
LETTER FROM THE CHAIRMAN

CSS-STELLAR PLC

(incorporated and registered in England and Wales under number 3740688)

Directors:

Peter Owen
Sean Kelly
Julian Jakobi
Duncan Soukup

Registered Office:

Drury House
34-43 Russell Street
London
WC2B 5HA

12 June 2007

Dear Shareholder

INTRODUCTION

You will find enclosed with this letter a notice convening an extraordinary general meeting to be held on 3 July 2007 ("EGM").

ACCOUNTS

The directors' report and annual accounts for CSS Stellar plc (the "Company") for the year ended 31 December 2006 (the "Accounts") will shortly be circulated to shareholders under separate cover. The Company announced on 23 May 2007 that circulation of the Accounts had been delayed whilst the Board reviewed the circumstances and legal effect of various transactions conducted between October 2005 and January 2006. The Board (other than Mr Duncan Soukup, non-executive director, who voted against) are satisfied that the substance of the transactions is fairly represented in the financial statements and, in the opinion of the directors (excluding Mr Duncan Soukup) the Accounts give a true and fair view of the effect of these transactions. The Board (other than Mr Duncan Soukup) proposes that at the forthcoming Annual General Meeting resolutions will be proposed to remedy any issues that have arisen from these transactions. A notice convening this Annual General Meeting including those items of special business necessary to implement the relevant capital reduction will be sent to shareholders shortly.

EGM

As was announced by the Company on 23 May 2007, an EGM has been requisitioned by Mr Duncan Soukup for the purpose of putting forward resolutions removing the existing directors of the Company (other than Mr Soukup) and for the appointment of Mr Graham Cole and Mr James Grossman as directors of the Company. Mr Soukup has not yet explained formally to shareholders the reasons behind the relevant requisition which will be the subject of a meeting convened on 3 July 2007 at 10.30 am at the offices of Bridgewell Securities Limited, Old Change House, 128 Queen Victoria Street, London EC4V 4BJ.

As the Board explained on 23 May 2007, it believes that the EGM requisition and the comments attributable to Mr Soukup in the media on that date form part of an attempt to take control of the Board. The Board will, following receipt of Mr Soukup's formal statement, explain to shareholders why it is in the interests of shareholders to reject the resolutions.

Yours faithfully

Peter Owen

Chairman

Company number 3740688

NOTICE OF EXTRAORDINARY GENERAL MEETING

CSS-Stellar Plc

(the "Company")

Notice is hereby given that an extraordinary general meeting of the Company will be held at at the offices of Bridgewell Securities Limited, Old Change House, 128 Queen Victoria Street, London EC4V 4BJ on 3 July 2007 at 10.30 a.m. for the purposes of considering and if thought fit, passing the following resolutions as ordinary resolutions:

ORDINARY RESOLUTIONS

- 1 That Mr Peter Owen, Mr Sean Kelly and Mr Julian Jakobi and all other directors who are in office at the date of the meeting or who have been appointed prior to the date of the meeting, other than Mr Duncan Soukup or Mr Graham Cole or Mr James Grossman, be removed from office with effect from the close or adjournment of the meeting.
- 2 That Mr Graham Cole be appointed a director of the Company with effect from the close or adjournment of the meeting.
- 3 That Mr James Grossman be appointed a director of the Company with effect from the close or adjournment of the meeting.

By order of the board

.....

Secretary: Mark Ireland

Dated: 12 June 2007

Registered Office: Drury House, 34-43 Russell Street, London, WC2B 5HA

Registered in England and Wales with number 3740688

Notes

1. Any member of the Company who is entitled to attend and vote at the Extraordinary General Meeting may appoint one or more proxies to attend and, on a poll, vote instead of him. Such proxy need not be a member of the Company. To be effective, a completed and signed proxy form, together with any power of attorney or other authority under which it is executed or a certified copy of such power or authority, must be received at the offices of the Registrars of the Company not less than 48 hours before the time fixed for the meeting.
2. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that only those shareholders of the Company on the register at 8am on Monday 2 July 2007 shall be entitled to attend or vote at the Extraordinary General Meeting in respect of the number of shares registered in their name at the time. Changes to the register of members after that time will be disregarded in determining the rights of any person to attend or vote at the meeting.

FORM OF PROXY

CSS-Stellar Plc
Company No. 3740688

For use at the extraordinary general meeting (the "EGM") of CSS-Stellar Plc (the "Company") to be held at the offices of Bridgewell Securities Limited, Old Change House, 128 Queen Victoria Street, London EC4V 4BJ on 3 July 2007 at 10.30 a.m.

Please read carefully the notice convening the EGM and explanatory notes set out below before completing this form in BLOCK CAPITALS.

I/We

(in BLOCK CAPITALS please)

ofbeing a shareholder(s)
(see note 1) of the above-named Company, appoint the Chairman of the EGM or

.....(see note 2) to act as my/our proxy to attend and to vote for me/us and on my/our behalf at the EGM of the Company to be held at the offices of Bridgewell Securities Limited, Old Change House, 128 Queen Victoria Street, London EC4V 4BJ on 3 July 2007 at 10.30 a.m. and at every adjournment thereof for the purpose of considering and, if thought fit, passing the proposed ordinary resolutions set out in the notice convening the EGM. I/We direct that my/our proxy vote on the ordinary resolutions set out in the notice convening the EGM as indicated below (see note 3):

Ordinary Resolutions

For Against Abstain

1.	To approve the removal from office of Mr Peter Owen, Mr Sean Kelly and Mr Julian Jakobi.			
2.	To approve the appointment of Mr Graham Cole as a director of the Company.			
3.	To approve the appointment of Mr James Grossman as a director of the Company.			

Signed(see note 4) Dated 2007

Joint holders (if any) (see note 5)

Name..... Name.....

Name..... Name.....

Please return by post or, during normal business hours, by hand, to Capita Registrars, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU so as to arrive by no later than 10.30 a.m. on 1 July 2007.

Please sign and return the Form of Proxy whether or not you plan to attend the EGM.

Notes

1. *In the case of joint holders the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority shall be determined by the order in which names stand in the register of members in respect of the joint holding.*
2. *If any other proxy is preferred, strike out the words "Chairman of the EGM" and add the name and address of the proxy you wish to appoint and initial the alteration. The proxy need not be a member of the Company but must attend the EGM in person to represent you.*
3. *Please indicate with an 'X' in the box either "for", "against" or "abstain" how you wish your vote to be cast. If no indication is given your proxy will vote for or against the resolution or abstain from voting as he thinks fit. On any motion to amend a resolution or to adjourn the meeting, or any other resolution proposed at the meeting, the proxy may vote as he/she thinks fit or abstain from voting.*
4. *If the appointer is a corporation this form must be completed under its common seal (or in the manner permitted by section 36A(4) of the Companies Act 1985) or under the hand of some officer or attorney duly authorised in writing.*
5. *The signature of any one of joint holders will be sufficient, but the names of all the joint holders should be stated.*
6. *To be valid, this form and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power must reach the registrars of the Company, Capita Registrars, at The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU not less than forty-eight hours before the time appointed for holding the EGM or adjournment as the case may be. **Please note that it will NOT be sufficient to hand this form to the Chairman at the EGM.***
7. *The completion of this form will not preclude a member from attending the EGM and voting in person.*
8. *Any alteration of this form must be initialled.*