

BRITISH SMALLER COMPANIES VCT2 PLC (“the Company”)

Annual General Meeting held on 16 January 2011

Note of Proxies Received

The Company announces that all the resolutions put to the shareholders of the Company ('Resolutions') at its Annual General Meeting held on 16 May 2011 were duly passed.

With regard to Resolution (8) (authority for the Company to purchase its own shares) as set out in the notice of the Annual General Meeting dated 31 March 2011, although a majority of shareholders voting, including those voting by proxy, had indicated their support for the proposal, a significant minority were opposed. With this in mind the Directors withdrew the resolution prior to the meeting and intend to consult with shareholders in the coming months with a view to obtaining the necessary authority to re-introduce the share buyback policy. A further announcement will be made, as appropriate, in due course.

The full text of the Resolutions was contained within in notice of the Annual General Meeting dated 31 March 2011 a copy of which is also available on this website.

ORDINARY RESOLUTIONS

Resolution 1

2,259,277 proxy votes were received on this resolution: 2,234,174 in favour, none against, 25,103 at the Chairman's discretion and none withheld.

Resolution 2

2,259,277 proxy votes were received on this resolution: 2,230,557 in favour, 3,617 against, 25,103 at the Chairman's discretion and no votes withheld.

Resolution 3

2,259,277 proxy votes were received on this resolution: 2,119,913 in favour, 61,499 against, 25,103 at the Chairman's discretion and 52,762 withheld.

Resolution 4

2,259,277 proxy votes were received on this resolution: 2,165,308 in favour, 51,882 against, 27,162 at the Chairman's discretion and 14,925 withheld.

Resolution 5

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2,259,277 proxy votes were received on this resolution: 2,170,842 in favour, 46,348 against, 27,162 at the Chairman's discretion and 14,925 withheld.

Resolution 6

2,259,277 proxy votes were received on this resolution: 2,202,120 in favour, 15,070 against, 27,162 at the Chairman's discretion and 14,925 withheld.

Resolution 7

2,259,277 proxy votes were received on this resolution: 2,165,905 in favour, 17,073 against, 37,162 at the Chairman's discretion and 39,137 withheld.

SPECIAL RESOLUTION

Resolution 9

2,259,277 proxy votes were received on this resolution: 2,133,151 in favour, 55,862 against, 30,368 at the Chairman's discretion and 39,896 withheld.

Note: The 'Vote Withheld' option is provided to enable shareholders to abstain on any particular resolution. However, it should be noted that a 'Vote Withheld' is not a vote in law and is not counted in the calculation of the proportion of the votes 'For' and 'Against' a resolution.