

Extract from the notes to the Notice of Annual General Meeting 4<sup>th</sup> May 2018 explaining the resolution to update the company's articles of association. These can also be found at the back of the 2017 annual report.

Resolution 7 - it is proposed to adopt new articles of association of the Company (the "New Articles") in order to update the Company's existing articles of association (the "Current Articles") in line with current law and practice, the Current Articles having been adopted at the time of the Company's admission to AIM in 2010.

The New Articles contain updated provisions with respect to the holding of shares in uncertificated form, including updated powers of the Board to deal with the disposal of uncertificated securities in certain circumstances e.g. any fractional entitlements to uncertificated shares arising on a capital re-organisation or the sale of the uncertificated holdings of any untraced members. Similar amendments have also been included in respect of the exercise of the Company's right of forfeiture of any uncertificated share over which the Company has a lien for unpaid monies. There are also updated provisions relating to the transfer and transmission of uncertificated securities on the death of a shareholder.

More generally, the Board will have the power under the New Articles to decide whether any meeting of shareholders should be held at two or more locations. Where that is so decided, any shareholder present in person or by proxy at a satellite meeting will be counted in the quorum and may exercise all the rights that he/she would have been able to exercise if he/she had been present at the principal meeting.

The Board and the Chairman will also have broader powers under the New Articles to ensure the security and safety of any shareholders' meeting and the Board may (should it so decide), facilitate the attendance of any member or proxy at shareholder meetings by means of an electronic facility, in which connection the Board will be entitled to determine the means or all different means of attendance and participation to be used in relation to the meeting.

Other changes include:

(a) the removal of the requirement for any resolution at a general meeting to be proposed or seconded, so that the Chairman can simply put the resolution to the vote of the meeting;

- (b) the updating of the provisions with respect to electronic proxies;
- (c) adding provisions allowing a shareholder to nominate a third party (usually the beneficial owner) to enjoy certain rights in relation to his shares, notwithstanding that such person is not the registered holder;
- (d) updating the provisions with respect to the payment of dividends, interest or other monies payable in cash in respect of shares of the Company; and 61
- (e) updating the provisions with respect to Directors' interests in transactions or arrangements with the Company to extend the list of interests which, subject to disclosure in accordance with the New Articles, are permitted by the Company, to include any interest by virtue of his holding any office or place of profit under the Company (except that of auditor) in conjunction with his office as a Director and any interest by virtue of being a director or other officer of, or employed by, or a party to any transaction or arrangement with or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested.

In addition, the opportunity is being taken to introduce some clearer language into the New Articles and to make certain consequential amendments and corrections.