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SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OF SUCH
JURISDICTION**

31 March 2009

For immediate release

**RECOMMENDED OFFER
by
RAVEN RUSSIA LIMITED
for the entire issued and to be issued share capital of
RAVEN MOUNT GROUP PLC**

Summary

- The board of Raven Russia and the Independent Raven Mount Board Committee are pleased to announce that they have reached agreement on the terms of a recommended offer, to be made by Raven Russia, for the entire issued and to be issued ordinary share capital of Raven Mount.
- The Independent Raven Mount Board Committee considers the terms of the Offer to be fair and reasonable. Accordingly, the Independent Raven Mount Board Committee unanimously intends to recommend that Raven Mount Shareholders accept the Offer.
- Raven Russia is offering to acquire, on the terms and subject to the conditions set out in Appendix 1 of this Announcement, the entire issued and to be issued ordinary share capital of Raven Mount on the following basis:

**for each Raven Mount Share held: 0.525 Units (each Unit comprising
1 Preference Share and 1 Warrant)**

and so in proportion for any Raven Mount Shares held.

- Based on the mid price of the Preference Shares and Warrants as at the close of business on 30 March 2009 (being the last practicable day before the date of this Announcement), the terms of the Offer value each Unit at 104.5 pence and hence each existing Raven Mount Share at 54.9 pence and the entire issued share capital of Raven Mount at £60 million.
- The Offer value would represent:
 - (i) a premium of 168 per cent. to Raven Mount's closing mid price of 20.5 pence as at the close of business on 16 February 2009, the day before the 2.4 Announcement; and
 - (ii) a premium of 34 per cent. to Raven Mount's closing mid price of 41 pence as at the close of business on 30 March 2009, the day before this Announcement.

- Raven Russia has received irrevocable undertakings and letters of intent to accept the Offer in respect of 78.5 million Raven Mount Shares, representing approximately 72.3 per cent. of Raven Mount's existing issued share capital.
- Commenting on the Offer, Richard Jewson, Chairman of Raven Russia, said:

"The acquisition of Raven Mount will help to significantly strengthen Raven Russia's balance sheet and enable our two key executive directors, Anton Bilton and Glyn Hirsch - who are currently also directors of Raven Mount - to concentrate the whole of their time on the enlarged Raven Russia business."
- Commenting on the Offer, Bim Sandhu, Chief Executive of Raven Mount, said:

"The Offer represents the culmination of the reinvention strategy implemented by Raven Mount following the acquisition of Swan Hill Group plc and Raven Property Holdings plc businesses in 2003 and 2004. The disposal of the Swan Hill Pension Fund and the Audley Assisted Living businesses last year and the resulting cash-rich balance sheet has made Raven Mount an attractive vehicle. I am pleased that we have been able to reach agreement with Raven Russia, a company of which we have a detailed understanding, having set it up and acted as its property adviser until late last year, on the terms of the Offer, the terms of which I believe are attractive for both sets of shareholders."

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The above summary should be read in conjunction with, and is subject to the full text of, this Announcement. Terms used in this summary have the meaning given to them in Appendix 3 to this Announcement.

This Announcement is not intended to be and does not constitute, or form any part of, an offer to sell or the solicitation of an offer to subscribe for or buy any securities, nor shall there be any sale, issue or transfer of the securities referred to in this Announcement in or into any jurisdiction in contravention of any applicable law. The Offer will be made solely by means of the Offer Document and, in the case of certificated Raven Mount Shares, the Form of Acceptance accompanying the Offer Document.

Any acceptance or other response to the Offer should be made only on the basis of information contained in or referred to in the Offer Document which Raven Russia expects to despatch to Raven Mount Shareholders and, for information only, to holders of options over Raven Mount Shares in the week commencing 6 April 2009.

The Raven Russia Directors accept responsibility for the information contained in this Announcement, except for the information in this Announcement relating to Raven Mount, its subsidiaries and their respective businesses, the Raven Mount Directors and their close relatives and related trusts and other Interested Persons (as defined below) and persons acting in concert with, and associates of, Raven Mount. Subject to the foregoing, to the best of the knowledge and belief of the Raven Russia Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this Announcement for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of that information.

The Raven Mount Directors accept responsibility for the information contained in this Announcement concerning Raven Mount, its subsidiaries and their respective businesses, themselves and their close relatives and related trusts and other Interested Persons (as defined below) and persons acting in concert with, and associates of, Raven Mount. To the best of the knowledge and belief of the Raven Mount Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this Announcement for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of that information.

The directors of the Independent Raven Mount Board Committee each accept responsibility for any opinion attributed to the Independent Raven Mount Board Committee contained in this Announcement, including the unanimous intention to recommend the Offer contained in paragraph 7 of this Announcement.

Numis Securities, which is regulated by the Financial Services Authority, is acting for Raven Russia in connection with the Offer and no-one else and will not be responsible to anyone other than Raven Russia for providing the protections afforded to customers of Numis Securities or for providing advice in relation to the Offer.

Oriel Securities, which is regulated by the Financial Services Authority, is acting for Raven Mount in connection with the Offer and no-one else and will not be responsible to anyone other than Raven Mount for providing the protections afforded to customers of Oriel Securities or for providing advice in relation to the Offer.

The Offer will be subject to the applicable rules and regulations of the Financial Services Authority, the London Stock Exchange and the City Code.

Neither the Guernsey Financial Services Commission nor the States of Guernsey Policy Council takes any responsibility for the financial soundness of Raven Russia or the correctness of any of the statements made or opinions expressed with regard to it.

Raven Russia is registered in Guernsey and authorised by the Guernsey Financial Services Commission under Section 8 of the Protection of Investors (Bailwick of Guernsey) Law 1987.

Disclosure in accordance with Rule 2.10 of the City Code

In accordance with Rule 2.10 of the City Code, Raven Russia confirms that its issued ordinary share capital at the close of business on 16 February 2009 and 30 March 2009 consisted of 512,552,915 Raven Russia Ordinary Shares of one penny each. Raven Russia holds no Raven Russia Ordinary Shares in treasury. Raven Russia (Guernsey) 2 Limited, a subsidiary undertaking of Raven Russia, holds 5 million Raven Russia Ordinary Shares over which it has agreed to waive its voting rights. The International Securities Identification Number for Raven Russia Ordinary Shares is GB00B0D5V538. In addition, Raven Russia has issued on 25 March 2009 76,155,000 Preference Shares and 76,155,000 Warrants. The International Securities Identification Number for the Preference Shares is GG00B55K7B92 and the International Securities Identification Number for Warrants is GG00B55K7758.

In accordance with Rule 2.10 of the City Code, Raven Mount confirms that its issued ordinary share capital as at the close of business on 16 February and 30 March 2009 consisted of 108,670,588 Raven Mount Shares. Raven Mount holds 5,728,729 Raven Mount Shares in treasury. The International Securities Identification Number for Raven Mount Shares is GB00B3CRHN14.

Dealing disclosure requirements

*Under the provisions of Rule 8.3 of the City Code, if any person is, or becomes, “**interested**” (directly or indirectly) in 1% or more of any class of “**relevant securities**” of Raven Russia or Raven Mount, all “**dealings**” in any “**relevant securities**” of Raven Russia or Raven Mount (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 pm (London time) on the London business day following the date of the relevant transaction. This requirement will continue until the date on which the Offer becomes or is declared unconditional as to acceptances, lapses or is otherwise withdrawn or on which the “**offer period**” otherwise ends. 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 Raven Russia or of Raven Mount, 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 City Code, all “**dealings**” in “**relevant securities**” of Raven Russia or of Raven Mount, by Raven Russia or Raven Mount, or by any of their respective “**associates**”, must be disclosed by no later than 12.00 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 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 City Code, which can also be found on the Panel’s website. If you are in any doubt as to whether or not you are required to disclose a “**dealing**” under Rule 8, you should consult the Panel.*

Overseas territories

The distribution of this Announcement in jurisdictions other than England and Wales may be restricted by law and therefore any persons who are subject to the laws of any jurisdiction other than England and Wales should inform themselves about, and observe, any applicable requirements. In particular, no offer will be made, directly or indirectly, in or into, or by use

of the mails of, or by any means or instrumentality (including, without limitation, facsimile transmission, internet, email, telex or telephone) of interstate or foreign commerce of, or any facility of a national state or other securities exchange of a Prohibited Territory and subject to certain exceptions no offer will be capable of acceptance by any such use, means instrumentality or facility from within any Prohibited Territories. Copies of this Announcement and any related offer documentation are not being, will not be, and must not be, mailed or otherwise distributed or sent in or into any Prohibited Territory.

This Announcement is not intended to, and does not, constitute or form any part of 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 nor shall there be any sale, issuance or transfer of the securities referred to in the Announcement in the United States or any jurisdiction in contravention of applicable law.

*The Preference Shares and the Warrants (and the New Preference Shares and the New Warrants) have not been, and will not be, registered under the US Securities Act of 1933, as amended (the "**Securities Act**"), or under the securities laws of any state, district, province or other jurisdiction of the United States, Canada, Australia, the Republic of South Africa or Japan or any other Prohibited Territory. No regulatory clearances in respect of the Preference Shares or the Warrants (or the New Preference Shares or the New Warrants) have been, or will be, applied for in any state, province, territory or jurisdiction other than the United Kingdom. Accordingly, unless an exemption under relevant securities laws is applicable, the Preference Shares and Warrants (and the New Preference Shares and the New Warrants) are not being, and may not be, offered, sold, resold, delivered, distributed or otherwise transferred, directly or indirectly, in or into any Prohibited Territory or to or for the account or benefit of any resident of a Prohibited Territory.*

The availability of an offer to Raven Mount Shareholders who are not resident in, and citizens of, the United Kingdom may be affected by the laws of the relevant jurisdictions in which they are located or of which they are citizens. Such persons should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdictions. Further details in relation to overseas shareholders will be contained in the Offer Document.

This Announcement has been prepared for the purpose of complying with English law and the City Code 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 England and Wales.

Forward-looking statements

*This Announcement may contain "**forward-looking statements**" concerning Raven Russia and Raven Mount. Generally, the words "**anticipate**", "**believe**", "**estimate**", "**expect**", "**forecast**", "**intend**", "**may**", "**plan**", "**project**", "**should**" and similar expressions identify forward-looking statements. Such statements reflect the relevant company's current views with respect to future events and are subject to risks and uncertainties that could cause the actual results to differ materially from those expressed in the forward-looking statements. Many of these risks and uncertainties relate to factors that are beyond the companies' abilities to control or estimate precisely, such as changes in general economic and business conditions, changes in currency exchange rates and interest rates, lack of acceptance of new exchange rates and interest rates, introduction of competing products or services, lack of acceptance of new products or services, changes in business strategy and the behaviour of other market participants and therefore undue reliance should not be placed on such statements. Neither Raven Russia nor Raven Mount intends or assumes any obligation to update these forward-looking statements other than as required by law.*

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31 March 2009

**RECOMMENDED OFFER
by
RAVEN RUSSIA LIMITED
for the entire issued and to be issued share capital of
RAVEN MOUNT GROUP PLC**

1 Introduction

The board of Raven Russia and the Independent Raven Mount Board Committee are pleased to announce that they have reached agreement on the terms of a recommended offer, to be made by Raven Russia, for the entire issued and to be issued ordinary share capital of Raven Mount.

The Independent Raven Mount Board Committee, which has been so advised by Oriel Securities, considers the terms of the Offer to be fair and reasonable. Accordingly, the Independent Raven Mount Board Committee unanimously intends to recommend that Raven Mount Shareholders accept the Offer. In providing its advice to the Independent Raven Mount Board Committee, Oriel Securities has taken into account the commercial assessments of the Independent Raven Mount Board Committee.

2 Summary of the terms of the Offer

Raven Russia is offering to acquire, on the terms and subject to the conditions set out in Appendix 1 of this Announcement, the entire issued and to be issued ordinary share capital of Raven Mount on the following basis:

**for each Raven Mount Share held: 0.525 Units (each Unit comprising
1 Preference Share and 1 Warrant)**

and so in proportion for any Raven Mount Shares held. Fractions of Preference Shares or Warrants will not be issued to Raven Mount Shareholders and any fractional entitlements to Preference Shares or Warrants will be disregarded.

Based on the mid price of the Preference Shares and Warrants as at the close of business on 30 March 2009 (being the last practicable day before the date of this Announcement), the terms of the Offer value each Unit at 104.5 pence and hence each existing Raven Mount Share at 54.9 pence and the entire issued share capital of Raven Mount at £60 million.

The Offer value would represent:

- (i) a premium of 168 per cent. to Raven Mount's closing mid price of 20.5 pence as at the close of business on 16 February 2009, the day before the 2.4 Announcement; and

- (ii) a premium of 34 per cent. to Raven Mount's closing mid price of 41 pence as at the close of business on 30 March 2009, the day before this Announcement.

Details of the trading performance of the Preference Shares and the Warrants between 25 March 2009 (the first day that the Preference Shares and the Warrants were admitted to trading on AIM) and the date of the Offer Document will be included in the Offer Document, which is expected to be posted in the week commencing 6 April 2009.

The maximum number of New Preference Shares to be issued in connection with the Offer will be 58,309,808. Assuming this number of New Preference Shares is issued and that no further Preference Shares are issued in the period between the date of this Announcement and the date on which the Offer is declared or becomes unconditional, the issued preference share capital of Raven Russia will, immediately following that date, comprise 134,464,808 Preference Shares (excluding the 8.1 million Preference Shares to be issued pursuant to paragraph 10 below). The existing issued ordinary share capital of Raven Russia will remain unchanged as a consequence of the Offer other than the issue of Ordinary Shares upon the exercise of any Warrants.

The Raven Mount Shares will be acquired by Raven Russia fully paid and free from all liens, charges, equitable interests, encumbrances, rights of pre-emption and any other interests of any nature whatsoever and together with all rights attaching thereto, including voting rights and the right to receive and retain in full all dividends and other distributions (if any) declared, made or paid on or after the date on which the Offer becomes or is declared unconditional. Under the terms of the Offer, each Raven Mount Shareholder will forego all rights to any future dividend or undeclared dividends or other returns of capital of Raven Mount.

The Offer will extend, subject to the terms and conditions set out in Appendix 1, to any Raven Mount Shares unconditionally allotted or issued on the date the Offer is made and to any further Raven Mount Shares unconditionally allotted or issued while the Offer remains open for acceptance (or such earlier date as Raven Russia may, subject to the City Code, decide).

3 Information on the Raven Russia Group

Raven Russia was incorporated on 4 July 2005 to invest in the Russian real estate market with an initial focus on the Warehouse market in the Moscow and St. Petersburg regions. Raven Russia was admitted to AIM at that time and raised £153 million through a placing of Ordinary Shares, and a further £310 million in April 2006 through a further Ordinary Share placing.

Since the IPO, Raven Russia has acquired investment properties producing a rental income stream through indirectly held subsidiaries, and development property portfolios (through development joint ventures), where it has acted both as joint developer and a partner providing development finance, fully acquiring the asset on completion.

On 26 November 2008, Raven Russia completed the Internalisation of its property advisor, following which the Group was no longer subject to the restrictions of its formal investment strategy.

Raven Russia has also taken pre-emptive action to ensure the security of the business during the current letting phase of the portfolio development by raising £76.2 million (gross) through the Placing.

Raven Russia's strategy is to invest, for the long term, in freehold and leasehold property in Russia, which offers the prospect of attractive returns to its investors. Raven Russia will continue to seek such property opportunities, either for direct investment by entities within Raven Russia or investment with co-investment partners.

Raven Russia's immediate focus is on the completion of its development portfolio, leasing it to high quality tenants as well as taking advantage of property investment opportunities in the CIS, thereby generating an attractive rate of return for its shareholders.

Further details of Raven Russia's current trading is contained in its audited annual results announced on 30 March 2009.

4 Information on Raven Mount

The principal activity of the Raven Mount Group and its subsidiaries is property development in the UK and overseas.

The Raven Mount Group's current developments include mainstream property residential schemes at Lewes, Brackley and Sheffield as well as the development of second homes projects through its joint venture in the Cotswolds, The Lakes and potentially, subject to planning, in Grand Bahama.

The Raven Mount Group intends to complete and realise cash from these schemes. As at 27 March 2009 Raven Mount had net cash balances of £20.3 million and no debt, excluding debt in joint ventures amounting to £7.1 million, of which £2.25 million is guaranteed by Raven Mount. In February 2009, Raven Mount cancelled its debt facility arrangement with the Royal Bank of Scotland.

In addition, the Raven Mount Group currently has shareholdings in Raven Russia and Oriel Securities, which are held as current assets in the balance sheet as it has not been the Raven Mount Group's intention to hold these assets in the long term.

Further details of Raven Mount's current trading is contained in its preliminary audited results announced today.

5 Background to, and reasons for Raven Russia making the Offer and its future intentions

The Raven Russia Group is in a stable position with a portfolio of high quality Warehouse and office buildings and continues to trade in line with the Raven Russia Board's expectations. However, the turmoil in the world's financial markets has hampered the Raven Russia Group's ability to raise further bank debt and has had an effect on the valuation of the Raven Russia Group's completed investment property assets.

This background leads the Raven Russia Board to take a cautious approach which underpins the rationale for the Offer.

Raven Mount Group's cash together with the net proceeds from the Placing which completed on 25 March 2009 will put the Raven Russia Group in a strong financial position. It will provide additional working capital should the letting market deteriorate or properties stand vacant longer than anticipated. It will also provide the Enlarged Group with further resources to take advantage of opportunities in a distressed market.

The 29.0 million Raven Russia Ordinary Shares owned by Raven Mount could be cancelled, which would be enhancing to the NAV per ordinary share of Raven Russia, thereby benefiting Raven Russia's shareholders, or they could also be used by Raven Russia to satisfy awards under its employee incentive plans.

In addition, the Offer for Raven Mount would mean that the interests of Raven Russia's management would be further aligned with its shareholders, as Anton Bilton, currently Executive Deputy Chairman of Raven Russia and Executive Chairman of Raven Mount, and Glyn Hirsch, currently Chief Executive Officer of Raven Russia and a director of Raven Mount, would both devote all of their time to the enlarged Raven Russia business.

If the Offer is successful, Raven Russia intends to continue working with all the stakeholders to ensure that Raven Mount's property portfolio is managed in order to generate an optimal return for Raven Russia as markets permit.

6 **Background to and reasons for the Independent Raven Mount Board Committee's intention to recommend the Offer**

Following the sale in October 2008 of Raven Mount's 75 per cent. interest in Audley Court Limited and the sale in November 2008 of Raven Russia Property Advisors Limited and Raven Russia Property Management Limited to Raven Russia, Raven Mount's current developments include mainstream property residential schemes at Lewes, Brackley and Sheffield as well as the development of second homes projects through its joint venture in the Cotswolds, The Lakes and potentially, subject to planning, in Grand Bahama.

The Independent Raven Mount Board Committee has considered the current business and strategic options of Raven Mount and believes that the consideration under the Offer, the value of which (based on the issue price of £1.00 for each Unit pursuant to the Placing) was at a significant premium of 156 per cent. to the Raven Mount closing mid price of 20.5 pence on 16 February 2009, being the day before the 2.4 Announcement, provides Raven Mount shareholders with an opportunity for:

- regular dividend payments, through the quoted Preference Share element, at a relatively high yield, fairly reflecting the risks associated with such securities, in the current low interest rate environment;
- participation, through the quoted Warrant element, in any future increase in Raven Russia's share price following the injection of funds provided by the Placing and the Offer, and the financial stability and opportunities that are expected to be created as a result; and
- participation generally in a larger, more liquid company with an exciting strategy and growth potential that has announced its intention to move to the Official List this year.

In arriving at its current intention to recommend the Offer, the Independent Raven Mount Board Committee has also considered the likely effect of the implementation of the Offer on the business of Raven Mount, and the employees and locations of business of the Raven Mount Group.

7 **Recommendation**

The Independent Raven Mount Board Committee, which has been so advised by Oriel Securities, considers the terms of the Offer to be fair and reasonable. In providing its advice to the Independent Raven Mount Board Committee, Oriel

Securities has taken into account the commercial assessments of the Independent Raven Mount Board Committee. Accordingly, the Independent Raven Mount Board Committee unanimously intends to recommend that Raven Mount Shareholders accept the Offer.

8 **The Placing**

Raven Russia has raised £76.2 million (gross) pursuant to the Placing. Of this amount, £75 million was raised through the issue of Units to Invesco. The Preference Shares and the Warrants issued pursuant to the Placing were admitted to trading on AIM on 25 March 2009. Details of the trading performance of the Preference Shares and the Warrants between 25 March 2009 and the date of the Offer Document will be included in the Offer Document, which is expected to be posted in the week commencing 6 April 2009.

9 **Irrevocable Undertakings and Letters of Intent**

Raven Russia has received irrevocable undertakings and letters of intent from the directors of Raven Mount and certain other Raven Mount Shareholders to accept the Offer. Such irrevocable undertakings and letters of intent are in respect of the following Raven Mount Shares:

Raven Mount Shareholder (*) indicates letter of intent	Number of Raven Mount Shares	Percentage of existing issued Raven Mount Shares (approx) (%)
Anton Bilton	26,359,007	24.26
Schroder Investment Management Limited*	17,871,445	16.45
Laxey Partners Limited*	12,099,220	11.13
Bimaljit Sandhu	8,015,544	7.38
Bilton Family Discretionary Settlement Trust	2,600,000	2.39
Sandhu Family Discretionary Settlement Trust	2,415,634	2.22
Raven Mount Employee Benefit Trust	2,376,000	2.19
The Organon SIPP re Anton Bilton	1,875,000	1.73
Godfrey Bilton Life Interest Settlement Trust	1,449,415	1.33
The Sandhu Charitable Foundation	1,150,000	1.06
MS Sandhu Life Interest Settlement Trust	726,384	0.67

The Bilton Charitable Foundation	600,000	0.55
Robert Ware	275,000	0.25
Glyn Hirsch	250,000	0.23
James Hyslop	222,000	0.20
Rory Macnamara	217,666	0.20
Mark Kirkland	17,000	0.02

Raven Mount's four largest shareholders, comprising Anton Bilton, Bim Sandhu (who are both directors of Raven Mount), Schroder Investment Management and Laxey Partners, who in aggregate have an interest in 74.0 per cent. of Raven Mount's existing issued ordinary share capital, are also all shareholders in Raven Russia, owning in aggregate 17.8 per cent. of Raven Russia's existing issued ordinary share capital. They are all supportive of the Offer and together Raven Russia has received irrevocable undertakings and letters of intent to accept the Offer in respect of 78.5 million Raven Mount Shares, representing approximately 72.3 per cent. of the existing issued Raven Mount share capital.

The irrevocable undertakings set out above will continue to be binding in the event of a higher competing offer for Raven Mount and will cease to be binding only if the Offer lapses or is withdrawn or the Independent Raven Mount Board Committee fails to recommend the Offer.

10 **Raven Mount 2008 Share Option Plan and Raven Mount 2008 EBT Contribution**

Raven Mount has granted options over 5,590,000 Raven Mount Shares to certain executives under the Raven Mount 2008 Share Option Plan. Subject to the Offer becoming or being declared unconditional in all respects, these executives have agreed to surrender their existing options and enter into arrangements with Raven Mount and Raven Russia such that they will receive the "in the money value" of those options, equal to £1,257,750 (based on the issue price of £1.00 for each Unit pursuant to the Placing), in the form of nil-cost options over 1,257,750 Units which will be issued to the Employee Benefit Trust of Raven Mount Limited (the "EBT") on the Offer becoming or being declared unconditional.

The Independent Raven Mount Board Committee, which has been so advised by Oriel Securities, considers the terms of these proposals for the Raven Mount 2008 Share Option Plan to be fair and reasonable. In providing advice to the Independent Raven Mount Board Committee, Oriel Securities has taken into account the commercial assessments of the Independent Raven Mount Board Committee.

On 28 January 2009 and in line with the policy outlined in Raven Mount's AIM admission document dated 31 October 2008, the Remuneration Committee of Raven Mount approved the payment of a contribution for the year ended 31 December 2008 with a value of £8.1 million to the EBT, the beneficiaries of which include the executive directors of Raven Mount, being Anton Bilton, Bim Sandhu, Glyn Hirsch and Mark Kirkland. This contribution has been accrued in Raven Mount's 2008 year end balance sheet and is payable whether or not the Offer becomes or is declared unconditional. Raven Mount and Raven Russia have agreed that, should the Offer become or be declared wholly unconditional, the liability to pay the contribution to the EBT will remain with Raven Mount until immediately after such time, at which

point it will be discharged without amendment by Raven Russia through the issue to the EBT of the same consideration and on the same terms as under the Offer, namely by the issue of 8.1 million Units. The trustee of the EBT will then consider allocating the contribution in accordance with the terms of the EBT trust deed.

The Independent Raven Mount Board Committee, which has been so advised by Oriel Securities, considers the terms of the settlement of the Raven Mount 2008 EBT Contribution to be fair and reasonable. In providing advice to the Independent Raven Mount Board Committee, Oriel Securities has taken into account the commercial assessments of the Independent Raven Mount Board Committee.

The Raven Mount 2008 EBT Contribution is also deemed to be a related party transaction under Rule 13 of the AIM Rules for Companies. The non-executive directors of Raven Mount consider, having consulted with Raven Mount's nominated adviser, Shore Capital and Corporate Limited, that the terms of the Raven Mount 2008 EBT Contribution are fair and reasonable insofar as Raven Mount Shareholders are concerned.

11 The New Preference Shares and New Warrants

Dividends will be payable on the Preference Shares quarterly in arrears at the rate of 12 per cent. Each Warrant will entitle the holder to subscribe for one Raven Russia Ordinary Share at the price of 25 pence at any time on or before 25 March 2019. Further summarised terms of the Preference Shares and Warrants are set out in Appendix 4 to this Announcement.

The New Preference Shares will be issued credited as fully paid, and on identical terms to and will rank *pari passu* with, the Preference Shares in issue at the time the New Preference Shares are issued pursuant to the Offer. All dividends and other distributions declared, made or paid on the Preference Shares, including New Preference Shares, shall accrue from the date of issue of such preference shares.

The Preference Shares and Warrants have been created under the Law.

The ISIN codes for the Preference Shares and Warrants are GG00B55K7B92 and GG00B55K7758 respectively.

12 Related Party Transaction

The Offer comprises a related party transaction under Rule 13 of the AIM Rules for Companies as a consequence of Anton Bilton being a substantial shareholder in Raven Mount. With exception of Anton Bilton and Glyn Hirsch (for the reasons set out below), the directors of Raven Russia consider, having consulted with Numis, its nominated adviser, that the terms of the Offer are fair and reasonable insofar as the Ordinary Shareholders are concerned. Neither Anton Bilton nor Glyn Hirsch have taken part in the board deliberations of Raven Russia in respect of the Offer in light of their position as directors of Raven Mount and Anton Bilton's position as a substantial shareholder in Raven Mount.

13 Raven Mount Management and Employees

Raven Russia intends that the existing employment rights, including pension rights, of the executive directors, management and employees of the Raven Mount Group will be fully safeguarded.

14 **Interests in relevant Raven Mount securities**

Raven Russia and persons acting in concert with Raven Russia (including, without limitation, the directors of Raven Russia together with their close relatives and related trusts and other Interested Persons) are interested in, or have a right to subscribe for, the following relevant Raven Mount securities:

Registered holder	Nature of interest or right	Number of Raven Mount Shares
David Christopher Moore	beneficial owner of Raven Mount Shares	105,354
Colin Andrew Smith ¹	beneficial owner of Raven Mount Shares	844
Anton John Godfrey Bilton	legal and beneficial owner of Raven Mount Shares	26,359,007
Glyn Vincent Hirsch	legal and beneficial owner of Raven Mount Shares	250,000
The Organon SIPP re Anton Bilton ²	legal owner of Raven Mount Shares	1,875,000
Godfrey Bilton Life Interest Settlement Trust ³	legal owner of Raven Mount Shares	1,449,415
Bilton Family Discretionary Settlement Trust ⁴	legal owner of Raven Mount Shares	2,600,000
The Bilton Charitable Foundation ⁵	legal owner of Raven Mount Shares	600,000
Tenon (IOM) Limited ⁶	legal owner of Raven Mount Shares	2,376,000

1. These shares are held by the Lorier Retirement Annuity Trust Scheme, of which Colin Smith is a trustee and beneficiary.

2. The Organon SIPP re Anton Bilton is a Self Invested Personal Pension of which Anton Bilton is a trustee and beneficiary.

3. The Godfrey Bilton Life Interest Settlement Trust of 1st Floor, 21 Knightsbridge, London SW1X 7LY, was formed on 17 June 2002. Its trustees are Anton Bilton and Martin Davies and its beneficiaries are the Life Tenant (being Anton Bilton's children) and their children and remoter issue (grandchildren, great grandchildren and so on).

4. The Bilton Family Discretionary Settlement Trust of 1st Floor, 21 Knightsbridge, London SW1X 7LY was formed on 17 October 2007. Its trustees are Anton Bilton and Martin Davies and its intended beneficiaries are Anton Bilton's children, remoter issue, father, siblings, charitable organisations and anyone whom the trustees shall add to the beneficiary class. Anton Bilton and his wife are excluded from benefiting from the trust.

5. The Bilton Charitable Foundation, of 1st Floor, 21 Knightsbridge, London SW1X 7LY, was formed on 26 March 2007. Its trustees are Anton Bilton, Martin Davies and Lisa Bilton and its beneficiaries are as nominated at the discretion of the trustees.

6. Tenon (IOM) Limited is the trustee of the Raven Mount Employee Benefit Trust. Anton Bilton and Glyn Hirsch are interested in those shares in their capacity as potential beneficiaries under the Raven Mount Employee Benefit Trust.

In addition, Anton Bilton and Glyn Hirsch have each been granted 1,550,000 options over Raven Mount Shares pursuant to the Raven Mount 2008 Share Option Plan.

Other than as set out above, neither Raven Russia nor any person acting in concert with Raven Russia (including, without limitation, the directors of Raven Russia together with their close relatives and related trusts and other Interested Persons) have any interest in or right to subscribe for or any short position in any relevant Raven Mount securities or have borrowed or lent (save for any borrowed shares which have been on-lent or sold) any relevant Raven Mount securities.

There are no arrangements of the kind referred to in Note 6(b) on Rule 8 of the City Code existing with Raven Russia, or any associate of Raven Russia, or with Raven Mount or any associate of Raven Mount in relation to any relevant securities.

15 **Compulsory Acquisition, De-Listing and Re-Registration**

If Raven Russia receives acceptances under the Offer in respect of, and/or otherwise acquires, 90 per cent. or more in nominal value of the Raven Mount Shares to which the Offer relates and of the voting rights carried by those Raven Mount Shares and assuming that all of the other conditions of the Offer have been satisfied or waived (if capable of being waived), Raven Russia intends to exercise its rights in accordance with sections 974 to 991 of the Companies Act 2006 to acquire compulsorily the remaining Raven Mount Shares to which the Offer relates on the same terms as the Offer.

Following the Offer becoming or being declared unconditional in all respects and subject to any applicable requirements of the AIM Rules for Companies, Raven Russia intends to procure that Raven Mount applies to the London Stock Exchange for the delisting and the cancellation of trading in Raven Mount Shares on AIM and the Raven Mount Directors have agreed to instruct Raven Mount's nominated adviser to assist and expedite the making of any such application accordingly. It is anticipated that such delisting and the cancellation will take effect no earlier than 20 Business Days after the Offer becomes or is declared unconditional in all respects (provided that Raven Russia has acquired, or agreed to acquire, existing issued share capital carrying 75 per cent. of the voting rights of Raven Mount). Delisting and the cancellation of trading of Raven Mount Shares will significantly reduce the liquidity and marketability of any Raven Mount Shares not acquired by Raven Russia.

It is also intended that, following the Offer becoming or being declared unconditional in all respects and after the delisting and the cancellation of the admission to trading of the Raven Mount Shares on AIM, Raven Mount will be re-registered as a private limited company under the provisions of sections 979 to 982 of the Companies Act 2006.

16 **General**

The formal Offer Document setting details of the Offer will be despatched to Raven Mount Shareholders by Raven Russia as soon as practicable, within 28 days of the date of this Announcement, unless otherwise agreed with the Panel. Currently, it is expected that the Offer Document will be posted to Raven Mount Shareholders in the week commencing 6 April 2009.

The Offer will be governed by English law and will be subject to the exclusive jurisdiction of the English courts. The Offer will be subject to the applicable requirements of the City Code, the London Stock Exchange and other legal or regulatory requirements. The Offer will comply with the provisions of the City Code.

The Offer will be subject to the conditions and certain further terms set out in Appendix 1. The bases and sources of certain financial information contained in this Announcement are set out in Appendix 2. Certain terms used in this Announcement are defined in Appendix 3. Appendix 4 contains a summary of the terms of the Preference Shares and the Warrants.

This Announcement can be found on Raven Russia's website: <http://www.ravenrussia.com/> and Raven Mount's website: <http://www.theravengroup.co.uk>

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This Announcement is not intended to be, and does not constitute, or form any part of, an offer to sell or the solicitation of an offer to subscribe for or buy any securities, nor shall there be any sale, issue or transfer of the securities referred to in this Announcement in or into any jurisdiction in contravention of any applicable law. The Offer will be made solely by means of the Offer Document and, in the case of certificated Raven Mount Shares, the Form of Acceptance accompanying the Offer Document.

Any acceptance or other response to the Offer should be made only on the basis of information contained in or referred to in the Offer Document which Raven Russia expects to despatch to Raven Mount Shareholders and, for information only, to holders of options over Raven Mount Shares in the week commencing 6 April 2009.

The Raven Russia Directors accept responsibility for the information contained in this Announcement, except for the information in this Announcement relating to Raven Mount, its subsidiaries and their respective businesses, the Raven Mount Directors and their close relatives and related trusts and other Interested Persons (as defined below) and persons acting in concert with, and associates of, Raven Mount. Subject to the foregoing, to the best of the knowledge and belief of the Raven Russia Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this Announcement for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of that information.

The Raven Mount Directors accept responsibility for the information contained in this Announcement concerning Raven Mount, its subsidiaries and their respective businesses, themselves and their close relatives and related trusts and other Interested Persons (as defined below) and persons acting in concert with, and associates of, Raven Mount. To the best of the knowledge and belief of the Raven Mount Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this Announcement for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of that information.

The directors of the Independent Raven Mount Board Committee each accept responsibility for any opinion attributed to the Independent Raven Mount Board Committee contained in this Announcement, including the unanimous intention to recommend the Offer contained in paragraph 7 of this Announcement.

Numis Securities, which is regulated by the Financial Services Authority, is acting for Raven Russia in connection with the Offer and no-one else and will not be responsible to anyone other than Raven Russia for providing the protections afforded to customers of Numis Securities or for providing advice in relation to the Offer.

Oriel Securities, which is regulated by the Financial Services Authority, is acting for Raven Mount in connection with the Offer and no-one else and will not be responsible to anyone other than Raven Mount for providing the protections afforded to customers of Oriel Securities or for providing advice in relation to the Offer.

The Offer will be subject to the applicable rules and regulations of the Financial Services Authority, the London Stock Exchange and the City Code.

Neither the Guernsey Financial Services Commission nor the States of Guernsey Policy Council takes any responsibility for the financial soundness of Raven Russia or the correctness of any of the statements made or opinions expressed with regard to it.

Raven Russia is registered in Guernsey and authorised by the Guernsey Financial Services Commission under Section 8 of the Protection of Investors (Bailwick of Guernsey) Law 1987.

Disclosure in accordance with Rule 2.10 of the City Code

In accordance with Rule 2.10 of the City Code, Raven Russia confirms that its issued ordinary share capital at the close of business on 16 February 2009 and 30 March 2009 consisted of 512,552,915 Raven Russia Ordinary Shares of one penny each. Raven Russia holds no Raven Russia Ordinary Shares in treasury. Raven Russia (Guernsey) 2 Limited, a subsidiary undertaking of Raven Russia, holds 5 million Raven Russia Ordinary Shares over which it has agreed to waive its voting rights. The International Securities Identification Number for Raven Russia Ordinary Shares is GB00B0D5V538. In addition, Raven Russia has issued on the 30 March 2009 76,155,000 Preference Shares and 76,155,000 Warrants. The International Securities Identification Number for the Preference Shares is GG00B55K7B92 and the International Securities Identification Number for Warrants is GG00B55K7758.

In accordance with Rule 2.10 of the City Code, Raven Mount confirms that its issued ordinary share capital as at the close of business on 16 February 2009 and 30 March 2009 consists of 108,670,588 Raven Mount Shares. Raven Mount holds 5,728,729 Raven Mount Shares in treasury. The International Securities Identification Number for Raven Mount Shares is GB00B3CRHN14.

Dealing disclosure requirements

*Under the provisions of Rule 8.3 of the City Code, if any person is, or becomes, “**interested**” (directly or indirectly) in 1% or more of any class of “**relevant securities**” of Raven Russia or of Raven Mount, all “**dealings**” in any “**relevant securities**” of Raven Russia or Raven Mount (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 pm (London time) on the London business day following the date of the relevant transaction. This requirement will continue until the date on which the Offer becomes or is declared unconditional as to acceptances, lapses or is otherwise withdrawn or on which the “**offer period**” otherwise ends. 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 Raven Russia or of Raven Mount, 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 City Code, all “**dealings**” in “**relevant securities**” of Raven Russia or of Raven Mount, by Raven Russia or Raven Mount, or by any of their respective “**associates**”, must be disclosed by no later than 12.00 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 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 City Code, which can also be found on the Panel’s website. If you are in any doubt as to whether or not you are required to disclose a “**dealing**” under Rule 8, you should consult the Panel.*

Overseas territories

The distribution of this Announcement in jurisdictions other than England and Wales may be restricted by law and therefore any persons who are subject to the laws of any jurisdiction other than England and Wales should inform themselves about, and observe, any applicable requirements. In particular, no offer will be made, directly or indirectly, in or into, or by use

of the mails of, or by any means or instrumentality (including, without limitation, facsimile transmission, internet, email, telex or telephone) of interstate or foreign commerce of, or any facility of a national state or other securities exchange of a Prohibited Territory and subject to certain exceptions no offer will be capable of acceptance by any such use, means instrumentality or facility from within any Prohibited Territories. Copies of this Announcement and any related offer documentation are not being, will not be, and must not be, mailed or otherwise distributed or sent in or into any Prohibited Territory.

This Announcement is not intended to, and does not, constitute or form any part of 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 nor shall there be any sale, issuance or transfer of the securities referred to in this Announcement in the United States or any jurisdiction in contravention of applicable law.

*The Preference Shares and the Warrants (and the New Preference Shares and the New Warrants) have not been, and will not be, registered under the US Securities Act of 1933, as amended (the "**Securities Act**"), or under the securities laws of any state, district, province or other jurisdiction of the United States, Canada, Australia, the Republic of South Africa or Japan or any other Prohibited Territory. No regulatory clearances in respect of the Preference Shares or Warrants (or the New Preference Shares or the New Warrants) have been, or will be, applied for in any state, province, territory or jurisdiction other than the United Kingdom. Accordingly, unless an exemption under relevant securities laws is applicable, the Preference Shares and Warrants (and the New Preference Shares and the New Warrants) are not being, and may not be, offered, sold, resold, delivered, distributed or otherwise transferred, directly or indirectly, in or into any Prohibited Territory or to or for the account or benefit of any resident of a Prohibited Territory.*

The availability of an offer to Raven Mount Shareholders who are not resident in, and citizens of, the United Kingdom may be affected by the laws of the relevant jurisdictions in which they are located or of which they are citizens. Such persons should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdictions. Further details in relation to overseas shareholders will be contained in the Offer Document.

This Announcement has been prepared for the purpose of complying with English law and the City Code 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 England.

Forward-looking statements

*This Announcement may contain "**forward-looking statements**" concerning Raven Russia and Raven Mount. Generally, the words "**anticipate**", "**believe**", "**estimate**", "**expect**", "**forecast**", "**intend**", "**may**", "**plan**", "**project**", "**should**" and similar expressions identify forward-looking statements. Such statements reflect the relevant company's current views with respect to future events and are subject to risks and uncertainties that could cause the actual results to differ materially from those expressed in the forward-looking statements. Many of these risks and uncertainties relate to factors that are beyond the companies' abilities to control or estimate precisely, such as changes in general economic and business conditions, changes in currency exchange rates and interest rates, lack of acceptance of new exchange rates and interest rates, introduction of competing products or services, lack of acceptance of new products or services, changes in business strategy and the behaviour of other market participants and therefore undue reliance should not be placed on such statements. Neither Raven Russia nor Raven Mount intends or assumes any obligation to update these forward-looking statements other than as required by law.*

Appendix 1

CONDITIONS AND CERTAIN FURTHER TERMS OF THE OFFER

Conditions of the Offer

Except where the context otherwise requires, references in this Appendix to:

- (a) the **"Offer"** include any revision or extension of it; and
- (b) the Offer **"becoming unconditional"** include references to the Offer being declared unconditional, and are to be construed as references to the Offer becoming unconditional as to acceptances whether or not any other condition of the Offer remains to be fulfilled.

1 The Offer will be subject to the following conditions.

1.1 Valid acceptances being received (and not, where permitted, withdrawn) by no later than 1.00 p.m. on the first closing date of the Offer (or such later time(s) and/or date(s) as Raven Russia may (with the consent of the Panel or in accordance with the City Code) decide) in respect of not less than 90% (or such lesser percentage as Raven Russia may decide) in nominal value of the Raven Mount Shares to which the Offer relates AND not less than 90% (or such lesser percentage as Raven Russia may decide) of the voting rights carried by the Raven Mount Shares to which the Offer relates, provided that this condition will not be satisfied unless Raven Russia and/or its subsidiaries shall have acquired or agreed to acquire, whether pursuant to the Offer or otherwise, Raven Mount Shares carrying in aggregate more than 50% of the voting rights then normally exercisable at general meetings of Raven Mount (including for this purpose to the extent, if any, required by the Panel any votes attributable to Raven Mount Shares which are unconditionally allotted or issued fully paid (or credited as fully paid) before the Offer becomes unconditional, whether pursuant to the exercise of conversion or subscription rights or otherwise).

For the purpose of this condition:

- (a) the expression **"Raven Mount Shares to which the Offer relates"** shall be construed in accordance with sections 974-991 of the Companies Act 2006; and
- (b) Raven Mount Shares which have been unconditionally allotted but not issued shall be deemed to carry the votes which they will carry upon issue.

1.2 The London Stock Exchange agreeing to admit the New Preference Shares and the New Warrants to trading on AIM and (unless the Panel agrees otherwise) such admission becoming effective in accordance with the Guidance to Rule 2.1 of the London Stock Exchange's Admission and Disclosure Standards and the AIM Rules for Companies.

1.3 It being established in terms satisfactory to Raven Russia that the proposed acquisition of Raven Mount by Raven Russia, or any matters arising from it, will not be referred to the Competition Commission under the Enterprise Act 2002 and/or that it is not the intention of the European Commission, pursuant to Council

Regulation (EC) 139/2004, either to initiate proceedings under article 6(1)(c) or to make a referral to a competent authority of the United Kingdom under article 9(1).

1.4 No government or governmental, quasi-governmental, supranational, statutory or regulatory body, court, trade agency, professional association or any other person or body in any jurisdiction ("**Authorities**") having instituted or threatened any action, proceedings, suit, enquiry or investigation or made, proposed or enacted after the date of this Announcement any statute, regulation or order that would or might:

- (a) make the Offer or the acquisition or proposed acquisition of any Raven Mount Shares illegal or otherwise restrain, prohibit, restrict or interfere in or delay implementation of, or impose additional conditions or obligations with respect to, or otherwise challenge the proposed acquisition of Raven Mount or any Raven Mount Shares by Raven Russia;
- (b) require or prevent the divestiture by Raven Russia or any of its subsidiaries or any of its associated companies (together the "**wider Raven Russia Group**") or by Raven Mount or any of its subsidiaries or any associated person (together the "**wider Raven Mount Group**") of all or any part of their respective businesses, assets or property or impose any limitation on the ability of any of them to conduct their respective businesses or own their respective assets or property;
- (c) impose any limitation on the ability of a member of the Raven Russia Group to acquire or hold or effectively to exercise all rights of ownership of Raven Mount Shares or on the ability of a member of the Raven Mount Group or of the Raven Russia Group to hold or effectively to exercise all or any rights of ownership of shares in a member of the wider Raven Mount Group or to exercise management control over a member of the wider Raven Mount Group; or
- (d) otherwise adversely affect the business, profits or prospects of a member of the wider Raven Mount Group or of the wider Raven Russia Group, and

all applicable waiting periods during which any such Authority could institute, implement or threaten any such action, proceedings, suit, enquiry or investigation having expired or been terminated. For this purpose an "**associate**" means a corporation of which not less than 20% of the equity share capital is held, directly or indirectly, by the relevant Group and a partnership or joint venture in which a member of the relevant Group is interested, directly or indirectly.

1.5 There being no provision of any arrangement, agreement, licence or other instrument to which a member of the wider Raven Mount Group is a party, or by or to which any of those members or any of their assets may be bound or be subject, which could, in consequence of the proposed acquisition of any of the Raven Mount Shares by Raven Russia or otherwise, result in:

- (a) monies borrowed by or other indebtedness of any such member being or becoming repayable or capable of being declared repayable prior to their stated maturity or the ability of any such member to incur indebtedness being withdrawn or inhibited;
- (b) any arrangement, agreement, licence, or other instrument being terminated or adversely modified or adverse action being taken or an onerous obligation arising under it;

- (c) the interests or business of any member of the wider Raven Mount Group in or with another firm, venture, company, body or asset (or any arrangements relating to that business or interests) being terminated, modified or affected;
- (d) any member of the wider Raven Mount Group ceasing to be able to carry on business under a name under which it presently does so;
- (e) the creation of a mortgage, charge, security or other interest over the whole or any part of the business, property or assets of any member of the wider Raven Mount Group or any such security (whenever arising or having arisen) becoming enforceable; or
- (f) the disposal of assets or creation of liabilities by any member of the wider Raven Mount Group (other than in the ordinary course of business).

1.6 All necessary filings having been made, all appropriate waiting periods under any applicable legislation or regulation of any territory having expired or been terminated, all necessary statutory and regulatory obligations in connection with the Offer in any jurisdiction having been complied with and all authorisations, orders, grants, recognitions, confirmations, clearances, consents, permissions and approvals necessary for or appropriate to the proposed acquisition in any jurisdiction being obtained in terms and in form satisfactory to Raven Russia from all appropriate Authorities or persons with whom any member of the wider Raven Mount Group has entered into contractual arrangements, and those authorisations, orders, grants, recognitions, confirmations, clearances, consents, permissions and approvals remaining in full force and effect and no notice of an intention to revoke or not to renew them having been received.

1.7 Other than as disclosed in Raven Mount's audited preliminary results for the financial year ending 31 December 2008 announced on the date of this Announcement, publicly announced through a Regulatory Information Service or otherwise fairly disclosed in writing to Raven Russia after 26 January 2009 but prior to the date of this Announcement, by or on behalf of any member of the Raven Mount Group:

- (a) save for options granted, and for the issue of shares on the exercise of options granted prior to 31 December 2008 under the Raven Mount 2008 Share Option Plan and/or the Trust, Raven Mount has not issued or authorised or proposed the issue of additional shares of any class or securities convertible into, or rights, warrants or options to acquire, any shares or other securities or redeemed, purchased or reduced any part of its share capital;
- (b) Raven Mount has not declared, paid or made or proposed to declare, pay or make a dividend, bonus or other distribution (whether payable in cash or otherwise) in respect of any shares in Raven Mount;
- (c) Raven Mount has not authorised or proposed or made an announcement of an intention to propose a merger or demerger or acquisition or change in its share or loan capital or, save in the ordinary course of business, a disposal of assets, creation of a mortgage or encumbrance over assets (or any right, title or interest in any assets) or issue of debentures;
- (d) Raven Mount has not otherwise than in the ordinary course of business incurred or increased any indebtedness or contingent liability which is material in the context of the Raven Mount Group taken as a whole, or

entered into a material contract, arrangement, reconstruction or amalgamation;

- (e) Raven Mount has not purchased, redeemed or announced a proposal to purchase or redeem any of its own shares or other securities;
- (f) Raven Mount has not proposed a voluntary winding-up;
- (g) Raven Mount has not 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;
- (h) Raven Mount has not waived or compromised a claim which is material in the context of the relevant member of the Raven Mount Group;
- (i) Raven Mount has not disposed or transferred, mortgaged or encumbered assets or any right, title or interest in an asset or entered into a contract or commitment (whether in respect of capital expenditure or otherwise) which is of a long-term or unusual nature or which involves or could involve an obligation of a nature or magnitude which is material in the context of the Raven Mount Group taken as a whole;
- (j) Raven Mount has not entered into or varied the terms of a service or consultancy agreement with or in respect of the services of any of the directors of Raven Mount; or
- (k) Raven Mount has not entered into an agreement or commitment or passed a resolution with respect to a transaction or event referred to in this paragraph (other than those specifically excluded).

1.8 Other than as disclosed in Raven Mount's audited preliminary results for the financial year ending 31 December 2008 announced on the date of this Announcement, publicly announced through a Regulatory Information Service or otherwise fairly disclosed in writing to Raven Russia after 26 January 2009 but prior to the date of this Announcement, by or on behalf of any member of the Raven Mount Group:

- (a) there having been no receiver or administrative receiver or administrator appointed over a material part of the assets of any member of the wider Raven Mount Group or analogous proceedings or steps having taken place under the laws of any relevant jurisdiction and there having been no petition presented for the administration of any member of the wider Raven Mount Group or any equivalent proceedings or steps taken under the laws of any relevant jurisdiction;
- (b) there having been no material adverse change in the financial or trading position or prospects of a member of the wider Raven Mount Group;
- (c) no material litigation, arbitration proceedings, prosecution or other legal proceedings having been instituted or threatened or remaining outstanding against or by a member of the wider Raven Mount Group (whether as plaintiff or defendant or otherwise); and
- (d) no contingent liability having arisen which might be likely materially and adversely to affect a member of the wider Raven Mount Group.

1.9 Other than as disclosed in Raven Mount's audited preliminary results for the financial year ending 31 December 2008 announced on the date of this Announcement, publicly announced through a Regulatory Information Service or otherwise fairly disclosed in writing to Raven Russia after 26 January 2009 but prior to the date of this Announcement, by or on behalf of any member of the Raven Mount Group:

- (a) that the financial or business information concerning the wider Raven Mount Group as contained in the information publicly disclosed at any time by a member of the wider Raven Mount Group either contains a material misrepresentation of fact or omits a fact necessary to make the information contained in it not materially misleading or that any contingent liability disclosed in that information would or might materially and adversely affect directly or indirectly the business, profits or prospects of a member of the wider Raven Mount Group;
- (b) that a partnership or company in which a member of the wider Raven Mount Group has a significant economic interest and which is not a subsidiary of Raven Mount is subject to a material liability, contingent or otherwise, which is not disclosed in the annual report and accounts of Raven Mount for the financial year ended 31 December 2008;
- (c) that a past or present member of the wider Raven Mount Group has not complied with all applicable legislation or regulations of any jurisdiction with regard to the disposal, spillage or leakage of waste or disposal or emission of hazardous substances and that this non-compliance would be likely to give rise to a material liability (whether actual or contingent) on the part of a member of the wider Raven Mount Group;
- (d) that there has been a disposal, spillage or leakage of waste or hazardous substances on, or there has been an emission of waste or hazardous substances from, a property now or previously owned, occupied or made use of by a past or present member of the wider Raven Mount Group which would be likely to give rise to any material liability (whether actual or contingent) on the part of any member of the wider Raven Mount Group;
- (e) that there is a material liability (whether actual or contingent) to make good, repair, reinstate or clean-up any property now or previously owned, occupied or made use of by a past or present member of the wider Raven Mount Group under any environmental legislation, regulation or order of any Authority;
- (f) that circumstances exist (whether as a result of the making of the Offer or otherwise) which would be likely to lead to any Authority instituting, or as a result of which a member of the wider Raven Russia Group or a present or past member of the wider Raven Mount Group would be likely to be required to institute, an environmental audit or to take other steps which would in any such case be likely to result in an actual or contingent material liability to make good, repair, reinstate, or clean up property now or previously owned, occupied or made use of by a member of the wider Raven Mount Group; or
- (g) that circumstances exist as a result of which a person or class of persons would be likely to have a claim in respect of a product or process of manufacture or materials used in them now or previously manufactured, sold or carried out by a past or present member of the wider Raven Mount

Group which would be likely materially and adversely to affect a member of the wider Raven Mount Group,

and for the purposes of this paragraph 1.9 a person shall be deemed to own or have owned property if it has or had (as the case may be) any interest in it.

- 2 Raven Russia reserves the right to waive, in whole or in part, all or any of paragraphs 1.3 to paragraph 1.9 inclusive. Paragraphs 1.2 to paragraph 1.9 inclusive must be satisfied as at, or waived on or before, the 21st day after the later of the first closing date and the date on which paragraph 1.1 is fulfilled (or in each such case such later date as the Panel may agree). Raven Russia shall, however, be under no obligation to waive or treat as fulfilled any of paragraphs 1.2 to paragraph 1.9 inclusive that has not been fulfilled by a date earlier than the latest date specified above for its satisfaction notwithstanding that the other conditions of the Offer may at such earlier date have been fulfilled and that there are at such earlier date no circumstances indicating that any of such conditions may not be capable of fulfilment.
- 3 If Raven Russia is required by the Panel to make an offer or offers for Raven Mount Shares under the provisions of Rule 9 of the City Code, Raven Russia may make such alterations to the conditions as are necessary to comply with the provisions of that rule.
- 4 The Offer will lapse if, before 1.00 p.m. on the first closing date of the Offer or the date when the Offer becomes or is declared unconditional as to acceptances, whichever is the later, the acquisition by Raven Russia of Raven Mount is either referred to the Competition Commission or results in the European Commission, pursuant to Council Regulation (EC) 139/2004, initiating proceedings under article 6(1)(c) or making a referral to a competent authority of the United Kingdom under article 9(1).

Certain further terms of the Offer

- 5 The Offer will comply with the City Code and will be governed by and construed in accordance with English law. The English courts will have exclusive jurisdiction for determining any matter which may arise under or in connection with any such contract.
- 6 The Raven Mount Shares will be acquired by Raven Russia fully paid and free from all liens, charges, equitable interests, encumbrances, rights of pre-emption and any other interests of any nature whatsoever and together with all rights attaching thereto, including voting rights and the right to receive and retain in full all dividends and other distributions (if any) declared, made or paid on or after the date on which the Offer becomes or is declared unconditional. On accepting the Offer, each Raven Mount Shareholder foregoes all rights to any future dividend or undeclared dividends or other returns of capital of Raven Mount.

Under Rule 13.4 of the City Code, an offeror should not invoke any condition or pre-condition of an offer so as to cause an offer not to proceed, to lapse or to be withdrawn unless the circumstances which give rise to the right to invoke the condition or pre-condition are of material significance to the offeror in the context of that offer. The acceptance condition is not subject to Rule 13.4.

Appendix 2

SOURCES OF INFORMATION AND BASES OF CALCULATIONS

Unless otherwise stated, all share prices are derived from the Daily Official List and represent the closing mid price on the relevant date.

Unless otherwise stated, the financial information relating to Raven Mount has been extracted or derived, without material adjustment, from Raven Mount's preliminary audited accounts for the year ended 31 December 2008.

Unless otherwise stated, the financial information relating to Raven Russia has been extracted or derived, without material adjustment, from Raven Russia's audited accounts and the audited and consolidated financial statements for the year ended 31 December 2008.

Appendix 3

DEFINITIONS

The following definitions apply throughout this Announcement unless the context requires otherwise:

“£” and “p”	respectively pounds and pence sterling, the lawful currency of the United Kingdom
“2.4 Announcement”	the announcement issued by Raven Russia and Raven Mount on 17 February 2009 in relation to the possible offer to be made by Raven Russia to acquire the entire issued and to be issued share capital of Raven Mount
“Announcement”	this announcement issued by Raven Russia and Raven Mount on 31 March 2009 in relation to the Offer
“2006 Act”	the Companies Act 2006 (as amended)
“Act”	the Companies Act 1985 (as amended)
“AIM Rules for Companies”	the AIM Rules for Companies published by the London Stock Exchange from time to time
“AIM”	the AIM market operated by the London Stock Exchange
“Associates”	has the meaning given to it in section 988(1) of the Companies Act 2006
“Business Day” or “business day”	a day (other than a Saturday or a Sunday) in which clearing banks in the City of London are generally open for business
“certificated” or “in certificated form”	in certificated form (that is, not CREST)
“CIS”	Commonwealth of Independent States
“City Code”	the City Code on Takeovers and Mergers issued by the Panel on Takeovers and Mergers in the United Kingdom and, from time to time, any successor or replacement body thereof
“CREST”	the computerised settlement system operated by Euroclear which facilitates the transfer of title to shares in uncertificated form
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001/3755), as amended
“Daily Official List”	the daily official list of the London Stock Exchange
“Enlarged Group”	the Raven Russia Group as enlarged following completion of the Offer

“Form of Acceptance”	the form of acceptance and authority for use in connection with the Offer
“Independent Raven Mount Board Committee”	the directors of Raven Mount with the exception of Anton Bilton and Glyn Hirsch (both of whom are also directors of Raven Russia)
“Interested Persons”	in relation to a director, his spouse or civil partner and any child or step-child of his under the age of 18 years and other persons (including, without limit, bodies corporate) whose interests that director is taken or treated as having by virtue of the application of Part 22 of the 2006 Act
“Internalisation”	the acquisition by Raven Russia of the entire issued share capital of Raven Russia Property Advisors Limited and Raven Russia Property Management Limited pursuant to a framework agreement which completed on 26 November 2008
“Invesco”	Invesco Asset Management Limited
“Law”	the Companies (Guernsey) Law, 2008 as amended
“London Stock Exchange”	London Stock Exchange plc
“NAV”	net asset value
“New Preference Shares”	the new Preference Shares to be allotted and issued to Raven Mount Shareholders pursuant to the Offer
“New Warrants”	the new Warrants to be allotted and issued to Raven Mount Shareholders pursuant to the Offer
“Numis Securities”	Numis Securities Limited
“Offer”	the recommended offer by Raven Russia to acquire the entire issued and to be issued share capital of Raven Mount on the terms and subject to the conditions set out in the Offer Document and, where the context so requires, any subsequent revision, variation, extension or renewal thereof
“Offer Document”	the document to be sent to Raven Mount Shareholders containing the terms and conditions of the Offer
“Ordinary Shareholder”	a holder of Ordinary Shares
“Ordinary Shares”	ordinary shares of £0.01 each in the capital of Raven Russia
“Oriental Securities”	Oriental Securities Limited
“Panel”	the Panel on Takeovers and Mergers
“Placing Agreement”	the agreement dated 17 February 2009 between Raven Russia, Numis and Singer relating to the Placing, details of which will be set out in the Prospectus Equivalent Document

“Placing Price”	£1.00 per Unit
“Placing”	the conditional placing by Numis and Singer, on behalf of the Raven Russia, of up to 125 million Units at the Placing Price pursuant to the terms and conditions of the Placing Agreement which was completed on 25 March 2009
“Preference Shares”	the cumulative redeemable preference shares of £0.01 each in the capital of Raven Russia
“Prohibited Territories” or “Prohibited Territory”	Australia, Japan, the Republic of South Africa and their respective territories and possessions and any other jurisdiction where local laws or regulations may result in a significant risk of civil, regulatory or criminal exposure for Raven Russian or Raven Mount if information or documents concerning the Offer were to be sent or made available to Raven Mount Shareholders in that jurisdiction
“Prospectus Equivalent Document”	the equivalent information document to be published by Raven Russia and to be sent to Raven Mount Shareholders with the Offer Document
“Raven Mount”	Raven Mount Group plc
“Raven Mount 2008 EBT Contribution”	the contribution with a value of £8.1 million payable by Raven Mount to the Employee Benefit Trust of Raven Mount Limited
“Raven Mount Directors”	the directors of Raven Mount
“Raven Mount Group”	Raven Mount and its subsidiaries and subsidiary undertakings
“Raven Mount Shareholders”	holders of Raven Mount Shares
“Raven Mount Shares”	the ordinary shares of £0.001 each in the capital of Raven Mount
“Raven Russia”	Raven Russia Limited
“Raven Russia Directors”	the directors of Raven Russia
“Raven Russia Group”	Raven Russia and its subsidiaries and subsidiary undertakings
“Regulatory Information Service”	Regulatory Information Service operated by the London Stock Exchange
“Share Option Plan”	the Raven Russia 2008 Unapproved Employee Share Option Plan
“Shares”	Ordinary Shares and Preference Shares
“Singer”	Singer Capital Markets Limited
“Statutes”	the Law and every other statute, statutory instrument, regulation or order for the time being in force concerning companies whether registered under the Law or not

“subsidiary undertaking”	as defined in section 1162 of the 2006 Act
“subsidiary”	as defined in section 1159 of the 2006 Act
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland
“uncertificated” or “in uncertificated form”	recorded in the register as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST
“Units”	the units, each consisting of one Preference Share and one Warrant
“US dollar” or “\$”	US dollars, the lawful currency of the United States
“US”, “USA” or “United States”	the United States of America, its territories and possessions, any state of the US and the District of Columbia and all other areas subject to its jurisdiction
“VAT”	value added tax
“Warehouse(s)”	the entire spectrum of both newly-built and existing warehouse buildings, including, but not limited to, high bay logistics buildings, cold storage, industrial and manufacturing factories, light assembly, storage depots, retail warehouses, leisure boxes, multiplexes, supermarkets, exhibition centres, refineries and multi-storey warehouse buildings, any of which may have an office content
“Warrant”	a warrant to subscribe for 1 Ordinary Share in Raven Russia at 25 pence per Ordinary Share

Appendix 4
Terms of the Preference Shares and the Warrants

SECTION A: PREFERENCE SHARES

Fixed Amount £1 per Preference Share.

Preference Dividends Cumulative preferential dividends will accrue from day to day on the Preference Shares at a rate of 12 per cent. per annum on the Fixed Amount (being £1) from (and including) the date of issue and will be payable quarterly in equal instalments in arrears on 31 March, 30 June, 30 September and 31 December in each year, save that in respect of any Preference Shares issued on or before 31 March 2009 the first payment of the Preference Dividend will be made on 30 June 2009 in respect of the period from the date of issue of such Preference Shares to (but excluding) 30 June 2009 and shall be calculated on a pro rata basis.

The holders of the Preference Shares shall rank for dividends in priority to the holders of any other class of shares of Raven Russia (save for any Further Preference Shares (as defined below)). The holders of the Preference Shares shall not be entitled to participate in any further dividends or bonus share issue of the Raven Russia.

If all or any part of the Preference Dividend is in arrears, interest shall accrue on such unpaid sum at the rate of 15 per cent. per annum from the date upon which such arrears arise until the date of payment. In the event that the arrears of the Preference Dividend shall remain unpaid for six months then the interest rate at which interest will accrue on such arrears will from such time increase to the rate of 20 per cent. per annum.

If there are any arrears of the Preference Dividend outstanding Raven Russia may not pay any distribution (as defined in section 301 of the Law but excluding for these purposes distributions falling within sections 302(1)(a), (d) and (e) of the Law) in respect of the Ordinary Shares or any other shares ranking for distribution after the Preferences Shares or Further Preference Shares.

Scrip Preference Dividend Subject to the provisions of the Statutes, the board shall offer all holders of Preference Shares the right to elect to receive the Preference Dividend or any part thereof as a scrip dividend of Preference Shares instead of in cash.

Redemption The Preference Shares only have the right to be redeemed in the following circumstances:

- subject to the Statutes, on completion of a takeover bid or merger transaction to which the City Code applies (or would have applied if such bid or transactions was proposed, made or

effected as the date of the adoption of the Articles (being 25 March 2009)), however effected (but which for the avoidance of doubt will not include a subscription for or purchase of new shares or securities in Raven Russia) including by means of an amalgamation under Part VI of the Laws or an arrangement under Part VIII of the Law, as a result of which any person or persons acting in concert (as defined in the City Code) holds shares carrying in aggregate 50 per cent. or more of the voting rights (as defined in the City Code) of Raven Russia; or

- subject to the Statutes, if Raven Russia has served a Rights Cessation Notice (as defined below) on holders of Preference Shares where, at such time, there are fewer than 35,000,000 Preference Shares in issue.

In these circumstances, a holder of Preference Shares can elect to redeem all (but not part) of his holding.

The amount to be paid on such redemption per Preference Share will be an amount equal to the aggregate of (i) the Fixed Amount (being £1); and (ii) a sum equal to all arrears and accruals of the Preference Dividend thereon to be calculated down to and including the day of redemption (together with any accrued interest) and to be payable irrespective of whether or not such dividend has been declared or earned or become due and payable.

The Preference Dividend shall cease to accrue on any Preference Shares so redeemed with effect from such redemption.

If Raven Russia fails to redeem any Preference Shares on the date fixed for such redemption, interest shall accrue on unpaid redemption monies at the rate of 15 per cent. per annum from the date upon which such redemption monies were required to be paid until the date of payment. In the event that the relevant unpaid redemption monies have been unpaid for 6 months from the date fixed for redemption then the interest rate at which interest will accrue on such unpaid redemption monies will increase from such time to the rate of 20 per cent. per annum.

Save as set out above, neither Raven Russia nor the holders of Preference Shares shall have a right to redeem the Preference Shares.

Capital

On a return of capital on a winding up or pursuant to an administration order (other than a redemption or purchase by Raven Russia of any of its share capital) the holders of Preference Shares shall be entitled, in priority to other shareholders (save for the rights relating to Further Preference Shares (as defined below)), to be paid out of the assets of Raven Russia available for distribution to members

an amount in respect of each Preference Share equal to the aggregate of the Fixed Amount (being £1) together with a sum equal to any arrears and accruals of the Preference Dividend in respect of such Preference Share (and any accrued interest), whether earned or declared or not, calculated down to the date of commencement of the winding up.

The holders of the Preference Shares shall not have any further right to participate in the assets of Raven Russia on any such return of capital.

Voting Rights

The holders of the Preference Shares shall have the right to receive notice of and to attend any general meeting of Raven Russia and to attend, speak and vote at a general meeting of Raven Russia:

- if, and when at the date of the notice convening such meeting, the Preference Dividend is in arrears (and for this purpose, the Preferred Dividend shall be deemed to be payable quarterly on the dates set out above); or
- if a resolution is to be proposed abrogating, varying or modifying any of the rights or privileges of the holders of the Preference Shares or for the winding up of Raven Russia pursuant to Part XXII of the Law, in which case they shall only be entitled to vote on such resolution.

Save as set out herein, the Preference Shares shall not confer on the holders thereof the right to speak or vote at any general meeting of Raven Russia.

Whenever the holders of Preference Shares are entitled to vote at a general meeting of Raven Russia upon any resolution proposed at such general meeting, on a show of hands every holder thereof who is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy shall have one vote and on a poll every holder thereof who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy shall have one vote in respect of each Preference Share registered in the name of such holder.

The holders of the Preference Shares shall have the right to have sent to them (at the same time as the same are sent to the holders of the Ordinary Shares) a copy of Raven Russia's annual report and accounts and (if available) Raven Russia's six monthly interim unaudited financial statements and such other Company information that is sent to the holders of Ordinary Shares.

Variation of Rights

For as long as any Preference Shares remain in issue, the issue or allotment of or the creation or increase of the amount of any shares of any class or any security

convertible into shares of any class ranking, as regards rights to participate in Raven Russia's profits or assets, in priority to the Preference Shares shall be deemed to constitute a variation of the class rights attaching to the Preference Shares.

Raven Russia may from time to time without the consent of the holders of the outstanding Preference Shares create and issue further preference shares (including but not limited to Preference Shares) ("**Further Preference Shares**") ranking as regards their participation in the profits and assets of Raven Russia *pari passu* with but not in priority to Preference Shares and so that any such Further Preference Shares may either carry as regards participation in the profits and assets of Raven Russia, rights and restrictions identical in all respects with the Preference Shares or with any other series of Further Preference Shares or rights and restrictions differing therefrom in any respect including but without prejudice to the generality of the foregoing in that: (i) the rate of dividend may differ; (ii) the Further Preference Shares may rank for dividends from such date as may be provided by the terms of issue thereof and the dates for payment of the dividend may differ; (iii) a premium may be payable on a return of capital or there may be no such premium; or (iv) the Further Preference Shares may be redeemable and/or convertible into Ordinary Shares on such terms and conditions as may be prescribed by the terms of issue thereof.

In the event that Raven Russia creates and issues Further Preference Shares (except where the Further Preference Shares being created and/or issued are Preference Shares), then unless authorised by the consent in writing of the holders of three-fourths in number of the Preference Shares then in issue (excluding any Preference Shares held as treasury shares) or with the sanction of a special resolution passed at a separate general meeting of the holders of the Preference Shares, Raven Russia shall not create or issue such Further Preference Shares unless:

- the board has made an offer to each person who holds Preference Shares to allot to him on the same or more favourable terms such proportion of those Further Preference Shares that is as nearly as practicable (fractions being disregarded) equal to the proportion in number held by him of the aggregate Preference Shares then in issue; and
- the period, which shall not be less than 21 clear days, during which any offer referred to above may be accepted, has expired or Raven Russia has received notice of the acceptance or refusal of every offer made.

Until the Rights Cessation Date (as defined below), then save with such consent or sanction on the part of the holders of the Preference Shares as is required for a

variation of the rights attached to such shares as set out in Article 15 of the Articles:

- Raven Russia shall not make a distribution (as defined in section 301 of the Law but excluding for these purposes distributions falling within sections 302(1)(a), (d) and (e) of the Law) in respect of Ordinary Shares or any other shares ranking for distribution after the Preference Shares or Further Preference Shares (a “**Qualifying Distribution**”) which, either itself, or when taken together with the aggregate amount of Qualifying Distributions in the previous 12 month period, would exceed 10 per cent. of the consolidated net asset value of Raven Russia at the point in time Raven Russia proposes to make the relevant Qualifying Distribution; and
- there shall not take place:
 - (a) a conversion of Raven Russia under Part V of the Law;
 - (b) a migration of Raven Russia under Part VII of the Law; or
 - (c) a voluntary striking off of Raven Russia under Part XX of the Law.

If at any time there are fewer than 35,000,000 Preference Shares in issue, Raven Russia may (but shall not be obliged to) serve a notice on the holders of Preference Shares (a “**Rights Cessation Notice**”) providing that the provisions set out above in respect of distributions and other corporate events shall cease to apply from the date specified in the Rights Cessation Notice provided that such date can be no earlier than a date which is 30 days after the date of the Rights Cessation Notice (such date being referred to as the “**Rights Cessation Date**”).

Form	The Preference Shares will be issued in either certificated form or uncertificated form in CREST.
Purchase of Preference Shares	Raven Russia has the power in its articles of incorporation to buyback the Preference Shares.
Yield	12 per cent. per annum, payable quarterly.
Listing	On AIM, a market operated by London Stock Exchange plc.

SECTION B: WARRANTS

Exercise Amount	25 pence.
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Expiry Date	25 March 2019.
Transfer	Freely transferable.
Exercise of Warrants	Save as provided below, the Warrantholder of each Warrant will have the right, which may be exercised on any day prior to the Expiry Date, to subscribe in cash for all or part of the relevant number of Ordinary Shares (as appropriate) in consideration of the payment of the Exercise Amount in full per Warrant.

Warrants will be deemed to be exercised on the business day upon which the registrar shall have received the relevant documentation and remittance, in accordance with the instructions set out in the Warrant Instrument. Subject to value having been received by Raven Russia in respect of the relevant remittance, Raven Russia shall allot the Ordinary Shares to be issued pursuant to the exercise of subscription rights attaching to any Warrant and enter the allottee of such Ordinary Shares in Raven Russia's register of members not later than 14 days after the date on which such Warrants are exercised.

Every Warrant in respect of which subscription rights:

- have been exercised in full; or
- on the Expiry Date have not been exercised (whether in whole or in part),

shall lapse and be cancelled.

Ordinary Shares allotted pursuant to the exercise of Warrants in accordance with the terms of the Warrant Instrument shall be issued fully-paid and free from any liens, charges or encumbrances and rights of pre-emption but shall not rank for any dividends or other distributions declared, made or paid on the Ordinary Shares for which the record date is prior to the relevant day on which the Warrants are exercised but, subject thereto, shall rank in full for all dividends and other distributions declared, made or paid on the Ordinary Shares on or after the relevant day on which the Warrants are exercised and otherwise *pari passu* in all respects with the Ordinary Shares in issue at that date.

At any time when the Ordinary Shares are admitted to trading on AIM or to the Official List of the London Stock Exchange, application will be made by Raven Russia to the London Stock Exchange for the Ordinary Shares allotted pursuant to any exercise of Warrants to be admitted to trading on AIM or to the Official List (as the case may be) and Raven Russia will use its reasonable endeavours to obtain such admission not later than 14 days after the date of allotment of the relevant Ordinary Shares pursuant to the exercise of the Warrants in accordance with the terms of the Warrant Instrument.

Undertakings of Raven Russia

Save as provided below and, unless otherwise authorised by an Extraordinary Resolution (as defined below), whilst any Warrant remains exercisable:

- Raven Russia shall not in any way modify the rights attached to its existing Ordinary Shares as a class in any way which operates to vary the rights of the Warrantheolders in relation to the Warrants (but nothing shall restrict the right of Raven Russia to increase, consolidate, sub-divide or reduce its share capital subject to any adjustments to the subscription rights as may be required by the Warrant Instrument). For the purposes of this sub-paragraph, the creation or issue of preference shares (whether convertible, redeemable and/or cumulative) carrying rights to dividends, capital conversion or otherwise as the directors of Raven Russia shall think fit, shall not be deemed to modify the rights attaching to the Ordinary Shares;
- Raven Russia shall at all times maintain sufficient authorised but unissued share capital and all requisite shareholders or other authorities necessary to enable the issue of Ordinary Shares (free from any rights of pre-emption) pursuant to the exercise of all the Warrants outstanding from time to time;
- Warrantheolders will have made available to them, at the same time and in the same manner as the same are made available to holders of Ordinary Shares, copies of the audited accounts of Raven Russia (with the relevant directors' and auditor's reports) and copies of all other circulars or notices which are made available to holders of Ordinary Shares; and
- in the event that Raven Russia is proposing to make a dividend (as defined in section 302 of the Law) to the holders of the Ordinary Shares (a "**Qualifying Dividend**") of an amount which is not consistent with the stated dividend policy of Raven Russia, Raven Russia will notify Warrantheolders of such proposed Qualifying Dividend at least 60 days prior to the scheduled record date for such Qualifying Dividend.

Adjustment of Subscription Rights

While any Warrants remain exercisable:

- after any allotment of fully paid Ordinary Shares by way of capitalisation of profits or reserves to holders of the Ordinary Shares on the register of members of Raven Russia on a date (or by reference to a record date) other than pursuant to a scrip dividend; or

- upon any sub-division or consolidation of the Ordinary Shares,

the number and/or nominal value of Ordinary Shares to be subscribed on a subsequent exercise of each Warrant will be increased or (as the case may be) reduced proportionately on the basis that immediately after the allotment, sub-division or consolidation, the Ordinary Shares to be issued if the subscription rights attaching to the then outstanding Warrants were exercised shall constitute the same percentage of the total number of issued Ordinary Shares as that which such Ordinary Shares would have constituted immediately before such allotment, sub-division or consolidation and the Exercise Amount of the then outstanding Warrants shall be adjusted accordingly.

While any Warrants remain exercisable, in the event that Raven Russia pays a Qualifying Dividend which exceeds 10 per cent. of the consolidated net asset value of Raven Russia on the date of payment of the Qualifying Dividend, the Exercise Amount shall be adjusted in such manner as the auditors of Raven Russia certify as fair and reasonable to take into account such Qualifying Dividend. Such adjustment shall become effective on the date which the auditors of Raven Russia make their certification. For the purposes of this paragraph, the consolidated net asset value of Raven Russia on the date of payment of a Qualifying Dividend shall be determined by reference to the latest published audited accounts or (if such accounts have been published since the publication of Raven Russia's last audited accounts) the latest published interim half yearly unaudited accounts of Raven Russia.

General Offers

Save as set out below, if at any time:

- an offer is made to all holders of equity share capital of Raven Russia (as defined in the articles of incorporation of Raven Russia) (or all such holders other than the offeror and/or any company controlled by the offeror and/or any person acting in concert with the offeror (as such expression is defined in the latest edition of the City Code)) to acquire the whole or any part of such equity share capital of Raven Russia; and
- Raven Russia becomes aware that, as a result of such an offer, the right to cast a majority of votes which may ordinarily be cast on a poll at a general meeting of Raven Russia has or will become vested in the offeror and/or such persons or companies as aforesaid,

Raven Russia shall forthwith give notice to the Warrantholders of such vesting within 14 days of its becoming so aware (the "**General Offer**").

For the avoidance of doubt, the summoning of a meeting by the court in connection with an arrangement under Part VIII of the Law or the preparation of an amalgamation proposal under Part VI of the Law in either case providing for the acquisition by any person of the whole or any part of such equity share capital of Raven Russia shall be deemed to be the making of a General Offer.

Where a General Offer is made and:

- the offeror and/or any company controlled by the offeror and/or any person acting in concert with the offeror shall have made an offer to Warranholders or to all Warranholders other than the offeror and/or any company controlled by the offeror and/or any person acting in concert with the offeror to acquire all of the outstanding Warrants; or
- the offeror and/or any company controlled by the offeror and/or any person acting in concert with the offeror shall have proposed an arrangement or amalgamation ("**scheme**") with regard to the acquisition of all the outstanding Warrants,

and in either case the value of the consideration (on such basis as the auditors of Raven Russia may determine, acting as experts, and shall have confirmed in writing to the Warranholders no less than 21 days (or, if that is not possible, such period as is possible) prior to the expiry of such offer or the date on which such scheme becomes effective) receivable by a Warranholder pursuant to such offer or scheme represents no less than that which he would have received pursuant to the offer made or scheme proposed to holders of Ordinary Shares had his subscription rights been exercised on the date upon which such offer became wholly unconditional or such scheme became effective (after deduction of the costs of subscription) then any Warrants which are not the subject of an acceptance of the offer to Warranholders or are not effectively transferred or cancelled pursuant to such scheme shall lapse upon the expiry of that offer or (provided such scheme becomes effective) upon the date upon which that scheme is sanctioned by the court in the case of an arrangement or in the case of an amalgamation is recorded on the register of companies in Guernsey.

If on a date (or by reference to a record date) while any Warrants remain outstanding:

- an offer or invitation is made by Raven Russia (whether by way of rights or otherwise (including but not limited to an open offer) but not being an All Share Offer (as defined below)) to all the holders of Ordinary Shares; or

- any offer or invitation (not being a General Offer) is made to all the holders of Ordinary Shares otherwise than by Raven Russia,

then Raven Russia shall procure (but in the case of any offer or invitation (not being a General Offer) made to all the holders of Ordinary Shares otherwise than by Raven Russia, only in so far as it is able) that at the same time the same offer or invitation is made to the Warrantheolders as if their respective Warrants had been exercised and the Warrantheolders entered in the register of members accordingly on the day immediately preceding the record date of such offer or invitation then applicable. Provided that, if the directors of Raven Russia so resolve, in the case of any such offer or invitation made by Raven Russia, Raven Russia shall not be required to procure that the same offer or invitation is made to the Warrantheolders but that the Exercise Amount and/or the subscription rights shall be adjusted in such manner as the auditors of Raven Russia shall certify to be fair and reasonable to take account of such offer or invitation by Raven Russia.

If a General Offer is made whereunder the consideration consists solely of the issue of ordinary shares of the offeror and the offeror makes available an offer of warrants to subscribe for ordinary shares of the offeror in exchange for Warrants which the auditors of Raven Russia consider in their opinion is fair and reasonable (having regard to the terms of the offer and any other circumstances which may appear to the auditors to be relevant) (an "**All Share Offer**") then any director of Raven Russia shall be authorised as attorney for each and any of the Warrantheolders:

- to execute a transfer thereof in favour of the offeror in consideration of the issue of a warrant to subscribe for ordinary shares of the offeror as aforesaid whereupon the relevant Warrants shall lapse; and
- to do such acts and things as may be reasonably necessary or appropriate in connection therewith,

subject, in each case, to such offer becoming or being declared wholly unconditional and the offeror being in a position to compulsorily acquire the whole of the then issued ordinary share capital of Raven Russia in accordance with the Law or in the case of such an offer implemented by a scheme, the date upon which that scheme is sanctioned by the court in the case of an arrangement (provided that such scheme becomes effective) or in the case of an amalgamation is recorded in the register of companies in Guernsey.

If, on a date while any Warrants remain outstanding, any order is made or an effective resolution is passed for winding

up Raven Russia, except for the purpose of reconstruction or amalgamation (including but not limited to pursuant to an amalgamation under Part VI of the Law or an arrangement under Part VIII of the Law) on terms sanctioned by an Extraordinary Resolution of the Warranholders, and on such winding up (on the assumptions that all Warrants had been exercised in full and the Exercise Amount payable in connection therewith had been received in full by Raven Russia) there would be a surplus available for distribution amongst the holders of the Ordinary Shares which would exceed, in respect of each Ordinary Shares, a sum equal to the Exercise Amount each Warranholder shall be treated as if, immediately before the date of such order or resolution, his Warrants had been exercised in full at the Exercise Amount and such Warranholders shall accordingly be entitled to receive out the assets available in the liquidation *pari passu* with the holders of the Ordinary Shares an amount equal to the sum to which he would have become entitled by virtue of such subscription after deducting a sum per Ordinary Share equal to the Exercise Amount. Subject to the forgoing all Warrants shall lapse on the liquidation of Raven Russia.

Purchase and Cancellation Raven Russia may at any time purchase Warrants:

- by tender (available to all Warranholders alike) at any price; or
- on or through the market; or
- by private treaty at any price.

All Warrants so purchased shall be cancelled forthwith and may not be reissued or sold.

Meetings of Warranholders

Meetings of Warranholders may be convened in accordance with the provisions of the Warrant Instrument and shall be competent to pass Extraordinary Resolutions and to exercise all the powers as referred to therein. Without prejudice to the generality of the foregoing the Warranholders, by way of Extraordinary Resolution, shall have power to:

- sanction any compromise or arrangement proposed to be made between Raven Russia and the Warranholders or any of them;
- sanction any proposal by Raven Russia for modification, abrogation, variation or compromise of, or arrangement in respect of the rights of the Warranholders against Raven Russia whether such rights shall arise under the Warrant Instrument or otherwise;
- sanction any proposal by Raven Russia for the exchange or substitution for the Warrants of, or the conversion of the Warrants into, shares, stock, bonds, debentures, debenture stock, warrants or

other obligations or securities of Raven Russia or any other body corporate formed or to be formed;

- assent to any modification of the conditions to which the Warrants are subject and/or the provisions contained in the Warrant Instrument which shall be proposed by Raven Russia;
- authorise any person to concur in and execute and do all such documents, acts and things as may be necessary to carry out and give effect to any Extraordinary Resolution;
- discharge or exonerate any person from any liability in respect of any act or omission for which such person may have become responsible under the Warrant Instrument; and
- give any authority, direction or sanction which under the provisions of the Warrant Instrument is required to be given by Extraordinary Resolution.

Convening of Meetings

Raven Russia may at any time and shall on receipt of a request in writing of persons holding not less than one-tenth of the outstanding Warrants (upon receiving such indemnity (if any) as it may require against all reasonable costs, expenses and liabilities which it may incur by so doing) convene a meeting of the Warranholders. Such meeting shall be held at such place within the United Kingdom as Raven Russia shall determine.

At least 14 days' notice in writing of every meeting shall be given to the Warranholders.

The notice shall specify the place, day and hour of the meeting and the general nature of the business to be transacted, but, except in the case where an Extraordinary Resolution is to be proposed, it shall not be necessary to specify in the notice the terms of the resolutions to be proposed. The notice shall state that a Warranholder is entitled to appoint a proxy to attend and, on a poll, to vote instead of him.

The accidental omission to give notice to or the non-receipt of notice by any of the Warranholders shall not invalidate the proceedings at any meeting.

Quorum

At any meeting at least two persons being present in person or by proxy shall form a quorum for the transaction of any business.

No business (other than the election of a chairman) shall be transacted at any meeting unless the requisite quorum is

present at the commencement of business.

Absence of Quorum

If within half an hour from the time appointed for the meeting (or such longer interval as the chairman of the meeting may think fit to allow) a quorum is not present, the meeting, if convened upon the requisition of Warranholders, shall be dissolved. In any other case it shall stand adjourned to such day and time not being less than seven days nor more than 28 days thereafter and to such place as may be appointed by the chairman and at such adjourned meeting the Warranholders present and entitled to vote shall be a quorum for the transaction of business including the passing of Extraordinary Resolutions.

At least seven days' notice of any adjourned meeting of Warranholders at which an Extraordinary Resolution is to be submitted shall be given in the same manner, mutatis mutandis, as for an original meeting and such notice shall state that the Warranholders present at the adjourned meeting whatever their number will form a quorum.

Resolutions

At any meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by the chairman or by one or more Warranholders present in person or by proxy and holding or representing one-twentieth of the then outstanding Warrants.

Unless a poll is demanded a declaration by the chairman that a resolution has been carried or carried by any particular majority or lost or not carried by any particular majority shall be conclusive evidence of that fact.

Poll

If a poll is duly demanded it shall be taken in such manner and at such time and place as the chairman may direct (save that a poll demanded on the election of a chairman or on any question of adjournment shall be taken at the meeting without adjournment) and the result of a poll shall be deemed to be the resolution of the meeting at which the poll is demanded.

The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded. The demand for a poll may be withdrawn.

No notice need be given of a poll not taken immediately.

Voting

On a show of hands every Warrantholder who is present in person or, being a corporation, by its authorised representative or proxy shall have one vote. On a poll every Warrantholder who is present in person or by proxy shall have one vote for every Warrant of which he is the holder.

In the case of joint holders of Warrants the vote of the senior who tenders a vote whether in person or by proxy shall be accepted to the exclusion of the vote of the other joint holders and for this purpose seniority shall be determined by the order in which the names stand in the Register.

On a poll votes may be given either personally or by proxy and a Warrantholder entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.

No objection shall be raised to the qualification of any person voting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting shall be valid. Any objection made in due time shall be referred to the chairman whose decision shall be final and conclusive.

In the case of an equality of votes whether on a show of hands or on a poll the chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a casting vote in addition to the votes (if any) to which he may be entitled as a Warrantholder.

Extraordinary Resolution

The expression "Extraordinary Resolution" means a resolution passed at a meeting of the Warrantholders duly convened and held in accordance with the provisions contained within the Warrant Instrument and carried by a majority consisting of not less than three-fourths of the persons voting thereat upon a show of hands or, if a poll is duly demanded, by a majority consisting of not less than three-fourths of the votes given on such poll.

A resolution in writing signed by Warrantholders entitled to subscribe for not less than 75 per cent. of the Ordinary Shares which are the subject of outstanding Warrants pursuant to the Warrant Instrument in accordance with the provisions contained therein shall for all purposes be valid and effectual as an Extraordinary Resolution passed at a meeting duly convened and held in accordance with the provisions therein contained. Such resolution in writing may be contained in one document or in several documents in like form each signed by one or more of the Warrantholders. In the case of a body corporate the resolution may be signed on its behalf by a director or the secretary thereof or by its duly authorised representative or duly appointed attorney.

An Extraordinary Resolution passed at a meeting of the

Warrantheolders duly convened and held in accordance with the Warrant Instrument shall be binding upon all Warrantheolders whether or not present at the meeting and each of the Warrantheolders shall be bound to give effect thereto accordingly.

Modifications to the Warrant Instrument

Any modification to the Warrant Instrument may be effected only by an instrument in writing, executed by Raven Russia and expressed to be supplemental to the Warrant Instrument and, save in the case of a modification which is of a formal, minor or technical nature or made to correct a manifest error, only if it shall first have been sanctioned by an Extraordinary Resolution.

Availability of the Warrant Instrument

Every Warrantheolder shall be entitled to inspect a copy of the Warrant Instrument at the registered office of Raven Russia during normal business hours (Saturdays, Sundays and public holidays in the United Kingdom and Guernsey excepted), and shall be entitled to receive a copy of the Warrant Instrument against payment of such charges as the directors of Raven Russia may impose in their absolute discretion.

Listing

On AIM, a market operated by London Stock Exchange plc.