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If you have sold or otherwise transferred all your Ordinary Shares in the Company please forward this document together with the accompanying Form of Proxy as soon as possible to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee.

This document is not an offer of securities, or the solicitation of an offer to acquire securities, in any jurisdiction. This document is also not a prospectus or equivalent document. Members of the public are not eligible to participate in the Placing. Placing Shares will only be issued to those institutional investors who have agreed to subscribe for Placing Shares in accordance with and subject to the terms and conditions of the Placing. The information about the Placing in this document is provided solely for the information of Shareholders in connection with the General Meeting and not to any other person or for any other purpose.

Application will be made to the London Stock Exchange for the admission of the Placing Shares to trading on AIM and it is expected that Admission will be effective on 11 June 2010.

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. Neither the London Stock Exchange nor the UK Listing Authority has examined or approved the contents of this document.

Panmure Gordon, which is regulated by the Financial Services Authority, is acting for the Company and no other person in connection with the Placing. Panmure Gordon's responsibilities as the Company's nominated adviser under the AIM Rules for Nominated Advisers are owed solely to London Stock Exchange and are not owed to the Company or to any Director or to any person in respect of his decision to acquire shares in the Company in reliance on any part of this document. No representation or warranty, express or implied, is made by Panmure Gordon as to any of the contents of this document and, without limiting the statutory rights of any person to whom this document is issued, no liability whatsoever is accepted by Panmure Gordon for the accuracy of any information or opinions contained in this document or for the omission of any material information. Panmure Gordon will not be offering advice nor will it be responsible for providing client protections to recipients of this document in respect of the Placing.

Mid-States PLC

(Incorporated and registered in England and Wales with registered No. 546708)

Notice of General Meeting in respect of a Proposed Placing of 144,821,427 new Ordinary Shares at 2.8 pence per share

Financial Adviser, Nominated Adviser and Broker

Panmure Gordon & Co.

Your attention is drawn to the letter from the Chairman of Mid-States PLC set out on pages 2 to 6 of this document which contains your Board's recommendation to vote in favour of the Resolution to be proposed at the General Meeting referred to below.

Notice of the General Meeting of the Company, to be held at the offices of the Company at Masters House, 107 Hammersmith Road, London W14 0QH at 11:30 a.m. on 10 June 2010 is set out at the end of this document. You will find attached a Form of Proxy for use at the General Meeting. To be valid, the Form of Proxy should be completed and returned to the Company's registrars, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY, as soon as possible and in any event so as to be received no later than 11:30 a.m. on 8 June 2010. Completion and return of Forms of Proxy will not preclude Shareholders from attending and voting at the General Meeting should they so wish.

The Ordinary Shares have not been and will not be registered under the applicable securities laws of the United States, Canada, Australia, the Republic of South Africa or Japan. The distribution of this document in jurisdictions other than the UK may be restricted by law and therefore persons to whom this document comes should inform themselves about and observe those restrictions. Any failure to comply with any of those restrictions may constitute a breach of securities laws of any such jurisdiction.

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EXPECTED TIMETABLE

Latest time and date for receipt of completed Forms of Proxy	11:30 a.m. on 8 June 2010
General Meeting	11:30 a.m. on 10 June 2010
Admission and commencement of dealing of Placing Shares expected to commence	8:00 a.m. on 11 June 2010
Expected date CREST accounts credited with Placing Shares	11 June 2010
Latest date for dispatch of definitive share certificates (if applicable)	12 June 2010

PLACING STATISTICS

Placing Price	2.8 pence
Number of Placing Shares	144,821,427
Estimated net proceeds of the Placing	£3.8 million
Number of Ordinary Shares in issue following Admission	260,903,839
Percentage of enlarged issued share capital represented by the Placing Shares	55.5 per cent.
Market capitalisation on Admission at the Placing Price	£7,305,307.49

DEFINITIONS

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

“2006 Act”	the Companies Act 2006
“AD”	Mid-States’ proprietary air disinfection device
“Admission”	the Company’s application for the admission of the Placing Shares to trading on AIM becoming effective in accordance with the AIM Rules
“AIM”	the AIM Market of the London Stock Exchange
“AIM Rules”	the AIM rules for Companies and the AIM Rules for Nominated Advisers published by the London Stock Exchange
“Board” or “Directors”	the directors of the Company whose names are set out on page 2 of this document
“Company” or “Mid-States”	Mid-States PLC
“Form of Proxy”	the form of proxy accompanying this document for use in connection with the General Meeting
“FSMA”	means Financial Services and Markets Act 2000 (as amended)
“General Meeting”	the general meeting of the Company convened for 11:30 a.m. on 10 June 2010, notice of which is set out at the end of this document
“Group”	the Company and its subsidiaries
“London Stock Exchange”	London Stock Exchange plc
“Optionholders”	the holders of options to subscribe for Ordinary Shares in the Company and/or its subsidiaries
“Ordinary Shares”	ordinary shares of £0.01 each in the capital of the Company
“Panmure Gordon”	Panmure Gordon (UK) Limited
"Placing"	the placing of 144,821,427 new Ordinary Shares at 2.8 pence per share
“Placing Agreement”	the conditional agreement dated 12 May 2010 between the Company and Panmure Gordon (UK) Limited relating to the Placing, summary details of which are set out on pages 4 and 5 of this document
“Placing Price”	2.8 pence per Placing Share
“Placing Shares”	means the new Ordinary Shares to be issued pursuant to the Placing
“Resolution”	the resolution set out in the notice of General Meeting, which is at the end of this document
“Shareholders”	holders of Ordinary Shares
“UK”	the United Kingdom of Great Britain and Northern Ireland

PART I
LETTER FROM THE CHAIRMAN

Mid-States PLC

(Incorporated and registered in England and Wales with registered No. 546708)

Directors:

John Bateson - *(Non-executive Chairman)*
Javier Segura - *(Managing Director)*
Andrew Tonks - *(Finance Director)*
Glenn Cooper - *(Non-executive Director)*
Esteban Monegal - *(Non-executive Director)*

Registered Office:

Masters House
107 Hammersmith Road
London
W14 0QH

12 May 2010

To shareholders and, for information only, to Optionholders

Dear Shareholder

Proposed Placing of 144,821,427 new Ordinary Shares

1. Introduction

Your Board has today announced that the Company has conditionally raised approximately £4 million before expenses (approximately £3.8 million net of expenses) through a Placing of approximately 144,821,427 new Ordinary Shares at 2.8 pence per share. The Placing Price is at a discount of 23 per cent. to the closing price of 3.625 pence per Ordinary Share on 11 May 2010.

Currently, the Directors do not have sufficient authorities pursuant to the 2006 Act to enable them to allot and issue the Placing Shares without the statutory pre-emption rights applying. As such, the Directors have convened a General Meeting for 11:30 a.m. on 10 June 2010 in order to allow Shareholders to consider, and, if thought fit, approve the Resolution.

The purpose of this document is to provide you with further information on the Placing and to convene the General Meeting to seek Shareholder approval for the Resolution necessary to effect the Placing.

2. Development of the business to date and ongoing strategy

The Board adopted a new business strategy last year, continuing its focus on the healthcare market in the United Kingdom whilst aiming to expand into non-healthcare markets and further internationally, and appointed new Board members to strengthen the Group's management team. This, and the heightened awareness of viral threats (including H1N1 swine 'flu), have been significant factors in the progress of the Group's air disinfection business in general, and its proprietary air disinfection device, the AD, in particular. The AD is able to eliminate pathogens including bacteria and viruses (such as H1N1 swine 'flu) in rooms and other enclosed spaces, using the same method (known as hydroxyl radical) as exists in the outdoor air.

The Board believes that the attractions of the AD to customers include its:

- bactericidal, virucidal, fungicidal and sporicidal efficacy demonstrated through various third party testing.

- 99.999% effectiveness against MS2 coliphage (surrogate used in clinical testing for H1N1 swine 'flu and other viruses).
- safe operation 24 hours a day in areas occupied by people.
- non-reliance for effective functioning on processing air from the room through the device itself.
- efficacy within minutes and on continuously introduced pathogens, because of continuous cascade of hydroxyl radicals generated.
- effectiveness as a deodoriser (as it attacks bacterial activities generating odours).

As at May 2010, there are over 600 AD in UK hospitals, playing an important role in the ongoing fight against viral and bacterial pathogens. The management expects that the successful reduction in the number of virus outbreaks and ward closures achieved at hospitals such as Hereford Hospitals Trust after installation of AD units, and the selection of the AD as one of the winners of the NHS Smart Solutions Programme 2009, will generate continued interest from the healthcare market.

As set out in the recent announcement of the Group's interim results (see Part II), the Group's orders in the six months ended 31 December 2009 for the AD totalled 679. These comprised larger orders from distributors in Spain, Norway and the Middle East together with other relatively low volume sales to potential new distributors as the Company seeks to establish sales channels in new markets, both in the UK and internationally. The Group has also completed the development of a new wall mounted variant of the AD.

Having established the AD in the UK hospital market, and begun to establish it in other geographies and market segments, the strategy of the Group is:

1. to achieve further penetration of the UK hospital market and of hospital markets in other selected countries, including India, the Middle East and continental Europe including Spain; and
2. to penetrate different market segments in multiple countries,

in each case leveraging the Company's historic sales and existing contacts, as well as the AD product's technical capabilities, to develop the business in these new countries and segments.

The investment in additional sales and marketing resources made in 2009 is being increased in 2010 to further drive the Group's sales, marketing and product development plans. In addition, further derivatives of the AD are in the development pipeline.

3. Background to and reasons for the Placing and use of proceeds

In addition to the successful entry of the AD into the UK hospital market, the Group is working to improve revenues in other geographies and market segments which, whilst encouraging, have been relatively low due to the time necessary to select the right distributor, launch and establish the AD in each particular geography or segment. This process has resulted in the sales cycle for development of new markets being up to nine months rather than three months as management had previously anticipated.

The Placing is intended to fund the Group in implementing the strategy described above, including additional sales and marketing resources. Whilst good progress had been made, further resources are required for additional sales and marketing to support penetration of, and entry into new

market segments and territories. The Directors are targeting substantial sales growth and believe that there is significant potential to increase revenue in view of the size of the potential markets and the Company's developing product range. Key segments the Company plans to cover include:

1. healthcare, such as care homes, dental surgeries and ambulances, as well as hospitals;
2. hospitality, such as restaurants, hotels and passenger ships;
3. offices, to reduce absences due to sickness; and
4. leisure facilities such as gyms.

The focus will be on territories in developed and emerging markets which the Board considers have high potential growth rates for AD sales. The initial target is to sell 7,000 ADs in the following territories over the next one to two years: Europe (including UK), Middle East, India and South America.

In addition, further resources will be utilised for continued product development to meet market requirements. This is planned to include the development of a miniaturised AD specifically designed for the retail market. The Directors also believe that the existing products can be developed further.

Proceeds of the Placing will also be used for working capital and other corporate purposes.

4. Current trading and prospects

The Company is presently working with a number of possible distributors in market sectors and territories around the world into which it aims to expand sales of AD units as part of the Group's overall strategy. It has recently signed a letter of intent with a distributor in India, which the management believes could be a significant market for the AD in healthcare and other market segments.

In the quarter ending 31 March 2010, order intake exceeded 400 AD, which represented the highest quarterly figure yet for the Company's air disinfection business. The Group's financial year to date order intake now exceeds 1,100 AD.

5. Details of the Placing

Subject to the passing of the Resolution at the General Meeting, the Company is proposing to raise approximately £4 million before expenses (approximately £3.8 million net of expenses) by the issue of 144,821,427 new Ordinary Shares at 2.8 pence per share. The Placing is conditional upon the Resolution being passed at the General Meeting to be held at 11:30 a.m. on 10 June 2010.

The Placing Shares will, when issued, rank *pari passu* in all respects with the existing Ordinary Shares.

Admission is expected to take place and dealings in the Placing Shares on AIM are expected to commence at 8.00 a.m. on 11 June 2010.

Pursuant to the terms of the Placing Agreement, Panmure Gordon, has agreed to use its reasonable endeavours to procure subscribers for the Placing Shares at the Placing Price. Panmure Gordon conducted a bookbuilding process to determine demand for participation among institutional investors in the Placing at the Placing Price. The Placing proposal has only been made to persons falling within article 19 and articles 49, 50 or 50A of the Financial Services and

Markets Act 2000 (Financial Promotion) Order 2005 and who are also qualified investors for the purposes of section 86 of FSMA and no other person may now participate in the Placing or rely on any communication relating to it. The offer of the Placing Shares has not been made to the general public. This document does not constitute an offer, or the solicitation of an offer, to subscribe or buy any of the Placing Shares. The Company announced yesterday that Panmure Gordon had received commitments to subscribe for the Placing Shares at the Placing Price, subject to the terms and conditions of the Placing Agreement.

The Placing Agreement is conditional upon, inter alia, the Resolution being duly passed at the General Meeting and Admission becoming effective by not later than 8.00 a.m. on 11 June 2010 (or such later date as the Company and Panmure Gordon may agree, but in any event not later than 30 June 2010). The Placing Agreement contains provisions entitling Panmure Gordon to terminate the Placing Agreement at any time prior to Admission in certain circumstances, including if Panmure Gordon is reasonably of the opinion that the Company has failed to comply with, or has breached, the Placing Agreement in any material respect or any applicable law or regulation relating to the Placing, or is in breach of the warranties set out therein by reference to the facts and circumstances then existing. If this termination right is exercised the Placing will not proceed.

The following Director has agreed to subscribe for Placing Shares at the Placing Price. Immediately after Admission, it is expected that this Director will have the following shareholdings:

<i>Director</i>	<i>No. of Placing Shares subscribed for in the Placing</i>	<i>Total no. of Ordinary Shares held following the Placing</i>	<i>Percentage of enlarged share capital</i>
Javier Segura	190,000	383,000	0.15%

6. Related Party Transactions

As part of the Placing, Esmo Empresarial, SL and Bottin (International) Investments Limited are proposing to subscribe for 41,100,000 and 22,285,714 new Ordinary Shares respectively at 2.8 pence per Placing Share. Esmo Empresarial, SL is currently the holder of 33,393,463 Ordinary Shares, equating to 28.77 per cent. of the Company's issued share capital and is represented on the Board by Esteban Monegal. In addition, Javier Segura was nominated to the Board by Esmo Empresarial, SL. Bottin (International) Investments Limited is currently the holder of 18,105,000 Ordinary Shares, equating to 15.60 per cent. of the Company's issued share capital and is represented on the Board by John Bateson. As such, under the AIM Rules for Companies, Esmo Empresarial, SL and Bottin (International) Investments Limited are both deemed to be related parties and their participation in the Placing is deemed to be a related party transaction.

The Directors (excluding Esteban Monegal, Javier Segura and John Bateson) consider, having consulted with Panmure Gordon, the Company's nominated adviser, that the terms of the above-described subscriptions for Placing Shares are fair and reasonable insofar as its Shareholders are concerned.

7. General Meeting

Set out on pages 8 to 9 of this document is a notice convening the General Meeting to be held at 11:30 a.m. on 10 June 2010 at the Company's offices at Masters House, 107 Hammersmith Road, London W14 0QH. The Resolution to be proposed at the General Meeting is a special resolution to:

- (a) authorise the Directors to allot the Placing Shares pursuant to the Placing; and
- (b) disapply statutory pre-emption rights in relation to the allotment of the Placing Shares.

The authorities granted by the Resolution will be in addition to all existing authorities at the date of the Resolution. In accordance with section 571(6) of the Act: (a) the reasons for the Directors' recommendation to vote in favour of the Resolution are set out in paragraphs 3 and 9 of this document; (b) the amount to be paid to the Company in connection with the allotment of the Placing Shares is £4 million (before expenses); and (c) the Directors believe that the proposed disapplication of pre-emption rights pursuant to the Resolution is necessary in order to enable the Company to carry out the Placing/raise additional capital without incurring the substantial costs and delays that would be involved in a public offering.

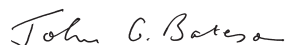
8. Action to be taken

A Form of Proxy for use at the General Meeting by Shareholders is enclosed. Whether or not you intend to be present at the meeting, you are requested to complete, sign and return the Form of Proxy as soon as possible in accordance with the instructions printed thereon to the Company's registrar, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY, so as to arrive no later than 11:30 a.m. on 8 June 2010. The completion and return of a Form of Proxy will not affect your right to attend and vote at the General Meeting if you wish.

9. Recommendation

The Board believes that the Placing is in the best interests of the Company and Shareholders as a whole. The Directors unanimously recommend that you vote in favour of the Resolution to be proposed at the General Meeting, as they intend to do in respect of their own beneficial holdings, which amount in aggregate to 491,525 Ordinary Shares (representing approximately 0.42 per cent. of the current issued share capital of the Company).

Yours sincerely



John Bateson
Chairman

Dated: 12 May 2010

PART II

RESULTS ANNOUNCEMENT

The following text is an extract (taken without amendments) from the unaudited results of the Group for six months ended 31 December 2009. The full text of this announcement is available on the Company's website, www.mid-statesplc.com.

Summary

- Orders for 679 ADs received in the six months ended 31 December 2009
- Includes significant orders from distributors in Spain, Norway and the Middle East
- Over 600 ADs in use in UK hospitals
- Order intake is expected to exceed 400 in the quarter ending 31 March 2010
- Order intake for the financial year now exceeds 1,000 units
- New wall mounted AD completed and further derivatives of the AD in development
- Increased investment in sales and marketing resources

In the six months ended 31 December 2009, the Group's continuing activities achieved revenues of £0.2 million (2008: £0.2 million) and the loss for the period from continuing operations was £1.1 million (2008: loss of £1.0 million). The basic and diluted loss per share (continuing operations) was 0.90 pence (2008: loss of 1.17 pence).

Net cash outflow for the six months ended 31 December 2009 was £1.3 million (2008: £0.1 million inflow; this included the net funds of £1.1 million raised from the placing of shares in July 2008). Net cash used in operating activities was £1.2 million (2008: £1.0 million). At 31 December 2009, the Group had net cash balances of £0.9 million (2008: £0.4 million).

NOTICE OF GENERAL MEETING**Mid-States PLC**
*(the "Company")***NOTICE OF GENERAL MEETING***(Incorporated and registered in England and Wales with registered number 546708)*

NOTICE IS HEREBY GIVEN that a General Meeting of the Company will be held at the offices of the Company, Masters House, 107 Hammersmith Road, London W14 0QH at 11:30 a.m. on 10 June 2010. The business of the meeting will be to consider and, if thought fit, to pass the following resolution (the "**Resolution**"), which will be proposed as a special resolution of the Company.

SPECIAL RESOLUTION

1. That, conditional only upon the Placing Agreement (as such term is defined in the circular to shareholders of the Company dated 12 May 2010 (the "**Circular**")), becoming unconditional in all respects (save only for the passing of this Resolution and Admission (as such term is defined in the Circular)) and the Placing Agreement not being terminated in accordance with its terms:
 - (a) the Board be authorised, pursuant to section 551 of the Companies Act 2006 (the "**Act**"), to exercise the powers of the Company to allot new ordinary shares of 1 pence each in the capital of the company ("**Placing Shares**") up to an aggregate nominal amount of £1,448,215 in connection with the Placing (as such term is defined in the Circular); and
 - (b) the Board be empowered pursuant to section 571 of the Act to allot Placing Shares up to an aggregate nominal amount of £1,448,215 pursuant to the authority conferred by paragraph (1) above as if section 561(1) of the Act did not apply to such allotment;

and unless previously renewed, revoked, varied or extended, such authority and power shall expire at the conclusion of the Company's annual general meeting to be held in 2010, except that the Company may at any time 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 an offer or agreement as if such authority and power had not expired.

The authority and powers granted by this Resolution are in addition to and not in substitution for all existing authorities at the date of the Resolution.

Registered office
Masters House
107 Hammersmith Road
London W14 0QH

By order of the Board
Anthony G. Hunter
Company Secretary

12 May 2010

Notes:

1. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy (who need not be a member of the Company) to attend, speak and vote instead of him. A form of proxy is enclosed with this notice. The completion and return of the proxy form does not preclude a member from attending the Meeting and voting in person.
2. A member may appoint more than one proxy in relation to the Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by such member. To appoint more than one proxy, please sign and date the form of proxy and, if necessary, attach a schedule listing the names and addresses (in block letters) of all of your proxies, the number of shares in respect of which each proxy is appointed (which, in aggregate, should not exceed the number of shares held by you) and indicating how you wish each proxy to vote or abstain from voting. You may not appoint more than one proxy to exercise the rights attached to any one share. If you wish to appoint the Chairman as one of your multiple proxies, simply write "the Chairman of the Meeting".
3. In order to be valid, the form of proxy and any power of attorney, or notarially certified copy thereof, under which it is executed, must be received by the Company no later than 11:30 a.m. on 8 June 2010, having been returned by one of the following methods: either in hard copy form by post, by courier or by hand to the Company's Registrars, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY.
4. Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a "Nominated Person") may, under an agreement between him/her and the shareholder by whom he/she was nominated, have the right to be appointed (or to have someone else appointed) as a proxy for the Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise such right, he/she may, under such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.
5. The statement of the rights of members in relation to the appointment of proxies in paragraphs 1 and 2 above does not apply to Nominated Persons. The rights described in these paragraphs can only be exercised by shareholders of the Company.
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 11:30 a.m. on 8 June 2010 shall be entitled to attend or vote at the Meeting in respect of the number of shares registered in their name at that time. Subsequent changes to entries on the register of members shall be disregarded in determining the rights of any person to attend or vote at the Meeting.
7. If the Meeting is adjourned to a time not more than 48 hours after the specified time applicable to the original Meeting, the time referred to in the immediately preceding paragraph will also apply for the purpose of determining the entitlement of members to attend and vote (and for the purposes of determining the number of votes they may cast) at the adjourned Meeting. If, however, the Meeting is adjourned for a longer period, then to be so entitled members must be entered on the Company's register of members at a time which is 48 hours before the time fixed for the adjourned Meeting or, if the Company gives notice of the adjourned Meeting, at the time specified in that notice.
8. As at 12 May 2010 (being the date of this Notice) the Company's issued share capital comprises 116,082,412 Ordinary Shares of £0.01 each, each such share carrying one vote. Accordingly, the total voting rights in the Company as at 12 May 2010 are 116,082,412.

