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THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION FOR THE PURPOSES OF ARTICLE 7 OF REGULATION 2014/596/EU. IN ADDITION, MARKET SOUNDINGS WERE TAKEN IN RESPECT OF THE MATTERS CONTAINED IN THIS ANNOUNCEMENT, WITH THE RESULT THAT CERTAIN PERSONS BECAME AWARE OF SUCH INSIDE INFORMATION. UPON THE PUBLICATION OF THIS ANNOUNCEMENT, THIS INSIDE INFORMATION IS NOW CONSIDERED TO BE IN THE PUBLIC DOMAIN AND SUCH PERSONS SHALL THEREFORE CEASE TO BE IN POSSESSION OF INSIDE INFORMATION.

25 March 2020

Synairgen plc

("Synairgen" or the "Company")

Placing and Subscription of New Ordinary Shares

to raise up to £14.0 million

Launch of Placing by accelerated Bookbuild

Southampton, UK - 25 March 2020: On 18 March 2020, Synairgen plc (LSE: SNG), the respiratory drug discovery and development company, announced that it had received expedited approvals to conduct a trial of SNG001 (inhaled formulation of interferon-beta-1a) in COVID-19 patients to potentially assist with the global outbreak of the virus.

Further to that announcement, Synairgen today announces a proposed fundraising by way of a placing (the "**Placing**") and subscription (the "**Subscription**" and, together with the Placing, the "**Fundraising**") of up to 40,000,000 new ordinary shares of one penny each in the capital of the Company ("**Ordinary Shares**") to raise up to £14.0 million at a price per share of 35 pence (the "**Issue Price**").

The net proceeds of the Fundraising will be used: (i) to fund the COVID-19 clinical trial activity; (ii) the manufacture of the SNG001 drug product and other supply chain considerations; and (iii) for general working capital requirements and to strengthen the Company's balance sheet.

The Placing comprises a proposed placing of, in aggregate, up to 39,785,715 new Ordinary Shares. The Placing will take place in two tranches, with the first tranche of up to 10,943,295 new Ordinary Shares (the "**Firm Placing Shares**") utilising the Company's existing shareholder authorities to issue new shares on a non-pre-emptive basis for cash (the "**Firm Placing**") and the second tranche of up to 28,842,420 new Ordinary Shares (the "**Conditional Placing Shares**" and together with the Firm Placing Shares, the "**Placing Shares**") to be issued subject to new shareholder approvals to be sought at a general meeting of the Company (the "**General Meeting**") (the "**Conditional Placing**").

Certain directors of the Company intend to subscribe for, in aggregate, 214,285 new Ordinary Shares (the "**Subscription Shares**" and, together with the Placing Shares, the "**New Ordinary Shares**") pursuant to the Subscription.

The Company intends to publish and send a circular (the "**Circular**") to shareholders convening the General Meeting in connection with the issue of the Conditional Placing Shares on or around 27 March 2020. The Circular will also be available on the Company's website: www.synairgen.com.

finnCap Ltd ("**finnCap**") is acting as sole bookrunner in connection with the Placing. The Placing Shares are being offered by way of an accelerated bookbuild (the "**Bookbuild**"), which will be launched immediately following this Announcement, in accordance with the terms and conditions set out in Appendix II to this Announcement.

It is proposed that a number of the Placing Shares will be issued to (i) investors seeking the benefit of relief under the Enterprise Investment Scheme; and (ii) certain Venture Capital Trusts ("**VCTs**") (the "**Eligible Placing Shares**") The Eligible Placing Shares will be unconditionally issued to the relevant placees at Firm Admission (as defined below) so that such placees shall be able to benefit for EIS and VCT tax advantages. The Company has not applied for, nor has it received advance assurance from HMRC that the Eligible Placing Shares will rank as "eligible shares" for the purposes of the enterprise investment scheme pursuant to s. 173 of the Income Tax Act 2007 nor as eligible shares for VCT purposes pursuant to section 285 of that Act. Further, none of the Company, the Directors or any of the Company's advisers give any warranty or undertaking that reliefs will be available and not withdrawn at a later date. The timing of the closing of the Bookbuild, the number of Placing Shares and the allocation of Placing Shares to be issued at the Issue Price are to be determined at the discretion of the Company and finnCap.

A further announcement will be made following the close of the Bookbuild, confirming final details of the Placing.

Key Highlights:

- Firm Placing of, in aggregate, up to 10,943,295 new Ordinary Shares and Conditional Placing of, in aggregate, up to 28,842,420 new Ordinary Shares, in each case at the Issue Price.
- Certain Directors of the Company propose to subscribe for an aggregate of 214,285 new Ordinary Shares pursuant to the Subscription and the Placing at the Issue Price.
- The Issue Price represents a discount of approximately 10.6 per cent. to the volume-weighted average price of an Ordinary Share for the ten day period up to and including 24 March 2020 (being the latest practicable date prior to the date of this Announcement).
- The net proceeds of the Fundraising will be used for the following:
 - To fund the COVID-19 clinical trial activity.
 - Manufacture of SNG001 drug product and other supply chain considerations.
 - Working capital requirements and strengthening the balance sheet.
- The Firm Placing is conditional, *inter alia*, upon the Placing Agreement not having been terminated and becoming unconditional in respect of those shares. The Conditional Placing and the Subscription are also conditional, *inter alia*, upon the passing of the Resolutions by the Shareholders at the General Meeting which shall be convened pursuant to a notice of general meeting (the "**Notice of General Meeting**") to be set out in the Circular and which is intended to be published and posted to shareholders on or around 27 March 2020.

The New Ordinary Shares are not being made available to the public. It is envisaged that the Bookbuild will be closed no later than 4.30 p.m. on Friday 27 March 2020. The Placing will not be underwritten.

Set out below in Appendix I is an extract from the draft circular that is proposed to be sent to Shareholders after the closing of the Bookbuild. The Circular and Notice of General Meeting will be sent to Shareholders and published on the Company's website shortly after the closure, and announcement of, the results of the Bookbuild.

This Announcement should be read in its entirety. In particular, your attention is drawn to the detailed terms and conditions of the Placing in Appendix II to this Announcement. Further information relating to the Fundraising is described in Appendix I to this Announcement.

By choosing to participate in the Placing and by making an oral and legally binding offer to acquire Placing Shares, investors will be deemed to have read and understood this Announcement in its entirety (including the Appendices), and to be making such offer on the terms and subject to the conditions of the Placing contained herein, and to be providing the representations, warranties and acknowledgements contained in Appendix II.

Unless otherwise indicated, capitalised terms in this Announcement have the meaning given to them in the definitions section included in Appendix I.

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About Synairgen

Synairgen is a respiratory drug discovery and development company founded by University of Southampton Professors Stephen Holgate, Donna Davies and Ratko Djukanovic. The business, focused primarily on lung viral defence in asthma and COPD, uses its differentiating human biology BioBank platform and world-renowned international academic KOL network to discover and develop novel therapies for respiratory disease.

Synairgen is quoted on AIM (LSE: SNG). For more information about Synairgen, please see www.synairgen.com

IMPORTANT NOTICES

This Announcement includes statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "forecasts", "plans", "prepares", "anticipates", "projects", "expects", "intends", "may", "will", "seeks", "should" or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this Announcement and include statements regarding the Company's and the Directors' intentions, beliefs or current expectations concerning, amongst other things, the Company's prospects, growth and strategy. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance.

The Company's actual performance, achievements and financial condition may differ materially from those expressed or implied by the forward-looking statements in this Announcement. In addition, even if the Company's results of operations, performance, achievements and financial condition are consistent with the forward-looking statements in this Announcement, those results or developments may not be indicative of results or developments in subsequent periods. Any forward-looking statements that the Company makes in this Announcement speak only as of the date of such statement and (other than in accordance with their legal or regulatory obligations) neither the Company, nor finnCap nor any of their respective associates, directors, officers or advisers undertakes any obligation to update such statements. Comparisons of results for current and any prior periods are not intended to express any future trends or indications of future performance, unless expressed as such, and should only be viewed as historical data.

finnCap is authorised and regulated by the Financial Conduct Authority (the "FCA") in the United Kingdom and is acting exclusively for the Company and no one else in connection with the Fundraising or any other matters referred to in this Announcement, and finnCap will not be responsible to anyone (including any Placees) other than the Company for providing the protections afforded to its clients or for providing advice in relation to the Placing or any other matters referred to in this Announcement.

No representation or warranty, express or implied, is or will be made as to, or in relation to, and no responsibility or liability is or will be accepted by finnCap or by any of its affiliates or agents as to, or in relation to, the accuracy or completeness of this Announcement or any other written or oral information made available to or publicly available to any interested party or its advisers, and any liability therefor is expressly disclaimed.

No statement in this Announcement is intended to be a profit forecast or estimate, and no statement in this Announcement should be interpreted to mean that earnings per share of the Company for the current or future financial years would necessarily match or exceed the historical published earnings per share of the Company.

The price of shares and any income expected from them may go down as well as up and investors may not get back the full amount invested upon disposal of the shares. Past performance is no guide to future performance, and persons needing advice should consult an independent financial adviser.

The New Ordinary Shares to be issued pursuant to the Fundraising will not be admitted to trading on any stock exchange other than the AIM market of the London Stock Exchange.

Neither the content of the Company's website nor any website accessible by hyperlinks on the Company's website is incorporated in, or forms part of, this Announcement.

Information to Distributors

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("MiFID II"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "MiFID II Product Governance Requirements"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the New Ordinary Shares the subject of the Placing have been subject to a product approval process, which has determined that such securities are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "Target Market Assessment"). Notwithstanding the Target Market Assessment, Distributors should note that: the price of the securities may decline and investors could lose all or part of their investment; the securities offer no guaranteed income and no capital protection; and an investment in the securities is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Placing. Furthermore, it is noted that, notwithstanding the Target Market Assessment, finnCap will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the securities.

Each distributor is responsible for undertaking its own target market assessment in respect of the securities and determining appropriate distribution channels.

The following text has been extracted from the Circular:

APPENDIX I – EXTRACTS FROM THE CIRCULAR

LETTER FROM THE CHAIRMAN

1. Introduction

Synairgen has recently announced that it had conditionally raised £14.0 million (before expenses) by a Fundraising of 40,000,000 New Ordinary Shares at a price of 35 pence per share. The Fundraising consists of the Firm Placing, the Conditional Placing and the Subscription.

The Firm Placing is being made pursuant to existing authorities to allot shares for cash and disapply pre-emption rights under section 551 and section 570 of the Act, which the Directors were granted at the Annual General Meeting of the Company held on 3 June 2019. Accordingly, completion of the Firm Placing is due to take place on Firm Admission, which is expected to occur at 8.00 a.m. on 30 March 2020.

The Company will require further share authorities to allot the Conditional Placing Shares and the Subscription Shares. Accordingly, the Conditional Placing and the Subscription are conditional, *inter alia*, on the passing of the Resolutions by the Shareholders at the General Meeting, which has been convened for 14 April 2020, notice of which is set out at the end of this document. The Resolutions will be held on a poll. If the Resolutions are passed, Admission of the Conditional Placing Shares and Subscription Shares is expected to occur at 8.00 a.m. on 15 April 2020.

The purpose of this document is to explain the background to and reasons for the Fundraising, why the Directors believe it to be in the best interests of the Company and its Shareholders as a whole and therefore recommend that you vote in favour of the Resolutions at the General Meeting, which has been convened for 11.00 a.m. on 14 April 2020 at The Blueprint Design Company Limited, Martins Barn, Birdham Road, Chichester, West Sussex PO20 7BX. The Notice of General Meeting is set out at the end of this document.

The Directors intend to vote in favour of the Resolutions in respect of their legal and/or beneficial shareholdings amounting, in aggregate, to 3,619,458 Ordinary Shares, representing approximately 3.3 per cent. of the Existing Shares.

Please see the important notice set out in paragraph 8 of this Document concerning the implications that COVID-19 will have on attendance at the General Meeting and the measures that the Company is putting in place in respect of the same.

2. Background to and reasons for the Fundraising and use of Proceeds

Synairgen leverages its deep understanding of respiratory biology to discover and develop novel therapies in areas of high unmet respiratory medical need. The Company, focused primarily on asthma and chronic obstructive pulmonary disease (COPD), uses its differentiating human biology BioBank platform and world-renowned international academic Key Opinion Leader network to discover and develop novel therapies for respiratory disease.

Synairgen is currently running a two-part Phase II trial in COPD patients evaluating SNG001, the Company's wholly-owned inhaled interferon beta (IFN-beta) therapeutic candidate. The Phase II trial, called SG015, has been designed to assess the safety of SNG001 in COPD patients and its clinical benefit in these patients when they have a cold or flu infection, a major driver of COPD exacerbations.

COVID-19

As announced on 18 March 2020, the Company has received expedited approvals from the Medicines and Healthcare products Regulatory Agency (**MHRA**) and the Health Research Authority (**HRA**) to conduct a trial of SNG001 (inhaled formulation of interferon-beta-1a) in COVID-19 patients to potentially assist with the global outbreak of the virus.

COVID-19, caused by the SARS-CoV-2 virus, is a global pandemic and there is an urgent need to assess new treatments to prevent and effectively treat the severe lower respiratory tract illness that can occur with this disease. Older people and those with co-morbidities such as heart and lung complications or diabetes are at greatest risk of developing severe or fatal disease.

Interferon beta is a naturally occurring protein, which orchestrates the body's antiviral responses. There is evidence that deficiency in IFN-beta production by the lung could explain the enhanced susceptibility of these at-risk patient groups to developing severe lower respiratory tract (lung) disease during respiratory viral infections. Furthermore, viruses, including coronaviruses such as SARS-CoV-2 and MERS-CoV (Middle East respiratory syndrome coronavirus, first identified in Saudi Arabia in 2012), have evolved mechanisms which suppress endogenous IFN-beta production, thereby helping the virus evade the innate immune system. In the laboratory, the addition of exogenous IFN-beta before or during viral infection of lung cells either prevents or greatly diminishes cell damage and viral replication, respectively. Synairgen's SNG001 is a formulation of IFN-beta-1a for direct delivery to the lungs via nebulisation. It is pH neutral, and is free of mannitol, arginine and human serum albumin, making it suitable for inhaled delivery direct to the site of action.

Two Phase II clinical trials in asthma showed that inhaled SNG001 treatment activated antiviral pathways in the lung along with improving lung function in patients with a respiratory viral infection. Treatment with inhaled SNG001 has also been shown to reduce lung viral load and lung pathology in an in vivo swine flu driven model of viral pneumonia. At the time of the MERS-CoV outbreak in 2013, Synairgen collaborated with the National Institutes of Health (**NIH**) in the United States to show that SNG001 could protect against MERS-CoV infection of lung cells in vitro.

As a result of the expedited approvals to conduct a placebo-controlled Phase II clinical trial in COVID-19, the Company expects the pilot phase to have commenced in the week commencing 23 March 2020. The pilot phase comprises of 100 COVID-19 patients, 50 on SNG001, 50 on placebo and will take place in approximately 10 UK sites, which will enable recruitment of mild to moderate hospitalised patients. There will be a further decision made whether to progress to pivotal phase once the pilot phase is complete.

SNG001 Phase II trial in COPD

Synairgen is now close to completing a Phase II study in COPD patients with confirmed respiratory viral infections and pre-existing significant impairment of lung function. With 109 out of a target 120 participants already dosed, this trial has been paused to minimise the chance of vulnerable patients being exposed to further infection risk and to minimise distraction for respiratory staff in the UK hospitals and GP sites conducting the trial, who will be at the forefront in dealing with patients suffering from COVID-19. The Company is currently exploring ways to adapt the trial to enable patients in the pre-treatment pool to be dosed if they become infected with SARS-CoV-2.

Early data from this double-blind, placebo-controlled trial have demonstrated that the antiviral responses in the lung (assessed using sputum biomarkers) are similar to those observed in the asthma trial, where we saw clinical benefit in lung function.

Use of proceeds

COVID-19 clinical trial activity	£7m
Manufacture of SNG001 drug product and other supply chain considerations	£4m
Strengthened balance sheet for potential partnering discussions with regards to the COVID-19, future pandemic preparedness, and the COPD opportunity, working capital and fees	£3m

3. Current Trading and Future Prospects

Synaigen has recruited 109 of the 120 patients required for its IFN-beta trial in COPD, with data expected in Summer 2020. The opportunity now afforded to the Company with regards to COVID-19 is significant and the trial of SNG001 is expected to commence imminently. As at 31 December 2019, the Company had cash of approximately £2.45m (unaudited).

4. Details of the Fundraising

The Company has conditionally raised £14.0m (before expenses), by way of the Firm Placing, Conditional Placing and Subscription for an aggregate of 40,000,000 New Ordinary Shares at the Issue Price.

The Firm Placing is being made pursuant to existing authorities to allot shares and disapply pre-emption rights under section 551 and section 570 of the Act, which the Directors were granted at the Annual General Meeting of the Company held on 3 June 2019. Accordingly, completion of the Firm Placing is due to take place on Firm Admission, which is expected to occur at 8.00 a.m. on 30 March 2020.

The Company will require further share authorities to allot the Conditional Placing Shares and the Subscription Shares. Accordingly, the Conditional Placing and the Subscription are conditional, inter alia, on the passing of the Resolutions by the Shareholders at the General Meeting, which has been convened for 14 April 2020, notice of which is set out at the end of this document. The Resolutions shall be taken on a poll. If the Resolutions are passed, Admission of the Conditional Placing Shares and Subscription Shares is expected to occur at 8.00 a.m. on 15 April 2020.

The Issue Price represents a discount of approximately 10.6 per cent. to the volume-weighted average price of the Ordinary Shares for the ten day period up to and including 24 March 2020 (being the last practicable dealing day prior to the release of the opening announcement in relation to the Placing). The New Ordinary Shares will represent approximately 26.8 per cent. of the Enlarged Issued Share Capital and will, when issued, rank *pari passu* in all respects with the other Existing Shares in issue.

The Firm Placing is conditional upon (amongst other things) the Placing Agreement not having been terminated and Firm Admission occurring on or before 8.00 a.m. on 30 March 2020 (or such later date as finnCap and the Company may agree, being no later than 5.00 p.m. on 30 April 2020).

The Conditional Placing is conditional upon (amongst other things) the Placing Agreement not having been terminated, the passing of the Resolutions at the General Meeting and Conditional Admission occurring on or before 8.00 a.m. on 15 April 2020 (or such later date as finnCap and the Company may agree, being no later than 5.00 p.m. on 30 April 2020).

The Placing Agreement

Pursuant to the terms of the Placing Agreement, finnCap, as agent for the Company, has conditionally agreed to use its reasonable endeavours to procure subscribers for the Placing Shares. finnCap has

conditionally placed the Placing Shares with certain existing and new institutional and other investors at the Issue Price.

The Placing Agreement contains customary warranties from the Company in favour of finnCap in relation to, *inter alia*, the accuracy of the information in this Document and other matters relating to the Group and its business. In addition, the Company has agreed to indemnify finnCap in relation to certain liabilities it may incur in respect of the Placing. finnCap has the right to terminate the Placing Agreement in certain circumstances prior to Admission, in particular, in the event of a breach of the warranties given to finnCap in the Placing Agreement, the failure of the Company to comply with any of its obligations under the Placing Agreement, the occurrence of a force majeure event or a material adverse change affecting the condition, or the earnings or business affairs or prospects of the Group as a whole, whether or not arising in the ordinary course of business.

Under the Placing Agreement and subject to it becoming unconditional in all respects and not being terminated in accordance with its terms, the Company has agreed to pay finnCap certain commissions on the value of the Placing Shares at the Issue Price together with a customary corporate finance advisory fee.

No element of the Fundraising is being underwritten.

5. General Meeting

A notice convening the General Meeting, to be held at The Blueprint Design Company Limited, Martins Barn, Birdham Road, Chichester, West Sussex, PO20 7BX at 11.00 a.m. on 14 April 2020 is set out at the end of this document.

At the General Meeting, the Resolutions will be proposed to grant the Directors the authority to allot the Conditional Placing Shares and Subscription Shares without first offering them to existing Shareholders on a pre-emptive basis. The Directors believe that raising new funds by way of the Fundraising is the most appropriate method of funding the opportunity afforded to the Company at the present time.

The Directors appreciate that shareholders may prefer, when a company issues a material number of new shares for cash, for that issue to be fully pre-emptive i.e. to incorporate an offer to all Shareholders. However, in view of the Company's current projects and requirements, the Directors consider it would not be in Shareholders' best interests to incur the significant additional expense and time that would be required for such an offer to Shareholders to be implemented.

The Directors have therefore concluded that seeking general authority from Shareholders to issue Ordinary Shares other than on a pre-emptive basis is the most flexible and cost-effective method available to the Company.

Accordingly, the following resolutions will be proposed at the General Meeting:

Resolution 1- Authority to allot new Ordinary Shares

The Directors require the authority of Shareholders in order to allot the Conditional Placing Shares and the Subscription Shares.

Accordingly, Resolution 1 as set out in the Notice of General Meeting authorises the Directors to allot new Ordinary Shares or grant rights to subscribe for or convert any securities into Ordinary Shares up to an aggregate nominal amount of £290,600 in connection solely with the allotment of the Conditional Placing Shares and the Subscription Shares.

Resolution 1 will be proposed as an ordinary resolution and will therefore require more than 50 per cent. of the votes cast, whether in person or by proxy, to be in favour. This authority, if granted, will be in addition to any existing authorities to allot new Ordinary Shares granted to the Directors prior to the date of this Document, and will enable the Directors to carry out the Conditional Placing and the Subscription. This authority will expire on the date falling six months from the passing of the Resolution.

Resolution 2 - Disapplication of pre-emption rights

Section 561 of the Act requires that, on an allotment of “equity securities” for cash, such equity securities must first be offered to existing Shareholders in proportion to the number of Ordinary Shares they each hold at that time. The Conditional Placing Shares and Subscription Shares are “equity securities” allotted for cash and, accordingly, cannot be offered on a non pre-emptive basis unless Shareholders have first waived their pre-emption rights. Resolution 2, if passed, provides such a waiver.

Accordingly, Resolution 2 as set out in the Notice of General Meeting authorises the Directors to allot equity securities or grant rights to subscribe for or convert any securities into equity securities for cash free of the statutory pre-emption rights, limited to an aggregate nominal amount of £290,600 in connection solely with the allotment of the Conditional Placing Shares and Subscription Shares.

Resolution 2 will be proposed as a special resolution and will therefore require not less than 75 per cent. of the votes cast, whether in person or by proxy, to be in favour. This authority, if granted, will be in addition to any existing authorities to allot new Ordinary Shares free of pre-emption rights granted to the Directors prior to the date of this Document which will continue in full force and effect whether or not the Placing is effected. This authority will expire on the date falling six months from the passing of the Resolution.

Voting will be by way of a poll

For the reasons set out in the paragraph below, the Chairman and the Board have decided that the fairest way for the General Meeting to proceed would be by way of poll. This means that every Shareholder present in person or by proxy has one vote for every Ordinary Share held.

Conducting a meeting by way of a poll, ensures that all Shareholders are given the opportunity to participate in the decision-making of the Company and have their votes recorded even if they do not attend the meeting in person.

FUNDRAISING STATISTICS

Issue Price	35 pence
Existing Shares	109,433,442
Aggregate number of New Ordinary Shares to be issued	40,000,000
Number of Firm Placing Shares to be issued pursuant to the Firm Placing	10,943,295
Number of Conditional Placing Shares to be issued pursuant to the Conditional Placing	28,842,420
Number of Subscription Shares to be issued pursuant to the Subscription	214,285
Enlarged Issued Share Capital following Conditional Admission*	149,433,442
Aggregate gross proceeds from the Fundraising *	£14.0m

New Ordinary Shares as a percentage of the Enlarged Issued Share Capital 26.8 per cent.

**Assuming that all of the Placing Shares and Subscription Shares are issued and that no other Ordinary Shares are issued prior to Admission*

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

	2020
Circular and Form of Proxy posted to Shareholders	27 March
Firm Admission and dealings in the Firm Placing Shares	8.00 a.m. on 30 March
CREST stock accounts expected to be credited for the Firm Placing Shares (where applicable)	30 March
Posting of share certificates for the Firm Placing Shares by the Registrar (where applicable)	Within 14 days of issuance
Latest time and date for receipt of Forms of Proxy	11.00 a.m. on 8 April
General Meeting	11.00 a.m. on 14 April
Conditional Admission and dealings in the Conditional Placing Shares and Subscription Shares	8.00 a.m. on 15 April
CREST stock accounts expected to be credited for the Conditional Placing Shares and Subscription Shares (where applicable)	15 April
Posting of share certificates for Conditional Placing Shares and Subscription Shares by the Registrar (where applicable)	Within 14 days of issuance

Notes

1. *The statistics above assume the passing of the Resolutions at the General Meeting and therefore the Admission of all New Ordinary Shares pursuant to the Fundraising.*
2. *Some of the times and dates above are indicative only and if any of the details contained in the timetable above should change, the revised times and dates will be notified to Shareholders by means of an announcement through a Regulatory Information Service.*
3. *All of the above times refer to London time unless otherwise stated*
4. *Events listed in the above timetable following the General Meeting are conditional on the passing of the Resolutions at the General Meeting.*

DEFINITIONS

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

'Act'	the Companies Act 2006
'Admission'	admission of the relevant New Ordinary Shares to trading on AIM becoming effective in accordance with the AIM Rules
'AIM'	the AIM market operated by the London Stock Exchange
'AIM Rules'	the AIM Rules for Companies, which are applicable to companies whose securities are admitted to trading on AIM as published by the London Stock Exchange from time to time
'Board' or 'Directors'	the board of directors of the Company
'Circular' or 'this document'	this circular of the Company to Shareholders giving (amongst other things) details of the Fundraising and incorporating the Notice of General Meeting
'Company' or 'Synairgen'	Synairgen plc, a company incorporated in England and Wales with registered number 5233429
'Conditional Admission'	Admission of the Conditional Placing Shares and Subscription Shares
'Conditional Placing'	the conditional placing by finnCap (on behalf of the Company) of the Conditional Placing Shares at the Issue Price subject to, inter alia, the passing of the Resolutions and Conditional Admission
'Conditional Placing Shares'	the 28,842,420 new Ordinary Shares, to be allotted and issued pursuant to the Conditional Placing
'CREST'	the computerised settlement system (as defined in the CREST Regulations) operated by Euroclear UK & Ireland Limited which facilitates the transfer of title to shares in uncertificated form (as defined in the CREST Regulations)
'CREST Regulations'	the Uncertificated Securities Regulations 2001 (SI 2001 No.3755), including (i) any enactment or subordinate legislation which amends or supersedes those regulations and (ii) any applicable rules made under those regulations for the time being in force
'Enlarged Issued Share Capital'	the 149,433,442 Ordinary Shares which shall be in issue immediately following Conditional Admission
'Existing Shares'	the 109,433,442 Ordinary Shares in issue at the date of this document, all of which are admitted to trading on AIM
'finnCap'	finnCap Limited, the Company's nominated adviser and broker which is incorporated in England and Wales with the registered number 06198898
"Firm Admission"	Admission of the Firm Placing Shares
'Firm Placing'	the placing by finnCap (on behalf of the Company) of the Firm Placing Shares at the Issue Price
'Firm Placing Shares'	the 10,943,295 new Ordinary Shares, to be allotted and issued

	pursuant to the Firm Placing
'Form of Proxy'	the form of proxy for use by Shareholders in connection with the General Meeting, which is enclosed with this document
'Fundraising'	together, the Placing and the Subscription
'General Meeting'	the general meeting of the Company convened for 11.00 a.m. on 14 April 2020 (or any adjournment thereof) at which the Resolutions will be proposed, notice of which is set out at the end of this document
'Group'	the Company and its subsidiaries
'in certificated form'	the description of a share or security which is not in uncertificated form (that is, not in CREST)
'Issue Price'	35 pence per New Ordinary Share
'London Stock Exchange'	London Stock Exchange plc
'New Ordinary Shares'	the Placing Shares and the Subscription Shares, comprising, in aggregate, 40,000,000 new Ordinary Shares to be issued pursuant to the Fundraising
'Notice of General Meeting'	the notice of General Meeting set out at the end of this document
'Ordinary Shares'	the ordinary shares of 1 penny each in the share capital of the Company
'Placing'	together the Firm Placing and Conditional Placing
'Placing Agreement'	the conditional agreement, dated 25 March 2020, between the Company and finnCap relating to the Placing
'Placing Shares'	together, the Firm Placing Shares and the Conditional Placing Shares
'Resolutions'	the resolutions to be proposed at the General Meeting and set out in the Notice of General Meeting which shall be taken on a poll and ' Resolution ' shall mean either of them
'Shareholder'	a holder of Existing Shares
"Subscription"	the subscription to be made by certain Directors for the Subscription Shares at the Issue Price
"Subscription Shares"	the 214,285 new Ordinary Shares to be issued pursuant to the Subscription
'UK' and 'United Kingdom'	the United Kingdom of Great Britain and Northern Ireland
"in uncertificated form"	the description of a share or security held in CREST
"US" or "United States"	the United States of America, its territories and possessions, any state of the United States of America, the District of Columbia and all other areas subject to its jurisdiction

All references in this document to “£”, “pence” or “p” are to the lawful currency of the United Kingdom

APPENDIX II - TERMS AND CONDITIONS OF THE PLACING

IMPORTANT INFORMATION FOR PLACEEES ONLY REGARDING THE PLACING.

MEMBERS OF THE PUBLIC ARE NOT ELIGIBLE TO TAKE PART IN THE PLACING.

THIS ANNOUNCEMENT (INCLUDING THIS APPENDIX) AND THE TERMS AND CONDITIONS SET OUT HEREIN (TOGETHER, THIS "**ANNOUNCEMENT**") ARE DIRECTED ONLY AT PERSONS WHOSE ORDINARY ACTIVITIES INVOLVE THEM IN ACQUIRING, HOLDING, MANAGING AND DISPOSING OF INVESTMENTS (AS PRINCIPAL OR AGENT) FOR THE PURPOSES OF THEIR BUSINESS AND WHO HAVE PROFESSIONAL EXPERIENCE IN MATTERS RELATING TO INVESTMENTS AND ARE: (1) IF IN THE UNITED KINGDOM OR A MEMBER STATE OF THE EUROPEAN ECONOMIC AREA ("**EEA**"), QUALIFIED INVESTORS AS DEFINED IN ARTICLE 2(e) OF REGULATION (EU) 2017/1129 (THE "**PROSPECTUS REGULATION**"); (2) IF IN THE UNITED KINGDOM, QUALIFIED INVESTORS WHO (A) FALL WITHIN ARTICLE 19(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005, AS AMENDED (THE "**ORDER**") (INVESTMENT PROFESSIONALS) OR (B) FALL WITHIN ARTICLE 49(2)(a) TO (d) (HIGH NET WORTH COMPANIES, UNINCORPORATED ASSOCIATIONS, ETC.) OF THE ORDER (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS "**RELEVANT PERSONS**").

THIS ANNOUNCEMENT AND THE INFORMATION IN IT MUST NOT BE ACTED ON OR RELIED ON BY PERSONS WHO ARE NOT RELEVANT PERSONS. PERSONS DISTRIBUTING THIS ANNOUNCEMENT MUST SATISFY THEMSELVES THAT IT IS LAWFUL TO DO SO. ANY INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THIS ANNOUNCEMENT RELATES IS AVAILABLE ONLY TO RELEVANT PERSONS AND WILL BE ENGAGED IN ONLY WITH RELEVANT PERSONS. THIS ANNOUNCEMENT DOES NOT ITSELF CONSTITUTE AN OFFER FOR SALE OR SUBSCRIPTION OF ANY SECURITIES IN SYNAIRGEN PLC.

THE NEW ORDINARY SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR JURISDICTION OF THE UNITED STATES, AND MAY NOT BE OFFERED, SOLD OR TRANSFERRED, DIRECTLY OR INDIRECTLY, IN THE UNITED STATES EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN COMPLIANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. THE NEW ORDINARY SHARES ARE BEING OFFERED AND SOLD ONLY OUTSIDE THE UNITED STATES IN "**OFFSHORE TRANSACTIONS**" WITHIN THE MEANING OF, AND IN ACCORDANCE WITH, REGULATIONS UNDER THE SECURITIES ACT AND OTHERWISE IN ACCORDANCE WITH APPLICABLE LAWS. NO PUBLIC OFFERING OF THE NEW ORDINARY SHARES IS BEING MADE IN THE UNITED STATES OR ELSEWHERE.

THIS ANNOUNCEMENT (INCLUDING THIS APPENDIX) AND THE INFORMATION CONTAINED HEREIN IS RESTRICTED AND IS NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN OR INTO OR FROM THE UNITED STATES, AUSTRALIA, CANADA, THE REPUBLIC OF SOUTH AFRICA OR JAPAN OR ANY OTHER JURISDICTION IN WHICH SUCH RELEASE, PUBLICATION OR DISTRIBUTION WOULD BE UNLAWFUL.

THIS ANNOUNCEMENT IS NOT FOR PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES OF AMERICA. THIS ANNOUNCEMENT IS NOT AN OFFER OF SECURITIES FOR SALE INTO THE UNITED STATES. THE SECURITIES REFERRED TO HEREIN HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT AND MAY NOT BE OFFERED OR SOLD IN THE UNITED STATES, EXCEPT PURSUANT TO AN APPLICABLE EXEMPTION FROM REGISTRATION. NO PUBLIC OFFERING IS BEING MADE IN THE UNITED STATES.

The distribution of this Announcement and/or the Placing and/or issue of the Placing Shares in certain jurisdictions may be restricted by law. No action has been taken by the Company, finnCap or any of their respective affiliates, agents, directors, officers or employees that would permit an offer of the

Placing Shares or possession or distribution of this Announcement or any other offering or publicity material relating to such Placing Shares in any jurisdiction where action for that purpose is required. Persons into whose possession this Announcement comes are required by the Company and finnCap to inform themselves about and to observe any such restrictions.

This Announcement or any part of it is for information purposes only and does not constitute or form part of any offer to issue or sell, or the solicitation of an offer to acquire, purchase or subscribe for, any securities in the United States (including its territories and possessions, any state of the United States and the District of Columbia), Australia, Canada, the Republic of South Africa or Japan or any other jurisdiction in which the same would be unlawful. No public offering of the Placing Shares is being made in any such jurisdiction.

All offers of the Placing Shares in the United Kingdom or the EEA will be made pursuant to an exemption under the Prospectus Regulation from the requirement to produce a prospectus. In the United Kingdom, this Announcement is being directed solely at persons in circumstances in which section 21(1) of the Financial Services and Markets Act 2000 (as amended) (the "**FSMA**") does not apply.

The Placing Shares have not been approved or disapproved by the US Securities and Exchange Commission, any state securities commission or other regulatory authority in the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of the Placing or the accuracy or adequacy of this Announcement. Any representation to the contrary is a criminal offence in the United States. The relevant clearances have not been, nor will they be, obtained from the securities commission of any province or territory of Canada, no prospectus has been lodged with, or registered by, the Australian Securities and Investments Commission or the Japanese Ministry of Finance; the relevant clearances have not been, and will not be, obtained from the South Africa Reserve Bank or any other applicable body in the Republic of South Africa in relation to the Placing Shares and the Placing Shares have not been, nor will they be, registered under or offered in compliance with the securities laws of any state, province or territory of Australia, Canada, the Republic of South Africa or Japan. Accordingly, the Placing Shares may not (unless an exemption under the relevant securities laws is applicable) be offered, sold, resold or delivered, directly or indirectly, in or into Australia, Canada, the Republic of South Africa or Japan or any other jurisdiction outside the United Kingdom.

Persons (including, without limitation, nominees and trustees) who have a contractual right or other legal obligations to forward a copy of this Announcement should seek appropriate advice before taking any action.

This Announcement should be read in its entirety. In particular, you should read and understand the information provided in the "Important Notices" section of this Announcement.

By participating in the Placing, each Placee will be deemed to have read and understood this Announcement in its entirety, to be participating, making an offer and acquiring Placing Shares on the terms and conditions contained herein and to be providing the representations, warranties, indemnities, acknowledgements and undertakings contained in this Appendix.

In particular, each such Placee represents, warrants, undertakes, agrees and acknowledges (amongst other things) that:

1. it is a Relevant Person and undertakes that it will acquire, hold, manage or dispose of any Placing Shares that are allocated to it for the purposes of its business;
2. in the case of a Relevant Person in a member state of the EEA or the United Kingdom (each a "**Relevant State**") who acquires any Placing Shares pursuant to the Placing:
 - (a) it is a Qualified Investor within the meaning of Article 2(e) of the Prospectus Regulation; and
 - (b) in the case of any Placing Shares acquired by it as a financial intermediary, as that term is used in Article 5(1) of the Prospectus Regulation:
 - (i) the Placing Shares acquired by it in the Placing have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in a Relevant State other than Qualified Investors or in circumstances in which the prior consent of finnCap has been given to the offer or resale; or
 - (ii) where Placing Shares have been acquired by it on behalf of persons in a Relevant State other than Qualified Investors, the offer of those Placing Shares

to it is not treated under the Prospectus Regulation as having been made to such persons; and

3. it is acquiring the Placing Shares for its own account or is acquiring the Placing Shares for an account with respect to which it exercises sole investment discretion and has the authority to make and does make the representations, warranties, indemnities, acknowledgements, undertakings and agreements contained in this Announcement; and
4. it understands (or if acting for the account of another person, such person has confirmed that such person understands) the resale and transfer restrictions set out in this Appendix; and
5. except as otherwise permitted by the Company and subject to any available exemptions from applicable securities laws, it (and any account referred to in paragraph 4 above) is outside the United States acquiring the Placing Shares in offshore transactions as defined in and in accordance with Regulation S under the Securities Act.

No prospectus

The Placing Shares are being offered to a limited number of specifically invited persons only and will not be offered in such a way as to require any prospectus or other offering document to be published. No prospectus or other offering document has been or will be submitted to be approved by the FCA in relation to the Placing or the Placing Shares and Placees' commitments will be made solely on the basis of the information contained in this Announcement and any information publicly announced through a Regulatory Information Service (as defined in the AIM Rules for Companies (the "**AIM Rules**")) by or on behalf of the Company on or prior to the date of this Announcement (the "**Publicly Available Information**") and subject to any further terms set forth in the contract note to be sent to individual Placees.

Each Placee, by participating in the Placing, agrees that the content of this Announcement is exclusively the responsibility of the Company and confirms that it has neither received nor relied on any information (other than the Publicly Available Information), representation, warranty or statement made by or on behalf of finnCap or the Company or any other person and none of finnCap, the Company nor any other person acting on such person's behalf nor any of their respective affiliates has or shall have any liability for any Placee's decision to participate in the Placing based on any other information, representation, warranty or statement. Each Placee acknowledges and agrees that it has relied on its own investigation of the business, financial or other position of the Company in accepting a participation in the Placing. No Placee should consider any information in this Announcement to be legal, tax or business advice. Nothing in this paragraph shall exclude the liability of any person for fraudulent misrepresentation.

Details of the Placing Agreement and the Placing Shares

finnCap has today entered into a placing agreement (the "**Placing Agreement**") with the Company under which, on the terms and subject to the conditions set out in the Placing Agreement, finnCap, as agent for and on behalf of the Company, has agreed to use its reasonable endeavours to procure Placees for the Placing Shares.

The Placing will comprise of two tranches. The first tranche will comprise up to 10,943,295 new Ordinary Shares (the "**Firm Placing Shares**"), which will be issued pursuant to the Company's existing share authorities which were granted to the directors at the AGM of the Company held on 3 June 2019. The second tranche will of comprise of up to 28,842,420 new Ordinary Shares (the "**Conditional Placing Shares**") and together with the Firm Placing Shares, the "**Placing Shares**"), which will be issued pursuant to and conditional upon the granting of new share authorities at the General Meeting.

In addition, certain of the Directors intend to subscribe for, in aggregate, 214,285 new Ordinary Shares (the "**Subscription Shares**").

No element of the Placing is being underwritten.

The Placing Shares will, when issued, be subject to the memorandum and articles of association of the Company, be credited as fully paid and will rank *pari passu* in all respects with the existing issued Ordinary Shares, including the right to receive all dividends and other distributions declared, made or paid in respect of such Ordinary Shares after the date of issue of the Placing Shares.

As part of the Placing, the Company has agreed that it will not for a period of 90 days after (but including) Admission, directly or indirectly, issue, offer, sell, lend, pledge, contract to sell or issue, grant any option,

right or warrant to purchase or otherwise dispose of any Ordinary Shares (or any interest therein or in respect thereof) or other securities of the Company exchangeable for, convertible into or representing the right to receive Ordinary Shares or any substantially similar securities or otherwise enter into any transaction (including derivative transaction) directly or indirectly, permanently or temporarily, to dispose of any Ordinary Shares or undertake any other transaction with the same economic effect as any of the foregoing or announce an offering of Ordinary Shares or any interest therein or to announce publicly any intention to enter into any transaction described above. This agreement is subject to certain customary exceptions and does not prevent the grant or exercise of options under any of the Company's existing share incentives and share option schemes, or following Admission the issue by the Company of any Ordinary Shares upon the exercise of any right or option or the conversion of a security already in existence.

Application for admission to trading

Application will be made to the London Stock Exchange for admission of the Firm Placing Shares, the Conditional Placing Shares and the Subscription Shares to trading on AIM.

It is expected that Admission of the Firm Placing Shares ("**Firm Admission**") will take place on or before 8.00 a.m. on 30 March 2020 and that dealings in the Firm Placing Shares on AIM will commence at the same time. It is expected that Admission of the Conditional Placing Shares and the Subscription Shares ("**Conditional Admission**" and, together with Firm Admission "**Admission**", as the context may require) will take place on or before 8.00 a.m. on 15 April 2020 and that dealings in the Conditional Placing Shares and the Subscription Shares on AIM will commence at the same time.

Bookbuild

finnCap will today commence the Bookbuild to determine demand for participation in the Placing by Placees. This Announcement gives details of the terms and conditions of, and the mechanics of participation in, the Placing. No commissions will be paid to Placees or by Placees in respect of any Placing Shares.

finnCap shall be entitled to effect the Placing by such alternative method to the Bookbuild as it may, in its sole discretion, determine.

A Relevant Person who wishes to participate in the Bookbuild should communicate its bid by telephone to its usual sales contact at finnCap. If successful, an allocation will be confirmed orally following the close of the Bookbuild, and a conditional contract note will be dispatched as soon as possible thereafter.

A Placee's acceptance of their allocation in the Placing shall be irrevocable and its obligations in respect thereof shall not be capable of rescission or termination by it in any circumstance except fraud.

EIS and VCT

The Company has not applied for, nor has it received advance assurance from HMRC that the Eligible Placing Shares will rank as "eligible shares" for the purposes of the enterprise investment scheme pursuant to section 173 of the Income Tax Act 2007 nor as eligible shares for VCT purposes pursuant to section 285 of that Act. Further, none of the Company, the Directors or any of the Company's advisers give any warranty or undertaking that reliefs will be available and not withdrawn at a later date.

Principal terms of the Placing

1. finnCap is acting as bookrunner to the Placing, as agent for and on behalf of the Company.
2. Participation in the Placing will only be available to Relevant Persons and others who may lawfully be, and are, invited by finnCap to participate. finnCap and any of its affiliates are entitled to participate in the Placing as principal.
3. The price per Placing Share (the "**Issue Price**") is fixed at 35 pence and is payable to finnCap (as agent for the Company) by all Placees.
4. The number of Placing Shares to be issued will be agreed between the Company and finnCap following completion of the Bookbuild. The number of Placing Shares will be announced on a Regulatory Information Service following completion of the Bookbuild.

5. The Bookbuild is expected to close no later than 4.30 p.m. on 27 March 2020 but may be closed earlier or later at the discretion of finnCap. finnCap reserves the right to scale back the number of Placing Shares to be subscribed for or acquired by any Placee in the event of an oversubscription under the Placing. finnCap also reserves the right not to accept offers for Placing Shares or to accept such offers in part rather than in whole.
6. Each Placee's allocation (including the number of Firm Placing Shares and/or Conditional Placing Shares) will be determined by finnCap in its discretion following consultation with the Company and will be confirmed orally to each Placee by finnCap.
7. Each Placee's allocation and commitment will be evidenced by a contract note issued to such Placee by finnCap. The terms of this Appendix will be deemed incorporated in that contract note.
8. Each Placee's allocation and commitment to subscribe for Firm Placing Shares and/or Conditional Placing Shares will be made on the terms and subject to the conditions in this Appendix and will be legally binding on the Placee on behalf of which it is made and except with finnCap's consent will not be capable of variation or revocation after the time at which it is submitted. Each Placee will have an immediate, separate, irrevocable and binding obligation, owed to finnCap (as agent for the Company), to pay to it (or as it may direct) in cleared funds an amount equal to the product of the Issue Price and the number of Placing Shares such Placee has agreed to acquire and the Company has agreed to allot and issue to that Placee.
9. Except as required by law or regulation, no press release or other announcement will be made by finnCap or the Company using the name of any Placee (or its agent), in its capacity as Placee (or agent), other than with such Placee's prior written consent.
10. Irrespective of the time at which a Placee's allocation(s) pursuant to the Placing is/are confirmed, settlement for all Placing Shares to be acquired pursuant to the Placing will be required to be made on the basis explained below under "*Registration and Settlement*".
11. All obligations under the Placing will be subject to fulfilment of the conditions referred to below under "*Conditions of the Placing*" and to the Placing not being terminated on the basis referred to below under "*Termination of the Placing*".
12. By participating in the Placing, each Placee will agree that its rights and obligations in respect of the Placing will terminate only in the circumstances described below and will not be capable of rescission or termination by the Placee.
13. To the fullest extent permissible by law and applicable FCA rules, neither:
 - (a) finnCap;
 - (b) any of its affiliates, agents, directors, officers, consultants or employees; nor
 - (c) to the extent not contained within (a) or (b), any person connected with finnCap as defined in the FSMA ((b) and (c) being together "**affiliates**" and individually an "**affiliate**" of finnCap);

shall have any liability (including to the extent permissible by law, any fiduciary duties) to Placees or to any other person whether acting on behalf of a Placee or otherwise. In particular, neither finnCap nor any of its affiliates shall have any liability (including, to the extent permissible by law, any fiduciary duties) in respect of finnCap's conduct of the Placing or of such alternative method of effecting the Placing as finnCap and the Company may agree.

Registration and settlement

If Placees are allocated any Placing Shares in the Placing they will be sent a contract note or electronic confirmation which will confirm the number of Placing Shares allocated to them (including the split between Firm Placing Shares and Conditional Placing Shares), the Issue Price and the aggregate amount owed by them to finnCap.

Each Placee will be deemed to agree that it will do all things necessary to ensure that delivery and payment is completed as directed by finnCap in accordance with either the standing CREST or certificated settlement instructions which they have in place with finnCap.

Settlement of transactions in the Placing Shares (ISIN: GB00B0381Z20) following Admission will take place within the CREST system, subject to certain exceptions. Settlement through CREST is expected to occur, in relation to the Firm Placing Shares, on 30 March 2020 and, in relation to the Conditional

Placing Shares, on 15 April 2020, unless, in either case, notified by finnCap. Settlement will be on a delivery versus payment basis. However, in the event of any difficulties or delays in the admission of the Placing Shares to CREST or the use of CREST in relation to the Placing, the Company and finnCap may agree that the Placing Shares should be issued in certificated form. finnCap reserves the right to require settlement for the Placing Shares, and to deliver the Placing Shares to Placees, by such other means as it deems necessary if delivery or settlement to Placees is not practicable within the CREST system or would not be consistent with regulatory requirements in the jurisdiction in which a Placee is located.

Interest is chargeable daily on payments not received from Placees on the due date in accordance with the arrangements set out above, in respect of either CREST or certificated deliveries, at the rate of three percentage points above prevailing base rate of Barclays Bank plc as determined by finnCap.

Each Placee is deemed to agree that if it does not comply with these obligations, finnCap may sell any or all of their Placing Shares on their behalf and retain from the proceeds, for finnCap's own account and benefit, an amount equal to the aggregate amount owed by the Placee plus any interest due. The relevant Placee will, however, remain liable for any shortfall below the Issue Price and for any stamp duty or stamp duty reserve tax (together with any interest or penalties) which may arise upon the sale of its Placing Shares on its behalf.

If Placing Shares are to be delivered to a custodian or settlement agent, Placees must ensure that, upon receipt, the conditional contract note is copied and delivered immediately to the relevant person within that organisation. Insofar as Placing Shares are registered in a Placee's name or that of its nominee or in the name of any person for whom a Placee is contracting as agent or that of a nominee for such person, such Placing Shares should, subject as provided below, be so registered free from any liability to United Kingdom stamp duty or stamp duty reserve tax. Placees will not be entitled to receive any fee or commission in connection with the Placing.

Conditions of the Placing

The Placing is conditional upon the Placing Agreement becoming unconditional and not having been terminated in accordance with its terms.

The obligations of finnCap under the Placing Agreement in relation to the Firm Placing Shares are conditional upon, *inter alia*:

- (a) none of the warranties on the part of the Company contained in the Placing Agreement being untrue, inaccurate or misleading on the date on which the Placing Agreement is signed or on Firm Admission, by reference to the facts and circumstances then subsisting;
- (b) the Company complying with its obligations under the Placing Agreement to the extent that they fall to be performed on or before Firm Admission; and
- (c) Firm Admission having become effective at or before 8.00 a.m. on 30 March 2020 or such later time as finnCap may agree with the Company (but in any event no later than 8.00 a.m. on 30 April 2020 (the "**Long Stop Date**"));

The obligations of finnCap under the Placing Agreement in relation to the Conditional Placing Shares are conditional upon, *inter alia*:

- (d) the Resolutions having been duly passed at the General Meeting (or at any adjournment thereof);
- (e) none of the representations, warranties and undertakings on the part of the Company contained in the Placing Agreement being untrue or inaccurate on the date on which the Placing Agreement is signed or on Conditional Admission, by reference to the facts and circumstances then subsisting;
- (f) the Company complying with its obligations under the Placing Agreement to the extent that they fall to be performed on or before Conditional Admission; and
- (g) Conditional Admission having become effective at or before 8.00 a.m. on 15 April 2020 or such later time as finnCap may agree with the Company but in any event no later than 8.00 a.m. on the Long Stop Date);

(all conditions to the obligations of finnCap included in the Placing Agreement being together, the "**conditions**").

If any of the conditions are not fulfilled or, where permitted, waived in accordance with the Placing Agreement within the stated time periods (or such later time and/or date as the Company and finnCap may agree), or the Placing Agreement is terminated in accordance with its terms, the Placing will lapse and the Placee's rights and obligations shall cease and terminate at such time and each Placee agrees that no claim can be made by or on behalf of the Placee (or any person on whose behalf the Placee is acting) in respect thereof.

By participating in the Placing, each Placee agrees that its rights and obligations cease and terminate only in the circumstances described above and under "*Termination of the Placing*" below and will not be capable of rescission or termination by it.

finnCap may, in its absolute discretion and upon such terms as it thinks fit, waive fulfilment of all or any of the conditions in whole or in part, or extend the time provided for fulfilment of one or more conditions, save that certain conditions including the conditions relating to Firm Admission referred to in paragraph (c) above or Conditional Admission referred to in paragraph (g) above may not be waived. Any such extension or waiver will not affect Placees' commitments as set out in this Appendix.

finnCap may terminate the Placing Agreement in certain circumstances, details of which are set out below.

Neither finnCap nor any of its affiliates, agents, directors, officers or employees nor the Company shall have any liability to any Placee (or to any other person whether acting on behalf of a Placee or otherwise) in respect of any decision any of them may make as to whether or not to waive or to extend the time and/or date for the satisfaction of any condition to the Placing nor for any decision any of them may make as to the satisfaction of any condition or in respect of the Placing generally and by participating in the Placing each Placee agrees that any such decision is within the absolute discretion of finnCap.

Termination of the Placing

finnCap may, in its absolute discretion, by notice to the Company, terminate the Placing Agreement at any time up to Conditional Admission if, *inter alia*:

- (a) there has, in opinion of finnCap, been a breach of the warranties given to it;
- (b) there has, in the opinion of finnCap, been a material adverse change;
- (c) any statement contained in this Announcement or any other document or announcement issued or published by or on behalf of the Company in connection with the Placing is or has become or has been discovered to be untrue or inaccurate or misleading; or
- (d) in the opinion of finnCap, there has been a force majeure event.

If the Placing Agreement is terminated in accordance with its terms, the rights and obligations of each Placee in respect of the Placing as described in this Announcement shall cease and terminate at such time and no claim can be made by any Placee in respect thereof.

By participating in the Placing, each Placee agrees with the Company and finnCap that the exercise by the Company or finnCap of any right of termination or any other right or other discretion under the Placing Agreement shall be within the absolute discretion of the Company or finnCap or for agreement between the Company and finnCap (as the case may be) and that neither the Company nor finnCap need make any reference to such Placee and that none of the Company, finnCap nor any of their respective affiliates, agents, directors, officers or employees shall have any liability to such Placee (or to any other person whether acting on behalf of a Placee or otherwise) whatsoever in connection with any such exercise.

By participating in the Placing, each Placee agrees that its rights and obligations terminate only in the circumstances described above and under the "*Conditions of the Placing*" section above and will not be capable of rescission or termination by it after the issue by finnCap of a contract note confirming each Placee's allocation and commitment in the Placing.

Representations, warranties and further terms

By participating in the Placing, each Placee (and any person acting on such Placee's behalf) represents, warrants, acknowledges and agrees (for itself and for any such prospective Placee) that (save where finnCap expressly agrees in writing to the contrary):

1. it has read and understood this Announcement in its entirety and that its acquisition of the Placing Shares is subject to and based upon all the terms, conditions, representations, warranties, indemnities, acknowledgements, agreements and undertakings and other information contained herein and that it has not relied on, and will not rely on, any information given or any representations, warranties or statements made at any time by any person in connection with Admission, the Placing, the Company, the Placing Shares or otherwise, other than the information contained in this Announcement and the Publicly Available Information;
2. it has not received a prospectus or other offering document in connection with the Placing and acknowledges that no prospectus or other offering document:
 - (a) is required under the Prospectus Regulation or other applicable law; and
 - (b) has been or will be prepared in connection with the Placing;
3. the Ordinary Shares are admitted to trading on AIM, and that the Company is therefore required to publish certain business and financial information in accordance with the AIM Rules and the Market Abuse Regulation (EU Regulation No. 596/2014 (the "**MAR**")), which includes a description of the nature of the Company's business and the Company's most recent balance sheet and profit and loss account and that it is able to obtain or access such information without undue difficulty, and is able to obtain access to such information or comparable information concerning any other publicly traded company, without undue difficulty;
4. it has made its own assessment of the Placing Shares and has relied on its own investigation of the business, financial or other position of the Company in accepting a participation in the Placing and neither finnCap nor the Company nor any of their respective affiliates, agents, directors, officers or employees nor any person acting on behalf of any of them has provided, and will not provide, it with any material regarding the Placing Shares or the Company or any other person other than the information in this Announcement or the Publicly Available Information; nor has it requested finnCap, the Company, any of their respective affiliates, agents, directors, employees or officers or any person acting on behalf of any of them to provide it with any such information;
5. neither finnCap nor any person acting on behalf of it nor any of its affiliates, agents, directors, officers or employees has or shall have any liability for any Publicly Available Information, or any representation relating to the Company, provided that nothing in this paragraph excludes the liability of any person for fraudulent misrepresentation made by that person;
6.
 - (a) the only information on which it is entitled to rely on and on which it has relied in committing to acquire the Placing Shares is contained in the Publicly Available Information, such information being all that it deems necessary to make an investment decision in respect of the Placing Shares and it has made its own assessment of the Company, the Placing Shares and the terms of the Placing based on Publicly Available Information;
 - (b) neither finnCap, nor the Company (nor any of their respective affiliates, agents, directors, officers and employees) have made any representation or warranty to it, express or implied, with respect to the Company, the Placing or the Placing Shares or the accuracy, completeness or adequacy of the Publicly Available Information;
 - (c) it has conducted its own investigation of the Company, the Placing and the Placing Shares, satisfied itself that the information is still current and relied on that investigation for the purposes of its decision to participate in the Placing; and
 - (d) it has not relied on any investigation that finnCap or any person acting on its behalf may have conducted with respect to the Company, the Placing or the Placing Shares;
7. the content of this Announcement and the Publicly Available Information has been prepared by and is exclusively the responsibility of the Company and that neither finnCap nor any persons acting on its behalf is responsible for or has or shall have any liability for any information, representation, warranty or statement relating to the Company contained in this Announcement or the Publicly Available Information nor will they be liable for any Placee's decision to participate in the Placing based on any information, representation, warranty or statement

contained in this Announcement, the Publicly Available Information or otherwise. Nothing in this Appendix shall exclude any liability of any person for fraudulent misrepresentation;

8. it is not, and at the time the Placing Shares are acquired will not be, a resident of the United States of America, Australia, Canada, the Republic of South Africa or Japan;
9. the Placing Shares have not been registered or otherwise qualified, and will not be registered or otherwise qualified, for offer and sale nor will a prospectus be cleared or approved in respect of any of the Placing Shares under the securities laws of the United States, or any state or other jurisdiction of the United States, Australia, Canada, the Republic of South Africa or Japan and, subject to certain exceptions, may not be offered, sold, taken up, renounced or delivered or transferred, directly or indirectly, within the United States, Australia, Canada, the Republic of South Africa or Japan or in any country or jurisdiction where any such action for that purpose is required;
10. it has the funds available to pay for the Placing Shares for which it has agreed to acquire and acknowledges and agrees that it will pay the total subscription amount in accordance with the terms of this Announcement on the due time and date set out herein, failing which the relevant Placing Shares may be placed with other Placees or sold at such price as finnCap determines;
11. it and/or each person on whose behalf it is participating:
 - (a) is entitled to acquire Placing Shares pursuant to the Placing under the laws and regulations of all relevant jurisdictions;
 - (b) has fully observed such laws and regulations;
 - (c) has capacity and authority and is entitled to enter into and perform its obligations as an acquirer of Placing Shares and will honour such obligations; and
 - (d) has obtained all necessary consents and authorities (including, without limitation, in the case of a person acting on behalf of a Placee, all necessary consents and authorities to agree to the terms set out or referred to in this Appendix) under those laws or otherwise and complied with all necessary formalities to enable it to enter into the transactions contemplated hereby and to perform its obligations in relation thereto and, in particular, if it is a pension fund or investment company it is aware of and acknowledges it is required to comply with all applicable laws and regulations with respect to its acquisition of Placing Shares;
12. it is not, and any person who it is acting on behalf of is not, and at the time the Placing Shares are acquired will not be, a resident of, or with an address in, or subject to the laws of, the United States of America, Australia, Canada, the Republic of South Africa or Japan, and it acknowledges and agrees that the Placing Shares have not been and will not be registered or otherwise qualified under the securities legislation of the United States of America, Australia, Canada, the Republic of South Africa or Japan and may not be offered, sold, or acquired, directly or indirectly, within those jurisdictions;
13. it and the beneficial owner of the Placing Shares is, and at the time the Placing Shares are acquired will be, outside the United States and acquiring the Placing Shares in an "offshore transaction" as defined in, and in accordance with, Regulation S under the Securities Act;
14. it understands that the Placing Shares have not been, and will not be, registered under the Securities Act and may not be offered, sold or resold in or into or from the United States except pursuant to an effective registration under the Securities Act, or pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in accordance with applicable state securities laws; and no representation is being made as to the availability of any exemption under the Securities Act for the reoffer, resale, pledge or transfer of the Placing Shares;
15. it (and any account for which it is purchasing) is not acquiring the Placing Shares with a view to any offer, sale or distribution thereof within the meaning of the Securities Act;
16. it understands that:
 - (a) the Placing Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act and will be subject to restrictions on resale and transfer subject to certain exceptions under US law;

- (b) no representation is made as to the availability of the exemption provided by Rule 144 for resales or transfers of Placing Shares; and
 - (c) it will not deposit the Placing Shares in an unrestricted depositary receipt programme in the United States or for US persons (as defined in the Securities Act);
- 17. it will not offer, sell, transfer, pledge or otherwise dispose of any Placing Shares except:
 - (a) in an offshore transaction in accordance with Rules 903 or 904 of Regulation S under the Securities Act; or
 - (b) pursuant to another exemption from registration under the Securities Act, if available, and, in each case, in accordance with all applicable securities laws of the states of the United States and other jurisdictions;
- 18. no representation has been made as to the availability of the exemption provided by Rule 144, Rule 144A or any other exemption under the Securities Act for the reoffer, resale, pledge or transfer of the Placing Shares;
- 19. it understands that the Placing Shares are expected to be issued to it through CREST but may be issued to it in certificated, definitive form and acknowledges and agrees that the Placing Shares will, to the extent they are delivered in certificated form, bear a legend to the following effect unless agreed otherwise with the Company:

"THESE SECURITIES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR UNDER THE APPLICABLE SECURITIES LAWS OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES, AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (A) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT, (B) IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT OR (C) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND, IN EACH CASE, IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE FOREGOING, THE SECURITIES MAY NOT BE DEPOSITED INTO ANY UNRESTRICTED DEPOSITARY RECEIPT FACILITY IN RESPECT OF THE COMPANY'S SECURITIES ESTABLISHED OR MAINTAINED BY A DEPOSITARY BANK. EACH HOLDER, BY ITS ACCEPTANCE OF THESE SHARES, REPRESENTS THAT IT UNDERSTANDS AND AGREES TO THE FOREGOING RESTRICTIONS.";
- 20. it is not taking up the Placing Shares as a result of any "general solicitation" or "general advertising" efforts (as those terms are defined in Regulation D under the Securities Act) or any "directed selling efforts" (as such term is defined in Regulation S under the Securities Act);
- 21. it understands that there may be certain consequences under United States and other tax laws resulting from an investment in the Placing and it has made such investigation and has consulted its own independent advisers or otherwise has satisfied itself concerning, without limitation, the effects of United States federal, state and local income tax laws and foreign tax laws generally;
- 22. it will not distribute, forward, transfer or otherwise transmit this Announcement or any part of it, or any other presentational or other materials concerning the Placing in or into or from the United States (including electronic copies thereof) to any person, and it has not distributed, forwarded, transferred or otherwise transmitted any such materials to any person;
- 23. none of finnCap, the Company nor any of their respective affiliates, agents, directors, officers or employees nor any person acting on behalf of any of them is making any recommendations to it or advising it regarding the suitability of any transactions it may enter into in connection with the Placing and that participation in the Placing is on the basis that it is not and will not be a client of finnCap and that finnCap has no duties or responsibilities to it for providing the protections afforded to its clients or for providing advice in relation to the Placing nor in respect of any representations, warranties, undertakings or indemnities contained in the Placing

Agreement nor for the exercise or performance of any of its rights and obligations thereunder including any rights to waive or vary any conditions or exercise any termination right;

24. it will make payment to finnCap for the Placing Shares allocated to it in accordance with the terms and conditions of this Announcement on the due times and dates set out in this Announcement, failing which the relevant Placing Shares may be placed with others on such terms as finnCap determines in its absolute discretion without liability to the Placee and it will remain liable for any shortfall below the net proceeds of such sale and the placing proceeds of such Placing Shares and may be required to bear any stamp duty or stamp duty reserve tax (together with any interest or penalties due pursuant to the terms set out or referred to in this Announcement) which may arise upon the sale of such Placee's Placing Shares on its behalf;
25. no action has been or will be taken by any of the Company, finnCap or any person acting on behalf of the Company or finnCap that would, or is intended to, permit a public offer of the Placing Shares in the United States or in any country or jurisdiction where any such action for that purpose is required;
26. the person who it specifies for registration as holder of the Placing Shares will be:
 - (a) the Placee; or
 - (b) a nominee of the Placee, as the case may be,

and that finnCap and the Company will not be responsible for any liability to stamp duty or stamp duty reserve tax resulting from a failure to observe this requirement. Each Placee and any person acting on behalf of such Placee agrees to acquire Placing Shares pursuant to the Placing and agrees to indemnify the Company and finnCap in respect of the same on the basis that the Placing Shares will be allotted to a CREST stock account of finnCap or transferred to a CREST stock account of finnCap who will hold them as nominee on behalf of the Placee until settlement in accordance with its standing settlement instructions with it;

27. the allocation, allotment, issue and delivery to it, or the person specified by it for registration as holder, of Placing Shares will not give rise to a stamp duty or stamp duty reserve tax liability under (or at a rate determined under) any of sections 67, 70, 93 or 96 of the Finance Act 1986 (depository receipts and clearance services) and that it is not participating in the Placing as nominee or agent for any person or persons to whom the allocation, allotment, issue or delivery of Placing Shares would give rise to such a liability;
28. if it is within the United Kingdom, it and any person acting on its behalf falls within Article 19(5) and/or 49(2) of the Order and undertakes that it will acquire, hold, manage and (if applicable) dispose of any Placing Shares that are allocated to it for the purposes of its business only;
29. it has not offered or sold and will not offer or sell any Placing Shares to persons in a Relevant State prior to the expiry of a period of six months from Admission except to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their business or otherwise in circumstances which have not resulted and which will not result in an offer to the public in the United Kingdom within the meaning of section 85(1) of the FSMA or an offer to the public in any member state of the EEA within the meaning of the Prospectus Regulation;
30. if it is within a Relevant State, it is a Qualified Investor as defined in Article 2(e) of the Prospectus Regulation;
31. it has only communicated or caused to be communicated and it will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) relating to Placing Shares in circumstances in which section 21(1) of the FSMA does not require approval of the communication by an authorised person and it acknowledges and agrees that this Announcement has not been approved by finnCap in its capacity as an authorised person under section 21 of the FSMA and it may not therefore be subject to the controls which would apply if it was made or approved as financial promotion by an authorised person;
32. it has complied and it will comply with all applicable laws with respect to anything done by it or on its behalf in relation to the Placing Shares (including all relevant provisions of the FSMA in respect of anything done in, from or otherwise involving the United Kingdom);

33. if it is a financial intermediary, as that term is used in Article 5(1) of the Prospectus Regulation, the Placing Shares acquired by it in the Placing will not be acquired on a non-discretionary basis on behalf of, nor will they be acquired with a view to their offer or resale to, persons in a Relevant State other than Qualified Investors, or in circumstances in which the express prior written consent of finnCap has been given to the offer or resale;
34. if it has received any inside information (for the purposes of the MAR and section 56 of the Criminal Justice Act 1993 or other applicable law) about the Company in advance of the Placing, it has not:
- (a) dealt (or attempted to deal) in the securities of the Company;
 - (b) encouraged, recommended or induced another person to deal in the securities of the Company; or
 - (c) unlawfully disclosed such information to any person, prior to the information being made publicly available;
35. finnCap and its affiliates, acting as an investor for its or their own account(s), may bid or subscribe for and/or purchase Placing Shares and, in that capacity, may retain, purchase, offer to sell or otherwise deal for its or their own account(s) in the Placing Shares, any other securities of the Company or other related investments in connection with the Placing or otherwise. Accordingly, references in this Announcement to the Placing Shares being offered, subscribed, acquired or otherwise dealt with should be read as including any offer to, or subscription, acquisition or dealing by, finnCap and/or any of its affiliates acting as an investor for its or their own account(s). Neither finnCap nor the Company intend to disclose the extent of any such investment or transaction otherwise than in accordance with any legal or regulatory obligation to do so;
36. it:
- (a) has complied with its obligations in connection with money laundering and terrorist financing under the Proceeds of Crime Act 2002, the Terrorism Act 2000 (as amended), the Terrorism Act 2006 and the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (as amended);
 - (b) is not a person:
 - (i) with whom transactions are prohibited under the US Foreign Corrupt Practices Act of 1977 or any economic sanction programmes administered by, or regulations promulgated by, the Office of Foreign Assets Control of the U.S. Department of the Treasury;
 - (ii) named on the Consolidated List of Financial Sanctions Targets maintained by HM Treasury of the United Kingdom; or
 - (iii) subject to financial sanctions imposed pursuant to a regulation of the European Union or a regulation adopted by the United Nations or other applicable law,
- (together, the "**Regulations**") and if making payment on behalf of a third party, that satisfactory evidence has been obtained and recorded by it to verify the identity of the third party as required by the Regulations and has obtained all governmental and other consents (if any) which may be required for the purpose of, or as a consequence of, such purchase, and it will provide promptly to finnCap such evidence, if any, as to the identity or location or legal status of any person which it may request from it in connection with the Placing (for the purpose of complying with the Regulations or ascertaining the nationality of any person or the jurisdiction(s) to which any person is subject or otherwise) in the form and manner requested by finnCap on the basis that any failure by it to do so may result in the number of Placing Shares that are to be acquired by it or at its direction pursuant to the Placing being reduced to such number, or to nil, as finnCap may decide at its sole discretion;
37. in order to ensure compliance with the Regulations, finnCap (for itself and as agent on behalf of the Company) or the Company's registrars may, in their absolute discretion, require verification of its identity. Pending the provision to finnCap or the Company's registrars, as applicable, of evidence of identity, definitive certificates in respect of the Placing Shares may

be retained at finnCap's absolute discretion or, where appropriate, delivery of the Placing Shares to it in uncertificated form may be delayed at finnCap's or the Company's registrars', as the case may be, absolute discretion. If within a reasonable time after a request for verification of identity finnCap (for itself and as agent on behalf of the Company) or the Company's registrars have not received evidence satisfactory to them, either finnCap and/or the Company may, at its absolute discretion, terminate its commitment in respect of the Placing, in which event the monies payable on acceptance of allotment will, if already paid, be returned without interest to the account of the drawee's bank from which they were originally debited;

38. it acknowledges that its commitment to acquire Placing Shares on the terms set out in this Announcement and in the contract note will continue notwithstanding any amendment that may in future be made to the terms and conditions of the Placing and that Placees will have no right to be consulted or require that their consent be obtained with respect to the Company's or finnCap's conduct of the Placing;
39. acknowledges and understands that the Company has not applied for, nor has it received advance assurance from HMRC that the Placing Shares will rank as "eligible shares" for the purposes of the enterprise investment scheme pursuant to section 173 of the Income Tax Act 2007 nor as eligible shares for VCT purposes pursuant to section 285 of that Act . Further, none of the Company, the Directors or any of the Company's advisers give any warranty or undertaking that reliefs will be available and not withdrawn at a later date.
40. it has knowledge and experience in financial, business and international investment matters as is required to evaluate the merits and risks of acquiring the Placing Shares. It further acknowledges that it is experienced in investing in securities of this nature and is aware that it may be required to bear, and is able to bear, the economic risk of, and is able to sustain, a complete loss in connection with the Placing. It has relied upon its own examination and due diligence of the Company and its affiliates taken as a whole, and the terms of the Placing, including the merits and risks involved;
41. it irrevocably appoints any duly authorised officer of finnCap as its agent for the purpose of executing and delivering to the Company and/or its registrars any documents on its behalf necessary to enable it to be registered as the holder of any of the Placing Shares for which it agrees to acquire upon the terms of this Announcement;
42. the Company, finnCap and others (including each of their respective affiliates, agents, directors, officers and employees) will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and agreements, which are given to finnCap on its own behalf and on behalf of the Company and are irrevocable;
43. it is acting as principal only in respect of the Placing or, if it is acquiring the Placing Shares as a fiduciary or agent for one or more investor accounts, it is duly authorised to do so and it has full power and authority to make, and does make, the foregoing representations, warranties, acknowledgements, agreements and undertakings on behalf of each such accounts;
44. time is of the essence as regards its obligations under this Appendix;
45. any document that is to be sent to it in connection with the Placing will be sent at its risk and may be sent to it at any address provided by it to finnCap;
46. the Placing Shares will be issued subject to the terms and conditions of this Appendix; and
47. the terms and conditions contained in this Appendix and all documents into which this Appendix is incorporated by reference or otherwise validly forms a part and/or any agreements entered into pursuant to these terms and conditions and all agreements to acquire Placing Shares pursuant to the Placing will be governed by and construed in accordance with English law and it submits to the exclusive jurisdiction of the English courts in relation to any claim, dispute or matter arising out of such contract except that enforcement proceedings in respect of the obligation to make payment for the Placing Shares (together with interest chargeable thereon) may be taken by the Company or finnCap in any jurisdiction in which the relevant Placee is incorporated or in which any of its securities have a quotation on a recognised stock exchange.

By participating in the Placing, each Placee (and any person acting on such Placee's behalf) agrees to indemnify and hold the Company, finnCap and each of their respective affiliates, agents, directors, officers and employees harmless from any and all costs, claims, liabilities and expenses (including legal

fees and expenses) arising out of or in connection with any breach of the representations, warranties, acknowledgements, agreements and undertakings given by the Placee (and any person acting on such Placee's behalf) in this Appendix or incurred by finnCap, the Company or each of their respective affiliates, agents, directors, officers or employees arising from the performance of the Placee's obligations as set out in this Announcement, and further agrees that the provisions of this Appendix shall survive after the completion of the Placing.

The agreement to allot and issue Placing Shares to Placees (or the persons for whom Placees are contracting as agent) free of stamp duty and stamp duty reserve tax in the United Kingdom relates only to their allotment and issue to Placees, or such persons as they nominate as their agents, direct by the Company. Such agreement assumes that the Placing Shares are not being acquired in connection with arrangements to issue depositary receipts or to transfer the Placing Shares into a clearance service. If there are any such arrangements, or the settlement related to any other dealings in the Placing Shares, stamp duty or stamp duty reserve tax may be payable. In that event, the Placee agrees that it shall be responsible for such stamp duty or stamp duty reserve tax and neither the Company nor finnCap shall be responsible for such stamp duty or stamp duty reserve tax. If this is the case, each Placee should seek its own advice and they should notify finnCap accordingly. In addition, Placees should note that they will be liable for any capital duty, stamp duty and all other stamp, issue, securities, transfer, registration, documentary or other duties or taxes (including any interest, fines or penalties relating thereto) payable outside the United Kingdom by them or any other person on the acquisition by them of any Placing Shares or the agreement by them to acquire any Placing Shares and each Placee, or the Placee's nominee, in respect of whom (or in respect of the person for whom it is participating in the Placing as an agent or nominee) the allocation, allotment, issue or delivery of Placing Shares has given rise to such non-United Kingdom stamp, registration, documentary, transfer or similar taxes or duties undertakes to pay such taxes and duties, including any interest and penalties (if applicable), forthwith and to indemnify on an after-tax basis and to hold harmless the Company and finnCap in the event that either the Company and/or finnCap have incurred any such liability to such taxes or duties.

The representations, warranties, acknowledgements and undertakings contained in this Appendix are given to finnCap for itself and on behalf of the Company and are irrevocable.

finnCap is authorised and regulated by the FCA in the United Kingdom and is acting exclusively for the Company and no one else in connection with the Fundraising or any other matters referred to in this Announcement, and finnCap will not be responsible to anyone (including any Placees) other than the Company for providing the protections afforded to its clients or for providing advice in relation to the Placing or any other matters referred to in this Announcement.

Each Placee and any person acting on behalf of the Placee acknowledges that finnCap does not owe any fiduciary or other duties to any Placee in respect of any representations, warranties, undertakings, acknowledgements, agreements or indemnities in the Placing Agreement.

Each Placee and any person acting on behalf of the Placee acknowledges and agrees that finnCap may (at its absolute discretion) satisfy its obligations to procure Placees by itself agreeing to become a Placee in respect of some or all of the Placing Shares or by nominating any connected or associated person to do so.

When a Placee or any person acting on behalf of the Placee is dealing with finnCap, any money held in an account with finnCap on behalf of the Placee and/or any person acting on behalf of the Placee will not be treated as client money within the meaning of the relevant rules and regulations of the FCA made under the FSMA. Each Placee acknowledges that the money will not be subject to the protections conferred by the client money rules: as a consequence this money will not be segregated from finnCap's money in accordance with the client money rules and will be held by it under a banking relationship and not as trustee.

References to time in this Announcement are to London time, unless otherwise stated.

All times and dates in this Announcement may be subject to amendment. Placees will be notified of any changes.

No statement in this Announcement is intended to be a profit forecast or estimate, and no statement in this Announcement should be interpreted to mean that earnings per share of the Company for the current or future financial years would necessarily match or exceed the historical published earnings per share of the Company.

The price of shares and any income expected from them may go down as well as up and investors may not get back the full amount invested upon disposal of the shares. Past performance is no guide to future performance, and persons needing advice should consult an independent financial adviser.

The Placing Shares to be issued pursuant to the Placing will not be admitted to trading on any stock exchange other than the AIM market of the London Stock Exchange.

Neither the content of the Company's website nor any website accessible by hyperlinks on the Company's website is incorporated in, or forms part of, this Announcement.