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If you have sold or otherwise transferred all of your Ordinary Shares in the Company, please forward this document and the accompanying form of proxy and form of direction to the purchaser or transferee or to the stakeholder, bank or other agent through whom the sale or transfer was effected, for the transmission to the purchaser or transferee.

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# NEKTAN PLC (the “Company”)

## NOTICE OF EXTRAORDINARY GENERAL MEETING

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**NOTICE IS HEREBY GIVEN THAT** an extraordinary general meeting of the Company will be convened at the offices of K&L Gates LLP, One New Change, London EC4M 9AF and by telephone using telephone number 0800 496 2121 for callers in the UK and +44(0)20 79 041856 for callers from outside the UK and passcode 4308164 on 29 March at 11.00 am (UK time) to consider and, if deemed fit, to approve the following resolutions (the “**Resolutions**”), Resolution 1 being an ordinary resolution and Resolution 2 being a special resolution:

## ORDINARY RESOLUTION

1. That, in accordance with the Company's articles of association (the "**Articles**"), the directors be generally and unconditionally authorised to allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company:
  - (a) up to an aggregate nominal amount of £42,811.89 in connection with the grant or exercise of certain options over the share capital of the Company (the "**Options**");
  - (b) up to an aggregate nominal amount of £6,250.00 in connection with the issue of ordinary shares of £0.01 each (the "**Ordinary Shares**") by the Company to its suppliers as payment of invoices rendered (the "**Supplier Shares**");
  - (c) up to an aggregate nominal amount of £3,580.25 in connection with the issue of Ordinary Shares which are eligible for relief pursuant to the Enterprise Investment Scheme (the "**EIS Subscription**");
  - (d) up to an aggregate nominal amount of £26,433.09 in connection with the grant or exercise of certain warrants over the share capital of the Company (the "**Warrants**");
  - (e) up to an aggregate nominal amount of £109,629.63 in connection with and on the terms set out in the convertible loan notes issued pursuant to the Series A Fixed Rate Secured Convertible Loan Note 2020 Instrument dated 28 April 2015 and the Series B Fixed Rate Secured Convertible Loan Note Instrument dated 28 April 2015;
  - (f) otherwise than in connection with the matter set out in sub-paragraphs (a) to (e) above, up to an aggregate nominal amount of £80,341.96; and
  - (g) otherwise than in connection with the matters set out in sub-paragraphs (a) to (e) above, up to an aggregate nominal value of £160,683.92 (after deducting from such limit any relevant securities allotted under paragraph (e) above) in connection with any offer by way of a rights issue.

Unless previously renewed, revoked or varied, the authority conferred by this Resolution 1 shall apply in substitution for all existing authorities until the conclusion of the next annual general meeting of the Company after the date on which this Resolution is passed or, if earlier, the close of business on the date 15 months following the passing of this Resolution but, in each case, so that the Company may make offers and enter into agreements before the authority expires which would, or might, require shares to be allotted or rights to be granted after the authority expires and the directors may allot shares or grant such rights under such an offer or agreement as if the authority conferred hereby had not expired.

For the purposes of this Resolution 1, "**rights issue**" means an offer to:

- i. ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
- ii. holders of other equity securities as required by the rights of those securities or, subject to such rights, as the directors otherwise consider necessary,

to subscribe for further securities by means of the issue of a renounceable letter (or other negotiable document) which may be traded for a period before payment for the securities is due, but subject in both cases to such limits, restrictions or arrangements as the directors consider necessary or appropriate to deal with fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter.

## SPECIAL RESOLUTION

2. That, subject to the passing of Resolution 1 and in place of any existing authority, the directors be given the general power to allot equity securities for cash, pursuant to the authority conferred by Resolution 1, as if article 5 of the Company's articles of association did not apply to any such allotment, provided that this power shall be limited to:
  - (a) up to an aggregate nominal amount of £42,811.89 in connection with the grant or exercise of the Options;
  - (b) up to an aggregate nominal amount of £6,250.00 in connection with the issue of the Supplier Shares;
  - (c) up to an aggregate nominal amount of £3,580.25 in connection with the EIS Subscription;
  - (d) up to an aggregate nominal amount of £26,433.09 in connection with the grant or exercise of the Warrants;
  - (e) up to an aggregate nominal amount of £109,629.63 in connection with and on the terms set out in the convertible loan notes issued pursuant to the Series A Fixed Rate Secured Convertible Loan Note 2020 Instrument dated 28 April 2015 and the Series B Fixed Rate Secured Convertible Loan Note Instrument dated 28 April 2015;
  - (f) in connection with a rights issue pursuant to sub-paragraph (g) of Resolution 1; and
  - (g) otherwise than in connection with the matters set out in sub paragraphs (a) to (f) above, up to an aggregate nominal amount of £24,102.59.

Unless previously renewed, revoked or varied, the power conferred by this Resolution 2 shall apply in substitution for all existing powers until the conclusion of the next annual general meeting of the Company after the date on which this Resolution is passed or, if earlier, the close of business on the date 15 months following the passing of this Resolution but, in each case, so that the Company may make offers and enter into agreements before the power expires which would, or might, require equity securities to be allotted after the power expires and the directors may allot equity securities under such an offer or agreement as if the power conferred hereby had not expired.

For the purposes of this Resolution 2, "**rights issue**" has the same meaning given in Resolution 1.



**BY ORDER OF THE BOARD**

Gary Shaw, Director

Dated: 4 March 2016

## EXPLANATORY NOTES

1. Only those members registered in the register of members of the Company at 6.00 pm on 23 March 2016 shall be entitled to attend and vote at the meeting in respect of the number of shares registered in their name at that time. If the meeting is adjourned, the time by which a person must be entered in the register of members of the Company in order to have the right to attend and vote at the meeting is 6.00 pm on the day that is two days prior to the day of the adjourned meeting. Changes to the register of members after the relevant deadline will be disregarded in determining the rights of any person to attend and vote at the meeting.
2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to exercise all or any of the rights of the member to attend and to speak and vote on his behalf at the meeting. A proxy need not be a member of the Company. A proxy form which may be used to make such appointment and give proxy instructions accompanies this notice. A proxy may only be appointed using the procedures set out in these notes and the notes to the proxy form. The completion and return of a proxy form will not prevent a member who wishes to do so from attending and voting at the meeting in person.
3. A member may appoint more than one proxy in relation to the meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that member. Each proxy must be appointed on a separate proxy form. Additional proxy forms may be obtained by contacting Graham Bradshaw on [graham.bradshaw@nektan.com](mailto:graham.bradshaw@nektan.com). Alternatively, members may photocopy the accompanying proxy form the required number of times before completing it. A member appointing more than one proxy must indicate on the relevant proxy forms the number of shares in respect of which each proxy is appointed.
4. To be valid, a proxy form and any power of attorney or other authority (if any) under which it is signed (or a duly certified copy of such power or authority) must be received by post (during normal business hours only) by hand at Suite 1, Burns House, 19 Town Range, Gibraltar, not less than 24 hours before the time appointed for holding the meeting at which the person named in such instrument proposes to vote, i.e. 11.00 am (UK time) on 28 March 2016.
5. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) thereof by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members and those CREST members who have appointed a voting service provider should refer to their CREST sponsor or voting service provider who will be able to take the appropriate action on their behalf.
6. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a “**CREST Proxy Instruction**”) must be properly authenticated in accordance with Euroclear UK & Ireland Limited’s specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it relates to the appointment of a proxy, the revocation of a proxy appointment or an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the issuer’s agent (ID R033) by the latest time(s) for receipt of proxy appointments specified in this notice of meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer’s agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to a proxy appointed through CREST should be communicated to the appointee by other means.
7. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited 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, to procure that his CREST sponsor or voting service provider take) 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.
8. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
9. Any corporation which is a member may appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.
10. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company’s register of members in respect of the joint holding (the first-named being the most senior).

11. As at 3 March 2016 (being the latest practicable date prior to the publication of this notice), the Company's issued share capital consisted of 23,744,564 Ordinary Shares, carrying one vote each. The Company does not hold any Ordinary Shares in treasury. Therefore, the total number of voting rights in the Company as at 3 March 2016 is 23,744,564.
12. Resolution 1 gives the directors authority to allot Ordinary Shares up to an aggregate nominal amount of £42,811.89 in connection with options exercisable by Chrystal Capital Partners LLP and the founders and in relation to the Employee Share Scheme (as defined in the Articles). It also gives the directors authority to allot Ordinary Shares up to an aggregate nominal value of £6,250.00 to its suppliers as payment of invoices rendered. The resolution further grants authority to allot Ordinary Shares up to an aggregate nominal value of £3,580.25 in relation to the equity subscription. It also gives the directors authority to grant warrants over the share capital of the Company up to a nominal amount of £26,433.09. In addition, it gives the directors authority to allot Ordinary Shares pursuant to the Series A Fixed Rate Secured Convertible Loan Note 2020 Instrument dated 28 April 2015 and the Series B Fixed Rate Secured Convertible Loan Note Instrument dated 28 April 2015 entered into by the Company. The resolution further grants the directors authority to allot Ordinary Shares up to one third of the aggregate nominal amount of the Company's entire issued ordinary share capital as at the date of the passing of this Resolution, as well as an authority to allot Ordinary Shares up to a value equal to an additional one third of the Company's entire issued share capital by way of a rights issue. The authority will expire at the earlier of the conclusion of the next annual general meeting of the Company or 15 months from the passing of the resolution. These authorities would also negate previous authorities to allot Ordinary Shares in the Company.
13. Resolution 2 disapplies pre-emption rights contained in the Articles for the allotment of equity securities pursuant to the authority contained in Resolution 1. This authority allows the directors to allot Ordinary Shares on a non-pre-emptive basis: (i) up to an aggregate nominal amount of £42,811.89 in respect of options exercisable by Chrystal Capital Partners LLP and the founders and in relation to the Employee Share Scheme (as defined in the Articles), (ii) up to an aggregate nominal amount of £6,250.00 to its suppliers as payment of invoices rendered, (iii) up to an aggregate nominal amount of £3,580.25 in connection with the equity subscription, (iv) up to £26,433.09 in connection with the grant or exercise of the warrants, (v) pursuant to the Series A Fixed Rate Secured Convertible Loan Note 2020 Instrument dated 28 April 2015 and the Series B Fixed Rate Secured Convertible Loan Note Instrument dated 28 April 2015, (vi) up to one third of the Company's entire issued share capital by way of a rights issue and (vii) up to a nominal value equal to one tenth of the aggregate nominal amount of the Company's entire issued share capital generally. The authority will expire at the earlier of the conclusion of the next annual general meeting of the Company or 15 months from the passing of the resolution.