

Notice of Annual General Meeting

Letter from the Chairman of Silence Therapeutics plc

Dear Shareholder,

Recently we published the 2006 Report and Accounts for Silence Therapeutics plc and I have pleasure in enclosing the Notice of the forthcoming Annual General Meeting to be held on 2 August 2007.

As you will have seen from the Report and Accounts, 2006 was a transforming year for the Company and following the recent announcement of our R&D collaboration with AstraZeneca we are keen to continue to build the business going forward and close further validating transactions with large pharmaceutical companies.

As stated in the 2006 Report and Accounts it is the Company's intention over the next 12-24 months:

- To establish R&D collaborations with international pharmaceutical companies
- To broaden our discovery and development capabilities in the RNAi sector,
- To strengthen the core management team,
- To establish as appropriate an operational presence in the USA,
- To continue to assess possible M&A opportunities with a view to strengthening our product and technology base,
- To file and maintain additional patents in the RNAi and delivery sector.

As a consequence and in order to have flexibility to achieve these goals I would like to confirm that it is your Board's intention, *inter alia* to seek authority to issue, if necessary, up to 20% of the current issued share capital, equivalent to 23,876,700 shares, on a non pre-emptive basis over the next 12 months.

We envisage that the key initiatives involving the possible issue of equity are likely to include:

- Further transactions with Pharma and Biotech companies which may or may not involve those companies taking equity stakes in Silence Therapeutics plc. An essential component of our strategy is to enter third party collaborations with leaders in the pharmaceutical industry to ensure our technology and products are brought to the market in the most effective manner.
- The acquisition of companies, technology, products and Intellectual Property which will enhance our profile and capabilities in the sector. It is our stated intention to grow the business and whilst we will expand our infrastructure and competences we wish to have the ability and flexibility to capitalise on our success and commitment to the sector and making acquisitions may be a practical way of achieving this.
- The raising of additional funds from US and European institutions. As the business grows it may be beneficial to grow the capital base of the business and broaden the shareholder base on an international basis thereby if necessary providing the Company with the access to capital to accelerate the expansion of the business or complete M&A transactions. However it is not the intention of Company to make any kind of dilutive, non pre-emptive share issue unless it is considered to be more broadly for the benefit of the existing shareholders.

The Board believes that Silence Therapeutics plc is on the threshold of becoming a major force within the RNAi sector and the interest we have generated within the pharmaceutical and biotech community is extremely encouraging. We believe that, with the continued support of shareholders, we can continue to enhance substantially shareholder value over the next 12-24 months.

If you have any questions or wish to discuss the contents of this letter please do not hesitate to contact me.

Iain G Ross
Chairman
Silence Therapeutics plc

9 July 2007

Notice of Annual General Meeting

Notice is hereby given that the 2007 Annual General Meeting of Silence Therapeutics plc will be held at Centre Point, 103 New Oxford Street, London WC1A 1DD at 10.00 am on Thursday 2 August 2007 for the following purposes:

As Ordinary Business to consider, and if thought fit, pass the following resolutions as Ordinary Resolutions:

1. To receive and adopt the Directors' report, the financial statements and the auditors report for the year ended 31 December 2006.
2. To re-appoint Grant Thornton UK LLP as auditors and to authorise the Directors to fix their remuneration.
3. To re-elect the following person as Director, who is retiring by rotation and is therefore offering himself for re-election.
I G Ross
4. To re-elect the following person as a Director, who is retiring by rotation and is therefore offering himself for re-election.
I N H Rugheimer

As Special Business to consider, and if thought fit, pass the following resolutions which shall be proposed as to resolution 5 as an Ordinary Resolution and as to resolution 6 as a Special Resolution.

5. That 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 the powers of the Company to allot relevant securities (within the meaning of section 80(2) of the Act) up to an aggregate nominal amount of £238,767 (being 20% of the Company's issued share capital as at 6 July 2007) provided that this authority shall expire on whichever is the earlier of the conclusion of the next Annual General Meeting of the Company or the date falling fifteen months from the date of passing of this resolution (save that the Company may, before such expiry, make any 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 any such offer or agreement as if the authority conferred hereby had not expired). This authority is in substitution for any and all authorities previously conferred on the Directors for the purposes of section 80 of the Act.
6. That the Directors be and they are hereby empowered pursuant to section 95 of the Act, subject to the passing of resolution 5 above, to allot equity securities (as defined in section 94 of the Act) for cash pursuant to the authority conferred on them by resolution 5 above as if section 89(1) of the Act did not apply to any such allotment provided that such power shall be limited to the allotment of equity securities:
 - 6.1 in connection with a rights issue or other pre-emptive offer in favour of the holders of equity securities where the equity securities respectively attributable to the interests of all such holders are proportionate (as nearly as practicable) to the respective amounts of equity securities held by them subject to such exclusions or other arrangements as the Directors may consider appropriate or desirable to deal with the requirements of any regulatory body or stock exchange in any territory, fractional entitlements or legal or practical problems arising in, or pursuant to, the laws of any territory; and

6.2 (other than pursuant to sub-paragraph 6.1 above) up to an aggregate nominal amount of £238,767, and

the power hereby conferred shall operate in substitution for any and all previous power given to the Directors pursuant to section 95 of the Act and shall expire on whichever is the earlier of the conclusion of the next Annual General Meeting of the Company or the date falling fifteen months from the date of passing of this resolution (save that the Company may, before the expiry of such power, make any 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 hereby conferred had not expired).

BY ORDER OF THE BOARD

J M Davies
Company Secretary

9 July 2007

Registered Office:
22 Melton Street
Euston Square
London NW1 2BW

Notes:

- 1 A Form of Proxy is enclosed for your use.
- 2 A member of the Company entitled to attend and vote at the meeting may appoint one or more proxies to attend and, on a poll, vote on his/her behalf. A proxy need not be a member of the Company. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power or other authority (if any), must be deposited with the Company's registrars, Capita Registrars, Proxy Department, PO Box 25, Beckenham, Kent BR3 4BR not less than 48 hours before the time of the meeting, or any adjournment thereof.
- 3 Completion of a Form of Proxy will not preclude a member from attending and voting in person at the meeting should he/she so wish.
- 4 The following will be available for inspection at the registered office of the Company during the usual business hours on any weekday (Saturdays excepted) from the date of this notice up to and including the date of the meeting and at the place of the meeting for 15 minutes prior to and during the meeting:
 - 4.1 the register of Directors' interests kept by the Company under Section 325 of the Companies Act 1985; and
 - 4.2 Directors' service contracts and letters of engagement.
- 5 Pursuant to Regulation 34 of the Uncertificated Securities Regulations 1995, the Company specifies that only those shareholders registered in the register of members of the Company as at 10.00 am on Tuesday 31 July 2007 or, in the event that this meeting is adjourned, in the register of members of the Company 48 hours before the time of any adjourned meeting, shall be entitled to attend or vote at the above general meeting in respect of the number of shares registered in their name at the time. Subsequent changes to entries on the relevant register of securities will be disregarded in determining the rights of any person to attend or vote at the meeting.



Silence Therapeutics plc

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