

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take, you are recommended to seek your own financial advice from your stockbroker or other independent adviser authorised under the Financial Services and Markets Act 2000.**

If you have sold or otherwise transferred all of your Shares in Biome Technologies Plc, please forward this document, together with the accompanying Form of Proxy, to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected as soon as possible for transmission to the purchaser or transferee. If you have sold only part of your holding of Shares in Biome Technologies Plc, you should retain these documents.

The Directors, whose names appear on page 4, and the Company, collectively and individually, accept responsibility for all the information contained in this document. To the best of the knowledge and belief of the Directors and the Company (who have taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

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## **BIOME TECHNOLOGIES PLC**

*(Incorporated and registered in England and Wales with registered number 01873702)*

### **Proposed Sale of the Company's interest in Biotec Holding GmbH**

and

### **Notice of General Meeting**

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**This document should be read as a whole. Your attention is drawn to the letter from the Chairman of Biome Technologies Plc starting on page 4 of this document which recommends that you vote in favour of the Resolution to be proposed at the General Meeting referred to below.**

Notice convening a General Meeting of Biome Technologies Plc, to be held at 11.00 a.m. on Thursday 27 September 2012 at the offices of FTI Consulting, at Holborn Gate, 26 Southampton Buildings, London, WC2A 1PB is set out at the end of this document. All Shareholders are urged to complete and return the accompanying Form of Proxy, whether or not they intend to be present at the meeting, in accordance with the instructions printed thereon so as to arrive as soon as possible and in any event, in order to be valid, so as to be received by the Company's registrars, Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands, B63 3DA not later than 11.00 a.m. on Tuesday 25 September 2012. The completion and return of a Form of Proxy will not preclude a Shareholder from attending and voting in person at the General Meeting should he or she wish to do so.

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## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Publication of this document	7 September 2012
Latest time and date for receipt of Forms of Proxy	11.00 a.m. on Tuesday 25 September 2012
General Meeting	11.00 a.m. on Thursday 27 September 2012

All references to time in this document are to London time.

## DEFINITIONS

The following definitions apply throughout this document and the accompanying Form of Proxy unless the context requires otherwise:

<b>“Agreement”</b>	the conditional share sale and purchase agreement dated 6 September 2012 and made between (1) the Company and (2) SPH relating to the sale of the Company’s 50 per cent. holding in Biotec
<b>“AIM”</b>	a market operated by London Stock Exchange
<b>“AIM Rules”</b>	the AIM Rules for Companies published by the London Stock Exchange from time to time
<b>“Biotec”</b>	Biotec Holding GmbH, a company registered and incorporated in Germany with registered number HRB 3240, in which the Company holds 50 per cent. of the issued share capital
<b>“Board” or “Directors”</b>	the directors of the Company, whose names are set out on page 4 of this document
<b>“Company” or “Biome”</b>	Biome Technologies Plc, incorporated and registered in England and Wales with registered number 01873702
<b>“Form of Proxy”</b>	the form of proxy which accompanies this document for use by Shareholders in connection with the GM
<b>“General Meeting” or “GM”</b>	the General Meeting of the Company convened for 11.00 a.m. on Thursday 27 September 2012 to approve the Resolution, or any adjournment of it, notice of which is set out at the end of this document
<b>“Group”</b>	the Company and its subsidiaries and subsidiary undertakings at the date of this document
<b>“London Stock Exchange”</b>	London Stock Exchange plc
<b>“Notice”</b>	the notice convening the GM set out at the end of this document
<b>“Novamont”</b>	Novamont S.p.A., a company based in Novara, Italy
<b>“Ordinary Shares” or “Shares”</b>	ordinary shares of 0.1p each in the capital of the Company
<b>“Purchase Price”</b>	£5,200,000
<b>“Registrars”</b>	the Company’s registrars, Neville Registrars Limited
<b>“Resolution”</b>	the resolution set out in the Notice
<b>“RF”</b>	Stanelco RF Technologies, a division of Biome, which designs and builds radio frequency systems
<b>“Sale”</b>	the proposed sale by the Company of its 50 per cent. holding in Biotec to SPH pursuant to the terms of the Agreement
<b>“Shareholder Loans”</b>	the aggregate loan of EUR 6,227,092.02 made by the Company to Biotec and its subsidiaries
<b>“Shareholders”</b>	holders of Shares
<b>“SPH”</b>	Sphere S.A., a Company registered in France, with company number 306591249, whose registered office is at 3 Rue Scheffer, 75016 Paris, France.

# LETTER FROM THE CHAIRMAN

## BIOME TECHNOLOGIES PLC

*(Incorporated and registered in England and Wales with registered number 01873702)*

### *Directors*

John Standen *(Non-Executive Chairman)*

Paul Mines *(Chief Executive Officer)*

Declan Brown *(Finance Director)*

Michael Kayser *(Non-Executive Director)*

### *Registered Office:*

Starpol Technology Centre

North Road

Marchwood

Southampton

Hampshire

SO40 4BL

7 September 2012

*To the holders of Shares*

Dear Shareholder,

### **Proposed Sale of the Company's interest in Biotec Holding GmbH**

**and**

### **Notice of General Meeting**

#### **1. Introduction**

Biome announced on 7 September 2012 the proposed disposal to SPH of the Company's 50 per cent. holding in Biotec (together with the outstanding Shareholder Loans made by the Company to Biotec) for £5.2m in cash.

The purpose of this document is to provide you with the reasons for, and principal terms of, the Sale and to provide details of the Company's proposed strategy if the Sale completes. In addition, this document contains a Notice convening a General Meeting of the Company at which Shareholders' approval to the Resolution necessary to implement the Sale will be sought.

In view of the size of Biotec and the fundamental nature of the Sale, it is a requirement of the AIM Rules that the Sale be approved by Shareholders at a General Meeting of the Company. The Sale is therefore conditional on the passing of the Resolution as an ordinary resolution of the Company.

The assets of Biotec and associated development activity are currently valued in the Company's balance sheet at approximately £9.1m. If the Sale proceeds, the Company will incur a write off of approximately £3.8m, dependent on the prevailing Euro exchange rate at the date of completion.

#### **2. Information on Biotec**

A series of transactions took place in 2005 resulting in Biome owning 50 per cent of Biotec. Biotec is based in Emmerich, northern Germany and operates as a 50:50 joint venture with SPH.

Biotec manufactures and supplies a range of bioplastic resins which replace oil based materials in a number of applications under the product name Bioplast. Biotec's principal customers are Biome and SPH and in Biome's case, all these materials are then sold on to the Group's customers in the bioplastics market. The intellectual property of Biotec that has underpinned commercial sales to-date is used in the production of resins for thin flexible films (most often converted to make bags) and in a small range of moulded product applications.

Biotec's manufacturing technology is based on a number of "compounding machines" with a high degree of automation. Biotec's annual capacity is in excess of 20,000 tonnes, but has never operated at near capacity.

In current market conditions it is operating at less than 50 per cent. of capacity. In addition to its manufacture of resins, Biotec's production facilities have been used in the scale-up of the production of novel materials originating from Biome's own development activities undertaken in the UK.

Biotec is managed through an advisory board formed of equal voting members from both Biome and SPH. In the year to 31 December 2011, the profit after tax attributable to Biotec was £0.4m (2010: loss of £0.4m).

In 2007, Novamont began proceedings against Biotec and SPH in courts in both France and Italy alleging infringements of three of Novamont's patents. The first court judgement on this litigation was received in France in April 2010 and was in favour of Biotec and SPH in that no proof of infringement was found for all three Novamont patents. Subsequent to this, Biotec and SPH lodged an appeal in France against the remaining validity of two of Novamont's patents while Novamont has appealed against the complete court decision. The result of the case being heard in the Turin court in Italy was received in July 2012 and in the first instance has found in favour of Biotec. Appeal paths are available for these findings and a parallel case remains ongoing in the Milan court in Italy. In separate proceedings, Biotec and SPH have received two first instance court judgements that the relevant, equivalent claims of two of the patents that Novamont have been relying on in Italy and France are invalid in Germany. Novamont has subsequently appealed the German court judgement on one of its patents. The aggregate legal costs incurred by Biotec from commencement of the Novamont litigation to 30 June 2012 are in excess of €4m and the timing and outcome of the litigation in each of these jurisdictions remains uncertain.

### **3. Background to and reasons for the Sale**

The Board believes that there are a number factors which, taken together, lead to the conclusion that the Sale is in the best interest of Shareholders. In particular:

- the demand for biodegradable plastic polymers manufactured by Biotec and sold by Biome and SPH has reduced significantly during 2012. This follows the suspension of legislation in Italy banning the use of conventional plastic shopping bags and the deferment of legislation or voluntary adoption for similar applications in other territories. This change to legislation has had a materially adverse impact on sales in this market and while growth in these sectors is expected to resume in due course, the timing is uncertain;
- the ongoing cost of litigation with Novamont is likely to limit the returns from Biotec in the short to medium term;
- the overhead costs of a large scale factory and the cost base of the current product chemistry limit the margins available;
- the low margin characteristic of the plastic bag market drives a requirement for significant volume through Biotec;
- Biome's own strategy and technology development path is focused on materials with higher functionality and margins than those achieved through Biotec; and
- production technology required for the intellectual property being developed by Biome may require different process technology in due course.

The joint venture structure with SPH has been successful on an operational level in recent years but the shared control of Biotec is not optimal for either partner particularly when the markets being served by SPH and Biome are experiencing volatility. Consequently, when SPH recently approached Biome about the possibility of selling its shareholding in Biotec, the Board felt that it would be in Shareholders' interests to negotiate an amicable agreement for sale.

Biotec, although serving the current interests of both partners, will become increasingly less relevant to Biome's strategy in the coming years. It is therefore clear to the Board that it is a suitable time to sell Biotec and withdraw from certain markets supported by the existing Biotec technology.

#### **4. Principal terms and conditions of the Agreement**

Under the terms of the Agreement, the Company has agreed to sell, and SPH has agreed to buy, the share that the Company holds in Biotec (together with all rights and obligations relating thereto). In addition, the Company has agreed to sell, and SPH has agreed to purchase all outstanding amounts owed by Biotec and its subsidiaries to the Company under the Shareholder Loans.

The consideration for the Biotec share and the Shareholder Loans is the aggregate amount of £5,200,000 in cash, payable on completion. However, the Agreement also contains a provision whereby if SPH sells or transfers the business and/or assets (other than in the ordinary course of trade) of Biotec to a third party within 18 months of completion, the Company may receive an additional payment from SPH. This additional payment (if any) will be calculated as a percentage of the price of such second sale if this price is in excess of the purchase price paid to the Company under the Agreement with the percentage entitlement of the Company decreasing over time.

The completion of the Sale is conditional upon the passing of the Resolution at the GM.

The Agreement contains certain customary representations and warranties given by the Company to SPH. These are limited to certain fundamental matters such as the ownership by the Company of the shares being sold, title to the Shareholder Loans, capacity and authorisation and insolvency. Any liability of the Company under these representations and warranties is limited to the amount of the Purchase Price (save for fraud or wilful misconduct on the part of the Company).

As is common with an agreement of this nature, the Agreement contains a provision whereby the Company agrees not to compete in certain limited fields of activity with Biotec, limited to 12 months worldwide and 18 months in the European Union. It is not considered that these restrictive covenants will prevent the Company from carrying out its planned business activities following completion of the Sale.

Simultaneously with completion of the Sale, the joint venture agreement between the Company and SPH relating to Biome will be terminated.

#### **5. Current trading and prospects**

On 3 September 2012, the Company released its interim results for the six month period ended 30 June 2012. Set out below are extracts from the interim results statement relating to the Group results and the outlook.

##### ***Group results***

*“Group revenues were £7.5m compared to £10.4m in the first half of 2011. The Bioplastic division’s revenues reduced by 24 per cent. due to the changes in the European market. The decrease in the RF division’s revenues is attributable to the phasing of furnace sales during this year. The Group’s loss from operations was £1.1m compared to a loss of £0.4m in the first half of 2011.*

*At the end of May the Board announced that it would be taking steps to reduce cash costs by approximately £600k per year to protect its business model following the changes in the bioplastics market. These actions have now been completed substantially and we will experience the benefits over the remainder of 2012 and into 2013. Central costs decreased year on year to £0.8m from £0.9m in the first half of 2011.*

*Finance related costs totalled £0.2m (H1 2011: finance related income £0.5m). Of this change, £0.6m related to the depreciation of the Euro on the retranslation of the loan between Biome Technologies and Biotec.*

*The loss before taxation was £1.3m (H1 2011: profit £0.1m) which, after taxation, delivered a loss per share of 0.022 pence (H1 2011: profit per share 0.003 pence). Cash utilised by operations was £1.0m (2011: £0.3m) which reflects the aforementioned loss for the period and an increase in inventories, primarily at Biotec.”*

##### ***Outlook***

*“Whilst there is some reduction to the turbulence seen in the marketplace in the second quarter, overall demand remains subdued in Europe in comparison to 2011. The Board views this as a one or two year pause in the growth of legislatively derived markets, particularly for the plastic bags market. However, Biome continues to progress with new products and technologies to improve its future prospects and develop new*

*markets. It is particularly encouraging to see a number of these technologies at an advanced stage on the path towards commercialisation.*

*The RF division is performing well and the order pipeline into 2013 is continuing to grow.”*

## **6. Proposed future strategy for Biome**

The sale of Biotec will allow the Group to pursue its stated strategy with greater focus. The Group’s medium term strategy is to:

- build a leading position in its chosen markets based on patented technology;
- develop a range of new functional application areas where premiums can be obtained from its existing bioplastics IP base;
- create application led rather than technology led products by working intimately with consumer facing international businesses to create and build new bioplastic applications; and
- differentiate the business by developing and retaining a team that is recognised as being at the forefront in advancements in application and product engineering.

The Sale will allow Biome to better focus on its chosen higher margin markets outside of plastic bags. It will also enable the business to work exclusively on developing and commercialising 100 per cent. owned intellectual property that is already generated in the UK, where it is believed premiums can be obtained.

Biome will heighten its concentration on international customers and will be able to stop allocating resources on generating sales to support the cost base of Biotec. These resources can then be re-deployed on application and product support rather than manufacturing.

The innovative technologies within Biome’s portfolio that are at advanced stages of development include materials for paper coating, resilient injection moulded parts and multi-layer films for product packaging.

One such example is a new technology for heat resistant bio-plastic materials that is used in an innovative range of temperature stable bioplastics called BiomeHT. It was launched in 2010, with patent protection applied for in April 2011. These products are predominantly made from renewable resources and are fully biodegradable, providing for lower lifecycle costs and excellent end-of-life credentials. BiomeHT requires different production technology than that currently available at Biotec and is being produced under licence by a third party in the UK. Notably, Biome has entered recently into a pre-launch evaluation agreement with a leading manufacturer of high performance single-use foodservice products. Under the agreement, the parties will co-operate to undertake the final stages of high speed production testing and launch preparations. This evaluation is focused on the use of BiomeHT and the agreement comes at the conclusion of an initial cooperation over the past 18 months. It is aimed at being launched into a market of significant potential in 2013.

A further example is a product developed as a multi-layer sealing film for single-use coffee capsules and this product has completed barrier and mechanical testing. It has been launched through a limited number of Biome’s end-customers sales outlets and we are currently scaling-up volumes of production.

With longer term development and a higher level of proprietary intellectual property in mind, Biome continues to evaluate the opportunities for the manufacture of bio-based materials through the use of synthetic biology. This is a rapidly emerging technology and Biome has a small number of early stage collaborations with both academic and industrial partners in the UK and further afield to better understand the technical and commercial opportunities in this area.

The RF business continues to perform and generates good margins and cash whilst broadening its portfolio of application areas. The Board will continue to explore ways to accelerate returns from this business.

The proceeds of the sale of Biotec will be used to fund the declared strategy and specifically:

- the working capital needs of the Group;
- capital investment to facilitate the production of Biome’s ongoing portfolio at third party facilities; and

- further research and development activities in the area of bio-based/bio-degradable chemicals and plastics.

The Board will also give consideration to potential return of funds to shareholders that are in excess of those required in the medium term. This evaluation will consider, amongst other matters, funds required to support the strategy, the results of ongoing customer trials and the elimination of the few remaining legacy issues from the aborted GreenSeal project. Should a distribution of funds be proposed in due course, an alteration to the Group's capital structure will likely be required which will be subject to the approval of shareholders. The Board will update shareholders on these matters at the time of the Preliminary Results in January 2013.

## **7. General Meeting**

The Sale is conditional on the approval of the Shareholders at the GM. You will find at the end of this document a Notice convening the GM to be held at 11.00 a.m. on Thursday 27 September 2012 at the offices of FTI Consulting, at Holborn Gate, 26 Southampton Buildings, London, WC2A 1PB. At the GM the Resolution will be proposed to approve the Sale. The Resolution will be proposed as an ordinary resolution and to be effective it will require passing by a simple majority of Shareholders.

## **8. Action to be taken**

You will find accompanying this document a Form of Proxy for use at the GM. To be valid, a Form of Proxy must be completed and signed in accordance with the instructions thereon and returned to the Company's Registrars, Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands, B63 3DA as soon as possible and in any event so as to be received by no later than 11.00 a.m. on Tuesday 25 September 2012. The completion and return of a Form of Proxy will not prevent Shareholders who are entitled to vote from attending and voting in person at the GM if they so wish.

## **9. Documents available**

Copies of this document will be available to the public, free of charge, at the Company's registered office and at the offices of Daniel Stewart and Company at Becket House, 36 Old Jewry, London EC2R 8DD during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) for one month from the date of this document. This document is also available on the Company's website, [www.biometechnologiesplc.com](http://www.biometechnologiesplc.com).

## **10. Irrevocable voting commitments**

The Company has received irrevocable voting commitments from certain Shareholders in favour of the Resolution. These voting commitments are in respect of 1,184,524,040 Ordinary Shares, representing 20.13 per cent. of the Company's issued share capital.

In addition, the Company has received irrevocable voting commitments from the Directors in favour of the Resolution. These voting commitments are in respect of 88,111,360 Ordinary Shares, representing 1.50 per cent. of the Company's issued share capital.

## **11. Recommendation**

The Directors consider that the Sale is in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors unanimously recommend that Shareholders vote in favour of the Resolution at the General Meeting.

Yours faithfully

John Standen  
Non-Executive Chairman  
Biome Technologies Plc

# BIOME TECHNOLOGIES PLC

(the “Company”)

*(Incorporated and registered in England and Wales with registered number 01873702)*

## NOTICE OF A GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that a General Meeting of Biome Technologies Plc (the “Company”) will be held at 11.00 a.m. on Thursday 27 September 2012 at the offices of FTI Consulting, at Holborn Gate, 26 Southampton Buildings, London, WC2A 1PB for the purpose of considering and if thought fit passing the resolution set out below.

You will be asked to consider and vote on the following resolution which will be proposed as an ordinary resolution

It is not currently intended that any other business be dealt with at the General Meeting.

### ORDINARY RESOLUTION

1. THAT the sale by the Company of its entire interest in Biotec Holding GmbH to Sphere S.A. pursuant to the sale and purchase agreement dated 6 September 2012 and made between the Company (1) and Sphere S.A (2) on the terms summarised in the circular from the Company to holders of ordinary shares in the Company dated 7 September 2012 be and is hereby approved, subject to such non-material variations as the directors of the Company shall, in their absolute discretion, think fit, and that the directors of the Company be and they are hereby authorised to take all such steps as they consider necessary or desirable to implement the sale and purchase agreement in accordance with its terms.

### By order of the Board

John Standen  
Non-Executive Chairman  
Biome Technologies Plc

**Registered office:**  
Starpol Technology Centre  
North Road  
Marchwood  
Southampton  
Hampshire  
SO40 4BL

7 September 2012

### Notes:

1. A member who is entitled to attend, speak and vote may appoint a proxy to attend, speak and vote instead of him. A proxy need not be a member of the Company but must attend the GM in order to represent you. A member wishing to appoint someone other than the Chairman of the Meeting as his or her proxy should insert that person’s name in the space provided in substitution for the reference to “the Chairman of the Meeting” (and delete that reference) and initial the alteration.
2. To be valid, this proxy form, and the original or duly certified copy of the power of attorney or other authority (if any) under which it is signed or authenticated, must be received by post or (during normal business hours only) by hand at the offices of the Company’s registrars, Neville Registrars Limited of Neville House, 18 Laurel Lane, Halesowen, West Midlands, B63 3DA, not later than 48 hours before the time appointed for the GM or any adjournment thereof, together with the power of attorney or other authority or a notarially certified or office copy of such power of authority. Alternatively, a member may appoint a proxy or proxies by using the CREST proxy appointment service, by following the procedure set out in Note 9 below. You can only appoint a proxy using the procedures set out in these Notes and in the notes to the Notice.

3. Please indicate your voting instructions by inserting a cross (X) in the appropriate box. If no instruction is given, the proxy may vote as he thinks fit or abstain from voting. Your proxy must vote in accordance with any instructions given by you. If you mark the box "vote withheld" it will mean that your proxy will abstain from voting. A "vote withheld" is not a vote in law and will not be counted in the calculation of the proportion of the votes "For" and "Against" a resolution. If you fail to select any of the given options, the proxy can vote as he or she chooses or can decide not to vote at all.
4. In the case of joint holders only one need sign. The vote of the most senior holder who tenders a vote whether in person or by proxy will be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority will be determined by the order in which the names stand in the register of members in respect of the joint holding.
5. You may appoint any person, whether or not a member of the Company, as a proxy, but in default of specific appointment the Chairman of the meeting will act as your proxy. The appointment of a proxy does not prevent you from attending and voting in person at the GM or any adjournment thereof. If the member appointing the proxy does so attend and vote, any proxy appointment will terminate automatically.
6. An individual member or his attorney must sign this form. If the member is a company, this proxy form must be executed under the company's common seal or signed on the company's behalf by a duly authorised officer or attorney of the company, stating their capacity (e.g. director, secretary).
7. If the proxy is being appointed in relation to less than your full voting entitlement, please indicate on the line provided the number of shares in relation to which that person is authorised to act as your proxy. If left blank, your proxy will be deemed to be authorised in respect of your full voting entitlement or, if this proxy form has been issued in respect of a designated account for a shareholder, the full voting entitlement for that designated account.
8. A member may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares (so a member must have more than one share to be able to appoint more than one proxy). A separate proxy form must be deposited for each proxy appointed. Further copies of this form may be obtained from Neville Registrars Limited of Neville House, 18 Laurel Lane, Halesowen, West Midlands, B63 3DA. If you appoint multiple proxies please indicate on the line provided the number and class of shares in relation to which the person named on this form is authorised to act as your proxy, and also indicate by ticking the box provided that the proxy instruction is one of multiple instructions being given. All forms must be signed and returned to Neville Registrars Limited of Neville House, 18 Laurel Lane, Halesowen, West Midlands, B63 3DA, together in the same envelope. Where multiple proxies are appointed, failure to specify the number of shares to which this proxy appointment relates, or specifying a number which exceeds the number held by the member when totalled with the number specified on other proxy appointments by the same member, will render all the appointments invalid.
9. To complete a valid proxy appointment or instruction using the CREST service, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction relating to a previously appointed proxy must, in order to be valid, be transmitted and received by Neville Registrars Limited (Participant ID: 7RA11) not later than 11.00 a.m. on 25 September 2012. The time of receipt of the instruction will be the time (as determined by the time stamp applied to the message by the CREST Applications Host) from which Neville Registrars Limited is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
10. If you are a person who has been nominated by a member to enjoy information rights in accordance with section 146 of the Companies Act 2006, you do not have the right to appoint a proxy (as that right can only be exercised by members of the Company) but you may have a right under an agreement between you and the member by whom you were nominated to be appointed, or to have someone else appointed, as a proxy for the Meeting. If you have not such right or do not wish to exercise it, you may have a right under such an agreement to give instructions to the member as to the exercise of voting rights.
11. A member wishing to change his or her proxy instructions should submit a new proxy appointment using the methods set out, and by the time limit specified, in Notes 2 and 9. Any changes to proxy instructions received after that time will be disregarded. A member who requires another form should contact Neville Registrars Limited of Neville House, 18 Laurel Lane, Halesowen, West Midlands, B63 3DA. Subject to Note 8, if a member submits more than one valid proxy appointment, the appointment received last before the time limit in Note 2 will take precedence.
12. A member wishing to revoke his or her proxy appointment should do so by sending a notice to that effect to the Company's registrars to the address set out in Note 2 or electronically by means of the facilities described in Note 9. The revocation notice must be received by Neville Registrars Limited by the time limit set out in Note 2. Any revocation notice received after this time will not have effect.

# Biome Technologies plc

## Proxy Form

Proxy form to be used for the General Meeting of Biome Technologies plc (the “**Company**”), to be held on Thursday 27 September 2012 at 11.00 a.m. at the offices of FTI Consulting, Holborn Gate, 26 Southampton Buildings, London WC2A 1PB (the “**GM**”).

I/We the undersigned being a member of the Company entitled to receive notice, attend and vote at general meetings of the Company,

HEREBY APPOINT .....

failing whom, the Chairman of the Meeting (*Note 1*), as my/our proxy to attend, speak and vote for me/us at the GM of the Company and at any adjournment thereof in respect of the resolution specified in the notice of GM dated 7 September 2012 (the “**Resolution**” and the “**Notice**” respectively) and as listed below and any other business (including adjournments and amendments to the Resolution) which may properly come before the GM or any adjournment thereof.

I/We direct my/our proxy to vote as follows (*Note 3*):

Ordinary Resolution	For	Against	Withheld
1. To approve the sale by the Company of its entire interest in Biotec Holding GmbH to Sphere S.A. pursuant to the sale and purchase agreement dated 6 September 2012, made between the Company (1) and SPH (2) on the terms summarised in the circular from the Company to holders of ordinary shares in the Company dated 7 September 2012			

Number of shares in relation to which the proxy is authorised to act: ..... (*Note 7*)

This proxy appointment is one of a multiple proxy appointments (*Note 8*)

This proxy appointment is signed on behalf of the member under power of attorney or other authority (*Notes 2 and 6*)

Name (in full)..... Date .....2012  
(IN BLOCK CAPITALS)

Signature .....



