2.

Resolution 11 – Amendments to the Articles of Association

During the last two years, a number of sections of the Companies Act 2006 have come into force which affect the constitutional documents of UK listed public companies. Given the number of amendments to be made in connection with this, the Directors consider it prudent to adopt new Articles of Association in order to comply with this new legislation. An explanation of the changes made to the existing Articles of Association is set out in Appendix 3.

Resolutions 12 and 13 – Authority to allot shares and disapplication of statutory pre-emption rights

The Companies Act 1985 prohibits the Directors from allotting new shares without shareholder approval. However, the Articles of Association of the Company do provide for the Directors to be able to allot new shares, subject to the periodic renewal of this power by shareholders. Resolution 12 is a renewal of the authority given at last year's AGM. The total number of relevant securities (as defined in Section 80 of the Act) which the Directors will have the authority to allot will be 10,520,000 Ordinary shares of 1 pence each representing under 30% of the share capital in issue on 3rd November 2008. Apart from the issue of securities arising on the exercise of share options, the Directors have no present intention to exercise this authority. The authority in this resolution will expire at the conclusion of the 2009 AGM.

Associated with Resolution 12 is Resolution 13 which is a renewal of the authority granted at last year's AGM for the Directors to issue Ordinary shares for cash otherwise than to existing shareholders in proportion to their existing holdings, notwithstanding the pre-emption provisions of the Companies Act 1985. Resolution 13 asks shareholders to waive such pre-emption rights in respect of the allotment of equity securities having a maximum aggregate nominal value of £17,500 representing under 5% of the Company's issued Ordinary share capital as at the date of this Notice. Apart from the issue of securities arising on the exercise of share options, the Directors have no present intention to exercise this authority. The authority in this resolution will expire at the conclusion of the 2009 AGM.

Resolution 14 – Authority to make market purchases of the Company's Ordinary shares

This resolution provides authority from shareholders for the Company to buy its own shares. It specifies that the maximum number of shares that may be purchased is 3,500,000 Ordinary shares (approximately 10% of the Company's issued share capital) and the highest and lowest prices at which they may be bought. Any shares purchased under this authority will either be treated as cancelled or held as treasury shares. Quoted companies, with authorisation from shareholders, may buy and hold their own shares in treasury instead of cancelling them immediately. Shares held as treasury shares can in future be cancelled, re-sold or used to provide shares for employee share schemes. Any purchases of Ordinary shares would be by means of market purchases through the London Stock Exchange.

This authority will expire at the conclusion of the 2009 AGM and the Company intends to renew this authority annually if approved by shareholders. The Company has no current intention of utilising the buy-back authority if granted but will keep the matter under review, taking into account the cash reserves of the Company, the Company's share price and the other investment opportunities available to the Company. The authority will be exercised only if the Directors believe that to do so would be in the interests of shareholders generally.

APPOINTMENT OF PROXY

If you do not wish, or are unable, to attend the AGM, but still wish to vote on a poll, you may appoint a proxy to attend and act on your behalf. A Form of Proxy is enclosed with this Notice which enables you to appoint either the Chairman of the Meeting or someone else of your choice as your proxy to vote on a poll on your behalf. A proxy need not be a member of the Company. The following are instructions for use of the form. If you do not come to the AGM and do not appoint a proxy, you cannot vote on the resolutions.

How to complete your Form of Proxy

For convenience the appointment of the Chairman as your proxy has already been included and, if you wish the Chairman to cast your vote, you need not make any changes to the form. If you wish to appoint someone else as your proxy, you should cross out the words "the Chairman of the Meeting" on the form and insert the name and address of the person appointed proxy in the space provided. The proxy is to vote as instructed in respect of the resolutions. Please tick the appropriate box alongside each resolution to indicate how you wish your votes to be cast on a poll. In the absence of instructions, the proxy may vote or abstain from voting as he or she thinks fit on the specified resolutions. Unless instructed otherwise, the proxy may also vote or abstain from voting as he or she thinks fit on any other business which may properly come before the AGM. The "Vote Withheld" option on the form is provided to enable you to abstain on any particular resolution. However, it should be noted that a "Vote Withheld" is not a vote in law and will not be counted in the calculation of the proportion of the votes "For" and "Against" a resolution.

Your signature

You must sign and date the Form of Proxy in the space provided. In the case of joint members, any one of such members may vote at the AGM and if more than one of such joint members is present either personally or by proxy, the vote of the most senior who tenders a vote will be accepted to the exclusion of the votes of the other registered members. Seniority is determined by the order in which the names stand in the register. If the appointer is a corporation, the Form of Proxy should be executed under its common seal, or signed by a duly authorised officer or attorney. The appropriate power of attorney or other authority should be returned with the form. The return of a completed Form of Proxy will not preclude you from attending and voting in person if you so wish.

Forms of Proxy must be sent to the Company's Registrars so as to arrive not later than close of business on 31 October 2008.

Appendix 1

Abcam plc Long-Term Incentive Plan (the "LTIP")

Introduction

The following paragraphs set out a detailed summary of the main terms and conditions of the rules of the LTIP.

Operation

The Remuneration Committee (the "Committee"), the members of which are non-executive Directors, supervise the operation of the LTIP in respect of the Executive Directors and senior employees of the Company.

Eligible Employees

Any employee of the Company selected by the Committee, typically the Executive Directors and senior employees of the Company. Non-executive Directors are not eligible to participate in the Plan.

Grant of Awards

LTIP Awards will normally be granted to each Participant within a two month period following the date of publication of the interim or annual results of the Company. No awards will be granted during a close period. LTIP Awards will either be conditional grants of shares or nil-cost options. LTIP Awards may also be granted by the trustees of an employee benefit trust (see below).

Conditions Attaching to LTIP Awards

LTIP Awards are subject to a holding period of no less than three years from the date of grant. The vesting of LTIP Awards will be subject to the satisfaction of performance conditions as determined by the Committee.

Limits

The maximum market value of shares subject to an LTIP Award at the relevant date of grant shall not exceed in aggregate 150% of the Participant's salary in any calendar year.

The Company may issue up to 15% of its shares within a ten year period to satisfy awards to Participants in the LTIP and any other share plan operated by the Company under which shares are issued. The Committee will be monitoring the issue of shares during the ten year period. It should be noted that where the Company uses treasury shares to satisfy its obligations under share arrangements they shall be added to the number of shares issued for the purposes of these limits.

Vesting of LTIP Awards

LTIP Awards will normally vest at the end of the applicable holding period, subject to the satisfaction of the performance conditions, and any other conditions, determined at the date of grant of the relevant LTIP Award.

The vesting of LTIP Awards is conditional upon the Participant paying any taxes due. The Committee may, at its discretion, determine whether the Participants shall be liable for the employer's national insurance payable on awards made under the LTIP.

If the performance conditions are not satisfied or partially satisfied at the end of the holding period, the LTIP Award or the balance of the LTIP Award (as appropriate) not vested shall lapse. There will be no re-testing of the performance conditions.

Allotment and Transfer of Shares

Shares subscribed will not rank for dividends payable by reference to a record date falling before the date on which the shares are acquired but will otherwise rank *pari passu* with existing shares. Application will be made for the admission of the new shares to be issued to the Official List of, and to trading on, the London Stock Exchange plc's markets for AIM listed securities following the vesting and exercise of an LTIP Award.

Change of Control

In the event of a takeover, reconstruction, amalgamation or winding up of the Company then the number of shares subject to the LTIP Awards, which vest, shall be dependent upon the extent to which the attached performance conditions have been satisfied on the date of the occurrence of the event.

In the case of nil-cost options the Committee will determine the period of time following the date of the event within which Participants shall exercise any nil-cost options vested and such nil-cost options will lapse if not exercised within this period.

On a change of control with the agreement of both the Participant and acquiring company, LTIP Awards may be exchanged for awards over shares in the acquiring company.

It should be noted that LTIP Awards will only vest on a reconstruction or amalgamation of the Company in circumstances where the reconstruction or amalgamation amounts to a proper change in Control of the Company i.e. new ownership of the Company. In the event of a merger or demerger of the Company, the Committee may determine that all LTIP Awards may vest provided that the above change of control provisions are applied. Further, for these provisions to apply, the merger or demerger must amount to a proper change in Control of the Company. Alternatively, the number of shares comprised in an LTIP Award may be adjusted, as the Committee in its discretion shall determine and the advisors of the Company confirm to be fair and reasonable.

Cessation of Employment

If a Participant leaves employment prior to the expiry of the holding period then the LTIP Award will normally lapse. If a Participant's cessation of employment is the result of specified events, for example injury, disability, ill health, retirement redundancy or death, the Committee may determine that part or all of that Participant's LTIP Awards may vest.

In applying this discretion the Committee shall pro-rate the number of shares subject to the LTIP Award which shall be capable of vesting dependent upon the proportion of the relevant holding period completed on the date of cessation. Further, LTIP Awards shall only vest if the attached performance conditions are proportionately satisfied on the date of cessation or at the discretion of the Committee measured over the original holding period attached to the LTIP Award.

In the case of nil-cost options the Committee will determine the period of time following the date of cessation within which the Participant shall exercise any vested nil-cost options and such nil-cost options will lapse if not exercised within this period.

Adjustment of Awards

On a variation of the capital of the Company, the number of shares subject to an LTIP Award may be adjusted in such manner as the Committee determines and the advisors of the Company confirm to be fair and reasonable.

Duration

The Committee may not grant awards under the LTIP more than five years after its approval.

General

Shares acquired, awards and any other rights granted pursuant to the LTIP are non-pensionable.

Non-Transferability of LTIP Awards

LTIP Awards are not transferable except in the case of a Participant for whom a trustee is acting, in which case the trustee will be able to transfer the benefit to the Participant.

Employee Benefit Trust

The Company is considering establishing a discretionary employee benefit trust to be used in conjunction with the LTIP (the "Employee Trust"). The Employee Trust would be established as an employees' share scheme within the meaning of section 743 of the Companies Act 1985 and would have full discretion with regard to the application of the trust fund (subject to recommendations from a committee of the Board). The Company would be able to fund the Employee Trust to acquire shares in the market and/or to subscribe for shares at nominal value in order to satisfy awards granted under the LTIP from time to time. Any shares issued to the Employee Trust in order to satisfy LTIP Awards would be treated as counting towards the dilution limits that apply to the LTIP (see above). For the avoidance of doubt, any shares acquired by the Employee Trust in the market would not count towards these limits. In addition, unless prior shareholders' approval is obtained, the Employee Trust would not hold more than 5% of the issued share capital of the Company at any one time (other than for the purposes of satisfying LTIP Awards that it has granted).

Note: This Appendix 1 summarises the main features of the LTIP but does not form part of them and should not be taken as affecting the interpretation of the detailed terms and conditions constituting the Rules. Copies of the Rules (which are subject to any amendments to take account of any regulatory requirements) will be available for inspection at the offices of Halliwell Consulting, 53 New Broad Street, London EC2M 1JJ, and at the registered office of the Company, 332 Cambridge Science Park, Cambridge, CB4 0WN during usual office hours (Saturdays, Sundays and bank holidays excepted) from the date of dispatch of the Chairman's letter up to and including the date of the AGM and at the meeting itself. The Directors reserve the right, up to the time of the meeting, to make such amendments and additions as they consider necessary or desirable, provided that such amendments and additions do not conflict in any material respect with the summary set out in this Appendix 1.

Appendix 2

Amendments to the Abcam 2005 Share Option Scheme (the "Scheme")

Pursuant to the reserved right of the Board of Directors to amend the above-titled Scheme, it is proposed that the Scheme be amended by adding the following Appendix thereto for purposes of enabling Options granted to U.S. Persons under the Scheme to qualify for tax treatment as Incentive Stock Options under Section 422 of the United States Internal Revenue Code.

Appendix to be added to the Scheme.

The following provisions shall apply with respect to any Option granted to a U.S. Person that is designated by its terms to be intended to qualify as an Incentive Stock Option under Section 422 of the U.S. Internal Revenue Code of 1986, as amended, and all rules and regulations thereunder (the "Code"). All other applicable provisions of the Scheme shall continue to apply to such Options, to the extent not inconsistent with the following.

- A. The maximum number of Shares which shall be available for Incentive Stock Options pursuant to this Scheme shall be 500,000 subject to adjustment in accordance with Paragraph 12 of the Scheme.
- B. Incentive Stock Options may be granted only to persons who are employees of the Company or an Affiliate. "Affiliate" for purposes of this Appendix means a corporation which, for purposes of Section 424 of the Code, is a parent or subsidiary of the Company, direct or indirect.
- C. Option Price: Immediately before the Option is granted, if the Participant owns, directly or by reason of the applicable attribution rules in Section 424(d) of the Code:
 1. Ten percent (10%) or less of the total combined voting power of all classes of stock of the Company or an Affiliate, the Option price per share of the Shares covered by each Option shall not be less than one hundred percent (100%) of the Fair Market Value per share of the Shares on the date of the grant of the Option as determined in accordance with Section 422 of the Code.
 2. More than ten percent (10%) of the total combined voting power of all classes of stock of the Company or an Affiliate, the Option price per share of the Shares covered by each Option shall not be less than one hundred and ten percent (110%) of the said Fair Market Value on the date of grant.
- D. Term of Option: For Participants who own:
 1. Ten percent (10%) or less of the total combined voting power of all classes of stock of the Company or an Affiliate, each Option shall terminate not more than ten (10) years from the date of the grant or at such earlier time as the Option Agreement may provide.
 2. More than ten percent (10%) of the total combined voting power of all classes of stock of the Company or an Affiliate, each Option shall terminate not more than five (5) years from the date of the grant or at such earlier time as the Option Agreement may provide.
- E. Limitation on Yearly Exercise: The Option Agreements shall restrict the amount of Options which may be exercisable in any calendar year (under this or any other Incentive Stock Option plan of the Company or an Affiliate) so that the aggregate Fair Market Value (determined at the time each Incentive Stock Option is granted) of the stock with respect to which Incentive Stock Options are exercisable for the first time by the Participant in any calendar year does not exceed one hundred thousand dollars (\$100,000). The Administrator shall have the right to accelerate the date of exercise of any instalment of any Option; provided that any such amendment of an Incentive Stock Option shall be effective only after the Administrator, after consulting the counsel for the Company, determines whether such amendment would constitute a "modification" of any Option which is an Incentive Stock Option (as that term is defined in Section 424(h) of the Code).
- F. Post-Termination Exercise: An Option that is exercisable and is exercised more than three (3) months after the Participant's termination of employment shall not be considered an Incentive Stock Option, unless (i) the Participant terminates employment due to Disability or becomes Disabled within three (3) months after termination of employment and exercises the Option within one (1) year after the date of the Participant's termination of employment, but in no event after the date of expiration of the term of the Option, or (ii) terminates employment due to death or dies within three (3) months after termination of employment. "Disability" or "Disabled" for purposes of this Appendix means permanent and total disability as defined in Section 22(e)(3) of the Code.
- G. Each Employee who receives an Incentive Stock Option must agree to notify the Company in writing immediately after the Employee makes a Disqualifying Disposition of any shares acquired pursuant to the exercise of an Incentive Stock Option. A Disqualifying Disposition is any disposition (including any sale) of such shares before the later of (a) two years after the date the Employee was granted the Incentive Stock Option, or (b) one year after the date the Employee acquired Shares by exercising the Incentive Stock Option. If the Employee has died before such stock is sold, these holding period requirements do not apply and no Disqualifying Disposition can occur thereafter.
- H. No Incentive Stock Option granted under the Scheme may be sold, transferred, pledged, assigned, encumbered or otherwise alienated or hypothecated, other than by will or by the laws of descent and distribution. Further, all Incentive Stock Options granted to a Participant under the Scheme shall be exercisable during such Participant's lifetime only by such Participant.

All interpretations, rules, determinations, terms and conditions shall be made and prescribed in the context of preserving the tax status under Section 422 of the Code of those Options which are designated as Incentive Stock Options.

Appendix 3

Amendments to the Articles of Association of Abcam PLC (the “Company”)

The following is an explanation of the key changes proposed to be made to the Company’s Articles of Association (“Articles”) in connection with the provisions of the Companies Act 2006 (“2006 Act”), which have come into force between October 2006 and October 2008.

Electronic communications

There is an extension of the rights under the Companies Act 1985 (“1985 Act”) to enable companies to take advantage of electronic communications to and from the company.

Nomination rights

Section 145 of the 2006 Act enables a shareholder in any type of company to nominate another person or persons to enjoy or exercise the rights of the member concerned but only if provision is made in the company’s articles. People who are nominated under section 145 will not be able to enforce their rights directly against the relevant company. The registered member will need to enforce the rights through the articles. Also, only the registered member will be able validly to transfer shares.

Periods of notice for meetings

In the context of periods of notice for meetings, the proposed changes to the Articles arising out of the 2006 Act do three things:

- provide that “at least” 21 days notice is required to convene an AGM;
- provide that all general meetings need only be called on 14 days notice. There is no reference in the 2006 Act to extraordinary general meetings (the 2006 Act refers to “general meetings” only); and
- the requirement previously in the 1985 Act to give 21 days notice of a special resolution has been removed as the 2006 Act repeals that requirement so that only 14 days is required.

Timing of AGMs

The 2006 Act introduces a substantial change in the timing of AGMs. The 1985 Act requires a company to hold an AGM each year whereas the 2006 Act requires companies to hold an AGM in the six month period “beginning with the day following its accounting reference date”.

Proxies

The 2006 Act extends the rights of proxies to vote both on a show of hands and on a poll and allows members of all companies to appoint more than one proxy. Where more than one proxy is appointed, each proxy must be appointed in respect of a particular number of shares.

There is also a minor change to the calculation of time periods for deposit of proxy appointments (section 327 of the 2006 Act) to exclude any part of a day that is not a working day.

EGMs/extraordinary resolutions

These terms are no longer used in the 2006 Act. A company now only has general meetings (apart from the AGM) and has only Ordinary or Special resolutions.

Certification and Transfer of Securities

A new provision of the 2006 Act (section 771) requires the company on a transfer of shares either to register the transfer or give the transferee notice of refusal and reasons for that refusal as soon as practicable and in any event within two months of the transfer being lodged. Accordingly articles for refusal to register which may say the directors can refuse to give reasons need to be amended.

Directors’ conflicts

Section 175 of the 2006 Act creates a positive duty to avoid conflicts of interests (including entering into a conflicting transaction or contract) unless prior authorisation has been given by the board. Directors can only authorise the conflict if there is express provision in a company’s articles enabling the directors to authorise the conflict. The proposed change to the Articles will provide the directors with the ability to authorise such conflicts.

Auditor’s indemnity

The Company’s auditors have been removed from the indemnity provided by the Company to its directors and other officers in Article 188.1 of the current Articles (now proposed to be Article 191). Any arrangements between the Company and its auditors will be dealt with in a separate agreement and therefore it is considered inappropriate that such arrangements are also covered under the Articles. This is not a change which arises from the 2006 Act.

In addition, certain further changes have been made to the indemnification provisions to reflect the 2006 Act.

