

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.

If you have sold or otherwise transferred all of your Ordinary Shares, please send this document and the accompanying Form of Proxy as soon as possible to the purchaser or transferee, or the stockbroker, bank or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee. However, such documents should not be forwarded to, or transmitted in or into, any jurisdiction where to do so might violate the relevant laws and regulations in that jurisdiction. **In particular, such documents should not be forwarded to, or transmitted in or into, the United States, Canada, Australia, the Republic of South Africa, Republic of Ireland, New Zealand or Japan.** If you have sold or otherwise transferred part only of your holding of Ordinary Shares, you should retain these documents and consult the stockbroker, bank or other agent through whom the sale or transfer was effected.

This document should be read as a whole and in conjunction with the accompanying Form of Proxy and the Notice of General Meeting set out at the end of this document. You are recommended to read the whole of this document, but your attention is drawn specifically to the letter from the Chairman of the Company to Shareholders which is set out in this document and which recommends that you vote in favour of the Resolutions to be proposed at the General Meeting.

The Company and the Directors, whose names appear on page 4 of this document, accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Company and the Directors (who have taken reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

Application will be made to the London Stock Exchange for the Placing Shares and such number of Broker Option Shares subscribed for to be admitted to trading on AIM. The Placing Shares and such number of Broker Option Shares subscribed for, when issued and fully paid, will rank *pari passu* in all respects with the Existing Ordinary Shares, including as regards the right to receive all dividends or other distributions declared, made or paid after Admission. The Placing Shares and such number of Broker Option Shares subscribed for are expected to be admitted to AIM and to commence trading by 8.00 a.m. on 10 December 2018.



**genedrive
genedrive plc**

(Incorporated and registered in England and Wales under the Companies Act 2006 with registered no. 06108621)

**Proposed Placing of 15,217,391 Placing Shares to raise £3.5 million,
Proposed Broker Option of up to 2,173,913 Broker Option Shares to raise up to £500,000 and
Proposed Convertible Loan Note issue to raise £2.5 million**

and

Notice of General Meeting

Peel Hunt LLP

Nominated Adviser, Joint Bookrunner
and Joint Broker

Stanford Capital Partners Limited

Joint Bookrunner
and Joint Broker

Peel Hunt LLP (“Peel Hunt”), which is authorised and regulated in the UK by the Financial Conduct Authority (“FCA”) and Stanford Capital Partners Limited (“Stanford Capital”), an authorised representative of MJ Hudson Advisers Limited (which is authorised and regulated by the FCA) are acting exclusively for the Company and for no-one else in relation to the proposed Fundraising (as defined below), and will not be responsible to any other person for providing the protections afforded to their respective clients nor for providing advice in connection with the matters contained in this announcement. No representation or warranty, express or implied, is or will be made as to, or in relation to, and no responsibility or liability is or will be accepted by Peel Hunt or Stanford Capital nor by any of their affiliates or agents (or any of their respective directors, officers, employees or advisers), as to or in relation to, the contents, accuracy or completeness of this announcement or any other written or oral information made available to or publicly available to any interested party or its advisers, or any other statement made or purported to be made by or on behalf of Peel Hunt or Stanford Capital.

Notice of the General Meeting of genedrive plc to be held at 12 noon on 7 December 2018 at The Incubator Building, 48 Grafton Street, Manchester, M13 9XX is set out at the end of this document. To be valid, the Form of Proxy for use at the General Meeting, which accompanies this document, must be completed, signed and returned so as to be received by the Company’s registrars, Neville Registrars Limited, by no later than 12 noon on 5 December 2018. The completion and return of the Form of Proxy will not prevent you from attending and voting at the General Meeting in person, if you so wish (and are so entitled). A summary of the action to be taken by Shareholders is set out in paragraph 13 of the letter from the Chairman of the Company included in this document and in the Notice of General Meeting.

This document does not constitute a prospectus, neither does it constitute an admission document drawn up in accordance with the AIM Rules. This document does not constitute an offer to sell or the solicitation of an offer to buy any security. The distribution of this document in, into or within jurisdictions other than the United Kingdom may be restricted by law or regulation and, therefore, persons into whose possession this document comes should inform themselves about and observe any such restrictions. Any failure to comply with any such restrictions may constitute a violation of the securities laws or regulations of the relevant jurisdiction.

The Placing Shares and such number of Broker Option Shares subscribed for will not be registered under the United States Securities Act of 1933 (as amended) or under the securities laws of any state of the United States or qualify for distribution under any of the relevant securities laws of Canada, Australia, the Republic of South Africa, the Republic of Ireland, New Zealand or Japan. Accordingly, subject to certain exceptions, the Placing Shares and Broker Option Shares may not be, directly or indirectly, offered, sold, taken up, delivered or transferred in or into United States, Canada, Australia, the Republic of South Africa, the Republic of Ireland, New Zealand or Japan. Shareholders who are residents or citizens of any country other than the United Kingdom and any person (including, without limitation, custodians, nominees and trustees) who have a contractual or other legal obligation to forward this document to a jurisdiction outside the United Kingdom should seek appropriate advice before taking any action.

This document includes “forward looking statements” which include all statements other than statements of historical facts, including, without limitation, those regarding the Group’s financial position, business strategy, plans and objectives of management for future operations, or any statements preceded by, followed by or that include the words “targets”, “believes”, “expects”, “aims”, “intends”, “will”, “may”, “anticipates”, “would”, “could” or similar expressions or negatives thereof. Such forward looking statements involve known and unknown risks, uncertainties and other important factors beyond the Company’s control that could cause the actual results, performance or achievements of the Group to be materially different from future results, performance or achievements expressed or implied by such forward looking statements. Such forward looking statements are based on numerous assumptions regarding the Group’s present and future business strategies and the environment in which the Group will operate in the future. These forward looking statements speak only as at the date of this document. The Company expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward looking statements contained herein to reflect any change in the Company’s expectations with regard thereto or any change in events, conditions or circumstances on which any such statements are based unless required to do so by applicable law or the AIM Rules.

In accordance with the AIM Rules, this document is available on the Company’s website at www.genedriveplc.com from the date of issue, free of charge.

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KEY STATISTICS

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| Placing Price | 23 pence |
| Discount to closing middle market price of an Existing Ordinary Share on 15 November 2018 | Nil % |
| Number of Existing Ordinary Shares in issue | 18,783,115 |
| Number of Placing Shares | 15,217,391 |
| Gross proceeds of the Placing | £3.5 million |
| Maximum number of Broker Option Shares | 2,173,913 |
| Maximum gross proceeds of the Broker Option | £500,000 |
| Number of Ordinary Shares in issue following the Placing* | 34,000,506 |
| Percentage of Enlarged Share Capital represented by the Placing Shares* | 44.8 per cent. |
| Gross proceeds of the Loan Notes | £2.5 million |
| Conversion price of the Loan Notes | 28.75 pence |
| Net proceeds of the Fundraising** | c £5.6 million |
| Market capitalisation of the Company at the Placing Price on Admission** | £7.8 million |
| Maximum number of Ordinary Shares to be issued on conversion of the GHIF Bond | 7,100,000 |
| Maximum number of Ordinary Shares to be issued on conversion of the Loan Notes | 8,695,652 |
| Number of VGL Consideration Shares expected to be issued in twelve months' time*** | 869,565 |
| Number of VGL Consideration Shares expected to be issued in three years' time*** | 500,000 |
| Estimated Number of Ordinary Shares in issue assuming conversion in full of the GHIF Bond, Loan Notes, issue of VGL Consideration Shares*** and issue of the Placing Shares* | 51,165,723 |
| TIDM | GDR |
| ISIN | GB00B1VKB244 |
| LEI | 213800ZYODIRZ87Y4K14 |
| SEDOL | B1VKB24 |

* Assumes that the Resolutions that are set out in the Notice of General Meeting are passed and no take-up of the Broker Option.

** Assumes no take up of the Broker Option.

*** Assumes the Fifth Deed of Amendment becomes unconditional.

DIRECTORS, SECRETARY AND ADVISERS

| | |
|--|--|
| Directors | Ian Gilham (<i>Non-Executive Chairman</i>) David Budd (<i>Chief Executive Officer</i>) Matthew Fowler (<i>Chief Financial Officer</i>) Roger Lloyd (<i>Non-Executive Director</i>) Robert Nolan (<i>Non-Executive Director</i>) Tom Lindsay (<i>Non-Executive Director</i>) Chris Yates (<i>Non-Executive Director</i>) All of whose business address is 48 Grafton Street, Manchester M13 9XX |
| Company Secretary | Matthew Fowler |
| Registered Office | 48 Grafton Street Manchester M13 9XX |
| Company Website | www.genedriveplc.com |
| Telephone Number | +44 (0)161 989 0245 |
| Nominated Adviser, Joint Bookrunner and Joint Corporate Broker | Peel Hunt LLP Moor House 120 London Wall London EC2Y 5ET |
| Joint Bookrunner and Joint Corporate Broker | Stanford Capital Partners Ltd Head Office 15-17 Eldon Street London EC2M 7LD |
| Lawyers to the Company | Addleshaw Goddard LLP Cornerstone 107 West Regent Street Glasgow G2 2BA |
| Lawyers to the Nominated Adviser, Joint Bookrunners and Joint Corporate Brokers | Travers Smith LLP 10 Snow Hill London EC1A 2AL |
| Registrars | Neville Registrars Limited Neville House Steelpark Road Halesowen B62 8HD |
| Financial PR and Communications | Consilium Strategic Communications 42 Lothbury London EC2R 7HG |

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

| | |
|--|----------------------------|
| Announcement of the Placing, the Loan Note subscription and the Broker Option | 16 November 2018 |
| Posting of the Circular and Form of Proxy | 19 November 2018 |
| Latest time and date for receipt of Forms of Proxy for the General Meeting | 12 noon on 5 December 2018 |
| General Meeting | 12 noon on 7 December 2018 |
| Admission of the New Ordinary Shares to trading on AIM | 8 a.m. on 10 December 2018 |
| New Ordinary Shares to be held in uncertificated form credited to CREST stock accounts | 10 December 2018 |
| Issue of Loan Notes | 10 December 2018 |
| Expected date of dispatch of definitive share certificates for New Ordinary Shares to be held in certificated form | 17 December 2018 |

Notes

1. Each of the times and dates set out in the above timetable and mentioned in this document is subject to change by the Company (with the agreement of Peel Hunt LLP and Stanford Capital Partners Limited), in which event details of the new times and dates will be notified to London Stock Exchange plc and the Company will make an appropriate announcement to a Regulatory Information Service.
2. References to times in this document are to London times unless otherwise stated.

DEFINITIONS

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

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| “Act” | the Companies Act 2006, as amended |
| “Admission” | admission of the New Ordinary Shares (including such number of Broker Option Shares as may be subscribed for) to trading on AIM becoming effective in accordance with the AIM Rules |
| “AIM” | the market of that name operated by the London Stock Exchange |
| “AIM Rules” | the AIM Rules for Companies and/or the AIM Rules for Nominated Advisers (as the context may require) |
| “AIM Rules for Companies” | the rules of AIM as set out in the publication entitled “AIM Rules for Companies” published by the London Stock Exchange from time to time |
| “AIM Rules for Nominated Advisers” | the rules of AIM as set out in the publication entitled “AIM Rules for Nominated Advisers” published by the London Stock Exchange from time to time |
| “Announcement” | the RIS announcement issued by the Company dated 16 November 2018 announcing the Placing and Broker Option and the entering into of the conditional agreements with BGF (including the Loan Note subscription), GHIF and the shareholder of VGL |
| “Appendix” | the appendix to the Announcement setting out the terms and conditions of the Placing |
| “BGF” | BGF Investments LP (a limited partnership with registered number LP14928), acting by its manager BGF Investment Management Limited (company number 10608481) |
| “BGF Subscription Agreement” | the conditional subscription agreement entered into among: (i) the Company; (ii) the Executive Directors, (iii) BGF Investments LP; and (iv) BGF Investment Management Limited dated 15 November 2018 in respect of the proposed subscription by BGF for the convertible Loan Notes |
| “Board” or “Directors” | the board of directors of the Company, whose names are listed on page 4 of this document |
| “Bookbuild” | the accelerated bookbuild process conducted in relation to the Placing which established the demand for the Placing Shares to be issued pursuant to the Placing at the Placing Price |
| “Broker Option” | the option granted by the Company to Peel Hunt and Stanford Capital to procure the subscription of the Broker Option Shares, pursuant to the terms of the Placing Agreement |
| “Broker Option Shares” | up to 2,173,913 new Ordinary Shares to be subscribed for by existing and other investors at the Placing Price, to the extent the Broker Option is exercised under the terms of the Placing Agreement |
| “Business Day” | any day (excluding Saturdays and Sundays and public holidays in England and Wales) on which banks are open in London for normal banking business and the London Stock Exchange is open for trading |
| “certificated” or “in certificated form” | an ordinary share or other security recorded on a company’s share register as being held in certificated form (that is not in CREST) |
| “Circular” or “this document” | this circular of the Company giving (amongst other things) details of the Placing, the Broker Option, the convertible Loan Note subscription and also incorporating the Notice of General Meeting |
| “Company” or “genedrive” | genedrive plc, a public limited company incorporated in England and Wales under registered number 06108621 |

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| “CREST” | the relevant system (as defined in the Regulations) which enables title to units of relevant securities (as defined in the Regulations) to be evidenced and transferred without a written instrument and in respect of which Euroclear is the Operator (as defined in the CREST Regulations) |
| “CREST Manual” | the compendium of documents entitled “CREST Manual” published by Euroclear from time to time and comprising the CREST Reference Manual, the CREST Central Counterparty Service Manual, the CREST International Manual, the CREST Rules (including CREST Rule 8), the CREST CCSS Operating Manual and the CREST Glossary of Terms |
| “CREST member” | a person who has been admitted to CREST 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 Regulations” or “Regulations” | the Uncertificated Securities Regulations 2001 (SI 2001/3755) (as amended from time to time) |
| “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 |
| “EIS” | Enterprise Investment Scheme |
| “Enlarged Share Capital” | the entire issued share capital of the Company immediately following Admission, assuming no other Ordinary Shares are issued between the date of the Announcement and Admission and assuming the 15,217,391 Placing Shares are issued but no subscription for new Ordinary Shares under the Broker Option |
| “EU” | the European Union |
| “Euroclear” | Euroclear UK & Ireland Limited, the Operator of CREST (as defined in CREST Regulations) |
| “Executive Directors” | means David Budd and Matthew Fowler |
| “Existing Ordinary Shares” | the 18,783,115 Ordinary Shares in issue on 16 November 2018, (the latest practicable date before issue of this document) all of which are admitted to trading on AIM |
| “Fifth Deed of Amendment” | the conditional fifth deed of amendment entered into between the Company and Dr Ben Cobb dated 15 November 2018 to vary the terms of the Visible Genomics SPA and which also terminates and replaces the Fourth Deed of Amendment |
| “First Amendment and Restatement Agreement” | the first amendment and restatement agreement of the GHIF Convertible Bond entered into between the Company and GHIF dated 23 June 2016 |
| “Form of Proxy” | the form of proxy accompanying this Circular for use by Shareholders in relation to the General Meeting |
| “Fourth Deed of Amendment” | the conditional fourth deed of amendment entered into between the Company and Dr Ben Cobb to vary the terms of the Visible Genomics SPA which has been terminated and replaced by the Fifth Deed of Amendment |
| “FSMA” | the Financial Services and Markets Act 2000 (as amended) |
| “Fundraising” | the Placing and Broker Option and the issue of the convertible Loan Notes pursuant to the BGF Subscription Agreement and Loan Note Instrument |

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| “General Meeting” | the general meeting of the Shareholders of the Company to be held at The Incubator Building, 48 Grafton Street, Manchester, M13 9XX at 12 noon on 7 December 2018, convened by the Notice of General Meeting of which is set out at the end of this document |
| “GHIF” | Global Health Investment Fund I LLC, a Delaware limited liability company, whose registered office is at 2711 Centerville Road, Suite 400 in the City of Wilmington, Delaware 19808 USA, a private investment fund structured by JP Morgan Chase & Co and the Bill and Melinda Gates Foundation. The fund finances the development of drugs, vaccines, diagnostics and other interventions against diseases that disproportionately burden low and middle income countries |
| “GHIF Bond” | the US\$8million convertible bond entered into between GHIF and the Company pursuant to the GHIF Bond and Collaboration Agreement |
| “GHIF Bond and Collaboration Agreement” | the collaboration and convertible bond purchase agreement entered into between the Company and GHIF dated 21 July 2014, as amended and restated by the First Amendment and Restatement Agreement and the Second Amendment and Restatement Agreement |
| “Group” | the Company, its subsidiaries and subsidiary undertakings |
| “Intercreditor Deed” | the intercreditor deed to be entered into among the Company, BGF and GHIF in the form agreed and pursuant to the BGF Subscription Agreement |
| “Joint Bookrunners” | Peel Hunt and Stanford Capital |
| “Loan Notes” | the £2,500,000 convertible loan notes to be issued to BGF in accordance with the Loan Note Instrument |
| “Loan Note Instrument” | the convertible loan note instrument in the form agreed pursuant to the BGF Subscription Agreement |
| “London Stock Exchange” | London Stock Exchange plc |
| “New Ordinary Shares” | together, the Placing Shares and the Broker Option Shares |
| “Notice of General Meeting” | the notice of General Meeting which is set out at the end of this document |
| “Ordinary Shares” | ordinary shares of £0.015 each in the capital of the Company |
| “Peel Hunt” | Peel Hunt LLP, a Limited Liability Partnership incorporated and registered in England with No. OC357088 whose registered office is Moor House, 120 London Wall, London EC2Y 5ET, the Company’s nominated adviser, joint bookrunner and joint broker |
| “Placees” | eligible institutional investors procured by Peel Hunt and Stanford Capital and subscribing for Placing Shares in the Placing |
| “Placing” | the conditional placing by Peel Hunt and Stanford Capital (on behalf of the Company) of 15,217,391 Placing Shares pursuant to the Placing Agreement to raise £3.5 million before expenses |
| “Placing Agreement” | the conditional placing agreement dated 16 November 2018 relating to the Placing and Broker Option made between the Company, Peel Hunt and Stanford Capital |
| “Placing Price” | means 23 pence per New Ordinary Share |
| “Placing and Loan Note Proceeds” | the gross proceeds of the issue of the Placing Shares pursuant to the Placing and the issue of the Loan Notes |
| “Placing Results Announcement” | means the RIS announcement of the results of the Placing dated 16 November 2018 |

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| “Placing Shares” | the 15,217,391 new Ordinary Shares which are to be issued pursuant to the Placing whose allotment and issue is conditional (amongst other things) on the passing of the Resolutions |
| “Registrars” or “Neville” | Neville Registrars Limited of Neville House, Steelpark Road, Halesowen, B62 8HD |
| “Regulatory Information Service” or “RIS” | a regulatory information service operated by the London Stock Exchange as defined in the AIM Rules for Companies |
| “Resolutions” | the resolutions to be proposed at the General Meeting as set out in the Notice of General Meeting |
| “Second Amendment and Restatement Agreement” | the conditional second amendment and restatement of the GHIF Convertible Bond and Collaboration Agreement entered into between the Company and GHIF dated 15 November 2018 |
| “Shareholders” | the holders of Ordinary Shares for the time being, each individually a “Shareholder” |
| “Stanford Capital” | Stanford Capital Partners Limited, incorporated and registered in England with No 11192616 whose registered office is at Warden House, 37 Manor Road, Colchester, Essex, CO3 3LX, the Company’s joint bookrunner and joint broker |
| “UK” or “United Kingdom” | the United Kingdom of Great Britain and Northern Ireland |
| “uncertificated” or “uncertificated form” | recorded on the register of members of the Company 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 |
| “VCT” | Venture Capital Trust |
| “VGL” or “Visible Genomics” | Visible Genomics Limited which was a company incorporated under the Companies Acts in England and Wales with registered number 07116987 |
| “VGL Consideration Shares” | the 869,565 Ordinary Shares proposed to be issued to the shareholder of VGL in accordance with the terms of the Visible Genomics SPA, on the assumption that the Fifth Deed of Amendment becomes unconditional, expected to be issued on the first anniversary of Admission and the 500,000 Ordinary Shares proposed to be issued to the shareholder of VGL in accordance with the terms of the Visible Genomics SPA, on the assumption that the Fifth Deed of Amendment becomes unconditional, expected to be issued on the third anniversary of the date of Admission |
| “Visible Genomics SPA” | the share sale and purchase agreement entered into by the Company and the shareholder of VGL and dated 28 July 2010 as amended by deeds of variation dated 9 May 2013, 5 March 2014 and 7 September 2016 and, where the context requires, proposed to be amended by the Fifth Deed of Amendment |

All references in this document to “£”, “pence” or “p” are to the lawful currency of the United Kingdom and all references to “US\$” or “\$” are to the lawful currency of the United States.

All references to time in this document are to London.

PART I

LETTER FROM THE CHAIRMAN OF GENEDRIVE PLC

genedrive

genedrive plc

(Incorporated and registered in England and Wales with registered no. 06108621)

Directors:

Ian Gilham *(Non-Executive Chairman)*
David Budd *(Chief Executive Officer)*
Matthew Fowler *(Chief Financial Officer)*
Roger Lloyd *(Non-Executive Director)*
Robert Nolan *(Non-Executive Director)*
Tom Lindsay *(Non-Executive Director)*
Chris Yates *(Non-Executive Director)*

Registered Office:

48 Grafton Street
Manchester
M13 9XX

19 November 2018

Dear Shareholder

**Proposed Placing and issue of 15,217,391 Placing Shares to raise £3.5 million,
Proposed Broker Option of up to 2,173,913 Broker Option Shares to raise up to £500,000,
Proposed issue of £2.5 million convertible Loan Notes and Notice of General Meeting**

1. INTRODUCTION

On 16 November 2018, the Company announced its intention to raise £6.0 million (before expenses) by way of a conditional placing with new and existing investors through the issue of 15,217,391 New Ordinary Shares at a price of 23 pence per Placing Share and the issue of £2.5 million of convertible Loan Notes. BGF has conditionally agreed to subscribe for the £2.5 million unsecured convertible Loan Notes and £1 million of Placing Shares subject to, *inter alia*, a total of £3.5 million being raised through the Placing.

The Company also announced a proposal to raise up to a further £0.5 million by way of the Broker Option through the issue of up to 2,173,913 additional New Ordinary Shares at the Placing Price in order to allow existing and other investors to participate in the Fundraising.

The Company has entered into: (a) the BGF Subscription Agreement to provide new funding to the Company through a £2.5 million unsecured convertible Loan Note and a non-binding commitment from BGF to invest up to £1.0 million in new equity as part of the Placing; (b) a conditional agreement to amend the terms of the collaboration and convertible bond purchase agreement with GHIF including to extend the maturity date from July 2021 to December 2023; and (c) a conditional agreement to reduce the number of Ordinary Shares to be issued as consideration to the previous shareholder of Visible Genomics and to provide an element of the balance of consideration in cash to such shareholder, in the amount of £300,000 from the Placing and Loan Note Proceeds. Each of these agreements is conditional, *inter alia*, on the announcement and successful closing of the Placing. Peel Hunt and Stanford Capital are acting as joint bookrunners in connection with the Placing and the Broker Option. None of the Placing, the Broker Option or the Loan Note issue has been underwritten.

The Placing, undertaken by way of accelerated Bookbuild, was made available to certain eligible existing shareholders and new institutional investors. BGF has agreed (conditional upon, amongst other things, the BGF Subscription Agreement not being terminated for any reason) to subscribe for 4,347,826 Placing Shares and, on Admission will be interested in 12.8 per cent. of the Enlarged Share Capital (and prior to conversion of the Loan Notes). Certain of the Directors of the Company have agreed to subscribe for, in aggregate, Placing Shares with an aggregate value of £100,000 in the Placing, as set out in paragraph 10 below.

The Placing Price is 23 pence per New Ordinary Share and equates to the mid-market closing price of an Ordinary Share on 15 November 2018, the last practicable date prior to the date of the Announcement.

The Company has recently received advance assurance from HMRC that the Ordinary Shares in the Company represent a qualifying investment for a VCT and are capable of qualifying for EIS tax reliefs. Accordingly the Placing Shares and Broker Option Shares will rank as “eligible shares” and will be capable of being a “qualifying holding” for the purposes of investment by VCTs, and that the Company can issue EIS 3 “compliance certificates” for the purpose of EIS.

The Fundraising (including the Broker Option), is conditional, *inter alia*, on the passing of the Resolutions at the General Meeting to be held at 12 noon on 7 December 2018 at The Incubator Building, 48 Grafton Street, Manchester M13 9XX. The Resolutions are contained in the Notice of General Meeting at Part II of this document.

Application will be made to the London Stock Exchange for the Placing Shares and such number of Broker Option Shares as may be subscribed for to be admitted to trading on AIM. It is expected that Admission will occur at 08.00 am on 10 December 2018 (or such other date as the Company, Peel Hunt and Stanford Capital may agree, being no later than 31 December 2018). The Placing Shares will, when issued, represent approximately 44.8 per cent. of the Enlarged Share Capital and the Placing Shares and the Broker Option Shares when issued, will rank *pari passu* with the existing Ordinary Shares.

The purpose of this letter is to set out the background to, and the reasons for, the Fundraising. It explains why the Directors consider the Fundraising to be in the best interests of the Company and its Shareholders as a whole. It also recommends that Shareholders vote in favour of all of the Resolutions to be proposed at the General Meeting, as the Directors intend to do themselves in respect of their own beneficial shareholdings.

Shareholder approval is being sought at the General Meeting for the share capital authorities required in order to issue the Placing Shares and such number of Broker Option Shares as may be subscribed for as well as new Ordinary Shares on conversion of the Loan Notes, the GHIF Bond and the VGL Consideration Shares. The General Meeting is convened for 12 noon on 7 December 2018 at The Incubator Building, 48 Grafton Street, Manchester, M13 9XX.

2. BACKGROUND TO AND REASONS FOR THE FUNDRAISING

Background

genedrive has continued to make progress in the commercialisation and development of its range of near patient molecular diagnostics products as elaborated on further in paragraphs 3 and 4 below. The Company has continued to utilise its cash balances in accordance with the Board’s expectations and therefore requires additional capital in order to execute on its business plan. The Directors are focused on delivering sustainable revenue growth and continuing to advance the Company’s portfolio of additional tests which, if successful, are expected to increase shareholder value and evidence the strategic value of the Company’s diagnostic technologies more broadly. The Company is therefore pleased to confirm further details on the Fundraising which has been cornerstoned by BGF.

BGF

BGF is the UK and Ireland’s most active investor in small and medium sized companies. The Company has entered into the BGF Subscription Agreement for the subscription by BGF and issue by the Company of the Loan Notes. The BGF Subscription Agreement, and the obligations of BGF to subscribe for the Loan Notes is subject to a number of conditions, including, *inter alia*, the issue of the Circular, the passing of the Resolutions, the Placing Agreement having become unconditional in all respects and BGF participating in the Placing. On the assumption that the Resolutions are passed at the General Meeting and Admission occurs on 10 December 2018, the Company expects the conditions to be satisfied and the Loan Notes to be issued on or around 10 December 2018.

The proposed terms of the Loan Notes include a coupon of 7 per cent. (with a higher default rate) which will be rolled up for the first three years and become payable on 31 December 2021 and the principal amount of the Loan Notes will be convertible at 125 per cent. of the Placing Price equating to 28.75 pence per Ordinary Share. The Loan Notes cannot be converted within the first six months of being issued and thereafter can be converted at BGF’s option. The conversion price will be adjusted downwards in certain circumstances (subject to certain exceptions), including if the Company issues new Ordinary Shares at less than 80 per cent. of the prevailing conversion price. The Loan Notes will mature on 30 June 2025 when they will be redeemed at par together with any unpaid interest if not previously converted. Accrued interest will not be converted into Ordinary Shares and therefore requires to be paid in cash on 31 December 2021. In the event of default, the principal on the notes together with unpaid interest shall be repayable by the Company on demand. The Loan Notes can be redeemed early at the request of the Company on payment

of an early redemption fee equal to 48 months interest (if redeemed prior to the third anniversary of the issue of the Loan Notes) or 12 months interest (if redeemed after the third anniversary of the issue of the Loan Notes). The Directors believe that the terms of the Loan Notes (together with the funds raised through the Placing) provide the Company with the cash runway and financial flexibility to execute the business plan and ultimately evidence the strategic value of the Company's diagnostic technologies more broadly.

BGF has also agreed (conditional upon, amongst other things, the BGF Subscription Agreement not being terminated for any reason) to subscribe for new Ordinary Shares in the Placing with an aggregate value of £1.0 million and has been conditionally allocated 4,347,826 Placing Shares which would represent 28.6 per cent. of the Placing Shares. On Admission, the issue of these Placing Shares to BGF would amount to 12.8 per cent. of the Enlarged Share Capital.

The maximum number of shares to be issued to BGF on conversion of the Loan Notes, when aggregated with the Ordinary Shares held by BGF and persons acting in concert with BGF, is capped at 29.9 per cent. of the issued share capital of the Company.

Certain warranties have been granted by the Company and the Executive Directors to BGF, certain matters require the prior consent of BGF and certain information is required to be provided to BGF under the terms of the BGF Subscription Agreement.

Genedrive Diagnostics Limited will grant a guarantee of the Company's obligations under the Loan Note Instrument and this is subject to, and payments under the Loan Notes and GHIF Bond are regulated by, the Intercreditor Deed so that all the payments are made in proportion to the amounts outstanding to BGF and GHIF.

GHIF Convertible Bond

The Company has, in issue, a five year US\$8.0 million convertible bond with GHIF. Following the Company and GHIF entering into a Deed of Amendment and Restatement in June 2016, the principal terms of the Bond were amended and the full details are set out in Note 18 to the Company's 2017 Report and Accounts. The Company has entered into the Second Deed of Amendment and Restatement. Subject to completion of the Placing and issue of the Loan Notes, GHIF and the Company have agreed to further amend the terms of the GHIF Bond, by way of the Second Deed of Amendment and Restatement, as follows:

- (i) Maturity date to be extended from July 2021 to December 2023;
- (ii) The roll up of interest payments will be extended from January 2019 to January 2022;
- (iii) The strike price of the first \$2.0 million of the GHIF Bond will be reduced from 150p to 28.75p, being a 25 per cent. premium to the Placing Price and the same conversion price as the Loan Notes;
- (iv) The strike price of the remaining \$6.0 million of the GHIF Bond will be reduced from 489p to 150p; and
- (v) The rolled up interest on the first tranche of \$2.0 million of the GHIF Bond would be converted at 28.75p per share and on the remaining tranche of \$6.0 million of the GHIF Bond would be converted at 150p per Ordinary Share.

The Directors believe that the terms of the Second Deed of Amendment and Restatement provide the Company with additional financial flexibility to execute the business plan and ultimately evidence the strategic value of the Company's diagnostic technologies more broadly.

The maximum number of Ordinary Shares to be issued to GHIF on conversion of the GHIF Bond is 7,100,000. Additional changes have also been made to reflect the Company entering into the Loan Note Instrument and issuing the Loan Notes to BGF and to regulate the ranking of payments under the GHIF Bond and Loan Note Instrument. Following the completion of the Placing and anticipated admission of the Placing Shares, and such number of Broker Option Shares as may be subscribed for, on 10 December 2018, the Company expects the Second Deed of Amendment and Restatement to become unconditional on 10 December 2018.

Visible Genomics Limited

The Company has entered into a Fifth Deed of Amendment in relation to the Visible Genomics SPA. Note 17 of the Company's 2017 Report and Accounts details the deferred consideration potentially due to the vendor of VGL of an aggregate value of £1.25 million to be satisfied by the issue of new Ordinary Shares upon the achievement of certain milestones with one such milestone being connected to the revenues the

Company earns from the Genedrive® device and assays. As the revenues the Company earns from the Genedrive® device and assays continue to grow, this milestone is expected to be achieved. When it is achieved, the Company would be obliged to issue such number of new Ordinary Shares, at the relevant market price at that time, as have a value of £1.25 million to the former owner of VGL. The issue of this number of new Ordinary Shares, if at the Placing Price, would equate to around 28.9 per cent. of the Company's current issued share capital (before completion of the Fundraising) and therefore Shareholders would experience significant dilution of their current shareholdings.

Subject to completion of the Fundraising, and certain other obligations, the Company and the former owner of VGL agreed to enter into the Fifth Deed of Amendment in order to reduce the number of Ordinary Shares to be issued as consideration for the sale of Visible Genomics and to provide an element of the consideration in cash to the previous shareholder of VGL. The Fifth Deed of Amendment varies the remaining deferred consideration to: (i) the payment of £300,000 in cash on the 20th Business Day following Admission; (ii) the allotment and issue of such number of new Ordinary Shares, at the Placing Price as have a value of £200,000 with such Ordinary Shares (which will equate to 869,565 new Ordinary Shares) being issued on the first anniversary of the date of Admission; and (iii) the allotment and issue of 500,000 new Ordinary Shares on the third anniversary of the date of Admission. Such Ordinary Shares to be issued on the first anniversary of Admission will be subject to an orderly marketing arrangement and will represent 2.56 per cent. of the Company's Enlarged Share Capital. The 500,000 Ordinary Shares to be issued on the third anniversary of Admission would be subject to a 24 month lock-in and represent 1.47 per cent. of the Company's Enlarged Share Capital. The changes reflected in the Fifth Deed of Amendment would also effectively reduce the overall outstanding consideration payable by the Company.

The changes to the Visible Genomics SPA set out in the Fifth Deed of Amendment are conditional on, *inter alia*, the announcement of the Placing, a minimum raise (before expenses) under the Placing of £3.5 million and conclusion of the Placing and Admission of the Ordinary Shares to trading by no later than 20 December 2018. In the event that less than £3.5 million is raised pursuant to the Placing, the Company has, in its absolute discretion, the rights to waive the conditions and continue to complete the payment of deferred consideration on the amended terms. Shareholders should note that in the event that the Placing is not completed and other conditions satisfied by 20 December 2018 then, based on the Company's share price of 23 pence on the day before the announcement of the Fundraising, the Company would be required to issue around 5.4 million new Ordinary Shares in the Company to the former owner of Visible Genomics.

On the basis of the Placing raising the minimum of £3.5 million and on the assumption the Resolutions are passed by shareholders at the General Meeting, the changes to the Visible Genomics SPA set out in the Fifth Deed of Amendment will come into effect.

3. THE MARKET

Genedrive® HCV-ID Assay

The Directors continue to see the growing Hepatitis C (HCV) testing market as a very attractive opportunity for the Company, driven in part by the Genedrive® HCV-ID Kit being the first approved and the first to market point-of-need molecular test in low and middle-income countries ("LMICs"), which account for 72 per cent. of persons living with HCV. Of an estimated 50 million people in LMICs infected with HCV, fewer than 20 per cent. have been diagnosed and, in 2015, 7.4 per cent. of those diagnosed with HCV infection had started treatment, presenting a significant opportunity in the market. The Company has been working with its distribution partners and is very encouraged by the active level of engagement and promotion in this early commercial phase, and believes that the Company will be able to generate attractive revenues from this opportunity over time.

The Company made its first commercial shipments of the Genedrive® HCV-ID Kit in March 2018 and since then the Company's distribution partner, Sysmex, has purchased approximately 50 Genedrive® units and 1,600 accompanying assays and has continued to support registrations and engage with regulatory authorities and key opinion leaders. The divestment of the Company's Services division (including the right to use the name "Epistem") earlier in 2018 has resulted in some delays to the registration process as the Company was required to change the registration name from Epistem Ltd to Genedrive Diagnostics Ltd. The Company is currently progressing registration and import licenses with the support of its distribution partners targeting approximately 30 countries by the end of the financial year ending 30 June 2019. Three registrations are expected by the end of the calendar year 2018. Generally, post completion of registration processes in a particular country it is expected that product and assay sales can commence between one month and twelve months later.

The Company applied for the Genedrive® HCV-ID test to be added to the World Health Organization (WHO) list of prequalified In Vitro Diagnostics in August 2018 which, if successful, would result in the product being eligible for UN and other procurement tenders. The Company believes, if it is successful, it will be the first point-of-need molecular HCV test to receive this WHO endorsement, which would be expected to further drive and accelerate the commercial availability of the assay. The company has been granted an accelerated review process, and so a decision is expected in the next 6-12 months.

Finally, the Company is targeting a field launch of Genedrive® Connect, an android-based mobile app, providing wireless data management to a single Genedrive® device or a larger network installation. Phase 1 release is being targeted for selected distribution in Q4 FY2019 and in field launch in early FY2020. The Directors believe added data management flexibility and results transmission could help drive wider adoption.

The Company is pursuing a number of other initiatives to drive further longer-term commercialisation opportunities for the HCV assay including seeking additional distribution partners in territories including South America as well as engaging with pharmaceutical companies to support the availability of Direct Acting Antivirals for HCV treatment.

Antibiotic-Induced Hearing Loss (“AIHL”)

In June 2018 the Company announced the receipt of a multi-partner grant award from the UK National Institute for Health Research’s Invention for Innovation programme with a total value of approximately £900,000, of which £550,000 was received by the Company. The grant was for the development and implementation of a point-of-care pharmacogenetic test designed to identify a genetic predisposition which can cause antibiotic-related hearing loss in infants.

Due to this identified genetic predisposition, certain individuals can develop irreversible hearing loss when exposed to gentamicin, a widely used antibiotic to treat several types of bacterial infections. In the UK, approximately 90,000 babies per year are admitted to intensive care units (“ICU”). Antibiotic treatment should start within the first hour after admission to an ICU, but current lab-based genetic tests are not able to return actionable results within that timeframe leading to gentamicin being prescribed in the absence of any genetic information. A Genedrive® test is targeted to allow test results to be available within an hour, allowing alternative antibiotics to be prescribed for infants where the genetic predisposition is identified and therefore avoiding the potential life changing adverse reaction to gentamicin.

A prototype proof of principle non-invasive assay has already been established and verification of the test and assay is planned to be complete by June 2019 with prospective studies to commence in hospitals in Manchester and Liverpool, around the same time or ahead of planned CE certification in Q1 of calendar year 2020. Commercialisation is expected to commence during calendar year 2020.

The Directors estimate that the size of the UK market is around £3.5 million per annum. With the cost of bilateral cochlear implants exceeding £50,000 per individual, the Company believes that its AIHL test will provide health economic benefits to the NHS. The Directors are considering both a distributor led commercialisation model as well as direct sales via a niche sales force. At the appropriate time the Company would look to find ways to extend the potential for sales of the Genedrive® instrument and this assay outside the UK. The Directors estimate that the size of the Western market (i.e. non LMIC) is approximately £35 million per annum.

Tuberculosis (“mTB”)

In February 2018, the Company announced it had been awarded £1.1 million in grant funding by Innovate UK for product development of its Genedrive® mTB/RIF test. The test is designed to diagnose patients with mTB as well as to provide clinicians with information on their drug resistance status. The grant is part funding the development of an automated high-sensitivity bacterial sample preparation module for the Genedrive® instrument, which would replace the manual process that manifested storage and performance issues ahead of withdrawing the previous test from the Indian market in 2017.

The Directors continue to believe that the mTB market is an attractive one for the Company to seek to penetrate, with the WHO estimating over 10 million new cases each year (based on 6.2 million reported or diagnosed cases), 1.6 million deaths per annum from the disease and 600,000 new cases per annum being drug resistant. The Directors estimate over eight million tests per year are needed to bridge the gap between incidence and effective treatment with a drug resistance test. The testing market is well defined and the Company has the potential to move diagnosis closer to the real point of care, which could be transformative for the market. The Directors are targeting commercial revenues using existing distributors

in the financial year ending 30 June 2021 with investment to be targeted on sample preparation and manufacturing costs reduction.

US Department of Defense (“US DoD”)

The Company is pleased to announce that it has received from the US DoD a new order of \$0.9 million for 74 Genedrive® instruments and associated assays. Subject to manufacturing and shipping, this order is expected to be recognised as revenue in the first half of the current financial year. This constitutes the first order placed by the US DoD since the end of the \$6.7 million development contract which has resulted in the sale of around 185 Genedrive® units since 2014. The Company continues to have limited visibility of future potential demand from the US DoD but this latest order, whilst not incremental to the Board’s view for the sales outlook for the current financial year as a whole, follows on from the final testing order of \$0.4 million received in the six months to 31 December 2017. The Company is encouraged by this recent order and believes there is potential for further engagement with the US DoD in 2019.

4. CURRENT TRADING

Since publication of the trading update on 13 July 2018, the Company has continued to trade in line with the Board’s expectations. Revenues for the remainder of the current financial year will comprise the US DoD order detailed above, approximately £1.5 million of grant funding and revenue from further HCV sales.

The US DoD order and HCV sales further the Company’s transition to a commercial stage enterprise as the revenue mix shifts from predominantly development income to unit and assay sales while also attracting grant income. As of 30 June 2018, genedrive had generated a total of £8.4 million of revenues from its Genedrive® diagnostics platform.

Unaudited cash balances at 30 September 2018 were £2.0 million compared to £3.5 million as at 30 June 2018 and based on its current financial plans (and excluding the Fundraising) the Directors estimate that the Company has cash resources through to Q1/Q2 calendar year 2019.

5. FINAL RESULTS AND REPORT AND ACCOUNTS TO 30 JUNE 2018

On 16 November 2018, the Company announced its unaudited preliminary results for the year ended 30 June 2018.

The Company expects to publish its report and accounts for the year ended 30 June 2018 shortly, which will include an unqualified audit opinion with a matter of emphasis on going concern. Subject to the report and accounts being published on a going concern basis (which the Placing and Loan Note Proceeds is expected to achieve), the Company expects to be able to claim a R&D tax credit worth approximately £980,000 which has not been included in the Directors’ estimate as to the Company’s current cash runway detailed in the above paragraph.

6. FUTURE NEWS FLOW

In addition to the above update, the Company expects to announce expansion of its distributor network beyond that of EMEA, Asia and India in the next 6 months along with registrations achieved for its HCV assay, commercial traction and sales of HCV.

Working to the WHO guidelines for pre-qualification, the Company would expect to announce successful pre-qualification status within 6-12 months.

Within the next 6-12 months the Company also expects to be able to publish the results of two ‘intended setting’ studies in Georgia and Cameroon. Both studies are sponsored by FIND and are expected to provide validation of the Genedrive® HCV-ID Kit assay in small clinic settings.

The Company’s three to four year objective is to have all three assays on market with material revenues, significant market potential and a fully established commercial footprint. Successful execution of this plan is expected to increase shareholder value and evidence the strategic value of the Company’s diagnostic technologies more broadly.

7. DETAILS OF THE PLACING AND BROKER OPTION

Structure

The Directors gave careful consideration as to the structure of the Fundraising and concluded that the Placing and Broker Option was the most suitable option available to the Company and its Shareholders at this time.

The Directors considered that the accelerated bookbuilding process enabled the Placing to be carried out quickly and at the most suitable price for the Company. The Placing was made available to certain eligible existing institutional shareholders and certain new institutional investors. BGF has applied to subscribe for 4,347,826 Placing Shares (conditional upon, amongst other things, the BGF Subscription Agreement not being terminated for any reason).

Certain of the Directors namely David Budd, Matthew Fowler, Ian Gilham, Tom Lindsay and Chris Yates have applied to subscribe for, in aggregate, Placing Shares with an aggregate value of £100,000 in the Placing. This equates to 434,782 Placing Shares.

The Company has also granted to Peel Hunt and Stanford Capital the Broker Option to raise up to a further £500,000 through the issue of up to 2,173,193 Broker Option Shares at the Placing Price in order to allow existing and other investors to participate in the Fundraising.

The Broker Option may be exercised by Peel Hunt and Stanford Capital between 8.00 a.m. on 16 November 2018 and 16.30 p.m. on 6 December 2018 and, if exercised in full, shall require the Company to issue up to 2,173,193 Broker Option Shares. The exercise of the Broker Option shall be at the discretion of Peel Hunt and Stanford Capital (with the agreement of the Company) and Peel Hunt and Stanford Capital are under no obligation to exercise the Broker Option.

The New Ordinary Shares are not being made available to the public and none of the New Ordinary Shares are being offered or sold in any jurisdiction where it would be unlawful to do so.

The allotment and issue of the Placing Shares (and Broker Option Shares) is conditional on, amongst other things, the approval by Shareholders of the Resolutions required for the Directors to allot the New Ordinary Shares and for statutory pre-emption rights to be disapplied in respect of such allotments. The Resolutions contain the relevant approvals required for the Fundraising. The Resolutions also contain the relevant authorities required for the Directors to allot Ordinary Shares on conversion of the Loan Notes and the adjusted number of Ordinary Shares to be issued in respect of the GHIF Convertible Bond and for the statutory pre-emption rights to be disapplied in respect of such allotments. The Directors authority to allot shares to the shareholder of VGL has also been updated to reflect the Visible Genomics SPA as proposed to be amended by the Fifth Deed of Amendment.

Reasons for the Fundraising and Use of Proceeds

The Placing and Loan Note proceeds alongside the Company's existing cash and expected R&D tax claim are intended to:

- (i) support the working capital needs of the Company in relation to the launch of the Genedrive® HCV-ID Kit and support projects to help enhance the gross margin of the assay;
- (ii) fund the Company's development programmes relating to AIHL and mTB assays, as well as enhance the Genedrive® system in terms of data and data sharing and connectivity; and
- (iii) fund the £300,000 cash payment to the previous shareholder of VGL as part of an existing deferred consideration liability as varied by the Fifth Deed of Amendment.

Any monies raised via the Broker Option are expected to be allocated to items (i) and (ii) above.

Principal Terms of the Placing

Peel Hunt and Stanford Capital, as agents for the Company, have severally agreed to use their respective reasonable endeavours to procure Places by way of an accelerated Bookbuild process on the terms of the Placing Agreement. Places applied to subscribe for the New Ordinary Shares on the basis of the Terms and Conditions of the Placing set out in the Appendix to the Announcement. The Placing and Broker Option is not being underwritten.

The issue of the Placing Shares is intended to raise £3.5 million (before expenses). If the Broker Option is exercised in full, the Company would raise a further £0.5 million by the issue of the Broker Option Shares. It is expected that the proceeds of the Placing, and any Broker Option Shares subscribed for, will be received by the Company by 12 December 2018.

Under the Placing Agreement, the Company has agreed to pay to Peel Hunt and Stanford Capital commission based on the aggregate value of the New Ordinary Shares placed at the Placing Price and the costs and expenses incurred in relation to the Placing together with any applicable VAT.

No commissions will be paid to Places or by Places in respect of any New Ordinary Shares.

Application for Admission

Application will be made to the London Stock Exchange for the New Ordinary Shares (including the Broker Option Shares (if any)) to be admitted to trading on AIM. Subject to, amongst other things, Shareholder approval of the Resolutions at the General Meeting, Admission is expected to take place, and dealings on AIM are expected to commence, at 8.00 a.m. on 10 December 2018 (or such later time and/or date as may be agreed between the Company, Peel Hunt and Stanford Capital, being no later than 5.00 p.m. on 31 December 2018). No temporary documents of title will be issued.

Conditionality

The Placing is conditional upon the Placing Agreement becoming unconditional and not having been terminated in accordance with its terms. The Placing Agreement is conditional, amongst other things, upon the following:

- the passing, without amendment, of the Resolutions at the General Meeting;
- none of the warranties contained in the Placing Agreement, in the opinion of the Joint Bookrunners (acting jointly and in good faith), being untrue or inaccurate or misleading at the date of the Placing Agreement or becoming untrue or inaccurate or misleading at any time between such date and Admission by reference to the facts and circumstances from time to time subsisting;
- the Company having complied with all of its obligations under the Placing Agreement which fall to be performed or satisfied on or prior to Admission;
- the BGF Subscription Agreement: (a) having been duly executed by all the parties thereto, and not having been terminated or rescinded prior to Admission; and (b) becoming unconditional in all respects and having been completed in escrow (subject to the sole condition to release from escrow being any condition equivalent to Admission occurring as described below);
- each of the Fifth Deed of Amendment relating to the Visible Genomics SPA and the Second Amendment and Restatement Agreement relating to the GHIF Bond: (a) having been duly executed by all the parties thereto, and not having been terminated or rescinded prior to Admission; and (b) becoming unconditional in all respects (save for any condition equivalent to Admission occurring as described below, or which otherwise will be satisfied on Admission); and
- Admission occurring by no later than 8.00 a.m. on 10 December 2018 (or such later time and/or date as may be agreed between the Company and Peel Hunt and Stanford Capital, being no later than 8.00 a.m. on 31 December 2018).

If the conditions set out above are not satisfied or waived (where capable of waiver), the Fundraising will lapse and the New Ordinary Shares will not be allotted and issued and no monies will be received by the Company from investors in respect of the New Ordinary Shares. In addition the BGF Subscription Agreement will not become unconditional and the Loan Notes will not be issued.

Effect of the Placing

The New Ordinary Shares will, following Admission, rank *pari passu* in all respects with the Existing Ordinary Shares in issue at the date of this document and will carry the right to receive all dividends and distributions declared, made or paid on or in respect of the Ordinary Shares after Admission.

The issue of the Placing Shares, upon completion of the Placing pursuant to the terms of the Placing Agreement, will represent approximately 44.8 per cent. of the Enlarged Share Capital, assuming no take-up of the Broker Option.

8. EIS/VCT

The following information is based upon the laws and practice currently in force in the UK and may not apply to persons who do not hold Ordinary Shares as investments.

The Company has recently received assurance from HMRC that the Ordinary Shares in the Company represent a qualifying investment for a VCT and are capable of qualifying for EIS tax reliefs. Accordingly, the New Ordinary Shares will rank as “eligible shares” and will be capable of being a “qualifying holding” for the purposes of investment by VCTs and that the Company can issue EIS 3 “compliance certificates” for the purposes of EIS.

Shareholders and investors who are in any doubt as to their tax position or who are subject to tax in jurisdictions other than the UK are strongly advised to consult their own independent financial adviser immediately.

The information below is intended only as a general guide to the current tax position under UK taxation law and is not intended to be exhaustive. Shareholders and investors who are in any doubt as to their tax position or who are subject to a tax jurisdiction, other than the UK, are strongly advised to consult their professional advisers. The Company is a knowledge intensive company and knowledge intensive companies can raise up to £10 million under the combined VCT, EIS, SEIS, social investment tax relief or any other state aid risk capital investment in any 12 month period.

EIS

The Company intends to operate so that it qualifies for the taxation advantages offered under EIS. The main advantages are as follows:

- Individuals can claim a tax credit reduction of 30 per cent. of the amount invested in the Company against their UK income tax liability, provided they have a sufficient tax liability to reclaim this amount, thus reducing the effective cost of their investment to 70 pence for each £1 invested. However, there is an EIS subscription limit of £1 million in each tax year, or £2 million in each tax year providing at least £1 million is invested into shares in a company which qualifies as a knowledge intensive company, and, to retain the relief, the EIS Shares must be held for at least three years.
- UK investors (individuals or certain trustees) may defer a chargeable gain by investing the amount of the gain in the Company. There is no limit to the level of investment for this purpose and, therefore, to the amount of gain which may be deferred in this way. Note that the deferred gain will come back into charge when the EIS Shares are disposed of or if the Company ceases to qualify as an EIS company within the three year qualifying period.
- There is no tax on capital gains made upon disposal after the three year period (the “Qualifying Period”) of shares in an EIS qualifying company on which income tax relief has been given and not withdrawn.
- If a loss is made on disposal of the EIS Shares at any time, the amount of the loss (after allowing for any income tax relief initially obtained) can be set off against either the individual’s gains for the tax year in which the disposal occurs, or, if not so used, against capital gains of a subsequent tax year, or against the individual’s net income of the tax year of the disposal or of the previous tax year.
- Provided a Shareholder has owned EIS Shares for at least two years and certain conditions are met at the time of transfer, up to 100 per cent. business property relief will be available, which reduces the inheritance tax liability on the transfer of EIS Shares to nil.
- The amount of relief an investor may gain from an EIS investment in the Company will depend on the investor’s individual circumstances.

Qualifying Period

In order to retain the EIS reliefs, an investor must hold their shares for at least three years. A sale or other disposal (other than an inter-spousal gift or a transfer on death) will result in any income tax relief that has been claimed being clawed back by HMRC. Additionally, any capital gains deferred will come back into charge and the capital gains tax exemption will be lost. It is the investor’s responsibility to disclose a disposal to HMRC.

An individual can only be eligible for EIS relief on the purchase of shares if all shares held by that investor are either risk-based shares (that is, shares for which an EIS 3 compliance statement has been or will be issued) or the original subscriber shares which the investor has continued to hold.

Additionally, if the Company ceases to meet certain qualifying conditions within three years from the date of the share issue, the tax reliefs will be lost. This will be shown as the “Termination Date” on the EIS3 certificate which the Company will issue to investors following formal approval of the share issue by HMRC.

Advance Assurance of EIS Status

In order for investors to claim EIS reliefs relating to their shares in the Company, the Company has to meet a number of rules regarding the kind of company it is, the amount of money it can raise, how and when that money must be employed for the purposes of the trade, and the trading activities carried on. The Company must satisfy HMRC that it meets these requirements and is therefore a qualifying company. Although the Company currently expects to satisfy the relevant conditions for EIS investment, neither the

Directors nor the Company gives any warranty or undertaking that relief will be available in respect of any investment in the EIS Shares.

VCT

The status of the New Ordinary Shares as a qualifying holding for VCTs will be conditional, *inter alia*, upon the Company continuing to satisfy the relevant requirements.

Although the Company currently expects to satisfy the relevant conditions for VCT investment, neither the Directors nor the Company gives any warranty or undertaking that an investment in New Ordinary Shares by a VCT will be a qualifying holding.

As the rules governing EIS and VCT reliefs are complex and interrelated with other legislation, if Shareholders and investors are in any doubt as to their tax position, require more detailed information than the general outline above, or are subject to tax in a jurisdiction other than the United Kingdom, they should consult their professional adviser.

9. THE PLACING AGREEMENT

Pursuant to the terms of the Placing Agreement, Peel Hunt and Stanford Capital, as agents for the Company, have agreed to use their respective reasonable endeavours to procure Placees to take up the Placing Shares on the terms and subject to the conditions set out therein, at the Placing Price. The Placing Agreement is conditional upon, amongst other things, the conditions set out above.

The Placing Agreement contains customary warranties given by the Company in favour of Peel Hunt and Stanford Capital in relation to, amongst other things, the accuracy of the information in this document and other matters relating to the Group and its business. In addition, the Company has agreed to indemnify Peel Hunt (and its affiliates) and Stanford Capital in relation to certain liabilities which they may incur in respect of the Placing.

Peel Hunt and Stanford Capital each have the right to terminate their obligations under the Placing Agreement in certain circumstances prior to Admission. In particular, in the event of breach of the warranties or a material adverse change or if the Placing Agreement does not become unconditional where both Peel Hunt and Stanford Capital terminate their obligations under the Placing Agreement, the Placing Agreement will cease and terminate.

10. RELATED PARTY TRANSACTION AND DIRECTORS' INTERESTS

The Company was notified on 16 November 2018, that the following Directors of the Company have agreed to subscribe for Placing Shares pursuant to the terms of the Placing. Following Admission (assuming no take up under the Broker Option) the beneficial interests of such Directors will be as follows:

| Shareholder | Number of Placing Shares subscribed for | Amount payable for the Placing Shares | Number of Ordinary Shares held after Admission |
|----------------|---|---------------------------------------|--|
| Dr Ian Gilham | 152,174 | £35,000 | 266,424 |
| David Budd | 114,130 | £26,250 | 145,380 |
| Matthew Fowler | 86,957 | £20,000 | 86,957 |
| Tom Lindsay | 65,217 | £15,000 | 65,217 |
| Chris Yates | 16,304 | £3,750 | 16,304 |

The Independent Directors, being Dr Robert Nolan and Dr Roger Lloyd, consider, having consulted with the Company's Nominated Adviser, Peel Hunt, that the terms on which the Placing Shares will be issued to Dr Ian Gilham, David Budd, Matthew Fowler, Tom Lindsay and Chris Yates are fair and reasonable insofar as the shareholders of the Company are concerned.

The following substantial shareholders as defined in the AIM Rules for Companies, in that they currently have an interest in more than 10 per cent. of the Company's current issued share capital, have agreed to subscribe for Placing Shares. Following Admission, the interests of such substantial shareholders will be as follows:

| Shareholder | Number of Placing Shares subscribed for | Amount payable for the Placing Shares | Number of Ordinary Shares held after Admission |
|-----------------------------------|---|---------------------------------------|--|
| M&G Investment Management Limited | 2,629,653 | £604,820 | 5,178,143 |
| Calculus Capital | 3,260,869 | £750,000 | 6,588,032 |

The Directors consider, having consulted with the Company's Nominated Adviser, Peel Hunt, that the Placing participations of M&G Investment Management Limited and Calculus Capital in the Placing, are fair and reasonable insofar as the shareholders of the Company are concerned.

11. GENERAL MEETING

The Directors do not currently have authority to allot all of the New Ordinary Shares and, accordingly, the Board is seeking approval of Shareholders, at the General Meeting, to allot the New Ordinary Shares and the Ordinary Shares to be issued on conversion of the Loan Notes, the GHIF Bond and the VGL Consideration Shares.

The General Meeting of the Company, notice of which is set out at the end of this document, is to be held at 12 noon on 7 December 2018 at The Incubator Building, 48 Grafton Street, Manchester, M13 9XX. The General Meeting is being held for the purpose of considering and, if thought fit, passing the Resolutions in order to approve, *inter alia*, the authorities required to allot and issue the New Ordinary Shares.

A summary and explanation of the Resolutions is set out below. Please note that this is not the full text of the Resolutions and you should read this section in conjunction with the Resolutions contained in the Notice of General Meeting in Part II of this document.

Resolution 1: Authority to allot New Ordinary Shares (to be passed as an ordinary resolution)

Conditional on the passing of Resolution 2, Resolution 3 and Resolution 4, this ordinary resolution will grant the Directors authority to allot up to 17,391,304 New Ordinary Shares for the purposes of the Placing and the Broker Option. The authority given by this Resolution will expire 90 days after the date of the passing of the Resolution. This authority will be in addition to the authorities given to the Directors at the annual general meeting of the Company which took place on 29 November 2017.

Resolution 2: Disapplication of pre-emption rights in respect of the Placing and Broker Option (to be passed as a special resolution)

Conditional on the passing of Resolution 1, Resolution 3 and Resolution 4, this special resolution disapplies statutory pre-emption rights in respect of the allotment up to 17,391,304 New Ordinary Shares to be allotted pursuant to Resolution 1 in connection with the Placing and Broker Option. The authority given by this Resolution will expire 90 days after the date of the passing of the Resolution. This authority will be in addition to the authorities given to the Directors at the annual general meeting of the Company which took place on 29 November 2017.

Resolution 3: Authority to allot shares in relation to BGF, GHIF and Visible Genomics SPA (to be passed as an ordinary resolution)

Conditional on the passing of Resolution 1, Resolution 2 and Resolution 4, this ordinary resolution will grant the Directors authority to allot

- (a) up to 8,695,652 Ordinary Shares on conversion of the Loan Notes
- (b) up to 7,100,000 Ordinary Shares on conversion of the GHIF Bond and
- (c) 1,369,565 Ordinary Shares to the seller of Visible Genomics to reflect the amended terms of the Visible Genomics SPA.

This authority will be in addition to the authorities given to the Directors at the annual general meeting of the Company which took place on 29 November 2017.

Resolution 4: Disapplication of pre-emption rights in relation to BGF and GHIF (to be passed as a special resolution)

Conditional on the passing of Resolution 1, Resolution 2 and Resolution 3, this special resolution disapplies statutory pre-emption rights in respect of the allotment of Ordinary Shares for cash up to 15,795,652 Ordinary Shares which represents the maximum number of Ordinary Shares which may be issued in connection with conversion of the Loan Notes and the GHIF Bond.

This authority will be in addition to the authorities given to the Directors at the annual general meeting of the Company which took place on 29 November 2017.

12. WORKING CAPITAL AND IMPORTANCE OF VOTE

Shareholders should be aware that, if the Resolutions are not approved at the General Meeting, the net proceeds of the Fundraising will not be received by the Company. If this were to happen, the Company would

only have sufficient working capital to trade through to Q1/Q2 calendar 2019 without taking any mitigating action and therefore the Board would need to seek alternative financing which may or may not be forthcoming. The Directors consider that such a scenario would not be in the best interests of the Company or its Shareholders and that any alternative financing, if available, could be on less favourable terms and could risk leading to substantial dilution for Shareholders. Accordingly, the Directors unanimously recommend that Shareholders vote in favour of the Resolutions.

13. ACTION TO BE TAKEN

Enclosed with this document is a Form of Proxy for use at the General Meeting. **Whether or not you intend to be present at the General Meeting, you are requested to complete, sign and return the Form of Proxy to the Company's Registrars, Neville Registrars Limited, Neville House, Steelpark Road, Halesowen, B62 8HD so as to be received as soon as possible and, in any event, not later than 12 noon on 5 December 2018.**

If you complete and return the Form of Proxy, you may still attend and vote at the General Meeting should you wish to do so. Shareholders who hold their Ordinary Shares through a nominee should instruct their nominees to submit a Form of Proxy on their behalf.

14. RECOMMENDATIONS

The Directors consider that the Fundraising and the passing of the Resolutions are in the best interests of the Company and its Shareholders as a whole. Accordingly, the Directors unanimously recommend that Shareholders vote in favour of all of the Resolutions, as they intend to do in respect of their beneficial holdings of an aggregate of 163,065 Existing Ordinary Shares, representing approximately 0.87 per cent. of the Existing Ordinary Shares.

The Fundraising is conditional, *inter alia*, upon the passing of the Resolutions at the General Meeting. Shareholders should be aware that if the Resolutions are not passed at the General Meeting, the Fundraising will not proceed.

Yours faithfully

Ian Gilham
Non-Executive Chairman

PART II

NOTICE OF GENERAL MEETING



genedrive plc

(Incorporated and registered in England and Wales with registered no. 06108621)

Notice is hereby given that a General Meeting of genedrive plc (the “Company”) will be held at 12 noon on 7 December 2018 at The Incubator Building, 48 Grafton Street, Manchester, M13 9XX for the purposes of considering and, if thought fit, passing the following resolutions, of which Resolutions 1 and 3 will be proposed as ordinary resolutions and Resolutions 2 and 4 will be proposed as special resolutions.

RESOLUTION 1

1. That subject to and conditional upon the passing of Resolutions 2, 3 and 4, the directors of the Company be and they are hereby generally and unconditionally authorised for the purposes of section 551 of the Companies Act 2006 (the “2006 Act”), in addition to all existing authorities to the extent unused, to exercise all powers of the Company to allot ordinary shares in the Company and to grant rights to subscribe for or convert any security into shares in the Company up to an aggregate nominal amount of £260,869.575 in respect of up to 17,391,304 ordinary shares on, and subject to, such terms as the directors may determine, but so that this authority is limited to the allotment of ordinary shares pursuant to the Placing and the Broker Option (as defined in the document containing the notice convening this meeting). This authority, unless renewed, extended, varied or revoked by the Company in a general meeting, shall expire 90 days after the date of the passing of this resolution, save that the Company may, before such expiry, make offers or agreements which would or might require shares to be allotted in the Company after such expiry and the directors may allot shares in the Company in pursuance of any such offer or agreement notwithstanding the expiry of the authority given by this resolution.

RESOLUTION 2

2. That, subject to and conditional upon the passing of Resolutions 1, 3 and 4, the directors of the Company be and they are hereby empowered pursuant to section 570(1) of the 2006 Act, in addition to all existing unexercised powers of the Directors under section 570 of the 2006 Act, to allot equity securities (as defined in section 560(1) of the 2006 Act) of the Company for cash pursuant to the authority conferred by resolution 1 above as if section 561(1) of the 2006 Act did not apply to any such allotment. This power, unless renewed, extended, varied or revoked by the Company in general meeting, shall expire 90 days after the date of the passing of this resolution, save that the Company may, before such expiry, make offers or agreements which would or might require equity securities to be allotted in the Company after such expiry and the directors may allot such securities in pursuance of any such offer or agreement as if the authority conferred hereby had not expired.

RESOLUTION 3

3. That, subject to and conditional upon the passing of Resolutions 1, 2 and 4, the directors of the Company be and they are hereby generally and unconditionally authorised for the purposes of section 551 of the 2006 Act, in addition to all existing authorities to the extent unused, to exercise all powers of the Company to allot ordinary shares in the Company and to grant rights to subscribe for or convert any security into shares in the Company up to an aggregate nominal amount of £257,478.255 in respect of up to 17,165,217 ordinary shares on, and subject to, such terms as the directors may determine, but so that this authority is limited to (i) the allotment of up to 7,100,000 ordinary shares in connection with the US\$8 million convertible bond entered into between Global Health Investment Fund and the Company pursuant to the GHIF Bond and Collaboration Agreement (as amended) (“GHIF Bond”); (ii) the allotment of up to 8,695,652 ordinary shares in connection with the £2.5 million convertible loan notes to be issued to Business Growth Fund in accordance with the Loan Note Instrument (“Loan Notes”); and (iii) the allotment of up to 1,369,565 ordinary shares in connection with the amendment of the terms of the agreement with the shareholder of Visible Genomics Limited for the sale and purchase of the shares in Visible

Genomics Limited (as amended) (“**Visible Genomics SPA**”) (all as defined, and more fully described, in the document containing the notice convening this meeting). This authority, unless renewed, extended, varied or revoked by the Company in a general meeting, shall expire 5 years after the date of the passing of this resolution, save that the Company may, before such expiry, make offers or agreements which would or might require shares to be allotted in the Company after such expiry and the directors may allot shares in the Company in pursuance of any such offer or agreement notwithstanding the expiry of the authority given by this resolution.

RESOLUTION 4

4. That, subject to the passing of Resolutions 1, 2 and 3 above, the directors of the Company be and they are hereby empowered pursuant to section 570(1) of the 2006 Act, in addition to all existing unexercised powers of the Directors under section 570 of the 2006 Act, to allot equity securities (as defined in section 560(1) of the 2006 Act) of the Company for cash up to an aggregate nominal amount of £236,934.78 pursuant to the authority conferred by resolution 3 above as if section 561(1) of the 2006 Act did not apply to any such allotment in connection with: (i) GHIF Bond; and (ii) BGF Loan Notes. This power, unless renewed, extended, varied or revoked by the Company in general meeting, shall expire 5 years after the date of the passing of this resolution, save that the Company may, before such expiry, make offers or agreements which would or might require equity securities to be allotted in the Company after such expiry and the directors may allot such securities in pursuance of any such offer or agreement as if the authority conferred hereby had not expired.

By Order of the Board

Matthew Fowler
Company Secretary

19 November 2018

Registered Office
48 Grafton Street
Manchester
M13 9XX

NOTES TO THE NOTICE OF GENERAL MEETING

1. A member entitled to attend and vote at the General Meeting is also entitled to appoint one or more proxies of their own choice to exercise all or any of their rights to attend, speak and vote on their behalf at the General Meeting. A member can only appoint a proxy using the procedures set out in these notes and the notes to the accompanying form of proxy.
2. A member may appoint more than one proxy in relation to the General Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that member. A member may not appoint more than one proxy to exercise rights attached to any one share. The proxy need not be a member of the Company, but must attend the General Meeting to represent the member. Please refer to the notes to the form of proxy for further information on appointing a proxy, including how to appoint multiple proxies.
3. In the absence of instructions, the person appointed as proxy may vote or abstain from voting as he/she thinks fit on the specified Resolutions and, unless otherwise instructed, may also vote or abstain from voting on any other matter (including amendments to the Resolutions) which may properly come before the General Meeting.
4. In the case of joint holders of a share, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority is determined by the order in which the names of the holders stand in the Company's register of members in respect of the joint holding.
5. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member, provided that each representative is appointed to exercise the rights attached to a different share or shares held by the member.
6. Pursuant to regulation 41 of the CREST Regulations, the Company specifies that only those members registered on the Register of Members at 6pm on 5 December 2018 (the "Specified Time") (or if the General Meeting is adjourned to a time more than 48 hours after the Specified Time, taking no account of any part of a day that is not a working day, by close of business on the day which is two working days prior to the time of the adjourned General Meeting) shall be entitled to attend and vote thereat in respect of the number of shares registered in their name at that time. If the General Meeting is adjourned to a time not more than 48 hours after the Specified Time (taking no account of any part of a day that is not a working day), that time will also apply for the purposes of determining the entitlement of members to attend and vote (and for the purposes of determining the number of votes they may cast) at the adjourned General Meeting. Changes to the Register of Members of the Company after the relevant deadline shall be disregarded in determining rights to attend and vote.

Appointment of proxy using hard copy proxy form

7. Members may appoint a proxy or proxies by completing and returning a form of proxy by post to the offices of the Company's registrars in an envelope addressed to the Company's Registrars, Neville Registrars Limited, Neville House, Steelpark Road, Halesowen, B62 8HD or by delivering a form of proxy by hand at the offices of the Company's Registrars, Neville Registrars Limited, Neville House, Steelpark Road, Halesowen, B62 8HD during normal business hours. In the case of a member which is a corporation, the proxy form must be executed under its common seal or signed on its behalf by a duly authorised officer or an attorney. Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power of authority) must be included with the proxy form. Any such power of attorney or other authority cannot be submitted electronically.
8. To be effective, the appointment of a proxy, or the amendment to the instructions given for a previously appointed proxy, must be received by the Company's registrars by the method outlined in note 7 above no later than 12 noon on 5 December 2018. 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.

Appointment of proxy using CREST electronic proxy appointment service

9. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the General Meeting and any adjournment(s) of it by using the procedures described in the CREST Manual (available from <https://www.euroclear.com/site/public/EUI>). 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.
10. In order for a proxy appointment made by means of CREST 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 must be transmitted so as to be received by the issuer's agent Neville Registrars Limited (ID: 7RA11) by the latest time(s) for receipt of proxy appointments specified in this notice of General 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.

11. 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 messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
12. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in regulation 35(5)(a) of the CREST Regulations.

Termination of proxy appointments

13. Completion and return of the form of proxy will not preclude a member from attending and voting in person at the General Meeting.
14. In order to terminate the authority of a proxy, or a corporate representative of a corporation, you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke such appointment to the Company's registrars. To be effective, the notice of termination must be received by the Company's registrars by the method outlined in note 7 above no later than 12 noon on 5 December 2018.

Voting Rights

15. As at 15 November 2018, being the latest practicable date prior to the printing of this Notice, the Company's issued capital consisted of 18,783,115 Ordinary Shares carrying one vote each. Therefore, the total voting rights in the Company as at 15 November 2018 are 18,783,115.
16. Resolutions 1 and 3 are proposed as Ordinary Resolutions. This means that for the Resolutions to be passed more than half of the votes cast on such Resolutions must be in favour of such Resolutions. Resolutions 3 and 4 are proposed as Special Resolutions. This means that for such Resolutions to be passed, at least three-quarters of the votes cast on such Resolutions must be in favour of such Resolutions.

Communications

17. This Notice, together with information about the total numbers of shares in the Company in respect of which members are entitled to exercise voting rights at the General Meeting as at 15 November 2018, being the latest practicable date prior to the printing of this Notice, will be available on the Company's website at www.genedriveplc.com.

