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If you sell or have sold or otherwise transferred all of your Ordinary Shares you should forward this document and the accompanying Form of Proxy to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee. If you have sold or otherwise transferred only part of your holding of Ordinary Shares, please contact immediately your stockbroker, bank or other agent through whom the sale or transfer was effected.

This document does not constitute an offer or invitation for any person to subscribe for or purchase any securities in the Company. This document is provided in connection with shareholder approval, and is not a prospectus, offering circular, placement memorandum or the like containing the information accompanying a securities offering.

The Directors of Prime Active Capital plc ("PAC"), whose names appear on page 6 of this document, accept responsibility for the information contained in this document including responsibility for compliance with the AIM Rules and IEX Rules. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

Prime Active Capital plc

*(Incorporated in Ireland with limited liability
under the Companies Acts 1963-2009 with registered number 295879)*

Proposed Disposal of Bell & Bain Limited

Notice of Extraordinary General Meeting

Davy, which is regulated in Ireland by the Financial Regulator, is IEX adviser and nominated adviser (pursuant to the IEX Rules and AIM Rules respectively) to the Company. Davy is acting exclusively for the Company in connection with arrangements described in this document and is not acting for any other person and will not be responsible to any person for providing the protections afforded to customers of Davy or for advising any other person in connection with the arrangements described in this document.

Your attention is drawn to the letter from the Chairman of PAC set out on pages 6 to 10 of this document, which explains the purpose of the Resolution to be proposed at the Extraordinary General Meeting and includes the recommendation from the Board to vote in favour of the Resolution.

A Notice of the Extraordinary General Meeting of PAC to be held at 9.00a.m. at the offices of Arthur Cox, Earlsfort Centre, Earlsfort Terrace, Dublin 2, Ireland on 16th November 2009 is set out on page 11 of this document.

A Form of Proxy for use at the Extraordinary General Meeting is enclosed. You are requested to complete and return the Form of Proxy as soon as possible whether or not you propose to attend the meeting in person. To be valid, the enclosed Form of Proxy should be completed and returned by hand or by post to PAC's registrars, Computershare Investor Services, Heron House, Corrig Road, Sandyford Industrial Estate, Dublin 18, Ireland to arrive by no later than 9.00am on 14th November 2009. Completion and return of a Form of Proxy will not preclude you from attending and voting at the Extraordinary General Meeting should you so wish.

This document has not been approved by the Financial Regulator of Ireland, the UK Listing Authority or any other regulator. The distribution of this document in certain jurisdictions may be restricted by law and therefore persons receiving this document should inform themselves about and observe any such restrictions. This document does not constitute, nor is it intended to constitute, investment research or investment advice under the European Communities (Markets in Financial Instruments) Regulations 2007 of Ireland (as amended) by PAC or any other person. This document has not been prepared in accordance with the legal requirements designed to promote the independence of investment research and is not subject to any prohibition on dealing ahead of the dissemination of investment research (whether pursuant to the European Communities (Markets in Financial Instruments) Regulations 2007 of Ireland or otherwise).

This document contains a number of forward-looking statements relating to PAC with respect to, amongst others, the following: financial conditions; result of operations; economic conditions in which PAC and Bell & Bain; the business of PAC and Bell & Bain; future benefits of the Disposal; and management plans and objectives. PAC considers any statements that are not historical facts as “forward-looking statements”. They relate to events and trends that are subject to risk and uncertainties that could cause the actual result and financial position of PAC and/or Bell & Bain to differ materially from the information presented in the relevant forward-looking statement. When used in this document the words “estimate”, “project”, “intend”, “aim”, “anticipate”, “believe”, “expect”, “should” and similar expressions, as they relate to PAC and/or Bell & Bain or the management of any of them, are intended to identify such forward-looking statements which speak only as at the date of this document. PAC does not undertake any obligation publicly to update or revise any of the forward looking statements, whether as a result of new information, future events or otherwise, save in respect of any requirements under applicable laws, the AIM Rules, the IEX Rules and other applicable regulations.

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EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Publication of this document	28 th October 2009
Latest time and date for receipt of Forms of Proxy for the Extraordinary General Meeting	9.00am, 14 th November 2009
Extraordinary General Meeting	9.00am, 16 th November 2009

All references in this document are to Dublin times unless otherwise stated.

If any details contained in the timetable above should change, the revised times and dates will be notified by means of an announcement through a Regulatory Information Service.

Unless otherwise stated all € amounts referred to in this document have been translated from £ to € at a rate of £1:€1.0942, being the closing mid-point exchange rate as quoted in the London edition of The Financial Times newspaper on 27th October 2009, the last practicable date prior to the publication of this document. The share capital of PAC is denominated in €, as such the conversion rates do not apply in respect of references to PAC's share capital. The € figures in the table in page 8 are as stated in the accounts of PAC for the relevant years and are not converted from £, save in respect of underlying accounts of PAC group companies reporting in (including Bell & Bain), in which case the rate of conversion from £ to € is the prevailing rate at the date of transactions or, in the case of monetary assets and liabilities, the rate of exchange ruling at the relevant balance sheet date.

DEFINITIONS

In this document the following expressions have the following meanings unless the context otherwise requires or unless otherwise provided:

“AIM” or “AIM Market”	the market of that name operated by the London Stock Exchange;
“AIM Rules”	the rules governing the admission to and operation of AIM as published by the London Stock Exchange from time to time;
“Articles of Association” or “Articles”	the Articles of Association of PAC as at the date of this document;
“Bell & Bain”	Bell & Bain Limited;
“the Board” or “Directors”	the board of directors of PAC ;
“Circular”	this document;
“Disposal”	the proposed disposal of Bell & Bain by PAC Digimedia under the terms and conditions of the Share Purchase Agreement;
“€”	euro, the legal currency of the participating Member States of the European Union as defined in Recital (2) of Council Regulation 974/98/EC on the introduction of the euro;
“EGM” or “Extraordinary General Meeting”	the extraordinary general meeting of PAC, to be held at the offices Arthur Cox, Earlsfort Centre, Earlsfort Terrace, Dublin 2, Ireland;
“Financial Regulator”	the Irish Financial Services Regulatory Authority, a constituent part of the Central Bank and Financial Services Authority of Ireland;
“Form of Proxy”	the form of proxy for use at the Extraordinary General Meeting enclosed with this document;
“£”	Great Britain pounds, the legal currency of the United Kingdom;
“IEX” or “IEX Market”	the market of that name operated by the Irish Stock Exchange;
“IEX Rules”	the rules governing the admission to and operation of IEX as published by the Irish Stock Exchange from time to time;
“Irish Stock Exchange”	The Irish Stock Exchange Limited;
“London Stock Exchange”	The London Stock Exchange plc;
“NewCo” or “Purchaser”	Bell & Bain (2009) Limited;

“Notice”	the notice of Extraordinary General Meeting set out at the end of this document;
“Ordinary Share”	ordinary shares of 50 cent each in the capital of the Company;
“PAC” or “the Company”	Prime Active Capital plc;
“PAC Group” or “the Group”	PAC and its subsidiaries;
“PAC Digimedia”	PAC Digimedia Holdings Limited, a subsidiary of PAC;
“Registrar”	PAC’s registrar, being Computershare Investor Services (Ireland) Limited;
“Resolution”	the resolution to approve of the Disposal as set out in the Notice to be proposed in the manner specified in the Notice at the Extraordinary General Meeting;
“Shareholder(s)”	holder(s) of Ordinary Shares;
“Share Purchase Agreement”	the share purchase agreement signed 27 th October 2009 between (1) PAC Digimedia; (2) Bell & Bain and (3) NewCo in respect of the Disposal;
“UK Listing Authority”	the Financial Services Authority, acting in its capacity as the competent authority for the purposes of Part VI of the Financial Services and Markets Act 2000 of the United Kingdom.

LETTER FROM THE CHAIRMAN OF PRIME ACTIVE CAPITAL PLC

Prime Active Capital plc

*(Incorporated in Ireland with limited liability
under the Companies Acts 1963-2009 with registered number 295879)*

Director:

Peter E. Lynch – *Executive Chairman*
John Doris – *Non-Executive Director*
Anne Keogh – *Non-Executive Director*

Registered Office

2A Sandymount Green
Sandymount
Dublin 4
Ireland

28th October 2009

To the Shareholders of Prime Active Capital plc

Dear Shareholder,

Proposed disposal of Bell & Bain Limited Notice of Extraordinary General Meeting

1. INTRODUCTION

On 28th October 2009, the Company announced that it had signed a Share Purchase Agreement for the proposed sale of its subsidiary, Bell & Bain to NewCo, a bid vehicle established by Bell & Bain's management led by managing director Mr. Ian Walker, for an aggregate consideration of £2.5 million (€2.74 million). Bell & Bain comprises the Scottish book and technical journal printing business unit of PAC Digimedia. The net consideration received by PAC after transaction costs will be c. £2.47 million (€2.70 million). Further details of the consideration are described in Section 5 of this Circular.

The Disposal constitutes a "substantial transaction" under Rule 12 of the AIM Rules and the IEX Rules as well as a "related party transaction" under Rule 13 of the AIM Rules and the IEX Rules as Ian Walker and David Stewart, principals of NewCo, serve as directors of Bell & Bain. Additionally, the Disposal amounts to a disposal resulting in a fundamental change of business under Rule 15 of the AIM Rules and the IEX Rules. Accordingly, completion of the Disposal is conditional, *inter alia*, on approval by Shareholders at an extraordinary general meeting of the Company.

An Extraordinary General Meeting of the Company is to be held at 9.00am on 16th November 2009 at the offices of Arthur Cox, Earlsfort Centre, Earlsfort Terrace, Dublin 2, Ireland, for the purpose of approving the Disposal. The notice convening the Extraordinary General Meeting is set out at the end of this document.

The purpose of this Circular is to provide you with, *inter alia*, the background to and the reasons for, the Disposal and why the Board considers it to be in the best interest of the Company.

2. BACKGROUND TO AND REASONS FOR THE DISPOSAL

Since 2007, the strategic focus of PAC has been to work actively with its existing portfolio of investee companies in order to maximise value and identify new investment opportunities in the financial services, telecommunications, and creative and digital media sectors. Part of that strategy is to divest non-core businesses where that opportunity can be created, in order to recycle funds into higher growth areas.

Bell & Bain comprises the Scottish book and technical journal printing business unit of PAC Digimedia. It operates in an intensely competitive market, dominated by international players, with continuing pressure on margins and profitability as a result of price competition, increased input price costs and shorter print runs. While Bell & Bain has been successful in recent years, the Directors believe that this company operates in an increasingly competitive environment that will require the deployment of substantial resources to develop new products and services in the medium term. In light of this, the Board decided to dispose of Bell & Bain thereby allowing the Company to focus on core businesses.

The Directors believe that shareholder value in PAC can be maximised through the Disposal and the recycling of the funds to other investments and that the net consideration (after advisers' fees, taxes and transaction costs) of c. £2.47 million (€2.70 million) reflects a successful exit at a fair price for PAC in respect of its investment in Bell & Bain.

3. INFORMATION ON THE PURCHASER

NewCo is a bid vehicle established by Bell & Bain's management led by managing director Mr. Ian Walker and David Stewart.

Ian Walker and David Stewart are currently directors of Bell & Bain. Thus, the Disposal is a related party transaction for the purposes of the AIM Rules and the IEX Rules.

4. INFORMATION ON THE BELL & BAIN BUSINESS AND ITS FINANCIAL PERFORMANCE

Bell & Bain was established in 1831 and is a specialist in the printing, binding and distribution of academic books and journals. Bell & Bain is based outside Glasgow and employs 90 staff.

The following information on Bell & Bain and the remaining operations of PAC, assuming the disposal of Bell & Bain, has been extracted without material adjustment from the audited accounts of PAC for the twelve months ending 31 December 2006, the audited accounts for the twelve months ending 31 December 2007 and the audited accounts for the twelve months ending 31 December 2008.

	FY2006 ⁽¹⁾ €'000	FY2007 ⁽²⁾ €'000	FY2008 ⁽³⁾ €'000
Revenue			
Bell & Bain	10,745	11,517	9,996
Remaining PAC operations ⁽⁴⁾	25,232	23,115	23,789
	35,977	34,632	33,785
Gross Profit			
Bell & Bain	2,529	2,216	1,664
Remaining PAC operations ⁽⁴⁾	5,187	5,057	6,096
	7,716	7,273	7,760
EBIT⁽⁵⁾			
Bell & Bain	1,299	1,025	573
Remaining PAC operations ⁽⁴⁾	(532)	330	(5,918)
	767	1,355	(5,345)
PBT⁽⁶⁾			
Bell & Bain	989	812	385
Remaining PAC operations ⁽⁴⁾	(886)	(43)	(5,881)
	103	769	(5,496)
Net Assets⁽⁷⁾			
Bell & Bain	3,100	3,061	1,888
Remaining PAC operations ⁽⁸⁾	5,281	19,513	14,284
	8,381	22,574	16,172

Notes:

- (1) twelve months ending 31 December 2006, based on audited accounts
(2) twelve months ending 31 December 2007, based on audited accounts
(3) twelve months ending 31 December 2008, based on audited accounts
(4) operations of PAC including discontinued operations and excluding Bell & Bain
(5) earnings before interest, tax, share of loss of joint venture and exceptional items
(6) profit before tax and exceptional items
(7) total assets minus total liabilities
(8) continuing operations of PAC excluding Bell & Bain

5. SUMMARY OF THE SALE AND PURCHASE AGREEMENT

If approved, the Disposal will be effected in accordance with the terms of the Share Purchase Agreement between PAC Digimedia, Bell & Bain and NewCo signed on 27th October 2009. Under the terms of this agreement, on completion PAC Digimedia will transfer the entire issued share capital of Bell & Bain to NewCo in consideration for the payment by NewCo of £2.5 million (€2.74 million) as follows:

- £2.25 million (€2.462 million) payable on the completion of the Share Purchase Agreement;
- £0.10 million (€0.109 million) in deferred consideration payable within three months of the completion of the Share Purchase Agreement: and
- £0.15 million (€0.164 million) in deferred consideration payable within ten months of the completion of the Share Purchase Agreement.

All third party debt in Bell & Bain will transfer to NewCo. In addition, an existing inter-company loan due to the immediate holding company of PAC Digimedia by Bell & Bain of £1.35 million (€1.48 million) will be converted into redeemable shares in Bell & Bain, which will be redeemed in instalments between the second and third anniversary of the completion of the Share Purchase Agreement in consideration of a total payment of £1.35 million. In the event that Bell & Bain fails to redeem any of these shares, on the due date of redemption the immediate holding company of PAC Digimedia will have the right to convert those redeemable shares into ordinary shares of Bell & Bain. If all redeemable shares were converted they would comprise approximately 82% of the ordinary share capital of Bell & Bain based on the existing capital structure of Bell & Bain.

PAC Digimedia has granted NewCo warranties under the Share Purchase Agreement in relation to the share capital of Bell & Bain, bank facilities and payment of corporation tax. The liability of PAC Digimedia for any claims is subject to limitations in line with market practice.

The Share Purchase Agreement also imposes post-disposal restrictive covenants on PAC Digimedia. PAC Digimedia is restricted from engaging in a competing business of Bell & Bain within a 30 mile radius of Bell & Bain's centre of operations in Glasgow for a two year period from the completion of the sale. There is an exception to this restrictive covenant which permits PAC to acquire up to 5% of publicly quoted companies which compete with Bell & Bain and a further exemption for the PAC Group's current operations. There are also restrictive covenants restricting PAC Digimedia from soliciting Bell & Bain's employees and customers, in each case for a two year period from the completion of the sale.

6. FUTURE STRATEGY AND USE OF THE CONSIDERATION BY THE COMPANY

The proceeds of the Disposal, before transaction costs, will be c. £2.5 million (€2.74 million). The net proceeds of the Disposal, after advisers' fees, taxes and transaction costs will be approximately £2.47 million (€2.70 million).

The proceeds of the Disposal will be used to fund new investment opportunities both through further investment in PAC's current portfolio and with new acquisitions. PAC will have net cash of approximately €4.25 million following the Disposal and no debt.

Following the completion of the Disposal, PAC's principal businesses will comprise:

- the remaining business unit of PAC Digimedia, namely the on-demand digital print and finishing business unit (encompassing Top Copy Image Centres Limited, specialising in on-demand low volume print manufacturing, personalisation, enclosing and distribution);
- the business of the PAC Telemedia division, namely the telecommunications division of the PAC Group which currently comprises majority stakes in two operating subsidiaries – Cellular Center, LLC and Cellular Center GA-AL, LLC (both operate retail chains of mobile phones and accessories stores based in Alabama, Florida, Georgia and Texas, USA). PAC intends to continue investing in opening further stores and expanding the chain through acquisitions; and
- a holding (21.5%) in Media Square plc, an advertising, public relations, design and marketing, professional services group. The interest of PAC in this Group is significant and intended to be for the long term.

7. COMPLETION OF THE DISPOSAL

The Disposal is conditional upon, amongst other things, the passing of the Resolution set out in the Notice and prior to the date for completion of the disposal PAC Digimedia not being in breach of warranty, no event occurring impacting on the ability of Bell & Bain to use or dispose of its assets or to carry on its business substantially in its current manner and NewCo funding, and otherwise not becoming aware of a matter that would affect the willingness of a prudent purchaser to complete the purchase on the price that a prudent purchaser would be willing to pay for Bell & Bain. The Disposal is expected to complete on or around 27th November 2009.

8. IRREVOCABLE COMMITMENTS

The Directors, together holding in aggregate 3,101,692 Ordinary Shares, have undertaken to vote in favour of the Resolutions to be proposed at the Extraordinary General Meeting. Together these shareholdings represent approximately 13.7 per cent. of the existing issued share capital of the Company.

9. EXTRAORDINARY GENERAL MEETING

A notice convening an Extraordinary General Meeting of the Company to be held at the offices of Arthur Cox, Earlsfort Centre, Earlsfort Terrace, Dublin 2, Ireland at 9.00a.m. on 16th November 2009 is set out on page 11 of this Circular (the "Notice of Extraordinary General Meeting"). At the EGM you will be asked to approve the Resolution which is an ordinary resolution (to enable the Disposal to be completed).

10. ACTION TO BE TAKEN

Whether or not you intend to be present at the EGM, you are requested to complete and return the Form of Proxy as soon as possible and in any event so as to be received by the Company's registrars, Computershare Investor Services, Heron House, Corrig Road, Sandyford Industrial Estate, Dublin 18, Ireland to arrive by no later than 9.00a.m. on 14th November 2009. Completion and return of a Form of Proxy will not preclude you from attending and voting at the Extraordinary General Meeting should you so wish.

11. RECOMMENDATION

The Directors, having consulted with Davy, the Company's nominated adviser and IEX adviser, consider the terms of the Disposal to be fair and reasonable as far as shareholders are concerned, In providing such advice, Davy has taken into account the Directors' commercial assessments in relation to the Disposal.

Accordingly the Directors unanimously recommend that you vote in favour of the Resolution as they intend to do in respect of their aggregate shareholdings of 3,101,692 Ordinary Shares representing approximately 13.7 per cent. of the issued share capital of the Company.

Yours sincerely,

Peter E. Lynch
Executive Chairman

NOTICE OF EXTRAORDINARY GENERAL MEETING

Prime Active Capital plc

*(Incorporated in Ireland with limited liability
under the Companies Acts 1963-2009 with registered number 295879)*

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of Prime Active Capital plc (the “Company”) will be held at Arthur Cox, Earlsfort Centre, Earlsfort Terrace, Dublin 2, Ireland at 9.00am on 16th November 2009 to consider and, if thought fit, pass the following resolution proposed as an ordinary resolution:

Special Business of the Meeting

“That the disposal of Bell & Bain by the Company’s subsidiary, PAC Digimedia Holdings Limited (the “Disposal”), as more particularly described in the circular sent to shareholders of the Company dated 28th October 2009 (the “Circular”) on the terms and subject to the conditions of the Share Purchase Agreement signed on 27th October 2009 (described in the Circular) be and is hereby approved and that the directors (or any duly constituted committee thereof) of the Company be and are hereby authorised to make any non-material amendment, variation, waiver or extension to the terms or conditions of the Disposal which the directors consider reasonable and in the best interests of shareholders as a whole and to do all such other things as they consider necessary, expedient or desirable in connection with the Disposal.”

BY ORDER OF THE BOARD

Peter E. Lynch
Executive Chairman

Registered Office:
2A Sandymount Green
Sandymount
Dublin 4

Dated: 28th October 2009

Notes:

1. Any member entitled to attend and vote at the meeting is entitled to appoint a proxy (who need not be a member of the Company) to attend, speak and vote in his/her place. Completion of a form of proxy will not affect the right of a member to attend, speak and vote at the meeting in person.
2. To be valid, forms of proxy duly signed together with the power of attorney or such other authority (if any) under which they are signed (or a certified copy of such power or authority) must be lodged with the Company's registrar, Computershare Investor Services, Heron House, Corrig Road, Sandymount Industrial Estate, Dublin 18, Ireland to arrive by no later than 9.00am on 14th November 2009.
3. The Company, pursuant to Regulation 14 of the Companies Act, 1990 (Uncertified Securities) Regulations, 1996, specifies that only those shareholders registered in the register of members of the Company as at 9.00am on 14th November 2009 (or in the case of an adjournment as at 48 hours before the time of the adjourned meeting) shall be entitled to attend and vote at the meeting in respect of the number of shares registered in their names at the time. Changes to entries in the register after that time will be disregarded in determining the right of any person to attend and/or vote at the meeting.