

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to what action you should take, you are recommended to seek your own financial advice from your stockbroker or other independent adviser authorised under the Financial Services and Markets Act 2000 if you are in the United Kingdom or, if not, from another appropriately authorised independent financial adviser who specialises in advising on the acquisition of shares and other securities.

If you have recently sold or transferred all of your shares in Spinnaker Opportunities Plc, please forward this document, together with the accompanying documents, as soon as possible either to the purchaser or transferee or to the person who arranged the sale or transfer so they can pass these documents to the person who now holds the shares.

SPINNAKER OPPORTUNITIES PLC

(Incorporated in England and Wales under the Companies Act 2006 with registered number 10485105)

NOTICE OF ANNUAL GENERAL MEETING

Notice of the 2018 Annual General Meeting of Spinnaker Opportunities Plc (the **Company**) to be held at the offices of Bishop & Sewell LLP, 60 Russell Square, London WC1B 4HP on Tuesday, 5 June 2018 at 11.30am is set out on pages 3 to 4 of this document.

A form of proxy for use at the Annual General Meeting is enclosed and, to be valid, should be completed and returned in accordance with the instructions printed on the form so as to be received by the Company's Registrar, Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands, B63 3DA.

COMPLETION AND RETURN OF A FORM OF PROXY WILL NOT PREVENT MEMBERS FROM ATTENDING AND VOTING IN PERSON SHOULD THEY WISH TO DO SO.



Dear Shareholder

Annual General Meeting

I am pleased to be writing to you with details of our Annual General Meeting which we are holding at the offices of Bishop & Sewell LLP, 60 Russell Square, London WC1B 4HP on Tuesday, 5 June 2018 at 11.30am. The formal notice of Annual General Meeting ("**Notice**") is set out on page 3 of this document.

If you would like to vote on the Resolutions but cannot come to the Annual General Meeting, please fill in the proxy form sent to you with this Notice and return it in accordance with the instructions printed on the form. It must be received by the Company's Registrar, Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands, B63 3DA as soon as possible but, in any event, no later than 11.30am on 1 June 2018.

An explanation of the business to be considered at this year's Annual General Meeting appears on pages 9 to 12 of this document.

Recommendation

The directors of the Company consider that all the proposals to be considered at the Annual General Meeting are in the best interests of the Company and its shareholders as a whole and are most likely to promote the success of the Company. The directors unanimously recommend that you vote in favour of all the proposed resolutions as they intend to do in respect of their own beneficial holdings currently amounting to 24.49 per cent of the issued share capital of the Company.

Yours sincerely



Andrew Morrison

Chairman

23 April 2018

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting (“**Meeting**”) of Spinnaker Opportunities Plc (**Company**) will be held at the offices of Bishop & Sewell LLP, 60 Russell Square, London WC1B 4HP on Tuesday, 5 June 2018 at 11.30am.

You will be asked to consider and vote on the resolutions below. Resolutions 1 to 8 will be proposed as ordinary resolutions. Resolution 9 will be proposed as a special resolution.

RESOLUTIONS

1. To receive and consider the audited financial statements of the Company for the period ended 31 December 2017 together with the directors’ report and the auditors’ report thereon.
2. To receive and approve the report on directors’ remuneration as set out on pages 8 of the Annual Report and Accounts for the period ended 31 December 2017.
3. To approve the re-appointment of Adler Shine LLP as auditors of the Company, and to authorize the directors to determine the auditors’ remuneration.
4. To re-elect Andrew Morrison as a director of the Company.
5. To re-elect Jonathan Hoare as a director of the Company.
6. To re-elect Richard Liddell as a director of the Company.
7. To re-elect Anthony Harpur as a director of the Company.
8. **THAT** in accordance with section 551 of the Companies Act 2006 (CA 2006), the Directors of the Company be generally and unconditionally authorised to allot securities (as defined in section 560 of the Companies Act 2006) (“**Equity Securities**”) to such persons at such times and on such terms and conditions as the Directors may determine, provided that the aggregate of the nominal amount of such Equity Securities that may be allotted under this authority shall not exceed £5,000,000. 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 of the Company to be held or, if earlier, 12 months from the date the Annual General Meeting. The Directors of the Company may, before expiry make an offer or agreement which would or might require Equity Securities to be allotted after such expiry and the Directors of the Company may allot Equity Securities in pursuance of any such offer or agreement as if the authority conferred hereby had not expired. This authority revokes and replaces all unexercised authorities previously granted to the Directors but without prejudice to any allotment of shares or grant of Equity Securities already made or offered or agreed to be made pursuant to such authorities.
9. **THAT**, subject to the passing of resolution 8 and in accordance with section 570 of the CA 2006 the Directors be generally empowered to allot Equity Securities pursuant to the authority conferred by

resolution 8, as if section 561(1) of the CA 2006 did not apply to any such allotment, provided that this power shall:

- a. be limited to the allotment of Equity Securities in connection with a rights issue or similar offer to or in favour of ordinary shareholders where the Equity Securities respectively attributable to the interests of all ordinary shareholders are proportionate (as nearly as may be) to the respective numbers of shares held by them on that date provided that the Directors of the Company may make such exclusions or other arrangements to deal with any legal or practical problems under the laws of any territory or the requirement of any regulatory body or any stock exchange or with fractional entitlements as they consider necessary or expedient;
- b. The allotment (otherwise than pursuant to sub paragraph (a) above) of Equity Securities pursuant to the authority granted under the ordinary resolution referred to above up to aggregate nominal amount of £2,500,000; and
- c. Expire at the conclusion of the next annual general meeting of the company or, if earlier, 12 months from the date of the annual general meeting, unless previously renewed, varied or revoked by the Company in general meeting, save that the company before such expiry make an offer or enter into any agreement which would or might require Equity Securities to be allotted after such expiry and the Directors of the Company may allot Equity Securities in pursuance of any such offer or agreement as if the power conferred hereby had not expired. All previous authorities under section 571 of the Companies Act 2006 shall cease to have effect at the conclusion of the annual general meeting.

By order of the Board

David Little

Company secretary

Spinnaker Opportunities Plc (Company Number 10485105)

23 April 2018

Entitlement to attend and vote

1. Only those shareholders registered in the Company's register of members at:

- 6.00 pm on 1 June 2018; or,
- if this meeting is adjourned, at 6.00 pm on the day two days prior to the adjourned meeting,

shall be entitled to attend, speak and vote at the meeting. Changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.

Website giving information regarding the meeting

2. Information regarding the meeting, including the information required by section 311A of the Companies Act 2006, can be found at: <http://www.spinnakeropportunities.uk/>.

Attending in person

3. If you wish to attend the meeting in person, please arrive at the offices of Bishop & Sewell LLP, 60 Russell Square, London WC1B 4HP on Tuesday, 5 June 2018 at least 15 minutes before the scheduled start time of 11.30am.

Appointment of proxies

4. If you are a shareholder who is entitled to attend and vote at the meeting, you are entitled to appoint one or more proxies to exercise all or any of your rights to attend, speak and vote at the meeting and you should have received a proxy form with this notice of meeting. A proxy does not need to be a shareholder of the Company but must attend the meeting to represent you. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.

5. If you are not a member of the Company but you have been nominated by a member of the Company to enjoy information rights, you do not have a right to appoint any proxies under the procedures set out in this "Appointment of proxies" section. Please read the section "Nominated persons" below.

6. You may appoint more than one proxy provided each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. To appoint more than one proxy, please contact Neville Registrars Limited at the address below or by calling 0121 585 1131. You will need to state clearly on each proxy form the number of shares in relation to which the proxy is appointed. Failure to specify the number of shares to which each proxy appointment relates or specifying a number in excess of those held by the shareholder will result in the proxy appointment being invalid. If you wish your proxy to speak on your behalf at the meeting you will need to appoint your own choice of proxy (not the chairman) and give your instructions directly to them.

7. Shareholders can:

- Appoint a proxy or proxies and give proxy instructions by returning the enclosed proxy form by post (see note 9).
- Register their proxy appointment electronically (see note 10).
- If a CREST member, register their proxy appointment by utilising the CREST electronic proxy appointment service (see note 11).

8. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If you either select the "Discretionary" option or if no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the meeting.

Appointment of proxy by post

9. The notes to the proxy form explain how to direct your proxy how to vote on each resolution or withhold their vote.

To appoint a proxy using the proxy form, the form must be:

- completed and signed;

sent or delivered to , Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands, B63 3DA; and

- received by Neville Registrars Limited no later than 11.30am 1 June 2018.

In the case of a shareholder which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.

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 included with the proxy form.

If you have not received a proxy form and believe that you should have one, or if you require additional proxy forms, please contact Neville Registrars Limited at the above address or by calling 0121 585 1131.

Appointment of proxies electronically

10. As an alternative to completing the hard-copy proxy form, you can appoint a proxy electronically with Neville Registrars Limited at www.sharegateway.co.uk and completing the authentication requirements including the personal proxy registration code as shown on the proxy form. For an electronic proxy appointment to be valid, your appointment must be received by Neville Registrars Limited no later than 11.30am 1 June 2018.

Appointment of proxies through CREST

11. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) of it by using the procedures described in the CREST Manual (available via www.euroclear.com). 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.

For a proxy appointment or instructions made using the CREST service to be valid, the appropriate CREST message (a **CREST Proxy Instruction**) must be properly authenticated in accordance with Euroclear UK & Ireland Limited's (**EUI**) specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by Neville Registrars Limited (ID 7RA11) no later than 11.30am 1 June 2018., or, in the event of an adjournment of the meeting, 48 hours before the adjourned meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular message. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member, or has appointed a voting service provider(s), to procure that his/her CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST

members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

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

Appointment of proxy by joint members

12. In the case of joint holders, where more than one of the joint holders completes a proxy appointment, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).

Changing proxy instructions

13. Shareholders may change proxy instructions by submitting a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.

Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands, B63 3DA.

If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

Termination of proxy appointment

14. A shareholder may change a proxy instruction but to do so you will need to inform the Company in writing by:

- Sending a signed hard-copy notice clearly stating your intention to revoke your proxy appointment to Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands, B63 3DA. In the case of a shareholder which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.
- The revocation notice must be received by Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands, B63 3DA no later than 11.30am 1 June 2018.

If you attempt to revoke your proxy appointment but the revocation is received after the time specified, your original proxy appointment will remain valid unless you attend the meeting and vote in person.

Appointment of a proxy does not preclude you from attending the meeting and voting in person. If you have appointed a proxy and attend the Meeting in person, your proxy appointment will automatically be terminated.

Corporate representatives

15. A corporation which is a shareholder can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a shareholder provided that no more than one corporate representative exercises powers over the same share.

Issued shares and total voting rights

17. As at 6.30pm on 20 April 2018 on, which is the latest practicable date before publication of this notice, the Company's issued share capital comprised 29,400,120 ordinary shares of 2.5p each. Each ordinary share

carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at 6.30pm on 20 April 2018 is 29,400,120.

The Company's website will include information on the number of shares and voting rights.

Questions at the meeting

18. Any member attending the meeting has the right to ask questions. The Company must answer any question you ask relating to the business being dealt with at the meeting unless:

- Answering the question would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information.
- The answer has already been given on a website in the form of an answer to a question.
- It is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

Nominated persons

23. If you are a person who has been nominated under section 146 of the Companies Act 2006 to enjoy information rights (**Nominated Person**):

- You may have a right under an agreement between you and the shareholder of the Company who has nominated you to have information rights (**Relevant Shareholder**) to be appointed or to have someone else appointed as a proxy for the meeting.
- If you either do not have such a right or if you have such a right but do not wish to exercise it, you may have a right under an agreement between you and the Relevant Shareholder to give instructions to the Relevant Shareholder as to the exercise of voting rights.
- Your main point of contact in terms of your investment in the Company remains the Relevant Shareholder (or, perhaps, your custodian or broker) and you should continue to contact them (and not the Company) regarding any changes or queries relating to your personal details and your interest in the Company (including any administrative matters). The only exception to this is where the Company expressly requests a response from you.

The rights relating to proxies set out in note 4 do not apply directly to nominated persons.

Voting

24. Voting on all resolutions will be conducted by way of a poll rather than on a show of hands.

As soon as practicable following the meeting, the results of the voting will be announced via a regulatory information service and also placed on the Company's website.

Documents on display

25. Copies of the service contracts of the executive directors and the non-executive directors' contracts for services are available for inspection at the Company's registered office during normal business hours and at the place of the meeting from at least 15 minutes prior to the meeting until the end of the meeting.

EXPLANATION OF RESOLUTIONS

An explanation of each of the resolutions is set out below. Resolutions 1 to 7 are proposed as Ordinary Resolutions. This means that for each of those Resolutions to be passed, more than half of the votes cast must be in favour of the Resolution.

Resolution 1: Annual Report and Accounts

The Directors are required to present to shareholders at the Annual General Meeting the Company's audited accounts and the Directors' and Auditor's reports for the period ended 31 December 2017 ("Annual Report and Accounts for the period ended 31 December 2017"). The accounts, the Directors' report and the Auditor's report on the accounts and on those parts of the Directors' remuneration report that are capable of being audited are contained within the Annual Report and Accounts for the period ended 31 December 2017.

Resolution 2: Approval of report on Directors' remuneration

The 2006 Act requires quoted companies, at each general meeting at which statutory accounts are to be laid, to propose an ordinary resolution approving the Directors' remuneration report for the year (the 'Remuneration Report'). Under Resolution 2 shareholders are asked to approve the content of the Remuneration Report, a copy of which is included in the Report and Accounts at page 8. This vote is advisory in nature and does not affect the actual remuneration paid to any individual Director or require any such amounts to be repaid, reduced or withheld.

Resolution 3: Re-election of Auditor and Auditor's remuneration

The Company is obliged by law to re-appoint the Auditor at each general meeting at which accounts are laid. Resolution 3 proposes that Adler Shine LLP be reappointed as the Company's Auditor and asked the shareholders to authorise the Directors to determine the remuneration of the Auditor.

Resolutions 4 - 7: Election of Directors

In order to comply with best practice under provision B.7.1 of the UK Corporate Governance Code, all Directors should be subject to election by shareholders at the first Annual General Meeting after their appointment. Therefore, as this is the first Annual General Meeting of the Company since listing, all Directors currently in office will seek election at the Annual General Meeting on 5 June 2018. Separate Resolutions are proposed for each of these elections. Separate Resolutions are proposed for each of these elections.

Biographical details as at the 20 April 2018, being the latest practicable date before the date of this document), of all the Directors standing for re-election are set out below:

Andrew John Gowdy Morrison – Chairman (date of birth 28 October 1960)

Mr Morrison has a background in strategic business development, which combined with technical literacy and an entrepreneurial mind-set has led to a record of commercial delivery across energy and other industries. For the first 17 years of his career, Mr Morrison worked for Shell in a variety of positions of increasing seniority in oil products trading, shipping, marketing and business development. His work in marketing and business development was principally in the industrial sectors of lubricants and speciality chemicals and included new market entries in South America and China. In 1999, Mr Morrison joined BG Group Plc as a New Ventures Director where he led the creation of a corporate venture to exploit BG's UK land estate to create an infrastructure business targeting the mobile telecoms sector. After a period as head of corporate strategy at BG he continued his career in corporate venturing, first as an independent business development adviser and then as Group Director of New Business Development for the industrial gases group BOC Group Plc until its acquisition in 2007. During his time in corporate venturing, Mr Morrison

was also involved in projects with major firms operating in aggregates, agricultural industry and water technology as well as in the energy sector.

Since 2007, Mr Morrison has devoted his time to managing and developing junior public companies. The first of these was Xtract Energy Plc, at the time a quoted venture capital vehicle operating in the energy sector with interests including upstream oil and gas. Subsequent to Xtract Energy Plc, Mr Morrison has also held chief executive positions with Silvermere Energy Plc and Zeta Petroleum Plc, an ASX quoted firm with operations in Romania. He has also advised Highlands Natural Resources Plc and Zenith Energy Ltd, both of which are listed on the Standard List.

He has a BSc (1st Class) in Chemical Engineering and Fuel Technology from the University of Sheffield, a Diploma in Company Direction from the Institute of Directors, and has published several articles in the fields of innovation, venturing and strategic business development.

Jonathan Bradley Hoare FCA – Finance Director (date of birth 23 May 1962)

Mr Bradley Hoare is a chartered accountant with over twenty years' experience in financial management and corporate advisory services.

After qualifying with Littlejohn Frazer (now PKF Littlejohn) he spent 12 years in the financial sector with TSB Bank Plc (Finance Manager), Standard Chartered Plc (Financial Controller UK and Europe and International Division), Mellon Bank (Financial Controller) and Prudential Banking Plc and Prudential Banking Plc (Financial Controller). He now focuses on working with growing business in the small cap to mid-corporate sector and has worked with a large number of companies on AIM and other stock markets.

Mr Bradley Hoare owns his own accounting practice, Welbeck Associates Limited and is also a director of Alpha Universal Management Plc and Holly Court Management Company (South Norwood) Limited. Over the last 20 years he has formed over 100 companies on behalf of Welbeck Associates many of which he served as a director on formation.

He has an MA in accountancy from Dundee University and is also a member of the Corporate Treasury Association AMCT.

Anthony James Harpur – Director (date of birth 8 March 1955)

Mr Harpur joined Shell in 1978 on their graduate scheme.

After three years in its Retail Division he became an oil products trader. Shell then sent Mr Harpur on a full time Arabic language course with the FCO in 1984-5 and after that he was appointed General Manager of Shell Jordan, focusing on sales of lubricants and greases. In 1987 he moved to Dubai as Supply and Trading Manager for the Middle East. He remained in that post for five years until he returned to London to be a Crude Oil Trader in the Middle East section. In 1994 Mr Harpur was posted to Japan as Crude Oil Liaison manager for Shell Japan and in 1997 he returned to London to head up the Middle East crude oil acquisitions section.

After 23 years with Shell, Mr Harpur joined BP in 2000 to take over its Middle East crude oil desk and in 2003 he moved back to Dubai to be BP's Vice-president for Integrated Supply and Trading for the Middle East and India.

In 2006 the Oman Government and Vitol set up a new joint-venture energy trading company named Oman Trading International ("OTI") and Vitol recruited Mr Harpur to be the first CEO of the company. After two years the annual turnover of OTI had grown to over USD 25 billion. Mr Harpur handed over his role to his former deputy but remained on the Board of OTI. In his remaining years in Dubai Mr Harpur combined his responsibilities for OTI with a business development role for Vitol which included board membership of

other Vitol joint ventures, and the management of a number of projects in the Middle East, India and Pakistan. Mr Harpur retired from Vitol and OTI in 2011 and he moved back to London. Since then he has held a part time consultancy role with Argus, the price reporting agency. Mr Harpur has an MA in Jurisprudence from Exeter College, Oxford.

Richard Thomas Liddell - Director (date of birth 14 November 1947)

Mr Liddell has a background in upstream oil and gas resource evaluation, development and production and electrical power project development. He has achieved successful project delivery of a number of major UK domestic and international energy projects and has experience as a senior executive of complex multi-national corporations having carried board-level positions in which appraisal, commercialisation and development of energy assets and operational and financial performance of large business units were key responsibilities.

Mr Liddell stated his career as an electrical engineer with the engineering consultancy Preece Cardew and Rider and provided specialist engineering input to a number of overseas power projects including an assignment to New Zealand to oversee the construction and commissioning of a large scale electrical power generating project.

In 1979, he went into the upstream oil and gas exploration and production sector, joining Phillips Petroleum Company to provide specialist technical and project engineering expertise to Phillips' Europe and Africa natural resources development projects. Over a period of 18 years with Phillips, his career broadened into the management and leadership of large scale oil and gas development projects from appraisal/conceptualisation, commercialisation, field development to production, including a number of North Sea oil and gas projects and as Vice President Asia, responsible for the successful development of an oil development offshore China. During this period, Mr Liddell also held positions as Manager of Phillips' UK Production Operations business, and in the USA head office as Head of Worldwide Drilling and Production. Subsequently, he joined BG Exploration and Production as a company director and with specific responsibility for natural gas field development projects overseeing the execution of major projects in Egypt, Kazakhstan, Trinidad, Tunisia and UK. In 2000, he joined Premier Oil Plc to join the main board as COO, which included responsibility for performance of its producing business units/assets in Myanmar, Indonesia, Pakistan, Albania and UK and functional responsibility for petroleum engineering, drilling and production.

Mr Liddell is also an experienced public company chairman and director; in 2005 he joined the board of Falkland Oil and Gas Limited (AIM listed) as non-executive director and a year later became chairman, a position he held until 2015. He currently serves as Senior Non-Executive Director of Sound Energy Plc (AIM listed) and is Managing Director of Clara Petroleum Ltd., a private oil and gas exploration and production company which he founded in 2008.

He has a BSc in Electrical Engineering from Rutherford College of Advanced Technology, Newcastle Upon Tyne.

Resolution 8 – Authority of the Directors to issue and allot new shares

The purpose of Resolution 8 is to renew the Directors' authority to allot shares. If Resolution 8 is passed, the Directors will have authority to allot shares in the capital of the Company (and other relevant securities) up to an aggregate nominal amount of £5,000,000 which is approximately 680% (six hundred and eighty per cent) of the Company's issued ordinary share capital as at 20 April 2018, being the latest practicable date before the date of this document.

The Directors expect to only exercise this authority after careful consideration of all the options available and if they consider such exercise to be in the best interests of the Company and its shareholders taken as a

whole. This authority will, if granted, expire at the conclusion of the annual general meeting of the Company to be held in 2019 or, if earlier, at the close of business on 12 months from the date of this annual general meeting, unless such authority is renewed prior to this time. The Company held no shares in treasury as at 20 April 2018, being the latest practicable date before the date of this document.

Resolution 9 – Disapplication of statutory pre-emption rights

If the Directors wish to exercise the authority under Resolution 8 to offer shares, or grant rights to subscribe for, or convert securities into shares, unless shareholders have given specific authority for the waiver of their statutory pre-emption rights, the new shares must be offered first to existing shareholders in proportion to their existing shareholdings. In certain circumstances, it may be in the best interests of the Company to allot new shares (or to grant rights to subscribe for, or convert securities into, shares) for cash or to sell treasury shares for cash without first offering them to existing shareholders in proportion to their holdings. Resolution 9 asks shareholders to grant this limited waiver.

Resolution 9 would, if passed, authorise the Directors to do this by allowing the Directors to allot ordinary shares for cash or sell treasury shares for cash:

- in favour of existing shareholders in proportion to their shareholdings (subject to certain exclusions) in order to allow the Directors to make appropriate exclusions and other arrangements to resolve legal or practical problems which, for example, might arise in relation to overseas shareholders; or
- otherwise up to an aggregate nominal value of £2,500,000 which is equivalent to approximately 340% (three hundred and forty percent) of the issued Ordinary Share capital of the Company on 20 April 2018, being the latest practicable date before the date of this document.

The Directors expect only to exercise this authority after careful consideration of all the options available and if they consider such exercise to be in the best interests of the Company and its shareholders taken as a whole. In particular, the Directors would only allot shares for cash on a non-pre-emptive basis in order to facilitate the Company's overall acquisition strategy.

These authorities, if granted, will each expire at the conclusion of the annual general meeting of the Company to be held in 2019 or, if earlier, at the close of business on 4 June 2019, unless such authority is renewed prior to this time.