

Notice of AGM

DEFENX PLC
(the Company)

(Company number 8993398)

Notice is given that the AGM of the members of the Company will be held at the offices of Trowers & Hamblins at 3 Bunhill Row, London EC1Y 8YZ on 31 October 2018 at 11.00 a.m. to consider and, if thought fit, pass the following resolutions, of which resolutions 1 to 9 (inclusive) will be proposed as ordinary resolutions and resolutions 10 to 12 (inclusive) will be proposed as special resolutions:

Ordinary resolutions:

Report and accounts

1. To receive the audited Accounts and Reports of the Directors and auditors for the year ended 31 December 2017.

Remuneration report

2. To approve the report on Directors' remuneration for the year ended 31 December 2017.

Re-election of Director

3. To re-elect as a Director Mr. Raffaele Boccardo who is retiring in accordance with Article 25.8 of the Company's Articles of Association and, being eligible, is offering himself for re-election.
4. To re-elect as a Director Mr. Giorgio Beretta who is retiring in accordance with Article 25.8 of the Company's Articles of Association and, being eligible, is offering himself for re-election.
5. To re-elect as a Director Mr. Nicholos James Hellyer who is retiring in accordance with Article 25.8 of the Company's Articles of Association and, being eligible, is offering himself for re-election.

Re-appointment of auditor

6. To re-appoint haysmacintyre as auditor until the conclusion of the next AGM of the Company at which accounts are laid.

Auditor's remuneration

7. To authorise the Directors to determine the remuneration of the auditor.

Directors' authority to allot shares

8. That the Directors be generally and unconditionally authorised in accordance with section 551 of the Companies Act 2006 (the **Act**) to exercise all the powers of the Company to allot shares in the Company or to grant rights to subscribe for or convert any security into shares in the Company up to an aggregate nominal amount of £267,187.50, to be allotted in connection with the conversion of any amounts outstanding under a convertible loan agreement between BV Tech S.p.A. and the Company dated 01 October 2018 ("**Conversion Shares**") provided that such allotments be made during the period from the date of the passing of this resolution and expiring on the date of the next AGM or on 30 June 2019, whichever is earlier, but so that this authority shall allow the Company to make offers or agreements before the expiry of this authority which would, or might, require shares to be allotted or rights to subscribe or convert security into shares to be granted after such expiry.

9. That in substitution for all existing authorities except any granted pursuant to resolution 8 above, the Directors be generally and unconditionally authorised in accordance with section 551 of the Act to exercise all the powers of the Company to allot shares in the Company or to grant rights to subscribe for or convert any security into shares in the Company up to an aggregate nominal amount of £257,982.12, during the period from the date of the passing of this resolution and expiring on the date of the next AGM or on 30 June 2019, whichever is earlier, but so that this authority shall allow the Company to make offers or agreements before the expiry of this authority which would, or might, require shares to be allotted or rights to subscribe for or convert security into shares to be granted after such expiry.

Special resolutions:

Authority to dis-apply pre-emption rights

10. That, subject to resolution 8 above being passed and Section 551 of the Act, the Directors be empowered, pursuant to Section 570 of the Act, to allot equity securities (as defined in Section 560 of the Act) as if Section 561(1) of the Act did not apply to any such allotment, provided that this power shall be limited to the allotment of the Conversion Shares during the period expiring on the date of the next AGM of the Company or, if earlier, on 30 June 2019 but so that this power shall enable the Company to make offers or agreements which would or might require equity securities to be allotted after the expiry of this power.
11. That, subject to resolution 9 above being passed and Section 551 of the Act, the Directors be empowered, pursuant to Section 570 of the Act, to allot equity securities (as defined in Section 560 of the Act) as if Section 561(1) of the Act did not apply to any such allotment, provided that this power shall be limited to the allotment of equity securities:
 - (a) during the period expiring on the date of the next AGM of the Company or, if earlier, on 30 June 2019 but so that this power shall enable the Company to make offers or agreements which would or might require equity securities to be allotted after the expiry of this power;
 - (b) up to an aggregate nominal amount of £77,402.38; and
 - (c) shall include the power to sell treasury shares under Section 727 of the Act.

Purchase of own shares

12. That the Company be generally and unconditionally authorised to make one or more market purchases, within the meaning of Section 693(4) of the Act, of Ordinary Shares of 1.8p each in the Company (**Shares**) and to hold such Shares as treasury shares, provided that:
 - (a) the maximum number of Shares to be repurchased shall be 1,407,878 Shares representing 5% of the Company's issued share capital at the date of this notice;
 - (b) the minimum price (exclusive of expenses) which may be paid for a Share shall be 1.8p per share;
 - (c) the maximum price (exclusive of expenses) which may be paid for a Share shall be an amount equal to 105% of the average market value of the Shares (as derived from the mid-market price) for the five business days immediately preceding the date on which the Share is purchased;
 - (d) any purchase of Shares will be made in the market for cash at prices below the prevailing net asset value per Share as determined by the Directors;
 - (e) the authority hereby conferred shall expire at the conclusion of the next AGM of the Company or, if earlier, on 30 June 2019; and

- (f) the Company may make a contract to purchase Shares under the authority hereby conferred prior to the expiry of such authority and may make a purchase of Shares pursuant to any such contract notwithstanding such expiry.

01 October 2018

Registered office:

201 Temple Chambers
3-7 Temple Avenue
London EC4Y 0DT

By order of the Board

Liam O'Donoghue
Company Secretary

Notes:

1. A member entitled to attend and vote at the above meeting has the right to appoint a proxy or proxies to attend and vote in his place. A proxy need not be a member of the Company.
2. The form of proxy and the power of attorney or other authority, if any, under which it is signed, or a copy of such power or authority certified by a notary, must be completed and returned to the offices of the Company's registrars, SLC Registrars, Elder House, St Georges Business Park, 207 Brooklands Road, Weybridge, Surrey KT13 0TS, to arrive no fewer than 48 hours before the date set for the meeting or adjourned meeting.
3. In accordance with regulation 41 of the Uncertificated Securities Regulations 2001, (as amended) only those persons entered in the register of members of the Company as the holders of Ordinary Shares at 6.30 p.m. on the pre-penultimate day of the AGM, are entitled to attend and vote at the meeting in respect of the Shares held by them at the relevant time. Any changes made to the register of members of the Company after that time will be disregarded in determining the right of any person to attend or vote at the meeting.
4. Resolutions 3 to 5 – Under Article 25.8 of the Company's Articles of Association, any person who is appointed as a Director holds office only until the next AGM following his/her appointment and, if eligible, may offer himself/herself for re-election.
5. Resolutions 6 and 7 – The auditors are required to be reappointed at each AGM at which accounts are presented. The Board on the recommendation of the Audit Committee, which has evaluated the effectiveness and independence of the external auditors, is proposing the re-appointment of haysmacintyre pursuant to Resolution 6. Resolution 7 is proposed to authorise the Board to fix the remuneration of the auditors.
6. Resolutions 8 and 10 – These resolutions are to grant the requisite authority to the Directors to issue Conversion Shares on a non-pre-emptive basis pursuant to the conversion process set out in the convertible loan agreement entered into between BV Tech S.p.A. and the Company on 01 October 2018 (as announced by the Company on 02 October 2018).
7. Resolution 9 – In addition to the authority to allot and issue the Conversion Shares proposed pursuant to Resolution 8, this resolution is proposed to provide a renewal of the general authority previously given to the Directors to allot Shares or rights to subscribe for or convert security into Shares in the capital of the Company subject to the conditions of the Act. The authority to be given by this resolution is limited to the allotment of 14,332,339 Ordinary Shares representing one third of the enlarged issued Share capital in the event of the issue of the maximum number of Conversion Shares and shall be in substitution for all existing authorities (except any authority granted to issue Conversion Shares pursuant to Resolution 8) but shall be without prejudice to any allotment of Shares or grant of rights to subscribe for or convert security into Shares already made or offered or agreed to be made pursuant to such authorities. The authority shall expire at the next AGM or on 30 June 2019, whichever is earlier.
8. Resolution 11 – When Shares are to be allotted for cash, section 561(1) of the Companies Act 2006 provides that existing shareholders have pre-emption rights and that any new Shares are offered first to such shareholders in proportion to their existing shareholdings. In addition to the disapplication of pre-emption proposed in relation to the issue of any Conversion Shares pursuant to Resolution 10, this resolution is seeking to authorise the Directors to allot Shares of up to an aggregate nominal amount of £77,402.38 otherwise than on a pro-rata basis. This represents 10% of the Company's issued Share capital in the event of the issue of the maximum number of Conversion Shares. This authority shall expire at the next AGM or on 30 June 2019, whichever is earlier. Whilst the Directors have no intention at the present time of issuing relevant securities, other than pursuant to existing rights under employee share schemes, they are seeking annual renewal of this authority in accordance with best practice and to ensure the

Company has maximum flexibility in managing capital resources.

9. Resolution 12 – This resolution is to authorise the Company to make market purchases of up to 5% of its own Shares in issue as set out in the resolution. The authority shall expire at the next AGM or on 30 June 2019, whichever is earlier.

The Directors consider that in certain circumstances it may be advantageous for the Company to purchase its own Shares at a discount to net asset value. Purchases will only be made on the London Stock Exchange within guidelines established from time to time by the Board.

The Directors would only consider exercising this authority if it is considered that such purchases would be to the advantage of the Company and its shareholders as a whole. The principal aim of this Share buyback facility is to enhance shareholder value by acquiring Shares at a discount to net asset value, as and when the Directors consider this to be appropriate. The purchase of Shares when they are trading at a discount to net asset value per Share, and their cancellation, should result in an increase in the resulting net asset value per Share for the remaining Ordinary Shares. The Company will also be in a better position to address any imbalance between supply and demand for the Shares that may be reflected in the discount to net asset value at which the Company's Shares trade on the London Stock Exchange.

The Directors intend that any Shares purchased under this authority will be held by the Company as treasury shares, within the limits allowed by the law, unless the Directors consider that purchasing the Shares and cancelling them would be to the advantage of the Company and its shareholders. The Directors may dispose of treasury shares in accordance with relevant legislation and the authority relating to rights of pre-emption granted by shareholders in general meeting (see Resolution 11 and the note thereto).

Documents

10. The following documents, which are available for inspection during normal business hours at the registered office of the Company on any business day, will also be available for inspection on the day of the meeting until the Company's normal close of business:
 - (a) copies of Executive Directors' service contracts with the Company;
 - (b) copies of Non-Executive Directors' letters of appointment; and
 - (c) a copy of the Company's current Articles of Association.

