

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 the Royal Institute of British Architects, 66 Portland Place, London W1B 1AD on 31 March 2017 at 4:00 pm.

Advanced Oncotherapy Plc

(Incorporated in England and Wales with registered number 05564418)

Notice of General Meeting

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

Notice of a General Meeting of Advanced Oncotherapy Plc, to be held at the Royal Institute of British Architects, 66 Portland Place, London W1B 1AD at 4:00 pm on 31 March 2017 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, Capita Asset Services, PXS, 34 Beckenham Road, Beckenham, Kent BR3 4TU not later than 16:00 hours on 29 March 2017.

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	7 March 2017
Latest time for receipt of Forms of Proxy for the General Meeting	4:00 pm on 29 March 2017
General Meeting	4:00 pm on 31 March 2017

DEFINITIONS

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

“Affiliate”	with respect to a person, any other person that, directly or indirectly through one or more intermediaries, controls (as such term is defined in s.1124 of the Corporation Tax Act 2010), or is controlled by, or is under common control with, such person
“AIM”	the market of that name operated by the London Stock Exchange plc
“Bracknor”	Bracknor Worldwide Investments Limited, a limited liability company incorporated under the laws of the Cayman Islands
“Business Day”	any day (other than a Saturday or Sunday) upon which commercial banks are open for business in London, England
“Capita Asset Services”	a trading name of Capita Registrars Limited
“Closing VWAP”	the daily volume weighted average price of the Ordinary Shares on AIM
“Commitment”	the commitment by Bracknor to subscribe for up to £26,000,000 nominal value of Notes pursuant to the terms of the Subscription Agreement
“Commitment Fee”	a fee of three per cent. (3%) of the nominal value of the Commitment payable by the Company to Bracknor in consideration of the Commitment, of which the Initial Commitment Fee was paid upon the issue of the Initial Tranche of Notes and the balance is due on the Business Day immediately following the date of passing of the Resolutions
“Commitment Period”	the period of 24 months commencing on the date of the Subscription Agreement
“Company” or “AVO”	Advanced Oncotherapy plc
“Conversion Date”	the date of receipt by the Company from Bracknor of a notice specifying the number of Notes it wishes to convert and the corresponding principal amount of Notes so converted, based on the Conversion Price
“Conversion Fee”	a conversion fee of three per cent. (3%) of the nominal value of any Notes being converted
“Conversion Price”	the lowest Closing VWAP (as published by Bloomberg LP) during the applicable Pricing Period
“CREST”	the relevant system for the paperless settlement of trades and the holding of uncertified securities operated by Euroclear UK & Ireland Limited in accordance with the CREST

	Regulations
“CREST Regulations”	the Uncertificated Securities Regulations 2001, as amended
“Directors” or “Board”	the directors of the Company
“Facility”	the equity financing to be provided by Bracknor to the Company on the terms of the Subscription Agreement
“Form of Proxy”	the form of proxy accompanying this circular for use by Shareholders in connection with the General Meeting
“General Meeting”	the general meeting of the Company to be held at the Royal Institute of British Architects, 66 Portland Place, London W1B 1AD on 31 March 2017 at 4:00 pm convened by the notice set out in Part III of this circular
“Initial Commitment Fee”	a fee of £40,000
“Initial Tranche of Notes”	£1,300,000 in nominal value of Notes issued to Bracknor on 22 February 2017 under the Company’s existing authorities to allot Ordinary Shares
“Initial Warrant Exercise Price”	the exercise price for the Warrants issued in connection with the Initial Tranche Notes, being 86 pence per Ordinary Share
“Investor Call”	a request from Bracknor to draw down a Tranche, which shall be made in writing (an “Investor Call Notice”)
“LIGHT”	an acronym for the Company’s Linac Image Guided Hadron Technology
“Notes”	convertible loan notes each with a nominal value of £10,000 to be issued by the Company to Bracknor pursuant to the terms of the Subscription Agreement, having the rights and characteristics summarised in Part II of this circular
“Ordinary Shares”	ordinary shares with a nominal value of 25p each in the capital of the Company
“Pricing Period”	the 15 consecutive Trading Days expiring on the Trading Day immediately preceding a Conversion Date
“Request”	a written request from AVO to Bracknor to draw down a Tranche
“Resolutions”	the resolutions to be proposed to Shareholders at the General Meeting
“Shareholder”	a holder of Ordinary Shares
“sterling”, “pounds sterling”, “£”, “pence” or “p”	the lawful currency of the United Kingdom
“Subscription Agreement”	the agreement made between the Company and Bracknor dated 21 February 2017 relating to the Notes and attached

Warrants

“Subscription Price”	ninety-five per cent. (95%) of the nominal value of a Tranche, being £1,235,000 per Tranche
“Trading Day”	any day on which AIM is open and remains open for not less than 3 hours for the general trading of securities
“Tranche”	a tranche of Notes with a nominal value of £1,300,000 to be subscribed for by Bracknor at the Subscription Price
“Warrant Exercise Price”	one hundred and thirty per cent (130%) of the lowest Closing VWAP over the five (5) Trading Days immediately preceding service of a Request (or an Investor Call Notice, as the case may be), subject to adjustment in certain circumstances in accordance with the provisions of the Subscription Agreement
“Warrant”	a warrant to subscribe for one Ordinary Share at the Warrant Exercise Price pursuant to the terms of the Subscription Agreement

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*
Michael Bradfield, *Non-executive Director*
Hans von Celsing, *Non-executive Director*
Prof. Stephen Myers, *Non-executive Director, Executive Chairman of ADAM*
Prof. Chris Nutting, *Non-executive Director*
Sanjeev Pandya, *EVP, Global Business Development*
Dr Nicholas Plowman, *Non-executive Director*
Nicolas Serandour, *Chief Executive Officer*
Dr Euan Thomson, *Non-executive Director*
Dr Enrico Vanni, *Non-executive Director*

7 March 2017

Dear Shareholder,

Equity Financing Facility and Notice of General Meeting

1. Background

The Company announced on 22 February 2017 that it had entered into an equity financing facility with Bracknor pursuant to which Bracknor has committed to fund the Company by subscribing for up to £26,000,000 in nominal value of Notes over a two-year Commitment Period. Each Tranche of Notes shall be accompanied by Warrants to convert into such number of Ordinary Shares as has a nominal value equal to twenty per cent. (20%) of the nominal value of the relevant Tranche, divided by the relevant Warrant Exercise Price.

On 22 February 2017, the Company requested the drawdown of the Initial Tranche of Notes in the amount of £1,300,000, for which it received a Subscription Price of £1,235,000. Upon the date of issue of this Initial Tranche of Notes to Bracknor, Bracknor also received 302,325 Warrants, calculated in accordance with the terms of the Subscription Agreement, exercisable at the Initial Warrant Exercise Price. In addition, Bracknor received Notes with a nominal value of £70,000 in settlement of (i) the Initial Commitment Fee and (ii) £30,000 towards Bracknor's legal fees, which are payable by the Company.

From the Initial Tranche of Notes, Bracknor converted Notes with a nominal value of £100,000 into Ordinary Shares on 27 February 2017 at a Conversion Price of 57 pence per share. The number of shares issued to Bracknor as a result of this conversion was 174,185 Ordinary Shares, plus an additional 5,225 Ordinary Shares in satisfaction of the applicable Conversion Fee.

If Resolution 1 in the attached Notice of General Meeting is approved, the Company will be able to request the drawdown of subsequent Tranches in the amount of £1,300,000 each, for which AVO will receive a Subscription Price of £1,235,000. Upon the issue of Notes, from time to time, AVO will also issue to Bracknor a number of Warrants to be calculated in accordance with the terms of the Subscription Agreement and exercisable at the Warrant Exercise Price calculated at the date of their issuance.

The remaining £740,000 of the Commitment Fee payable to Bracknor for providing the Facility will be settled by the issue of a further 74 Notes on the Business Day following the date of passing of Resolution 1 to be proposed at the General Meeting.

Under the terms of the Subscription Agreement, subject to approval of Resolution 1, AVO is obliged to accept drawdown of not less than £13,000,000 nominal value of Notes (for which the Company would receive £12,350,000), together with attached Warrants, should Bracknor request it to do so. However, AVO may reject the timing of up to two Investor Calls during the Commitment Period, in which case Bracknor cannot serve another Investor Call Notice for 20 Business Days.

The Notes are convertible into Ordinary Shares within 12 months of issue. Upon receipt of a conversion notice from Bracknor, the Company can elect to redeem in cash up to half of the Notes which are the subject of the notice, instead of converting them into Ordinary Shares. On conversion, a Conversion Fee (being three per cent. (3%) of the nominal value of the Notes to be converted) is payable by the Company to Bracknor. This fee may be satisfied in cash or by the issue of new Ordinary Shares, at the option of the Company.

If the Commitment is drawn down in full prior to the expiry of the Commitment Period, the Company may choose, at its entire discretion, for an additional Commitment Fee, to renew the Facility for up to a further £26,000,000, on substantially the same terms. The issue of further Notes under such a renewed Facility would require additional authority from Shareholders.

A summary of the key terms of the Facility is set out in Part II of this circular.

The purpose of this document is to explain the background to the Facility and why the Board believes the Facility is in the best interests of the Shareholders taken as a whole and recommends that you vote in favour of the Resolutions.

2. Use of proceeds

When I last wrote to you in October 2016 to announce the Open Offer carried out by the Company at that time, I confirmed that the Company was exploring financing plans which would be non-dilutive to existing Shareholders. Although we continue to explore such options, the Directors believe that the amount of funds potentially available under the Facility, and the flexible financing terms of the Subscription Agreement, are in the best interests of Shareholders as they will allow the Company to progress towards production and installation of its first LIGHT system in Harley Street, London. The proceeds will also be allocated for general working capital purposes. It is our conviction that had the Company gone to the market to raise £13m, an amount equivalent to the minimum commitment vis-à-vis Bracknor, such financing would likely have been done at a significant discount to our market value. The ability to stage the drawdown of the Tranches over two years provides the opportunity for the Company to benefit from positive news flow during that period.

3. General Meeting and Resolutions

The Company's existing authorities are sufficient for the issue of new Ordinary Shares in respect of the issue and conversion of the Initial Tranche of Notes and their associated Warrants, and the satisfaction in Notes of the Initial Commitment Fee and Bracknor's legal costs. The Board is therefore seeking shareholder authority for the issue of further equity securities in relation to additional Tranches, Warrants, Commitment Fees and Conversion Fees.

At the end of this document is a notice convening the General Meeting to be held at the Royal Institute of British Architects, 66 Portland Place, London W1B 1AD on 31 March 2017 at 4:00 pm at which resolutions will be proposed to grant the Board authorities to issue equity securities, including pursuant to the terms of the Subscription Agreement, and to disapply applicable pre-emption rights.

Drawdown of additional Tranches under the Facility is conditional, inter alia, upon the passing of Resolution 1. In the event that Resolution 1 is not passed, the Company will be unable to draw down further Tranches under the Facility.

The total number of Ordinary Shares to be issued pursuant to the Facility cannot be calculated at this time as it depends, amongst other things, upon how many Tranches are drawn down and the share price of Ordinary Shares in the period leading up to any conversion of Notes or exercise of Warrants. Accordingly, the figures in Resolution 1 are based on the Closing VWAP on the last practicable date before the posting of this circular, being 44 pence per Ordinary Share. Based on a Conversion Price of 44 pence and an estimated Warrant Exercise Price of 57 pence (being 130% of the Conversion Price), the Company would have to issue a maximum total of up to 71,067,491 new Ordinary Shares under the Subscription Agreement (representing approximately 98 per cent. (98%) of the current issued share capital of the Company), if the full Commitment were to be drawn down. The Board has applied these numbers when determining the figures in Resolution 1. The authority granted by Resolution 1 will expire on 31 March 2019.

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.

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 £6,055,975.00, which equates to approximately one third of the Company's issued share capital at the date of this circular. This authority will expire at the conclusion of the Annual General Meeting of the Company to be held in 2018, unless previously renewed, varied or revoked by the Company in general meeting.

Resolution 3 will permit the issue of Ordinary Shares for cash other than *pro rata* to existing Shareholders. The number of Ordinary Shares that may be issued pursuant to this authority will be limited to such number of Ordinary Shares as has an aggregate nominal value of £1,816,792.50, which equates to approximately ten per cent. (10%) of the Company's issued share capital at the date of this circular. The authority granted under Resolution 3 will also expire at the conclusion of the Annual General Meeting of the Company to be held in 2018, unless previously renewed, varied or revoked by the Company in general meeting.

The authorities sought at the General Meeting will replace those granted at the Annual General Meeting of the Company held on 30 June 2016. The new authorities are being sought specifically to allow the Company to implement the Facility and more generally to maintain flexibility in the financing of the Company and to enable the Board to take advantage of 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, Capita Asset Services, PXS, 34 Beckenham Road, Beckenham, Kent BR3 4TU as soon as possible, but in any event no later than 4:00 pm on Wednesday 29 March 2017.

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 Capita Asset Services (under CREST ID: RA10) by no later than 4:00 pm on Wednesday 29 March 2017. The time of receipt will be taken to be the time from which Capita 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 the Facility and the terms of the Subscription Agreement, and 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 have irrevocably undertaken to do in respect of their own beneficial shareholdings amounting, in aggregate, to 15,387,515 existing Ordinary Shares, representing approximately 21 per cent. of the issued share capital of the Company at the date of this circular.

Yours faithfully

Dr Michael Sinclair
Executive Chairman

PART II

THE FACILITY

The following is a summary of the key terms of the Subscription Agreement pursuant to which the Facility has been made available to the Company.

The Notes

- Under the terms of the Facility, Bracknor has committed to fund the Company by subscribing for up to £26,000,000 in nominal value of Notes over a two-year Commitment Period. Each Tranche of Notes will have a nominal value of £1,300,000. The Subscription Price for each Tranche of Notes is £1,235,000, representing ninety-five per cent. (95%) of their nominal value.

The Warrants

- Each Tranche of Notes shall be accompanied by Warrants to subscribe for such number of Ordinary Shares as has a nominal value equal to twenty per cent. (20%) of the nominal value of the relevant Tranche, divided by the relevant Warrant Exercise Price. The exercise price of the Warrants will be adjusted in certain circumstances, including if the Company issues Ordinary Shares at a price that is lower than the Closing VWAP or the Warrant Exercise Price, or if it issues preference shares or carries out a capitalisation of reserves to increase its share capital. The exercise period of the Warrants is four years from the date of issue.

Minimum drawdown

- Under the terms of the Subscription Agreement, subject to approval of Resolution 1 in the attached Notice of General Meeting, the Company is obliged to accept drawdown of not less than £13,000,000 nominal value of Notes, together with attached Warrants, should Bracknor request it to do so. However, the Company may reject the timing of up to two Investor Calls during the Commitment Period, in which case Bracknor cannot serve another Investor Call Notice for 20 Business Days.

Timing

- Drawdown of a Tranche of Notes cannot be requested by either party without the written consent of the other unless (i) all previously issued Notes have been converted into Ordinary Shares or (ii) a period of five Business Days has elapsed since the date of transfer of funds to the Company in respect of the previous Tranche of Notes issued.

Warranties and covenants

- The Subscription Agreement contains certain covenants by, and warranties from, the Company in favour of Bracknor. It is a condition of drawdown of any Tranche of Notes that these covenants have been complied with and that there is no existing breach of warranty, and also that no event of force majeure has occurred which would prohibit or substantially interfere with the Company's ability to perform its obligations under the Subscription Agreement in any material respect.

Events of Default

- The Subscription Agreement sets out a number of Events of Default, the occurrence of which would give Bracknor the right to terminate the Subscription Agreement. These Events of Default include a material default by the Company in the due performance of its obligations under the Subscription Agreement, a change of control of the Company, certain insolvency events and the delisting of the Ordinary Shares from AIM. Upon termination of the Subscription Agreement as a

result of an Event of Default, the rights attaching to any outstanding Notes or Warrants at that date would remain unaffected.

Conversion

- The Notes must be converted into Ordinary Shares within twelve months of issue at a Conversion Price equal to the lowest Closing VWAP during the fifteen (15) Trading Days immediately preceding the Conversion Date. Upon receipt of a conversion notice from Bracknor, the Company can elect to redeem up to half (50%) of the Notes which are the subject of the notice by way of a cash payment, instead of converting them into Ordinary Shares.

Commitment Fee

- In consideration of Bracknor providing the Facility, the Company will pay a Commitment Fee to Bracknor equal to three per cent. (3%) of the nominal value of the Commitment. Such fee is to be settled by the issue to Bracknor of Notes with a nominal value of £780,000. The first £40,000 nominal value of these Notes was issued with the Initial Tranche of Notes. The balance will be issued on the Business Day following the date of passing of Resolution 1.

Legal fees

- The Company has also agreed to pay £40,000 towards the legal fees of Bracknor incurred in relation to the Facility. £10,000 of this sum was paid in cash and the balance was settled by the issue to Bracknor of Notes with a nominal value of £30,000.

Conversion Fee

- On conversion, the Conversion Fee (being a sum equal to three per cent. (3%) of the nominal value of the Notes to be converted) is payable by the Company to Bracknor. This fee may be satisfied in cash or Ordinary Shares, at the option of the Company.

Par value of Ordinary Shares

- Under the terms of the Subscription Agreement, if the closing price of the Ordinary Shares is lower than 110% of their par value for a period of more than 10 consecutive Trading Days the Company must convene a general meeting of Shareholders within 45 days to propose a reduction of the par value of the Ordinary Shares by not less than half.

Short selling

- Bracknor has undertaken not to short sell (as such term is defined in the EU Short Selling Regulation (Regulation 236/212)) Ordinary Shares during the Commitment Period, provided that Bracknor may short sell up to 120% of the number of Ordinary Shares to be issued upon a conversion of Notes or an exercise of Warrants between the date such conversion or exercise is announced on a Regulatory News Service and the date such conversion or exercise takes effect.

City Code

- Bracknor, together with persons acting in concert with it (as such term is defined in the City Code on Takeovers and Mergers) has agreed that it will not, at any time, hold a number of Ordinary Shares that is higher than 29.9% of the issued share capital of the Company from time to time. If automatic conversion of Notes upon their 12 month maturity date would cause Bracknor to breach this covenant, then conversion of such number of Notes as would increase Bracknor's holding to over 29.9% shall be delayed until such conversion can occur without the limit being exceeded.

Right to transfer

- The Notes and the Warrants may not be assigned or transferred by Bracknor without the prior written consent of the Company unless such assignment or transfer is to an Affiliate of Bracknor.

Option to renew

- If the full amount available under the Facility has been drawn down prior to the end of the Commitment Period, the Company has the option, in its sole discretion, to renew the Commitment for up to a further £26 million on the same terms. Such renewal will require payment of a further Commitment Fee.

PART III

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 the Royal Institute of British Architects, 66 Portland Place, London W1B 1AD at 4:00 pm on 31 March 2017 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 £17,766,872.75 for the purposes of the Facility (as such term is defined and as described in the circular to shareholders dated 7 March 2017 (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 £17,766,872.75;

provided that the powers and authorities conferred by this Resolution shall expire on 31 March 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 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 an maximum aggregate nominal amount of £6,055,975.00

provided that this authority shall expire at the conclusion of the Company's annual general meeting to be held in the calendar year 2018, 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 (with the exception of the powers and authorities granted by Resolution 1 above) be in substitution for and supersede and revoke any earlier power given to the Directors.

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 £1,816,792.50,

and shall expire at the conclusion of the Company's annual general meeting to be held in the calendar year 2018, 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 (with the exception of the powers and authorities granted by Resolution 1 above) be in substitution for and supersede and revoke any earlier power given to the Directors.

By Order of the Board

Dr Michael Sinclair

Executive Chairman

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

7 March 2017

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, Capita 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 29 March 2017 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 29 March 2017 shall be disregarded in determining the rights of any person to attend and vote at the General Meeting.