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**If you have sold or transferred all your Ordinary Shares you should send this document together with the accompanying Form of Proxy as soon as possible to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee. If you have sold or transferred only part of your holding in Ordinary Shares in the Company, you should retain these documents, and consult the person through whom the sale or transfer was effected.**

**PHYSIOMICS PLC**

**NOTICE OF GENERAL MEETING**

**The Oxford Science Park, Heatley Road, Oxford OX4 4GE**

**Monday 14th December 2015**

**10am**

Physiomics plc  
The Magdalen Centre  
The Oxford Science Park  
Robert Robinson Avenue  
Oxford  
OX4 4GA  
UK  
Company number: 4225086

## LETTER FROM THE CHAIRMAN

27<sup>th</sup> November 2015

Dear shareholder

### General Meeting

I am writing to give you details of the resolutions to be proposed at an General Meeting of the Company to be held at The Sadler Centre, The Oxford Science Park, Heatley Road, Oxford OX4 4GE on Monday 14<sup>th</sup> December 2015 at 10am, and which are set out in the notice of Extraordinary General Meeting on pages 5-13 of this document.

The Company's Ordinary Shares of 0.04p each ("**Ordinary Shares**") are currently trading on AIM at a price close to their nominal value of 0.04p per share. English company law prohibits the issue of new shares by an English company at a price below their nominal value and, for this reason, the ability of the Company to raise funds by way of the issue of further equity could potentially be inhibited.

Accordingly, the Directors are seeking shareholders' authority to create a greater differential between the nominal value of the Ordinary Shares and their market price ("**Reorganisation**") to provide flexibility for future share issues as required.

To give effect to the Reorganisation, the articles of association of the Company will need to be amended to make changes to allow the creation of deferred shares and these amendments will require shareholders' approval at a General Meeting.

It is, therefore, proposed that each of the existing Ordinary Shares of 0.04p will be subdivided into one new Ordinary Share of 0.004p each ("**New Ordinary Share**") and one Deferred Share of 0.036p each ("**Deferred Share**").

Immediately following the Reorganisation becoming effective, each Shareholder's holding of New Ordinary Shares will be the same as their number of existing Ordinary Shares. Therefore, each Shareholder's proportionate interest in the Company's issued ordinary share capital will, and thus the aggregate value of their holding should, remain unchanged as a result of the Reorganisation.

The New Ordinary Shares will continue to carry the same rights as attached to the existing Ordinary Shares.

If the Reorganisation is approved and assuming no shares are issued between now and that date, the Company's issued ordinary share capital will still comprise 2,481,657,918 New Ordinary Shares and application will be made for the New Ordinary Shares to be admitted to trading on AIM as soon as practicably possible after the resolutions have been passed.

No new share certificates representing the New Ordinary Shares will be sent to Shareholders who hold existing Ordinary Shares in certificated form. Accordingly, share certificates for the existing Ordinary Shares will remain valid, and will only be replaced by share certificates for New Ordinary Shares when the old share certificates are surrendered for cancellation following the transfer, transmission or other disposal of New Ordinary Shares.

Shareholders who hold the existing Ordinary Shares in uncertificated form through CREST should expect to see the security description updated for the existing ISIN number, in order to reflect their holding of New Ordinary Shares following the passing of the resolutions.

The Deferred Shares created will be effectively valueless as they will not carry any rights to vote or dividend rights. In addition, holders of Deferred Shares will only be entitled to a payment on a return of capital or on a winding up of the Company after each of the holders of Ordinary Shares have received a payment of £100,000,000 on each such share.

The Deferred Shares will not be traded on AIM or listed and will not be transferable without the prior written consent of the Board. No share certificates will be issued in respect of the Deferred Shares, nor will CREST accounts of shareholders be credited in respect of any entitlement to Deferred Shares.

### **Recommendation**

The directors of the Company consider that all the proposals to be considered at the General Meeting are in the best interests of the Company and its shareholders as a whole and are most likely to promote the success of the Company. The directors unanimously recommend that you vote in favour of all the proposed resolutions as they intend to do in respect of their own beneficial holdings of the issued share capital of Physiomics plc.

Yours sincerely

Dr Paul Harper

Chairman

## NOTICE OF GENERAL MEETING

Notice is hereby given that a General Meeting ("**Meeting**") of Physiomics plc ("**Company**") will be held at The Oxford Science Park, Heatley Road, Oxford OX4 4GE on Monday 14th December 2015. You will be asked to consider and vote on the resolutions below.

Resolution 1 will be proposed as an ordinary resolution and resolution 2 will be proposed as a special resolution.

### RESOLUTIONS

#### Ordinary resolution

1. That, subject to the passing of resolution 2, with effect from 23.59 hours on the date of the passing of this resolution:

a. each of the existing issued ordinary shares of 0.04p each in the capital of the Company ("**Existing Ordinary Shares**") be subdivided into one deferred share of 0.036p each ("Deferred Shares") and one new Ordinary Share of 0.004p each ("**New Ordinary Shares**"); and

b. the New Ordinary Shares will have the same rights and be subject to the same restrictions (save as to nominal value) as the Existing Ordinary Shares in the Company's Articles of Association and the Deferred Shares will have the rights and be subject to the restrictions attached to Deferred Shares as set out in the Articles of Association.

#### Special resolution

2. That the articles of association of the Company be amended as follows:

a. By amending article 4 to read:

"The share capital of the Company is divided into ordinary shares of 0.004p each and Deferred Shares of 0.036p each."

b. by inserting the following definition:

"Deferred Shares: the deferred shares in the capital of the Company with the rights set out in Article 12"

c. by inserting the following as article 12:

"12. The rights and restrictions attached to the Deferred Shares shall be as follows:

12.1 As regards income the holders of the Deferred Shares shall not be entitled to receive any dividend out of the profits of the Company available for distribution and resolved to be distributed in respect of any financial year or any other income or right to participate therein.

12.2 As regards capital on a distribution of assets on a winding-up or other return of capital (otherwise than on conversion or redemption on purchase by the Company of any of its shares) the holders of the Deferred Shares shall be entitled to receive the amount paid up on their shares after there shall have been distributed (in cash or in specie) to the holders of the Ordinary Shares the amount of £100,000,000 in respect of each Ordinary Share held by them respectively. For this purpose distributions in currency other than sterling shall be treated as converted into sterling, and the value for any distribution in specie shall be ascertained in sterling, in each case in such manner as the Directors of the Company in general meeting may approve. The Deferred Shares shall not entitle the holders thereof to any further or other right of participation in the assets of the Company.

12.3 As regards voting the holders of Deferred Shares shall not be entitled to receive notice of or to attend (either personally or by proxy) any general meeting of the Company or to vote (either personally or by proxy) on any resolution to be proposed thereat.

12.4 The rights attached to the Deferred Shares shall not be deemed to be varied or abrogated by the creation or issue of any new shares ranking in priority to or pari passu with or subsequent to such shares. In addition neither the passing by the Company of any resolution for the cancellation of the Deferred Shares for no consideration by means of a reduction of capital requiring the confirmation of the Court nor the obtaining by the Company nor the making by the Court of any order confirming any such reduction of capital nor the becoming effective of any such order shall constitute a variation, modification or abrogation of the rights attaching to the Deferred Shares and accordingly the Deferred Shares may at any time be cancelled for no consideration by means of a reduction of capital effected in accordance with applicable legislation without sanction on the part of the holders of the Deferred Shares.

12.5 Notwithstanding any other provision of these Articles, the Company shall have the power and authority at any time to purchase all or any of the Deferred Shares for an aggregate consideration of £1.

12.6 The Company shall have irrevocable authority to appoint any person to execute on behalf of the holders of the Deferred Shares a transfer/cancellation of the Deferred Shares and/or an agreement to transfer/cancel the same, without making any payment to the

holders of the Deferred Shares to such person or persons as the Company may determine as custodian thereof and, pending such transfer and/or cancellation and/or purchase, to retain the certificate(s) if any, for such shares.

12.7 The Company may, at its option and subject to compliance with the provisions of applicable legislation, at any time after the adoption of this Article, cancel such shares by way of reduction of capital for no consideration.

12.8 Notwithstanding any other provision of these Articles, and unless specifically required by the provisions of applicable legislation, the Company shall not be required to issue any certificates or other documents of title in respect of the Deferred Shares.”

d. subsequent numbering of the articles of association to be sequentially amended.

If you are a registered holder of Ordinary Shares in the Company, whether or not you are able to attend the meeting, you may use the enclosed form of proxy to appoint one or more persons to attend and vote on a poll on your behalf. A proxy need not be a member of the Company.

By order of the Board

Liz King

Company secretary

Physiomics plc

The Magdalen Centre, Oxford Science Park, Robert Robinson Avenue, Oxford OX4 4GA

Company No. 04225086

27<sup>th</sup> November 2015

## **NOTES TO THE NOTICE OF GENERAL MEETING**

### **Entitlement to attend and vote**

1. Only those shareholders registered in the Company's register of members at:

- 6.00 pm on Thursday 10<sup>th</sup> December; or,
- if this meeting is adjourned, at 6.00 pm on the day two business days prior to the adjourned meeting,

shall be entitled to attend and vote at the meeting. Changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.

### **Website giving information regarding the meeting**

2. Information regarding the meeting, including the information required by section 311A of the Companies Act 2006, can be found at [www.physiomics-plc.com/investors](http://www.physiomics-plc.com/investors)

### **Appointment of proxies**

3. If you are a shareholder who is entitled to attend and vote at the meeting, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the meeting and you should have received a proxy form with this notice of meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.

4. A proxy does not need to be a member of the Company but must attend the Meeting to represent you. Details of how to appoint the Chairman of the Meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form. If you wish your proxy to speak on your behalf at the Meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.

5. Appointment of a proxy does not preclude you from attending the meeting and voting in person. If you have appointed a proxy and attend the meeting and vote in person, your proxy appointment will automatically be terminated.

6. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, please contact the Company.

7. In order to be valid, any form of proxy, power of attorney or other authority under which it is signed, or a notarially certified or office copy of such power or authority, must reach the Company's Registrars, Capita Asset Services, PXS, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU not later than 48 hours before the time of the meeting.

8. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the meeting.

#### **Appointment of proxy by post**

9. The notes to the proxy form explain how to direct your proxy how to vote on each resolution or withhold their vote. To appoint a proxy using the proxy form, the form must be completed, signed and sent or delivered to the Company's Registrars, Capita Asset Services, PXS, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU and received no later than 10.00am on Thursday 10<sup>th</sup> December 2015.

In the case of a shareholder which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.

#### **Appointment of proxies through CREST**

10. CREST members who wish to appoint a proxy or proxies by using the CREST electronic proxy appointment service may do so for the Meeting and any adjournment of it by using the procedures described in the CREST Manual. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a CREST Proxy Instruction) must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by Capita (ID RA10) not later than 48 hours before the time fixed for the AGM. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which Capita is able to retrieve the message by enquiry to CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means. Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages and normal system timings and limitations will apply in relation to the input of a CREST Proxy Instruction. It is the responsibility of the CREST member

concerned to take such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

### **Appointment of proxy by joint members**

11. In the case of joint holders the signature of any one holder is sufficient. If more than one joint holder of any share is present at the meeting personally or by proxy, that one present whose name stands first on the register of members in respect of that share is alone entitled to vote in respect of that share.

### **Changing proxy instructions**

12. To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see below) also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.

Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact the Company at its registered office.

If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

### **Termination of proxy appointments**

13. In order to revoke a proxy instruction you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to the Company's registered office. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.

The revocation notice must be received by the Company no later than 10.00am on Thursday 10<sup>th</sup> December 2015.

If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.

If you have appointed a proxy and attend the Meeting in person, your proxy appointment will automatically be terminated.

### **Corporate representatives**

14. A corporation which is a member can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a member provided that no more than one corporate representative exercises powers over the same share.

### **Electronic participation**

15. You may not use any electronic address provided either in this notice of an Extraordinary General Meeting, or any related documents (including the chairman's letter and proxy form), to communicate with the Company for any purposes other than those expressly stated.

### **Issued shares and total voting rights**

16. As at 18:00 on 26<sup>th</sup> November 2015, the Company's issued share capital comprised 2,481,657,918 ordinary shares of 0.04p each. Each ordinary share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at 18:00 on 26<sup>th</sup> November 2015 is 2,481,657,918.

The website referred to in note 2 will include information on the number of shares and voting rights.

## FORM OF PROXY

I/We (block capital) .....

of (block capital) .....

Being a member/members of Physiomics Plc hereby appoint the chairman of the meeting or (see note 1 and 2)

..... in respect of ..... Ordinary Shares

(Please indicate here with an 'X' if this appointment is one of multiple appointments being made.)

as my/our proxy to attend and on a poll to vote for me/us and on my/our behalf at the General Meeting of the Company to be held on 14<sup>th</sup> December 2015 at 10.00am and at any adjournment thereof. I/we direct, by inserting a cross or other mark in the appropriate box below, how my/our votes are to be cast on each of the resolutions to be proposed at the meeting as indicated below. If no indication is given, the proxy will exercise his/her discretion as to how he/she votes and as to whether or not he/she abstains from voting. Please complete, sign and date this form where indicated below (see notes below).

ORDINARY RESOLUTION	For	Against	Withheld
<p>1. That, subject to the passing of resolution 2, with effect from 23.59 hours on the date of the passing of this resolution:</p> <p>a. each of the existing issued ordinary shares of 0.04p each in the capital of the Company ("Existing Ordinary Shares") be subdivided into one deferred share of 0.036p each ("Deferred Shares") and one new Ordinary Share of 0.004p each ("New Ordinary Shares"); and</p> <p>b. the New Ordinary Shares will have the same rights and be subject to the same restrictions (save as to nominal value) as the Existing Ordinary Shares in the Company's Articles of Association and the Deferred Shares will have the rights and be subject to the restrictions attached to Deferred Shares as set out in the Articles of Association.</p>			
SPECIAL RESOLUTION			
<p>2. That the articles of association of the Company be amended as follows:</p> <p>a. By amending article 4 to read:</p> <p>"The share capital of the Company is divided into ordinary shares of 0.004p each and Deferred Shares of 0.036p each."</p> <p>b. by inserting the following definition at article 1:</p> <p>"Deferred Shares: the deferred shares in the capital of the Company with the rights set out in Article 12"</p> <p>c. by inserting the following as article 12:</p> <p>"12. The rights and restrictions attached to the Deferred Shares shall be as follows:</p> <p>12.1 As regards income the holders of the Deferred Shares shall not be entitled to receive any dividend out of the profits of the Company available for distribution and resolved to be distributed in respect of any financial year or any other income or right to participate therein.</p> <p>12.2 As regards capital on a distribution of assets on a winding-up or other return of capital (otherwise than on conversion or redemption on purchase by the Company of any of its shares) the holders of the Deferred Shares shall be entitled to receive the amount paid up on their shares after there shall have been distributed (in cash or in specie) to the holders of the Ordinary Shares the amount of £100,000,000 in respect of each Ordinary Share held by them respectively. For this purpose distributions in currency other than sterling shall be treated as converted into sterling, and the value for any distribution in specie shall be ascertained in sterling, in each case in such manner as the Directors of the Company in general meeting may approve. The Deferred Shares shall not entitle the holders thereof to any further or other right of participation in the assets of the Company.</p> <p>12.3 As regards voting the holders of Deferred Shares shall not be entitled to receive notice of or to attend (either personally or by proxy) any general meeting of the Company or to vote (either personally or by proxy) on any resolution to be proposed thereat.</p> <p>12.4 The rights attached to the Deferred Shares shall not be deemed to be varied or abrogated by the creation or issue of any new shares ranking in priority to or pari passu with or subsequent to such shares. In addition neither the passing by the Company of any resolution for the cancellation of the Deferred Shares for no consideration by means of a reduction of capital requiring the confirmation of the Court nor the obtaining by the Company nor the making by the Court of any order confirming any such reduction of capital nor the becoming effective of any such order shall constitute a variation, modification or abrogation of the rights attaching to the Deferred Shares and accordingly the Deferred Shares may at any time be cancelled for no consideration by means of a reduction of capital effected in accordance with applicable legislation without sanction on the part of the holders of the Deferred Shares.</p> <p>12.5 Notwithstanding any other provision of these Articles, the Company shall have the power and authority at any time to purchase all or any of the Deferred Shares for an aggregate consideration of £1.</p> <p>12.6 The Company shall have irrevocable authority to appoint any person to execute on behalf of the holders of the Deferred Shares a transfer/cancellation of the Deferred Shares and/or an agreement to transfer/cancel the same, without making any payment to the holders of the Deferred Shares to such person or persons as the Company may determine as custodian thereof and, pending such transfer and/or cancellation and/or purchase, to retain the</p>			

<p>certificate(s) if any, for such shares.</p> <p>12.7 The Company may, at its option and subject to compliance with the provisions of applicable legislation, at any time after the adoption of this Article, cancel such shares by way of reduction of capital for no consideration.</p> <p>12.8 Notwithstanding any other provision of these Articles, and unless specifically required by the provisions of applicable legislation, the Company shall not be required to issue any certificates or other documents of title in respect of the Deferred Shares.”</p> <p>d. subsequent numbering of the articles of association to be sequentially amended.</p>			
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Signature(s).....

Date ..... 2015

- NOTES
1. As a member of the Company you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at a general meeting of the Company. You can only appoint a proxy using the procedures set out in these notes.
  2. Appointment of a proxy does not preclude you from attending the meeting and voting in person. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.
  3. A proxy does not need to be a member of the Company but must attend the meeting to represent you. To appoint as your proxy a person other than the Chairman of the meeting, insert their full name in the box. If you sign and return this proxy form with no name inserted in the box, the Chairman of the meeting will be deemed to be your proxy. Where you appoint as your proxy someone other than the Chairman, you are responsible for ensuring that they attend the meeting and are aware of your voting intentions. If you wish you proxy to make any comments on your behalf, you will need to appoint someone other than the Chairman and give them the relevant instructions directly.
  4. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy you may photocopy this form. Please indicate the proxy holder's name and the number of shares in relation to which they are authorised to act as your proxy (which, in aggregate, should not exceed the number of shares held by you). Please also indicate if the proxy is one of multiple instructions being given.
  5. To direct your proxy how to vote on the resolutions mark the appropriate box with an 'X'. To abstain from voting on a resolution, select the relevant "Vote withheld" box. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the meeting.
  6. Any alteration to the form of proxy should be initialled.
  7. All forms of proxy should be signed by the appointer or his attorney duly authorised in writing or, if the appointer is a Company, either under seal or under hand of a duly authorised officer or attorney of the Company and returned in the same envelope.
  8. In the case of joint holders the signature of any one holder is sufficient. If more than one joint holder of any share is present at the meeting personally or by proxy, that one present whose name stands first on the register of members in respect of that share is alone entitled to vote in respect of that share.
  9. To be valid this form of proxy and any power of attorney or other authority under which it is signed or a notarially certified copy of such power of authority must be lodged at the offices of the Company's Registrars, Capita Asset Services, PXS, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU not later than 48 hours before the time of the meeting.
  10. CREST members should use the CREST electronic proxy appointment service and refer to Note 10 of the Notice of General Meeting in relation to the submission of a proxy appointment via CREST.
  11. If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.
  12. For details of how to change your proxy instructions or revoke your proxy appointment see the notes to the notice of meeting.
  13. You may not use any electronic address provided in this proxy form to communicate with the Company for any purposes other than those expressly stated.