

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt about the contents of this document you should consult a person authorised under the Financial Services and Markets Act 2000 ("FSMA") who specialises in advising on the acquisition of shares and other securities before taking any action. The whole of the text of this document should be read. Investment in the Company is speculative and involves a high degree of risk.

If you have sold or transferred all of your Ordinary Shares in the Company, please pass this document and the Form of Proxy to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

This document does not constitute an offer to buy, acquire or subscribe for, or the solicitation of an offer to buy, acquire or subscribe for, New Ordinary Shares or an invitation to buy, acquire or subscribe for New Ordinary Shares in any jurisdiction. This document has not been filed with, examined or approved by the UK Financial Conduct Authority or the London Stock Exchange or any other regulatory authority.

The Directors whose names and functions appear on page 7, and the Company, accept responsibility for the information contained in this document. To the best of the knowledge of the Directors and the Company (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

Wheelsure Holdings plc

(incorporated in England and Wales with registered number 4757497)

Issue of 50,000,000 New Ordinary Shares at 1 p per share pursuant to Subscription Arrangements

Notice of General Meeting

A notice convening a General Meeting of the Company to be held at the offices Daniel Stewart 33 Creechurch Lane London EC3A 5EB on 7 June 2017 at 11.00 a.m. is set out at the end of the document. A Form of Proxy is accompanying this document. **To be valid, the Form of Proxy for use at the meeting must be completed and returned so as to be received at the offices of the Company's registrars, Neville Registrars, Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA not later than 11.00 a.m. on 5 June 2017.**

This document does not constitute an offer of securities and accordingly is not a prospectus, neither does it constitute an admission document drawn up in accordance with the NEX Rules.

Daniel Stewart & Company Plc ("DS&C"), which is authorised and regulated in the United Kingdom by the UK Financial Conduct Authority and is a member of the London Stock Exchange, is acting as corporate adviser, to the Company for the purposes of the NEX Rules. DS&C is acting exclusively for the Company, and will not be responsible to anyone other than the Company for providing the protections afforded to their respective clients or for providing advice in relation to the proposed conditional Subscription Arrangements or any other matter referred to in this document. DS&C has not authorised the contents of this document for any purpose and, without limiting the statutory rights of any person to whom this document is issued, no representation or warranty, express or implied, is made by DS&C as to any of the contents or completeness of this document.

The completion and depositing of the Form of Proxy will not preclude you from attending and voting in person at the General Meeting should you wish to do so.

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Subscription Statistics

Existing Ordinary Shares	177,255,726
Subscription Price	1 pence
Number of Subscription Shares	50,000,000
Amount, before expenses, being raised under the Subscription Arrangements (assuming full subscription)	£500,000
Number of Ordinary Shares in issue immediately following the Subscription Arrangements (assuming full subscription)	227,255,726
Percentage of Subscription Arrangements Shares of Enlarged Issued Share Capital	22 per cent
Market capitalisation of the Company at the Subscription Price (assuming full subscription under the Subscription Arrangements but no subscriptions under the Additional Fundraising)	£2.27m

Expected timetable of principal events

Record Date	close of business on 18 May 2017
Announcement of the Subscription Arrangements and Notice of General Meeting	19 May 2017
Posting of Circular	22 May 2017
Latest time and date for receipt of Forms of Proxy for use at the General Meeting	11.00 a.m. on 5 June 2017
Latest time for subscription under the Additional Fundraising	10.00 a.m. on 6 June 2017
General Meeting	11.00 a.m. on 7 June 2017
Admission and commencement of dealings in New Ordinary Shares	8.00 a.m. on 8 June 2017
CREST members' accounts credited in respect of New Ordinary Shares in uncertificated form	as soon as possible after 8.00 a.m. on 8 June 2017
Dispatch of definitive share certificates for New Ordinary Shares in certificated form (where applicable)	no later than 20 June 2017

If you have any queries you should contact Neville Registrars, Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA or telephone Neville Registrars on +44 (0)121 585 1131. Other network providers' costs may vary. Lines are open 9.00 a.m. to 5.00 p.m. (London time) Monday to Friday (except UK public holidays). Calls to the helpline from outside the UK will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Issue nor give any financial, legal or tax advice.

All times are London times and each of the times and dates are subject to change.

Definitions

The following definitions apply throughout this document, unless the context requires otherwise:

“Act”	the Companies Act 2006, to the extent in force and applicable
“Additional Fundraising”	the offering of up to a further 5,000,000 New Ordinary Shares to new additional or other investors (including to existing shareholders) to whom such shares can lawfully be offered on a private placement basis from the date of this document until the Additional Fundraising Close by way of a placing or subscription at the Directors’ discretion
“Additional Fundraising Close”	10.00 a.m. on 6 June 2017
“Additional Fundraising Shares”	up to 5,000,000 New Ordinary Shares
“Admission”	the effective admission of the New Ordinary Shares to trading on the NEX Exchange, in accordance with the NEX Rules
“AIM”	a market operated by the London Stock Exchange Plc
“Company” or “Wheelsure”	Wheelsure Holdings plc, a company incorporated in England and Wales with registered number 4757497 and having its registered office at Woburn Street, Ampt Hill, Bedford, MK45 2HP
“CREST”	the relevant system (as defined in the CREST Regulations) for paperless settlement of share transfers and the holding of shares in uncertificated form which is administered by Euroclear UK & Ireland Limited
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001/3755) (as amended)
“DS&C”	Daniel Stewart & Company Plc
“Directors” or “Board”	the directors of the Company at the date of this document whose names are set out on page 7 of this document
“Enlarged Share Capital”	the number of Ordinary Shares in issue following completion of the Subscription Arrangements
“Existing Ordinary Shares”	the Ordinary Shares in issue at the date of this document
“Form of Proxy”	the form of proxy enclosed with this document for use by Shareholders in connection with the GM
“FCA”	the UK Financial Conduct Authority

“FSMA”	the Financial Services and Markets Act 2000, as amended
“GM” or “General Meeting”	the general meeting of the Company convened for 11.00 a.m. on 7 June 2017
“Group”	the Company and its subsidiary undertakings
“NEX”	the NEX Exchange, a UK-based Investment Exchange recognised under section 285 of FSMA
“NEX Rules”	NEX Growth Market Rules for Issuers as published from time to time
“Neville Registrars”	Neville Registrars Limited, registrars to the Company
“New Ordinary Shares”	the New Ordinary Shares of 1p each to be issued by the Company pursuant to the Subscription Arrangements, and/or the Additional Fundraising
“Official List”	the Official List of the UKLA
“Ordinary Shares” or “Shares”	ordinary shares of 1p each in the capital of the Company
“Overseas Shareholders”	Shareholders who are resident in or a citizen or national of any country outside the United Kingdom
“Record Date”	close of business on 18 May 2017
“Resolutions”	the resolutions to be proposed at the GM, details of which are set out in the notice of GM set out at the end of this document
“Restricted Jurisdiction”	each and any of Australia, Canada, France, Japan, the Republic of Ireland and the Republic of South Africa
“Subscribers”	the subscribers for Subscription Shares pursuant to the Subscription Arrangements
“Subscription Arrangements”	the proposed conditional Subscription Agreements at the Subscription Price
“Subscription Agreement(s)”	the conditional subscription agreements referred to in this Circular and entered into between the Company and each of the Subscribers prior to the date of this document
“Subscription Price”	1p per Subscription Share
“Subscription Shares”	the New Ordinary Shares to be issued by the Company pursuant to the Subscription Arrangements
“Shareholders”	holders of Ordinary Shares
“Tracksure”	the Company’s wholly owned subsidiary Tracksure Limited

“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland
“UKLA” or “UK Listing Authority”	the FCA acting in its capacity as the component authority for the purpose of Part VI of FSMA
“USA”	the United States of America
“Wheelsure Ltd”	the Company’s wholly owned subsidiary Wheelsure Limited

PART I – Letter from the Chairman

Wheelsure Holdings plc

(registered in England and Wales with registered number 4757497)

Directors

G Mulder (*Non-executive Chairman*)

G Dodl (*Chief Executive*)

D Vile (*Technical Director*)

J Allen (*Non-executive Director*)

W Welch (*Non-Executive Director*)

Registered Office

8 Woburn Street

Ampthill

Bedfordshire

MK45 2HP

22 May 2017

To Shareholders and, for information purposes only, to the holders of options over Ordinary Shares,

Introduction

On 19 May 2017, Wheelsure announced that it had conditionally raised gross proceeds of £500,000 by means of Subscription Agreements with Subscribers in respect of 50,000,000 Subscription Shares, at one penny per share which are conditional on, amongst other things, the passing of the Resolutions at the GM and Admission.

The purpose of this letter is to provide you with further information on the proposed Subscription Arrangements. In addition, the Company is seeking authority to raise up to a further £50,000 through the Additional Fundraising to certain identified investors who will be approached prior to the General Meeting.

A notice convening a GM to consider the Resolutions required to give effect to the Subscription Arrangements and Additional Fundraising is set out at the end of this document. The GM will be held at 11.00 a.m. 7 June 2017.

Reasons for the Subscription Arrangements

As indicated in the Chairman's Report which accompanied the recent Annual Report and Accounts, the Board is confident that the Group is developing its existing business with positive tests and trials, technical approvals and the establishment of new business partnerships. However, there have been delays in securing significant orders for the Tracksure products largely due, in the Board's opinion, to the general challenging economic climate but also because the Company has been unable to extend its current resources to identify and consolidate further opportunities.

The Board is of the opinion that additional resources are now required to exploit existing opportunities and increase sales. As set out further in the "Current Trading" section below, your Board believes that progress is being made across a wide number of territories and, as a result, is increasingly optimistic that with additional resources significantly more orders will be received in the current financial year.

The net proceeds of the Subscription Arrangements, which will total up to approximately £460,000 after expenses, will in the opinion of the Directors, give the Company sufficient working capital for the next 12 months to maintain the close relationships with those potential customers who currently have trials in progress as well as further develop both existing and new partners in Europe and the USA.

Current trading

On 26 January 2017, the Company published its Annual Report and Accounts for the year ended 31 August 2016. As set out in the Chairman's statement the results for the financial year demonstrate that we have continued to make progress in our main territories:

- sales of £290,330 an increase of 21 per cent. compared with 2015 (£239,525);
- in addition to the sales above, royalty income was received of £18,328 (2015: £22,168); and
- during the year, further sales and orders were received in all our main strategic territories.

Other particular highlights included:

- First order in Italy for the supply of specialist track equipment incorporating Tracksure technology, where Tracksure will subcontract the total manufacture;
- First orders from Austrian railways, ÖBB-Infrastruktur AG; and
- Growing business in Holland.

A geographical summary of the progress being made is as follows:

UK

Whilst orders continue to be received from London Underground (LUL), the previously reported budgetary constraints following the Mayoral election have severely restricted order flow during the year. However, since 31 August 2016 we have received three orders from existing customers within LUL.

This is an excellent indication that where Tracksure is used it continues to perform positively and we remain confident that further orders from a broader network of customers will continue to flow.

Keolis Amey Docklands (maintenance provider of Docklands Light Railway (DLR)) has placed orders for two track applications during the year ended 31 August 2016. In both cases Tracksure has been incorporated into the design specification.

Tracksure has received its first orders for three track applications on High Speed infrastructure. These orders, totalling just over £30,000, follow a design and product assessment phase and are a very positive development in the UK. They are also indicative of the progress that Tracksure is making with major infrastructure managers and maintenance contractors on a widening range of infrastructure. Additionally, Tracksure has submitted products for fatigue testing for the first time with Network Rail who are responsible for the majority of the UK's track assets.

Italy

Progress continues to be made in Italy with increased orders from both the state rail operator, Rete Ferroviaria Italiana (RFI) and Ferrovienord. In the case of RFI, a significant number of crossings have been built incorporating Tracksure and are now fitted in five separate locations in Italy. In addition, a successful tender was won from Ferrovienord for insulated glued joints (incorporating the Tracksure product) whereby the Group will manage the subcontracted manufacture. Ferrovienord are also incorporating Tracksure into their specification for crossings and the Board is confident that this business will continue to develop.

Germany & Austria

The Group has received orders from both countries, which flow from the previously reported DB Netz AG (DB) approval. The Group continues to work with Siemens AG to gain business from the broader portfolio of their brake retarder business and this is evidenced by their export of a Tracksure-fitted retarder to the USA for the first time. A successful trial with Thyssen Krupp Steel

Europe AG, on a private rail network in Germany, has been undertaken and in addition, Tracksure supplier status to DB (HQ1) has been renewed.

Holland & Belgium

Previously the Group reported upon our developing commercial relationship with Strukton Rail Nederland B.V., one of Europe's largest rail infrastructure manufacturers. The Group has already seen orders fulfilled for managed industrial sites and associated track during the period. Two orders from Voestalpine Railpro BV in Holland have been received and delivered and will demonstrate the efficacy of Tracksure on a new group of products.

USA

Royalty income of £18,328 was received from the Group's distributor L B Foster during the financial year ended 31 August 2016 which reflects sales of US\$80,000. Progress in the USA has been slower than anticipated at \$15,000 and the Group is addressing this with the distributor.

Key Performance Indicators

The directors consider the Group's financial key performance indicators to be turnover and loss before tax.

	2016	2015
	£	£
Turnover	290,330	239,525
Loss before tax	262,145	228,029

Use of Proceeds

The Company has developed a strategic three-year business plan which builds on historic product development and approvals, with a view to commercialising the business going forward. The business plan identifies the resources required to support the growth of the business and milestones which will evidence progress along the way. The net proceeds of the Subscription will be utilised to support the business plan in the following areas:

- sales and marketing; and
- legal, patent protection and development

with the balance being used for working capital purposes.

A particular focus during the initial 12 months will be on delivering sales with the Group's existing customer base, with whom the Board believes there are significant near-term opportunities in the next few months. The Company will also target expansion into additional rail companies

The Subscription Arrangements

The Company has entered into a number of Subscription Agreements, of which further details are set out below, pursuant to which the Company has conditionally raised £500,000 (prior to expenses) through the proposed issue of 50,000,000 Subscription Shares, at the Subscription Price.

The Subscription Arrangements are conditional, *inter alia*, upon:

- the passing of the Resolutions at the GM;
- Admission of the Subscription Shares to trading on the NEX Exchange; and

The issue of the Subscription Shares following the Fundraising will result in the following changes to the Company's substantial shareholders:

Name	Current Holding	Existing Holding %	Subscription Shares	Shareholding after Admission	% of Enlarged Share Capital
Hargreave Hale Nominees Ltd*	41,744,727	23.55	Nil	41,744,727	18.37
Miton Asset Management Ltd	17,800,000	10.04	17,500,000	23,975,000	11.43
WB Nominees Ltd	16,140,157	9.11	9,600,000	25,740,157	11.33
J M Finn Nominees Limited	14,863,065	8.39	Nil	14,863,065	6.54
G V L Oury	6,768,581	3.82	Nil	6,768,581	2.98
Charles William Nicholas John**	Nil	0.00	6,950,000	6,950,000	3.06
Camflex Ltd	Nil	0.00	1,050,000	1,050,000	0.46

* Following the placing, Hargreave Hale Nominees Ltd's holdings include 35,363,245 shares representing 15.56% of total issued share capital either owned or controlled by Adriana V Stirling, Alexandra L Stirling, Alastair G.P. Stirling and Ann C Stirling, who are family members and therefore are deemed connected persons.

** Mr John has a controlling interest in Camflex Ltd.

Additional Fundraising

In addition to the Subscription Arrangements, the Company is targeting a maximum further fundraising of up to £50,000 (before expenses) by way of an Additional Fundraising of up to 5,000,000 New Ordinary Shares at the Subscription Price. The Additional Fundraising would be by way of a private placing or subscription at the Directors' discretion, and is not open to the public. The Additional Fundraising will be available only to new and existing institutional or other investors which the Directors are satisfied can lawfully invest on a private placement basis until 10.00 a.m. on 6 June 2017.

The New Ordinary Shares, when issued and fully paid, will rank equally in all respects with the Existing Ordinary Shares, including the right to receive all dividends and other distributions declared, made or paid after Admission.

EIS / VCT

Prior to a previous issue of Shares on 26 October 2016, the Company obtained advance assurance from HM Revenue & Customs who confirmed that on the basis of information provided, (i) following receipt of a properly completed EIS 1 they were able to authorise the Company to issue certificates under Section 204 ITA 2007 in respect of the ordinary shares to be issued; and (ii) the ordinary shares will be eligible shares for the purpose of Section 285(3) and may be part of a qualifying holding for the purposes of Chapter 4 of Part 6. The Directors are not aware of any subsequent change in the qualifying conditions or the Company's circumstances that would prevent the New Ordinary Shares from being eligible VCT and EIS investments on this occasion.

Action to be Taken

The Subscription Arrangements and Additional Fundraising are conditional upon, inter alia, the passing of the Resolutions set out in the Notice of General Meeting at the end of this document. That meeting will be held at Daniel Stewart, 33 Creechurch Lane, London EC3A 5EB on 7 June 2017 at 11.00 am.

At the GM, the following Resolutions will be proposed:

1. an ordinary resolution to authorise the Directors to allot relevant securities, *inter alia*, for the purposes of the Subscription Arrangements and Additional Fundraising and otherwise up to an aggregate nominal amount of £850,000; and
2. a special resolution to allow the Directors, subject to the limits set out in that resolution, to issue Shares for cash otherwise than on a pre-emptive basis, including:
 - (a) a specific authority to allot up to 50,000,000 Subscription Shares; and

- (b) additional Shares up a nominal amount of £50,000 in connection with the Additional Fundraising; and
- (c) the allotment (otherwise than pursuant to sub-paragraph (b) above) of equity securities up to an aggregate nominal amount of £300,000.

You will find enclosed with this document a Form of Proxy for use at the General Meeting. Whether you intend to be present at the General Meeting or not, you are asked to complete the Proxy Form in accordance with the instructions printed on it and to return it to the Registrars as soon as possible and, in any event, so as to be received by no later than 11.00 a.m. on 5 June 2017. The completion and return of the Form of Proxy will not preclude you from attending the Meeting and voting in person if you wish to do so.

Shareholders who hold their shares through CREST are referred to the Notes to the Notice of General Meeting.

If the Form of Proxy is not received by the Registrars (or the CREST Proxy Instructions submitted) by 11.00 a.m. on 5 June 2017 your vote will not count.

Importance of the Vote

Your attention is drawn to the fact that the Board consider that a fundraising is essential if the Group is to continue to operate and the proposed Subscription Arrangements and Additional Fundraising are conditional upon, and therefore entirely dependent on, each of the Resolutions set out in the Notice being passed by Shareholders at the General Meeting.

Shareholders should be aware that if they do not approve the proposed fundraisings referred to in this Circular, the Company may be forced to cease trading, in which case Shareholders could lose their entire equity investment.

If the Resolutions are not passed the Company would become insolvent, unless it proves possible for the Company to achieve one or more of the following:

- selling assets of the Company. The sale of such assets at a time which is not of the Company's choosing might result in a failure to realise the full value of the assets, or might not be possible at all.
- borrowing money from other sources. In the current circumstances the Directors do not expect debt financing to be available to the Company;
- the Company being acquired by another party, at a price which might not reflect the full value of the Company.

Recommendation

The Directors unanimously believe that the Subscription Arrangements and Additional Fundraising are in the best interests of the Company and its Shareholders as a whole and recommend Shareholders to vote in favour of the Resolutions, as they intend to do in respect of their own beneficial holdings of 10,133,088 Ordinary Shares, equivalent to approximately 5.7% of the current issued share capital of the Company.

Yours faithfully

Gerry Mulder
Chairman

PART II – Risk Factors

In addition to all the other information contained in this document, potential investors should carefully consider the following risk factors which the Directors consider to be all the known material risks in respect of the business of the Company and its securities, but are not set out in any particular order of priority. If any of the circumstances identified in the risk factors were to materialise to the Company's business, financial condition and operating results could be materially affected. In particular, the Company's performance is likely to be affected by changes to the market and/or economic conditions and legal, accounting, regulatory and tax requirements currently unknown by the Company.

Additional risks which are not presently known to the Board, or that the Board currently deems to be immaterial, may also have an effect on the Company's business, financial condition and operating results.

Principal Risks and Uncertainties

There are a number of risks and uncertainties that face the Group. The Board have established a structured approach to identify, assess and manage these risks. The following list highlights the principal risks:

1. Financial risk – the Group faces the financial risk that there may be insufficient cashflow as working capital in the future to continue to commercialise the products and generate revenue streams;
2. Currency risk – during the normal course of business, certain transactions are carried out in currencies other than Sterling which exposes the Group to a certain level of currency risk. To mitigate this risk, transactions are carried out in Sterling wherever possible, and minimal cash balances are held in currencies other than Sterling; and
3. Liquidity risk – liquidity risk is the risk that the Group is unable to meet its payment obligations associated with its financial liabilities as they fall due. The directors have prepared forecasts which indicate that the Group will be able to meet its liabilities as they fall due for at least the next twelve months. The Group also considers the wider political and economic environment, in particular Brexit in Europe and the election of Donald Trump in the USA, which could have an impact on future business.

Risk factors associated with the New Ordinary Shares

1. The market price of the Ordinary Shares may fluctuate widely in response to different factors. The New Ordinary Shares will be quoted on the NEX Exchange Growth Market rather than the Official List or AIM. The NEX Growth Market Rules are less demanding than those of the Official List or AIM and an investment in a share that is traded on the NEX Exchange Growth Market may carry a higher risk than an investment in shares listed on the Official List or AIM. The share price of publicly traded companies can be highly volatile.
2. It may be more difficult for an investor to realise an investment in the Company than to realise an investment in a company whose shares or other securities are listed on the Official List, AIM or other similar stock exchange. The price at which the Ordinary Shares are traded and the price at which investors may realise their investment are influenced by a large number of factors, some specific to the Company and its operations and some which may affect manufacturing companies or quoted companies generally. Admission to the NEX Exchange Growth Market does not imply that there will be a liquid market for the Ordinary Shares. Consequently, the price of Ordinary Shares may be subject to fluctuation on small volumes of shares, and the Ordinary Shares may be difficult to sell at a particular price.

Wheelsure Holdings plc

(Registered in England and Wales with registered number 4757497)

NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN that a general meeting of the Company will be held at Daniel Stewart, 33 Creechurch Lane, London EC3A 5EB on 7 June 2017 at 11.00 a.m. for the purpose of considering and, if thought fit, passing the following resolutions, of which Resolution 1 will be proposed as an Ordinary Resolution and Resolution 2 will be proposed as a Special Resolution:

ORDINARY RESOLUTION

- (1) That, in substitution for all existing and unexercised authorities and powers, the directors of the Company be and they are hereby generally and unconditionally authorised for the purpose of section 551 of the Companies Act 2006 ("the Act") to exercise all or any of the powers of the Company to allot shares of the Company or to grant rights to subscribe for, or to convert any security into, shares of the Company (such shares and rights being together referred to as "Relevant Securities") up to an aggregate nominal value of £850,000 to such persons at such times and generally on such terms and conditions as the directors may determine (subject always to the articles of association of the Company)

PROVIDED THAT this authority shall, unless previously renewed, varied or revoked by the Company in general meeting, expire at the conclusion of the next annual general meeting or on the date which is 6 months after the next accounting reference date of the Company (if earlier) save that the directors of the Company may, before the expiry of such period, make an offer or agreement which would or might require Relevant Securities to be allotted after the expiry of such period and the directors of the Company may allot Relevant Securities in pursuance of such offer or agreement as if the authority conferred hereby had not expired.

SPECIAL RESOLUTION

- (2) That, subject to and conditional upon the passing of Resolution 1 the directors of the Company be and are hereby empowered pursuant to section 570 of the Act to allot equity securities (as defined in section 560 of the Act) pursuant to the authority conferred upon them by resolution 1 as if section 561 of the Act did not apply to any such allotment provided that this authority and power shall be limited to:
- (a) the allotment of equity securities in an aggregate nominal amount of £500,000 in connection with the Subscription Arrangements (as defined in the circular to shareholders of the Company dated 22 May 2017 in which this notice is included);
- (b) the allotment of equity securities up to an aggregate nominal amount of £50,000 in respect of the Additional Fundraising (as defined in the circular to shareholders of the Company dated 22 May 2017, in which this notice is included); and
- (c) the allotment (otherwise than pursuant to sub-paragraph (a) above) of equity securities up to an aggregate nominal amount of £300,000 (representing approximately 17 per cent. of the current share capital of the Company),

and shall expire at the conclusion of the next annual general meeting or on the date which is 6 months after the next accounting reference date of the Company (if earlier) save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities in pursuance of such offer or agreement as if the power conferred hereby had not expired.

By order of the Board
Gary Cresswell
Company Secretary

Registered office:
8 Woburn Street
Ampthill
Bedfordshire
MK45 2HP

22 May 2017

Notes:

- (1) A member entitled to attend and vote at the above meeting is entitled to appoint a proxy or proxies to attend and vote, on a poll, instead of him. If a member appoints more than one proxy, each proxy must be entitled to exercise the rights attached to different shares. A proxy need not be a member of the Company. The appointment of a proxy will not preclude a member from attending and voting at the meeting in person should he subsequently decide to do so.
- (2) A proxy may only be appointed using the procedures set out in these notes and the enclosed proxy form. To be valid, the proxy form must reach the Company's Registrars, Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA not less than 48 hours before the time of holding of the meeting. Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be enclosed with the proxy form.
- (3) Pursuant to Regulation 41 of The Uncertificated Securities Regulations 2001, the Company specifies that only those Shareholders of the Company on the register at 6.00 p.m. on 5 June 2017 shall be entitled to attend or vote at the General Meeting in respect of the number of shares registered in their name at the time. Changes to the register of members after that time will be disregarded in determining the rights of any person to attend or vote at the meeting.
- (4) CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so by utilising the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
- (5) The right to appoint a proxy does not apply to persons whose shares are held on their behalf by another person and who have been nominated to receive communications from the Company in accordance with section 146 of the Companies Act 2006 ("nominated persons"). Nominated persons may have a right under an agreement with the registered shareholder who holds the shares on their behalf to be appointed (or to have someone else appointed) as a proxy. Alternatively, if nominated persons do not have such a right, or do not wish to exercise it, they may have a right under such an agreement to give instructions to the person holding the shares as to the exercise of voting rights.
- (6) In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message must be transmitted so as to be received by the Company's agent, Neville Registrars Limited (whose CREST ID is 7RA11) by the specified latest time(s) for receipt of proxy appointments. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the Company's agent is able to retrieve the message by enquiry to CREST in the manner prescribed.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.