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Haydale Graphene Industries plc

("Haydale", the "Company" or the "Group")

Proposed Acquisition of ACMC Holding, Inc.

**Proposed Placing by way of an accelerated bookbuild, Subscription and Open Offer
to raise up to £2.6 million**

Haydale Graphene Industries plc (AIM: HAYD), the Group focused on enabling technology for the commercialisation of graphene and other nanomaterials, is pleased to announce that it has entered into a conditional agreement to acquire the entire issued share capital of ACMC Holding, Inc. ("**ACM**"), a silicon carbide whisker manufacturer based in South Carolina, United States, for a total consideration of up to \$7.0 million to be settled in cash and new ordinary shares of Haydale (the "**Acquisition**").

To support the proposed Acquisition, the Company is carrying out a placing and subscription of new Ordinary shares of 2 pence each ("**Ordinary Shares**") (the "**Placing**") (the "**Subscription**") in Haydale at a price of 160 pence per share (the "**Issue Price**") to raise gross proceeds of up to approximately £2.1 million.

In addition to the proposed placing and subscription, the Company is providing all Qualifying Shareholders with the opportunity to subscribe for an aggregate of up to 312,500 new Ordinary Shares ("**Open Offer Shares**") at a price of 160 pence per share, to raise approximately £0.5 million (before expenses), on the basis of 1 New Share for every 49.324 Existing Ordinary Shares held on the Record Date (the "**Open Offer**"). Shareholders subscribing for their full entitlement under the Open Offer may also request additional Open Offer Shares through the Excess Application Facility.

The proposed Placing, Subscription and Open Offer (together the "**Fundraising**") are within the Company's existing allotment authorities. The proposed Placing and Open Offer are not being underwritten.

The Issue Price of 160 pence per share represents a discount of approximately 6.8 per cent. to the price of 171.7 pence per Existing Ordinary Share, being the average Closing Price for the preceding 20 business days prior to this announcement.

The Placing is being conducted by way of an accelerated bookbuild process (the "**Bookbuild**") which will be launched immediately following this announcement, in accordance with the terms and conditions set out in the Appendix to this announcement. Cantor Fitzgerald Europe is acting as sole bookrunner in connection with the Placing.

The final number of Placing Shares will be agreed by Cantor Fitzgerald Europe and Haydale at the close of the Bookbuild, and the results of the Placing and Subscription will be announced as soon as practicable thereafter. The timing for the close of the Bookbuild and the allocation of Placing Shares shall be at the absolute discretion of Cantor Fitzgerald Europe. Haydale reserves the right to issue and sell a greater or lesser number of shares through the Placing.

Background to and reasons for the Acquisition and the Fundraising

Haydale, having evaluated the North American market, has concluded that the best way to secure a strategic territorial foothold is to acquire a complementary business offering significant growth potential and synergistic products, whilst also allowing for substantial cross selling opportunities.

The proposed Acquisition would provide the Group with an established base and market position in Silicon Carbide ("SiC") fibre and whisker in North America which will be the first US "Centre of Excellence", situated in the high growth technology region of South Carolina. The strategy is to take advantage of a fragmented and largely untapped graphene and nano technology market. This operation has quality technical and now commercial management following the recent appointment of Trevor Rudderham as CEO of HTI.

The North American market appears generally untapped and of equal importance to both Europe and the Far East. The decision to have a full time staff member and the new acquisition of ACM is a significant positive development for the Group's US operation. HTI, having acquired ACM, will operate from Greenville, South Carolina, with the ACM facility being capable of housing the Company's plasma reactors and it is expected to install one there in 2017.

The expectation is for the proposed Acquisition to open sales and collaboration opportunities in what is perceived as a fragmented market offering significant revenue opportunities. The Directors believe there are substantial cross selling opportunities to increase ACM's existing profits through targeted sales of their SiC products and the Company has already introduced a client to ACM who requires an enhanced scratch resistant cookware coating that ACM has previously supplied another user. Pleasingly, following a rapid response by ACM to the inbound enquiry, the coating is now under evaluation with encouraging results. In addition to the Acquisition, discussions have commenced with two strategically important parties in the US regarding the acquisition of Haydale plasma reactors.

Details of the proposed Acquisition and Use of Proceeds from the proposed Fundraising

The Acquisition will establish the Group's US base from which it can start to expand its graphene capabilities in the North American market and cross-sell ACM's nanomaterials through the Group's other territories.

The initial consideration for the proposed Acquisition is approximately \$5.0 million in aggregate, to be settled in cash and shares, as set out below:

- repayment of existing asset backed loan of approximately \$2.9 million;
- repayment of existing working capital facility of approximately \$0.5 million;
- cash consideration payable to the vendors of ACM of \$0.6 million; and
- equity consideration of \$1.0 million payable in Consideration Shares at the Consideration Price.

The Consideration Shares are expected to be admitted to trading on AIM on 3 January 2017.

In addition, an earn-out amount is payable upon the satisfaction of certain conditions in the Acquisition Agreement which shall be an amount of not more than \$2.0 million and shall be payable at the option of HTI in cash or the equivalent amount in new ordinary shares of the Company based upon the mid-market share price of the Company's shares on AIM on the close of business on the day before the announcement of the annual accounts for the relevant earn-out period.

The Fundraising has been undertaken to provide funding for the Acquisition. The net proceeds of the Fundraising of up to \$3.3 million (£2.4 million) will be used to:

- satisfy the initial vendors' cash consideration of \$0.6 million;
- provide working capital to, supply new plasma reactor and settle other costs totalling \$1.0 million; and
- make net loan repayments of \$1.7 million after agreeing a new secured loan of \$1.7 million.

ACM's existing management (who are also the vendors) and technical team are keen to stay and assist in growing the US business, where they have the opportunity to increase their consideration dependent on agreed sales growth over the period to 30 June 2020.

Subject to the Placing and Subscription being subscribed in full, the Company expects to publish a circular (the "Circular") shortly in connection with the proposed Fundraising, which will be available on the Company's website at www.haydale.com. Capitalised terms shall have the same meaning as in the Circular unless the context requires otherwise.

Ray Gibbs, CEO at Haydale, said:

The Acquisition will immediately provide Haydale with an established base in the key North American market. We believe that the potential to grow ACM, not only in North America, but across our other territories is huge and we see significant cross-selling opportunities. ACM's facility will allow us to expand to introduce our graphene capabilities and products into the US. ACM provides the Group with its important fourth strategic territory, complementing our existing presence in the UK, mainland Europe and the Far East. This announcement contains inside information for the purposes of Article 7 of EU Regulation 596/2014.

For further information, please contact:

Haydale Graphene Industries plc +44 (0) 1269 842 946
John Knowles, Chairman
Ray Gibbs, Chief Executive Officer

Cairn Financial Advisers LLP (Nomad) +44 (0) 20 7148 7900
Tony Rawlinson
Emma Earl

Cantor Fitzgerald Europe (Broker) +44 (0) 20 7894 7000
David Foreman (Corporate Finance)
Will Goode (Corporate Finance)
David Banks (Sales)

Hermes Financial PR
Trevor Phillips +44 (0) 7889 153 628
Chris Steele +44 (0) 7979 604 687

Information on ACM

ACM, founded in 1976 through a joint venture to develop and licence new methods of synthesising SiC, is today a US-based manufacturer of SiC materials, in particular high purity SiC whiskers, which are used to reinforce and toughen ceramics and polymers.

In 2006, ACM was acquired by way of a management buyout in conjunction with existing management and private investors from Tateho Chemical Industries Company, Ltd of Japan. Following the management buyout ACM has continued to expand its capabilities to develop and manufacture performance materials and solutions.

ACM reported audited revenues of approximately \$3.8 million in the year ended 31 December 2015 and has an existing order book in excess of \$4.5 million. ACM's annual sales are underpinned by a recently signed 3-year contract with a Japanese customer who accounts for approximately \$2.0 million of ACM's annual revenue. ACM is currently break-even.

Key terms of the Acquisition Agreement

The Company and HTI has entered into a conditional acquisition agreement with Thomas Quantrille and Marvin Murrell (the "**Sellers**") whereby the Sellers agreed to sell and HTI agreed to buy the shares held by the Sellers which represented the entire issued share capital of ACM.

Completion of the Acquisition Agreement is subject to the satisfaction, inter alia, of various conditions including:

- the Company having completed an equity fundraising with investors to raise not less than £2 million before costs; and
- HTI and ACM securing banking facilities with United Community Bank.

The consideration payable by HTI shall be satisfied by the payment of \$600,000 in cash on closing (expected to be in October 2016 and no later than 28 October 2016) and, on 3 January 2017, the allotment and issue to the Sellers (pro rata in accordance with their Sellers' percentage interests) of such number of new ordinary shares of the Company equal to the quotient obtained by dividing \$1,000,000 with the mid-market share price of the Company at the close of trading on 22 September 2016. HTI has also agreed to procure that it would repay ACM's indebtedness. An earn-out amount is payable upon the satisfaction of certain conditions in the Acquisition Agreement which shall be an amount of no more than \$2,000,000 and shall be payable at the option of HTI in cash or the equivalent amount in new ordinary shares of the Company based upon the mid-market share price of the Company's shares on AIM on the close of business on the day before the announcement of the annual accounts for the relevant earn-out period.

Each of the Sellers gave warranties to HTI as to title of its sale shares. The Sellers shall be subject to various lock-in and orderly market restrictions in respect of the Company shares issued to it pursuant to the Acquisition Agreement. HTI's obligations under the Acquisition Agreement are guaranteed by the Company.

Details of the Placing and Subscription

The Placing and Subscription are expected to raise gross proceeds of up to £2.1 million (before expenses). The issue and allotment of the Placing Shares and Subscription Shares will not exceed the Company's existing authorities and therefore does not require Shareholder approval. In addition the Placing is not being underwritten by Cantor Fitzgerald or any other person.

The Placing is conditional, amongst other things, on the following:

- i. the Placing Agreement not being terminated prior to Admission of the new Ordinary Shares pursuant to the Placing, Subscription and Open Offer and being otherwise unconditional in all respects;
- ii. the Acquisition Agreement becoming unconditional in all respects (save for any condition in the Acquisition Agreement relating to the Placing and Open Offer becoming unconditional); and
- iii. Admission becoming effective on or before 8.00 a.m. on 12 October 2016 (or such later date and/or time as the Company and Cantor Fitzgerald may agree, being no later than 28 October 2016).

Certain Directors and key management of Haydale intend to subscribe for approximately £55,600 of new Ordinary Shares at the Issue Price following this announcement. The details of the subscription will be announced separately in due course.

Details of the Open Offer

Alongside the Placing and Subscription, the Company is proposing to raise a further amount of up to approximately £0.5 million (before expenses) pursuant to the Open Offer. The proposed issue price of 160 pence per Open Offer Share is the same price as the price at which new Ordinary Shares are being issued pursuant to the Placing and Subscription, as the case may be.

Qualifying Shareholders may subscribe for Open Offer Shares in proportion to their holding of Existing Ordinary Shares held on the Record Date. Shareholders subscribing for their full entitlement under the Open Offer may also request additional Open Offer Shares as an Excess Entitlement, up to the total number of Open Offer Shares available to Qualifying Shareholders under the Open Offer.

The issue and allotment of the Open Offer Shares will not exceed the Company's existing authorities and therefore does not require Shareholder approval.

The Open Offer is conditional, amongst other things, on the following:

- i. completion of the Placing;
- ii. the Placing Agreement not being terminated prior to Admission and becoming and being declared otherwise unconditional in all respects; and
- iii. Admission becoming effective on or before 8.00 a.m. on 12 October 2016 (or such later date and/or time as the Company and Cantor Fitzgerald may agree, being no later than 28 October 2016).

Basic Entitlement

On, and subject to the terms and conditions of the Open Offer, the Company invites Qualifying Shareholders to apply for their Basic Entitlement of Open Offer Shares at the Issue Price. Each Qualifying Shareholder's Basic Entitlement has been calculated on the following basis:

1 Open Offer Share for every 49.324 Existing Ordinary Shares held at the Record Date

Basic Entitlements will be rounded down to the nearest whole number of Ordinary Shares.

Excess Entitlement

Qualifying Shareholders are also invited to apply for additional Open Offer Shares (up to the total number of Open Offer Shares available to Qualifying Shareholders under the Open Offer) as an Excess Entitlement. Any Open Offer Shares not issued to a Qualifying Shareholder pursuant to their Basic Entitlement will be apportioned between those Qualifying Shareholders who have applied for an Excess Entitlement at the sole discretion of the Board, provided that no Qualifying Shareholder shall be required to subscribe for more Open Offer Shares than he or she has specified on the Application Form or through CREST.

The Open Offer Shares will, when issued and fully paid, rank *pari passu* in all respects with the Ordinary Shares in issue at that time, including the right to receive all dividends and other distributions declared, made or paid after the date of Admission of them.

Qualifying Shareholders should note that the Open Offer is not a "rights issue". Invitations to apply under the Open Offer are not transferable unless to satisfy bona fide market claims. Qualifying non-CREST Shareholders should be aware that the Application Form is not a negotiable document and cannot be traded. Qualifying Shareholders should also be aware that in the Open Offer, unlike in a rights issue, any Open Offer Shares not applied for will not be sold in the market nor will they be placed for the benefit of Qualifying Shareholders who do not apply for Open Offer Shares under the Open Offer.

Settlement and dealings

Application will be made to the London Stock Exchange for Admission of the Open Offer Shares. It is expected that such Admission will become effective and that dealings will commence at 8.00 a.m. on 12 October 2016.

Overseas Shareholders

The Open Offer Shares have not been and are not intended to be registered or qualified for sale in any jurisdiction other than the United Kingdom. Accordingly, unless otherwise determined by the Company and effected by the Company in a lawful manner, the Application Form will not be sent to Shareholders with registered addresses in any jurisdiction other than the United Kingdom since to do so would require compliance with the relevant securities laws of that jurisdiction. The Company reserves the right to treat as

invalid any application or purported application for Open Offer Shares which appears to the Company or its agents or professional advisers to have been executed, effected or despatched in a manner which may involve a breach of the laws or regulations of any jurisdiction or if the Company or its agents or professional advisers believe that the same may violate applicable legal or regulatory requirements or if it provides an address for delivery of share certificates for Open Offer Shares, or in the case of a credit of Open Offer Shares in CREST, to a CREST member whose registered address would not be in the UK.

Notwithstanding the foregoing and any other provision of the Circular or the Application Form, the Company reserves the right to permit any Qualifying Shareholder to apply for Open Offer Shares if the Company, in its sole and absolute discretion, is satisfied that the transaction in question is exempt from, or not subject to, the legislation or regulations giving rise to the restrictions in question.

This announcement and the Circular together with the accompanying Application Form, in the case of Qualifying non-CREST Shareholders, contains the terms and conditions of the Open Offer.

If a Qualifying Shareholder does not wish to apply for Open Offer Shares he should not complete or return the Application Form or send a USE message through CREST.

Qualifying non-CREST Shareholders

If you are a Qualifying non-CREST Shareholder you will receive an Application Form which gives details of your Basic Entitlement (as shown by the number of the Open Offer Shares allocated to you). If you wish to apply for Open Offer Shares under the Open Offer you should complete the Application Form in accordance with the procedure for application set out in the Circular and on the Application Form itself. The completed Application Form, accompanied by full payment, should be returned by post to Share Registrars Limited at The Courtyard, 17 West Street, Farnham, Surrey, GU9 7DR so as to arrive as soon as possible and in any event no later than 11.00 a.m. on 10 October 2016.

Qualifying CREST Shareholders

Application has been made for the Open Offer Entitlements of Qualifying CREST Shareholders to be admitted to CREST. It is expected that the Open Offer Entitlements will be admitted to CREST on 26 September 2016. Applications through the CREST system may only be made by the Qualifying CREST Shareholder originally entitled or by a person entitled by virtue of a bona fide market claim. If you are a Qualifying CREST Shareholder, no Application Form will be sent to you but you will receive credits to your appropriate stock account in CREST in respect of the Basic Entitlements to which you are entitled. You should refer to the procedure for application set out in the Circular. The relevant CREST instruction must have settled by no later than 11.00 a.m. on 10 October 2016.

Action to be taken

Open Offer

Qualifying non-CREST Shareholders wishing to apply for Open Offer Shares or the Excess Shares must complete the Application Form in accordance with the instructions set out in the Circular (*Terms and Conditions of the Open Offer*) and on the Application Form and return it with the appropriate payment to Share Registrars Limited at The Courtyard, 17 West Street, Farnham, Surrey GU9 7DR, so as to arrive no later than 11.00 a.m. on 10 October 2016.

If you do not wish to apply for any Open Offer Shares under the Open Offer, you should not complete or return the Application Form. If you are a Qualifying CREST Shareholder, no Application Form will be sent to you. Qualifying CREST Shareholders will have Open Offer Entitlements and Excess CREST Open Offer Entitlements credited to their stock accounts in CREST. You should refer to the procedure for application set out in the Circular (*Terms and Conditions of the Open Offer*). The relevant CREST instructions must have settled in accordance with the instructions in the Circular by no later than 11.00 a.m. on 10 October 2016.

Qualifying CREST Shareholders who are CREST sponsored members should refer to their CREST sponsors regarding the action to be taken in connection with this announcement, the Circular and the Open Offer.

Expected Timetable of Principal Events

Record Date for entitlement under the Open Offer		21 September 2016
Announcement of the Fundraising		23 September 2016
Publication of Circular and Application Form posted to Qualifying Shareholders		23 September 2016
Ex-entitlement Date of the Open Offer	8.00 a.m.	26 September 2016
Open Offer Entitlements credited to stock accounts of Qualifying CREST Shareholders in CREST	As soon as possible after 8.00 a.m.	26 September 2016
Recommended latest time for requesting withdrawal of Open Offer Entitlements from CREST	4.30 p.m.	4 October 2016
Latest time and date for depositing Open Offer Entitlements into CREST	3.00 p.m.	5 October 2016
Latest time and date for splitting Application Forms (to satisfy bona fide market claims only)	3.00 p.m.	6 October 2016
Latest time and date for receipt of completed Application Forms and payment in full under the Open Offer and settlement of relevant CREST instructions (as appropriate)	11.00 a.m.	10 October 2016
Announcement of result of Open Offer		11 October 2016
Admission and commencement of dealings in new Ordinary Shares pursuant to the Fundraising	8.00 a.m.	12 October 2016
New Shares in uncertificated form expected to be credited to accounts in CREST	As soon as possible after 8.00 a.m.	12 October 2016
Despatch of definitive share certificates for the new Ordinary Shares pursuant to the Fundraising in certificated form	By	19 October 2016

DEFINITIONS

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

“Act”	the Companies Act 2006 (as amended)
“Acquisition Agreement”	the conditional share purchase agreement entered into between the Company (as guarantor), HTI (as buyer) and Thomas Quantrille and Marvin Murrell relating to the Acquisition
“Applicant”	a Qualifying Shareholder or a person by virtue of a <i>bona fide</i> market claim who lodges an Application Form or relevant CREST instruction under the Open Offer

“Application Form”	the application form relating to the Open Offer and enclosed with this document for use by Qualifying non-CREST Shareholders
“Basic Entitlement(s)”	the pro rata entitlement for Qualifying Shareholders to subscribe for Open Offer Shares, pursuant to the Open Offer as described in Part IV of this document
“certified” or “in certificated form”	in relation to a share or other security, a share or other security that is not in uncertificated form, that is not in CREST
“Closing Price”	the closing middle market quotation of a share as derived from the AIM Appendix to the Daily Official List of the London Stock Exchange
“Consideration Price”	184.0 pence, being the closing share price of the Company the day prior to the announcement of the Acquisition
“Consideration Shares”	415,618 new Ordinary Shares to be issued at the Consideration Price pursuant to the Acquisition Agreement
“CREST”	the relevant system (as defined in the CREST Regulations 2001) for the paperless settlement of trades and the holding of uncertificated securities, operated by Euroclear, in accordance with the same regulations
“CREST Manual”	the rules governing the operation of CREST, as published by Euroclear
“CREST member”	a person who has been admitted by Euroclear as a system-member (as defined in the CREST Regulations)
“CREST participant”	a person who is, in relation to CREST, a system participant (as defined in the CREST Regulations)
“CREST payment”	shall have the meaning given in the CREST Manual issued by Euroclear
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3875), as amended
“CREST sponsor”	a CREST participant admitted to CREST as a CREST sponsor
“CREST sponsored member”	a CREST member admitted to CREST as a sponsored member (which includes all CREST Personal Members)
“Enlarged Share Capital”	the issued Ordinary Share capital of the Company immediately following the issue of the new Ordinary Shares pursuant to the Fundraising
“EU”	the European Union
“Euroclear”	Euroclear UK & Ireland Limited, the operator of CREST
“Excess Entitlement(s)”	Open Offer Shares in excess of the Basic Entitlement, but not in excess of the total number of Open Offer Shares, allocated to a

	Qualifying Shareholder pursuant to the Open Offer as described in Part IV of this document
“Excess Application Facility”	the arrangement pursuant to which Qualifying Shareholders may apply for additional Open Offer Shares in excess of the Basic Entitlement in accordance with the terms and conditions of the Open Offer
“Excess CREST Open Offer Entitlement”	in respect of each Qualifying CREST Shareholder, the entitlement to apply for Open Offer Shares in addition to the Basic Entitlement credited to the Qualifying CREST Shareholder’s account in CREST, pursuant to the Excess Application Facility, which is conditional on the Qualifying CREST Shareholder taking up his Basic Entitlement in full and which may be subject to scaleback in accordance with the provisions of this document
“Excess Shares”	the Open Offer Shares for which Qualifying Shareholders may apply under the Excess Application Facility in addition to their Basic Entitlement
“Ex-entitlement Date”	the date on which the Existing Ordinary Shares are marked ‘ex’ for entitlement under the Open Offer being 26 September 2016
“Existing Ordinary Shares”	the 15,413,898 Ordinary Shares in issue as at the date of this document being the entire issued share capital of the Company prior to the Fundraising
“FCA”	the Financial Conduct Authority of the UK
“FSMA”	the Financial Services and Markets Act 2000 (as amended)
“HTI”	Haydale Technologies, Inc., a subsidiary of the Company
“London Stock Exchange”	London Stock Exchange plc
“member account ID”	the identification code or number attached to any member account in CREST
“Official List”	the Official List of the UKLA
“Open Offer”	the conditional invitation to Qualifying Shareholders to apply for the Open Offer Shares at the Issue Price on the terms and conditions outlined in this document and, where relevant, in the Application Form
“Open Offer Entitlements”	entitlements for Qualifying Shareholders to subscribe for Open Offer Shares pursuant to the Basic Entitlement and Excess Entitlement
“Overseas Shareholders”	Shareholders with registered addresses, or who are citizens or residents of, or incorporated in, countries outside of the United Kingdom
“Publicly Available Information”	any information published by the Company using a Regulatory Information Service

“Qualifying CREST Shareholders”	Qualifying Shareholders holding Existing Ordinary Shares which, on the register of members of the Company on the Record Date, are in uncertificated form in CREST
“Qualifying non-CREST Shareholders”	Qualifying Shareholders holding Existing Ordinary Shares which, on the register of members of the Company on the Record Date, are in certificated form
“Qualifying Shareholders”	subject to any restrictions imposed on Overseas Shareholders, holders of Existing Ordinary Shares whose names appear on the register of members of the Company on the Record Date as holders of Existing Ordinary Shares and who are eligible to be offered Open Offer Shares under the Open Offer in accordance with the terms and conditions set out in this document
“Registrar”, “Receiving Agent” or “Share Registrars”	Share Registrars Limited The Courtyard, 17 West Street, Farnham, Surrey GU9 7DR
“Restricted Jurisdictions”	the United States, Australia, Canada, Japan and any other jurisdiction where the extension or availability of the Open Offer would breach any applicable law
“Securities Act”	the United States Securities Act of 1933, as amended
“Shareholders”	registered holders of Ordinary Shares
“UK”	the United Kingdom of Great Britain and Northern Ireland
“UKLA”	the UK Listing Authority, being the FCA acting as the competent authority for the purposes of Part VI of the FSMA
“uncertificated” or “in uncertificated form”	a share or other security recorded on the relevant register of the share or security concerned as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST
“US or United States”	the United States of America, its territories and possessions, any state of the United States and the District of Columbia
“USE”	unmatched stock event

A reference to £ is to pounds sterling, being the lawful currency of the UK.

A reference to \$ or US\$ is to United States of America (USA) dollars, being the lawful currency of the USA.

A reference to € or Euro is to the lawful currency of the Euro area.

APPENDIX - TERMS AND CONDITIONS OF THE PLACING

TERMS AND CONDITIONS OF THE PLACING

FOR INVITED PLACEES ONLY – IMPORTANT INFORMATION

The information contained herein is restricted and is not for publication, release or distribution in or into the United States, Canada, Australia, Japan, Singapore, the Republic of South Africa, or any other jurisdiction where to do so would constitute a violation of the relevant laws of such jurisdiction.

Each Placee should consult with its own advisers as to legal, tax, business and related aspects of any subscription for Placing Shares.

These Terms and Conditions (the “**Terms and Conditions**”) do not constitute an offer or invitation to acquire, underwrite or dispose of, or any solicitation of any offer or invitation to acquire, underwrite or dispose of, any Ordinary Shares or other securities of the Company to any person in any jurisdiction to whom it is unlawful to make such offer, invitation or solicitation in such jurisdiction. Persons who seek to participate in the Placing must inform themselves about and observe any such restrictions and must be persons who are able to lawfully receive this Announcement in their jurisdiction (all such persons being “**Relevant Persons**”). In particular, these Terms and Conditions do not constitute an offer or invitation (or a solicitation of any offer or invitation) to acquire, underwrite or dispose of or otherwise deal in any Ordinary Shares or other securities of the Company in the United States, Canada, Australia, Japan, Singapore or the Republic of South Africa, subject to certain limited exemptions.

Members of the public are not eligible to take part in the Placing and each Placee agrees and warrants that it is not acquiring Placing Shares on behalf of members of the public or its Retail clients (as that term is defined in the Rules of the FCA), save where the Placee does so on a fully discretionary basis and without reference to any such Retail clients. In the UK, the Terms and Conditions are directed only at persons whose ordinary activities involve them acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses and who have professional experience in matters relating to investments falling within the definition of 'investment professionals' in Article 19 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “**Order**”) or are high net worth body corporates, unincorporated associations or partnerships or trustees of high value trusts as described in Article 49 of the Order or to whom it may otherwise lawfully be communicated.

The Placing Shares have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”) or under any other securities legislation of any state of the United States or registered or qualified under the applicable securities laws of any province of Canada or Australia, Japan, Singapore or the Republic of South Africa. Accordingly, the Placing Shares may not, subject to certain limited exceptions, be offered or sold, directly or indirectly, within the United States, any province of Canada or Australia, Japan, Singapore or the Republic of South Africa or a national, citizen or resident of any province of Canada or Australia, Japan, Singapore or the Republic of South Africa. The Placing Shares are being offered and sold outside the United States in offshore transactions complying with Regulation S under the Securities Act, which provides an exemption from the requirement to register the offer and sale under the Securities Act.

These Terms and Conditions apply to any person who offers to subscribe for Placing Shares in the Placing. Each person (a “**Placee**”) to whom these Terms and Conditions apply, as described above, who confirms his agreement, whether by telephone or otherwise, with Cantor Fitzgerald Europe to subscribe for Placing Shares in the Placing, hereby agrees with Cantor Fitzgerald Europe to be legally and irrevocably bound by these Terms and Conditions which will be the Terms and Conditions on which the Placing Shares will be acquired in the Placing.

Capitalised terms not otherwise defined in this Appendix are as defined in the Announcement relating to the Placing of which this Appendix forms a part.

The Terms and Conditions must not be acted on or relied on by persons who are not Relevant Persons. Any investment or investment activity to which the Terms and Conditions set out herein relates is available only to

Relevant Persons and will be engaged in only with Relevant Persons. A Placee may not assign, transfer, or in any manner, deal with its rights and obligations under the agreement arising from the acceptance of the Placing, without the prior written agreement of Cantor Fitzgerald Europe, in accordance with all relevant requirements.

All times and dates in this Appendix are references to times and dates in London (United Kingdom).

All defined terms used in this Appendix but not defined herein shall have the meanings ascribed to those terms in the announcement of which this Appendix forms part.

Terms of the Placing

Each Placee's commitment to subscribe for a fixed number of Placing Shares under the Placing will be agreed orally with Cantor Fitzgerald Europe and such agreement will constitute a binding irrevocable commitment by a Placee, subject to the Terms and Conditions set out in this Appendix, to subscribe and pay for the relevant number of Placing Shares (the "**Placing Participation**") at the Issue Price. Such commitment is not capable of termination or rescission by the Placee in any circumstances except fraud. All such obligations are entered into by the Placee with Cantor Fitzgerald Europe acting in its capacity as agent of the Company and are therefore directly enforceable by the Company.

After such agreement is entered into, each Placee allocated Placing Shares in the Placing will be sent a confirmatory email stating the number of Placing Shares allocated to it at the Issue Price, the total subscription amount payable to Cantor Fitzgerald Europe and including settlement instructions (the "**Confirmation Note**").

Each Placee will be deemed to have read this Appendix in its entirety. Cantor Fitzgerald Europe is acting for the Company and no one else in connection with the Placing and will not regard any other person (whether or not a recipient of these Terms and Conditions) as a client in relation to the Placing and to the fullest extent permitted by law and applicable FCA rules, neither Cantor Fitzgerald Europe nor any of its affiliates will have any liability, obligation or duty to Placees or to any person other than the Company in respect of the Placing.

The Placing Shares will rank *pari passu* in all respects and form one class with the Existing Ordinary Shares of the Company in issue on Admission, including the right to receive dividends or other distributions, if any. The Placing Shares will be issued free of any encumbrance, lien or other security interest.

Application for Admission

Application will be made to London Stock Exchange plc for Admission of the Placing Shares to trading on AIM. It is anticipated that Admission of the Placing Shares to AIM will become effective at 8.00 a.m. on 12 October 2016 and that dealings in the Placing Shares will commence at that time and date for normal account settlement.

Placing Participation Conditions

Placing Participations are in all respects conditional upon:-

- (i) the Placing Agreement entered into between Cantor Fitzgerald Europe and the Company relating to the placing of the Placing Shares becoming unconditional in all respects and not having been terminated in accordance with its terms; and
- (ii) Admission having become effective,

in each case by 8.00 a.m. on 12 October 2016 (or such later time and / or date as the Company and Cantor Fitzgerald Europe agree, but in any event being no later than 8.00 a.m. on 28 October 2016 (the "**Long Stop Date**")).

Scaling back

Cantor Fitzgerald Europe (after consulting with the Company) reserves the right to scale back the number of Placing Shares to be subscribed by any Placee or the number of Placing Shares to be subscribed for by all Placees in aggregate. The Company and Cantor Fitzgerald Europe also reserve the right not to offer allocations of Placing Shares to any person and not to accept offers to subscribe for Placing Shares or to accept such offers in part rather than in whole. Cantor Fitzgerald Europe shall be entitled to effect the Placing by such method as it shall in its sole discretion determine.

To the fullest extent permissible by law, neither Cantor Fitzgerald Europe or any holding company thereof, nor any subsidiary, branch or affiliate of Cantor Fitzgerald Europe (each an "**Affiliate**") nor any person acting on behalf of any of the foregoing shall have any liability to Placees (or to any other person whether acting on behalf of a Placee or otherwise). In particular, none of Cantor Fitzgerald Europe nor any of its Affiliates nor any person acting on behalf of any such person shall have any liability to Placees in respect of its conduct of the Placing.

Placing Agreement

Pursuant to the Placing Agreement, Cantor Fitzgerald Europe has agreed on behalf of and as agent of the Company, to use its reasonable endeavours to procure persons who will subscribe for the Placing Shares at the Issue Price, subject to these Terms and Conditions. The Placing is **not** underwritten.

Conditions of the Placing

Cantor Fitzgerald Europe's obligations under the Placing Agreement in respect of the Placing Shares are conditional on, *inter alia*:-

- (a) there having been no breach of any of the warranties, representations or undertakings given by the vendors in the Acquisition Agreement, and the Acquisition Agreement not having been terminated or rescinded by any party to it;
- (b) the Facilities Agreement not having been terminated or rescinded by any party to it and each condition precedent to drawdown under the Facilities Agreement (save for any condition relating to Admission) having been satisfied or unconditionally waived;
- (c) none of the warranties or undertakings contained in the Placing Agreement being untrue, inaccurate or misleading in any material respect at any time before Admission and no fact or circumstance having occurred or arisen which would constitute a material breach of any of the warranties or undertakings on the part of the Company contained in the Placing Agreement;
- (d) there having been no breach of any of the warranties, representations or undertakings given by the Sellers in the Acquisition Agreement which gives or has given the Company the right to rescind the Acquisition Agreement (whether or not the Company does so rescind for such breach);
- (e) all the conditions to completion of the Acquisition Agreement having been satisfied or fulfilled in accordance with its terms, the Acquisition Agreement not having been rescinded by the Company or the Vendors (as defined therein) and the Acquisition Agreement having been completed (subject only to Admission);
- (f) the Placing Shares having been allotted, subject only to Admission, in accordance with the Placing Agreement; and

- (g) Admission taking place not later than 8.00 a.m. on 12 October 2016 or such later date as the Company and Cantor Fitzgerald Europe may otherwise agree (but not being later than 8.00 a.m. on the Long Stop Date).

The Placing Agreement contains, *inter alia*, certain warranties and indemnities from the Company for the benefit of Cantor Fitzgerald Europe.

Right to terminate under the Placing Agreement

Cantor Fitzgerald Europe may, in its absolute discretion, terminate the Placing Agreement (i) if any of the warranties given by the Company to Cantor Fitzgerald Europe in the Placing Agreement (a) was not true or accurate or was misleading at the date of the Placing Agreement (b) would not be true and accurate, or would be misleading, if they were to be repeated at any time prior to Admission (by reference to the facts and circumstances in each case then existing), in the case of each of (a) and (b) in a respect which Cantor Fitzgerald considers to be material in the context of the Placing, (ii) in the event of the failure of the Company to comply with its obligations under the Placing Agreement (iii) in the event of the occurrence (in the sole judgement of Cantor Fitzgerald) a material adverse change in the financial or trading position or prospects of the Company and the Group as a whole; or (iv) in the event of the occurrence of a 'force majeure' event which, in the opinion of Cantor Fitzgerald, is likely to have a materially prejudicial effect on the Placing or make it impracticable or inadvisable to proceed with the Placing. The exercise by Cantor Fitzgerald Europe of any right of termination (or any right of waiver exercisable by Cantor Fitzgerald Europe) contained in the Placing Agreement or the exercise of any discretion under the Terms and Conditions set out herein is within the absolute discretion of the Cantor Fitzgerald Europe and Cantor Fitzgerald Europe will not have any liability to Placees whatsoever in connection with any decision to exercise or not exercise any such rights.

By accepting the Placing Shares referred to in the Announcement to which this Appendix is annexed, each Placee agrees that, without having any liability to such Placee, Cantor Fitzgerald Europe may, in its absolute discretion, exercise the right, (i) to extend the time for fulfilment of any of the conditions in the Placing Agreement (provided that Placees' commitments are not extended beyond the Long Stop Date), (ii) to waive, in whole or in part, fulfilment of certain of the conditions; or (iii) to terminate the Placing Agreement, in each case without consulting Placees (or any of them).

If (i) any of the conditions in the Placing Agreement are not satisfied (or, where relevant, waived) or (ii) the Placing Agreement is terminated or (iii) the Placing Agreement does not otherwise become unconditional in all respects, the Placing will not proceed and all funds delivered by Placees to Cantor Fitzgerald Europe or the Company pursuant to the Placing and this Appendix will be returned to Placees at their risk without interest, and Placees' rights and obligations under the Placing shall cease and determine at such time and no claim shall be made by Placees in respect thereof.

Registration and Settlement

Settlement of transactions in the Placing Shares (ISIN: GB00B4QY1P51) following Admission will take place within CREST (subject to certain exceptions). If a Placee wishes to receive its Placing Shares in certificated form, it should contact **(Kellyann Leeds at Cantor Fitzgerald Europe (+44 (0)20 7894 7913)** as soon as possible after receipt of its Confirmation Note. Cantor Fitzgerald Europe reserves the right to require settlement for, and delivery of, the Placing Shares (or a portion thereof) to Placees by such other means that it deems necessary if delivery or settlement is not possible or practicable within CREST within the timetable set out in this Announcement or would not be consistent with the regulatory requirements in any Placee's jurisdiction.

It is expected that settlement will be on 12 October 2016 in accordance with the instructions set out in the Confirmation Note.

Interest is chargeable daily on payments not received from Placees on the due date in accordance with the arrangements set out above at the rate of 3 percentage points above The Royal Bank of Scotland plc's base rate, with interest compounded on a daily basis.

Each Placee is deemed to agree that, if it does not comply with these obligations, Cantor Fitzgerald Europe may sell any or all of the Placing Shares allocated to that Placee on such Placee's behalf and retain from the proceeds, for Cantor Fitzgerald Europe's account and benefit (as agent for the Company), 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 aggregate amount owed by it and may be required to bear any stamp duty or stamp duty reserve tax or securities transfer tax (together with any interest or penalties) which may arise upon the sale of such Placing Shares on such Placee's behalf. By communicating a bid for Placing Shares, each Placee confers on Cantor Fitzgerald Europe all such authorities and powers necessary to carry out any such sale and agrees to ratify and confirm all actions which Cantor Fitzgerald Europe lawfully takes in pursuance of such sale.

If Placing Shares are to be delivered to a custodian or settlement agent, Placees should ensure that the Confirmation 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 UK stamp duty or stamp duty reserve tax or securities transfer tax.

Placees will not be entitled to receive any fee or commission in connection with the Placing.

Further Terms, Confirmations and Warranties

By accepting the Placing Participation referred to in the Confirmation Note, each Placee makes the following confirmations, acknowledgements, representations, warranties and/or undertakings to Cantor Fitzgerald Europe and the Company and their respective directors, agents and advisers:

- 1 each Placee confirms, represents and warrants that it has read and understood this Announcement (including this Appendix) in its entirety and acknowledges that its Placing Participation will be governed by the terms, conditions, representations, warranties, acknowledgements, agreements and undertakings of this Appendix;
- 2 each Placee acknowledges and agrees that its Placing Participation on the Terms and Conditions set out in this Appendix is legally binding, irrevocable and is not capable of termination or rescission by such Placee in any circumstances;
- 3 each Placee confirms, represents and warrants that it has not relied on, received or requested nor does it have any need to receive, any prospectus, offering memorandum, listing particulars or any other document (other than the Announcement), any information given or any representations, warranties agreements or undertakings (express or implied), written or oral, or statements made at any time by the Company, Cantor Fitzgerald Europe or by any subsidiary, holding company, branch or associate of the Company, Cantor Fitzgerald Europe, or any of their respective officers, directors, agents, employees or advisers, or any other person in connection with the Placing, the Company and its subsidiaries or the Placing Shares and that in making its application under the Placing it is relying solely on the information contained in the Announcement and this Appendix and it will not be relying on any agreements by the Company and its subsidiaries or Cantor Fitzgerald Europe or any director, employee or agent of the Company, Cantor Fitzgerald Europe other than as expressly set out in this Appendix for which none of Cantor Fitzgerald Europe or any of their directors and/or employees and/or person(s) acting on behalf of any of them shall to the maximum extent permitted under law have any liability except in the case of fraud;

- 4 each Placee confirms, represents and warrants that it is sufficiently knowledgeable to understand and be aware of the risks associated with, and other characteristics of, the Placing Shares and, among others, of the fact that it may not be able to resell the Placing Shares except in accordance with certain limited exemptions under applicable securities legislation and regulatory instruments;
- 5 each Placee confirms, represents and warrants, if a company, that it is a valid and subsisting company and has all the necessary corporate capacity and authority to execute its obligations in connection with the Placing Participation and confirms, represents and warrants that any person who confirms to Cantor Fitzgerald Europe on behalf of a Placee an agreement to subscribe for Placing Shares is duly authorised to provide such confirmation to Cantor Fitzgerald Europe;
- 6 each Placee agrees that the exercise by Cantor Fitzgerald Europe of any right of termination or any right of waiver exercisable by Cantor Fitzgerald Europe contained in the Placing Agreement or the exercise of any discretion including (without limitation) the right not to enter into the Placing Agreement is within the absolute discretion of Cantor Fitzgerald Europe and Cantor Fitzgerald Europe will not have any liability to any Placee whatsoever in connection with any decision to exercise or not exercise any such rights. Each Placee acknowledges that if (i) any of the conditions in the Placing Agreement are not satisfied (or, where relevant, waived) or (ii) the Placing Agreement is terminated or (iii) the Placing Agreement does not otherwise become unconditional in all respects, the Placing will lapse and such Placee's rights and obligations in relation to the Placing shall cease and determine at such time and no claim shall be made by any Placee in respect thereof;
- 7 each Placee acknowledges and agrees that Cantor Fitzgerald Europe is not acting for, and that it does not expect Cantor Fitzgerald Europe to have any duties or responsibilities towards, such Placee, including, without limitation, for providing protections afforded to customers or clients of Cantor Fitzgerald Europe under the FCA's Conduct of Business Source Book or advising such Placee with regard to its Placing Participation and that such Placee is not, and will not be, a customer or client of Cantor Fitzgerald Europe as defined by the FCA's Conduct of Business Source Book in connection with the Placing. Likewise, Cantor Fitzgerald Europe will not treat any payment by such Placee pursuant to its Placing Participation as Client Money governed by the FCA's Client Assets Sourcebook;
- 8 each Placee undertakes and agrees that it will be responsible for any stamp duty or stamp duty reserve tax in relation to the Placing Shares comprised in its Placing Participation and that neither Cantor Fitzgerald Europe nor the Company will be responsible for any liability to stamp duty or stamp duty reserve tax in relation to the Placing Shares comprised in such Placee's Placing Participation;
- 9 each Placee confirms, represents and warrants that it is a Relevant Person and that it may lawfully subscribe for or acquire the Placing Shares comprised in such Placee's Placing Participation and that it has complied with and will comply with all applicable provisions of FSMA with respect to anything done by such Placee in relation to the Placing Shares in, from or otherwise involving, the United Kingdom;
- 10 each Placee acknowledges and agrees that the agreement confirmed by the Confirmation Note is a legally binding contract between it and the Company and the Terms and Conditions of such Placee's Placing Participation will be governed by, and construed in accordance with, the laws of England and Wales to the exclusive jurisdiction of whose courts such Placee irrevocably agrees to submit;
- 11 each Placee agrees that it will ensure delivery and payment is completed in accordance with the settlement instructions set out in the Confirmation Note (or as separately agreed with Cantor Fitzgerald Europe in the case of certificated settlement) and acknowledges and agrees that time shall be of the essence as regards such Placee's obligations pursuant to its Placing Participation;

- 12 each Placee acknowledges and agrees that it is the responsibility of such Placee (if it is outside of the United Kingdom) to satisfy itself that, in doing so, such Placee complies with the laws of any relevant territory in connection with its Placing Participation and that it obtains any requisite governmental or other consents and observes any other applicable formalities;
- 13 each Placee acknowledges and agrees that the Announcement does not constitute an offer to sell, or the solicitation of an offer to subscribe for or buy, Placing Shares in any jurisdiction in which such an offer or solicitation is unlawful. Accordingly, such Placee acknowledges and agrees that the Placing Shares may not, subject to certain limited exceptions, be offered or sold, directly or indirectly, in or into the United States, any province of Canada or Australia, Japan, Singapore or the Republic of South Africa or offered or sold to, or for the account or benefit of, a national, citizen or resident of the United States, any province of Canada or Australia, Japan, Singapore or the Republic of South Africa, in each case subject to limited exemptions, or any other jurisdiction where to do so would constitute a violation of the relevant laws of such jurisdiction;
- 14 each Placee acknowledges and agrees that the Placing Shares have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or jurisdiction of the United States, or the relevant Canadian, Japanese, Australian, Singapore or South African securities legislation and therefore the Placing Shares may not be offered, sold, transferred or delivered directly or indirectly into the United States, Canada, Japan, Australia, Singapore or the Republic of South Africa or their respective territories and possessions, subject to limited exemptions, and in the case of the United States, pursuant to an exemption from, or in a transaction not subject to the registration requirements of the Securities Act and in compliance with United States securities laws;
- 15 each Placee confirms, represents and warrants that it has complied with all relevant laws of all relevant territories, obtained all requisite governmental or other consents which may be required in connection with its Placing Participation, complied with all requisite formalities and that it has not taken any action or omitted to take any action which will or may result in Cantor Fitzgerald Europe, the Company or any of their respective directors, officers, agents, employees or advisers acting in breach of the legal or regulatory requirements of any territory in connection with the Placing or such Placee's Placing Participation;
- 16 each Placee confirms, represents and warrants that its subscription for Placing Shares does not trigger, in the jurisdiction in which such Placee is resident or located: (i) any obligation to prepare or file a prospectus or similar document or any other report with respect to such subscription; (ii) any disclosure or reporting obligation of the Company; or (iii) any registration or other obligation on the part of Cantor Fitzgerald Europe or the Company;
- 17 each Placee confirms, represents and warrants it is acting as principal and for no other person and that its Placing Participation will not give any other person a contractual right to require the issue by the Company of any Placing Shares.
- 18 each Placee confirms, represents and warrants that in accepting its Placing Participation it is not applying for registration as, or as a nominee or agent for, a person who is or may be a person mentioned in sections 67 to 72 inclusive and sections 93 to 97 inclusive of the Finance Act 1986;
- 19 each Placee confirms, represents and warrants that, to the extent applicable to it, it is aware of its obligations in connection with the Criminal Justice Act 1993, the Terrorism Act 2006, the UK Anti-Terrorism Crime and Security Act 2001, the Money Laundering Regulations 2007, the Proceeds of Crime Act 2002 and Part VIII of the Financial Services and Markets Act 2000 (as amended), it has

identified its clients in accordance with the Money Laundering Regulations 2007 and it has complied fully with its obligations pursuant to those Regulations;

- 20 each Placee acknowledges and agrees that all times and dates in this Announcement and the Terms and Conditions set out in this Appendix, may be subject to amendment and that Cantor Fitzgerald Europe will notify it of any such amendments;
- 21 each Placee acknowledges and agrees that no term of the agreement confirmed by the Confirmation Note shall be enforceable under the Contracts (Rights of Third Parties) Act 1999 by any person other than Cantor Fitzgerald Europe or any affiliate of Cantor Fitzgerald Europe or any Indemnified Person (as hereinafter defined);
- 22 each Placee acknowledges that any of its monies held or received by Cantor Fitzgerald Europe will not be subject to the protections conferred by the FCA's Client Money Rules;
- 23 each Placee confirms, represents and warrants that it understands that the Placing Shares have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and, accordingly, may not be offered or sold or otherwise transferred in the United States or to, or for the account or benefit of, US Persons except pursuant to a registration statement under the Securities Act or an exemption from the registration requirements of the Securities Act, and, in connection with any such transfer, the Company will have the right to obtain, as a condition to transfer, a legal opinion of counsel, in form and by counsel reasonably satisfactory to the Company, that no such Securities Act registration is or will be required along with appropriate certifications by the transferee as to the 'Accredited Investor' status and/or other appropriate matters;
- 24 each Placee confirms, represents and warrants that it has not distributed, forwarded, transferred or otherwise transmitted this Announcement or any other presentation or offering materials concerning the Placing Shares within the United States, nor will it do any of the foregoing. Such Placee further confirms that it understands that the information in this Announcement, including financial information, may be materially different from any disclosure that would be provided in a US offering;
- 25 each Placee agrees, confirms, represents, warrants and undertakes as follows:-
 - 25.1 it is, at the time of the offer and acceptance of the Placing Shares, outside the United States for the purposes of Regulation S;
 - 25.2 it will not offer or sell the Placing Shares in the United States absent registration or an exemption from registration under the Securities Act;
 - 25.3 it is aware that the Placing Shares are being offered outside the United States in reliance on Regulation S; and
 - 25.4 it did not purchase or otherwise acquire the Placing Shares based on or due to directed selling efforts (as defined in Rule 902 under the Securities Act), including based on an advertisement in a publication with a general circulation in the United States, nor has it seen or been aware of any activity that, to its knowledge, constitutes directed selling efforts in the United States;
- 26 if it is subscribing for the Placing Shares in the United Kingdom, each Placee is a person falling within the exemption contained in Section 86(1)(a) of the Financial Services and Markets Act 2000 (as amended) or falling within one or more of the categories of persons set out in Article 19 (Investment

Professionals) or Article 49 (High net worth companies, unincorporated associations etc.) of the Order;

- 27 each Placee confirms, represents and warrants that, in making the investment decision with respect to the Placing Shares, it has:-
- 27.1 not relied on the Company or any of its respective affiliates or on any document published by any of them;
 - 27.2 the ability to bear the economic risk of its investment in the Placing Shares and has no need for liquidity with respect to its investment in the Placing Shares;
 - 27.3 such knowledge and experience in financial and business matters that it is capable of evaluating the merits, risks and suitability of investing in the Placing Shares, and is able to sustain a complete loss of any investment in the Placing Shares; and
 - 27.4 investigated independently and made its own assessment and satisfied itself concerning the relevant tax, legal, currency and other economic considerations relevant to its investment in the Placing Shares, including any federal, state and local tax consequences, affecting it in connection with its subscription for and any subsequent disposal of the Placing Shares;
- 28 each Placee acknowledges and agrees that it is not entitled to the protections afforded to clients of Cantor Fitzgerald Europe in connection with the Placing and that neither Cantor Fitzgerald Europe nor any of its affiliates nor any of their respective officers, directors, employees or advisers shall be liable for any losses (including, without limitation, loss of profit, loss of business or opportunity and special interest or consequential losses), damages or costs of the Placee save as a result of fraud or for death or personal injury;
- 29 each Placee acknowledges that the Company, Cantor Fitzgerald Europe, CREST, the registrar, any transfer agent, any distributors or dealers and their respective affiliates and others will rely on the truth and accuracy of the foregoing warranties, acknowledgements, representations, undertakings and agreements, and agrees to notify the Company and Cantor Fitzgerald Europe promptly in writing if any of its warranties, acknowledgements, representations, undertakings or agreements set out above cease to be accurate and complete and to indemnify and hold harmless on an after-tax basis the Company, Cantor Fitzgerald Europe and any of their respective officers, directors, agents, employees or advisers (the “**Indemnified Persons**”) from and against any and all loss, damage, liability or expense, including reasonable costs and attorneys’ fees and disbursements, which an Indemnified Person may incur by reason of, or in connection with, any representation or warranty made by such Placee as set out above not having been true when made, any misrepresentation made or any failure by such Placee to fulfil any of its undertakings or agreements set out above or any other document such Placee provides to the Company or Cantor Fitzgerald Europe. Such Placee irrevocably authorises each of the Company, and Cantor Fitzgerald Europe to produce a copy hereof to any interested party in any administrative or legal proceeding or official inquiry with respect to the matters covered hereby;
- 30 each Placee acknowledges that the rights and remedies of Cantor Fitzgerald Europe and the Company under these Terms and Conditions are in addition to any rights and remedies which would otherwise be available to each of them and the exercise or partial exercise of one right or remedy will not prevent the exercise of the other rights and/or remedies; and
- 31 each Placee undertakes that it (and any person acting on its behalf) will make payment for the Placing Shares allocated to it in accordance with this Announcement on the due time and date set out herein,

failing which the relevant Placing Shares may be placed with other subscribers or sold as Cantor Fitzgerald Europe may in its sole discretion determine and without liability to such Placee and such Placee 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 the liability for any stamp duty or stamp duty reserve tax (together with any interest or penalties due pursuant to or referred to in these Terms and Conditions) which may arise upon the placing or sale of such Placee's Placing Shares on its behalf.

CREST and certificated Placing Shares

Placing Shares, once issued, will be admitted to CREST with effect from Admission. Placees will receive Placing Shares comprised in their Placing Participation in uncertificated form registered in their CREST member account. Alternatively, those Placees who wish to receive their Placing Shares in certificated form should contact Kellyann Leeds at Cantor Fitzgerald Europe (+44 (0)20 7894 7913)) and are expected to receive their certificates for their Placing Shares by no later than 19 October 2016. If Placees do not provide any CREST details or if Placees provide insufficient CREST details to match within the CREST system to their details, Cantor Fitzgerald Europe may, at its discretion, deliver Placing Shares comprised in any such Placee's Placing Participation in certificated form provided payment has been made in terms satisfactory to Cantor Fitzgerald Europe and all conditions in relation to the Placing have been satisfied or waived.

Responsibility

The Terms and Conditions set out in this Appendix and the Announcement of which it forms part have been issued by the Company and are the sole responsibility