



Core VCT III plc

16 July 2009

Merger Update

This announcement is made by Core VCT III plc (“the Company”) in connection with the schemes of reconstruction for the merger with Core VCT I plc (“VCT I”) and Core VCT II plc (“VCT II”) with the Company (“the Schemes” and each a “Scheme”), details of which were contained in the Company’s prospectus (“the Prospectus”) and circular to shareholders (“the Circular”) both dated 12 June 2009.

The board of directors of the Company (“the Board”) is pleased to advise that the resolutions proposed at the extraordinary general meetings of VCT I and VCT II held today were duly passed to be able to implement the Schemes and effect the merger. By way of implementation of the Schemes, the assets and liabilities of VCT I and VCT II have been transferred to the Company in consideration for the issue of new ordinary shares of 0.01p each (“Ordinary Shares”) and B ordinary shares of 0.01p (“B Shares”) (together the “Shares”) as set out below.

The number of Ordinary Shares and B Shares issued to VCT I Shareholders in connection with the VCT I Scheme was 10,183,672 (on a merger ratio of 0.9313110) and 6,789,114 respectively and the number of Ordinary Shares and B Shares issued to VCT II Shareholders in connection with the VCT II Scheme was 16,606,883 (on a merger ratio of 1.0066468) and 11,071,255 respectively. Such Shares have been issued at a deemed issue price of 86p per Ordinary Share and 0.01p per B Share.

Application will shortly be made for all the Shares issued to be admitted to the Official List and to trading on the main market of the London Stock Exchange. It is expected that admission will become effective and that trading will commence on 17 July 2009.

As part of, and in connection with, the merger the existing holdings in B Shares have been adjusted as detailed in the Circular. This resulted in 13,729,050 B Shares being redesignated as deferred shares and have been bought back by the Company for an aggregate consideration of 1p. The unissued deferred shares so arising were automatically redesignated as further Ordinary Shares.

The issued share capital of the Company following the merger is 43,301,416 Ordinary Shares and 28,867,610 B Shares.

Following completion of the Schemes, the name of the Company has been changed to Core VCT plc.

For further enquiries please contact:

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