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This document does not contain an offer of transferable securities to the public within the meaning of section 102B of FSMA and does not require a prospectus within the meaning of section 85 of FSMA and is not a prospectus as defined in the AIM Rules. The Company and the Directors and the Proposed Director of the Company accept individual and collective responsibility for the information contained in this document and for the Company's compliance with the AIM Rules. To the best of the knowledge and belief of the Company and the Directors and the Proposed Director of the Company (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

Application will be made for the Placing Shares to be admitted to trading on AIM. AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the UK Listing Authority. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. London Stock Exchange plc has not itself examined or approved the contents of this document.

If you have sold or otherwise transferred all of your existing Ordinary Shares, please immediately forward this document, together with the accompanying Form of Proxy, to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. If you have sold only part of your holding of existing Ordinary Shares, please contact your stockbroker, bank or other agent through whom the sale or transfer was effected immediately for advice as to how to proceed.

The rules of AIM are less demanding than those of the Official List of the UK Listing Authority. Prospective investors should read the whole text of this document and should be aware that investment in the Company is speculative and involves a degree of risk.

BIONEX INVESTMENTS PLC

(Incorporated in England and Wales under the Companies Act 1985 with registered number 03995223)

Approval of Investing Strategy

Placing of 413,750,000 new Ordinary Shares of 1p
each at a price of 2p per share

Notice of Extraordinary General Meeting

Nominated Adviser and Broker
W.H. Ireland Limited

Share capital immediately following Admission

<i>Authorised</i>			<i>Issued and fully paid</i>	
<i>Amount</i>	<i>Number</i>		<i>Amount</i>	<i>Number</i>
£20,000,000	2,000,000,000	Ordinary Shares of 1p each	£5,916,756.34	591,675,634

W.H. Ireland Limited ("W.H. Ireland"), which is authorised and regulated in the United Kingdom by the Financial Services Authority, is the Company's nominated adviser and broker for the purposes of the AIM Rules. The responsibilities of W.H. Ireland as the Company's nominated adviser and broker respectively under the AIM Rules are owed solely to the London Stock Exchange and are not owed to the Company or to any Director or Proposed Director of the Company or to any other person. W.H. Ireland has not authorised the contents of any part of this document for the purpose of Section 21 of FSMA and (without limiting the statutory rights of any person to whom this document is issued) no liability whatsoever is accepted by W.H. Ireland for the accuracy of any information or opinions contained in this document or for the omission of any material information from this document for which the Company and the Directors and the Proposed Director of the Company are solely responsible.

W.H. Ireland is acting exclusively for the Company and no one else in connection with the Placing. W.H. Ireland will not regard any other person as its customer or be responsible to any other person for providing the protections afforded to customers of W.H. Ireland nor for providing advice in relation to transactions and arrangements detailed in this document. W.H. Ireland is not making any representation or warranty, express or implied, as to the contents of this document (without limiting the statutory rights of any person to whom this document is issued).

Notice of an Extraordinary General Meeting of the Company to be held at the offices of Stringer Saul LLP, First Floor, 17 Hanover Square, London W1S 1HU at 11.00 a.m. on 9 October 2006 is set out at the end of this document. A Form of Proxy to be used in connection with the Extraordinary General Meeting accompanies this document and should be completed by shareholders and returned in accordance with the instructions printed thereon as soon as possible and in any event no later than 11.00 a.m. on 7 October 2006.

The Ordinary Shares have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, or with any securities regulatory authority of any state or other jurisdiction of the United States or under the applicable securities laws of Australia, Canada, Japan, the Republic of South Africa or the Republic of Ireland. Subject to certain exceptions, the Ordinary Shares may not be offered or sold, directly or indirectly, in or into the United States, Australia, Canada, Japan, the Republic of South Africa or the Republic of Ireland or to or for the account or benefit of any national, resident or citizen of Australia, Canada, Japan the Republic of South Africa or the Republic of Ireland or any person located in the United States. This document does not constitute an offer, or the solicitation of an offer to subscribe or buy Ordinary Shares to any person in any jurisdiction to whom it is unlawful to make such an offer or solicitation.

Copies of this document will be available free of charge during normal business hours on any weekday (except Saturdays and public holidays) at the offices of W.H. Ireland at 5th floor, 24 Martin Lane, London EC4R 0DR from the date of this document and for a period of one month from Admission.

DEFINITIONS AND GLOSSARY OF TERMS

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

“Act”	the Companies Act 1985 as amended;
“Admission”	the admission of the Placing Shares to trading on AIM becoming effective in accordance with the AIM Rules;
“AIM”	the AIM market operated by the London Stock Exchange;
“AIM Rules”	the rules of the London Stock Exchange governing admission to and the operation of companies whose shares are admitted to AIM;
“Board” or “Directors”	the directors of the Company;
“Company” or “Bionex”	Bionex Investments Plc;
“CREST”	the computerised settlement system to facilitate the transfer of title to or interests in securities in uncertificated form, operated by CRESTCo Limited;
“EGM” or “Extraordinary General Meeting”	the extraordinary general meeting of the Company convened for 11.00 a.m. on 9 October 2006, notice of which is set out at the end of this document, or any adjournment thereof;
“Enlarged Issued Share Capital”	the issued share capital of the Company at Admission;
“Form of Proxy”	the form of proxy for use by Shareholders in connection with the Extraordinary General Meeting;
“FSA”	the Financial Services Authority;
“FSMA”	the Financial Services and Markets Act 2000, as amended from time to time;
“Investing Strategy”	the Company’s investing strategy as set out in Part I of this document;
“IPO”	initial public offering;
“London Stock Exchange”	London Stock Exchange plc;
“Ordinary Shares”	the ordinary shares of 1p nominal value each in the capital of the Company;
“Placing”	the conditional placing of the Placing Shares pursuant to the Placing Agreement;
“Placing Agreement”	the placing agreement dated 14 September 2006 between (i) the Company, (ii) the Directors and the Proposed Director and (iii) W.H. Ireland, further details of which are set out in Part I of this document;
“Placees”	those persons who agree to subscribe for the Placing Shares pursuant to the Placing;
“Placing Price”	2p per Placing Share;
“Placing Shares”	413,750,000 new Ordinary Shares to be issued pursuant to the Placing Agreement;
“Proposed Director”	Mr John Nigel Major McLean;

“Resolutions”	the resolutions set out in notice of the EGM attached in Part II of this document;
“Shareholder”	a holder of existing Ordinary Shares;
“W.H. Ireland”	W.H. Ireland Limited, the nominated adviser and broker to the Company;
“UK”	the United Kingdom of Great Britain and Northern Ireland;
“UKLA”	United Kingdom Listing Authority, being the FSA acting in its capacity as the competent authority for the purposes of Part VI of the Financial Services and Markets Act 2000;
“VAT”	value added tax.

PLACING STATISTICS

Number of existing Ordinary Shares	177,925,634
Placing Price	2p
Number of Placing Shares	413,750,000
Gross proceeds of the Placing	£8.275 million
Estimated net proceeds of the Placing receivable by the Company	£8.125 million
Placing Shares as a percentage of the Enlarged Issued Share Capital	69.93 per cent.
Market capitalisation of the Company on Admission at the Placing Price	£11.833 million

EXPECTED TIMETABLE

	<i>2006</i>
Publication of this document	14 September
Latest time and date for receipt of Forms of Proxy for the EGM	11.00 a.m. on 7 October
Extraordinary General Meeting	11.00 a.m. on 9 October
Admission and dealings in the Placing Shares expected to commence on AIM and expected date for CREST accounts to be credited in respect of Placing Shares	12 October
Despatch of definitive share certificates in respect of Placing Shares	26 October

PART I

LETTER FROM THE CHAIRMAN OF BIONEX INVESTMENTS PLC

(registered in England and Wales No. 03995223)

Directors

Oliver Vaughan (*Chairman*)
Christopher Roberts (*Finance Director*)
James Noble (*Non-Executive Director*)
Tim James (*Non-Executive Director*)
John McLean (*Proposed Director*)

223a Kensington High Street
London W8 6SG

14 September 2006

To the holders of Ordinary Shares of 1p each in Bionex Investments Plc and, for information only, to the holders of warrants and further subscription rights issued by the Company

Approval of Investing Strategy

Placing of 413,750,000 new Ordinary Shares of 1p
each at a price of 2p per share

Notice of Extraordinary General Meeting

Introduction

I am pleased to advise you that today the Company announced that it has finalised a placing to raise £8.275 million (before expenses) pursuant to the issue of new 413,750,000 Ordinary Shares at a price of 2p per share (the "Placing"). The Placing is conditional on Shareholder approval, which is being sought at an EGM of the Company to be convened at 11.00 a.m. on 9 October 2006, at the offices of Stringer Saul LLP, First Floor, 17 Hanover Square, London W1S 1HU. The Board also considers that it is appropriate to seek Shareholder approval for the Investing Strategy at the EGM.

This document sets out the background to and reasons for the Placing, summarises the Investing Strategy, gives notice of the EGM and explains why the Directors believe that the Placing and Investing Strategy are in the best interests of the Company and Shareholders as a whole and why they recommend that Shareholders vote in favour of the Resolutions.

The Placing

Pursuant to the Placing, the Company is raising £8.275 million at the Placing Price (£8.125 million net of expenses) by issuing 413,750,000 Placing Shares. The Placing Shares have been conditionally placed with institutional and other investors.

The Placing is conditional, *inter alia*, upon:

- approval by the Shareholders of the Resolutions;
- the Placing Agreement becoming unconditional; and
- Admission.

On 14 September 2006, the Directors, the Proposed Director, the Company and W.H. Ireland entered into the Placing Agreement. W.H. Ireland, as agent for the Company, agreed to use its reasonable endeavours to procure subscribers for the Placing Shares. The obligations of W.H. Ireland are conditional on certain matters including Admission and the approval by the Shareholders of the Resolutions. The Placing Agreement contains certain covenants by the Company and the Directors and the Proposed Director in favour of W.H. Ireland. It also contains warranties and indemnities from the Company and the Directors and the Proposed Director in favour of W.H. Ireland. W.H. Ireland may terminate the Placing Agreement and its obligations under it in certain circumstances. Under the Placing Agreement, the Company has agreed to pay to W.H. Ireland a fee of £60,000 and a commission of five per cent. on the aggregate value at the Placing Price of all the Placing Shares for which W.H. Ireland has identified Places.

Tim James, a Director of the Company, is subscribing £250,000 for 12,500,000 Placing Shares and John McLean, the Proposed Director, is subscribing £200,000 for 10,000,000 Placing Shares. Such subscriptions are related party transactions for the purposes of the AIM Rules. The Directors (other than Tim James) consider (having consulted with W.H. Ireland) that the terms of such subscriptions are fair and reasonable insofar as the shareholders of the Company are concerned.

The Placing has not been underwritten. The Placing Shares will rank *pari passu* in all respects with the existing Ordinary Shares.

The net proceeds of the Placing will be used to assist the implementation of the Investing Strategy. Specifically, the Directors believe that the Placing will enable the Company to make investments consistent with the Investing Strategy.

Application will be made to the London Stock Exchange for the Placing Shares to be admitted to trading on AIM. It is expected that Admission will become effective and dealings will commence in the Placing Shares on 12 October 2006.

Approval of Investing Strategy

Under the AIM Rules, an investing company (such as Bionex) should as a minimum, seek the consent of its shareholders for its investing strategy on an annual basis. An investing strategy was originally set out in the circular to Shareholders of the Company dated 20 July 2005 and was approved by Shareholders at an Extraordinary General Meeting on 24 August 2005. It is therefore proposed that a new investing strategy be approved at the EGM (the "Investing Strategy"), a summary which is set out below.

Investing Strategy

The Company will usually seek to acquire minority stakes in investee companies, having conducted detailed analysis of them with an emphasis on the potential investee companies' management. The Company will, generally, not acquire more than 25 per cent. of the issued share capital of any investee company.

It is intended that part of the investment portfolio will be dedicated to asset backed opportunities, principally property based investments. Property investments will generally be within the United Kingdom, but such investments will not be limited to any particular sector or property type. It would not, in the opinion of the Directors, be in Shareholders' interests to specify more particularly the sectors in which the Company might invest. Rather, the Board considers that the Investing Strategy should in the main be stated by reference to the characteristics of potential investee companies. To this end, it is the intention of the Directors that Bionex will, generally, seek to make investments in companies which have a value of £75 million or less at the date that the Company invests and to make investments of a size which will typically be of between £500,000 and £2.5 million. Investments will be made either while an investee company is unquoted or as part of such investee company's IPO or once an investee company is quoted. Where considered appropriate, the Company may invest in investee companies on more than one occasion.

Investee companies will generally be incorporated or operating in the United Kingdom, but the Board will consider investee companies incorporated or operating outside the United Kingdom if they consider that there is an opportunity to deliver value to Shareholders by making such an investment and that the Board has sufficient knowledge about the jurisdiction in which the investee company is incorporated or operates to make a fully informed assessment as to the merits of that investment.

The Company will focus on 10 to 15 principal investments at any one time and, through holding a diversified portfolio, the Company aims to maintain a medium overall risk position. Investments might be made either by Bionex acquiring existing securities of an investee company or by Bionex subscribing for new securities in an investee company. Whilst generally such investments are expected to be in the form of ordinary shares in the investee companies, Bionex will invest in whatever securities in the investee companies the Board considers to be in the best interests of Shareholders, including but not limited to shares, loan notes, loans or guarantees.

Where appropriate (and particularly in relation to property investments), the Company may borrow money to enable it to effect investments in keeping with its Investing Strategy.

Given the extensive experience of the Board in smaller companies (which is set out below), the intention is that Bionex will be an active investor in its investee companies, will consider appointing representatives to the board of directors of the investee companies where appropriate and will work proactively with investee company management.

The Company will use its close links with institutional brokers to effect disposals of investments and will in general seek to achieve the realisation of investments in between six and 18 months for pre-IPO investments and six months for quoted investments, although these timescales cannot be guaranteed. The Board will seek to ensure that disposals of investments will be made at a time and in a manner consistent with the Company's ambition to be a supportive investor whilst also seeking to maximise shareholder value.

In keeping with the intention of the Directors to seek as its prime focus growth in net asset value per Ordinary Share, it will seek to keep overheads to a practical minimum.

To reflect the Investment Strategy proposed to be adopted by the Company, it is proposed that the Company will change its name to Albany Capital plc.

As the Company has already made a number of investments, the Directors do not consider that it is appropriate to set a date by which an investment must be made in accordance with the Investing Strategy, failing which funds will be returned to Shareholders. Similarly, the Board does not consider that it is appropriate to specify a date by which funds must be returned to Shareholders. The Board will consider all methods of returning funds to Shareholders (including, but not limited to, the payment of dividends, the demerger of assets to Shareholders, or the winding up of the Company).

Any decision to return funds to Shareholders and, if a decision to do so is taken, the method and timing of so doing will depend upon the performance of the Company. The Board considers that it would prevent the Board from acting in the best interests of Shareholders if too rigid a structure for returning funds to Shareholders were put in place.

Directors

The Board currently comprises four Directors. John Mclean will be appointed to the Board as a non-executive director with effect from Admission and he will join the audit committee.

John McLean (aged 53) is managing director of Fairfax Classical Properties and a director of Westminster Growth Capital. John is a chartered accountant and was a senior manager at Coopers & Lybrand both in London and New York. Subsequently, he became finance director of Gresham House plc where he was involved in the investment and nurturing of growth companies. In 1992, he joined ICS, an overnight distribution business, initially as finance director and subsequently as managing director. In 1995 he, together with Michael Jacobson, led a management buy-out, backed by 3i, which was later sold in 1996 to Hays plc for £76 million.

In 1998, John was appointed by Gamma Holdings NV to carry out a strategic review of their UK companies, including Sanderson (the textile business), which were incurring substantial losses. John, as managing director, implemented the plan. However, due to inherent liabilities, the company could not be fully turned around and in August 2003 the company was put into receivership and the business sold to Walker Greenbank plc.

In 2003, John became a director of Fairfax Classical Properties Limited, a company controlled by Westminster Enterprises Limited.

The following information is required to be disclosed in respect of Mr McLean under the AIM Rules:

Other current directorships

Fairfax Classical Properties Limited
Fairfax Acquisitions Limited
Atholl Ventures Limited
Westminster Growth Capital Limited

Directorships held within the last five years

Cameron Corporation Limited
ASSL (Realisations) Limited
Arthur Sanderson & Sons (Scotland) Limited
Arthur Sanderson & Sons (Holdings) Limited
M&C (Artworkers) Limited
Sanderson & Sons Holdings Limited
Gamma (Nelson) Limited
S of I limited
WM Wallpapers Limited

Notes:

- 1 An administrative receiver of ASSL (Realisations) Limited (formerly Arthur Sanderson & Sons Limited) was appointed on 7 August 2003 and the company was placed into creditors' voluntary liquidation on 20 November 2003. Mr McLean was a director of that company on both such events, having been appointed on 26 June 1998 by Gamma Holdings NV to implement a strategic review of the business. Although the company did return to profitability while Mr McLean was a director, the company required additional funding both to grow and to complete the restructuring. However, it was not possible to obtain the additional funding for the company and so an administrative receiver and then a liquidator was appointed. The deficiency to creditors was £41.078 million.
- 2 An administrative receiver of Sanderson & Sons Holdings Limited was appointed on 7 August 2003 and the company was placed into creditors' voluntary liquidation on 20 November 2003. Mr McLean was a director of that company on both such events, having been appointed on 24 January 2001 by Gamma Holdings NV. Sanderson & Sons Holdings Limited was the parent company of ASSL (Realisations) Limited. After paying creditors the surplus was £143,863.

The other Directors and their experience are as follows:

Oliver Vaughan (aged 58)

Oliver Vaughan has an extensive background investing in and being a director of AIM quoted companies. In 1966, he co-founded Juliana's Holdings Plc, a holding company with interests in the leisure industry of which he was managing director for 23 years. He saw it through to flotation on the London Stock Exchange in 1983, prior to its acquisition in 1989 by Wembley Plc, on whose board he then served for the next two years. Oliver is also a non-executive director of Redstone Plc. He was an early investor in Redstone Plc, as well as in Retail Decisions Plc and Internet Technology Group Plc.

In 1994 Oliver founded Gander Holdings PLC, a special purpose property development and investment company with £4.5 million of assets operating in Kensington and Chelsea. In 1998 Gander Holdings PLC joined the Official List of the London Stock Exchange and was subsequently acquired in a trade sale for £108 million in 1999. In 1997 Oliver founded the company which, in 1999, became The eVestment Company Plc, a quoted investment vehicle specialising in making direct investments in young technology businesses, through a staged placing of £60 million on AIM. In 2000 The eVestment Company Plc acquired Christows Holdings Limited, a private client stockbroker and fund manager, and in 2001 the business went on to acquire Evolution Capital Limited, subsequently becoming The Evolution Group Plc. Oliver retained a board position with The Evolution Group Plc until earlier this year.

Tim James (aged 52)

Tim James is chairman of Farley Group Plc, the AIM quoted estate agency and property management group which floated in December 2003 with a market capitalisation of £4.4 million. Since then the group has made a number of acquisitions, the most notable being Humberts in November 2005. The current market capitalisation is approximately £24 million and over the period the price per share has increased from 25p to approximately 60p.

Between 1989 and 1994 Tim played an active role in funding a number of companies through the Business Expansion Scheme. Between 1994 and 1999 Tim continued the development of the Farley group and also engaged in a large property development in Queen's Gate Terrace, London SW7 and was responsible, with Oliver Vaughan, for founding and managing operations at Gander Holdings Plc.

James Noble (aged 47)

James Noble is the chief executive of Avidex Limited, an unquoted biotechnology company specialising in T-Cell receptor technology. He has over 14 years experience in the biotechnology industry, the first seven as finance director of British Biotech Plc and then as non-executive director of a range of bio-technology companies including three listed companies: Oxford Glycosciences Plc, PowderJect Pharmaceuticals Plc and Advanced Medical Solutions Group Plc. James has also served on a number of unquoted company boards, including Adprotech Limited, Oxagen Limited, BioVex Limited and Prolifix Limited. Currently, he is a director of Finsbury Worldwide Pharmaceutical Trust plc.

James also has significant experience outside the healthcare sector, both as a private investor in companies operating in sectors including software and hardware, telecoms, digital mapping and wine, and as an adviser at Kleinwort Benson. James spent seven years at Kleinwort Benson, becoming a director in 1990, and had clients in many sectors, including property, gas, life insurance, electronic components, food manufacture, public relations and design. He previously qualified as a chartered accountant with Price Waterhouse in 1983 after graduating from Oxford University in 1980.

Chris Roberts (aged 43)

Chris Roberts is the finance director of Corporate Synergy Group Plc (formerly Mountcashel Plc). Mountcashel was a publicly quoted company specialising in smaller quoted and private equity investment. Before joining Corporate Synergy Group in 1996, Chris spent seven years at MacIntyre Hudson where he qualified as a chartered certified accountant and advised smaller companies. In the past 10 years Chris has served on the boards of a variety of quoted and unquoted companies and continues to be a non-executive director of a number of public companies.

In 1997 Chris joined The eVestment Company Plc, a quoted investment vehicle specialising in making direct investments in young technology businesses. Over three years, Chris was involved in raising over £60 million of investment capital from leading institutions plus a further £50 million of co-funding for investee companies. Between November 2000 and March 2001 Chris was chief executive of The eVestment Company Plc, which subsequently became The Evolution Group Plc. He oversaw two acquisitions for The Evolution Group Plc, including the £15 million purchase of Christows, a stockbroking and retail fund management business.

Corporate Governance

The Directors and the Proposed Director recognise the importance of sound corporate governance and the guidelines set out in the Principles of Good Corporate Governance and Code of Best Practice (the "Combined Code"). Whilst AIM companies are not obliged to comply with the Combined Code, the Directors and the Proposed Director do intend to comply with the Combined Code so far as is appropriate having regard to the size and nature of the Company. The Board will take such measures so far as practicable to comply with the Combined Code.

On Admission, the Company will have four non-executive Directors, including the Proposed Director. The Board retains full and effective control over the Company. The Company intends to hold quarterly Board meetings at which financial and other reports are considered and, where appropriate, voted on. Apart from regular meetings, additional meetings will be arranged when necessary to review strategy, planning, operational, financial performance, risk and capital expenditure and human resource management. The Board is also responsible for monitoring the activities of the executive management.

The Directors have established an audit committee and a remuneration committee with formally delegated duties and responsibilities.

Extraordinary General Meeting

Set out at the end of this document is a notice convening the Extraordinary General Meeting to be held at the offices of Stringer Saul LLP, First Floor, 17 Hanover Square, London W1S 1HU at 11.00 a.m. on 9 October 2006 at which resolutions will be proposed to approve the Investing Strategy, increase the authorised share capital of the Company, authorise the Directors to allot up to 1,822,074,366 Ordinary Shares (including the Placing Shares), dis-apply pre-emption rights over up to 118,335,000 Ordinary Shares (in addition to the Placing Shares and such shares as might result from any exercise of the warrants and further subscription rights issued by the Company) and approve the Company's change of name. Further details of these Resolutions are set out below.

Resolution 1 – Approval of Investing Strategy

It is proposed that the Investing Strategy be and it is hereby approved.

Resolution 2 – Increase in authorised share capital

The authorised share capital of the Company is to be increased from £7,500,000 to £20,000,000 by the creation of an additional 1,250,000,000 Ordinary Shares.

Resolution 3 – Authority to allot shares

It is proposed to give the Directors of the Company authority to allot relevant securities up to an aggregate nominal amount of £18,220,743.66 (being all of the authorised but unissued shares in the Company). The authority will expire on the date of the next Annual General Meeting or, if earlier, the date that is 15 months after the date of the passing of this resolution. After the allotment of the Placing Shares, the Directors will have authority to allot up to 1,408,324,366 Ordinary Shares representing approximately 238.02 per cent. of the Enlarged Issued Share Capital.

Resolution 4 – Disapplication of pre-emption rights

The provisions of section 89(1) of the Act, to the extent that they have not been disapplied, confer on shareholders rights of pre-emption in respect of the allotment of equity securities which are, or are to be, paid up in cash.

As at the date of this document, there are 40,375,000 warrants in issue. 20,187,500 warrants give the holders the right to subscribe for one Ordinary Share at 2.5p at any time up to 31 December 2006 (the "2006 Warrants"). The remaining 20,187,500 warrants give the holders the right to subscribe for one Ordinary Share at 2.5p per share commencing on 1 January 2007 and then at any time up to 31 December 2010 (the "2010 Warrants").

As at the date of this document, there are 26,000,000 further subscription rights in issue. 13,000,000 further subscription rights give the holders the right to subscribe for one Ordinary Share at 2.5p at any time to 31 December 2006 and to be issued with two 2006 Warrants in respect of each Ordinary Share subscribed for (the "2006 Further Subscription Rights"). The remaining 13,000,000 further subscription rights give the holders the right to subscribe for one Ordinary Share at 2.5p, commencing on 1 January 2007 and then at any time up to 31 December 2010, and will entitle the holders to be issued two 2010 Warrants in respect of each Ordinary Share subscribed for (the "2010 Further Subscription Rights"). Therefore if all the 2006 Further Subscription Rights and the 2010 Further Subscription Rights are fully exercised and all 52,000,000 warrants issued on such exercise are fully exercised, a total of 78,000,000 Ordinary Shares will be issued.

It is proposed that the provisions of section 89(1) of the Act will be disapplied in respect of:

- (i) the allotment of the Placing Shares;
- (ii) the allotment of new Ordinary Shares in connection with a rights or other pre-emptive issue,
- (iii) the allotment of 40,375,000 Ordinary Shares (if the 2006 Warrants and the 2010 Warrants are fully exercised);
- (iv) the allotment of 78,000,000 Ordinary Shares (if all the 2006 Further Subscription Rights and the 2010 Further Subscription Rights are fully exercised and all 52,000,000 warrants issued on such exercise are fully exercised); and
- (v) any other issue of equity securities for cash up to an aggregate nominal amount of £1,183,350 (representing approximately 20 per cent. of the Enlarged Issued Share Capital).

The authority will expire on the date of the next Annual General Meeting or, if earlier, the date that is 15 months after the date of the passing of the resolution.

Resolution 5 – Change of name

The name of the Company is to be changed to Albany Capital plc.

Action to be taken

Enclosed is a Form of Proxy for use at the EGM. You are asked to complete and return it by post to the Company's Registrars, Share Registrars Limited, Craven House, West Street, Farnham, Surrey GU9 7EN so as to be received as soon as possible and in any event, not later than 11.00 a.m. on 7 October 2006. Completion of the Form of Proxy will not affect your right to attend and vote at the EGM should you wish to do so.

Recommendation

The Directors consider that the Placing and Investing Strategy are fair and reasonable insofar as Shareholders are concerned and are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend that Shareholders vote in favour of the Resolutions as they themselves intend to do in respect of their Ordinary Shares which amount to 27,126,768 Ordinary Shares in aggregate (representing 15.25 per cent. of the number of Ordinary Shares currently in issue).

Yours faithfully

Oliver Vaughan
Chairman

PART II

NOTICE OF EXTRAORDINARY GENERAL MEETING

BIONEX INVESTMENTS PLC

NOTICE IS HEREBY GIVEN that an **EXTRAORDINARY GENERAL MEETING** of the Company will be held at the offices of Stringer Saul LLP, First Floor, 17 Hanover Square, London W1S 1HU at 11.00 a.m. on 9 October 2006 to consider and, if thought fit, pass the following resolutions of which resolutions 1, 2 and 3 will be proposed as ordinary resolutions and resolutions 4 and 5 will be proposed as a special resolutions:

Ordinary Resolutions

- 1 That the investing strategy as set out in the circular to Shareholders of the Company dated 14 September 2006 (the "Circular") be and it is hereby approved.
- 2 That the authorised share capital of the Company be increased from £7,500,000 to £20,000,000 by the creation of 1,250,000,000 ordinary shares of 1p each.
- 3 That, subject to passing Resolution 2 above, the Directors be and they are hereby generally and unconditionally authorised for the purposes of section 80 of the Companies Act 1985 (the "Act") to exercise all powers of the Company to allot relevant securities (within the meaning of that section) up to an aggregate nominal amount of £18,220,743.66, provided that this authority shall, unless renewed, varied or revoked by the Company in general meeting, expire on the date of the next Annual General Meeting of the Company or the date falling 15 months after the date of the passing of this Resolution, whichever is the earlier, but the Company may, before such expiry, make an offer or agreement which would or might require relevant securities to be allotted after such expiry, and the Directors may allot relevant securities in pursuance of such offer or agreement notwithstanding that the authority conferred by this Resolution has expired. This authority is in substitution for all previous authorities conferred upon the Directors pursuant to section 80 of the Act, but without prejudice to the allotment of any relevant securities already made or to be made pursuant to such authorities.

Special Resolutions

- 4 That, subject to the passing of Resolutions 2 and 3 above, the Directors be and they are empowered pursuant to section 95 of the Companies Act 1985 (the "Act") to allot equity securities (within the meaning of section 94(2) of the Act) for cash pursuant to the authority conferred on them to allot relevant securities (as defined in section 80 of the Act) by Resolution 3 above as if section 89(1) of the Act did not apply to any such allotment, provided that
 - (a) this power shall be limited to:
 - (i) the allotment of up to 413,750,000 ordinary shares of 1p each ("Ordinary Shares") pursuant to the Placing (as defined in the Circular);
 - (ii) the allotment of new equity securities in connection with any rights issue or other offering of new equity securities in favour of the holders of ordinary shares and other persons entitled to participate therein in proportion (as nearly as may be) to their respective holdings of ordinary shares (or, as appropriate, the numbers of ordinary shares which such other person are for those purposes deemed to hold), subject only to such exclusions or other arrangements as the Directors may consider necessary or expedient to deal with fractional entitlements and/or transfer and/or holding of any securities in uncertificated form or legal or practical problems under the laws of any territory or the regulations or requirements of any regulatory body or any stock exchange in any territory;
 - (iii) the allotment of equity securities of up to an aggregate nominal amount of £403,750 on the full exercise of 40,375,000 warrants already issued by the Company;

- (iv) the allotment of equity securities up to an aggregate nominal amount of £780,000 on the full exercise of the 26,000,000 further subscription rights already issued by the Company, and the issue of up to 52,000,000 warrants on the full exercise of such further subscription rights and the allotment of 52,000,000 Ordinary Shares on the full exercise of the warrants issued on the full exercise of such further subscription rights;
 - (v) the allotment (other than pursuant to paragraphs (i), (ii), (iii) and (iv) of this Resolution 4) of equity securities up to an aggregate nominal amount of £1,183,350;
- (b) unless previously resolved, varied or extended, this power shall expire on the date of the next Annual General Meeting of the Company or the date falling 15 months after the date of the passing of this Resolution (whichever is the earlier) but so that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such offer or agreement as if the power conferred hereby had not expired; and
 - (c) this authority is in substitution for all previous authorities conferred upon the Directors pursuant to section 95 of the Act, but without prejudice to the allotment of any equity securities already made or to be made pursuant to such authorities.
- 5 That the name of the Company be changed to Albany Capital plc.

BY ORDER OF THE BOARD

Christopher Roberts
Director and Secretary

Dated: 14 September 2006

Registered Office:

223a Kensington High Street
London W8 6SG

Notes

- 1 A member entitled to attend and vote at the Extraordinary General Meeting ("EGM") may appoint a proxy (who need not be a member of the Company) to attend and, on a poll, to vote on his or her behalf. In order to be valid, an appointment of proxy must be returned in the Form of Proxy enclosed, by post, by courier or by hand to the Company's Registrars, Share Registrars Limited, Craven House, West Street, Farnham, Surrey GU9 7EN and must be received by the Company's registrars not less than 48 hours before the time of the meeting or any adjournment thereof.
- 2 Appointment of a proxy does not preclude a Shareholder from attending the EGM and voting in person.
- 3 In the case of joint holders, the vote of the senior who tenders a vote, whether in person or proxy, will be accepted to the exclusion of votes of any other joint holders. For these purposes, seniority shall be determined by the order in which the names stand in the register of members in respect of the joint holding.
- 4 In the case of a corporation, the Form of Proxy must be executed under its common seal or signed on its behalf by a duly authorised attorney or duly authorised officer of the corporation.
- 5 If no indication of how the proxy shall vote is given, the proxy will exercise discretion as to voting or abstention there from.
- 6 The Company, pursuant to regulation 41 of The Uncertificated Securities Regulations 2001, specifies that only those shareholders registered in the register of members of the Company as at 6.00 p.m. on 7 October 2006 shall be entitled to attend or vote at the meeting in respect of the number of ordinary shares registered in their name at that time. Changes to entries on the relevant register of securities after that time will be disregarded in determining the rights of any person to attend or vote at the meeting.

