

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. It contains the resolutions to be voted on at the General Meeting of Biome Technologies plc (“Biome” or the “Company”) to be held on 30 September 2019. If you are in any doubt about the action you should take, you are recommended immediately to seek advice from your stockbroker, solicitor, accountant or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000 (as amended) who specialises in advising on the acquisition of shares and other securities.

The Directors of Biome, whose names appear on page 5 of this document, accept responsibility for the information contained in this document. To the best of the knowledge of the Directors (who have taken 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.

If you have sold or otherwise transferred all of your ordinary shares of 5p each in the capital of the Company (“**Ordinary Shares**”), please immediately forward this document 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. However, this document should not be distributed, forwarded or transmitted in or into the United States, Russia, Canada, Australia, Republic of Ireland, Republic of South Africa or Japan or any other jurisdiction if to do so would constitute a violation of the relevant laws of such jurisdiction. If you have sold or transferred only part of your holding of Ordinary Shares you should retain this document, and immediately consult the stockbroker, bank or other agent through whom the sale or transfer was effected. **This document should be read in conjunction with the Notice of General Meeting as set out at the end of this document. The whole text of this document should be read.**

Notice of a General Meeting of Biome to be held at the offices of Osborne Clarke LLP, One London Wall London EC2Y 5EB at 2.30 p.m. on 30 September 2019 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 2.30 p.m. on 28 September 2019.

AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the United Kingdom Listing Authority. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. The London Stock Exchange has not itself examined or approved the contents of this document. Prospective investors should read this document in its entirety.

BIOME TECHNOLOGIES PLC

(Incorporated in England and Wales with registered number 01873702)

Proposed placing of 433,337 new Ordinary Shares at a price of 300 pence per share

and

Notice of General Meeting



Nominated Adviser and Broker

Your attention is drawn to the letter from the Chairman of the Company which is set out in Part 1 of this document and which contains, amongst other things, the Directors' unanimous recommendation that you vote in favour of the Resolutions to be proposed at the General Meeting.

Application will be made for the Placing Shares to be admitted to trading on the AIM market of the London Stock Exchange (“AIM”). The Placing Shares, when issued and fully paid, will rank *pari passu* in all respects with the Existing Ordinary Shares, including as regards the right to receive all dividends or other distributions declared, made or paid after Admission. No application has been made or is currently intended to be made for the Placing Shares to be admitted to trading or dealt on any other exchange.

Allenby Capital Limited (“Allenby Capital”), which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting as nominated adviser and broker to the Company in connection with the Placing and the proposed admission of the Placing Shares to trading on AIM and the proposals described in this document. It will not regard any other person as its client and will not be responsible to anyone else for providing the protections afforded to the clients of Allenby Capital or for providing advice in relation to such proposals. Allenby Capital has not authorised the contents of, or any part of, this document and no liability whatsoever is accepted by Allenby Capital for the accuracy of any information or opinions contained in this document or for the omission of any information. Allenby Capital as nominated adviser to the Company owes certain responsibilities to the London Stock Exchange which are not owed to the Company, the Directors, Shareholders or any other person.

This document is directed only at members of the Company falling within the meaning of Article 43(2)(a) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (all such persons together being referred to as “Relevant Persons”). This document must not be acted on or relied on by persons who are not Relevant Persons. This document contains no offer of transferable securities to the public within the meaning of section 102B of the FSMA, the Act or otherwise. Accordingly, this document does not constitute a prospectus within the meaning of section 85 of the FSMA and has not been drawn up in accordance with the Prospectus Rules or approved by the FCA or any other competent authority.

A copy of this document is available at the Company's website www.biometechnologiesplc.com.

IMPORTANT NOTICE

FORWARD LOOKING STATEMENTS

This document includes "forward-looking statements" which include all statements other than statements of historical facts, including, without limitation, those regarding the Company's financial position, business strategy, plans and objectives of management for future operations, or any statements preceded by, followed by or that include the words "targets", "believes", "expects", "aims", "intends", "will", "may", "anticipates", "would", "could" or "similar" expressions or negatives thereof. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond the Company's control that could cause the actual results, performance or achievements of the Company to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Company's present and future business strategies and the environment in which the Company will operate in the future. These forward looking statements speak only as at the date of this document. The Company expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements contained herein to reflect any change in the Company's expectations with regard thereto or any change in events, conditions or circumstances on which any such statements are based unless it is required to do so by applicable law or the AIM Rules.

NOTICE TO OVERSEAS PERSONS

The distribution of this document and/or the Form of Proxy in certain jurisdictions may be restricted by law and therefore persons into whose possession these documents comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

The Placing Shares have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, (the "**US Securities Act**") and may not be offered, sold or delivered in, into or from the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act. Subject to certain exemptions, this document does not constitute an offer of Ordinary Shares to any person with a registered address, or who is resident in, the United States. There will be no public offer in the United States. Outside of the United States, the Placing Shares are being offered in reliance on Regulation S under the US Securities Act. The Placing Shares will not qualify for distribution under the relevant securities laws of Australia, Russia, Canada, the Republic of Ireland, the Republic of South Africa or Japan, nor has any prospectus in relation to the Placing Shares been lodged with, or registered by, the Australian Securities and Investments Commission or the Japanese Ministry of Finance. Accordingly, subject to certain exemptions, the Placing Shares may not be offered, sold, taken up, delivered or transferred in, into or from any Restricted Jurisdiction or to or for the account or benefit of any national, resident or citizen of a Restricted Jurisdiction. This document does not constitute an offer to issue or sell, or the solicitation of an offer to subscribe for or purchase, any Ordinary Shares to any person in a Restricted Jurisdiction and is not for distribution in, into or from a Restricted Jurisdiction.

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

PRESENTATION OF MARKET, ECONOMIC AND INDUSTRY DATA

Where information contained in this document originates from a third party source, it is identified where it appears in this document together with the name of its source. Such third party information has been accurately reproduced and, so far as the Company is aware and is able to ascertain from information published by the relevant third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

NO INCORPORATION OF WEBSITE INFORMATION

The contents of the Company's website or any hyperlinks accessible from the Company's website do not form part of this document and Shareholders should not rely on them.

INTERPRETATION

Certain terms used in this document are defined and certain technical and other terms used in this document are explained at the section of this document under the heading "Definitions".

All times referred to in this document and the Form of Proxy are, unless otherwise stated, references to London time.

All references to legislation in this document and the Form of Proxy are to the legislation of England and Wales unless the contrary is indicated. Any reference to any provision of any legislation or regulation shall include any amendment, modification, re-enactment or extension thereof.

Words importing the singular shall include the plural and vice versa, and words importing the masculine gender shall include the feminine or neutral gender.

CONTENTS

Definitions	2
Expected timetable of principal events	4
Placing Statistics	4
Letter from the Chairman of the Company	5
Notice of the General Meeting	12

DEFINITIONS

“Act”	the Companies Act 2006 (as amended);
“Admission”	the admission of the Placing Shares to trading on AIM becoming effective in accordance with the AIM Rules;
“AIM Rules”	the AIM Rules for Companies, as published and amended from time to time by the London Stock Exchange;
“Allenby Capital”	Allenby Capital Limited, the Company’s nominated adviser and broker pursuant to the AIM Rules;
“Articles”	the existing articles of association of the Company as at the date of this Circular;
“Biome Bioplastics”	Biome Bioplastics Limited, a wholly owned subsidiary of the Company which operates in the field of bio-based and biodegradable plastics;
“Business Day”	any day (other than a Saturday or Sunday) upon which commercial banks are open for business in London, UK;
“Circular”	this document;
“Company” or “Biome”	Biome Technologies plc;
“CREST”	the relevant system for the paperless settlement of trades and the holding of uncertificated securities operated by Euroclear UK and Ireland in accordance with the CREST Regulations;
“CREST member”	a person who has been admitted by Euroclear UK and Ireland as a system-member (as defined in the CREST Regulations);
“Directors” or “Board”	the directors of the Company;
“Enlarged Share Capital”	the issued ordinary share capital of the Company immediately following Admission;
“Euroclear UK & Ireland”	Euroclear UK & Ireland Limited, the operator of CREST;
“Existing Ordinary Shares”	the existing Ordinary Shares as at the date of this Circular;
“FCA”	the Financial Conduct Authority of the United Kingdom;
“Form of Proxy”	the form of proxy for use by Shareholders in connection with the General Meeting;
“FSMA”	the Financial Services and Markets Act 2000 (as amended);
“General Meeting” or “GM”	the general meeting of Shareholders to be held at the offices of Osborne Clarke LLP, One London Wall London EC2Y 5EB at 2.30 p.m. on 30 September 2019;
“Independent Directors”	for the purposes of the Placing only, Declan Brown and Michael Kayser;
“ISIN”	International Securities Identification Number;
“Issue Price”	300 pence per Placing Share;
“London Stock Exchange”	London Stock Exchange plc;

“Member Account ID”	the identification code or number attached to any member account in CREST;
“Notice of General Meeting”	the notice of General Meeting set out at the end of this Circular;
“Ordinary Shares”	the ordinary shares of 5p each in the capital of the Company;
“Overseas Shareholder”	a Shareholder who is resident in, or who is a citizen of, or who has a registered address in a jurisdiction outside the United Kingdom;
“Placees”	the persons who have conditionally agreed to subscribe for the Placing Shares;
“Placing”	the placing of the Placing Shares at the Issue Price as described in this Circular;
“Placing Agreement”	the conditional agreement dated 12 September 2019 between the Company and Allenby Capital relating to the Placing;
“Placing Shares”	the 433,337 new Ordinary Shares which have been conditionally placed by Allenby Capital with institutional and other investors pursuant to the Placing;
“Registrars”	Neville Registrars Limited;
“Resolutions”	the resolutions numbered 1 and 2 set out in the Notice of General Meeting to be proposed at the General Meeting;
“Restricted Jurisdiction”	each and any of the United States of America, Australia, Canada, Japan, New Zealand, Russia, the Republic of Ireland and the Republic of South Africa and any other jurisdiction where extension or availability of the Placing would breach any applicable law or regulations;
“Shareholder(s)”	holder(s) of Existing Ordinary Shares;
“Stanelco RF”	Stanelco RF Technologies Limited, a wholly-owned subsidiary of the Company which is an equipment manufacturer in the specialised field of radio-frequency heating;
“sterling”, “pounds sterling”, “£”, “pence” or “p”	the lawful currency of the United Kingdom;
“US\$” or “US dollar”	the lawful currency of the United States of America;
“US Person”	a US person as defined in Regulation S promulgated under the US Securities Act; and
“US Securities Act”	the United States Securities Act of 1933 (as amended).

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Circular published and sent to Shareholders	12 September 2019
Latest time and date for receipt of completed Forms of Proxy	2.30 p.m. on 28 September 2019
Latest time and date for Crest voting instructions	6.00 p.m. on 27 September 2019
General Meeting	2.30 p.m. on 30 September 2019
Admission and dealing in the Placing Shares expected to commence on AIM	2 October 2019
CREST member accounts expected to be credited for the Placing Shares in uncertificated form (where applicable)	2 October 2019
Despatch of definitive share certificates for Placing Shares in certificated form (where applicable)	by 9 October 2019

Each of the dates in the above timetable is subject to change at the absolute discretion of the Company. References to time in this Circular are to London time except when otherwise stated. If any of the above times and/or dates change, the revised time(s) and/or date(s) will be notified to Shareholders by announcement through a Regulatory Information Service.

PLACING STATISTICS

Issue Price	300 pence
Number of Existing Ordinary Shares	2,365,188
Total number of Placing Shares	433,337
Enlarged Share Capital following the Placing	2,798,525
Percentage of the Enlarged Share Capital comprised by the Placing Shares	15.5 per cent.
Estimated gross proceeds of the Placing	£1.3 million
Estimated expenses of Placing	£0.1 million
Estimated net proceeds of the Placing	£1.2 million
ISIN	GB00B9Z1M820
SEDOL	B9Z1M82

BIOME TECHNOLOGIES PLC

(Incorporated in England and Wales with registered number 01873702)

Directors

John Standen (*Non-Executive Chairman*)
Paul Mines (*Chief Executive Officer*)
Declan Brown (*Group Finance Director*)
Michael Kayser (*Non-Executive Director*)

Registered Office

Starpol Technology Centre
North Road
Marchwood
Southampton
Hampshire
SO40 4BL

12 September 2019

Dear Shareholder,

Proposed Placing and Notice of General Meeting

1. Introduction

The Company announced today that it proposes to raise approximately £1.3 million (before expenses) by way of a placing of the Placing Shares at the Issue Price of 300 pence per new Ordinary Share. It is intended that the net proceeds of the Placing will be used to fund growth and development of the Group's Biome Bioplastics division. The purpose of this letter is to explain to Shareholders the background to and reasons for the Placing and to seek their approval of the Resolutions.

The allotment of the Placing Shares is conditional, *inter alia*, upon the Company obtaining approval of shareholders of the Resolutions to be proposed at the General Meeting to provide sufficient authority to enable the allotment of the Placing Shares and disapply statutory pre-emption rights which would otherwise apply to the allotment of the Placing Shares.

Accordingly, the Company is seeking the approval of Shareholders to the Resolutions which are to be put to the General Meeting of the Company to be held at the offices of Osborne Clarke LLP, One London Wall London EC2Y 5EB at 2.30 p.m. on 30 September 2019. If the Resolutions are not passed by Shareholders at the General Meeting, the Placing as currently envisaged will not proceed. The Notice of General Meeting is set out at the end of this Circular.

Whether or not you intend to attend the General Meeting you are encouraged to complete the return the enclosed Form of Proxy in accordance with the instructions printed thereon. The Form of Proxy must be received by our Registrar as soon as possible and by no later than 2.30 p.m. on 28 September 2019.

The Placing Shares to be issued pursuant to the Placing are to be admitted to trading on AIM, which, should the Resolutions be passed at the General Meeting, is expected to take place on 2 October 2019.

2. Background to and reasons for the Placing

The Group is a growth-orientated, commercially driven technology group. Its strategy is founded on building market-leading positions based on patented technology and serving international customers in valuable market sectors. Products are developed for application areas where value-added pricing can be justified and are not reliant on government legislation. These products are driven by customer requirements and are compatible with existing manufacturing processes. The business is market rather than technology-led.

The Group comprises two divisions, Biome Bioplastics and Stanelco RF Technologies. Biome Bioplastics is a leading developer of highly-functional, bio-based and biodegradable plastics. Biome Bioplastics' mission is to produce bioplastics that challenge the dominance of oil-based polymers. Stanelco RF Technologies designs, builds and services advanced radio frequency (RF) systems.

Under the glare of environmental concerns, brands are changing the plastics that they use, and revenues from Biome Bioplastics have begun to accelerate (particularly in the US market). There is now an opportunity for significant further growth of the Biome Bioplastics business via the deployment of additional resources.

The Company therefore proposes to raise gross proceeds of approximately £1.3 million via the Placing to fund Biome Bioplastics' growth and development.

The bioplastics market and opportunity

An estimated 8.3 billion tonnes of plastic waste has been generated globally since the 1950s (Science, 2017) and approximately 80% of this still remains in landfill or in the environment. Oil-based plastics are produced at a rate of approximately 350 million tonnes per annum, which is growing. Although incredibly useful, such materials have been developed with a focus on performance rather than recyclability and environmental impact. The enormity of the plastics problem is now apparent and although multi-tiered, the crux of the issue often lies with the molecular structure of the materials. For several reasons recycling alone is not the answer.

Bio-based and biodegradable/compostable plastics are being seen as an important part of the solution to the "plastics problem", with bio-based materials made from renewable biomass being replacements for fossil-oil based materials. Studies show that bio-based materials can play a role in reducing carbon emissions from the manufacture and the lifecycle of plastic products. Compostable plastics also have a role to play, particularly in food packaging, in terms of both diverting food waste away from landfill and in providing a suitable end-of-life for such materials via composting (organic recycling).

The bioplastics market has been growing for several years with the recent focus on environmental damage bringing greater focus on the sector. Many commentators are anticipating significant further growth in the global bioplastics market in the coming years. Whilst the UK market has lagged behind the likes of Italy, Germany and the US, the Directors believe that a change of direction now appears underway. This is evidenced by the UK Plastics Pact, a coalition of companies that account for some 80% of consumer packaging in the UK, which have signed up to a target that requires all packaging to be recyclable or compostable by 2025.

The Biome Bioplastics Business

Biome Bioplastics develops and manufactures bioplastic compounds, using bio-based/biodegradable polymers, natural materials and other additives. It works closely with customers in two to four year development cycles to deliver highly differentiated products. Biome's capability has been built from over 10 years of development and is based on extensive knowledge of the sector and the performance of its materials.

Biome Bioplastics deploys a low capital expenditure manufacturing model, using contracted manufacturing facilities in Europe/the US to make its finished products at scale. This allows for a rapid scale-up in the production of new materials close to their point of use. The business' existing portfolio of commercialised products includes materials used in oxygen barrier packaging for coffee, high temperature rigid materials and non-woven filtration product used in coffee pods.

Biome Bioplastics has a strong focus on the US market where brand interest, volumes of scale and supportive industrial composting infrastructure are already in place. Most of the products sold are bespoke compounds and the business has a pipeline of approximately 15 key development projects underway with a customer group that ranges from mid-sized businesses to multi-nationals.

Since 2013, Biome Bioplastics' medium-term research and development has been focused on the production of bio-based and biodegradable aromatic polyesters using Industrial Biotechnology. Using biomass inputs and biological conversion processes, Biome Bioplastics has been able to create what the Directors consider to be a new generation of bioplastics with outstanding functionality, at laboratory scale. During this process, Biome Bioplastics pioneered novel bio-manufacturing and polymerisation processes, which enables access to a significant number of pathways to create a series of monomers and co-polymers.

Biome Bioplastics' extended team is working with leading universities, research bodies, scale-up facilities and government, in order to accelerate its work in Industrial Biotechnology. The Group's network comprises some of the leading expertise and facilities available in the world. Over the last four years Biome Bioplastics has coordinated over £6 million of research and development funding in pursuit of the goal of bringing novel bio-based polyesters to market. Four patent applications on this Industrial Biotechnology work have been filed in major markets and having demonstrated the technology at laboratory scale, the next 24 months will focus on the scale-up of the processes and establishing commercial viability.

A number of high-quality projects/products with significant revenue potential have come through Biome Bioplastics' development cycle and are launching in FY 2019 and 2020, namely:

- a new material for disposable cutlery for a customer in the US market started with initial revenues in Q2 2019 and is being ramped up in Q3 2019. This material has broader market applicability;
- a new material for the structure of a coffee pod used in the US coffee market that is heat stable. Revenues are anticipated to start in Q3 2019;
- a new material for a single serve nutrition pod being manufactured in Switzerland and launched in the US market. Revenues started in Q2 2019 and are expected to step-up in FY 2020; and
- existing materials (manufactured in Germany) are being deployed in a number of plastic film products for a US customer. Revenues commenced Q2 2019.

It is anticipated that these projects will support growth in Biome Bioplastics' revenues in the coming years.

The Stanelco RF Technologies market and opportunity

Stanelco RF Technologies is a specialist Original Equipment Manufacturer (OEM) engineering business that develops radio frequency (RF) welding, heating and furnace technology-based equipment, which uses the heating effect of electromagnetic waves to heat and weld materials. The business operates in a variety of international markets with India and China as markets of scale.

The business has an international market-leading position in the furnace market for fibre-optic cable production. These furnaces are an important part of the 5G mobile technology rollout and the demand for the infrastructure underlying the global data capacity for the internet.

Recently, the fibre-optic market has seen rapid growth, driven by investment in significant new capacity in Asia. Stanelco RF Technologies moved quickly to realise this growth opportunity and scaled-up its production of furnaces to more than double that of 2017. This scale-up included expansion at the Group's Southampton facilities and a 30% increase in production staff. To maintain its leading position Stanelco RF Technologies continues to make significant further investment in the next generation of furnace technologies.

The Group has made a concerted effort to increase Stanelco RF Technologies' geographic footprint and range of applications. In FY 2017/2018, it launched several new "standard" power supply products into new industrial markets, with dedicated sales and technical support staff. The business now benefits from repeat revenues from power generation, medical and general industrial markets, primarily in the UK.

3. Current trading and prospects

On 12 September 2019, the Company announced its unaudited interim financial results for the period ended 30 June 2019. Group revenues for the first half of 2019 were £3.6 million (H1 2018: £4.4 million), which reflected a more normal level of revenue at the Stanelco RF Technologies division after its exceptional performance in 2018. The Group recorded a small loss before interest, depreciation, amortisation and share option charges in the first half of 2019 of £0.2 million (H1 2018: £0.5 million profit).

Biome Bioplastics

Revenues in the Biome Bioplastics division for the first half of 2019 were £1.4 million (H1 2018: £0.9 million) with the turnover reflecting increases in existing products as well as the early phase of commercialisation of three new products with customers in the USA. It is anticipated that revenues for these products will increase over the coming quarters as they scale up in line with customers' demands.

The commercial opportunities in bioplastics that the Group is sourcing are growing in scale and improving in quality. To further Biome Bioplastics' strong product development pipeline, a number of new commercial and technical team members have been recruited into the business in the last 12 months and they are all now making significant contributions alongside their more experienced colleagues. Biome Bioplastics has continued with its mid-term strategy to develop a new range of bioplastics, with the aim of generating bio-based and biodegradable plastic products with increased performance that can be produced at a cost more comparable to traditional plastics made from petrochemicals. Additionally, during the first half the year, development work commenced on scale up of one of the new monomers in conjunction with Nottingham University.

Stanelco RF Technologies

Revenues for the first half of 2019 in the RF Technologies division were £2.2 million (H1 2018: £3.5 million) reflecting a return to the more normalised levels of fibre optic furnace demand from the previously reported exceptional demand recorded in 2018. The division signed a £1.3 million contract for the supply of a number of fibre optic furnaces in the second half of 2019 and it is against this backdrop that the Board continues to expect full year revenues for this division to be in line with those of 2017.

4. Reasons for the Placing and use of proceeds

Revenues from Biome Bioplastics have, in the first six months of 2019, begun to accelerate, particularly in the US market.

To maintain and build on this growth, investment is required in both:

- the costs associated with scaling up manufacture (in the US, Germany and UK); and
- the acquisition of raw materials, stocks and debtors as production volumes increase.

Further, Biome Bioplastics is working on a variety of further projects with implementations that stretch through 2020 and beyond and the business continues to receive an elevated level of new enquiries. Progressing these will require investment to bring them to market.

The Directors believe that continuing the Biome Bioplastics' research and development investment in new disruptive technology has the potential to further differentiate the business and this investment will be leveraged by grant funding to establish the initial commercial viability of the associated novel polyesters and supporting monomers.

The timing and expected use of the net proceeds of the Placing is set out below:

Item	Timing	Approximate deployment
A. Growth capital needs for several bioplastics projects that are scaling up and will drive a significant increase in revenues over the next 18 months as manufacturing ramps-up in UK, Germany and the USA.	H2 2019 and FY 2020	£0.80 million

B. Maintaining an increased investment in sales activities and development spending to support and further accelerate the growth of Biome Bioplastics' business	Supporting increased commercial and technical activity over 24 months	£0.25 million
C. Investment in bioplastics Industrial Biotechnology Research and Development that will support growth beyond the two-year timescale	Project related expenditure via periodic spending over 24 months	£0.15 million
Total		£1.2 million*

* Net of the estimated costs associated with the Placing.

5. Details of the Placing and Admission

The Placing will result in the issue of a total of 433,337 new Ordinary Shares, representing, in aggregate, approximately 15.5 per cent. of the Enlarged Share Capital. The Placing Shares, when issued and fully paid, will rank *pari passu* in all respects with the Existing Ordinary Shares of the Company and will therefore rank equally for all dividends or other distributions declared, made or paid following Admission.

The Issue Price of 300 pence approximately represents a 14.3 per cent. discount to the closing middle market price of an Ordinary Share of 350 pence on 11 September 2019, being the latest practicable date prior to the announcement of the Placing.

An application will be made to London Stock Exchange for the Placing Shares to be admitted to trading on AIM and such admission is expected to occur on 2 October 2019, subject to approval of the Resolutions.

Allenby Capital has entered into the Placing Agreement with the Company under which Allenby Capital has, on the terms and subject to the conditions set out therein (including Admission), undertaken to use its reasonable endeavours to procure subscribers for the Placing Shares at the Issue Price. The Placing Agreement contains certain warranties and indemnities from the Company in favour of Allenby Capital. The Placing is not being underwritten by Allenby Capital or any other person.

The Placing is conditional, *inter alia*, upon the passing of the Resolutions and Admission and the Placing Agreement not being terminated prior to Admission (and in any event no later than 15 October 2019).

6. Significant shareholder and Director participations

Details of the subscriptions by certain of the Directors at the Issue Price and their resultant shareholdings on Admission are as follows:

<i>Name</i>	<i>Placing Shares being subscribed</i>	<i>Value of the subscriptions at the Issue Price</i>	<i>Ordinary Shares held on Admission</i>	<i>Percentage of Enlarged Share Capital held on Admission</i>
Paul Mines	5,000	£15,000	31,525	1.13%
John Standen*	5,000	£15,000	58,336	2.08%

* John Standen's participation in the Placing includes 2,500 Placing Shares subscribed for by his wife, Mrs K M Standen.

The subscriptions by Paul Mines and John Standen (and his wife) in the Placing are deemed to be related party transactions pursuant to rule 13 of the AIM Rules for Companies. Accordingly, the Independent Directors consider, having consulted with the Company's nominated adviser, Allenby

Capital, that the terms of subscription to the Placing Shares by Paul Mines and John Standen (and his wife) are fair and reasonable insofar as Shareholders are concerned.

Assuming completion of the Placing, the Company is aware of the following persons that will be interested in three per cent. or more of the Enlarged Share Capital:

<i>Name</i>	<i>Ordinary Shares currently held</i>	<i>Ordinary Shares held on Admission</i>	<i>Percentage of enlarged share capital held on Admission</i>
Mr V Pereira*	534,022	600,689	21.46%
Mr JM Rushton-Turner	288,050	364,717	13.03%
Miss G Pereira	79,286	79,286	2.83%
Miss B Pereira	78,149	78,149	2.79%

*Mr V A Pereira's holding includes 82,416 Ordinary Shares held by his wife, Mrs G Pereira.

Mr V Pereira and Mr JM Rushton-Turner are subscribing for 66,667 and 76,667 Placing Shares respectively, representing £200,001 and £230,001 respectively at the Issue Price. As Mr V Pereira and Mr JM Rushton-Turner each currently hold more than 10 per cent. of the Ordinary Shares, both of the subscriptions of Placing Shares by them are deemed to be related party transactions pursuant to rule 13 of the AIM Rules for Companies.

Accordingly, the Independent Directors consider, having consulted with the Company's nominated adviser, Allenby Capital, that the terms of subscription to the Placing Shares by Mr V Pereira and Mr JM Rushton-Turner are fair and reasonable insofar as Shareholders are concerned.

7. General Meeting

A notice convening a General Meeting of the Company, to be held at the offices of Osborne Clarke LLP, One London Wall London EC2Y 5EB at 2.30 p.m. on 30 September 2019 is set out at the end of this Circular. At the General Meeting, the following Resolutions will be proposed:

1. Resolution numbered 1 is proposed as an ordinary resolution to grant authority to the Directors to allot Ordinary Shares up to an aggregate nominal amount of £21,666.85. This resolution will give the Directors sufficient authority to allot the Placing Shares pursuant to the Placing; and
2. Resolution numbered 2 is proposed as a special resolution to dis-apply statutory pre-emption rights in respect of the allotment of up to 433,337 new Ordinary Shares for cash. This number represents 433,337 Placing Shares pursuant to the Placing.

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

8. Action to be taken by Shareholders

Shareholders will find enclosed with this document a Form of Proxy for use at the General Meeting. Whether or not you intend to be present the General Meeting, you are requested to complete, sign and return the Form of Proxy in accordance with the instructions printed on it to Neville Registrars Limited, Neville House, Steelpark Road, Halesowen B62 8HD as soon as possible and, in any event, so as to arrive no later than 2.30 p.m. on 28 September 2019. Completion and return of the Form of Proxy will not affect your right to attend and vote in person at the General Meeting if you so wish.

Instructions for voting by proxy through CREST are set out in paragraphs 9 to 11 of the notes to the notice of General Meeting.

In the case of non-registered Shareholders who receive these materials through their broker or other intermediary, the Shareholder should complete and send a letter of direction in accordance with the instructions provided by their broker or other intermediary.

In order for the Placing to proceed, Shareholders will need to approve both of the Resolutions set out in the Notice of General Meeting. If the Resolutions are not passed at the General Meeting, the Placing will not proceed which will have an impact on the ability of the Group to pursue its growth strategy. Accordingly, it is important that Shareholders vote in favour of the Resolutions.

9. Directors' Recommendation

The Board of Biome considers the Placing to be in the best interests of the Company and its shareholders as a whole and therefore the Directors unanimously recommend that shareholders vote in favour of the Resolutions as they intend to do in respect of their own shareholdings (and the shareholdings of their connected parties) of, in aggregate, 87,902 Ordinary Shares (representing approximately 3.7% per cent. of the Company's existing issued share capital).

Yours faithfully,

John Standen
Non-Executive Chairman

BIOME TECHNOLOGIES PLC

(Incorporated in England and Wales with registered number 01873702)

NOTICE OF GENERAL MEETING

NOTICE IS GIVEN that a General Meeting of Biome Technologies Plc ("**Biome**" or the "**Company**") will be held at the offices of Osborne Clarke LLP, One London Wall London EC2Y 5EB at 2.30 p.m. on 30 September 2019 for the purpose of considering and, if thought fit, passing the following resolutions, of which Resolution 1 will be proposed as an ordinary resolution and Resolution 2 will be proposed as a special resolution.

Resolution 1 – Directors' authority to allot shares

THAT, conditional upon the passing of Resolution 2 and the Placing Agreement (as defined in the circular to shareholders of the Company dated 12 September 2019 (the "**Circular**")), becoming unconditional in all respects (save only for the passing of the Resolutions and Admission (as defined in the Circular)) and it not being terminated in accordance with its terms and in addition to, and without prejudice to any existing authorities and powers granted to the directors pursuant to section 551 of the Companies Act 2006 (the "**Act**") prior to the date of the passing of this resolution, the directors be and they are hereby generally and unconditionally authorised pursuant to section 551 of the Act to exercise all powers of the Company to allot shares in the Company, and grant rights to subscribe for or to convert any security into shares of the Company (such shares, and rights to subscribe for or to convert any security into shares of the Company being "**relevant securities**") provided that this authority shall be limited to the allotment of up to 433,337 new ordinary shares of 5 pence each in the capital of the Company in connection with the Placing (as such term is defined in the Circular) and unless previously renewed, revoked, varied or extended, this authority shall expire at the earlier of the date which is 18 months from the date of the passing of this resolution and the conclusion of the next annual general meeting of the Company except that the Company may at any time before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the directors may allot relevant securities in pursuance of such an offer or agreement as if this authority had not expired.

Resolution 2 – special resolution

THAT, conditional upon the passing of Resolution 1 and the Placing Agreement becoming unconditional in all respects (save only for the passing of the Resolutions and Admission) and it not being terminated in accordance with its terms and in addition to, and without prejudice to any existing authorities and powers given to the directors pursuant to section 570 of the Act prior to the passing of this resolution, the directors be and they are empowered pursuant to section 570(1) and 571(1) of the Act, as applicable, to allot equity securities (as defined in section 560 of the Act) of the Company for cash pursuant to the authority of the directors under section 551 of the Act conferred by Resolution 1, and/or where such allotment constitutes an allotment of equity securities by virtue of section 560(2) of the Act, as if section 561(1) of the Act did not apply to such allotment provided that the power conferred by this resolution shall be limited to the allotment of 433,337 new ordinary shares of 5 pence each in the capital of the Company in connection with the Placing and unless previously renewed, revoked, varied or extended this power shall expire on the earlier of the conclusion of the next annual general meeting of the Company and the date falling 18 months after the date of the passing of this resolution except that the Company may before the expiry of this power make an offer or agreement which would or might require equity securities to be allotted under this authority after such expiry and the directors may allot equity securities in pursuance of such offer or agreement as if this power had not expired.

By order of the Board of Directors
Donna Simpson-Strange
Company Secretary

12 September 2019
Registered Office
Starpol Technology Centre
North Road
Marchwood
Southampton
Hampshire
SO40 4BL

Notes to the notice of General Meeting

The following notes explain your general rights as a shareholder and your right to attend and vote at this General Meeting or to appoint someone else to vote on your behalf.

1. To be entitled to attend and vote at the General Meeting (and for the purpose of the determination by the Company of the number of votes they may cast), shareholders must be registered in the Register of Members of the Company at close of trading on 27 September 2019. 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 General Meeting.
2. Shareholders, or their proxies, intending to attend the General Meeting in person are requested, if possible, to arrive at the General Meeting venue at least 20 minutes prior to the commencement of the General Meeting at 2.30 p.m. (UK time) on 30 September 2019 so that their shareholding may be checked against the Company's Register of Members and attendances recorded.
3. Shareholders are entitled to appoint another person as a proxy to exercise all or part of their rights to attend and to speak and vote on their behalf at the General Meeting. A shareholder may appoint more than one proxy in relation to the General Meeting provided that each proxy is appointed to exercise the rights attached to a different ordinary share or ordinary shares held by that shareholder. A proxy need not be a shareholder of the Company.
4. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's Register of Members in respect of the joint holding (the first named being the most senior).
5. 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 General Meeting.
6. A Form of Proxy is enclosed with this Notice. The Form of Proxy, and any power of attorney or other authority under which it is executed (or a duly certified copy of any such power or authority), must be received by post or (during normal business hours only) by hand at the offices of the Company's Registrars, Neville Registrars Limited, Neville House, Steelpark Road, Halesowen B62 8HD, by no later than 2.30 p.m. on 28 September 2019, being 48 hours before the time appointed for the holding of the General Meeting.
7. If you return more than one proxy appointment, the appointment received last by the Registrar before the latest time for the receipt of proxies will take precedence. You are advised to read the terms and conditions of use carefully.
8. The return of a completed form of proxy or any CREST Proxy Instruction (as described in notes 9 to 11 below) will not prevent a shareholder from attending the General Meeting and voting in person if he/she wishes to do so.
9. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the General Meeting (and any adjournment of the General Meeting) by using the procedures described in the CREST Manual (available from www.euroclear.com/site/public/EUI). CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
10. In order for a proxy appointment or instruction 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 the issuer's agent (ID: 7RA11) by 6.00 p.m. on 27 September 2019. For this purpose, the time of receipt will be taken to mean the time (as determined by the timestamp applied to the message by the CREST application host) from which the issuer's agent 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.
11. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. 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(s), to procure that his CREST sponsor or voting service provider(s) take(s) 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 system providers are referred, in particular, to those sections of the CREST Manual 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.

12. Any corporation which is a shareholder can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a shareholder provided that no more than one corporate representative exercises powers in relation to the same shares.
13. As at 11 September 2019 (being the latest practicable business day prior to the publication of this Notice), the Company's ordinary issued share capital consists of 2,365,188 ordinary shares, carrying one vote each. The Company does not hold any ordinary shares in treasury. Therefore, the total voting rights in the Company as at 11 September 2019 are 2,365,188.
14. Any shareholder attending the General Meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the General Meeting but no such answer need be given if: (a) to do so would interfere unduly with the preparation for the General Meeting or involve the disclosure of confidential information; (b) the answer has already been given on a website in the form of an answer to a question; or (c) it is undesirable in the interests of the Company or the good order of the General Meeting that the question be answered.
15. You may not use any electronic address (within the meaning of Section 333(4) of the Companies Act 2006) provided in either this Notice or any related documents (including the form of proxy) to communicate with the Company for any purposes other than those expressly stated.

A copy of this Notice, and other information required by Section 311A of the Companies Act 2006, can be found on the Company's website at www.biometechnologiesplc.com.