

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document or as to the action you should take, you are recommended to seek your own personal financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 (as amended).

If you have sold or transferred all of your registered holding of ordinary shares, you should forward this document, together with the accompanying Form of Proxy, immediately to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for delivery to the purchaser or transferee. If you have sold only part of your holding of ordinary shares, please contact your stockbroker, bank or other agent through whom the sale or transfer was effected immediately.

Biome Technologies plc

(Registered in England and Wales with company number 01873702)

Grant of Authority to Buy Back Shares

and

Notice of General Meeting

A notice convening a General Meeting of Biome Technologies plc to be held at 12 noon on 25 September 2013 at the offices of FTI Consulting, Holborn Gate, 26 Southampton Buildings, London, WC2A 1PB, is set out at the end of this document. Whether or not you intend to be present at the General Meeting, you are urged to complete and return the enclosed form of proxy, in accordance with the instructions printed thereon, so as to arrive as soon as possible and in any event by no later than 12 noon on 23 September 2013. Alternatively, shareholders who hold their shares through CREST may appoint a proxy electronically in accordance with the procedures set out in note (5) to the Notice of General Meeting. Completion and return of forms of proxy or the electronic appointment of a proxy will not preclude shareholders from attending and voting at the General Meeting should they so wish.

Biome Technologies plc

(Registered in England and Wales with company number 01873702)

Directors:

John Standen (*Chairman*)
Paul Mines (*Chief Executive Officer*)
Michael Kayser (*Independent Non-executive Director*)

Registered Office:

Starpol Technology Centre
North Road
Marchwood
Southampton
Hampshire
SO40 4BL

2 September 2013

Dear Shareholder,

1. Introduction

Biome Technologies plc (the “**Company**”) is proposing to hold a general meeting to obtain authority from shareholders to permit it to buy back ordinary shares in the market.

The purpose of this letter is to set out the background and reasons for seeking this authority, and to explain why the board of directors (the “**Board**”) recommends that you vote in favour of the resolution to be proposed at the general meeting to be held 12.00 noon on 25 September 2013 at the offices of FTI Consulting, Holborn Gate, 26 Southampton Buildings, London, WC2A 1PB (the “**General Meeting**”).

2. Background to and reasons for seeking the authority

The Company completed recently a capital reorganisation the terms of which were described in a circular sent to shareholders on 23 May 2013. Following this capital reorganisation, the Board no longer has the authority from shareholders to permit it to buy back ordinary shares in the market but does have distributable reserves should it wish to do so. It is customary for the Board to seek this authority from its shareholders annually at the AGM but, given the anticipated time period until the next AGM, the Board believes it is appropriate to seek such authority now for the intervening period.

The resolution to be proposed at the General Meeting authorises the Board to make market purchases of up to approximately ten per cent of the Company’s issued ordinary shares. The maximum price that may be paid is 105 per cent. of the average closing price of ordinary shares over the five business days preceding the date of purchase. Shares so purchased may be cancelled or held as treasury shares. The authority will expire at the end of the next AGM of the Company or 18 months from the passing of the resolution, whichever is the earlier. The directors intend to seek renewal of this authority at that AGM.

The directors intend to exercise this right only when, in light of the market conditions prevailing at the time and taking into account all relevant factors (for example, the effect on earnings per share), they believe that such purchases are in the best interests of the Company and shareholders generally. The overall position of the Company will be taken into account before deciding upon this course of action. The decision as to whether any such shares bought back will be cancelled or held in treasury will be made by the directors on the same basis at the time of purchase.

The Interim Report of the Company for the six month period to 30 June 2013, which provides further context of the trading of the Group, is being published on the same date as this Circular and is enclosed with this document. Electronic copies are available on the Company’s website.

3. Meeting

You will find on page 4 of this document a notice of general meeting to be held the offices of FTI Consulting, Holborn Gate, 26 Southampton Buildings, London, WC2A 1PB on 25 September 2013 at 12.00 noon at which the resolution to grant the buy back authority will be proposed.

Whether or not you intend to attend the meeting, you are encouraged to complete and return the enclosed proxy form in accordance with the instructions printed on the form. The proxy form must be received by our registrar as soon as possible and by no later than 12.00 noon on 23 September 2013.

4. Recommendation

Your board recommends you to vote in favour of the resolution as they intend to do in respect of their own beneficial holdings amounting in aggregate to 40,002 ordinary shares, representing approximately 1.7 per cent. of the issued share capital of the Company.

Yours faithfully

John Standen
Chairman

Biome Technologies plc

(Registered in England and Wales with company number 01873702)

Notice of General Meeting

Notice is hereby given that a General Meeting (the “**Meeting**”) of Biome Technologies plc (the “**Company**”) will be held at the offices of FTI Consulting, Holborn Gate, 26 Southampton Buildings, London, WC2A 1PB on 25 September 2013 at 12.00 noon for the purpose of considering and, if thought fit, passing the following resolution, which will be proposed as a special resolution:

Special resolution:

1. **That** the Company be and is hereby unconditionally and generally authorised for the purposes of Section 701 of the Companies Act 2006 (the “**Act**”) to make market purchases (within the meaning of Section 693(4) of the Act) of its ordinary shares of 5p each (“**Ordinary Shares**”) provided that:
 - 1.1 the maximum number of Ordinary Shares authorised to be purchased is 233,979;
 - 1.2 the minimum price which may be paid for any such Ordinary Share is 5p;
 - 1.3 the maximum price which may be paid for an Ordinary Share shall be an amount equal to 105 per cent. of the average middle market quotations for an Ordinary Share as derived from the AIM Appendix of the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the Ordinary Share is contracted to be purchased; and
 - 1.4 this authority shall, unless previously renewed, revoked or varied, expire on the earlier of the date falling 18 months after the date of the passing of this resolution and the conclusion of the next annual general meeting, but the Company may enter into a contract for the purchase of Ordinary Shares before the expiry of this authority which would or might be completed (wholly or partly) after its expiry.

By order of the Board

Dated 2 September 2013

Registered office:

Starpol Technology Centre
North Road
Marchwood
Southampton
Hampshire
SO40 4BL

Donna R Simpson-Strange
Company Secretary

Notes:

1. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 (as amended), only those members registered in the register of members of the Company at 6.00 p.m. on 23 September 2013 shall be entitled to attend and vote at the Meeting in respect of the number of shares registered in their name at that time. In each case, changes to the register of members after such time shall be disregarded in determining the rights of any person to attend or vote at the Meeting.
2. If you wish to attend the Meeting in person, then as registered shareholder you will be signed off against the register of members.
3. A member who is entitled to attend, speak and vote at the Meeting may appoint a proxy to attend, speak and vote instead of him. 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 proxy need not be a member of the Company but must attend the Meeting in order to represent you. A proxy must vote in accordance with any instructions given by the member by whom the proxy is appointed. Appointing a proxy will not prevent a member from attending in person and voting at the Meeting (although voting in person at the Meeting will terminate the proxy appointment). A proxy form is enclosed. The notes to the proxy form include instructions on how to appoint the Chairman of the Meeting or another person as a proxy. You can only appoint a proxy using the procedures set out in these Notes and in the notes to the proxy form.

4. To be valid, a 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, should reach the Company's registrar, Neville Registrars of Neville House, 18 Lauren Lane, Halesowen, West Midlands B63 3DA, by no later than 12.00 noon on 23 September 2013.
5. CREST members who wish to appoint a proxy or proxies through the CREST proxy appointment service may do so for the Meeting (and any adjournment thereof) by following the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members (and those CREST members who have appointed a voting service provider) should refer to their CREST sponsor or voting service provider, who will be able to take the appropriate action on their behalf.

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 Ltd (Participant ID: 7RA11) not later than 12.00 p.m. on 23 April 2013. 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 Ltd 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.

CREST members (and, where applicable, their CREST sponsors or voting service providers) should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider takes) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members (and, where applicable, their CREST sponsors or voting service providers) are referred, in particular, to those sections of the CREST Manual (available at www.euroclear.com/CREST) concerning practical limitations of the CREST system and timings.

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 (as amended).

The notes to the proxy form include instructions on how to appoint a proxy by using the CREST proxy appointment service.

You may not use any electronic address provided either in this Notice of AGM or in any related documents (including the proxy form) to communicate with the Company for any purposes other than those expressly stated.

6. In the case of joint holders of shares, the vote of the first named in the register of members who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of other joint holders.
7. A member that is a company or other organisation not having a physical presence cannot attend in person but can appoint someone to represent it. This can be done in one of two ways: Either by the appointment of a proxy (described in Notes 3 to 5 above) or of a corporate representative. Members considering the appointment of a corporate representative should check their own legal position, the Company's articles of association and the relevant provision of the Companies Act 2006.

