

21 June 2010

Dear Shareholders

Bluehone AiM VCT 2 plc ("the Company") - Enhanced Buy-back Facility

The Company is pleased to announce that it has agreed to implement an Enhanced Buy-back Facility. The holders of shares in the Company can have their existing shares bought back by the Company with the proceeds used to subscribe for new shares under the offer made by the Company on 9 March 2010.

You will find enclosed the following documents in connection with the Enhanced Buy-back Facility with brief details of each document set out below:

Circular

In order to make available the Enhanced Buy-back Facility, the Company requires the approval by shareholders of a special resolution giving the Company authority to make market purchases of shares for the purpose of the Enhanced Buy-back Facility. Shareholders may submit applications to participate in the Enhanced Buy-back Facility, but the facility will only become available following this resolution being passed. The Board of directors of the Company recommends that shareholders vote in favour of this resolution

Enhanced Buy-back Facility Application Form

To apply for your shares to be purchased by the Company and have the proceeds applied in subscribing for new shares, please complete this form in accordance with the application procedure set out on page 5 of the Circular. You will also need to complete a Top-up Offer application form in conjunction with the Enhanced Buy-back Facility Application Form. The Top-up Offer application form is contained in the Top-up Offer document.

Top-up Offer Document

The Company previously circulated a Top-up Offer document to shareholders in March 2010. As the Enhanced Buy-back Facility operates in conjunction with the Top-up Offer, the offer document is being re-circulated to shareholders for convenience. As highlighted above, both an Enhanced Buy-back Facility application form and Top-up Offer application form need to be completed to participate in the Enhanced Buy-back Facility and the Top-up Offer application form can be found at the end of this document. If you do not wish to avail of the Enhanced Buy-back Facility, you may still subscribe for new shares under the Top-up Offer.

Supplemental Memorandum

Certain changes to the Top-up Offer were required in order to implement the Enhanced Buy-back Facility and this document sets out the changes to the terms of the Top-up Offer insofar as this relates to applications under the Enhanced Buy-back Facility.

Shareholders are advised to read each document in full before choosing to participate in the Enhanced Buy-back Facility or to make a separate further investment pursuant to the Top-up Offer. In particular, shareholders' attention is drawn to the Risk Factors on pages 12 and 13 of the Top-up Offer document.

Yours faithfully



Gordon Brough

Chairman