

Date: 21 October 2019

Osirium Technologies plc

**Note instrument constituting up to £2,700,000 Convertible
Unsecured 7.5% Notes due 2024**

BLAKE 
MORGAN

Blake Morgan LLP
6 New Street Square
London EC4A 3DJ
www.blakemorgan.co.uk
Ref: MCK/595705;2

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THIS DEED is made by way of deed on 21 October 2019 by **OSIRIUM TECHNOLOGIES PLC**, a company incorporated in England and Wales under number 09854713 and with its registered office at One Central Square Cardiff CF10 1FS (the **Company**).

WHEREAS the Company by resolution of its board of directors passed on 21 October 2019 has authorised the Notes to be constituted by this deed.

NOW THIS DEED WITNESSES AND IT IS DECLARED as follows:

1 INTERPRETATION

1.1 In this Deed:

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

Board or **directors** means the directors of the Company;

Business Day means a day (other than a Saturday or Sunday) on which banks generally are open in London for normal business;

Certificate has the meaning ascribed to it in Clause 3.1;

CREST means the computerised settlement system (as defined in the CREST Regulations) operated by Euroclear UK & Ireland Limited which facilitates the transfer of title to shares in uncertificated form;

CREST Regulations means the Uncertificated Securities Regulations 2001 (SI 2001/3755) including any enactment or subordinate legislation which amends or supersedes those regulations and any applicable rules made under those regulations or any such enactment or subordinate legislation for the time being in force;

Default Interest Rate means 10%;

Directors means the directors of the Company;

Insolvency Event means (i) the taking of any action for or with a view to the making of an administration order or the appointment of an administrator in respect of the Company or any of its subsidiaries or (ii) the taking of any action for or with a view to the winding-up, dissolution, liquidation reconstruction or reorganisation of the Company or any of its subsidiaries or (iii) the Company or any of its subsidiaries becomes insolvent or is unable to pay its debts or enters into a voluntary arrangement or other dealing with any of its creditors with a view to avoiding, or in expectation of, insolvency or stops or threatens to stop payments to creditors generally or (iv) an encumbrancer takes possession or an administrator, receiver or manager is appointed of the whole or any material part of the assets of the Issuer or any of its subsidiaries and includes any equivalent or analogous proceeding by whatever name known in whatever jurisdiction;

London Stock Exchange means the London Stock Exchange Group plc;

Majority Noteholders means Noteholders holding more than 75% per cent. of the Notes in issue and outstanding;

Material Adverse Effect means a material adverse effect on:

- (a) the ability of the Company to perform and comply with its payment obligations under this Deed; or
- (b) the validity or enforceability of the Note Documents or the rights or remedies of any Noteholder thereunder;

Note Documents means this Deed and any Certificate;

Noteholder means a person whose name is entered in the Register as a holder of Notes;

Notes means up to £2,700,000 Convertible Unsecured 7.5% Notes due 2024 constituted by this Deed, or the principal amount thereof for the time being outstanding, as the case requires;

Ordinary Shares means ordinary shares of 1p each in the capital of the Company having the respective rights and restrictions set out in the articles of association of the Company, as amended or superseded from time to time;

Redemption Date means 28 October 2024;

Register has the meaning ascribed to it in Clause 14.1;

Security Interest means a mortgage, standard security, charge (fixed or floating), pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement entered into to create or confer security over any asset;

Special Resolution means a resolution passed at a meeting of the Noteholders duly convened and held in accordance with the provisions of this Deed and carried by a 75% majority of the votes cast on such poll (representing no less than 75% of the Notes in issue and outstanding) or a written resolution passed by the Noteholders holding not less than 75% of the Notes in issue and outstanding;

Tax means all forms of taxation whether of the United Kingdom or elsewhere; and

VCT Noteholder means a Noteholder which has HMRC venture capital trust status (as defined in Part 6 of the Income Tax Act 2007).

1.2 Words and expressions defined in the Companies Act 2006 shall have the same meaning when used in this Deed unless the context otherwise requires.

1.3 Any reference, express or implied, to an enactment includes references to:

1.3.1 that enactment as re-enacted, amended, extended or applied by or under any other enactment before or after the date of this Deed;

1.3.2 any enactment which that enactment re-enacts (with or without modification); and

1.3.3 any subordinate legislation made (before or after the date of this Deed) under that enactment, as re-enacted, amended, extended or applied as described in Clause 1.3.1, or under any enactment referred to in Clause 1.3.1,

and **enactment** includes any legislation in any jurisdiction.

1.4 References to clauses and Schedules are to the clauses of and Schedules to this Deed, references to paragraphs are to paragraphs of the relevant Schedule and references to **this Deed** are to this Deed and the Schedules and include any deed supplemental to this Deed.

1.5 Clauses 1.1 to 1.4 apply unless the contrary intention appears.

1.6 The headings in this Deed do not affect its interpretation.

2 FORM, STATUS AND PURPOSE

2.1 The principal amount of the Notes is up to £2,700,000 Convertible Unsecured 7.5% Notes and shall be designated as Convertible 7.5% Notes 2024.

2.2 The Notes are in registered form in denominations of £10,000 each.

2.3 The Notes represent direct obligations of the Company for the due and punctual payment of the principal and any interest in respect of them and performance of all the obligations of the Company with respect to them and will rank *pari passu* amongst themselves in all respects except to the extent provided by law.

2.4 The Notes are issued for the purposes of supporting the working capital needs of the Company and its subsidiaries.

3 CERTIFICATES

3.1 Each Noteholder shall be entitled to a certificate stating the amount of Notes held by him (a **Certificate**) and a copy of this Deed. Joint holders of Notes will be entitled to only one Certificate in respect of their jointly held Notes and one copy of this Deed in respect of their joint holding and the Certificate and the Deed shall be delivered to that one of the joint holders who is first named in the Register in respect of the joint holding.

3.2 Each Certificate shall be substantially in the form set out in Schedule 1.

3.3 The Notes and the Certificates shall be held subject to the terms of this Deed which shall be binding on the Company and the Noteholders and all persons claiming through or under them.

3.4 If a Certificate is defaced, lost or destroyed it may be renewed on payment by the Noteholder of the expenses of a renewal and on such terms (if any) as to evidence and indemnity as the Directors may require but, in the case of defacement, the defaced Certificate shall be surrendered before a new Certificate is issued. An entry as to the issue of a new Certificate and indemnity (if any) shall be made in the Register.

4 INTEREST

4.1 The Company shall pay to the Noteholders interest on the outstanding Notes at the rate of 7.5% per annum, payable on the Redemption Date. Such interest shall accrue on a day to day basis from the date on which the Company receives the subscription monies in respect of the issued Notes.

- 4.2 In the event of conversion of Notes by a Noteholder on or before the Redemption Date, the Company shall pay to that Noteholder in cash all accrued but unpaid interest on such Notes on the date of conversion.
- 4.3 If the Company shall fail to pay any amount of principal or interest on its due date, interest shall accrue thereon at the Default Interest Rate from the due date up to the date of actual payment (after as well as before judgment). Arrears of principal and interest shall be paid in priority to any other payment of principal or interest.
- 4.4 Payment of interest shall be made without withholding or deduction of, or in respect of, any tax unless required by law.

5 REDEMPTION

- 5.1 Subject as provided in Clause 5.8, and save as otherwise agreed with the relevant Noteholder pursuant to clause 5.6, the Company shall redeem all the Notes together with all interest accrued to the date of redemption or otherwise unpaid at par on the Redemption Date.
- 5.2 At any time after the period of 18 months from the date of issue of the Notes, the Company may, with the consent of the Noteholders by Special Resolution, without penalty, at any time by serving at least 10 Business Days' written notice on the Noteholders, redeem at par together with all interest accrued to the date of redemption, the Notes or any part of the Notes at any time before the Redemption Date, provided that the Company may not redeem the Notes of a Noteholder under this clause 5.2, unless the Noteholder shall have given its written consent to such early redemption.
- 5.3 If any date for redemption of Notes would otherwise fall on a day which is not a Business Day it shall be brought forward to the immediately preceding day which is a Business Day.
- 5.4 Any redemption of part of the outstanding Notes shall be made *pro rata* to the holdings of the Noteholders, unless agreed otherwise with the Noteholders participating in the redemption (by 75% majority) and subject to any Noteholder opting not to have some or all of its *pro rata* proportion of its Notes redeemed if such redemption shall be prior to the Redemption Date.
- 5.5 Every Noteholder, part or all of whose Notes are due to be redeemed under this clause shall, not later than the due date for such redemption, deliver the Certificate representing such Notes to the Company or as it shall direct. If part only of the Notes represented by such Certificate are then due to be redeemed, the Company shall either endorse the Certificate with a memorandum of the date and amount paid to the Noteholder and return it to him or shall cancel the Certificate and without charge issue to the Noteholder a new Certificate for the balance of the principal amount due to him.
- 5.6 On or before the date upon which any Note is to be redeemed or repaid (including the Redemption Date), the Company shall have granted each relevant Noteholder the opportunity, on a minimum of 10 clear Business Days' prior written notice, the option to exercise its rights to convert its Notes into Ordinary Shares pursuant to Schedule 3.
- 5.7 All Notes redeemed pursuant to this clause or otherwise repaid shall be cancelled and the Company may not reissue the same.

5.8 In the case of:

5.8.1 any repayment made to Noteholders pursuant to clause 12; or

5.8.2 any other form of distribution made to creditors (including Noteholders) of the Company in the event of its liquidation,

(in either case an “**Aggregate Receipt**”), any VCT Noteholder shall receive a maximum of 50% of any such Aggregate Receipt.

5.9 Where the Company redeems any Notes pursuant to this clause 5, it shall also pay any interest on the amount repaid up to but excluding the date of repayment.

6 CONVERSION

6.1 The principal amount of the Notes together with all interest accrued but not paid shall be convertible in accordance with the provisions of Schedule 3.

6.2 Conversion of the Notes will not affect the right of Noteholders to payment of any accrued but unpaid interest in accordance with Clause 4, .

7 PAYMENT

7.1 Payment of principal or interest in respect of any Notes will be made to the person shown in the Register as the holder of those Notes at the close of business on the fifth Business Day before the relevant payment date (the **Record Date**), notwithstanding any intermediate transfer or transmission of the Notes.

7.2 All payments of principal and interest to be made by the Company to a Noteholder shall be made without any set-off or counterclaim and free and clear of, and without deduction or withholding for or on account of, Tax unless the Company is required by law to make payment subject to the deduction or withholding of Tax.

7.3 Payment of principal or interest in respect of any Notes shall be made by electronic transfer to the account specified for such purpose by the Noteholder or joint Noteholders in writing to the Company or failing which by cheque or banker's draft sent through the post to the registered address of the Noteholder or, in the case of joint Noteholders, to the registered address of that one of them who is first named on the Register on the Record Date (or to such person and to such address as the Noteholder or joint Noteholders may in writing to the Company direct prior to the Record Date). Every such cheque or banker's draft shall be made payable to the person to whom it is sent (or to such person as the Noteholder or joint Noteholders may in writing to the Company direct prior to the Record Date) and payment of the cheque or banker's draft shall be a good discharge to the Company. Every such cheque or draft shall be sent through the post not later than two Business Days preceding the due date for payment.

8 REPRESENTATIONS

The Company makes the representations and warranties set out in this Clause 8 to each of the Noteholders.

8.1 **Status**

8.1.1 It is a limited liability corporation, duly incorporated and validly existing under the laws of its jurisdiction of incorporation.

8.1.2 It has the power to own its assets and carry on its business as it is being conducted.

8.2 **Binding obligations**

The obligations expressed to be assumed by it in each Note Document, are legal, valid, binding and enforceable obligations.

8.3 **Non-conflict with other obligations**

The entry into and performance by it of, and the transactions contemplated by, the Note Documents to which it is a party do not and shall not conflict with:

8.3.1 any law or regulation applicable to it;

8.3.2 its constitutional documents; or

8.3.3 in any material respect, any agreement or instrument binding upon it or any of its assets.

8.4 **Power and authority**

It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, the Note Documents and the transactions contemplated by the Note Documents.

8.5 ***Pari passu* ranking**

Its payment obligations under the Note Documents rank at least *pari passu* with the claims of all its other unsecured and unsubordinated creditors, except for obligations mandatorily preferred by law applying to companies generally.

9 **SECURITY**

The Notes are unsecured.

10 **COVENANTS**

10.1 The Company shall, at all times while the Notes or any of them are outstanding or capable of issue:

10.1.1 not amend or waive any provision of a Note Document without the prior written consent of the Noteholders by Special Resolution;

10.1.2 make available to the Noteholders by publication on a website concurrently with the issue to the members of the Company a copy of the annual report and accounts of the Company and its subsidiaries; and

- 10.1.3 provide such information as a VCT Noteholder may from time to time reasonably require to ensure the due observance of the restrictions set out in Schedule 5.
- 10.2 No further Notes shall be issued under this Deed in excess of the principal sum of £2,700,000.
- 10.3 Unless with the prior written consent of the Noteholders by Special Resolution, the Company shall not:
- 10.3.1 create and issue further loan notes or bonds to be constituted by deed or instrument expressed to be supplemental hereto either so as to be identical in all respects and form a single series with the Notes;
- 10.3.2 create and issue loan notes or bonds of a separate series or class, unless ranking junior to the Notes and on terms that are no more favourable than the Notes and provided that the Noteholders have been provided with no less than 20 Business Days' notice of the intention to create such bonds or notes;
- 10.3.3 grant, create or permit to exist or enter into any agreement for the grant or creation of any Security Interest over its business and/ or assets or any part of them.
- 10.4 The Company shall observe the restrictions set out in Schedule 5 for so long as any Noteholder is a VCT Noteholder.

11 NOTES NOT TO BE QUOTED

No application has been, or is intended to be, made to any listing authority, stock exchange or other market for the Notes to be listed or otherwise traded.

12 DEFAULT

Subject in the case of Clauses 12.1 and 12.2 below, and to the Majority Noteholders notifying the Company at any time thereafter that they do not require the Notes to be repaid, the Notes shall and all accrued interest shall become immediately due and payable and shall be forthwith repaid at par together with all interest accrued to the date of payment or otherwise unpaid if:

- 12.1 the Company fails to pay any amount payable hereunder within ten Business Days after the due date for payment; or
- 12.2 the Company commits a breach of or fails to comply with any provision of any Note Document and such breach or failure is, in the opinion of the Majority Noteholders, material; or
- 12.3 an Insolvency Event occurs; or
- 12.4 any creditor of the Company:
- 12.4.1 accelerates any indebtedness of the Company or any part of it;
- 12.4.2 declares any indebtedness of the Company or any part of it due and payable prior to its stated maturity;

- 12.4.3 enforces any indebtedness of the Company or any part of it by way of attachment, set-off, execution or otherwise;
- 12.4.4 crystallises any floating charge granted by the Company over its assets and undertaking in favour of such creditor;
- 12.4.5 enforces any Security Interest granted by the Company in favour of such creditor by sale, possession, appointment of a receiver, administrator or otherwise; or
- 12.4.6 takes any other step, or exercises any right, in relation to the recovery of any indebtedness of the Company or any part of it.

13 TRANSFER

- 13.1 No Noteholder may transfer his interest in any Notes other than in accordance with this Clause.
- 13.2 The Notes are transferable in amounts of £10,000 and integral multiples of £10,000 in excess thereof by an instrument in writing in substantially the form set out in Schedule 2.
- 13.3 Every instrument of transfer must be signed by or on behalf of the transferor and the transferor shall remain the owner of the Notes to be transferred until the name of the transferee is entered in the Register in respect thereof.
- 13.4 Every instrument of transfer must be lodged for registration at the place where the Register shall for the time being be kept accompanied by the Certificate for the Notes which are to be transferred and such other evidence as the Company may require to prove the title of the transferor or his right to transfer the Notes or the authority of the person signing the same.
- 13.5 In the case of a transfer of part only of a holding of Notes represented by one Certificate a new Certificate shall be issued by the Company to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued by the Company to the transferor.
- 13.6 All instruments of transfer which are registered may be retained by the Company.
- 13.7 The Company shall not be obliged to register a transfer of Notes if notice of redemption or conversion of those Notes has been given.
- 13.8 The Company shall not be entitled to assign or transfer any of its rights or obligations under this Deed.

14 REGISTER

- 14.1 The Company shall cause a register (the **Register**) to be maintained at its registered office showing the amount of the Notes for the time being in issue, the date of issue and all subsequent transfers or changes of ownership of the Notes and the names and addresses of the Noteholders and the amounts of Notes held by them respectively.
- 14.2 The Company shall not be bound to register more than four persons as the joint holders of any Notes.

14.3 A Noteholder and any person authorised in writing by him may at all reasonable times during office hours inspect the Register and take copies of or extracts from the Register or any part of it. The Register may be closed at such times and for such periods as the Company may think fit provided that it shall not be closed for more than 30 days in any one year.

15 FREEDOM FROM EQUITIES

15.1 Notwithstanding any notice the Company may have of the right, title, interest or claim of any other person, to the fullest extent permitted by law, the Company:

15.1.1 may treat the registered holder of any Notes as the absolute owner of them;

15.1.2 shall not enter notice of any trust on the Register or otherwise be bound to take notice or see to the execution of any trust to which any Notes may be subject; and

15.1.3 may accept the receipt of the registered holder for the time being of any Notes for the interest from time to time due or for any other moneys payable in respect of them as a good discharge to the Company.

15.2 The Company will recognise every Noteholder as entitled to his Notes free from any equity, set-off or counterclaim on the part of the Company against the original or any intermediate holder of the Notes.

16 NOTICES

16.1 Notices and other communications to Noteholders may be given by personal delivery or pre-paid letter by first class post (airmail in the case of an address outside the United Kingdom). In proving service of any notice or other communication sent by post or airmail it shall be sufficient to prove that the envelope or wrapper containing the notice or other communication was properly addressed and stamped and was deposited in a post box or at the post office.

16.2 A notice or other communication given pursuant to Clause 16.1 shall be deemed to have been served:

16.2.1 at the time of delivery, if delivered personally;

16.2.2 on the second day following its posting, if sent by pre-paid letter by first class post to an address in the United Kingdom; or

16.2.3 on the fifth day following its posting, if sent by pre-paid airmail letter to an address outside the United Kingdom.

16.3 All notices and other communications with respect to Notes standing in the names of joint registered holders shall be given to whichever of such persons is named first in the Register and such notice so given shall be sufficient notice to all the registered holders of such Notes.

16.4 Any person who, whether by operation of law, transfer or other means whatsoever, shall become entitled to any Notes shall be bound by every notice in respect of such Notes which prior to his name and address being entered on the Register shall have been duly given to the person from whom he derives his title to such Notes.

17 MEETINGS OF NOTEHOLDERS

The provisions of Schedule 4 shall have effect.

18 MODIFICATIONS

This Deed and the rights of the Noteholders may be modified, abrogated, compromised or extinguished with the sanction of a Special Resolution.

19 FURTHER NOTES

The Company shall not issue any further Notes without the sanction of a Special Resolution.

20 GOVERNING LAW AND JURISDICTION

20.1 This Deed and any non-contractual obligations arising out of or in connection with it shall be governed by English law.

20.2 The English courts have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed and/or the Notes (including a dispute relating to any non-contractual obligations arising out of or in connection with this Deed and/or the Notes) and the Company and the Noteholders submit to the exclusive jurisdiction of the English courts.

20.3 The Company and the Noteholders waive any objection to the English courts on grounds that they are an inconvenient or inappropriate forum to settle any such dispute.

IN WITNESS of which this Deed has been executed as a deed and has been delivered on the date which appears first on page 1.

**Schedule 1
Form of Certificate**

Certificate No.

[]

Nominal Amount of Notes

£[●]

Issue of up to £2,700,000 Convertible 7.5% Notes due 2024 created and issued by Osirium Technologies plc (the "Company")

THIS IS TO CERTIFY THAT [] of [] is/are the registered holder(s) of £[●] of the Notes. The holders of the Notes are entitled *pari passu* and rateably to the benefit of and are subject to the terms and conditions contained in a Deed made by the Company on 21 October 2019.

Executed as a Deed by **OSIRIUM TECHNOLOGIES PLC**
acting by a director in the presence of:

} _____
Director

Witness signature

Name
(in block capitals)

Address

Occupation

NOTES: The Notes are transferable in amounts of £10,000 and integral multiples of £10,000 in excess thereof. No transfer of any part of the Notes represented by this Certificate will be registered unless it is accompanied by this Certificate.

Schedule 3 Conversion

- 1 Subject to any redemption prior to the Redemption Date and to the provisions of this Schedule, at the election of the Noteholder or the Company on the Redemption Date the principal amount of the Notes shall be automatically converted into fully paid Ordinary Shares at the Conversion Rate specified below in exchange for and in satisfaction of the principal amount of the Notes (a **Redemption Conversion**).
- 2 The principal amount of the Notes shall be, at the election of the Noteholder, converted into fully paid Ordinary Shares at the Conversion Rate specified below in exchange for and in satisfaction of the principal amount of the Notes on the first to occur of any of the following events (an **Exit Event**):
 - 2.1 a change of Control (as defined in section 995 of the Income Tax Act 2007) of the Company occasioned by the making of a general offer to buy more than 50% of the shares in the Company where the offer goes unconditional and/or the completion of any other sale (whether structured as a general offer, a scheme of arrangement or otherwise) of more than 50% of the issued share capital of the Company to any person or group of persons regarded as acting in concert for the purposes of the City Code on Takeovers and Mergers;
 - 2.2 the acquisition by any person or group of persons regarded as acting in concert for the purposes of the City Code on Takeovers and Mergers, whether by a series of transactions over a period of time or not, of an interest in shares in the Company which carry in aggregate more than 50% of the voting rights of the Company; and
 - 2.3 the sale of the whole or a material part of the business and assets of the Group to any person, or group of persons (excluding the Company and any of its subsidiaries) regarded as acting in concert for the purposes of the City Code on Takeovers and Mergers,(an **Exit Conversion**)
- 3 The principal amount of the Notes shall be, at the election of the Noteholder, converted into fully paid Ordinary Shares at the Conversion Rate specified below in exchange for and in satisfaction of the principal amount of the Notes in the event that the Company undertakes a fundraising (by placing, open offer or otherwise) or other capitalisation event (other than an Exit Event) (a **Corporate Event**).
- 4 A Noteholder may, elect for the conversion of the principal amount of the Notes at the Conversion Rate at any other time before the Redemption Date or an Exit Event or a Corporate Event (the date of each such earlier date being an **Early Redemption Date**) in accordance with paragraph 5 below (an **Early Conversion Event**).
- 5 An election by a Noteholder under paragraph 1, 2, 3 or 4 above (a **Noteholder Notice of Conversion**) shall be served on the Company in writing in accordance with clause 16 at least 5 Business Days before the Redemption Date or Exit Event or Early Conversion Event or 20 Business Days of the Corporate Event (as the case may be) together with the Certificate for

the Notes to be converted and such other evidence as the Directors may reasonably require to prove the title of the person serving the Notice of Conversion. Once given, a Noteholder Notice of Conversion may not be withdrawn without the consent in writing of the Company. A Noteholder's election is conditional upon the passing of the requisite share allotment authority to allot and issue Ordinary Shares pursuant to conversion of Notes to be obtained by the Company in accordance with this Schedule

- 6 An election by the Company under paragraph 1 above (a **Company Notice of Conversion**) shall be served on the Noteholder in writing in accordance with clause 16 at least 7 Business Days before the Redemption Date. Once given a Company Notice of Conversion may not be withdrawn without the consent in writing of the Noteholder.
- 7 On or before the Redemption Date (and any Early Redemption Date) the Company shall:
 - 7.1 allot and issue as at the Redemption Date (and any Early Redemption Date) to each Noteholder such number of Ordinary Shares credited as fully paid to which he shall be entitled at the Conversion Rate (and such allotment and issue shall be in full satisfaction and discharge of the principal amount in respect of the amount of the Notes so converted); and
 - 7.2 procure that application is made promptly for such Ordinary Shares to be admitted to trading on AIM (or such relevant stock exchange as the Ordinary Shares are traded on from time to time).
- 8 The Company shall also procure that there is despatched to each Noteholder promptly after the Redemption Date (and any Early Redemption Date) free of charge a certificate for the Ordinary Shares arising on conversion if they are to be in certificated form or shall otherwise ensure that the relevant CREST or other relevant account is credited.
- 9 Ordinary Shares allotted in respect of any Notes so converted will be credited as fully paid and shall rank *pari passu* in all respects with the Ordinary Shares of the Company in issue on the Redemption Date (and any Early Redemption Date) except that such new Ordinary Shares will not rank for any dividend or other distribution declared for payment to holders of Ordinary Shares on the register at a record date falling before the Redemption Date (and any Early Redemption Date).
- 10 The Company hereby covenants that, so long as the Notes remain convertible in accordance with this Schedule:
 - 10.1 the Company will ensure that it has the requisite share allotment authority to allot and issue Ordinary Shares in accordance with the provisions under this Schedule and undertakes to seek requisite authority at its 2020 annual general meeting or earlier in the event of an anticipated Exit Event or Corporate Event before its 2020 AGM; and
 - 10.2 to use reasonable endeavours to notify Noteholders of an upcoming Exit Event or Corporate Event, insofar as the Company is able, and subject to due compliance with EU Regulation 596/2014 (MAR), the Takeover Code, the AIM Rules for Companies and any other applicable legal or regulatory requirements to which it is subject.

- 11 If there is an issue by the Company of equity shares or securities convertible into equity shares by way of capitalisation of profits or reserves or a capital distribution in respect of the share capital of the Company or any shares derived from it or a sub-division, consolidation or reduction of the share capital of the Company or any shares derived from it or any other reconstruction or adjustment or amalgamation relating to the share capital of the Company (or any shares derived from it), the Conversion Rate shall be adjusted to take account of such event to such extent (if any) as the auditors for the time being of the Company confirm in writing to be in their opinion fair and reasonable. The certificate of the auditors will, in the absence of manifest error and fraud, be final, binding and conclusive on the Company and the Noteholders.
- 12 Notwithstanding the provisions of this Schedule, the Notes of a Noteholder shall not be converted to the extent that the allotment and issue of Ordinary Shares on conversion would create any obligation for such Noteholder, or those deemed to be acting in concert with such Noteholder, to make a mandatory offer for the Company pursuant to Rule 9 of the City Code on Takeovers and Mergers.
- 13 For the purpose of this Schedule:
- 13.1 the **Conversion Rate** is whichever of the following ratios includes the lowest principal amount of Notes to be converted into 1 Ordinary Share:
- 13.1.1 40p principal amount of Notes for each 1 Ordinary Share; and
- 13.1.2 in the case of an Exit Event:
- (a) an amount (in pence) of principal amount of Notes which is equal to the price per Ordinary Share determined by the Exit Event, less a discount of 25% for each 1 Ordinary Share; and
- (b) an amount (in pence) of principal amount of Notes which is equal to the placing price of the most recent placing by the Company of Ordinary Shares prior to the Exit Event, less a discount of 25% for each 1 Ordinary Share; and
- 13.1.3 in the case of a Corporate Event or Early Conversion Event, an amount (in pence) of principal amount of Notes which is equal to the placing price of the most recent placing by the Company of Ordinary Shares prior to the Corporate Event or Early Conversion Event (as applicable); and
- 13.1.4 in the case of a Redemption Conversion:
- (a) an amount (in pence) of principal amount of Notes which is equal to the placing price of the most recent placing by the Company of Ordinary Shares prior to the Redemption Conversion; and
- (b) an amount (in pence) equal to the average quoted mid-market price of Ordinary Shares over the 90 Business Days immediately preceding the Redemption Conversion,

and so that in each case fractions of an Ordinary Share shall be disregarded.

Schedule 4
Provisions for Meetings of Noteholders

1 CALLING OF MEETINGS

- 1.1 The Company may at any time convene a meeting of the Noteholders. The Company shall also convene a meeting of the Noteholders if so required in writing signed by the Majority Noteholders.
- 1.2 Every such meeting and every adjourned meeting shall be held at the registered office of the Company for the time being or such other place as the Company may specify.

2 NOTICE OF MEETINGS

- 2.1 At least 10 clear Business Days' notice of any meeting of Noteholders shall be given to the Noteholders.
- 2.2 Any such notice shall specify the place, day and time of the meeting and the general nature of the business to be transacted at the meeting but, except in the case of a resolution to be proposed as a Special Resolution, it shall not be necessary to specify the terms of any resolution to be proposed. Any such notice shall include a statement to the effect that proxies may be appointed in accordance with the provisions of this Schedule.
- 2.3 The accidental omission to give notice to, or the non-receipt of notice by, any of the Noteholders shall not invalidate the proceedings at any meeting.

3 CHAIRMAN

A person (who need not be a Noteholder) nominated in writing by the Company shall be entitled to take the chair at a meeting of the Noteholders but if no such nomination is made or if at any meeting the person nominated is not present within 15 minutes after the time appointed for the holding of the meeting the Noteholders present shall choose one of their number to be chairman.

4 QUORUM

At a meeting of the Noteholders one or more persons present in person or by proxy holding or representing a 75% majority of the Notes shall form a quorum for the transaction of business. No business (other than the choosing of a chairman) shall be transacted at any meeting unless the requisite quorum is present at the commencement of business.

5 ABSENCE OF QUORUM

If within 15 minutes from the time appointed for a meeting of the Noteholders a quorum is not present, the meeting shall, if convened upon the requisition of Noteholders, be dissolved. In any other case it shall stand adjourned to such day and time (being not less than 14 or more than 42 clear days after the time of the original meeting) and to such place as the chairman may decide. At such adjourned meeting, one or more Noteholders present in person or by proxy shall form a quorum.

6 NOTICE OF ADJOURNED MEETING

At least seven clear days' notice of any meeting adjourned through want of a quorum shall be given in the same manner as for an original meeting and such notice shall state the quorum required at such adjourned meeting.

7 ADJOURNMENT OF MEETING

The chairman may with the consent of (and shall if directed by) any meeting adjourn the same from time to time and from place to place but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the original meeting.

8 VOTING AT A MEETING

8.1 Every question submitted to a meeting of Noteholders shall be decided by means of a poll.

9 MANNER OF TAKING POLL

9.1 A poll shall be taken in such manner below as the chairman directs and the result of such poll shall be deemed to be the resolution of the meeting at which the poll was demanded as at the date of the taking of the poll.

9.2 Any poll demanded on the election of a chairman or on any question of adjournment shall be taken at the meeting without adjournment. A poll demanded on any other question shall be taken at such time and place as the chairman may direct. No notice need be given of a poll not taken immediately.

10 PERSONS ENTITLED TO ATTEND AND VOTE

Any persons duly authorised by the Company shall be entitled to attend and speak at any meeting of the Noteholders. No person shall otherwise be entitled to attend or vote at any meeting of the Noteholders unless he is registered as a Noteholder or is a representative of a corporation which is a Noteholder or a proxy of a person who is a Noteholder.

11 VOTING

11.1 At any meeting of Noteholders, on a poll every person who is so present shall have one vote in respect of every £1 nominal of Notes of which he is the holder or in respect of which he is a representative or proxy.

11.2 Without prejudice to the obligations of any proxies any person entitled to more than one vote on a poll need not use all his votes or cast all the votes to which he is entitled in the same way.

11.3 In the case of joint Noteholders, 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 and for this purpose seniority shall be determined by the order in which the names stand in the Register.

12 PROXIES

12.1 A Noteholder may appoint a proxy (who need not be a Noteholder) by instrument in writing in any usual or common form or in any other form which the Directors may approve or accept. The instrument appointing a proxy shall be signed by the appointor or his agent authorised in writing or, if the appointor is a corporation, shall either be executed under its common seal or

be signed by an agent or officer authorised for that purpose. The Company may, but shall not be bound to, require evidence of the authority of any such agent or officer.

12.2 An instrument appointing a proxy shall, unless the contrary is stated in it, be valid for any adjournment of a meeting as well as for the meeting to which it relates. No instrument appointing a proxy shall be valid after the expiration of 12 months from its date of execution.

12.3 A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or of the authority under which the proxy was executed or (until registered) the transfer of the Note in respect of which the vote is given provided that no intimation in writing of such death, insanity, revocation or transfer was received by the Company at its registered office before the commencement of the meeting or adjourned meeting, or of the taking of the poll, at which the proxy is used.

13 DEPOSIT OF PROXIES

An instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, shall be deposited at such place as the Company may, in the notice convening the meeting, direct or, if no such place is appointed, at the registered office of the Company before the time appointed for holding the meeting or taking the poll at which the person named in the instrument proposes to vote and in default the instrument shall not be treated as valid.

14 CORPORATE REPRESENTATIVES

Any corporation which is a Noteholder may by resolution of its directors or other governing body authorise any person to act as its representative at any meeting of Noteholders and such representative shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual Noteholder present in person at the meeting.

15 POWERS OF MEETING

A meeting of the Noteholders shall in addition to all other powers (but without prejudice to any powers conferred on other persons in the Deed) have the following powers exercisable only by Special Resolution, namely:

15.1 to sanction any proposal by the Company for any modification, abrogation, variation, compromise or extinguishing of, or arrangement in respect of, the rights of the Noteholders against the Company whether such rights arise under the Deed or otherwise;

15.2 to sanction the exchange or substitution for the Notes of, or the conversion of the Notes into, other obligations or securities of the Company or any other person or entity;

15.3 to assent to any modifications of the provisions of this Deed which is proposed by the Company;

15.4 to authorise any person to execute and do all such documents, deeds, acts and things as may be necessary to carry out and give effect to any Special Resolution;

15.5 to give any authority or sanction which under the provisions of this Deed is required to be given by Special Resolution; and

15.6 to appoint any persons (whether Noteholders or not) as a committee or committees to represent the interests of the Noteholders and to confer upon such committee or committees any powers or discretions which the Noteholders could themselves exercise by Special Resolution.

16 EFFECT OF SPECIAL RESOLUTION

A Special Resolution passed at a meeting of the Noteholders duly convened and held in accordance with this Deed shall be binding upon all the Noteholders, whether present or not at such meeting, and each of the Noteholders shall be bound to give effect to it accordingly. The passing of any such resolution shall be conclusive evidence that the circumstances of any such resolution justify its passing.

17 MINUTES

Minutes of all resolutions and proceedings at every meeting of Noteholders shall be made and duly entered in books to be from time to time provided for that purpose by the Company. Any such minutes, if they purport to be signed by the chairman of the meeting at which such resolutions were passed or proceedings transacted or by the chairman of the next succeeding meeting of the Noteholders, shall be conclusive evidence of the matters therein contained. Until the contrary is proved, every meeting in respect of which minutes of the proceedings have been made and signed as aforesaid shall be deemed to have been duly held and convened and all resolutions passed or proceedings transacted thereat to have been duly passed and transacted.

18 RESOLUTIONS IN WRITING

A Special Resolution in writing signed by Noteholders holding a majority of the Notes shall be as valid and effectual as if it had been passed as a Special Resolution at a meeting of the Noteholders duly convened and held. Such resolution in writing may be contained in one document or in several documents in or substantially in like form each signed by one or more of the relevant Noteholders. Notice of the substance of any such resolution in writing shall be given to each Noteholder not a signatory to the resolution promptly after the passing thereof.

Schedule 5
VCT Qualifying Covenants

- 1 The Company undertakes as a continuing obligation, that it will:
 - 1.1 procure that neither it, nor any of its 51% subsidiaries, will apply any of the Note subscription monies of VCT Noteholders in funding (whether on its own or together with other money) (directly or indirectly) any Restricted Acquisition;
 - 1.2 procure that neither it, nor any of its 51% subsidiaries, will, without the prior written consent of VCT Noteholders apply any of the Note subscription monies of VCT Noteholders in funding (whether on its own or together with other money) (directly or indirectly) the trading activities of any trade or subsidiary which is acquired on or after the date of the Note issue by:
 - (a) the Company; or
 - (b) a 51% subsidiary of the Company; or
 - (c) a partnership in which the Company or a 51% subsidiary of the Company is or becomes a member;
 - 1.3 procure that all of the Note subscription monies of VCT Noteholders will be applied as working capital to promote the growth and development of the business of the Group at the date of the Note issue within the period ending on the second anniversary of the date of the Note issue;
 - 1.4 procure that neither it, nor any of its 51% subsidiaries, shall, without the prior written consent of VCT Noteholders (but subject to paragraph 3 below)
 - (a) enter into negotiations, or execute any agreement (whether conditional or otherwise), for the provision of finance which is, or may be, State Aid or Risk Capital Funding; or
 - (b) submit to HM Revenue & Customs any form, certificate or document seeking to claim tax relief on an investment in the Company pursuant to either the Seed Enterprise Investment Scheme or the Enterprise Investment Scheme or Social Investment Tax Relief; or
- 2 In paragraphs 1.2 and 1.4 above, a VCT Noteholder shall not withhold its consent to an act (the "**proposed act**") if and to the extent that the Company can demonstrate beyond reasonable doubt to the VCT Noteholder and its advisers that the proposed act will not result in a breach by any of the VCT Noteholder of any of the following conditions set out in the table in section 274(2) of ITA:
 - 2.1 the investment limits condition;
 - 2.2 the permitted maximum age condition; and
 - 2.3 the no business acquisition condition.

3 If the Company is in breach of the covenants set out in the Schedule and, as a result, a VCT Noteholder breaches any of the conditions listed in the table in section 274(2) of ITA, the Company shall take such steps as the VCT Noteholder may reasonably require to mitigate or to remedy the breach to the satisfaction of HM Revenue & Customs.

4 For the purposes of this Schedule the following words and expressions have the following meanings:

- "Group"** the Company and its 51% subsidiaries;
- "ITA"** the Income Tax Act 2007;
- "Restricted Acquisition"** the acquisition, directly or indirectly, of:
- a) an interest in another company such that it becomes a 51% subsidiary of the Company;
 - b) a further interest in a company which is (at the date the further interest is acquired) a 51% subsidiary of the Company;
 - c) a trade;
 - d) intangible assets previously employed for the purposes of a trade (and for these purposes an asset is an "intangible asset" if it falls to be treated as such in accordance with generally accepted accountancy practice); or
 - e) goodwill employed for the purposes of a trade (and for these purposes "goodwill" has the same meaning as in Part 8 of the Corporation Tax Act 2009);
- "Risk Capital Funding"** any investment from any investor who:
- a) is a venture capital trust (as defined in Part 6 of ITA); or
 - b) has claimed, or is intending to claim, tax relief on that investment under the Seed Enterprise Investment Scheme (under Part 5A of ITA) or the Enterprise Investment Scheme (under Part 5 of ITA) or Social Investment Tax Relief (Part 5B of ITA);
- "State Aid"** any aid which was received by the recipient pursuant to a measure approved by the European Commission as compatible with Article 107 of the Treaty on the Functioning of the European Union in accordance with the principles laid down in the European Commission's Guidelines on State aid to promote risk finance investments (as those guidelines may be amended or replaced from time to time);
- "trade"** includes:

- a) any business or profession;
- b) so far as not within paragraph a) above, the carrying on of research and development activities from which it is intended a trade will be derived or will benefit; and
- c) preparing to carry on a trade; and

"51% subsidiary"

has the same meaning as in the Corporation Tax Acts (see Chapter 3 of Part 24 of Corporation Tax Act 2010).

References to a trade include a part of a trade (and references to the carrying on of a trade are to be construed accordingly).

Executed as a Deed by OSIRIUM TECHNOLOGIES PLC
acting by a director in the presence of:



Director

Witness signature TH Chapman

Name
(in block capitals) T CHAPMAN

Address 94 Shelton Street

Canal Selby

N. YORKS

Occupation ACCOUNTANT.