

**THIS CIRCULAR AND THE ACCOMPANYING FORM OF APPLICATION ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION.** If you are in any doubt about the contents of this circular and/or as to the action you should take, you should immediately consult your stockbroker, bank manager, solicitor, accountant, or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000 (as amended) if you are in the United Kingdom or, if not, another appropriately authorised independent financial adviser.

If you have sold or otherwise transferred all of your Ordinary Shares, please immediately forward this circular to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. If you have sold or otherwise transferred only part of your holding of Ordinary Shares you should retain this circular and should immediately contact your stockbroker, bank or other agent through whom the sale or transfer was effected. This circular should be read as a whole. Your attention is drawn in particular to the letter from the Chairman of the Company which is set out in Part I of this circular and which recommends you to vote in favour of the Resolutions to be proposed at the General Meeting of the Company to be held at 1 Wimpole Street - home of The Royal Society of Medicine, 1 Wimpole Street, London W1G 0AE on Monday, 21 January 2019 at 14.00 hours.

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# **Advanced Oncotherapy Plc**

*(Incorporated in England and Wales with registered number 05564418)*

## **Notice of General Meeting**

### **Placing of Shares**

### **Proposed Authority to Allot Shares and Disapply Pre-emption Rights**

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Notice of a General Meeting of Advanced Oncotherapy Plc, to be held at 1 Wimpole Street, home of The Royal Society of Medicine, 1 Wimpole Street, London W1G 0AE on Monday, 21 January 2019 at 14.00 hours is set out at the end of this document.

Whether or not they intend to attend the General Meeting, Shareholders are requested to complete and return the accompanying Form of Proxy as soon as possible and, in any event, so as to be received by the Company's registrars, Link Asset Services, PXS, 34 Beckenham Road, Beckenham, Kent, BR3 4TU not later than 14.00 hours on Thursday, 17 January 2019.

Completion and return of a Form of Proxy will not preclude Shareholders from attending and voting at the General Meeting should they choose to do so.

All references to time are to the time in London, England.

## **EXPECTED TIMETABLE OF PRINCIPAL EVENTS**

Posting of this circular to Shareholders	21 December 2018
Latest time for receipt of Forms of Proxy for the General Meeting	not later than 14.00 hours on Thursday, 17 January 2019
General Meeting	Monday, 21 January 2019 at 14.00 hours
Admission of the Subscription Shares to AIM	Tuesday, 22 January 2019

## DEFINITIONS

The following definitions apply throughout this document, the Notice of General Meeting and the Form of Proxy unless the context otherwise requires:

<b>“Admission”</b>	admission to AIM of the Subscription Shares becoming effective as provided for in Rule 6 of the AIM Rules
<b>“AIM”</b>	the market of that name operated by the London Stock Exchange plc
<b>“AVO” or “the Company”</b>	Advanced Oncotherapy plc, a company registered in England and Wales with registered number 05564418, whose registered office is at 17 Dashwood House, 69 Old Broad Street, London EC2M 1QS, United Kingdom
<b>“Board”</b>	the Board of Directors, from time to time, of the Company
<b>“Business Day”</b>	any day (other than a Saturday or Sunday) upon which commercial banks are open for business in London, England
<b>“Directors”</b>	the directors of the Company from time to time
<b>“General Meeting”</b>	the general meeting of the Company to be held at 1 Wimpole Street - home of The Royal Society of Medicine, 1 Wimpole Street, London W1G 0AE on Monday, 21 January 2019 at 14.00 hours convened by the notice set out in Part II of this circular
<b>“LIGHT”</b>	an acronym for the Company’s Linac Image Guided Hadron Technology
<b>“Link Asset Services”</b>	a trading name of Link Registrars Limited (formerly Capita Registrars Limited)
<b>“Long Stop Date”</b>	31 January 2019 <sup>1</sup>
<b>“Ordinary Shares”</b>	ordinary shares of £0.25 each in the capital of the Company
<b>“Placing Letters”</b>	the letters of subscription pursuant to which the Placees have agreed to acquire the Subscription Shares
<b>“Placing”</b>	the placing of the Subscription Shares with investors at the Subscription Price on the terms of the Placing Letters
<b>“Placees”</b>	the investors who have irrevocably agreed to acquire the Subscription Shares at the Subscription Price
<b>“Resolution 1”</b>	the Resolution numbered 1 to be proposed at the General Meeting as set out in the notice of General Meeting in Part II of this circular

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<sup>1</sup> There is no provision for force majeure in the placing letter.

<b>“Resolutions”</b>	the resolutions numbered 1 to 3 to be proposed at the General Meeting as set out in the notice of General Meeting in Part II of this circular
<b>“Shareholder”</b>	a holder of Ordinary Shares
<b>“sterling”, “pounds”, “£”, “pence” or “p”</b>	the lawful currency of the United Kingdom
<b>“Subscription Monies”</b>	the £10,000,000 (ten million British pounds) payable by the Placees for the Subscription Shares at the Subscription Price
<b>“Subscription Price”</b>	£0.40 per Subscription Share
<b>“Subscription Shares”</b>	the 25,000,000 (twenty five million) new Ordinary Shares proposed to be issued by the Company to the Placees at the Subscription Price

**PART I**  
**LETTER FROM THE CHAIRMAN**

**Advanced Oncotherapy plc**

*(Incorporated and registered in England and Wales under the Companies Act 1985 with registered number 05564418)*

*Directors*

Dr. Michael Sinclair, *Executive Chairman*  
Mr. Peter Sjöstrand, *Non-Executive Director and Vice-Chairman of the Board*  
Mr. Michael Bradfield, *Non-executive Director*  
Mr. Hans von Celsing, *Non-executive Director*  
Mr. Chunlin Han, *Non-executive Director*  
Mr. Yuelong Huang, *Non-executive Director*  
Prof. Stephen Myers, *Non-executive Director, Executive Chairman of ADAM*  
Dr. Nicholas Plowman, *Chairman of the medical advisory board*  
Nicolas Sérandour, *Chief Executive Officer*  
Mr. Gabriel Urwitz, *Non-executive Director*  
Dr. Enrico Vanni, *Non-executive Director*  
Mrs. Renhua Zhang, *Non-executive Director*

21 December 2018

Dear Shareholder,

**Placing of new Ordinary Shares**

**Proposed Authority to Allot Shares and Disapply Pre-emption Rights**

**Notice of General Meeting**

**1. Background**

The Company announced on 21 December 2018 that it has raised £10,000,000 by a conditional placing of 25,000,000 new Ordinary Shares at the Subscription Price, such Placing being conditional upon the passing of Resolution 1 and on Admission occurring by no later than the Long Stop Date.

The purpose of this circular is to explain the background to the Placing and why the Board believes it to be in the best interests of the Shareholders as a whole and recommends that you vote in favour of the Resolutions.

Following completion of the Placing, the total number of Ordinary Shares in issue will be 194,566,092 (assuming no conversion by third parties of existing rights to acquire Ordinary Shares prior to Admission) and the Subscription Shares will represent 12.8% of the enlarged issued share capital of the Company.

If Admission does not occur by the Long Stop Date, the Subscription Monies shall be returned to the Placees and the Placing Letters shall terminate.

**2. Rationale and Use of Proceeds**

As indicated in the Directors' report in the latest annual report and reiterated in the latest half-year report, the Board remains committed to maintaining the pace of the development and manufacturing activities of the Company.

Following the successful achievement of the key milestone of creating a beam capable of treating superficial tumours, the team continues in its efforts to prepare to meet the demand anticipated for an advanced, affordable proton therapy technology that can be easily installed and safely operated in areas of high patient population density. Discussions with potential partners around the world are ongoing.

The Company intends to use the proceeds of the Placing for general working capital purposes as the Company continues the development and manufacturing of its first LIGHT system to be installed at Harley Street (London, UK), and for software development and costs relating to the new testing and assembly site being installed at the UK Government's Science and Technology Facilities Council at Daresbury.

The participation of the Placees in the Placing, and their resulting holdings in the enlarged share capital of the Company on Admission, will be as follows:

	Investment	Number of Ordinary Shares for which subscribing at the Subscription Price	Number of Ordinary Shares held on Admission	Percentage of enlarged share capital held after completion of the Transactions
DNCA	£ 4,800,000	12,000,000	12,000,000	6.2%
Barrymore Investment Ltd	£ 3,162,288	7,905,721	7,905,721	4.1%
Other investors	£ 2,037,712	5,094,279	6,609,979	3.4%
<b>Total</b>	<b>£ 10,000,000</b>	<b>25,000,000</b>	<b>26,515,700</b>	<b>13.6%</b>

This fundraising is led by Paris-based DNCA Investments which is investing £4.8 million. With £23.1 billion assets under management<sup>2</sup>, DNCA Investments specializes in a conviction-driven investment approach.

Barrymore Investments Ltd is a company under control of Seamus Mulligan.

### 3. General Meeting and Resolutions

The Board is seeking Shareholder authority for the issue of equity securities in relation to the Placing and additional authority for general use.

At the end of this document is a notice convening the General Meeting to be held at 1 Wimpole Street - home of The Royal Society of Medicine, 1 Wimpole Street, London W1G 0AE on Monday, 21 January 2019 at 14.00 hours at which the Resolutions will be proposed.

Resolution 1 provides authority to the Board, pursuant to sections 551 and 570 of the Companies Act 2006, to allot the Subscription Shares. In the event that Resolution 1 is not passed, the Placing will not proceed.

Resolutions 2 and 3 provide additional authority to the Board, pursuant to sections 551 and 570 of the Companies Act 2006, to allot Ordinary Shares and grant rights to subscribe for such shares.

Resolution 2 will permit the issue of Ordinary Shares *pro rata* to existing Shareholders and the issue of Ordinary Shares otherwise than to existing Shareholders for non-cash consideration. The number of Ordinary Shares that may be issued pursuant to the authority in Resolution 2(b) will be limited to such number of Ordinary Shares as has an aggregate nominal value of £14,592,456.75, which equates to

<sup>2</sup> As of 30 September 2018 ; assets under management ("AUM) may include notional assets, assets serviced, gross assets and other types of non-regulatory AUM.

approximately 30% of the Company's enlarged issued share capital on Admission. This authority will expire at the conclusion of the Annual General Meeting of the Company to be held in 2019, unless previously renewed, varied or revoked by the Company in general meeting.

Resolution 3 disappplies pre-emption rights in relation to the issue of Ordinary Shares under the authority granted by Resolution 2(b) such that such shares can be offered other than pro rata to existing Shareholders. The authority granted under Resolution 3 will also expire at the conclusion of the Annual General Meeting of the Company to be held in 2019, unless previously renewed, varied or revoked by the Company in general meeting.

The authorities sought at the General Meeting will replace the general authorities granted by resolutions 2 and 3 passed at the general meeting of the Company held on 25 July 2018. The new authorities are being sought specifically to allow the Company to complete the Placing and to enable the Board to take advantage of future business opportunities as they arise.

#### **4. Action to be taken by Shareholders**

A Form of Proxy for use by Shareholders in connection with the General Meeting is enclosed. Shareholders are requested to complete and return the Form of Proxy in accordance with the instructions printed on to the Company's Registrars, Link Asset Services, PXS, 34 Beckenham Road, Beckenham, Kent, BR3 4TU as soon as possible, but in any event no later than 14.00 hours on Thursday, 17 January 2019.

CREST members may appoint proxies by using the CREST electronic proxy appointment service and transmitting a CREST Proxy Instruction in accordance with the procedures set out in the CREST Manual so that it is received by Link Asset Services (under CREST ID: RA10) by no later than 14.00 hours on Thursday, 17 January 2019. The time of receipt will be taken to be the time from which Link Asset Services is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

Completion and return of a Form of Proxy or transmitting a CREST Proxy Instruction will not prevent a Shareholder from attending the General Meeting and voting in person should he or she wish to do so.

#### **5. Recommendation**

Your Directors believe completion of the Placing and approval of the Resolutions to be proposed at the General Meeting are in the best interests of the Company and its Shareholders as a whole. Accordingly, the Board recommends that you vote in favour of the Resolutions, as the Directors who hold shares in the Company intend to do in respect of their own beneficial shareholdings amounting, in aggregate, to 73,585,223 existing Ordinary Shares, representing approximately 43.40% of the issued share capital of the Company at the date of this circular.

Yours faithfully

**Dr Michael Sinclair**  
*Executive Chairman*

## PART II

### NOTICE OF GENERAL MEETING

#### ADVANCED ONCOTHERAPY PLC (the “Company”)

*(Incorporated in England and Wales with registered number 05564418)*

**NOTICE IS HEREBY GIVEN THAT** a general meeting of the Company will be held at 1 Wimpole Street - home of The Royal Society of Medicine, 1 Wimpole Street, London W1G 0AE on Monday, 21 January 2019 at 14.00 hours to consider and, if thought fit, pass the following Resolutions, of which Resolution 2 will be proposed as an ordinary resolution and Resolutions 1 and 3 will be proposed as special resolutions:

#### **Special resolution**

1. THAT:

- (a) the Directors be and they are hereby generally and unconditionally authorised pursuant to section 551 of the Companies Act 2006 (the “**Act**”) to allot shares in the Company and to grant rights to subscribe for or to convert any security into shares in the Company up to a maximum aggregate nominal amount of £6,250,000.00 for the purposes of the Placing (as such term is defined and as described in the circular to shareholders dated 21 December 2018 (the “**Circular**”)); and
- (b) the Directors be and they are hereby empowered pursuant to sections 570 and 571 of the Act to allot equity securities (within the meaning of section 560 of the Act) for cash pursuant to the authority conferred by paragraph (a) of this Resolution as if section 561(1) of the Act did not apply to any such allotments up to an aggregate nominal amount of £6,250,000.00,

provided that the powers and authorities conferred by this Resolution shall expire at the conclusion of the Company’s annual general meeting to be held in the calendar year 2019 (unless previously revoked, varied or extended by the Company in general meeting) save that the Company may make offers or agreements before the expiry thereof which would or might require shares to be allotted or rights to subscribe for or convert securities into shares to be granted after the expiry of such authority and the Directors may allot shares or grant rights to subscribe for or convert securities into shares in pursuance of such an offer or agreement as if the authority conferred by this Resolution had not expired.

#### **Ordinary Resolution**

2. THAT, in addition and without prejudice to the powers and authorities set out in Resolution 1 above (the “**Reserved Authorities**”), the Directors be and they are hereby generally and unconditionally authorised pursuant to section 551 of the Act to allot shares in the Company and to grant rights to subscribe for or to convert any security into shares in the Company:

- (a) in connection with an offer (whether by way of a rights issue, open offer or otherwise) in favour of shareholders where the equity securities respectively attributable to the interests of all shareholders are proportionate (as nearly as may be) to the respective numbers of shares held by them (subject to the Directors having a right to make such exclusions or other arrangements in connection with the offering as they deem necessary or expedient to deal with equity securities representing fractional entitlements and to deal with legal or practical problems under the laws of any territory or the requirements of any regulatory body or stock exchange); and

- (b) otherwise than pursuant to paragraph (a) of this Resolution, up to a maximum aggregate nominal amount of £14,592,456.75,

provided that this authority shall expire at the conclusion of the Company's annual general meeting to be held in the calendar year 2019, save that the Company may make offers or agreements before the expiry thereof which would or might require equity securities to be allotted after the expiry of such authority and the Directors may allot equity securities in pursuance of such an offer or agreement as if the authority conferred by this Resolution had not expired and provided further that this authority shall be in addition to earlier power given to the Directors at the latest annual general meeting.

### **Special resolution**

3. THAT, subject to the passing of Resolution 2 above, the Directors be, and they are hereby empowered pursuant to section 570 of the Act to allot equity securities (within the meaning of section 560 of the Act) for cash pursuant to the authorities conferred by Resolution 2 as if section 561(1) of the Act did not apply to any such allotments. This power is limited to:

- (a) in the case of the authorisations granted under Resolution 2(a) above, the allotment of equity securities where such securities have been offered (whether by way of rights issue, open offer or otherwise) to shareholders in proportion (as nearly as may be) to their existing shareholdings, but subject to the Directors having a right to make such exclusions or other arrangements in connection with the offering as they deem necessary or expedient to deal with equity securities representing fractional entitlements and to deal with legal or practical problems under the laws of any territory or the requirements of any regulatory body or stock exchange; and
- (b) in the case of the authorisations granted under Resolution 2(b) above, the allotment of equity securities for cash otherwise than pursuant to paragraph (a) of this Resolution, up to an aggregate nominal amount of £14,592,456.75,

and shall expire at the conclusion of the Company's annual general meeting to be held in the calendar year 2019, but the Company may, before such expiry, make offers or agreements which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of that offer or agreement as if the power conferred by this Resolution had not expired and provided further that this authority shall be in addition to earlier power given to the Directors at the latest annual general meeting.

By Order of the Board

Dr. Michael Sinclair

Executive Chairman

**Registered Office:** Level 17, Dashwood House, 69 Old Broad Street, London EC2M 1QS

21 December 2018

Notes:

1. A member entitled to attend, speak and vote at the General Meeting may appoint a proxy or proxies to attend, speak and vote instead of him or her. A proxy need not to be member of the company. Please indicate on your Form of Proxy how you wish your votes to be cast in respect of the Resolutions to be proposed at the said meeting. If you do not indicate how you wish your proxy to use your votes, the proxy will exercise his discretion both as to how he votes and as to whether or not he abstains from voting. Your proxy will have the authority to vote at his discretion on any amendment or other motion proposed at the meeting, including any motion to adjourn the meeting.

2. If you prefer to appoint some other person or persons as your proxy, strike out the words “the Chairman of the Meeting, or” and insert in the blank space the name or names preferred and initial the alteration. A proxy need not be a member of the Company. Completion of a Form of Proxy will not preclude a member from attending and voting in person.
3. In the case of joint holders, the signature of the holder whose name stands first in the relevant register of members will suffice as the vote of such holder and shall be accepted to the exclusion of the votes of the other joint holders. The names of all joint holders should, however, be shown.
4. If a member is a corporation, the form must be executed either under its common seal or under the hand of an officer or agent duly authorised in writing. In the case of an individual the proxy must be signed by the appointor or his agent, duly authorised in writing. The Form of Proxy has been sent to you by post, it may be returned by post or courier or by hand to the Company’s Registrars, Link Asset Services, PXS, 34 Beckenham Road, Beckenham, Kent, BR3 4TU.
5. CREST members should use the CREST electronic proxy appointment service and refer to note 6 below in relation to the submission of a proxy appointment via CREST. In each case the proxy appointment must be received not less than 48 hours before the time for the holding of the meeting or adjourned meeting together (except in the case of appointments made electronically) with any authority (or a notarially certified copy of such authority) under which it is signed.
6. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the General Meeting to be held on the above date and any adjournment(s) thereof by using the procedures described in the CREST manual. CREST personal members or other CREST sponsored members who have appointed a voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a “CREST proxy instruction”) must be properly authenticated in accordance with Euroclear UK & Ireland Limited’s specifications and must contain the information required for such instructions as described in the CREST manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the Company’s agent (ID: RA10) by the latest time(s) for receipt of proxy appointments specified in the notice of meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST applications host) from which the Company’s agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST proxy instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or joint service providers are referred, in particular, to those sections of the CREST manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST proxy instruction in the circumstances set out in regulation 35(5) (a) of the Uncertificated Securities Regulations 2001.

7. Pursuant to regulation 41 (1) of the Uncertificated Securities Regulations 2001 (2001 No. 3755) the Company has specified that only those members registered on the register of members of the Company at close of business on Friday, 18 January 2019 shall be entitled to attend and vote at the General Meeting in respect of the number of Ordinary Shares registered in their name at the time. Changes to the register of members after close of business on Friday, 18 January 2019 shall be disregarded in determining the rights of any person to attend and vote at the General Meeting.
8. You may vote your shares electronically at [www.signalshares.com](http://www.signalshares.com).