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11 May 2017

Scancell Holdings plc
(“Scancell” or the “Company”)

Proposed Placing to raise up to £5.0 million

Funds raised will be used to initiate the clinical development of Modi-1, the first product from the Moditope® platform, and to continue to support the ImmunoBody® platform pipeline

Scancell Holdings plc (AIM: SCLP), the developer of novel immunotherapies for the treatment of cancer, today announces a proposed placing of new Ordinary Shares in the Company (the “Placing Shares”) with existing and new institutional and professional investors to raise up to £5.0 million, before expenses, for the Company (the “Placing”).

The net proceeds of the Placing will be used to support the Company’s clinical development pipeline of novel cancer immunotherapies, in particular to initiate clinical development of the first product from the Moditope® platform, Modi-1, and to continue to support the pipeline arising from the ImmunoBody® platform. The Placing is within the Company’s existing allotment authorities granted at its prior annual general meeting.

The Chairman of the Company is expected to participate in the Placing with the intention to acquire approximately one million Placing Shares.

Dr Richard Goodfellow, Chief Executive Officer of Scancell, commented:

“We continue to make significant progress with both our ImmunoBody® and Moditope® platforms and believe that success in further clinical studies should add significant value to the Company.

“This proposed funding will principally allow us to begin clinical development of Modi-1, the lead product from our Moditope® platform. Compelling pre-clinical data suggests that Modi-1 should be effective in up to 90% of patients with triple negative breast cancer, up to 95% of patients with ovarian cancer and up to 100% of patients with sarcoma. We expect to begin a phase I/II study in sarcomas, breast and ovarian cancers in Q3 2018 with first efficacy and safety data expected in Q3 2019.

“Additionally, we will use funds for on-going support of SCIB1, the lead product from our Immunobody® platform, as we prepare to submit an Investigational New Drug application to the FDA in Q3 2017 ahead of our planned SCIB1 plus checkpoint inhibitor Phase II trial in Stage III/IV metastatic melanoma patients.”

The Placing will be conducted by way of an accelerated bookbuilding process (the “Bookbuild”) which will be launched immediately following this announcement in accordance with the Terms and Conditions set out in Appendix II. The Placing Shares are not being made available to the public. It is envisaged that the Bookbuild will be closed no later than 4.30 p.m. London time today, 11 May 2017.

Panmure Gordon (UK) Limited (“Panmure Gordon”) is acting as Financial Adviser, Nominated Adviser and sole Bookrunner to the Company in relation to the Placing.

Further information about the Company and the Placing is set out in Appendix I. Capitalised terms not otherwise defined in the text of this Announcement are defined in Appendix III.

The Market Abuse Regulation ("MAR") became effective from 3 July 2016. Market Soundings, as defined in MAR, were taken in respect of the proposed Placing with the result that certain persons became aware of inside information, as permitted by MAR. That inside information is set out in this announcement and has been disclosed as soon as possible in accordance with paragraph 7 of article 17 of MAR. Therefore, those persons that received inside information in a Market Sounding are no longer in possession of inside information relating to the Company and its securities. The person responsible for arranging the release of this announcement on behalf of the Company is Dr Richard Goodfellow, a director of the Company.

For further information, please contact:

Dr John Chiplin, Executive Chairman Dr Richard Goodfellow, CEO	Scancell Holdings plc	+1 858 900 2646 +44 (0) 20 3727 1000
Freddy Crossley/Duncan Monteith (Corporate Finance) Tom Salvesen (Corporate Broking)	Panmure Gordon	+44 (0) 20 7886 2500
Mo Noonan/Simon Conway	FTI Consulting	+44 (0) 20 3727 1000

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Panmure Gordon, which is authorised by the FCA, is acting exclusively for the Company and no-one else in connection with the Placing and will not regard any other person as a client in relation to the Placing and will not be responsible to anyone other than the Company for providing the protections afforded to its clients or for providing advice in relation to the Placing or any other matter referred to herein. Its responsibilities as nominated adviser and broker to the Company are owed to the London Stock Exchange and the Company and not to any other person including, without limitation, in respect of any decision to acquire Placing Shares in reliance on any part of this Announcement.

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There are matters set out within this Announcement that are forward-looking statements. Such statements are only predictions, and actual events or results may differ materially. For a discussion of important factors which could cause actual results to differ from forward-looking statements, refer to the Company's Annual Report and Accounts for the period ended 30 April 2016. Neither the Company nor Panmure Gordon undertakes any obligation to update publicly, or revise, forward-looking statements, whether as a result of new information, future events or otherwise, except to the extent legally required. You should not place undue reliance on forward-looking statements, which speak only as of the date of this Announcement. No statement in this Announcement is or is intended to be a profit forecast or profit estimate or to imply that the earnings of the Company for the current or future financial periods will necessarily match or exceed the historical or published earnings of the Company. The price of shares and the income from them may go down as well as up and investors may not get back the full amount invested on disposal of the shares.

It is expected that any shares in the Company to be issued pursuant to the Placing will not be admitted to trading on any stock exchange other than to trading on AIM, a market operated by the London Stock Exchange. This Announcement is not an offering document, prospectus, prospectus equivalent document or AIM admission document. It is expected that no offering document, prospectus, prospectus equivalent document or AIM admission document will be required in connection with the Placing and no such document has been or will be prepared or submitted to be approved by the FCA or submitted to the London Stock Exchange in relation to the Placing.

Neither the content of the Company's website nor any links on the Company's website is incorporated in, or forms part of, this Announcement.

APPENDIX I

Background to the Placing

Scancell is developing novel immunotherapies for the treatment of cancer based on its two technology platforms, ImmunoBody[®] and Moditope[®], with three products in five cancer indications. The Company is led by a strong management team with a significant clinical development track record supported by leading scientists, with offices in Oxford and Nottingham, UK and San Diego, US.

ImmunoBody[®] platform

Scancell's ImmunoBody[®] vaccines target dendritic cells and stimulate both parts of the cellular immune system: the helper cell system where inflammation is stimulated at the tumour site and the cytotoxic T-lymphocyte (CTL) response where immune system cells are primed to recognise and kill specific cells. Each ImmunoBody[®] vaccine can be designed to target a particular cancer in a highly specific manner.

Scancell's first ImmunoBody[®], SCIB1, is being developed for the treatment of melanoma. Data from the Phase I/II clinical trial demonstrate that SCIB1, when used as monotherapy, has a marked effect on tumour load, produces a melanoma-specific immune response and highly encouraging survival trend without serious side effects. In patients with resected disease there is increasing evidence to suggest that SCIB1 may delay or prevent disease recurrence. The Directors estimate that there are

260,000 patients with Stage IIB, IIC, and III melanoma, of which 45% can be treated with SCIB1 at an estimated annual treatment cost of \$40,000, representing a \$4 billion market in the US alone.

Pre-clinical data on a combination of SCIB1 or SCIB2 and checkpoint inhibition (blockade of the PD-1 or CTLA-4 immune checkpoint pathways) have shown enhanced tumour destruction and significantly longer survival times than when either treatment was used alone. Experimental data suggests that the high avidity T cells induced by ImmunoBody[®] vaccines increase expression of PDL-1 on the tumour cell surface, thereby making the tumours more sensitive to checkpoint inhibitor drugs. Re-challenging animals with tumour cells after SCIB1 treatment resulted in 100% survival suggesting that ImmunoBody[®] induces a powerful memory response. Such an effect has not been observed with checkpoint inhibitors.

These data suggest that SCIB1 has the potential to become both the first stand-alone adjuvant treatment for early stage metastatic melanoma and an attractive partner with checkpoint inhibitors for later stage disease. The latest data on patients treated with SCIB1, including continued promising results in overall survival and recurrence free survival from the Clinical Study Report (CSR) on the SCIB1 Phase I/II clinical trial in patients with Stage III/IV malignant melanoma (completed in December 2016), combined with the animal data showing the potential value of a SCIB1/checkpoint inhibitor combination, has given the Directors confidence to proceed with a US FDA Investigational New Drug (IND) submission for the SCIB1 plus checkpoint inhibitor Phase II trial, which is expected to be filed in Q3 2017.

The clinical study will assess the impact of adding SCIB1 to checkpoint inhibitors in patients with late stage melanoma. The aim will be to improve the objective response rates of anti-PD-1 monotherapy without adding additional toxicity. The Company intends to commence enrolment of a revised number of Stage III/IV metastatic melanoma patients to the study in 2018, led by principal investigator Dr Keith Flaherty.

The Company's second ImmunoBody[®] vaccine, SCIB2, has been designed to be effective in over 90% of patients that over-express the cancer antigen NY-ESO-1, including those with lung and other epithelial cancers.

The Directors believe that the data generated by the Company to date with the SCIB2 ImmunoBody[®] suggest that it should be well tolerated and be an ideal complement to existing and emerging portfolios of checkpoint inhibitor therapies in the treatment of non-small cell lung cancer (NSCLC). Currently, checkpoint inhibitors are proving less effective in lung cancer, with 80% of patients still requiring a better standard of care. The Company has partnered with the Addario Foundation, one of the largest and most highly regarded US patient advocacy groups, to accelerate the development of SCIB2 for the treatment of NSCLC, with planning in progress for a SCIB2 Phase I/II clinical trial in NSCLC in combination with a checkpoint inhibitor commencing in 2018.

Moditope[®] platform

Scancell's Moditope[®] immunotherapy platform is based on exploiting the normal immune response to stressed cells, which is largely mediated by CD4+ T cells, and harnessing this mechanism to eradicate tumours. Moditope[®] is a peptide-based vaccine platform that stimulates the production of killer CD4+ T cells that induce anti-tumour activity without toxicity. Although CD8+ T cell responses to tumour-associated antigens have been reported, it is difficult to induce tumour-specific CD4+ T cell responses due to self-tolerance against normal CD4+ T cell epitopes. The ability of Moditope[®] citrullinated peptides to induce CD4+ cytotoxic T cells against tumour-associated epitopes has therefore, in the Directors' opinion, added a new dimension to the potential of anti-

tumour vaccines, and the Directors believe that the Moditope® platform offers a new, highly customisable approach to immuno-oncology that could play a major role in the development of safe and effective cancer immunotherapies in the future.

The value of the Moditope® platform received a significant boost following notification from the European Patent Office that the examiner had indicated that most of the patent claims for the use of citrullinated peptides for the treatment of cancer will be allowable. The Directors anticipate that the patent application will be approved with broad claims later in 2017.

Continued progress has been made with the Moditope® platform, and the Company has identified and validated multiple targets, including enolase, which, together with vimentin, will form the basis for Modi-1, Scancell's first product derived from the Moditope® platform. Pre-clinical data suggests that Modi-1 should be effective in up to 90% of patients with triple negative breast cancer, up to 95% of patients with ovarian cancer and up to 100% of patients with sarcoma.

Modi-1 is now being progressed to a Phase I/II clinical trial for the treatment of sarcomas, triple negative breast cancer and ovarian cancer, with the Company having selected the optimal adjuvant to combine with Modi-1 which reduces the dose up to 100-fold, and will shortly be commencing the manufacture of the vaccine. The trial is planned to commence in Q3 2018, and first efficacy and safety data expected in Q3 2019.

The Company is continuing discussions on potential commercial partnership discussions for the Moditope® platform alongside its clinical development plans, with multiple partnering discussions in progress.

Reasons for the Placing and use of proceeds

The net proceeds of the Placing will be used by the Company to initiate Moditope® clinical development and to continue to support the ImmunoBody® pipeline. The Board believes this interim funding could add significant incremental value and support the Company's on-going commercial discussions with potential partners, in addition to generating short term news flow.

In particular, it is the Board's expectation that the net proceeds from the Placing, in addition to existing cash resources and anticipated tax credits, will be used to fund:

- Clinical development of Modi-1 in sarcomas, breast and ovarian cancers in a Phase I/II study, including the manufacture of Modi-1, conducting the necessary toxicology studies and the preparing and filing of a Clinical Trial Application in the UK
- Completion of GMP manufacture of SCIB1 in preparation of further clinical development
- Filing and approval of US FDA Investigational New Drug application for SCIB1 checkpoint inhibitor combination Phase II study in melanoma
- Support further development of the Company's product pipeline, including SCIB2
- Support the Company's working capital requirements

Therapeutic drug development is a long process and the Directors believe that the Company will require additional funding in order to conduct the aforementioned SCIB1 clinical study.

This funding could be provided either by a commercial agreement with a development partner, such as a large pharmaceutical company, or by further equity issuance to existing and/or new shareholders. The Directors believe that delivering the milestones outlined above will enhance the value of the Company and prepare it for further later stage fundraising. The Directors also believe

that these milestones will ensure wider recognition of the Company both in the United States and Europe for the quality and value of both the ImmunoBody® and Moditope® platforms.

Details of the Placing

The Company proposes to raise up to £5.0 million by way of a non-pre-emptive placing of Placing Shares. The Placing Shares will, pursuant to the placing agreement the Company has entered into with Panmure Gordon (the “Placing Agreement”), be placed by Panmure Gordon, as agent for the Company, with existing and new institutional and other professional investors. The Directors had considered whether the Company would be able to extend the offer of Placing Shares to all existing Shareholders but, having discussed this with its professional advisers, decided that the expense of doing so could not be justified and would not be in the best interests of the Company at this time.

The Placing Agreement contains warranties from the Company in favour of Panmure Gordon in relation to (amongst other things) the Company and its business. In addition, the Company has agreed to indemnify Panmure Gordon in relation to certain liabilities it may incur in undertaking the Placing. Panmure Gordon has the right to terminate the Placing Agreement in certain circumstances prior to admission of the Placing Shares to trading on AIM becoming effective (“Admission”), in particular, it may terminate in the event that there has been a breach of any of the warranties or for force majeure. The Placing will not be underwritten.

The Placing is conditional upon, *inter alia*, the Placing Agreement having become unconditional in all respects and on Admission. Pursuant to the terms of the Placing Agreement, Panmure Gordon has agreed to use reasonable endeavours to procure places for the Placing Shares.

The Placing will be effected by way of the Bookbuild to be managed by Panmure Gordon and will be conducted in accordance with the terms and conditions set out in Appendix II. The Bookbuild will commence with immediate effect and the book is expected to close no later than 4.30 p.m. today, 11 May 2017, but Panmure Gordon reserves the right to close the book earlier or later, without further notice. The Company has received non-binding indications of interest from potential institutional investors for the Placing during a pre-marketing process. The number of Placing Shares and the price per Placing Share (the “Placing Price”) will be agreed between the Company and Panmure Gordon at the close of the Bookbuild. Details of the number of Placing Shares, the Placing Price and the approximate gross proceeds of the Placing will be announced as soon as practicable after the closing of the Bookbuild.

VCT and EIS investors

The Company has received advance assurance from HM Revenue and Customs that it is a qualifying holding for the purposes of the Venture Capital Trust (“VCT”) rules and a qualifying company for the purposes of the Enterprise Investment Scheme (“EIS”). Although the Company currently expects to satisfy the relevant conditions for EIS and VCT investment, neither the Directors nor the Company nor the Company’s advisers (including Panmure Gordon) gives any warranty, representation or undertaking that relief will be available in respect of any investment in the Company Shares, nor do they warrant, represent or undertake that the Company will conduct its activities in a way that qualifies for or preserves its status. Investors considering making a qualifying VCT or EIS investment are recommended to seek their own professional advice in order that they may understand how the relief legislation may apply in their individual circumstances.

APPENDIX II

TERMS & CONDITIONS OF THE PLACING

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IN RESPONSE TO THE INFORMATION CONTAINED IN THIS ANNOUNCEMENT, WILL NOT BE ACCEPTED.

EACH PLACEE SHOULD CONSULT WITH ITS OWN ADVISERS AS TO LEGAL, TAX, BUSINESS AND RELATED ASPECTS OF AN INVESTMENT IN THE PLACING SHARES. THE PRICE OF SHARES IN THE COMPANY AND THE INCOME FROM THEM (IF ANY) MAY GO DOWN AS WELL AS UP AND INVESTORS MAY NOT GET BACK THE FULL AMOUNT INVESTED ON DISPOSAL OF SHARES.

Persons who are invited to and who choose to participate in the Placing, by making (or on whose behalf there is made) an oral or written offer to subscribe for Placing Shares (the "**Placees**"), will be deemed to have read and understood this Announcement, including the Appendices, in its entirety and to be making such offer on the terms and conditions, and to be providing the representations, warranties, acknowledgements, and undertakings contained in this Appendix. In particular, each such Placee represents, warrants and acknowledges that:

1. it is a Relevant Person (as defined above) and undertakes that it will acquire, hold, manage or dispose of any Placing Shares that are allocated to it for the purposes of its business;
2. in the case of any Placing Shares acquired by it as a financial intermediary, as that term is used in Article 3(2) of the Prospectus Directive, (i) the Placing Shares acquired by it have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Member State of the European Economic Area ("EEA") which has implemented the Prospectus Directive other than Qualified Investors or in circumstances in which the prior consent of Panmure Gordon has been given to the offer or resale; or (ii) where Placing Shares have been acquired by it on behalf of persons in any Member State of the EEA other than Qualified Investors, the offer of those Placing Shares to it is not treated under the Prospectus Directive as having been made to such persons; and/or
3. (a) (i) it is not in the United States and (ii) it is not acting for the account or benefit of a person in the United States, (b) it is a dealer or other professional fiduciary in the United States acting on a discretionary basis for a non-US person (other than an estate or trust) in reliance on Regulation S under the Securities Act; or (c) it is otherwise acquiring the Placing Shares in an "offshore transaction" meeting the requirements of Regulation S under the Securities Act.

The Company and Panmure Gordon will rely upon the truth and accuracy of the foregoing representations, acknowledgements and agreements.

This Announcement does not constitute an offer, and may not be used in connection with an offer, to sell or issue or the solicitation of an offer to buy or subscribe for Placing Shares in any jurisdiction in which such offer or solicitation is or may be unlawful. This Announcement and the information contained herein is not for publication or distribution, directly or indirectly, to persons in the United States, Canada, Australia, New Zealand, Japan or the Republic of South Africa or in any jurisdiction in which such publication or distribution is unlawful. Persons into whose possession this Announcement may come are required by the Company to inform themselves about and to observe any restrictions of transfer of this Announcement. No public offer of securities of the Company is being made in the United Kingdom, the United States or elsewhere.

In particular, the Placing Shares referred to in this Announcement have not been and will not be registered under the Securities Act or any laws of, or with any securities regulatory authority of, any state or other jurisdiction of the United States, and may not be offered, sold, pledged or otherwise transferred within the United States except pursuant to an exemption from, or in a transaction not

subject to, the registration requirements of the Securities Act and the securities laws of any state or other jurisdiction of the United States. The Placing Shares are being offered and sold outside the United States in accordance with Regulation S under the Securities Act.

The Placing Shares have not been approved or disapproved by the US Securities and Exchange Commission, any state securities commission or other regulatory authority in the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of the Placing or the accuracy or adequacy of this Announcement. Any representation to the contrary is a criminal offence in the United States.

The relevant clearances have not been, nor will they be, obtained from the securities commission of any province or territory of Canada; no prospectus has been lodged with or registered by the Australian Securities and Investments Commission or the Japanese Ministry of Finance; and the Placing Shares have not been, nor will they be, registered under or offered in compliance with the securities laws of any state, province or territory of Canada, Australia, New Zealand, Japan or the Republic of South Africa. Accordingly, the Placing Shares may not (unless an exemption under the relevant securities laws is applicable) be offered, sold, resold or delivered, directly or indirectly, in or into Canada, Australia, New Zealand, Japan or the Republic of South Africa or any other jurisdiction outside the United Kingdom.

Persons (including, without limitation, nominees and trustees) who have a contractual or other legal obligation to forward a copy of this Appendix or the Announcement of which it forms part should seek appropriate advice before taking any action.

In this Appendix, unless the context otherwise requires, "Placee" means a Relevant Person (including individuals, funds or others) by whom or on whose behalf a commitment to subscribe for Placing Shares has been given.

Details of the Placing

Panmure Gordon has entered into the Placing Agreement with the Company under which Panmure Gordon has, on the terms and subject to the conditions set out therein, undertaken to use its reasonable endeavours to procure, as the Company's agent, broker and bookrunner for the purpose of the Placing, subscribers for the Placing Shares at the Placing Price.

The Placing Agreement contains customary undertakings and warranties given by the Company to Panmure Gordon including as to the accuracy of information contained in this Announcement, to matters relating to the Company and its business and a customary indemnity given by the Company to Panmure Gordon in respect of liabilities arising out of or in connection with the Placing and/or Admission.

The Placing is also conditional upon, amongst other things, Admission becoming effective and the obligations of Panmure Gordon under the Placing Agreement not having been terminated in accordance with its terms.

The number of Placing Shares and the Placing Price will be determined following completion of the Bookbuild as set out in this Announcement.

The Placing Shares will, as from the date when they are issued, be fully paid or credited as fully paid and will rank *pari passu* in all respects with the existing issued Ordinary Shares, including the right to receive all dividends and other distributions declared (if any), made or paid on or in respect of the Ordinary Shares after the relevant date of issue of the Placing Shares.

Lock up

As part of the Placing, the Company has agreed that it will not issue or sell any Ordinary Shares for a period of 120 days after Admission without the prior written consent of Panmure Gordon. That agreement is subject to the customary exception of granting options under, and allotting and issuing Ordinary Shares in the ordinary course pursuant to, the Company's existing share schemes.

Application for admission to trading

Application will be made to the London Stock Exchange for Admission. It is expected that settlement of the Placing Shares and Admission will become effective on or around 16 May 2017 and that dealings in the Placing Shares will commence at that time.

Bookbuild

Panmure Gordon will today commence an accelerated bookbuilding process to determine demand for participation in the Placing by potential Placees. Panmure Gordon and the Company shall be entitled to effect the Placing by such alternative method to the Bookbuild as they may, in their sole discretion determine.

Participation in, and principal terms of, the Placing

1. Panmure Gordon is arranging the Placing as placing agent, broker and bookrunner of the Company for the purpose of using its reasonable endeavours to procure Placees at the Placing Price for the Placing Shares.
2. Participation in the Placing will only be available to persons who may lawfully be, and are, invited to participate by Panmure Gordon. Panmure Gordon and its affiliates may participate in the Placing as principal.
3. This Appendix gives details of the terms and conditions of, and the mechanics of participation in, the Placing. No commissions will be paid to Placees or by Placees in respect of any Placing Shares.
4. The Bookbuild will establish the number of Placing Shares to be issued and the Placing Price, which will both be agreed between Panmure Gordon and the Company following completion of the Bookbuild.
5. To bid in the Bookbuild, Placees should communicate their bid by telephone to their usual sales contact at Panmure Gordon. Each bid should state the number of Placing Shares which the prospective Placee wishes to subscribe for. Bids may be scaled down by Panmure Gordon on the basis referred to in paragraph 9 below.
6. The timing of the closing of the Bookbuild will be at the discretion of Panmure Gordon. The Company reserves the right (upon agreement with Panmure Gordon) to reduce or seek to increase the amount to be raised pursuant to the Placing, in its absolute discretion.
7. Each Placee's allocation will be confirmed to Placees orally by Panmure Gordon, and evidenced by a trade confirmation or contract note which will be dispatched as soon as practicable thereafter. The terms of this Appendix will be deemed incorporated by reference therein. The oral confirmation to such Placee will constitute an irrevocable legally binding commitment upon such person (who will at that point become a Placee) in favour of

Panmure Gordon and the Company, under which it agrees to acquire the number of Placing Shares allocated to it at the Placing Price on the terms and conditions set out in this Appendix and in accordance with the Company's articles of association. Except as required by law or regulation, no press release or other announcement will be made by Panmure Gordon or the Company using the name of any Placee (or its agent), in its capacity as Placee (or agent), other than with such Placee's prior written consent.

8. The Company will make a further announcement following the close of the Bookbuild detailing the number of Placing Shares to be issued and the Placing Price.
9. Subject to paragraphs 5 and 6 above, Panmure Gordon may choose to accept bids, either in whole or in part, on the basis of allocations determined at its discretion (in agreement with the Company) and may scale down any bids for this purpose on such basis as it may determine. Panmure Gordon may also, notwithstanding paragraphs 5 and 6 above, subject to the prior consent of the Company: (a) allocate Placing Shares after the time of any initial allocation to any person submitting a bid after that time; and (b) allocate Placing Shares after the Bookbuild has closed to any person submitting a bid after that time.
10. Each Placee will have an immediate, separate, irrevocable and binding obligation, owed to Panmure Gordon, to pay in cleared funds immediately on the settlement date (or as separately agreed with Panmure Gordon in the case of certificated settlement), in accordance with the registration and settlement requirements set out below, an amount equal to the product of the Placing Price and the number of Placing Shares such Placee has agreed to take up and the Company has agreed to allot.
11. Irrespective of the time at which a Placee's allocation pursuant to the Placing is confirmed, settlement for all Placing Shares to be acquired pursuant to the Placing will be required to be made at the times and on the basis explained below under "Registration and settlement".
12. All obligations under the Placing will be subject to fulfilment or (where applicable) waiver of, amongst other things, the conditions referred to below under "Conditions of the Placing" and to the Placing not being terminated on the basis referred to below under "Right to terminate under the Placing Agreement".
13. By participating in the Placing, each Placee will agree that its rights and obligations in respect of the Placing will terminate only in the circumstances described below and will not be capable of rescission or termination by the Placee.
14. To the fullest extent permissible by law, none of the Company, Panmure Gordon or any of their respective affiliates shall have any liability to Placees (or to any other person whether acting on behalf of a Placee or otherwise) under these terms and conditions. In particular, none of the Company, Panmure Gordon or any of their respective affiliates shall have any liability (including to the fullest extent permissible by law, any fiduciary duties) in respect of Panmure Gordon's conduct of the Placing. Each Placee acknowledges and agrees that the Company is responsible for the allotment of the Placing Shares to the Placees and Panmure Gordon shall have no liability to the Placees for the failure of the Company to fulfil those obligations.

Conditions of the Placing

Panmure Gordon's obligations under the Placing Agreement are conditional on, inter alia:

- (a) the Company allotting, subject only to Admission, the Placing Shares in accordance with the Placing Agreement; and
- (b) Admission taking place not later than 8.00 a.m. on 16 May 2017.

If (i) any of the conditions contained in the Placing Agreement are not fulfilled or waived by Panmure Gordon by the time or date where specified (or such later time or date as the Company and Panmure Gordon may agree, not being later than 8.30 a.m. on 31 May 2017 (the "**Final Date**")), or (ii) the Placing Agreement is terminated as described below, the Placing will lapse and the Placees' rights and obligations hereunder in relation to the Placing Shares shall cease and terminate at such time and each Placee agrees that no claim can be made by the Placee in respect thereof.

Panmure Gordon may, in its absolute discretion, waive, or extend the period (up to the Final Date) for, compliance by the Company with the whole or any part of any of the Company's obligations in relation to the conditions in the Placing Agreement, save that the condition relating to Admission taking place and the Company allotting the Placing Shares subject only to Admission may not be waived and the period for compliance with such conditions may not be extended. Any such extension or waiver will not affect Placees' commitments as set out in this Announcement.

Neither Panmure Gordon nor the Company shall have any liability to any Placee (or to any other person whether acting on behalf of a Placee or otherwise) in respect of any decision they may make as to whether or not to waive or to extend the time and/or date for the satisfaction of any condition to the Placing nor for any decision they may make as to the satisfaction of any condition or in respect of the Placing generally and by participating in the Placing each Placee agrees that any such decision is within the absolute discretion of Panmure Gordon.

Right to terminate under the Placing Agreement

Panmure Gordon is entitled in its absolute discretion, at any time before Admission, to terminate the Placing Agreement by giving notice to the Company in the following circumstances:

- (a) in the opinion of Panmure Gordon (acting in good faith), the warranties given by the Company to Panmure Gordon are not true and accurate or have become misleading (or would not be true and accurate or would be misleading if they were repeated at any time before Admission) by reference to the facts subsisting at the time when the notice referred to above is given, in each case in a way that is material in the context of the Placing and/or Admission; or
- (b) in the opinion of Panmure Gordon (acting in good faith), the Company fails to comply with any of its obligations under the Placing Agreement and that failure is material in the context of the Placing and/or Admission; or
- (c) in the opinion of Panmure Gordon (acting in good faith), there has been a development or event (or any development or event involving a prospective change of which the Company is or might reasonably be expected to be, aware) which will or is likely to have a material adverse effect on or affecting the operations, the condition (financial, operational, legal or otherwise), prospects, management, results of operations, financial position, business or general affairs of the Company or the Group respectively whether or not foreseeable and whether or not arising in the ordinary course of business; or
- (d) there has been a change in national or international financial, political, economic or stock market conditions (primary or secondary); an incident of terrorism, outbreak or escalation of hostilities, war, declaration of martial law or any other calamity or crisis; a suspension or

material limitation in trading of securities generally on any stock exchange; any change in currency exchange rates or exchange controls or a disruption of settlement systems or a material disruption in commercial banking, in each case as would be likely in the opinion of Panmure Gordon (acting in good faith) to materially prejudice the success of the Placing.

The rights and obligations of the Placees shall terminate only in the circumstances described in these terms and conditions and in the Placing Agreement and will not be subject to termination by the Placee or any prospective Placee at any time or in any circumstances. By participating in the Placing, Placees agree that the exercise by Panmure Gordon of any right of termination or other discretion under the Placing Agreement shall be within the absolute discretion of Panmure Gordon, and that it need not make any reference to Placees and that it shall have no liability to Placees whatsoever in connection with any such exercise or decision not to exercise. Placees will have no rights against Panmure Gordon, the Company or any of their respective directors or employees under the Placing Agreement pursuant to the Contracts (Rights of Third Parties) Act 1999 (as amended).

No admission document or prospectus

The Placing Shares are being offered to a limited number of specifically invited persons only and will not be offered in such a way as to require an admission document or prospectus in the United Kingdom or in any other jurisdiction. No offering document, admission document or prospectus has been or will be submitted to be approved by the FCA or submitted to the London Stock Exchange in relation to the Placing, and Placees' commitments will be made solely on the basis of the information contained in the Announcement (including the Appendices) and the Exchange Information (as defined further below). Each Placee, by accepting a participation in the Placing, agrees that the content of this Announcement is exclusively the responsibility of the Company and confirms that it has neither received nor relied on any other information (other than the Exchange Information (defined below)), representation, warranty, or statement made by or on behalf of the Company, Panmure Gordon, or any other person and neither Panmure Gordon, the Company nor any other person will be liable for any Placee's decision to participate in the Placing based on any other information, representation, warranty or statement which the Placees may have obtained or received and, if given or made, such information, representation, warranty or statement must not be relied upon as having been authorised by Panmure Gordon, the Company, or their respective officers, directors, employees or agents. Each Placee acknowledges and agrees that it has relied on its own investigation of the business, financial or other position of the Company in accepting a participation in the Placing. Neither the Company nor Panmure Gordon is making any undertaking or warranty to any Placee regarding the legality of an investment in the Placing Shares by such Placee under any legal, investment or similar laws or regulations. Each Placee should not consider any information in this Announcement to be legal, tax or business advice. Each Placee should consult its own solicitor, tax adviser and financial adviser for independent legal, tax and financial advice regarding an investment in the Placing Shares. Nothing in this paragraph shall exclude the liability of any person for fraudulent misrepresentation.

Registration and settlement

Settlement of transactions in the Placing Shares (ISIN: GB00B63D3314) following Admission will take place within CREST, provided that, subject to certain exceptions, Panmure Gordon reserves the right to require settlement for, and delivery of, the Placing Shares (or a portion thereof) to Placees by such other means that it deems necessary if delivery or settlement is not possible or practicable within CREST within the timetable set out in this Announcement or would not be consistent with the regulatory requirements in any Placee's jurisdiction.

Following the close of the Bookbuild, each Placee allocated Placing Shares in the Placing will be sent a trade confirmation or contract note stating the number of Placing Shares allocated to it at the Placing Price, the aggregate amount owed by such Placee to Panmure Gordon (as agent for the Company) and settlement instructions. Each Placee agrees that it will do all things necessary to ensure that delivery and payment is completed in accordance with either the CREST or certificated settlement instructions that it has in place with Panmure Gordon. Settlement will be through Panmure Gordon against CREST participant account: 83801. For the avoidance of doubt, Placing allocations are expected to be booked with a trade date of 11 May 2017 and settlement date of 16 May 2017 on a T+3 basis in accordance with the instructions set out in the trade confirmation.

The Company will instruct its registrar to deliver the Placing Shares to the CREST account operated by Panmure Gordon as agent for the Company and Panmure Gordon will enter its delivery (DEL) instruction into the CREST system. The input to CREST by a Placee of a matching or acceptance instruction will then allow delivery of the relevant Placing Shares to that Placee against payment.

If a Placee wishes to receive its Placing Shares in certificated form, it should contact Panmure Gordon (020 7886 2902) as soon as possible after receipt of its trade confirmation or contract note.

Placees who wish to receive their Placing Shares in certificated form are expected to receive their certificates for their Placing Shares by no later than 30 May 2017.

Interest is chargeable daily on payments not received from Placees on the due date in accordance with the arrangements set out above at the rate of two percentage points above LIBOR as determined by Panmure Gordon.

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

If Placing Shares are to be delivered to a custodian or settlement agent, Placees should ensure that the trade confirmation or contract note is copied and delivered immediately to the relevant person within that organisation.

Insofar as Placing Shares are registered in a Placee's name or that of its nominee or in the name of any person for whom a Placee is contracting as agent or that of a nominee for such person, such Placing Shares should, subject as provided below, be so registered free from any liability to UK stamp duty or stamp duty reserve tax or securities transfer tax. Placees will not be entitled to receive any fee or commission in connection with the Placing.

Representations, warranties and further terms

By participating in the Placing each Placee (and any person acting on such Placee's behalf) makes the following representations, warranties, acknowledgements, agreements and undertakings (as the

case may be) to the Company and Panmure Gordon, namely that, each Placee (and any person acting on such Placee's behalf):

1. represents and warrants that it has read and understood the Announcement, including the Appendices, in its entirety and that its subscription of Placing Shares is subject to and based upon all the terms, conditions, representations, warranties, acknowledgements, agreements and undertakings and other information contained herein and undertakes not to redistribute or duplicate this Announcement;
2. acknowledges that no offering document, admission document or prospectus has been prepared in connection with the Placing and represents and warrants that it has not received and will not receive a prospectus, admission document or other offering document in connection therewith;
3. acknowledges that the Ordinary Shares are admitted to trading on AIM and the Company is therefore required to publish certain business and financial information in accordance with the AIM Rules (collectively "**Exchange Information**"), which includes a description of the nature of the Company's business and the Company's most recent balance sheet and profit and loss account and that the Placee is able to obtain or access such information or comparable information concerning any other publicly traded company without undue difficulty;
4. acknowledges that none of Panmure Gordon, the Company, any of their respective affiliates or any person acting on behalf of any of them has provided it, and will not provide it, with any material regarding the Placing Shares or the Company other than this Announcement; nor has it requested any of Panmure Gordon, the Company, their respective affiliates or any person acting on behalf of any of them to provide it with any such information and has read and understood the Exchange Information;
5. acknowledges that the content of this Announcement is exclusively the responsibility of the Company, and that none of Panmure Gordon, its affiliates or any person acting on its or their behalf has or shall have any liability for any information, representation or statement contained in this Announcement or any information previously or concurrently published by or on behalf of the Company, and will not be liable for any Placee's decision to participate in the Placing based on any information, representation or statement contained in this Announcement or otherwise. Each Placee further represents, warrants and agrees that the only information on which it is entitled to rely and on which such Placee has relied in committing itself to acquire the Placing Shares is contained in this Announcement and any Exchange Information, such information being all that it deems necessary to make an investment decision in respect of the Placing Shares and that it has neither received nor relied on any other information given or representations, warranties or statements made by Panmure Gordon, the Company or any of their respective directors, officers or employees or any person acting on behalf of any of them, or, if received, it has not relied upon any such information, representations, warranties or statements (including any management presentation that may have been received by any prospective Placee or any material prepared by the Research Department of Panmure Gordon (the views of such Research Department not representing and being independent from those of the Company and the Corporate Finance Department of Panmure Gordon and not being attributable to the same)), and neither Panmure Gordon, nor the Company will be liable for any Placee's decision to accept an invitation to participate in the Placing based on any other information, representation, warranty or statement. Each Placee further acknowledges and agrees that it may not place the same degree of reliance on this Announcement as it may otherwise place

on a prospectus or admission document. Each Placee further acknowledges and agrees that it has relied solely on its own investigation of the business, financial or other position of the Company in deciding to participate in the Placing and it will not rely on any investigation that Panmure Gordon, its affiliates or any other person acting on its or their behalf has or may have conducted;

6. represents and warrants that it has neither received nor relied on any confidential price sensitive information concerning the Company in accepting this invitation to participate in the Placing;
7. acknowledges that Panmure Gordon does not have any duties or responsibilities to it, or its clients, similar or comparable to the duties of “best execution” and “suitability” imposed by the Conduct of Business Sourcebook in the FCA’s Handbook of Rules and Guidance and that Panmure Gordon is not acting for it or its clients and that Panmure Gordon will not be responsible for providing protections to it or its clients;
8. acknowledges that none of Panmure Gordon, any of its affiliates or any person acting on behalf of it or them has or shall have any liability for the Exchange Information, any publicly available or filed information or any representation relating to the Company, provided that nothing in this paragraph excludes the liability of any person for fraudulent misrepresentation made by that person;
9. neither Panmure Gordon, its ultimate holding company nor any direct or indirect subsidiary undertakings of such holding company, nor any of their respective directors and employees shall be liable to Placees for any matter arising out of Panmure Gordon’s role as placing agent or otherwise in connection with the Placing and that where any such liability nevertheless arises as a matter of law each Placee will immediately waive any claim against any of such persons which you may have in respect thereof;
10. represents and warrants that (i) it is not in the United States and (ii) it is not acting for the account or benefit of a person in the United States;
11. acknowledges that the Placing Shares are being offered and sold only pursuant to Regulation S under the Securities Act in a transaction not involving a public offering of securities in the United States and the Placing Shares have not been and will not be registered under the Securities Act or with any state or other jurisdiction of the United States, nor approved or disapproved by the US Securities and Exchange Commission, any state securities commission in the United States or any other United States regulatory authority, and that the offer and sale of the Placing Shares to it has been made outside of the United States in an 'offshore transaction' (as such term is defined in Regulation S under the Securities Act) and agrees not to reoffer, resell, pledge or otherwise transfer the Placing Shares except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and otherwise in accordance with any applicable securities laws of any state or jurisdiction of the United States;
12. unless otherwise specifically agreed in writing with Panmure Gordon, represents and warrants that neither it nor the beneficial owner of such Placing Shares will be a resident of Canada, Australia, New Zealand, Japan or the Republic of South Africa;
13. acknowledges that the Placing Shares have not been and will not be registered under the securities legislation of Canada, Australia, New Zealand, Japan or the Republic of South

Africa and, subject to certain exceptions, may not be offered, sold, taken up, renounced or delivered or transferred, directly or indirectly, within those jurisdictions;

14. represents and warrants that the issue to it, or the person specified by it for registration as holder, of Placing Shares will not give rise to a liability under any of sections 67, 70, 93 or 96 of the Finance Act 1986 (depository receipts and clearance services) and that the Placing Shares are not being acquired in connection with arrangements to issue depository receipts or to transfer Placing Shares into a clearance system;
15. represents and warrants that: (i) it has complied with its obligations under the Criminal Justice Act 1993 and Part VIII of FSMA; (ii) in connection with money laundering and terrorist financing, it has complied with its obligations under the Proceeds of Crime Act 2002 (as amended), the Terrorism Act 2000 (as amended), the Terrorism Act 2006 and the Money Laundering Regulations 2007; and (iii) it is not a person: (a) with whom transactions are prohibited under the Foreign Corrupt Practices Act of 1977 or any economic sanction programmes administered by, or regulations promulgated by, the Office of Foreign Assets Control of the U.S. Department of the Treasury; (b) named on the Consolidated List of Financial Sanctions Targets maintained by HM Treasury of the United Kingdom; or (c) subject to financial sanctions imposed pursuant to a regulation of the European Union or a regulation adopted by the United Nations (together, the "**Regulations**"); and, if making payment on behalf of a third party, that satisfactory evidence has been obtained and recorded by it to verify the identity of the third party as required by the Regulations and has obtained all governmental and other consents (if any) which may be required for the purpose of, or as a consequence of, such purchase, and it will provide promptly to Panmure Gordon such evidence, if any, as to the identity or location or legal status of any person which Panmure Gordon may request from it in connection with the Placing (for the purpose of complying with such Regulations or ascertaining the nationality of any person or the jurisdiction(s) to which any person is subject or otherwise) in the form and manner requested by Panmure Gordon on the basis that any failure by it to do so may result in the number of Placing Shares that are to be purchased by it or at its direction pursuant to the Placing being reduced to such number, or to nil, as Panmure Gordon may decide in its sole discretion;
16. if a financial intermediary, as that term is used in Article 3(2) of the Prospectus Directive, represents and warrants that the Placing Shares purchased by it in the Placing will not be acquired on a non-discretionary basis on behalf of, nor will they be acquired with a view to their offer or resale to, persons in a Member State of the European Economic Area which has implemented the Prospectus Directive other than Qualified Investors, or in circumstances in which the prior consent of Panmure Gordon has been given to the offer or resale;
17. represents and warrants that it has not offered or sold and will not offer or sell any Placing Shares to persons in the European Economic Area prior to Admission except to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their business or otherwise in circumstances which have not resulted in and which will not result in an offer to the public in any member state of the European Economic Area within the meaning of the Prospectus Directive (including any relevant implementing measure in any member state);
18. represents and warrants that it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) relating to the Placing

Shares in circumstances in which section 21(1) of the FSMA does not require approval of the communication by an authorised person;

19. represents and warrants that it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Placing Shares in, from or otherwise involving, the United Kingdom;
20. if in a Member State of the European Economic Area, unless otherwise specifically agreed with Panmure Gordon in writing, represents and warrants that it is a Qualified Investor within the meaning of the Prospectus Directive;
21. if in the United Kingdom, represents and warrants that it is a person (i) who has professional experience in matters relating to investments falling within Article 19(1) of the Order; (ii) falling within Article 49(2)(A) to (D) ("High Net Worth Companies, Unincorporated Associations, etc.") of the Order; or (iii) to whom this Announcement may otherwise be lawfully communicated;
22. represents and warrants that it and any person acting on its behalf is entitled to acquire the Placing Shares under the laws of all relevant jurisdictions and that it has all necessary capacity and has obtained all necessary consents and authorities and taken any other necessary actions to enable it to commit to this participation in the Placing and to perform its obligations in relation thereto (including, without limitation, in the case of any person on whose behalf it is acting, all necessary consents and authorities to agree to the terms set out or referred to in this Appendix) and will honour such obligations;
23. where it is acquiring Placing Shares for one or more managed accounts, represents and warrants that it is authorised in writing by each managed account: (a) to acquire the Placing Shares for each managed account; (b) to make on its behalf the representations, warranties, acknowledgements, undertakings and agreements in this Appendix and the Announcement of which it forms part; and (c) to receive on its behalf any investment letter relating to the Placing in the form provided to it by Panmure Gordon;
24. undertakes that it (and any person acting on its behalf) will make payment to Panmure Gordon for the Placing Shares allocated to it in accordance with this Announcement on the due time and date set out herein, failing which the relevant Placing Shares may be placed with other subscribers or sold as Panmure Gordon may in its sole discretion determine and without liability to such Placee and it will remain liable and will indemnify Panmure Gordon on demand for any shortfall below the net proceeds of such sale and the placing proceeds of such Placing Shares and may be required to bear the liability for any stamp duty or stamp duty reserve tax or security transfer tax (together with any interest or penalties due pursuant to or referred to in these terms and conditions) which may arise upon the placing or sale of such Placee's Placing Shares on its behalf;
25. acknowledges that none of Panmure Gordon, any of its affiliates, or any person acting on behalf of it or any of them, is making any recommendations to it, advising it regarding the suitability of any transactions it may enter into in connection with the Placing and that participation in the Placing is on the basis that it is not and will not be treated for these purposes as a client of Panmure Gordon and that Panmure Gordon does not have any duties or responsibilities to it for providing the protections afforded to its clients or customers or for providing advice in relation to the Placing nor in respect of any representations, warranties, undertakings or indemnities contained in the Placing Agreement nor for the exercise or performance of any of their rights and obligations

thereunder including any rights to waive or vary any conditions or exercise any termination right;

26. undertakes that the person whom it specifies for registration as holder of the Placing Shares will be (i) itself or (ii) its nominee, as the case may be. Neither Panmure Gordon, nor the Company will be responsible for any liability to stamp duty or stamp duty reserve tax resulting from a failure to observe this requirement. Each Placee and any person acting on behalf of such Placee agrees to participate in the Placing and it agrees to indemnify the Company and Panmure Gordon in respect of the same on the basis that the Placing Shares will be credited to the CREST stock account of Panmure Gordon who will hold them as nominee on behalf of such Placee until settlement in accordance with its standing settlement instructions;
27. acknowledges that these terms and conditions and any agreements entered into by it pursuant to these terms and conditions and any non-contractual obligations arising out of or in connection with such agreement shall be governed by and construed in accordance with the laws of England and Wales and it submits (on behalf of itself and on behalf of any person on whose behalf it is acting) to the exclusive jurisdiction of the English courts as regards any claim, dispute or matter (including non-contractual matters) arising out of any such contract, except that enforcement proceedings in respect of the obligation to make payment for the Placing Shares (together with any interest chargeable thereon) may be taken by the Company or Panmure Gordon in any jurisdiction in which the relevant Placee is incorporated or in which any of its securities have a quotation on a recognised stock exchange;
28. acknowledges that time shall be of the essence as regards to obligations pursuant to this Appendix;
29. agrees that the Company, Panmure Gordon and their respective affiliates and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and undertakings which are given to Panmure Gordon on its own behalf and on behalf of the Company and are irrevocable and are irrevocably authorised to produce this Announcement or a copy thereof to any interested party in any administrative or legal proceeding or official inquiry with respect to the matters covered hereby;
30. agrees to indemnify on an after-tax basis and hold the Company, Panmure Gordon and their respective affiliates harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of the representations, warranties, acknowledgements, agreements and undertakings in this Appendix and further agrees that the provisions of this Appendix shall survive after completion of the Placing;
31. acknowledges that no action has been or will be taken by any of the Company, Panmure Gordon or any person acting on behalf of the Company or Panmure Gordon that would, or is intended to, permit a public offer of the Placing Shares in any country or jurisdiction where any such action for that purpose is required;
32. acknowledges that it is an institution that has knowledge and experience in financial, business and international investment matters as is required to evaluate the merits and risks of subscribing for the Placing Shares. It further acknowledges that it is experienced in investing in securities of this nature and in this sector and is aware that it may be required to bear, and it, and any accounts for which it may be acting, are able to bear, the economic risk

of, and is able to sustain, a complete loss in connection with the Placing. It has relied upon its own examination and due diligence of the Company and its associates taken as a whole, and the terms of the Placing, including the merits and risks involved;

33. acknowledges that its commitment to subscribe for Placing Shares on the terms set out herein and in the trade confirmation or contract note will continue notwithstanding any amendment that may in future be made to the terms of the Placing and that Placees will have no right to be consulted or require that their consent be obtained with respect to the Company's conduct of the Placing;
34. acknowledges that Panmure Gordon, or any of its affiliates acting as an investor for its own account may take up shares in the Company and in that capacity may retain, purchase or sell for its own account such shares and may offer or sell such shares other than in connection with the Placing;
35. represents and warrants that, if it is a pension fund or investment company, its purchase of Placing Shares is in full compliance with all applicable laws and regulation; and
36. to the fullest extent permitted by law, it acknowledges and agrees to the disclaimers contained in the Announcement including the Appendices.

The representations, warranties, acknowledgments and undertakings contained in this Appendix are given to Panmure Gordon and the Company and are irrevocable and shall not be capable of termination in any circumstances.

The agreement to settle a Placee's subscription (and/or the subscription of a person for whom such Placee is contracting as agent) free of stamp duty and stamp duty reserve tax depends on the settlement relating only to a subscription by it and/or such person direct from the Company for the Placing Shares in question. Such agreement assumes that the Placing Shares are not being subscribed for in connection with arrangements to issue depositary receipts or to transfer the Placing Shares into a clearance service. If there are any such arrangements, or the settlement relates to any other subsequent dealing in the Placing Shares, stamp duty or stamp duty reserve tax may be payable, for which neither the Company nor Panmure Gordon will be responsible, and the Placee to whom (or on behalf of whom, or in respect of the person for whom it is participating in the Placing as an agent or nominee) the allocation, allotment, issue or delivery of Placing Shares has given rise to such UK stamp duty or stamp duty reserve tax undertakes to pay such UK stamp duty or stamp duty reserve tax forthwith and to indemnify on an after-tax basis and to hold harmless the Company and Panmure Gordon in the event that any of the Company or Panmure Gordon has incurred any such liability to UK stamp duty or stamp duty reserve tax. If this is the case, each Placee should seek its own advice and notify Panmure Gordon accordingly.

In addition, Placees should note that they will be liable for any stamp duty and all other stamp, issue, securities, transfer, registration, documentary or other duties or taxes (including any interest, fines or penalties relating thereto) payable outside the UK by them or any other person on the subscription by them of any Placing Shares or the agreement by them to subscribe for any Placing Shares.

Each Placee, and any person acting on behalf of the Placee, acknowledges that Panmure Gordon does not owe any fiduciary or other duties to any Placee in respect of any representations, warranties, undertakings or indemnities in the Placing Agreement.

When a Placee or person acting on behalf of the Placee is dealing with Panmure Gordon, any money held in an account with Panmure Gordon on behalf of the Placee and/or any person acting on behalf of the Placee will not be treated as client money within the meaning of the rules and regulations of the FCA made under the FSMA. The Placee acknowledges that the money will not be subject to the protections conferred by the client money rules; as a consequence, this money will not be segregated from Panmure Gordon's money in accordance with the client money rules and will be used by Panmure Gordon in the course of its own business and the Placee will rank only as a general creditor of Panmure Gordon.

All times and dates in this Announcement may be subject to amendment. Panmure Gordon shall notify the Placees and any person acting on behalf of the Placees of any changes.

Past performance is no guide to future performance and persons needing advice should consult an independent financial adviser.

APPENDIX III

DEFINITIONS

In the Appendices to the Announcement and, as the context shall admit, in the Announcement:

'Admission' means the admission of all the Placing Shares to trading on AIM becoming effective in accordance with the AIM Rules;

'AIM' means the market of that name operated by the London Stock Exchange;

'AIM Rules' means the provisions of the London Stock Exchange's AIM Rules for Companies as amended from time to time governing, inter alia, admission to AIM and the continuing obligations of AIM companies;

'Announcement' means this announcement (including the appendices to this announcement);

'Bookbuild' means the accelerated bookbuilding process to be carried out by Panmure Gordon in seeking to procure Placees for the Placing Shares;

'Company' means Scancell Holdings plc, registered in England and Wales with number 06564638, whose registered office is at John Eccles House, Robert Robinson Avenue, Oxford Science Park, Oxford OX4 4GP;

'CREST' means the relevant system (as defined in the CREST Regulations) in respect of which Euroclear UK & Ireland Limited is the Operator (as defined in the CREST Regulations);

'CREST Regulations' means the Uncertificated Securities Regulations 2001 (SI 2001/3755) as amended from time to time;

'Directors' or **'Board'** means the directors of the Company as at the date of this Announcement;

'FCA' means the Financial Conduct Authority of the United Kingdom;

'FSMA' means the Financial Services and Markets Act 2000 (as amended);

'Group' means the Company and its subsidiary undertakings from time to time;

'London Stock Exchange' means London Stock Exchange plc;

'Ordinary Shares' means the ordinary shares of par value 0.1 pence (£0.001) each in the capital of the Company;

'Panmure Gordon' means Panmure Gordon (UK) Limited, registered in England and Wales with number 04915201, whose registered office is at One New Change, London EC4M 9AF;

'Placing' means the conditional placing of the Placing Shares by Panmure Gordon with Places in order to raise up to £5.0 million pounds, on behalf of the Company, pursuant to the Placing Agreement;

'Placing Agreement' means the placing agreement dated the date of this Announcement between the Company and Panmure Gordon in respect of the Placing;

'Placing Price' means the price per Placing Share which will be established by the Bookbuild and set out in the executed Term Sheet;

'Placing Shares' means such number of new Ordinary Shares which will be established by the Bookbuild and set out in the executed Term Sheet;

'Prospectus Directive' means the Directive of the European Parliament and of the Council of the European Union 2003/71/EC;

'Securities Act' means the US Securities Act of 1933, as amended;

'Term Sheet' means those terms of the Placing in the form set out in the Placing Agreement to be executed by the Company and Panmure Gordon following the close of the Bookbuild;

'United Kingdom' or **'UK'** means the United Kingdom of Great Britain and Northern Ireland; and

'United States' or **'US'** means the United States of America, its territories and possessions, any state of the United States and the District of Columbia.