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FOR IMMEDIATE RELEASE

4 July 2008

**Recommended proposals for the acquisition of
The Laxey Investment Trust PLC (“TLIT”)
by
LIT PLC (“Bidco”)
(a company incorporated in the Isle of Man)
to be effected**

**by means of a scheme of arrangement
under Part 26 of the Companies Act 2006**

Summary

- The boards of Bidco and TLIT are pleased to announce that they have reached agreement on the terms of recommended proposals (the “**Proposals**”) by which the entire issued and to be issued ordinary share capital of TLIT will be acquired by Bidco. It is intended that the Proposals be implemented by means of a scheme of arrangement under Part 26 of the Companies Act 2006 (the “**Scheme**”).
- Bidco is a newly incorporated Isle of Man company formed, at the direction of Laxey Partners Limited (“**Laxey**”), for the purposes of implementing the acquisition of TDG plc and the Proposals and whose shares are intended to be admitted to trading on AIM following the Scheme becoming effective.
- Under the terms of the Proposals, Shareholders will receive 10 new ordinary shares in Bidco for each TLIT Ordinary Share held.
- Laxey are subscribing for up to £90 million of Bidco Shares at 10 pence each to fund the Proposals and the acquisition of TDG plc.
- Bidco has also agreed, subject to the provisions noted below, to grant options to Shareholders to sell the ordinary shares in Bidco they receive as consideration under the Scheme to Bidco at 11.3 pence per share (representing an aggregate of 113 pence in respect of each current Ordinary Share, a 24.2 per cent. premium to TLIT’s Closing Price on 3 July 2008 and a 7.7 per cent. premium to TLIT’s latest net asset value per share as at 30 June 2008) during the period of ten weeks commencing on 16 March 2009 and ending on 29 May 2009 (the “**Options**”).
- The Options are subject both to the Directors of Bidco confirming that Bidco has the cash resources to enable it to effect such buy back (the directors of Bidco will use their reasonable endeavours to ensure that such is the case) and to Bidco lawfully being permitted to make such purchase. The Options will be personal to Shareholders and will not be transferable. As a result the Options will terminate if the relevant shares are sold or transferred prior to the right being exercised. While the directors of Bidco will use their reasonable endeavours to ensure that the buy back can be implemented this is not guaranteed and is dependent upon Bidco having the necessary resources at the time.
- The board of Bidco also announced today (under Rule 2.5 of the Code) a firm intention to make an offer for all of the outstanding ordinary shares of TDG plc, a leading European logistics company listed on the Official List with a market capitalisation of £181.9 million (as at 3 July 2008). This

acquisition is to be effected by way of a separate scheme of arrangement under Part 26 of the Companies Act 2006 (the “**TDG Scheme**”). Laxey holds or controls approximately 22 per cent. of the issued ordinary share capital of TDG as investment manager on behalf of funds it manages.

- Laxey believes that there are a number of opportunities which could be available to TLIT to make strategic private equity type investments. However, as TLIT is an investment trust listed on the Official List it is subject to a number of investment restrictions which would prevent TLIT undertaking investments of this sort. The Proposals offer Shareholders the opportunity to participate in strategic private equity type investments including, in particular, the proposed purchase of TDG.
- Bidco will act as a holding company for strategic private equity type investments, including TDG, taking advantage of opportunities identified by Laxey to buy controlling or significant positions in small and mid-size companies which can be acquired at a substantial discount to their underlying intrinsic value. It is intended that Bidco’s Shares will be admitted to trading on AIM following the Scheme becoming effective.
- The Independent Directors of TLIT, who have been so advised by Smith & Williamson, consider the terms of the Proposals to be fair and reasonable. In providing its advice, Smith & Williamson has taken into account the commercial assessments of the Independent Directors.
- Accordingly, the Independent Directors intend unanimously to recommend that Scheme Shareholders vote in favour of the Proposals as they have irrevocably undertaken to do (or procure to be done) in respect of their own registered and beneficial shareholdings of 103,857 Ordinary Shares in aggregate, representing approximately 0.99 per cent. of the existing issued share capital of TLIT.
- Laxey are confident that TLIT’s Shareholders will support the Proposals.
- These Proposals are conditional on the approval of Scheme Shareholders and of the Court. In addition the Proposals are conditional on the TDG Scheme being implemented following approval from the shareholders of TDG and approval of the Court and the London Stock Exchange not having indicated that it will not admit the Bidco Shares to trading on AIM.
- The Scheme Document will be posted to Shareholders as soon as reasonably practicable and it is expected that the Scheme will become effective by no later than 15 October 2008.

This summary should be read in conjunction with, and is subject to, the full text of the following announcement. The Scheme will be subject to the conditions set out in Appendix 1 of this announcement. The bases and sources of certain financial information contained in this announcement are set out in Appendix II and definitions of certain terms used in this announcement are set out in Appendix IV.

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KBC Peel Hunt, which is authorised and regulated by the Financial Services Authority for investment business activities, is acting for Bidco as financial adviser in relation to the Scheme and as nominated adviser and broker in relation to admission of the Bidco Shares to trading on AIM and is not acting for any other person in relation to such Scheme and admission of the Bidco Shares to trading on AIM. KBC Peel Hunt will not be responsible to anyone other than Bidco for providing the protections afforded to its clients or for providing advice in relation to the contents of this announcement or the Scheme, the admission of the Bidco Shares to trading on AIM or any arrangement referred to herein.

Smith & Williamson, which is authorised and regulated by the Financial Services Authority, is acting exclusively for TLIT and for no-one else in relation to the Proposals and will not be responsible to anyone other than TLIT for providing the protections afforded to clients of Smith & Williamson, or for providing advice in relation to the Proposals.

Forward-Looking Statements

This announcement includes forward-looking statements, including statements about the expected timing of the Scheme, the expected effects on TLIT of the Scheme and all other statements in this announcement other than statements of historical fact. Forward-looking statements include, without limitation, statements containing words such as ‘will’, ‘may’, ‘should’, ‘continue’, ‘aims’, ‘believes’, ‘expects’, ‘estimates’, ‘intends’, ‘anticipates’, ‘projects’, ‘plans’ or similar expressions. By their nature, forward-looking statements involve known or unknown risks and uncertainties because they relate to events and depend on circumstances that all occur in the future. Actual results may differ materially from those expressed in the forward-looking statements depending on a number of factors, including, but not limited to, the satisfaction of the conditions to the Scheme, future market conditions, the behaviour of other market participants, changes in the economic climate, a fluctuation in the level of commercial activity and a loss of key personnel. Many of these risks and uncertainties relate to factors that TLIT and Bidco cannot control or estimate precisely, such as future market conditions and the behaviour of other market participants. The forward-looking statements contained in this announcement are made as of the date hereof and TLIT and Bidco assume no obligation and do not intend publicly to update or revise these forward-looking statements, whether as a result of future events or new information or otherwise except as required pursuant to applicable law.

Further information on the Proposals

This announcement does not constitute an offer to sell or an invitation to purchase or subscribe for any securities or the solicitation of an offer to buy or subscribe for any securities or the solicitation of any vote or approval, nor shall there be any purchase, sale or exchange of securities or such solicitation in any jurisdiction in which such offer, solicitation or sale or exchange would be unlawful prior to registration or qualification under the laws of such jurisdictions. Any response in relation to the Proposals should be made only on the basis of the information contained in the Scheme Document.

The availability of the Proposals to Shareholders who are not resident in the United Kingdom may be affected by the laws of the relevant jurisdictions in which they are located. Persons who are not resident in the United Kingdom should inform themselves of, and observe, any applicable requirements. Further details in relation to overseas persons who are Shareholders will be contained in the Scheme Document.

The release, publication or distribution of this announcement in jurisdictions other than the United Kingdom may be restricted by law and therefore Shareholders who are subject to the laws of any

jurisdiction other than the United Kingdom should inform themselves about, and observe, such restrictions. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies involved in the Proposals disclaim any responsibility or liability for the violation of such restrictions by any person.

This announcement has been prepared for the purpose of complying with English law and the applicable rules and regulations of the FSA, the London Stock Exchange and the Panel and the information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws of jurisdictions outside the United Kingdom.

Persons receiving copies of this announcement and all other documents relating to the Proposals (including, without limitation, nominees, trustees and custodians) should observe the above restrictions and must not mail, or otherwise forward, distribute or send such documents in, into or from any such jurisdiction in violation of these restrictions and applicable laws. Any person (including, without limitation, any custodian, nominee and trustee) who would, or otherwise intends to, or who may have a contractual or legal obligation to, forward this announcement and/or the Scheme Document and/or any other related document to any jurisdiction outside the United Kingdom should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdiction.

The Bidco Shares have not been and will not be registered under the US Securities Act nor under any of the relevant securities laws of any province or territory of Restricted Jurisdictions. Accordingly, such securities may not be offered, sold or delivered, directly or indirectly, in or into such jurisdictions except pursuant to exemptions from applicable requirements of such jurisdictions. It is expected that the Bidco Shares will be issued in reliance upon the exemption from the registration requirements of the US Securities Act provided by Section 3(a)(10) thereof. This transaction has not been approved or disapproved by the US Securities and Exchange Commission (the "Commission"), nor has the Commission or any US state securities commission passed upon the merits or fairness of the transaction nor upon the adequacy or accuracy of the information contained in this document. Any representation to the contrary is a criminal offence in the United States. The information disclosed in this document is not the same as that which would have been disclosed if this document had been prepared for the purpose of complying with the registration requirements of the US Securities Act or in accordance with the laws and regulations of any other jurisdiction.

If the Proposals are carried out by way of an Offer, the Offer will not be made, directly or indirectly, in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction, and the Offer will not be capable of acceptance from or within a Restricted Jurisdiction.

The statements contained in this announcement are made as at the date of this announcement, unless some other time is specified in relation to them, and release of this document shall not give rise to any implication that there has been no change in the facts set out in this announcement since such date. Nothing contained in this announcement shall be deemed to be a forecast, projection or estimate of the future financial performance of TLIT except where otherwise stated.

Dealing disclosure requirements

Under the provisions of Rule 8.3 of the Code, if any person is, or becomes, 'interested' (directly or indirectly) in one per cent. or more of any class of 'relevant securities' of TLIT, all 'dealings' in any such 'relevant securities' (including by means of an option in respect of, or a derivative referenced to, any such 'relevant securities') must be publicly disclosed by no later than 3.30 p.m. (London time) on the London business day following the date of the relevant transaction. This requirement will continue until the date of the Court Meeting or the date on which the Scheme is withdrawn (or, if applicable, on which the Offer becomes or is declared unconditional as to acceptances or lapses or is otherwise withdrawn). If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire an 'interest' in 'relevant securities' of TLIT, they will be deemed to be a single person for the purpose of Rule 8.3.

Under the provisions of Rule 8.1 of the Code, all 'dealings' in 'relevant securities' of TLIT by Bidco or by Laxey, or by TLIT or any of their respective 'associates', must be disclosed by no later than 12 noon (London time) on the London business day following the date of the relevant transaction.

A disclosure table, giving details of the companies in whose 'relevant securities' 'dealings' should be disclosed, and the number of such securities in issue, can be found on the Panel's website at www.thetakeoverpanel.org.uk.

'Interests in securities' arise, in summary, when a person has long economic exposure, whether conditional or absolute, to changes in the price of securities. In particular, a person will be treated as having an 'interest' by virtue of the ownership or control of securities, or by virtue of any option in respect of, or derivative referenced to, securities.

Terms in quotation marks are defined in the Code, which can also be found on the Panel's website. If you are in any doubt as to the application of Rule 8 to you, you should contact an independent financial advisor authorised pursuant to the Financial Services and Markets Act 2000, contact the Panel on +44 (0) 20 7382 9026 or consult the Panel's website at www.thetakeoverpanel.org.uk.

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1. INTRODUCTION

The boards of Bidco and TLIT are pleased to announce that they have reached agreement on the terms of recommended proposals (the “**Proposals**”) by which the entire issued and to be issued ordinary share capital of TLIT will be acquired by Bidco. It is intended that the Proposals be implemented by means of a scheme of arrangement under Part 26 of the Companies Act 2006 (the “**Scheme**”).

Bidco is a newly incorporated Isle of Man company formed, at the direction of Laxey Partners Limited (“**Laxey**”), for the purposes of implementing the acquisition of TDG and the Proposals and whose shares are intended to be admitted to trading on AIM following the Scheme becoming effective.

2. TERMS OF THE PROPOSALS

Under the terms of the Proposals, which will be subject to the terms and conditions set out in Appendix I to this announcement and to the full terms and conditions to be set out in the Scheme Document, Shareholders will be entitled to receive 10 new ordinary shares in Bidco for each TLIT Ordinary Share held. Laxey are subscribing for up to £90 million of Bidco Shares at 10 pence each to fund the Proposals and the acquisition of TDG plc. TLIT Shareholders will own between 7.3 to 8.0 per cent. of the enlarged Group on the basis that the Proposals and the TDG Scheme take place.

Bidco has also agreed, subject to the provisions noted below, to grant options to Shareholders to sell the ordinary shares in Bidco they receive as consideration under the Scheme to Bidco at 11.3 pence per share (representing an aggregate of 113 pence in respect of each current Ordinary Share, a 24.2 per cent. premium to TLIT’s Closing Price on 3 July 2008 and a 7.7 per cent. premium to TLIT’s latest net asset value per share as at 30 June 2008) during the period of ten weeks commencing on 16 March 2009 and ending on 29 May 2009 (the “**Options**”).

The Options are subject both to the Directors of Bidco confirming that Bidco has the cash resources to enable it to effect such buy back (the directors of Bidco will use their reasonable endeavours to ensure that such is the case) and to Bidco lawfully being permitted to make such purchase. The Options will be personal to Shareholders and will not be transferable. As a result the Options will terminate if the relevant shares are sold or transferred prior to the right being exercised. While the directors of Bidco will use their reasonable endeavours to ensure that the buy back can be implemented this is not guaranteed and is dependent upon Bidco having the necessary resources at the time.

3. ACQUISITION OF TDG PLC

The board of Bidco also announced today (under Rule 2.5 of the Code) a firm intention to make an offer for all of the outstanding ordinary shares of TDG plc, a leading European logistics company listed on the Official List with a market capitalisation of £181.9 million (as at 3 July 2008). This acquisition is to be effected by way of a separate scheme of arrangement under Part 26 of the Companies Act 2006 (the “**TDG Scheme**”). Laxey holds or controls approximately 22 per cent. of the issued ordinary share capital of TDG as investment manager on behalf of funds it manages. The independent directors of TDG have recommended that TDG shareholders accept the Cash Offer (as defined below) and Bidco have received irrevocable undertakings to vote in favour from the directors of TDG.

Under the TDG Scheme, which will be subject to the terms and conditions to be set out in the TDG Scheme Document proposed to be issued in connection with the TDG Scheme, shareholders in TDG will be entitled to either receive 250 pence in cash for each TDG Share held (the “**Cash Offer**”) or 200 pence in cash plus 6.625 Bidco Shares for each TDG Share held (the “**Alternative Offer**”) with the further right for TDG Shareholders who elect to participate in the Alternative Offer to elect to receive Bidco Shares in lieu of the 200 pence in cash on the basis that they would receive one Bidco Share for each 10 pence of the 200 pence cash consideration to which they would otherwise be entitled to receive under the Alternative Offer pursuant to a mix and match facility (which will be subject to certain limitations).

TDG is one of Europe’s major supply chain management and logistics service providers with over 7,000 employees and operations in the UK, Ireland, France, Germany, Spain, the Netherlands and Belgium. TDG has a long history of operating and strong customer relationships in the general logistics market but also has specialist skills in the areas of paper and packaging, speciality chemicals, supply chain management and freight forwarding. TDG operates via two divisions:

Contract Logistics - comprises consumer, retail and industrial contract logistics and freight forwarding activities in the UK, Ireland and the Netherlands, in addition to a UK temperature controlled services business. Customers include Coca-Cola, Kimberly-Clark, SC Johnson, Kellogg’s and Diageo. The Contract Logistics division reported revenues of £421.7 million for the year ended 31 December 2007 (2006: £377.5 million) and an operating profit (before exceptional items and amortisation) of £11.8 million (2006: £11.5 million).

Chemicals - operates contracts for the warehousing and transporting of hazardous goods in the UK, Spain, Germany and the Benelux. The division also manages a major supply chain management contract for Corus, now part of Tata Steel. Customers include Johnson Diversey, BASF, Bayer, PPG and Tesco. The Chemicals division reported revenues of £247.8 million for the year ended 31 December 2007 (2006: £153.8 million) and an operating profit (before exceptional items and amortisation) of £8.6 million (2006: £6.5 million).

In the year ended 31 December 2007, TDG reported revenues of £669.5 million (2006: £531.3 million), operating profit (before exceptional items and amortisation) of £20.4 million (2006: £18.0 million) and profit before tax of £15.8 million (2006: £15.2 million). At 31 December 2007, TDG had net assets of £171.0 million (2006: £156.2 million).

The TDG shareholders are expected to own between approximately 32.8 per cent. to 68.5 per cent of Bidco Shares (prior to Laxey subscribing for any Bidco Shares) following the completion of the Scheme and the TDG Scheme. This is dependent on the number of TDG shareholders who elect to receive the Alternative Offer and excludes the number of Bidco Shares Laxey subscribe for at 10 pence each (Laxey have agreed to subscribe for up to £90 million of Bidco Shares).

4. **BACKGROUND TO AND REASONS FOR THE PROPOSALS**

TLIT is an investment trust which was formed in October 1996, with an initial mandate to invest in tea plantations in Sri Lanka which were in the course of being privatised at that time. In March 2007, however, following approval of TLIT's Shareholders, Laxey began to pursue a strategy of active value management. The Directors believe that this redirection of TLIT's investment objective has been successful and together with Laxey, they have been considering whether or not any further changes are appropriate.

Laxey believes that there are a number of opportunities which could be available to TLIT at the present time to make strategic private equity type investments and, as noted above, has identified a particular opportunity in relation to TDG plc, a leading European logistics company.

However, as TLIT is currently an investment trust listed on the Official List it is subject to certain investment restrictions. For example it is not able to hold a controlling interest in any company and is not permitted to make any investments which exceed 15 per cent. of the value of TLIT's portfolio at the time of investment. This makes the current structure unsuitable for the investment strategy that the Board, having consulted with Laxey, now wish to follow.

The Proposals offer Shareholders the opportunity to participate in the strategic private equity type investments proposed including, in particular, the proposed purchase of TDG.

Bidco will act as a holding company for strategic private equity type investments, including TDG, taking advantage of opportunities identified by Laxey to buy controlling or significant positions in small and mid-size companies which can be acquired at a substantial discount to their underlying intrinsic value. It is intended that Bidco's Shares will be admitted to trading on AIM following the Scheme becoming effective.

5. **PUT OPTION**

On 2 February 2007 in a circular issued to Shareholders, the directors of TLIT indicated that they were committed to providing an opportunity which would enable Shareholders wishing to do so to exit at or close to the Company's net asset value. To this end, as part of the Proposals, Bidco has also agreed to grant an option to Shareholders to sell the ordinary shares in Bidco they receive as consideration under the Scheme to Bidco at 11.3 pence per share (representing an aggregate of 113 pence in respect of each current Ordinary Share, a 24.2 per cent. premium to TLIT's Closing Price on 3 July 2008 and a 7.7 per cent. premium to TLIT's latest net asset value as at 30 June 2008) during the period of ten weeks commencing on 16 March 2009 and ending on 29 May 2009. The Options are subject both to the Directors of Bidco confirming that Bidco has the cash resources to enable it to effect such buy back (the directors of Bidco will use their reasonable endeavours to ensure that such is the case) and to Bidco lawfully being permitted to make such purchase. The Options will be personal to Shareholders and will not be transferable. As a result the Options will terminate if the relevant shares are sold or transferred prior to the right being exercised. While the directors of Bidco will use their reasonable endeavours to ensure that the buy back can be implemented this is not guaranteed and is dependent upon Bidco having the necessary resources at the time.

6. **RECOMMENDATION OF INDEPENDENT DIRECTORS**

The Independent Directors of TLIT, who have been so advised by Smith & Williamson, consider the terms of the Proposals to be fair and reasonable. In providing its advice to the TLIT Directors, Smith & Williamson have taken into account the commercial assessments of the Independent Directors.

Accordingly, the Independent Directors intend unanimously to recommend that Scheme Shareholders vote in favour of the resolutions to be proposed at the Court Meeting and that Shareholders vote in favour of the resolutions to be proposed at the General Meeting, as they have irrevocably undertaken to do (or procure to be done) in respect of their own registered and beneficial shareholdings, and to direct, where possible, or otherwise use their reasonable endeavours to arrange, that the registered holders should vote in favour in relation to their other beneficial holdings of Scheme Shares. The aggregate registered and beneficial

holdings of the Independent Directors represent approximately 0.99% per cent. of the existing issued share capital of TLIT.

7. IRREVOCABLE UNDERTAKINGS IN RESPECT OF THE SCHEME

As at 3 July 2008 (being the latest practicable date prior to this announcement), Bidco has received irrevocable undertakings to vote in favour of the resolutions to be proposed at the Court Meeting and the General Meeting in connection with the Scheme from the Independent Directors in respect of a total of 103,857 Scheme Shares, representing approximately 0.99 per cent. of the existing issued share capital of TLIT. In addition, Colin Kingsnorth, who is a non Independent Director and who owns 701,457 Ordinary Shares, has signed an irrevocable undertaking to vote in favour of the resolutions to be proposed at the General Meeting.

Laxey are confident that TLIT's Shareholders will support the Proposals.

Further details of these irrevocable undertakings are set out in Appendix III.

8. INFORMATION ON TLIT

TLIT is an approved investment trust under section 842 of the Income and Corporation Taxes Act 1988 and was formed on 21 October 1996 in England and Wales with registered number 03268761. TLIT is listed on the Official List. The registered office of TLIT is One London Wall, London EC2Y 5AB.

9. INFORMATION ON BIDCO AND LAXEY

Bidco is a company limited by shares incorporated in the Isle of Man formed, at the direction of Laxey, for the purpose of implementing the acquisition of TDG and the Proposals and it is expected that its shares will be admitted to trading on AIM.

Laxey is a global value investor which manages a range of assets and funds for institutional investors, taking a proactive approach to help enhance the value of its investments. Its asset management business comprises the management of listed closed-end funds, hedge funds, real estate opportunity funds and private equity investments. Laxey aims to support companies in which it makes long term investments to develop clear growth opportunities with a particular emphasis on creating long-term value by working alongside management teams. Laxey is a regulated investment manager licensed to conduct investment business by the Isle of Man Supervision Commission. As at 31 December 2007, Laxey had net assets under management of approximately US\$1.7 billion.

Laxey currently holds or controls 16.44 per cent. of the ordinary share capital of TLIT. A further 7.28 per cent. is owned by Colin Kingsnorth and Andrew Pegge, founding partners of Laxey, which, together with Laxey's holding represents 23.72 per cent. of the share capital of TLIT. In addition, Laxey has also agreed to subscribe for up to £90 million of Bidco Shares at 10 pence per share. Laxey also holds or controls approximately 22 per cent. of the ordinary share capital of TDG as investment manager on behalf of funds it manages.

If both the Scheme and the TDG Scheme described above become effective, this will result in Laxey holding or controlling between approximately 61.0 per cent. to 93.9 per cent. of the Bidco Shares in issue. The exact level of Bidco Shares held by Laxey will depend on the number of Scheme Shareholders who elect to receive the Alternative Offer as described in paragraph 3 above under the TDG Scheme and on the number of Bidco Shares Laxey subscribe for at 10 pence each (Laxey have agreed to subscribe for up to £90 million of Bidco Shares).

10. SCHEME OF ARRANGMENT

It is intended that the Proposals will be effected by means of a Court-sanctioned scheme of arrangement between TLIT and its Shareholders under Part 26 of the Companies Act 2006.

The provisions of the Scheme will be set out in full in the Scheme Document. The purpose of the Scheme is to enable Bidco to become the holder of the entire issued and to be issued share capital of TLIT, which will be achieved by the cancellation of all the issued Ordinary Shares, and the application of the reserve arising from such cancellation in paying up in full a number of new Shares which is equal to the number of cancelled Ordinary Shares and issuing the same to Bidco and/or its nominee(s).

Shareholders will then receive Bidco Shares (as described in paragraph 2 above).

To become effective, the Scheme requires the approval of a majority in number of those Scheme Shareholders who are present and vote either in person or by proxy at the Court Meeting and who represent 75 per cent. or more in value of all Scheme Shares held by such Scheme Shareholders. Laxey currently holds or controls 1,735,615 Ordinary Shares, representing approximately 16.44 per cent. of the Ordinary Shares in issue as at 3 July 2008 (being the latest practicable date prior to the publication of this announcement). Laxey however will not be entitled to attend or vote at the Court Meeting and will be required to undertake to the Court to be bound by the Scheme in respect of the Ordinary Shares held by it. Likewise the 769,057 Ordinary Shares held by founding partners of Laxey representing a further 7.28 per cent of the Ordinary Shares in issue as at 3 July 2008 are also expected not to be capable of being voted at the Court Meeting.

The Scheme also requires the sanction of the Court and the passing of a special resolution to implement the Scheme at the General Meeting, as well as satisfaction or waiver of the other conditions set out in Appendix I to this announcement. In addition the Proposals are conditional on the TDG Scheme being implemented following approval from the shareholders of TDG and approval of the Court and the London Stock Exchange not having indicated that it will not admit the Bidco Shares to trading on AIM.

The Scheme Document will be posted to the Scheme Shareholders as soon as reasonably practicable and it is expected that the Scheme will become effective by no later than 15 October 2008.

Upon the Scheme becoming effective, it will be binding on all Shareholders, irrespective of whether or not they attend or vote at the Court Meeting or the General Meeting.

On the Effective Date, share certificates in respect of Ordinary Shares will cease to be valid. In addition, on the Effective Date, entitlements to Ordinary Shares held within the CREST system will be cancelled.

Expected timetable of principal events:

Posting of Scheme Document no later than	11 August 2008
Court Meeting and General Meeting	3 September 2008
Scheme Hearing	26 September 2008
Reduction Hearing	30 September 2008
Effective Date of the Scheme and the Capital Reduction (if sanctioned and confirmed by the Court)	1 October 2008

All dates in this announcement which relate to the implementation of the Scheme are subject to the approval of the Court and are therefore subject to change.

Further details relating to the Scheme and a more detailed timetable will be contained in the Scheme Document.

11. **ADMISSION OF BIDCO SHARES TO TRADING ON AIM AND DEALINGS**

Application will be made to London Stock Exchange for the Bidco Shares to be admitted to trading on AIM on or as soon as practicable following the Effective Date. No application is being made for the Bidco Shares to be admitted to listing or dealt in on any other exchange.

The Bidco Shares to be issued pursuant to the Scheme will be issued credited as fully paid and free from all liens, charges, equitable interests, encumbrances and any other third party rights of any nature whatsoever. The Bidco Shares to be issued pursuant to the Scheme will rank pari passu in all respects with, and have the same rights as, the Existing Bidco Shares and the Bidco Shares to be issued to shareholders of TDG pursuant to the TDG Offer, including the right to receive and retain all future dividends and other distributions declared made or paid by Bidco following the date of this announcement. There will be no fractional entitlements.

12. **DISCLOSURE OF INTERESTS IN TLIT**

As at the close of business on 3 July 2008 (being the last practicable date prior to the date of this announcement), Laxey, together with Colin Kingsnorth and Andrew Pegge held or controlled 2,504,672 Ordinary Shares. Save for this shareholding and the irrevocable undertakings referred to above, as the close of business on 3 July 2008 (being the last practicable date prior to the date of this announcement), neither Bidco nor any director of Bidco nor, so far as Bidco is aware, any person acting in concert with Bidco for the purposes of the Scheme (including Laxey), owned or controlled any Ordinary Shares or any securities convertible or exchangeable into, or any right to subscribe for or purchase, or any options (including any traded options) to purchase any Ordinary Shares (including any long economic exposure, whether conditional or absolute, to changes in the price of the Ordinary Shares), nor did any such person have a right to subscribe for Ordinary Shares or hold any short positions in relation to any Ordinary Shares (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery of any Ordinary Shares, nor did any such person have any arrangement in relation to the Ordinary Shares. An 'arrangement' includes any indemnity or option arrangement, any agreement or understanding, formal or informal, of whatever nature, relating to the Ordinary Shares which may be an inducement to deal or refrain from dealing in such securities.

13. **DELISTING AND CANCELLATION OF TRADING**

Following the Effective Date an application will be made to London Stock Exchange and the UKLA for cancellation, respectively, of the trading of the Ordinary Shares on London Stock Exchange's market for listed securities and of the listing of the Ordinary Shares on the Official List.

14. **OVERSEAS SHAREHOLDERS**

The availability of the Proposals to persons not resident in the UK may be affected by the laws of the relevant jurisdiction. Any persons who are not resident in the UK or who are subject to the laws of any jurisdiction other than the UK should inform themselves about and observe any applicable requirements of those jurisdictions. Further details in relation to overseas shareholders will be contained in the Scheme Document.

15. **GENERAL**

The conditions and certain further terms of the Scheme are set out in Appendix I to this announcement. The full terms of the Scheme will be set out in the Scheme Document, together with notices of the Court Meeting and the General Meeting.

The Scheme Document will be despatched to Shareholders as soon as practicable.

This announcement does not constitute an offer or invitation to purchase, or the solicitation of an offer to sell, any securities.

Enquiries:

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 Azhic Basirov
 David Jones

KBC Peel Hunt which is authorised and regulated by the Financial Services Authority for investment business activities, is acting for Bidco as financial adviser in relation to the Scheme and admission of the Bidco Shares and is not acting for any other person in relation to such Scheme and admission of the Bidco Shares. KBC Peel Hunt will not be responsible to anyone other than Bidco for providing the protections afforded to its clients or for providing advice in relation to the contents of this announcement or the Scheme, the admission of the Bidco Shares or any arrangement referred to herein.

Smith & Williamson, which is authorised and regulated by the Financial Services Authority, is acting exclusively for TLIT and for no-one else in relation to the Proposals and will not be responsible to anyone other than TLIT for providing the protections afforded to clients of Smith & Williamson or for providing advice in relation to the Proposals.

Forward-Looking Statements

This announcement includes forward-looking statements, including statements about the expected timing of the Scheme, the expected effects on TLIT of the Scheme and all other statements in this Announcement other than statements of historical fact. Forward-looking statements include, without limitation, statements containing words such as 'will', 'may', 'should', 'continue', 'aims', 'believes', 'expects', 'estimates', 'intends', 'anticipates', 'projects', 'plans' or similar expressions. By their nature, forward-looking statements involve known or unknown risks and uncertainties because they relate to events and depend on circumstances that all occur in the future. Actual results may differ materially from those expressed in the forward-looking statements depending on a number of factors, including, but not limited to, the satisfaction of the conditions to the Scheme, future market conditions, the behaviour of other market participants, changes in the economic climate, a fluctuation in the level of commercial activity and a loss of key personnel. Many of these risks and uncertainties relate to factors that TLIT and Bidco cannot control or estimate precisely, such as future market conditions and the behaviour of other market participants. The forward-looking statements contained in this announcement are made as of the date hereof and TLIT and Bidco assume no obligation and do not intend publicly to update or revise these forward-looking statements, whether as a result of future events or new information or otherwise except as required pursuant to applicable law.

Further information on the Proposals

This announcement does not constitute an offer to sell or an invitation to purchase or subscribe for any securities or the solicitation of an offer to buy or subscribe for any securities or the solicitation of any vote or approval, nor shall there be any purchase, sale or exchange of securities or such solicitation in any jurisdiction in which such offer, solicitation or sale or exchange would be unlawful prior to registration or qualification under the laws of such jurisdictions. Any response in relation to the Proposals should be made only on the basis of the information contained in the Scheme Document.

The availability of the Proposals to Shareholders who are not resident in the United Kingdom may be affected by the laws of the relevant jurisdictions in which they are located. Persons who are not resident in the United Kingdom should inform themselves of, and observe, any applicable requirements. Further details in relation to overseas persons who are Shareholders will be contained in the Scheme Document.

The release, publication or distribution of this announcement in jurisdictions other than the United Kingdom may be restricted by law and therefore Shareholders who are subject to the laws of any jurisdiction other than the United Kingdom should inform themselves about, and observe, such restrictions. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies involved in the Proposals disclaim any responsibility or liability for the violation of such restrictions by any person.

This announcement has been prepared for the purpose of complying with English law and the applicable rules and regulations of the FSA, the London Stock Exchange and the Panel and the information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws of jurisdictions outside the United Kingdom.

Persons receiving copies of this announcement and all other documents relating to the Proposals (including, without limitation, nominees, trustees and custodians) should observe the above restrictions and must not mail, or otherwise forward, distribute or send such documents in, into or from any such jurisdiction in violation of these restrictions and applicable laws. Any person (including, without limitation, any custodian, nominee and trustee) who would, or otherwise intends to, or who may have a contractual or legal obligation to, forward this announcement and/or the Scheme Document and/or any other related document to any jurisdiction outside the United Kingdom should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdiction.

The Bidco Shares have not been and will not be registered under the US Securities Act nor under any of the relevant securities laws of any province or territory of Restricted Jurisdictions. Accordingly, such securities may not be offered, sold or delivered, directly or indirectly, in or into such jurisdictions except pursuant to exemptions from applicable requirements of such jurisdictions. It is expected that the Bidco Shares will be issued in reliance upon the exemption from the registration requirements of the US Securities Act provided by Section 3(a)(10) thereof. This transaction has not been approved or disapproved by the US Securities and Exchange Commission (the "Commission"), nor has the Commission or any US state securities commission passed upon the merits or fairness of the transaction nor upon the adequacy or accuracy of the information contained in this document. Any representation to the contrary is a criminal offence in the United States. The information disclosed in this document is not the same as that which would have been disclosed if this document had been prepared for the purpose of complying with the registration requirements of the US Securities Act or in accordance with the laws and regulations of any other jurisdiction.

If the Proposals are carried out by way of an Offer, the Offer will not be made, directly or indirectly, in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction, and the Offer will not be capable of acceptance from or within a Restricted Jurisdiction.

The statements contained in this announcement are made as at the date of this announcement, unless some other time is specified in relation to them, and release of this document shall not give rise to any

implication that there has been no change in the facts set out in this announcement since such date. Nothing contained in this announcement shall be deemed to be a forecast, projection or estimate of the future financial performance of TLIT except where otherwise stated.

Dealing disclosure requirements

Under the provisions of Rule 8.3 of the Code, if any person is, or becomes, 'interested' (directly or indirectly) in one per cent. or more of any class of 'relevant securities' of TLIT, all 'dealings' in any such 'relevant securities' (including by means of an option in respect of, or a derivative referenced to, any such 'relevant securities') must be publicly disclosed by no later than 3.30 p.m. (London time) on the London business day following the date of the relevant transaction. This requirement will continue until the date of the Court Meeting or the date on which the Scheme is withdrawn (or, if applicable, on which the Offer becomes or is declared unconditional as to acceptances or lapses or is otherwise withdrawn). If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire an 'interest' in 'relevant securities' of TLIT, they will be deemed to be a single person for the purpose of Rule 8.3.

Under the provisions of Rule 8.1 of the Code, all 'dealings' in 'relevant securities' of TLIT by Bidco or by Laxey, or by TLIT or any of their respective 'associates', must be disclosed by no later than 12 noon (London time) on the London business day following the date of the relevant transaction.

A disclosure table, giving details of the companies in whose 'relevant securities' 'dealings' should be disclosed, and the number of such securities in issue, can be found on the Panel's website at www.thetakeoverpanel.org.uk.

'Interests in securities' arise, in summary, when a person has long economic exposure, whether conditional or absolute, to changes in the price of securities. In particular, a person will be treated as having an 'interest' by virtue of the ownership or control of securities, or by virtue of any option in respect of, or derivative referenced to, securities.

Terms in quotation marks are defined in the Code, which can also be found on the Panel's website. If you are in any doubt as to the application of Rule 8 to you, you should contact an independent financial advisor authorised pursuant to the Financial Services and Markets Act 2000, contact the Panel on +44 (0) 20 7382 9026 or consult the Panel's website at www.thetakeoverpanel.org.uk.

APPENDIX 1**CONDITIONS AND CERTAIN FURTHER TERMS OF THE PROPOSALS**

1. The Proposals will be conditional upon the Scheme becoming unconditional and effective, subject to the Code, by not later than 15 October 2008 or such later date (if any) as TLIT and Bidco may agree and (if required) the Panel and the Court may allow. The Scheme will comply with the applicable rules and regulations of the Financial Services Authority and the Code.
2. The Scheme will be conditional upon:
 - (a) approval of the Scheme by a majority in number of the Scheme Shareholders present and voting (and entitled to vote), either in person or by proxy, at the Court Meeting representing 75 per cent. or more in value of the Scheme Shares voted;
 - (b) the resolution(s) in connection with or required to approve and implement the Scheme being duly passed by the requisite majority at the General Meeting or any adjournment of that meeting;
 - (c) the sanction of the Scheme and the confirmation of the Capital Reduction by the Court (in either case, without modification or with modifications on terms acceptable to TLIT and Bidco) and the delivery of a certified copy of the Court Order and the minute of such reduction attached to the Court Order confirming the Capital Reduction to the Registrar of Companies of England and Wales and the registration of the Court Order confirming the Capital Reduction by the Registrar of Companies of England and Wales;
 - (d) the implementation of the TDG Scheme following approval from the TDG shareholders and approval of the Court; and
 - (e) the London Stock Exchange not having indicated that it will not admit the Bidco Shares to trading on AIM.
3. The Scheme will also be conditional upon the following matters and, accordingly, the necessary actions to make the Scheme effective will not be taken unless such conditions have been satisfied or waived by Bidco prior to the Scheme being sanctioned by the Court in accordance with paragraph 2 above:
 - (a) no government or governmental, quasi-governmental, supranational, statutory or regulatory body or association, institution, agency (including any trade agency), court or any other body (including any professional or environmental body) or other person in any jurisdiction (each a "Relevant Authority") having decided to take, instituted or threatened any action, proceeding, suit, investigation, enquiry or reference or enacted, made or proposed any statute, regulation, order or decision that would or might reasonably be expected to:
 - (i) make the Scheme or its implementation or the acquisition or the proposed acquisition of any shares in, or control of, TLIT by Bidco or any member of the Bidco Group void, unenforceable or illegal or directly or indirectly prohibit or, in any material respect, otherwise restrict, delay or interfere with the implementation of, or impose material additional conditions or obligations with respect to, or otherwise challenge, the Scheme or the acquisition of any shares in, or control of, TLIT by Bidco or any member of the Bidco Group;
 - (ii) require, prevent or materially delay the divestiture (or alter the terms of any proposed divestiture) by the Bidco Group or TLIT of all or any part of their

respective businesses, assets or properties or impose any limitation on their ability to conduct all or any part of their respective businesses and to own any of their respective assets or properties in each case to an extent which is material in the context of TLIT or the Bidco Group taken as a whole (as the case may be);

- (iii) require, prevent or materially delay a disposal or alter the terms envisaged for any proposed disposal by any member of the Bidco Group of any of the shares or other securities in TLIT which is material in the context of TLIT or the Bidco Group taken as a whole;
- (iv) impose any material limitation on, or result in any material delay in, the ability of any member of the Bidco Group to acquire or hold or to exercise effectively, directly or indirectly, all or any rights of ownership of shares or other securities (or the equivalent) in, or to exercise management control over, TLIT to an extent which is material in the context of the Bidco Group taken as a whole;
- (v) result in TLIT or the Bidco Group ceasing to be able to carry on business under any name under which it presently does so in each case to an extent which is material in the context of TLIT or the Bidco Group taken as a whole;
- (vi) except pursuant to the Scheme, require any member of the Bidco Group or TLIT to acquire or offer to acquire any shares or other securities (or the equivalent) in TLIT or any member of the Bidco Group which are owned by a third party;
- (vii) impose any material limitation on the ability of any member of the Bidco Group or TLIT to integrate or co-ordinate its business, or any part of it, with the businesses or any part of the businesses of any other member of the Bidco Group in a manner which would be material in the context of TLIT or the Bidco Group taken as a whole; or
- (viii) otherwise affect the business, assets, financial or trading position or profits or prospects of any member of the Bidco Group or TLIT to an extent which is adverse to and material in the context of TLIT or, the Bidco Group taken as a whole,

and all applicable waiting and other time periods during which any such Relevant Authority could decide to take, institute or threaten any such action, proceeding, suit, investigation, enquiry or reference having expired, lapsed or been terminated;

- (b) all notifications, filings and applications, which are necessary or reasonably considered appropriate including such notifications, filings and applications as may be required to be submitted to any Relevant Authorities, having been submitted (with the full co-operation of TLIT) and all applicable waiting and other time periods (including any extensions of such waiting and other time periods) under any applicable legislation or regulations of any jurisdiction having expired, lapsed or been terminated (as appropriate) and all statutory or regulatory obligations in any jurisdiction having been complied with in each case in connection with the Scheme or its implementation or the acquisition or the proposed acquisition by any member of the Bidco Group of any shares or other securities (or the equivalent) in, or control of, TLIT;

Full co-operation of TLIT for the purpose of this section 3(b) shall include, but is not limited to, providing Bidco with all necessary information and documentation in a timely manner to allow Bidco to make any necessary notifications, filings and applications; promptly notifying Bidco of any requests for information made to it by any relevant authority in connection with the transaction and respond to such request in a

timely manner, and where practicable, only after consultation with Bidco and its advisers; and attending, at Bidco's request, meetings or hearings with any relevant authority, without prejudice to the confidential treatment of business secrets and other confidential information.

- (c) all authorisations and determinations which are necessary or reasonably considered appropriate in any jurisdiction for or in respect of the Scheme or its implementation or the acquisition or the proposed acquisition of any shares or other securities (or the equivalent) in, or control of, TLIT by any member of the Bidco Group of its business having been obtained on terms and in a form reasonably satisfactory to Bidco from all relevant authorities or from any persons or bodies with whom TLIT has entered into contractual arrangements and all such authorisations and determinations remaining in full force and effect and there being no notice or intimation of an intention to revoke, suspend, restrict, modify or not to renew such authorisations and determinations provided that such authorisations and determinations shall not impose any conditions or require the taking or refraining from taking of any action by TLIT or any member of the Bidco Group.
- (d) save as Disclosed, there being no provision of any agreement, arrangement, licence or other instrument to which TLIT is a party or any of its assets is or may be bound, entitled or subject which, as a result of the making or implementation of the Scheme or the acquisition or proposed acquisition by Bidco of any shares in, or change in the control or management of, TLIT or otherwise, would or might reasonably be expected to result in (to the extent which is or would be material in the context of TLIT):
 - (i) any monies borrowed by or any other indebtedness (actual or contingent) of TLIT becoming repayable or capable of being declared repayable immediately or earlier than the stated repayment date or the ability of TLIT to borrow monies or incur any material indebtedness being withdrawn or inhibited;
 - (ii) the creation or enforcement of any mortgage, charge or other security interest over the whole or any part of the business, property or assets of TLIT or any such security interest (whenever arising or having arisen) becoming enforceable;
 - (iii) the financial or trading position or prospects or the value of TLIT having been prejudiced or adversely affected;
 - (iv) any assets or interest of any TLIT being or falling to be disposed of or charged or any right arising under which any such asset or interest could be required to be disposed of or charged, other than in the ordinary course of trading;
 - (v) the interest or business of TLIT in or with any other person, firm or company (or any agreements or arrangements relating to such interest or business) being terminated or adversely affected;
 - (vi) TLIT ceasing to be able to carry on business under any name under which it presently does so;
 - (vii) TLIT being required to repay or repurchase any shares in and/or indebtedness owned by a third party;
 - (viii) any liability of TLIT to make any severance, termination, bonus or other payment to any of its directors or other officers;
 - (ix) any such agreement, arrangement, licence or other instrument being terminated or materially and adversely modified or any onerous obligation arising or any material adverse action being taken or arising thereunder; or

- (x) the creation of any material liabilities (actual or contingent) by TLIT other than in the ordinary course of business;

and no event having occurred which, under any provision of any agreement, arrangement, licence or other instrument to which TLIT is a party or by or to which TLIT or any of its assets may be bound or be subject, could result in any events or circumstances as are referred to in subparagraphs (i) to (x) of this paragraph (d) in any case to an extent which is or would be material to TLIT;

- (e) save as Disclosed, TLIT has not since 30 September 2007:
 - (i) issued or agreed to issue or authorised the issue of additional shares of any class, or securities convertible into, or rights, warrants or options to subscribe for or acquire, any such shares or convertible securities;
 - (ii) recommended, declared, paid or made any bonus, dividend or other distribution, whether payable in cash or otherwise;
 - (iii) implemented or authorised any merger or demerger or acquired or disposed of or transferred, mortgaged or charged, or created any other security interest over, any material asset or any right, title or interest in any material asset;
 - (iv) implemented, authorised, proposed or announced its intention to implement or effect any reconstruction, amalgamation, scheme or other transaction or arrangement;
 - (v) purchased, redeemed or repaid any of its own shares or other securities or reduced or made or authorised any other material change in its share capital other than pursuant to the implementation of the Proposals;
 - (vi) made or authorised any change in its loan capital or issued or authorised the issue of any material debentures or incurred or increased any material indebtedness or contingent liability;
 - (vii) entered into, varied or terminated, or authorised the entry into, variation or termination of, any contract, commitment or arrangement (whether in respect of capital expenditure or otherwise) which is outside the ordinary course of business or which is of a long term, onerous or unusual nature or magnitude or which involves or could involve an obligation of a nature or magnitude which is material;
 - (viii) entered into any contract, commitment or arrangement which would be restrictive on the business of TLIT or the Bidco Group (other than to an extent which is not material in the context of the business concerned);
 - (ix) been unable, or admitted in writing that it is unable, to pay its debts or having stopped or suspended (or threatened to stop or suspend) payment of its debts generally or ceased or threatened to cease carrying on all or a substantial part of its business;
 - (x) taken any corporate action or had any legal proceedings started or threatened against it for its winding-up (voluntary or otherwise), dissolution or reorganisation (or for any analogous proceedings or steps in any jurisdiction) or for the appointment of a receiver, administrator, administrative receiver, trustee or similar officer (or for the appointment of any analogous person in any jurisdiction) of all or any material part of its assets and revenues;

- (xi) waived, compromised or settled any claim which is material;
- (xii) entered into or varied the terms of any service agreement or arrangement with any director or senior executive of TLIT;
- (xiii) made any alteration to its memorandum or articles of association or other constitutional documents save as required to implement the Proposals;
- (xiv) entered into any contract, commitment or arrangement or passed any resolution or made any offer (which remains open for acceptance) with respect to, or proposed or announced any intention to effect or propose, any of the transactions, matters or events referred to in this condition (e),

and for the purpose of this condition “material” shall mean material in the context of TLIT;

- (f) save as Disclosed, since 30 September 2007:
 - (i) no adverse change or deterioration having occurred in the business, assets, financial or trading position or profits or prospects of TLIT which in any case is material;
 - (ii) no litigation, arbitration proceedings, prosecution or other legal proceedings having been threatened, announced, instituted or remaining outstanding by, against or in respect of TLIT or to which TLIT is a party (whether as plaintiff or defendant or otherwise) and no investigation by any Relevant Authority or other investigative body against or in respect of TLIT having been threatened, announced, instituted or remaining outstanding by, against or in respect of TLIT which would or might reasonably be expected to have a material adverse effect on TLIT;
 - (iii) no actual, contingent or other liability having arisen which would or might reasonably be expected to have a material adverse effect on the business, assets, financial or trading position or profits or prospects of TLIT; and
 - (iv) no material claim being made, and no circumstance having arisen which might lead to a material claim being made under the insurance of TLIT;
 - (v) and for the purpose of this condition “material” shall mean material in the context of TLIT;
- (g) save as Disclosed, Bidco not having discovered that:
 - (i) any financial, business or other information publicly disclosed at any time by TLIT is misleading, contains a misrepresentation of fact or omits to state a fact necessary to make the information contained therein not misleading and which was not subsequently corrected prior to the date of this announcement, which in any case is material in the context of TLIT;
 - (ii) TLIT is subject to any liability, contingent or otherwise, which is not disclosed in the Annual Report and which is material in the context of TLIT; or
 - (iii) TLIT has been or is party to any kind of arrangement, agreement, concerted practice or course of conduct which in whole or part infringes any competition

law or anti-trust law of any country in which it has assets or carries on business or where its activities may have an effect.

4. Subject to the requirements of the Panel, all or any of the above conditions may be waived by Bidco in whole or in part, except condition 2. Bidco shall be under no obligation to waive or treat as fulfilled any of conditions 3(a) to 3(g) inclusive by a date earlier than the date of the sanction of the Scheme referred to in paragraph 1 of this Appendix above notwithstanding that the other conditions of the Scheme may at such earlier date have been waived or fulfilled and that there are at such earlier date no circumstances indicating that any of such conditions may not be capable of fulfilment.
5. The Scheme will lapse and the proposed acquisition of control of TLIT by Bidco (the “**Acquisition**”) will not proceed if the Acquisition is referred to the Competition Commission before the Court Meeting (unless the Panel consents to the Acquisition proceeding, on terms satisfactory to Bidco and TLIT).
6. If Bidco is required by the Panel to make an offer for TLIT under the provisions of Rule 9 of the Code, Bidco may make such alterations to the terms and conditions of the offer as are necessary to comply with the provisions of that rule, and such offer shall be subject to the terms and conditions as amended.
7. Bidco reserve the right to elect to implement the Proposals by way of an Offer. In such event, the Offer will be implemented on the same terms (subject to appropriate amendments, including (without limitation) an acceptance condition set at 90 per cent. (or such lesser percentage as Bidco may decide) of the shares to which such offer relates and of the voting rights carried by those shares), so far as applicable, as those which would apply to the Scheme.
8. The Scheme is governed by English law and will be subject to the jurisdiction of the English courts and the conditions set out above.

APPENDIX II**BASES AND SOURCES**

- (a) The value attributed to the existing issued share capital of TLIT is based on 10,557,717 Ordinary Shares in issue as at the date of this announcement.
- (b) Unless otherwise stated, all prices for the Ordinary Shares have been derived from the Daily Official List of the London Stock Exchange and represent closing middle-market prices on the relevant date.
- (c) Unless otherwise stated, the financial information on TLIT is extracted from TLIT's annual report and accounts for the year ended 30 September 2007.

APPENDIX III

DETAILS OF IRREVOCABLE UNDERTAKINGS

Irrevocable undertakings to vote in favour of the resolutions to be proposed at the Court Meeting and the General Meeting in connection with the Scheme have been received by Bidco from the following persons in respect of the following interests in the Scheme Shares:

Independent Directors

Name	Number of Scheme Shares irrevocably committed	Percentage of issued share capital
David Panter	80,000	0.76%
David Blackler	16,857	0.16%
Alistair Boyd	7,000	0.07%
Adrian Collins	0	0%

Non Independent Director

Colin Kingsnorth (these shares may not be capable of being voted)	701,457	6.64%
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APPENDIX IV

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions have the following meanings:

Acquisition	means the proposed acquisition by Bidco of the entire issued and to be issued share capital of TLIT (whether by way of the Scheme or the Offer)
AIM	means AIM, a market operated by the London Stock Exchange
Annual Report	means TLIT's annual report and accounts for the financial year ended 30 September 2007
Alternative Offer	means, in relation to the TDG Scheme, the proposal under which TDG shareholders may elect to receive 200 pence in cash plus 6.625 Bidco Shares for every TDG Share held
Australia	means the Commonwealth of Australia, its states, possessions, and territories and all other areas subject to its jurisdiction and any political sub-division thereof
Bidco	means LIT plc, a newly incorporated Isle of Man company formed under the direction of Laxey for the purposes of the Acquisition
Bidco Group	means Bidco and its subsidiary undertakings
Bidco Shares	means ordinary shares of 5 pence nominal value each in the capital of Bidco
Business Day	means a day (other than a Saturday or Sunday) on which banks in the City of London are generally open for business
Canada	means Canada, its possessions, provinces, and territories and all areas subject to its jurisdiction and any political sub-division thereof
Capital Reduction	means the proposed reduction of the share capital of TLIT comprising the cancellation of the Ordinary Shares under section 135 of the Companies Act 1985 in connection with the implementation of the Scheme
Cash Offer	means, in relation to the TDG Scheme, the proposal under which TDG shareholders who do not elect to receive the Alternative Offer will receive 245 pence in cash for every TDG Share held

Closing Price	means the closing middle market price of an Ordinary Share as derived from the Daily Official List
Code	means The City Code on Takeovers and Mergers
Companies Acts	means the Companies Act 1985 (to the extent still in force) and/or (to the extent in force) the Companies Act 2006
Competing Proposal	means a proposed offer, tender offer, merger, acquisition, scheme of arrangement, recapitalisation or other combination (including a transaction involving a dual listed company structure) relating to any direct or indirect acquisition or purchase of 50 per cent. or more of the Ordinary Shares or a material amount (as defined in Note 2 of Rule 21.1 of the Code) of the business and assets of TLIT and its subsidiaries proposed by any third party
Court	means the High Court of Justice in England and Wales
Court Meeting	means the meeting of the Scheme Shareholders (and any adjournment thereof) to be convened by an order of the Court pursuant to Part 26 of the Companies Act 2006 to consider and, if thought fit, approve the Scheme (with or without amendment), together with any meeting held as a result of an adjournment or reconvention by the Court thereof in accordance with this agreement
Court Order	means the order(s) of the Court sanctioning the Scheme and confirming the associated Capital Reduction
Daily Official List	means the daily official list of the London Stock Exchange
Disclosed	means (i) disclosed in TLIT's annual report and accounts for the financial year ended 30 September 2007; or (ii) fairly disclosed to Bidco or its advisers before the date of this announcement; or (iii) publicly announced to a Regulatory Information Service by or on behalf of TLIT prior to the date of this announcement
Effective Date	means the date on which the Court Order confirming the reduction of capital is delivered to the Registrar of Companies
Existing Bidco Shares	means the Bidco Shares in issue prior to the Scheme
FSA	means the Financial Services Authority of the United Kingdom
FSMA	means the Financial Services and Markets Act 2000 (as amended)
General Meeting	means the general meeting of TLIT to be convened in connection with the Scheme and the Capital Reduction,

	expected to be held as soon as the Court Meeting shall have been concluded or adjourned, together with any meetings held as a result of an adjournment thereof
Independent Directors	means the directors of TLIT other than Colin Kingsnorth who is both a director and controller of Laxey
Japan	means Japan, its cities, prefectures, territories and possessions and all other areas subject to its jurisdiction and any political sub-division thereof
KBC Peel Hunt	means KBC Peel Hunt Limited
Laxey or Investment Manager	means Laxey Partners Limited
Listing Rules	means the listing rules of the UK Listing Authority
London Stock Exchange	means London Stock Exchange plc
Meetings	means the Court Meeting and the General Meeting
Offer	means, if Bidco elects to effect the acquisition of TLIT by way of a takeover offer, the offer to be made by or on behalf of Bidco to acquire the whole of the issued share capital of TLIT, other than the Ordinary Shares already held by Laxey on the date of the Offer (as defined in section 11 of Schedule 2 of the Takeovers Directive Regulations), including, where the context admits, any subsequent revision, variation, extension or renewal thereof
Official List	means the official list of the UKLA
Ordinary Shares	means ordinary shares of 25 pence each in the capital of TLIT
Panel	means The Panel on Takeovers and Mergers
Proposals	means the proposed acquisition by Bidco of TLIT by means of the Scheme and associated Capital Reduction or, should Bidco so elect, by means of the Offer
Reduction Hearing	means the hearing at which Court confirmation of the Capital Reduction will be sought
Reduction Record Time	means 6.00 p.m. (London time) on the Business Day immediately before the date of the Reduction Hearing
Regulatory Information Service	has the meaning given to that expression in the Listing Rules
Resolutions	means the resolutions to be proposed at the General Meeting

Restricted Jurisdiction	Australia, Canada, Japan, the United States or any other jurisdiction where local laws or regulations may result in a significant risk of civil, regulatory or criminal exposure if information concerning the Proposals is sent or made available to Scheme Shareholders in that jurisdiction
Scheme or Scheme of Arrangement	means the scheme of arrangement proposed to be made under Part 26 of the Companies Act 2006 between TLIT and the Scheme Shareholders to be set out in full in the Scheme Document, with or subject to any modification, addition or condition approved or imposed by the Court and agreed to by TLIT and Bidco
Scheme Document	means the circular in respect of the Scheme to be despatched to Shareholders setting out, amongst other things, the full terms and conditions of implementation of Proposals and containing the notice of meeting of each of the Court Meeting and the General Meeting
Scheme Hearing	means the hearing at which the Court's sanction of the Scheme will be sought
Scheme Record Date	means 6.00 p.m. (London time) on the day immediately before the date of the Court Meeting
Scheme Shareholders	means registered holders of Scheme Shares
Scheme Shares	means all Ordinary Shares which are: <ul style="list-style-type: none"> (a) in issue at the date of the Scheme Document; (b) (if any) issued after the date of the Scheme Document and before the Voting Record Time; or (c) (if any) issued at or after the Voting Record Time and prior to 6.00 p.m. on the Reduction Record Time, either on terms that the original or any subsequent holder thereof shall be bound by the Scheme, or in respect of which the original or any subsequent holder thereof agrees in writing to be bound by the Scheme, <p>other than any Ordinary Shares owned or controlled by Laxey, including those shares owned by certain founding partners of Laxey</p>
Shareholders	means holders of Ordinary Shares
Smith & Williamson	means Smith & Williamson Corporate Finance Limited
TDG	means TDG plc, a company incorporated in England and Wales (No. 00469605) whose registered office is at 4-5 Grosvenor Place, London SW1X 7HJ

TDG Offer	means the proposed acquisition of the entire issued and to be issued share capital of TDG by Bidco by means of a separate scheme of arrangement proposed to be made under Part 26 of the Companies Act 2006 or by way of takeover offer
TDG Scheme	means the scheme of arrangement proposed to be made under Part 26 of the Companies Act 2006 between TDG and TDG shareholders in accordance with the TDG Scheme Document
TDG Scheme Document	means the circular in respect of the TDG Scheme proposed to be despatched to TDG shareholders
TDG Share	means the ordinary shares of one pence each in the capital of TDG
TLIT	means The Laxey Investment Trust plc, a UK listed investment trust managed by Laxey and in which Laxey has an interest in 16.44 per cent. of the issued share capital and certain founding partners of Laxey own a further 7.25 per cent., incorporated in England and Wales (No. 03268761) whose registered office is at One London Wall, London EC2Y 5AB
TLIT Directors	means the directors of TLIT
UK or United Kingdom	means the United Kingdom of Great Britain and Northern Ireland
UK Listing Authority or UKLA	means the FSA acting in its capacity as the competent authority for the purpose of Part VI of FSMA
United States, USA or US	means the United States of America, its territories and possessions, any state of the United States and the District of Columbia
US Securities Act	means the United States Securities Act of 1933 (as amended)
Voting Record Time	means the time and date specified in the Scheme Document by reference to which entitlement to vote on the Scheme at the Court Meeting will be determined, expected to be 6.00 p.m. (London time) on the day which is two days before the date of the Court Meeting or, if the Court Meeting is adjourned, 6.00 p.m. on the day which is two days before the date of such adjourned Court Meeting

In this announcement **subsidiary undertaking**, **associated undertaking** and **undertaking** have the meanings given by the Companies Act 2006 (but for these purposes ignoring paragraph 20(1)(b) of Schedule 4A to the Companies Act 2006) and **substantial interest** means a direct or indirect interest in 20 per cent. or more of the equity capital of an undertaking.