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If you sell or have sold or otherwise transferred all of your Existing Ordinary Shares in Weatherly International plc before the date that the Existing Ordinary Shares are marked “ex-entitlement” to the Open Offer by the London Stock Exchange, please immediately forward this document, together with the accompanying Application Form (if appropriate), 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 sell or have sold or otherwise transferred only some of your holding of Existing Ordinary Shares you should retain this document and the accompanying Application Form (if appropriate) and should immediately contact your stockbroker, bank or other agent through whom the sale or transfer was effected. This document and any accompanying documents should not be sent or transmitted in or into any jurisdiction where to do so might constitute a violation of local securities law or regulations including, but not limited to, any Restricted Jurisdiction.

The total consideration under the Open Offer will be less than €5 million (or an equivalent amount) in aggregate and the Placing Shares shall only be available to qualified investors for the purposes of the Prospectus Rules or otherwise in circumstances not resulting in an offer of transferable securities to the public under section 102B of FSMA. Therefore, in accordance with section 85 and Schedule 11 A of FSMA, this document is not, and is not required to be, a prospectus for the purposes of the Prospectus Rules and has not been prepared in accordance with the Prospectus Rules. Accordingly, this document is not a prospectus or a prospectus equivalent document and it has not been, and will not be, reviewed or approved by the Financial Conduct Authority of the United Kingdom, pursuant to sections 85 and 87 of FSMA, the London Stock Exchange, any securities commission or any other authority or regulatory body. In addition, this document does not constitute an admission document drawn up in accordance with the AIM Rules for Companies.

WEATHERLY INTERNATIONAL PLC

(incorporated in England and Wales with registered number 03954224)

**Proposed Open Offer and Placing (subject to clawback) of up to approximately
129.8m New Ordinary Shares at a price of 2.925 pence per share to
raise up to approximately £3.8 million**

RFC Ambrian
Nominated Adviser and Joint Broker

FinnCap
Joint Broker

You should read this document in its entirety, together with the Application Form (if applicable). Your attention is drawn to the letter from the Chairman of the Company which is set out in Part I of this document. Your attention is also drawn to the Risk Factors contained in Part II of this document and the additional information on the Company contained in Part V of this document.

The latest time and date for acceptance and payment in full under the Open Offer is 11.00 a.m. on 2 December 2014. The procedure for acceptance and payment is set out in Part IV of this document and, where relevant, in the Application Form. There is also a section on Questions and Answers about the Open Offer in Part III of this document.

RFC Ambrian Limited (“RFC Ambrian”), which is authorised by the FCA, is acting solely for the Company and no-one else in connection with the Placing or the Open Offer (together, the “Capital Raising”) and will not regard any other person (whether or not a recipient of this document) as a client in relation to the Capital Raising and will not be responsible to anyone other than the Company for providing the protections afforded to its clients or for providing advice in relation to the Capital Raising or any other matter referred to herein. Its responsibilities as the Company’s nominated adviser and joint broker under the AIM Rules for Companies and the AIM Rules for Nominated Advisers are owed to the London Stock Exchange and the Company and not to any other person including, without limitation, in respect of any decision to acquire New Ordinary Shares in reliance on any part of this document. RFC Ambrian has not authorised the contents of, or any part of, this document and no liability whatsoever is accepted by RFC Ambrian nor does it make any representation or warranty, express or implied, for the accuracy or completeness of any information or opinion contained in this document or for the omission of any information. Nothing in this document shall be relied upon as a promise or representation in this respect, whether as to the past or the future (without limiting the statutory rights of any person to whom this document is issued). RFC Ambrian expressly disclaims all and any responsibility or liability, whether arising in tort, contract or otherwise which it might otherwise have in respect of this document.

FinnCap Limited (“**FinnCap**”), which is authorised by the FCA, is acting exclusively for the Company and no-one else in connection with the Capital Raising and will not regard any other person (whether or not a recipient of this document) as a client in relation to the Capital Raising and will not be responsible to anyone other than the Company for providing the protections afforded to its clients or for providing advice in relation to the Capital Raising or any other matter referred to herein. Its responsibilities as joint broker to the Company are owed to the London Stock Exchange and the Company and not to any other person including, without limitation, in respect of any decision to acquire New Ordinary Shares in reliance on any part of this document. FinnCap has not authorised the contents of, or any part of, this document and no liability whatsoever is accepted by FinnCap nor does it make any representation or warranty, express or implied, for the accuracy or completeness of any information or opinion contained in this document or for the omission of any information. Nothing in this document shall be relied upon as a promise or representation in this respect, whether as to the past or the future (without limiting the statutory rights of any person to whom this document is issued). FinnCap expressly disclaims all and any responsibility or liability, whether arising in tort, contract or otherwise which it might otherwise have in respect of this document.

The Existing Ordinary Shares are admitted to trading on AIM, a market operated by the London Stock Exchange. 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. Application will be made to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on AIM. It is expected that Admission will become effective and that dealings in the New Ordinary Shares to be issued pursuant to the Placing and the Open Offer will commence at 8.00 a.m. on 8 December 2014.

Qualifying Non-CREST Shareholders will find an Application Form accompanying this document. Qualifying CREST Shareholders (none of whom will receive an Application Form) will receive a credit to their stock accounts in CREST in respect of the Open Offer Entitlements which will be enabled for settlement on 19 November 2014. Applications under the Open Offer may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim arising out of a sale or transfer of Existing Ordinary Shares prior to the date on which the Existing Ordinary Shares were marked “ex-entitlement”.

If the Open Offer Entitlements are for any reason not enabled by 5.00 p.m. on 19 November 2014 or such later time as the Company may decide, an Application Form will be sent to each Qualifying CREST Shareholder in substitution for the Open Offer Entitlements credited to its stock account in CREST. Qualifying CREST Shareholders who are CREST sponsored members should refer to their CREST Sponsors regarding the action to be taken in connection with this document and the Open Offer. Applications for Excess Shares pursuant to the Excess Application Facility may be made by the Qualifying Shareholder provided that their Open Offer Entitlement has been taken up in full and subject to being scaled back in accordance with the provisions of this document.

Holdings of Existing Ordinary Shares in certificated and uncertificated forms will be treated as separate holdings for the purpose of calculating entitlements under the Open Offer.

No reliance may, or should, be placed by any person for any purpose whatsoever on the information contained in this document or on its completeness, accuracy or fairness.

Copies of this document are available free of charge from the Company’s registered address at 180 Piccadilly, London W1J 9HF, and from the Company’s website, www.weatherlyplc.com.

Notice to Overseas Shareholders

None of this document and/or the accompanying documents should be distributed, forwarded, or transmitted in, or into, any jurisdiction where to do so might constitute a violation of local securities laws or regulations, including but not limited to the Restricted Jurisdictions. In addition, the transfer of Open Offer Entitlements or Excess Open Offer Entitlements through CREST in jurisdictions other than the UK, including the Restricted Jurisdictions, may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe any of those restrictions. Any failure to comply with any of those restrictions may constitute a violation of the securities laws of any such jurisdiction.

This document does not constitute, and may not be used for the purposes of, any offer or invitation to sell or issue or the solicitation of any offer to purchase or subscribe for New Ordinary Shares to or by anyone in any jurisdiction in which such offer, invitation or solicitation is unlawful or to any person to whom it is unlawful to make such offer or invitation or undertake such solicitation.

This document and the Application Form are not being sent, and do not constitute an offer of the New Ordinary Shares to any person with a registered address, or who is resident or located, in any of the Restricted Jurisdictions.

None of the New Ordinary Shares, the Open Offer Entitlements or the Excess Open Offer Entitlements has been or will be registered under the Securities Act or under the applicable state securities laws of the United States or any other Restricted Jurisdiction. Subject to certain exceptions, the New Ordinary Shares, the Open Offer Entitlements and the Excess Open Offer Entitlements may not be offered, sold, taken up, delivered or transferred in or into any of the Restricted Jurisdictions. In particular, none of the New Ordinary Shares, the Open Offer Entitlements or the Excess Open Offer Entitlements may be,

directly or indirectly, offered, sold, taken up, delivered, renounced or transferred in or into the United States, except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States. There will be no public offering of any of the New Ordinary Shares, the Open Offer Entitlements or the Excess Open Offer Entitlements in the United States.

Neither the SEC nor any state securities commission or other US regulatory authority has approved or disapproved of the New Ordinary Shares, the Open Offer Entitlements or the Excess Open Offer Entitlements or endorsed the merits of the Capital Raising or the adequacy or accuracy of this document. Any representation to the contrary is a criminal offence in the United States.

In addition, subject to certain exceptions, Application Forms are not being posted to and no Open Offer Entitlements or the Excess Open Offer Entitlements will be credited to a stock account of any person in any of the Restricted Jurisdictions. The attention of Overseas Shareholders and other recipients of this document who are residents or citizens of any country other than the United Kingdom is drawn to the section entitled “Overseas Shareholders” at paragraph 6 of Part IV of this document. This document and the New Ordinary Shares may not be redistributed or forwarded, directly or indirectly, into any Restricted Jurisdiction.

Forward-looking statements

This document contains statements that are, or may be deemed to be, “forward-looking statements”. In some cases, these forward-looking statements can be identified by the use of forward-looking terminology, including the terms “anticipates”, “believes”, “could”, “envisages”, “estimates”, “expects”, “intends”, “may”, “plans”, “projects”, “should”, “will” or, in each case, their negative or other variations or comparable terminology. These forward-looking statements relate to matters that are not historical facts. They appear in a number of places throughout this document and include statements regarding the intentions, beliefs and current expectations of the Company or the Directors concerning, amongst other things, the results of operations, financial condition, liquidity, prospects, growth and strategies of the Company and the industry in which the Group operates.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance. The actual results, performance or achievements of the Company or developments in the industry in which the Group operates may differ materially from the future results, performance or achievements or industry developments expressed or implied by the forward-looking statements contained in this document.

The forward-looking statements contained in this document speak only as at the date of this document. The Company undertakes no obligation to update or revise publicly the forward-looking statements contained in this document to reflect any change in expectations or to reflect events or circumstances occurring or arising after the date of this document, except as required in order to comply with its legal and regulatory obligations (including under the AIM Rules for Companies).

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DIRECTORS AND ADVISERS

Directors	John Bryant (<i>Non-executive Chairman</i>) Rod Webster (<i>Chief Executive</i>) Wolf Martinick (<i>Non-executive Director</i>) Alan Stephens (<i>Non-executive Director</i>) Charilaos Stavrakis (<i>Non-executive Director</i>) all of: 180 Piccadilly London W1J 9HF
Company Secretary	Kevin Ellis
Nominated Adviser and Joint Broker	RFC Ambrian Limited Condor House 10 St Paul's Churchyard London EC4M 8AL
Joint Broker	FinnCap Limited 60 New Broad Street London EC2M 1JJ
Solicitors to the Company	Morrison & Foerster (UK) LLP CityPoint One Ropemaker Street London EC2Y 9AW
Solicitors to RFC Ambrian and FinnCap	Fladgate LLP 16 Great Queen Street London WC2B 5DG
Financial PR	Blytheweigh 4-5 Castle Court London EC3V 9DL
Registrars	Capita Asset Services The Registry 34 Beckenham Road Beckenham Kent BR3 4TU
Receiving Agent	Capita Asset Services Corporate Actions The Registry 34 Beckenham Road Beckenham Kent BR3 4TU

CAPITAL RAISING STATISTICS

Number of Existing Ordinary Shares in issue on the Record Date	616,605,144
Number of New Ordinary Shares to be issued pursuant to:	
(a) the Subscription	30,830,257
(b) the Placing and Open Offer ^(*)	Up to 129,811,609
(c) in aggregate under the Subscription, the Placing, and the Open Offer ^(*)	Up to 160,641,866
Issue Price	2.925 pence
Basis of the Open Offer	4 Open Offer Shares for every 19 Existing Ordinary Shares
Maximum Enlarged Share Capital following completion of the Subscription, the Placing and the Open Offer ^(*)	Up to 777,247,010
Percentage of the Enlarged Share Capital represented by the New Ordinary Shares ^(*)	Up to 20.67%
Gross proceeds of the Subscription	£0.9 million
Gross proceeds of the Placing and Open Offer ^(*)	Up to £3.8 million
Estimated maximum gross proceeds of the Subscription, the Placing, and the Open Offer receivable by the Company ^(*)	Up to £4.7 million
Estimated maximum net cash proceeds of the Subscription, the Placing and the Open Offer receivable by the Company ^(*)	Up to £4.5 million
Estimated minimum net cash proceeds of the Subscription and the Placing receivable by the Company ⁽⁺⁾	£3.2 million
Exchange rates used	
£1: €1.25	
£1:US\$1.56	

Notes:

(*) Assuming that if the Open Offer is not fully subscribed all Unallocated Shares are taken up in the Placing.

(+) Assuming that there are no applications under the Open Offer.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

2014

Record Date and time for entitlements under the Open Offer	5.00 p.m. on 14 November 2014
Existing Ordinary Shares marked 'ex' by the LSE	8.00 a.m. on 18 November 2014
Posting of the Document and Application Form	18 November 2014
Open Offer Entitlements credited to stock accounts in CREST of Qualifying CREST Shareholders	19 November 2014
Recommended latest time for requesting withdrawal of Open Offer Entitlements and Excess Open Offer Entitlements from CREST	4.30 p.m. on 26 November 2014
Latest time for depositing Open Offer Entitlements and Excess Open Offer Entitlements into CREST	3.00 p.m. on 27 November 2014
Latest time and date for splitting of Application Forms (to satisfy bona fide market claims only)	3.00 p.m. on 29 November 2014
Latest time and date for receipt of completed Application Forms and payment in full under the Open Offer or settlement of relevant CREST instruction (as appropriate)	11.00 a.m. on 2 December 2014
Results of Open Offer announced through RNS	3 December 2014
Admission and commencement of dealings in Open Offer Shares	8.00 a.m. on 8 December 2014
Open Offer Shares to be held in uncertificated form credited to CREST stock accounts	8 December 2014
Despatch of definitive share certificates for Open Offer Shares to be held in Certificated form	by 17 December 2014

If you have any questions on the procedure for acceptance and payment, you should contact Capita Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, or you can call the shareholder helpline between 9.00 a.m. and 5.30 p.m. (London time) Monday to Friday on 0871 664 0321 from within the UK or +44 20 8639 3399 if calling from outside the UK. Calls to the 0871 664 0321 number cost 10 pence per minute (including VAT) plus your service provider's network extras. Calls to the helpline from outside the UK will be charged at applicable international rates. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide any financial, legal or tax advice.

The dates and times set out in the Expected Timetable of Principal Events above and mentioned throughout this document are based on the Company's current expectations and may be subject to change, in which event details of the new dates will be notified to AIM and, where appropriate, to Shareholders.

All references to times are to the time in London, England.

DEFINITIONS

The following definitions apply throughout this document, unless the context requires otherwise or unless defined in Part IV of this document for the purposes of that part only:

2006 Act	the Companies Act 2006 (as amended)
Admission	the admission of the New Ordinary Shares to trading on AIM becoming effective in accordance with the AIM Rules for Companies
AIM	a market operated by the London Stock Exchange
AIM Rules for Companies	the AIM rules for companies and guidance notes, as published and amended from time to time by the London Stock Exchange
AIM Rules for Nominated Advisers	the rules for nominated advisers to AIM companies, as published and amended from time to time by the London Stock Exchange
applicant	a Qualifying Shareholder or a person entitled by virtue of a <i>bona fide</i> market claim who lodges an Application Form in connection with the Open Offer
Application Form	the application form which accompanies this document to be used by Qualifying Non-CREST Shareholders in connection with the Open Offer
Articles	the articles of association of the Company as at the date of this document
Board or Directors	the directors of the Company as at the date of this document, whose names are set out on page 5 of this document
Business Day	any day (other than a Saturday, Sunday or public holiday) on which commercial banks are open in London, UK for normal banking business
Capita or Registrars	Capita Asset Services, a trading name of Capita Registrars Limited
Capital Raising	the Subscription, the Placing and the Open Offer, taken together
Central Operations	the Company's two producing copper mines at Otjihase and Matchless in Namibia, known as the Central Operations
Company	Weatherly International plc
CREST	the computerised settlement system (as defined in the CREST Regulations) operated by Euroclear in accordance with the CREST Regulations which facilitates the transfer of title to shares in uncertificated form
CREST member	a person who has been admitted by Euroclear as a system-member (as defined in the CREST Regulations)
CREST member account ID	the identification code or number attached to a member account in CREST
CREST participant	a person who is, in relation to CREST, a system participant (as defined in the CREST Regulations)

CREST payment	shall have the meaning given in the CREST Manual issued by Euroclear
CREST Regulations	the Uncertificated Securities Regulations 2001 (SI2001/3755) (as amended)
CREST Sponsor	a CREST participant admitted to CREST as a CREST sponsor
CREST sponsored member	a CREST member admitted to CREST as a sponsored member (which includes all CREST personal members)
Enlarged Share Capital	the entire issued share capital of the Company immediately following Admission (assuming the Open Offer is fully subscribed)
Euroclear	Euroclear UK & Ireland Limited, the operator of CREST
Excess Application Facility	the arrangement pursuant to which Qualifying Shareholders may apply for additional Open Offer Shares in excess of their Open Offer Entitlements in accordance with the terms and conditions of the Open Offer
Excess CREST Open Offer Entitlements	in respect of each Qualifying CREST Shareholder, the entitlement to apply for Open Offer Shares in addition to his Open Offer Entitlement credited to his stock account in CREST, pursuant to the Excess Application Facility, which is conditional on him taking up his Open Offer Entitlement in full and which may be subject to scaling back in accordance with the provisions of this document
Excess Open Offer Entitlement	in respect of each Qualifying Shareholder, the entitlement to apply for Open Offer Shares in addition to his Open Offer Entitlement pursuant to the Excess Application Facility, which is conditional on him taking up his Open Offer Entitlement in full and which may be subject to scaling back in accordance with the provisions of this document
Excess Shares	the Open Offer Shares for which Qualifying Shareholders may apply under the Excess Application Facility in addition to their Open Offer Entitlement
Ex-entitlement Date	the date on which the Existing Ordinary Shares are marked “ex” for entitlement under the Open Offer, being 18 November 2014
Existing Ordinary Shares	the 616,605,144 Ordinary Shares in issue on the date of this document
FCA	the Financial Conduct Authority of the United Kingdom
FSMA	the Financial Services and Markets Act 2000 (as amended)
FY2015	The accounting year ended 30 June 2015
Group	the Company and its subsidiaries and subsidiary and associated undertakings at the date of this document
ISIN	International Securities Identification Number
Issue Price	2.925 pence per New Ordinary Share
London Stock Exchange	London Stock Exchange plc

Member Account ID	the identification code or number attached to any member account in CREST
Money Laundering Regulations	the Money Laundering Regulations 2007 (as amended) and obligations in connection with money laundering under the Criminal Justice Act 1993 and the Proceeds of Crime Act 2002
New Ordinary Shares	the Placing Shares and the Open Offer Shares, or any part thereof
Official List	the daily official list maintained by the FCA
Open Offer	the conditional invitation made to Qualifying Shareholders to apply to subscribe for the Open Offer Shares at the Issue Price on the terms and subject to the conditions set out in Part IV of this document and, where relevant, in the Application Form
Open Offer Entitlement	the entitlement for Qualifying Shareholders to subscribe for Open Offer Shares on the basis set out in this document allocated to Qualifying Shareholders on the Record Date pursuant to the Open Offer
Open Offer Shares	up to 129,811,609 New Ordinary Shares being made available to Qualifying Shareholders pursuant to the Open Offer
Ordinary Shares	the ordinary shares of 0.5 pence each in the capital of the Company
Overseas Shareholder	a Shareholder who is resident, or who is a citizen of, or who has a registered address in a jurisdiction outside the United Kingdom
Participant ID	the identification code or membership number used in CREST to identify a particular CREST member or other CREST participant
Placees	the persons (including Polo Resources) who have conditionally agreed to subscribe for the Placing Shares
Placing	the conditional placing of the Placing Shares, otherwise than on a pre-emptive basis, at the Issue Price by RFC Ambrian as described in this document
Placing and Open Offer Agreement	the conditional agreement entered into between the Company and RFC Ambrian in respect of the Placing and the Open Offer dated 17 November 2014, further details of which are contained in paragraph 11 of Part I of this document
Placing Shares	up to 85,750,937 New Ordinary Shares to be issued pursuant to the Placing which have conditionally been placed subject to clawback to meet demand under the Open Offer with institutional and other investors by RFC Ambrian of which 76,007,350 have been placed with Polo Resources
Polo Resources	Polo Resources Limited, including its direct and indirect subsidiaries
Prospectus Rules	the rules made by the UK Listing Authority under Part VI of FSMA in relation to transferable securities to the public and admission of transferable securities to trading on a regulated market
Qualifying CREST Shareholders	Qualifying Shareholders whose Existing Ordinary Shares on the register of members of the Company at the close of business on the Record Date were held in a CREST account (but excluding any

	Overseas Shareholders who are resident in, or who are citizens of, or who have a registered address in a Restricted Jurisdiction)
Qualifying Non-CREST Shareholders	Qualifying Shareholders whose Existing Ordinary Shares on the register of members of the Company at the close of business on the Record Date were held in certificated form (but excluding any Overseas Shareholders who are resident in, or who are citizens of, or who have a registered address in a Restricted Jurisdiction)
Qualifying Shareholders	holders of Existing Ordinary Shares on the register of members of the Company at the Record Date (but excluding any Overseas Shareholders who are resident in, or who are citizens of, or who have a registered address in a Restricted Jurisdiction)
Record Date	5.00 p.m. on 14 November 2014
Receiving Agents	Capita, registrars to the Company and receiving agents in connection with the Open Offer
Regulatory Information Service	has the meaning given in the AIM Rules for Companies
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 and/or the Open Offer would breach any applicable law or regulations
SEC	the US Securities Exchange Commission
Securities Act	US Securities Act of 1933 (as amended)
Shareholders	the holders of Existing Ordinary Shares
sterling, pounds sterling, £, pence or p	the lawful currency of the United Kingdom
stock account	an account within a member account in CREST to which a holding of a particular share or other security in CREST is credited
Subscription	the 30,830,257 New Ordinary Shares subscribed for by Polo Resources at a price of 2.925p
Subscription Agreement	the agreement between the Company and Polo Resources dated 7 November 2014 under which Polo Resources agrees to make the Subscription
UK Listing Authority	the FCA acting in its capacity as the competent authority for the purposes of Part VI of FSMA
Unallocated Shares	such Open Offer Shares, if any, which are not taken up by Qualifying Shareholders pursuant to the Open Offer Entitlements or pursuant to the Excess Application Facility
US Person	a US person as defined in Regulation S promulgated under the Securities Act

PART I

LETTER FROM THE CHAIRMAN

WEATHERLY INTERNATIONAL PLC

(incorporated in England and Wales with registered number 03954224)

Directors:

John Bryant (*Non-executive Chairman*)
Rod Webster (*Chief Executive*)
Wolf Martinick (*Non-executive Director*)
Alan Stephens (*Non-executive Director*)
Charilaos Stavarakis (*Non-executive Director*)

Registered Office:

180 Piccadilly
London
W1J 9HF

18 November 2014

Dear Shareholder,

**Proposed Open Offer and Placing (subject to clawback) of up to
approximately 129.8m New Ordinary Shares at a price of 2.925 pence per share
to raise up to approximately £3.8 million in aggregate**

1. Introduction and summary

On 10 November 2014, your Board announced that it had provisionally arranged a funding package with a maximum aggregate value of £4.7 million (before expenses). This comprises of a Subscription by Polo Resources of 30,830,257 New Ordinary Shares at 2.925 pence per share together with a conditional commitment by Polo Resources to take up a further 76,007,350 New Ordinary Shares in a Placing to the extent there are sufficient Unallocated Shares to meet that demand as well as the option for Polo Resources to take further shares to get them to a maximum possible holding of 160,641,866 as more fully described below.

In addition, the Company announced that up to a maximum of £3.8 million would be raised by way of the Open Offer made to Qualifying Shareholders of up to 129,811,609 Open Offer Shares. The Open Offer is being conducted on the basis of 4 Open Offer Shares at a price of 2.925 pence per share for each 19 Existing Ordinary Shares held as at the Record Date of 14 November 2014.

In addition the Excess Application Facility will allow excess applications for the Open Offer Shares over and above Qualifying Shareholders' Open Offer Entitlements to be accepted from such holders to the extent that other Qualifying Shareholders do not take up their full Open Offer Entitlements. If there remain Unallocated Shares after satisfying Open Offer Entitlements and applications under the Excess Application Facility, such Unallocated Shares, if any, may be used to satisfy demand under the Placing.

In addition, if there remain Unallocated Shares after allocating the Placing Shares to proposed places then Polo Resources has the right also to subscribe at the same price per share for such Unallocated Shares.

The Open Offer is not underwritten but, as stated above, Unallocated Shares may be used to satisfy demand in the Placing.

Application will be made to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on AIM. The New Ordinary Shares are expected to be admitted to AIM and commence trading at 8.00 a.m. on 8 December 2014.

The purpose of this letter is to explain to Shareholders the background to, and reasons for, the Capital Raising.

2. Background to and reasons for the Capital Raising

On 7 November 2014, the Company announced that it had commenced mining at its Tschudi copper mine in Namibia (“**Tschudi**”). The first copper production is expected in Q4 of FY2015.

Construction of the Tschudi project remains on schedule and budget with 85% of the works completed matched with the draw down of 79% of the project finance loan provided by Orion Mine Finance.

Administration and plant offices are operational at the Tschudi mine, and senior staff members have been appointed within the processing group to ensure operational readiness by Q4 FY2015.

The first leach pad which will allow the copper to be dissolved from ore using sulphuric acid is close to completion and mining for silica to provide the drainage layer for the heap leach pads from a nearby quarry has commenced. Commission of the crushing and agglomeration plant is scheduled for December 2014 followed by commissioning of the solvent extraction-electrowinning (SX/EW) plant in Q3 FY2015 which will recycle the acid to be reused on the heap leach pads.

The mining contractor, Basil Read, commenced waste stripping at the beginning of the quarter and by the end of the quarter the first ore was exposed in the initial pits. The bulk of the waste removed is being used to form the base of the heap leach pads and the ore stockpile area above the primary crusher. In total, 251,450 bcm of waste and 1,920 bcm of mineralised material was mined at the Tschudi mine during the quarter to 30 September 2014.

The Board believe that there is a strong case for accelerating the waste stripping, in order to provide greater certainty that the Tschudi project will achieve its stated targets in the first year of production. This would require the Company to provide additional working capital to the Tschudi project during Q3 of FY2015. In order to do this, the Company will most likely need to draw down on the US\$8m overrun facility provided by Orion Mine Finance, which requires the Company to contribute on a dollar for dollar basis.

The Board originally anticipated that the Company’s contribution to the overrun would come from cash reserves built from its existing underground mines. However, the weak copper price and re-organisation of the underground operations has meant that cash flows from these operations are not anticipated to allow for building of sufficient cash reserves by the time the expected draw down is required. Consequently, Subscription together with the minimum raised under the Placing and Open Offer, together with the Company’s cash reserves will enable the Company to utilise the overrun facility in full and provide approximately US\$16m in cash reserves to deal with waste stripping into the next quarter in addition to any commissioning costs that may arise in connection.

3. Current trading and prospects

Production in Q1 of FY2015 remained strong and tonnes mined overall in the quarter increased by 14% compared with the previous quarter. However, lower grades from some of the development areas offset the increase in mining, resulting in copper produced for the quarter being slightly less than the previous quarter at 1,462 tonnes produced at a rate of US\$5,700/t. The Company delivered 6,906 tonnes of concentrate (1,497 tonnes of contained copper) to metal trader Louis Dreyfus at a weighted average price of US\$6,989/t copper (US\$ 3.17/lb).

During the quarter ended 30 September 2014, the Company paid off US\$0.55 million of the working capital loan to Orion Mine Finance reducing the outstanding loan in respect of Central Operations to US\$830,000. This left the company with cash reserves, excluding drawdowns under the Orion loan, of approximately US\$5.4 million.

Q1 of FY2015 is the second quarter where production has continued at an annualised rate approaching 6,000 copper tonnes, and also the highest half year recorded since the mines were reopened in 2010.

The pillar retreat programme at Otjihase continues with higher ore recovery than initially expected. As a result, development of the two new primary mining areas has slowed for the time being.

As part of the mobile fleet upgrade, two new Atlas Copco 1530 scoops were commissioned having an immediate effect on productivity. Similarly, a new Atlas Copco 282 drill jumbo was mobilised to site for trial with positive early results. A number of expatriate drill trainers have also arrived on site as part of the program to upgrade the skills of operators using the new equipment.

The Tschudi project remains on track and the management team is focussed on driving efficiencies at Central Operations and bringing Tschudi into production in Q4 of FY2015.

4. Details of the Subscription, the Placing and the Open Offer

4.1 *Details of the Subscription*

On 10 November 2014, the Company announced that it had entered into an agreement with Polo Resources for the Subscription. Pursuant to the terms of the Subscription, Polo Resources will acquire 30,830,257 New Ordinary Shares in the Company at a price of 2.925 pence per New Ordinary Share for a total cash consideration of £902,000. In addition, Polo Resources has conditionally committed to subscribe for a further 76,007,350 New Ordinary Shares at a price of 2.925 pence per New Ordinary Share, subject to clawback depending on take up under the Open Offer. Polo Resources' conditional further commitment amounts to approximately £2.223 million, bringing Polo Resources' investment in the Company, if allocated in full, to £3.125 million.

To the extent that the Company is unable to deliver all or any of the Placing Shares to Polo Resources under the Placing due to take-up of entitlements by existing Qualifying Shareholders under the Open Offer, Polo Resources has the right to subscribe for any such shortfall at a price of 2.925 pence per New Ordinary Share for a period of three months from the date of the Subscription. On the basis of the issue to Polo Resources of the New Ordinary Shares pursuant to the Subscription, a full allocation to Polo Resources in respect of its commitment under the Placing and the issue by the Company of all shares available under the Open Offer, Polo Resources' holding will be 106,837,607 Ordinary Shares, representing approximately 13.75 per cent. of the Company's enlarged share capital. In the event that there is a shortfall under the Open Offer after allocation of the Placing Shares, then Polo Resources shall have the right to subscribe for such shortfall. In the event that there are no further applications under the Open Offer, and Polo Resources exercises its right to take all of the shortfall after allocation the Placing Shares, Polo Resources' holding will be 145,487,347 Ordinary Shares, representing approximately 18.72 per cent. of the Company's enlarged share capital. Polo Resources' investment in such circumstances would be £1,130,505 in addition to its £3.125 million commitment.

Under the Subscription Agreement, Polo Resources has the ability, for so long as it has an interest in not less than 10 per cent. of the Company's issued Ordinary Share capital, to appoint two non-executive directors to the Board. The Subscription Agreement, which is conditional *inter alia* upon Admission becoming effective by not later than 31 December 2014 and the Company having allotted the New Ordinary Shares pursuant to the Subscription and the Placing Shares, also provides that if the Company undertakes a further equity fundraising, Polo Resources shall have a priority right to subscribe for up to 30,830,250 new Ordinary Shares in the Company at such future date, the timing and pricing of such subscription on terms to be agreed at such future date.

4.2 *Details of the Placing*

RFC Ambrian has conditionally placed 85,750,937 Placing Shares at 2.925 pence per Placing Share with institutional and other investors. Of the 85,750,937 Placing Shares, 76,007,350 Placing Shares have been placed with Polo Resources. All of the Placing Shares have been placed on the basis of there being Unallocated Shares under the Open Offer.

The Issue Price of 2.925 pence represents a premium of approximately 2 per cent. to the middle market closing price of the Company's shares on 17 November 2014 (being the latest practicable date before publication of this document) which was 2.875 pence.

Relative to the middle market closing price of the Company's shares on 7 November 2014 (the last business date prior to the announcement of the Placing and Open Offer) of 3.75p, the offer price under

the Subscription and the Open Offer represents a discount of approximately 22 per cent. Relative to the 20-day volume weighted average price for the period ending 7 November 2014 of 3.18p, the offer price under the Subscription and the Open Offer represents a discount of approximately 8 per cent.

The Placing is conditional upon, *inter alia*, the Placing and Open Offer Agreement having become unconditional in all respects.

The Placing Shares will, upon issue, rank *pari passu* with the Open Offer Shares and the Existing Ordinary Shares.

Further details of the Placing and Open Offer Agreement can be found in section 10 of this Part I.

4.3 ***Principal terms of the Open Offer***

Subject to the fulfilment of the conditions set out below and in Part IV of this document, Qualifying Shareholders are being given the opportunity to subscribe for the Open Offer Shares at a price of 2.925 pence per Open Offer Share, pro rata to their holdings of Existing Ordinary Shares on the Record Date on the basis of:

4 Open Offer Shares for every 19 Existing Ordinary Shares

Open Offer Entitlements will be rounded down to the nearest whole number of Open Offer Shares.

Qualifying Shareholders are also being given the opportunity, provided that they take up their Open Offer Entitlements in full, to apply for Excess Shares through the Excess Application Facility. Applications for Excess Shares are at the discretion of the Directors. Any Unallocated Shares may thereafter be placed pursuant to the Placing.

The Open Offer Shares will be allotted and issued following and conditional upon, *inter alia*, the Placing and Open Offer Agreement having become unconditional in all respects.

The Open Offer is not underwritten but, as stated above, any Unallocated Shares may be used to satisfy demand pursuant to the Placing.

Assuming full take-up under the Open Offer, the issue of the Open Offer Shares will raise further gross proceeds of approximately £3.8 million for the Company.

The Open Offer Shares will, upon issue, rank *pari passu* with the Placing Shares and the Existing Ordinary Shares.

Qualifying Shareholders with holdings of Existing Ordinary Shares in both certificated and uncertificated form will be treated as having separate holdings for the purpose of calculating the Open Offer Entitlements.

It should be noted that the Open Offer is not a rights issue. Accordingly, the Application Form is not a document of title and cannot be traded. Any Open Offer Shares not applied for under the Open Offer will not be sold in the market or placed for the benefit of Qualifying Shareholders who do not take up their rights to subscribe under the Open Offer.

4.4 ***Excess Application Facility***

The Excess Application Facility will enable Qualifying Shareholders, provided that they take up their Open Offer Entitlement in full, to apply for Excess Shares.

Qualifying Non-CREST Shareholders who wish to apply to acquire more than their Open Offer Entitlements should complete the relevant sections of the Application Form. Qualifying CREST Shareholders will have Excess CREST Open Offer Entitlements credited to their stock account in CREST and should refer to paragraph 3.1(f) of Part IV of this document for information on how to apply for Excess Shares pursuant to the Excess Application Facility. Open Offer Shares will be available to satisfy Excess Open Offer Entitlements only and to the extent that applications by other Qualifying Shareholders are not made or are made for less than their Open Offer Entitlements. Once

applications by Qualifying Shareholders for their respective Open Offer Entitlements have been satisfied, the Company shall, in its absolute discretion, determine whether to meet any applications under the Excess Application Facility in full or in part and no assurance can be given that applications by Qualifying Shareholders under the Excess Application Facility will be met in full, in part or at all.

Application will be made for the Open Offer Entitlements and Excess Open Offer Entitlements in respect of Qualifying CREST Shareholders to be admitted to CREST. It is expected that such Open Offer Entitlements and Excess Open Offer Entitlements will be admitted to CREST at 8.00 a.m. on 19 November 2014. Such Open Offer Entitlements and Excess Open Offer Entitlements will also be enabled for settlement in CREST at 8.00 a.m. on 19 November 2014. Applications through the means of the CREST system may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim.

Qualifying Non-CREST Shareholders will receive an Application Form with this document which sets out their entitlement to Open Offer Shares as shown by the number of Open Offer Entitlements allocated to them. Qualifying Non-CREST Shareholders should note that the Application Form is not a negotiable document and cannot be traded.

Qualifying CREST Shareholders will receive a credit to their appropriate stock accounts in CREST in respect of their Open Offer Entitlements as soon as possible after 8.00 a.m. on 19 November 2014. Qualifying CREST Shareholders should note that although the Open Offer Entitlements and Excess Open Offer Entitlements will be admitted to CREST and be enabled for settlement, applications in respect of entitlements under the Open Offer may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim.

If applications are made for less than all of the Open Offer Shares available, then the lower number of Open Offer Shares will be issued and any outstanding Open Offer Entitlements will lapse.

Further information on the Open Offer and the terms and conditions on which it is made, including the procedure for application and payment, are set out in Part IV of this document.

For Qualifying Non-CREST Shareholders, completed Application Forms, accompanied by full payment, should be returned by post or by hand (during normal business hours only) to Capita Asset Services, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU so as to arrive as soon as possible and in any event so as to be received no later than 11.00 a.m. on 2 December 2014. For Qualifying CREST Shareholders the relevant CREST instructions must have been settled as explained in this document by no later than 11.00 a.m. on 2 December 2014.

4.5 *Conditions and other information relating to the Capital Raising*

The Placing and the Open Offer are both conditional, *inter alia*, upon the Placing and Open Offer Agreement becoming unconditional in all respects and not having been terminated in accordance with its terms.

The Open Offer is also conditional upon:

- (a) the Placing having become unconditional in all respects; and
- (b) Admission of the New Ordinary Shares becoming effective by no later than 8.00 a.m. on 8 December 2014 (or such later time and/or date (not being later than 31 December 2014) as RFC Ambrian and the Company may agree).

The Placing is conditional, *inter alia*, upon Admission of the Placing Shares becoming effective by not later than 8.00 a.m. on 8 December 2014 (or such later time and/or date as RFC Ambrian (having consulted with FinnCap) and the Company may agree being not later than 31 December 2014).

Accordingly, if such conditions are not satisfied, or, if applicable, waived, the respective part or parts of the Capital Raising will not proceed. If the Open Offer does not proceed any applications made by

Qualifying Shareholders will be rejected and application monies will be returned without payment of interest as soon as practicable.

A summary of the principal terms of the Placing and Open Offer Agreement is set out in section 9 of this Part I.

The Capital Raising will result in the issue of in total 160,641,866 New Ordinary Shares assuming full take up under the Open Offer (representing, in aggregate, approximately 20.67 per cent. of the Enlarged Share Capital assuming full take up under the Open Offer). The New Ordinary Shares, will be issued credited as fully paid, and will rank *pari passu* in all respects with the Existing Ordinary Shares and therefore rank equally for all dividends or other distributions declared, made or paid after the date of issue of the New Ordinary Shares. No temporary documents of title will be issued.

Following the issue of the New Ordinary Shares pursuant to the Capital Raising (and assuming that the Open Offer is taken up in full), Qualifying Shareholders who take up their full Open Offer Entitlements (excluding, for the avoidance of doubt, any New Ordinary Shares acquired through the Excess Application Facility) in respect of the Open Offer will undergo a dilution of approximately 4.0 per cent. to their interests in the Company because of the Subscription. Qualifying Shareholders who do not take up any of their Open Offer Entitlements in respect of the Open Offer will experience a more substantial dilution to their interests in the Company because of the Capital Raising.

5. Use of proceeds

The Company considers the principal areas of focus, in relation to which it proposes to utilise the proceeds of the Capital Raising, to be:

- Acceleration of the waste stripping at Tschudi to mitigate against commissioning risks (as set out below) and ensure production targets are met. This will most likely involve provision of an additional working capital to Tschudi.
- To ensure the Company has the financial resources available to meet its working capital needs during the commissioning and post commissioning period of the Tschudi mine. While the Company does not anticipate a requirement to utilise the Orion overrun facility on the basis of the current mine plan, there are also a number of risk factors that could effect the commissioning of the Tschudi, such as slower leach times, poorer metallurgical recoveries, inferior ore grade, grade dilution, power outages, mechanical breakdowns, copper price and US\$/rand exchange rates. Any number of the above (individually or collectively) can impact on the commissioning timetable and adversely impact the Company's working capital needs.

In these circumstances, the Directors' believe it is prudent to ensure that the Company has sufficient cash reserves to ensure that it is fully able to utilise the Orion overrun facility.

6. Directors' participation in the Open Offer

The Directors listed in the table below have conditionally agreed to subscribe for a total of £158,270 in the Open Offer, representing 5,410,932 New Ordinary Shares, in the amounts set out next to their names, which include Excess Shares under the Excess Application Facility.

	<i>No. of Open Offer Shares</i>
John Bryant	341,880
Rod Webster	928,000
Wolf Martinick	3,720,000
Charilaos Stavarakis	421,052

Further details of the Directors' interests in the share capital of the Company are set out in paragraph 3.2 of Part V.

7. Action to be taken with respect to the Open Offer

Qualifying Non-CREST Shareholders

If you are a Qualifying Non-CREST Shareholder you should have received an Application Form which gives details of your entitlement under the Open Offer. If you wish to apply for the number of Open Offer Shares you are entitled to under the Open Offer (as shown by the number of Open Offer Entitlements allocated to you) or more or less Open Offer Shares than you are entitled to under the Open Offer, you should complete the enclosed Application Form in accordance with the procedure for application set out in paragraph 4.1 of Part IV of this document and on the Application Form itself.

Qualifying CREST Shareholders

If you are a Qualifying CREST Shareholder, no Application Form is enclosed and you will receive a credit to your appropriate stock account in CREST in respect of the Open Offer Entitlements representing your entitlement under the Open Offer. You should refer to the procedure for application set out in paragraph 4.2 of Part IV of this document.

The latest time for applications under the Open Offer to be received is 11.00 a.m. on 2 December 2014. The procedure for application and payment depends on whether, at the time at which application and payment is made, you have an Application Form in respect of your Open Offer Entitlements or have your Open Offer Entitlements credited to your stock account in CREST. The procedures for application and payment are set out in Part IV of this document. Further details also appear in the Application Form which has been sent to Qualifying Non-CREST Shareholders.

Qualifying CREST Shareholders who are CREST sponsored members should refer to their CREST sponsors regarding the action to be taken in connection with this document and the Open Offer.

8. Overseas Shareholders

Information for Overseas Shareholders appears in section 6 of Part IV of this document, which sets out the restrictions applicable to such persons. If you are an Overseas Shareholder, it is important that you pay particular attention to that section of this document.

9. Placing and Open Offer Agreement

Pursuant to the Placing and Open Offer Agreement dated 17 November 2014 between (1) the Company and (2) RFC Ambrian, RFC Ambrian has agreed to use its reasonable endeavours to procure places for the Placing Shares at the Placing Price, as the Company's agents.

The Placing and Open Offer Agreement contains certain warranties and indemnities from the Company in favour of RFC Ambrian and is conditional, *inter alia*, on:

- (a) the posting of this document and the Application Forms;
- (b) the allotment of the New Ordinary Shares;
- (c) there being no breach of warranty under the Placing and Open Offer Agreement; and
- (d) Admission occurring by not later than 8.00 a.m. on 8 December 2014 (or such other time and/or date as RFC Ambrian and the Company may agree being not later than 31 December 2014).

RFC Ambrian may terminate the agreement in certain circumstances prior to Admission including, *inter alia*, if there shall have been a material adverse change, or a development involving a prospective material adverse change, in national or international political, military, diplomatic, terrorist, monetary, industrial, economic, financial or stock market conditions, or affecting the business, management, financial or trading position or prospects, shareholders' funds or results of the Company which in the opinion of RFC Ambrian would be likely to prejudice materially the success of the Placing and/or the Open Offer or which would make it impracticable or inadvisable to proceed with the Placing, the Open Offer and/or with Admission, or if any of the Directors or the Company fail to comply in any material respect with any of their respective obligations under the Placing and Open Offer Agreement.

10. Additional information

Your attention is drawn to the Risk Factors set out in Part II of this document and the additional information set out in Part V of this document. Shareholders are advised to read the whole of this document and to not rely solely on the summary information presented in this Part I.

Details of the action to be taken if you wish to subscribe for Open Offer Shares are provided in Part IV of this document and a section dealing with some questions and answers about the Open Offer are set out in Part III of this document.

This document will be available for a period of twelve months from the date of this document on the Company's website www.weatherlyplc.com free of charge in accordance with the requirements of Rule 26 of the AIM Rules for Companies.

Yours faithfully,

John Bryant

Chairman

Weatherly International plc

PART II

RISK FACTORS

Before deciding whether to invest in the New Ordinary Shares, prospective investors should carefully consider the risk factors set out below in addition to the other information contained in this document. The Directors consider the following risks and other factors to be the most significant for potential investors in the Company, but the risks listed do not purport to comprise all those risks associated with an investment in the Company and are not set out in any particular order of priority. Additional risks and uncertainties not currently known to the Directors may also have an adverse effect on the Company's business.

The Company's performance may be materially and adversely affected by changes in the market and economic conditions and by changes in the laws and regulations (including tax law and regulations) relating to, or affecting, the Company or the interpretation of such laws and regulations. If any of the following risks actually occur, the Company's business, financial condition, capital resources, results or future operations could be materially adversely affected. In this event, the price of the Ordinary Shares could decline and investors may lose all or part of their investment.

The investment offered in this document may not be suitable for all of its recipients. Before making an investment decision, prospective investors should consult a person authorised under FSMA who specialises in advising on the acquisition of shares and other securities. A prospective investor should consider carefully whether an investment in the Company is suitable for him/her in the light of his/her personal circumstances and the financial resources available to him/her.

1. BUSINESS RISKS

1.1 *Copper price*

Copper price fluctuations could have a material adverse effect on the Company's profitability. There can be no guarantee that the Company would be able to compensate for, or hedge against, such adverse effects and, therefore, adverse copper price movements could have a material adverse effect on the Company's business, results of operations and/or financial condition.

1.2 *Currency fluctuations*

As the Company's revenue streams may come from abroad, exchange rate fluctuations could have a material adverse effect on the Company's profitability or the price competitiveness of its products. There can be no guarantee that the Company would be able to compensate for, or hedge against, such adverse effects and, therefore, adverse exchange rate movements could have a material adverse effect on the Company's business, results of operations and/or financial condition.

1.3 *Leach times and Metallurgical recovery*

While the Company has performed studies on the leach times and metallurgical recovery rates of the ore at the Tschudi mine, it is possible that on commissioning the plant the actual copper recovered rates achieved and times to achieve them will be lower than expected. This would result in either reduced income or a delay in income received or both, possibly materially adversely affecting the results of operations and/or financial condition.

1.4 *Ore grade*

While the Company has drilled and tested the ore body to a JORC standard and modelled the ore body there is no guarantee that the ore body conforms exactly to the model and the grades mined could be lower than expected either overall or on start up. This would result in reduced income possibly materially adversely affecting the results of operations and/or financial condition.

1.5 *Commissioning and breakdown of Equipment*

There is a risk that plant and equipment currently being constructed experiences problems during the commissioning stage due to unforeseen design or technical issues, power outages, or construction failures. Examples would be the crushers, solvent extraction-electrowinning (SX/EW) plant, the main step down transformer or the heap leach pads. Any such problems could cause delays in production which could possibly materially adversely affect the results of operations and/or the financial condition of the Company. Post commissioning breakdowns in key equipment like the crushers or the main step down transformer could cause similar delays although this can be mitigated by the Company carrying out preventative maintenance, keeping key spare parts and having the ability to hire replacement equipment on a temporary basis.

1.6 *Force majeure*

The economics of the Company's projects may be adversely affected by risks outside the control of the Company, including labour unrest, civil disorder, war, subversive activities, sabotage, fires, floods, acts of God, explosions or other catastrophes or epidemics.

1.7 *Uninsured risks*

Although the Company proposes to maintain insurance which the Directors consider to be appropriate, there may be circumstances where the Company's insurance will not cover or be adequate to cover the consequences of certain events. Moreover, there can be no assurance that the Company will be able to maintain adequate insurance in the future at rates the Directors consider reasonable. Thus, the Company may become subject to liability for hazards which cannot be insured against or against which it may elect not to be insured because of high premium costs or other commercial reasons. There can be no assurance that the Company will be able to obtain insurance at reasonable rates (or at all) or that any coverage it obtains will be adequate and available to cover any such claims.

1.8 *Additional financing and future issues of shares may result in immediate dilution*

The Company may require further financing in addition to amounts proposed to be raised in the Placing and the Open Offer. Any additional equity financing may be dilutive to Shareholders. Furthermore, the issue of additional Ordinary Shares may be on more favourable terms than the Capital Raising. In addition, the issue of additional Shares by the Company, or the possibility of such issue or exercise, may cause the market price of the Ordinary Shares to decline and may make it more difficult for Shareholders to sell Ordinary Shares at a desirable time or price.

Any debt financing, if available, may involve restrictions on other forms of financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be forced to reduce the scope of its operations, its anticipated expansion or ultimately cease to trade.

2. RISKS RELATING TO THE NEW ORDINARY SHARES

2.1 *Conditionality of the Placing and the Open Offer*

The Placing and the Open Offer are conditional upon, among other things, Admission. In the event that any condition to which Admission is subject is not satisfied or, if capable of waiver, waived, Admission will not be implemented.

2.2 *Investment risk and AIM*

The New Ordinary Shares will be quoted on AIM rather than the Official List. The rules of AIM are less demanding than those of the Official List and an investment in shares quoted on AIM may carry a higher risk than an investment in shares quoted on the Official List. AIM has been in existence since June 1995 but its future success and the liquidity in the market for the Company's securities cannot be guaranteed. Investors should be aware that the value of the Ordinary Shares may be volatile and may go down as well as up and investors may, therefore, not recover their original investment.

The market price of the Ordinary Shares may not reflect the underlying value of the Company's net assets. It could be subject to significant fluctuations due to a change in investor sentiment regarding the Company's shares or in response to various facts and events, including variations in the Company's interim or full year operating results and business developments of the Company and/or its competitors. The price at which investors may dispose of their shares in the Company may be influenced by a number of factors, some of which may relate to the Company, and others of which are not specific to the Company. On any disposal investors may realise less than the original amount invested.

2.3 ***No guarantee that the Company's Ordinary Shares will continue to be traded on AIM***

The Company cannot assure investors that the Company's Ordinary Shares will always continue to be traded on AIM or on any other exchange. If such trading were to cease, certain investors may decide to sell their shares, which could have an adverse impact on the price of the Ordinary Shares. Additionally, if in the future the Company decides to obtain a listing on another exchange in addition or as an alternative to AIM, the level of liquidity of the Ordinary Shares traded could decline.

Investors should therefore consider carefully whether investment in the Company is suitable for them, in light of the risk factors outlined above, their personal circumstances and the financial resources available to them.

These potential risks are not presented in any order of priority and do not necessarily comprise all those faced by the Company.

PART III

QUESTIONS AND ANSWERS ABOUT THE OPEN OFFER

The questions and answers set out in this Part III are intended to be in general terms only and, as such, you should read Part IV for full details of what action you should take. If you are in any doubt as to what action you should take, you are recommended to seek your own personal financial advice immediately from your stockbroker, bank, fund manager, solicitor, accountant or other appropriate independent financial adviser, who is authorised under the FSMA if you are resident in the United Kingdom, or, if not, from another appropriately authorised independent financial adviser.

This Part III deals with general questions relating to the Open Offer and more specific questions relating principally to the Existing Ordinary Shares held by persons resident in the United Kingdom who hold their Existing Ordinary Shares in certificated form only. If you are an Overseas Shareholder, you should read section 6 of Part IV of this document and you should take professional advice as to whether you are eligible and/or you need to observe any formalities to enable you to take up your Open Offer Entitlements or apply for Excess Shares pursuant to the Excess Application Facility. If you hold your Existing Ordinary Shares in uncertificated form (that is, through CREST) you should read Part IV of this document for full details of what action you should take. If you are a CREST sponsored member, you should also consult your CREST sponsor.

The contents of this document should not be construed as legal, business, accounting, tax, investment or other professional advice. Each prospective investor should consult his, her or its own appropriate professional advisers for advice. This document is for your information only and nothing in this document is intended to endorse or recommend a particular course of action.

1. What is an open offer?

An open offer is a way for companies to raise money. Companies may do this by giving their existing shareholders a right to acquire further shares at a fixed price in proportion to their existing shareholdings (the “**Open Offer**”).

This Open Offer is an invitation by the Company to Qualifying Shareholders to apply to acquire an aggregate of up to 129,811,609 Open Offer Shares at the Issue Price. If you hold Existing Ordinary Shares on the Record Date or have a *bona fide* market claim, other than, subject to certain exceptions, where you are a Shareholder with a registered address or located in the United States or another Restricted Jurisdiction, you will be entitled to apply for Open Offer Shares under the Open Offer.

The Open Offer is being made on the basis of 4 Open Offer Shares for every 19 Existing Ordinary Shares held by Qualifying Shareholders on the Record Date. If your entitlement to Open Offer Shares is not a whole number, you will not be entitled to apply for an Open Offer Share in respect of any fraction of an Existing Ordinary Share and your entitlement will be rounded down to the nearest whole number. The resulting fractions of Open Offer Shares will be aggregated and made available to Qualifying Shareholders under the Excess Application Facility.

Open Offer Shares are being offered to Qualifying Shareholders at the Issue Price, which represents a premium of approximately 2 per cent. to the closing middle market price of an Existing Ordinary Share of 2.875 pence on 17 November 2014, being the last business day prior to the announcement of the Placing and the Open Offer.

Applications by Qualifying Shareholders will be satisfied in full up to the amount of their individual Open Offer Entitlements. Qualifying Shareholders are also being given the opportunity, provided that they take up their Open Offer Entitlements in full, to apply for additional Open Offer Shares through the Excess Application Facility.

If applications under the Excess Application Facility are received for more than the total number of Open Offer Shares available following take-up of Open Offer Entitlements, such applications will be scaled back pro rata to the number of additional Open Offer Shares applied for by Qualifying Shareholders under the Excess Application Facility.

The number of available Open Offer Shares under the Excess Application Facility is dependent on the level of take-up of Open Offer Entitlements. Assuming that there is no Overseas Shareholder who has a registered address in, or is a resident in or a citizen of, a Restricted Jurisdiction, and if every Qualifying Shareholder takes up their Open Offer Entitlements in full, there will be no Open Offer Shares available under the Excess Application Facility.

Qualifying Shareholders should be aware that the Open Offer is not a rights issue. As such, Qualifying Non-CREST Shareholders should also note that their Application Forms are not negotiable documents and cannot be traded. Qualifying CREST Shareholders should note that, although the Open Offer Entitlements will be admitted to CREST, they will have limited settlement capabilities (for the purposes of market claims only), and the Open Offer Entitlements will not be tradable or listed, and applications in respect of the Open Offer may only be made by the Qualifying Shareholders originally entitled or by a person entitled by virtue of a *bona fide* market claim.

2. I hold my Existing Ordinary Shares in certificated form. How do I know whether I am able to acquire Open Offer Shares under the Open Offer?

If you receive an Application Form and, subject to certain exceptions, are not a holder with a registered address in or located in the United States or another Restricted Jurisdiction, then you should be eligible to acquire Open Offer Shares under the Open Offer, as long as you have not sold all of your Existing Ordinary Shares before the Ex-entitlement Date.

3. I hold my Existing Ordinary Shares in certificated form. How do I know how many Open Offer Shares I am entitled to take up?

If you hold your Existing Ordinary Shares in certificated form and, subject to certain exceptions, do not have a registered address and are not located in the United States or another Restricted Jurisdiction, you should have been sent an Application Form that shows:

- how many Existing Ordinary Shares you held at close of business on the Record Date for the Open Offer;
- how many Open Offer Shares are comprised in your Open Offer Entitlement; and
- how much you need to pay if you want to take up your right to buy all your entitlement to the Open Offer Shares.

Subject to certain exceptions, if you have a registered address in the United States or one of the Restricted Jurisdictions, you should not receive an Application Form.

If you would like to apply for any of, all of or more than the Open Offer Shares comprised in your Open Offer Entitlement, you should complete the Application Form in accordance with the instructions printed on it and the information provided in this document. Please return the completed form in the reply-paid envelope provided with the Application Form along with a cheque or banker's draft for the number of Open Offer Shares you want to apply for, and allow at least four Business Days for delivery if sent by first class post from within the United Kingdom. Please also see questions 5 and 11 for further help in completing the Application Form.

4. I hold my Existing Ordinary Shares in certificated form. What are my choices in relation to the Open Offer and what should I do with the Application Form?

4.1 *If you want to take up all of your Open Offer Entitlement*

If you want to take up all of the Open Offer Shares to which you are entitled, all you need to do is sign and send the Application Form, together with your cheque or duly endorsed banker's draft for the amount (as indicated in Box C of your Application Form), payable to "Capita Registrars re Weatherly International plc" and crossed "A/C payee only", in the reply-paid envelope provided to Capita Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU to arrive by no later than 11.00 a.m. on 2 December 2014. Within the United Kingdom only, you can use the accompanying reply-paid envelope. You should allow at least four Business Days for delivery if using first-class post within the United Kingdom. If posting from outside the United Kingdom, postage will be payable when using the reply-paid envelope. Full instructions are set out in the Application Form. A definitive share certificate will then be sent to you for the Open Offer Shares that you take up. Your definitive share certificate for Open Offer Shares is expected to be despatched to you by no later than 17 December 2014.

4.2 *If you want to take up some but not all of your Open Offer Entitlement*

If you want to take up some but not all of the Open Offer Shares to which you are entitled, you should write the number of Open Offer Shares you want to take up in Box D of your Application Form. For example, if you are entitled to take up 1,000 shares but you only want to take up 500 shares, then you should write '500' in Box D.

To work out how much you need to pay for the Open Offer Shares, you need to multiply the number of Open Offer Shares you want (in this example, 500) by the Issue Price, which is the price of each Open Offer Share. You should write the resulting amount in Box G, rounding down to the nearest whole penny and this should be the amount your cheque or banker's draft is made out for. You should then sign and return your Application Form together with your cheque or banker's draft for that amount, payable to "Capita Registrars re Weatherly International plc" and crossed "A/C payee only", in the reply-paid envelope provided, by post to Capita Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, United Kingdom, to arrive by no later than 11.00 a.m. on 2 December 2014, after which time the Application Form will not be valid. Within the United Kingdom only, you can use the accompanying reply-paid envelope. You should allow at least four Business Days for delivery if using first-class post or the reply-paid envelope within the United Kingdom. If posting from outside the United Kingdom, postage will be payable when using the reply-paid envelope. Full instructions are set out in Part IV of this document and will be set out in the Application Form.

A definitive share certificate will then be sent to you for the Open Offer Shares that you take up. Your definitive share certificate for Open Offer Shares is expected to be despatched to you by no later than 17 December 2014.

4.3 *If you want to apply for more than your Open Offer Entitlement*

Provided that you have agreed to take up your Open Offer Entitlement in full, you can apply for further Open Offer Shares using the Excess Application Facility. You should write the number of Open Offer Shares you wish to take up in Box D which must be the number of Open Offer Shares shown in Box B. You should then write the number of Open Offer Shares you wish to apply for under the Excess Application Facility in Box E and then complete Box F by adding together the numbers you have entered in Boxes D and E.

To work out how much you need to pay for the Open Offer Shares, you need to multiply the number of Open Offer Shares shown in Box F by the Issue Price, which is the price of each Open Offer Share. You should write this amount in Box G, rounding down to the nearest whole penny. You should then return your Application Form together with your cheque or banker's draft for that amount payable to "Capita Registrars re Weatherly International plc" and crossed "A/C payee only", in the reply-paid envelope provided, by post to Capita Asset Services, Corporate Actions, The Registry, 34 Beckenham

Road, Beckenham, Kent BR3 4TU, United Kingdom, to arrive by no later than 11.00 a.m. on 2 December 2014, after which time the Application Form will not be valid. Within the United Kingdom only, you can use the accompanying reply-paid envelope. You should allow at least four Business Days for delivery if using first-class post or the reply-paid envelope within the United Kingdom. If posting from outside the United Kingdom, postage will be payable when using the reply-paid envelope. Full instructions are set out in the Application Form.

If applications under the Excess Application Facility are received for more than the total number of Open Offer Shares available following take-up of Open Offer Entitlements, such applications will be scaled back pro rata to the number of Excess Shares applied for by Qualifying Shareholders under the Excess Application Facility. Therefore, applications under the Excess Application Facility may not be satisfied in full. In this event, Qualifying Shareholders will receive a pounds sterling amount equal to the number of Open Offer Shares applied and paid for by, but not allocated to, the relevant Qualifying Shareholder, multiplied by the Issue Price. Monies will be returned as soon as reasonably practicable, without payment of interest and at the applicant's sole risk.

A definitive share certificate will be sent to you for the Open Offer Shares that you take up and otherwise successfully apply for using the Excess Application Facility. Your definitive share certificate for Open Offer Shares is expected to be despatched to you by no later than 17 December 2014.

4.4 *If you do not want to take up your Open Offer Entitlement*

If you do not want to take up the Open Offer Shares to which you are entitled, you do not need to do anything. In these circumstances, you will not receive any Open Offer Shares. If you do not take up your Open Offer Entitlement then, following the issue of Open Offer Shares pursuant to the Open Offer, your interest in the Company will be diluted.

5. **I hold my Existing Ordinary Shares in uncertificated form in CREST. What do I need to do in relation to the Open Offer?**

CREST members should follow the instructions set out in Part IV of this document. Persons who hold Existing Ordinary Shares through a CREST member should be informed by such CREST member of the number of Open Offer Shares they are entitled to take up or apply for under their Open Offer Entitlement and their Excess CREST Open Offer Entitlement, respectively, and should contact their CREST member should they not receive this information.

6. **I acquired my Existing Ordinary Shares prior to the Record Date and hold my Existing Ordinary Shares in certificated form. What if I do not receive an Application Form or I have lost my Application Form?**

If you do not receive an Application Form but hold your Existing Ordinary Shares in certificated form, this probably means that you are not able to acquire Open Offer Shares under the Open Offer. Some Qualifying Non-CREST Shareholders, however, will not receive an Application Form but may still be eligible to acquire Open Offer Shares under the Open Offer, namely:

- Qualifying CREST Shareholders who held their Existing Ordinary Shares in uncertificated form on the Record Date and who have converted them to certificated form;
- Shareholders who bought Existing Ordinary Shares before 8.00 a.m. on the Ex-entitlement Date and who hold such ordinary shares in certificated form but were not registered as the holders of those shares at the close of business on the Record Date; and
- certain Overseas Shareholders.

If this applies to you, please contact the Receiving Agent using the details set out in the answer to question 21 below.

7. If I buy Existing Ordinary Shares after the Record Date, will I be eligible to participate in the Open Offer?

If you bought your Existing Ordinary Shares after the Record Date, you are unlikely to be able to participate in the Open Offer, as the Existing Ordinary Shares are expected to start trading ex-entitlement on the London Stock Exchange at 8.00 a.m. on the Ex-entitlement Date.

If you are in any doubt, please consult your stockbroker, bank or other appropriate financial adviser, or whoever arranged your share purchase, to ensure you claim your entitlement. If you buy Existing Ordinary Shares at or after 8.00 a.m. on the Ex-entitlement Date, you will not be eligible to participate in the Open Offer in respect of those Existing Ordinary Shares.

8. What if I change my mind?

Once you have sent your Application Form and payment to the Receiving Agent, you cannot withdraw your application or change the number of Open Offer Shares you have applied for.

9. What if the number of Open Offer Shares to which I am entitled is not a whole number? Am I entitled to fractions of Open Offer Shares?

Your entitlement to Open Offer Shares will be calculated at the Record Date. If the result is not a whole number, you will not receive an Open Offer Share in respect of the fraction of each Existing Ordinary Share and your entitlement will be rounded down to the nearest whole number.

10. I hold my Existing Ordinary Shares in certificated form. What should I do if I want to spend more or less than the amount set out in Box C of the Application Form?

If you want to spend more than the amount set out in Box C, you should divide the amount you want to spend by the Issue Price. This will give you the number of Open Offer Shares for which you should apply. You can only apply for a whole number of Open Offer Shares. For example, if you wish to spend a certain amount of money on the Open Offer Shares, you should divide that amount by the Issue Price. If this is not a whole number, you should round it down to give you the number of Open Offer Shares for which you can apply without exceeding your chosen amount. Write the total number of Open Offer Shares in Box F. To get an accurate amount to put on your cheque or banker's draft, you should multiply the whole number of Open Offer Shares you want to apply for by the Issue Price and then fill in that amount rounded down to the nearest whole penny in Box G and on your cheque or banker's draft accordingly.

You should note that the number of available Open Offer Shares under the Excess Application Facility is dependent on the level of take-up of Open Offer Entitlements. If applications are received for more than the available number of Open Offer Shares, applications made under the Excess Application Facility will be scaled back pro rata to the number of Excess Shares applied for by Qualifying Shareholders. Assuming that there are no Overseas Shareholders who have registered addresses in, or are residents in or citizens of, a Restricted Jurisdiction, and if every Qualifying Shareholder takes up their Open Offer Entitlements in full there will be no Open Offer Shares available under the Excess Application Facility. Qualifying Non-CREST Shareholders whose applications under the Excess Application Facility are so scaled back will receive a pounds sterling amount equal to the number of Open Offer Shares applied and paid for by, but not allocated to, them multiplied by the Issue Price. Monies will be returned as soon as reasonably practicable, without payment of interest and at the applicant's sole risk.

If you want to spend less than the amount set out in Box C, you should divide the amount you want to spend by the Issue Price (being the price of each Open Offer Share under the Open Offer). This will give you the number of Open Offer Shares you should apply for. You can only apply for a whole number of Open Offer Shares. For example, if you want to spend a certain amount of money on the Open Offer Shares, you should divide that amount by the Issue Price. You should round that down to the nearest whole number to give you the number of shares you want to take up. Write that number in Box F. To get an accurate amount to put on your cheque or banker's draft, you should multiply the whole number of Open Offer Shares you want to apply for by the Issue Price and then fill in that amount rounded down to the nearest whole penny in Box G and on your cheque or banker's draft accordingly.

11. I hold my Existing Ordinary Shares in certificated form. What should I do if I have sold some or all of my Existing Ordinary Shares?

If you hold shares in the Company directly and you sell some or all of your Existing Ordinary Shares before the Ex-entitlement Date, you should contact the buyer or the person/company through whom you sold your shares. The buyer may be entitled to apply for Open Offer Shares under the Open Offer.

12. I hold my Existing Ordinary Shares in certificated form. How do I pay?

You should return your Application Form with a cheque or banker's draft drawn in pounds sterling from a UK bank or building society account in the accompanying reply-paid envelope (from within the United Kingdom). You should allow at least four Business Days for delivery if using first-class post within the United Kingdom. Cheques should be drawn on a personal account of the Qualifying Shareholder who is applying for the Open Offer Shares or you may be required to supply additional documentation to satisfy Money Laundering Regulations. The funds should be made payable to "Capita Registrars Limited re Weatherly International plc". In each case, the cheque should be crossed "A/C Payee only". Third party cheques will not be accepted, except bankers' drafts or buildings society cheques which have been endorsed by the bank or building society on the back of the draft or cheque, as appropriate. Payments via CHAPS, BACS or electronic transfer will not be accepted.

13. Will the Existing Ordinary Shares that I hold now be affected by the Open Offer?

If you decide not to apply for any of the Open Offer Shares to which you are entitled under the Open Offer, or only apply for some of your entitlement, your proportionate ownership and voting interest in the Company will be reduced to a greater extent than if you apply.

14. I hold my Existing Ordinary Shares in certificated form. Where do I send my Application Form?

You should send your completed Application Form and payment in full in the accompanying reply-paid envelope (from within the United Kingdom) to: Capita Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, United Kingdom. You should allow at least four Business Days for delivery if using first class post within the United Kingdom.

If you do not want to take up or apply for Open Offer Shares then you need take no further action.

15. I hold my Existing Ordinary Shares in certificated form. When do I have to decide whether I want to apply for Open Offer Shares?

The Receiving Agent must receive your completed Application Form and cheque or banker's draft by 11.00 a.m. on 2 December 2014. You should allow at least four Business Days for delivery if using first-class post or the reply-paid envelope included with the Application Form, within the United Kingdom.

16. I hold my Existing Ordinary Shares in certificated form. If I take up my entitlements, when will I receive the certificate representing my Open Offer Shares?

It is expected that the Registrar will post all new share certificates within ten days of Admission.

17. What should I do if I think my holding of Existing Ordinary Shares (as shown in Box A on page 1 of the Application Form) is incorrect?

If you bought or sold Existing Ordinary Shares shortly before the Record Date, your transaction may not have been entered on the register of members before the Record Date for the Open Offer. If you bought Existing Ordinary Shares before close of business on 14 November 2014 but were not registered as the holder of those shares on the Record Date for the Open Offer, you may still be eligible to participate in the Open Offer. If you are in any doubt, please contact your stockbroker, bank or other appropriate financial adviser, or whoever arranged your share purchase, to ensure that you claim your entitlement.

You will not be entitled to Open Offer Entitlements in respect of any Existing Ordinary Shares acquired on or after 14 December 2014.

18. What should I do if I live outside the United Kingdom?

Your ability to apply to acquire Open Offer Shares may be affected by the laws of the country in which you live and you should take professional advice as to whether you require any governmental or other consents or need to observe any other formalities to enable you to take up your Open Offer Entitlement.

Shareholders with registered addresses or who are located in the United States or another Restricted Jurisdiction are not eligible to participate in the Open Offer. Your attention is drawn to the information in paragraph 6 of Part IV of this document.

19. How do I transfer my entitlements into the CREST system?

If you are a Qualifying Non-CREST Shareholder, but are a CREST member and want your Open Offer Shares to be in uncertificated form, you should complete the CREST deposit form (Box O on page 4 of the Application Form), and ensure they are delivered to the CREST courier and sorting service to be received by 11.00 a.m. on 2 December 2014 at the latest. CREST sponsored members should arrange for their CREST sponsors to do this.

If you have transferred your rights into the CREST system, you should refer to Part IV of this document for details on how to apply for the Open Offer Shares.

20. Do I need to comply with the Money Laundering Regulations (as set out in paragraph 4 of Part IV of this document)?

If you are a Qualifying Non-CREST Shareholder, you may not need to follow these procedures if the value of the Open Offer Shares you are acquiring is less than €15,000 (or its pounds sterling equivalent) or if you pay for them by a cheque drawn on an account in your own name and that account is one which is held with an EU or United Kingdom regulated bank or building society. If you are a Qualifying CREST Shareholder, you will not generally need to comply with the Money Laundering Regulations unless you apply to take up all or some of your entitlement to Open Offer Entitlements as agent for one or more persons and you are not an EU or United Kingdom regulated financial institution.

Qualifying Non-CREST Shareholders should refer to paragraph 4.1 of Part IV of this document and Qualifying CREST Shareholders should refer to paragraph 4.2 of Part IV of this document for a fuller description of the requirements of the Money Laundering Regulations.

21. Further assistance

Should you require further assistance, please call the shareholder helpline between 9.00 a.m. and 5.30 p.m. (London time) Monday to Friday on 0871 664 0321 from within the UK or +44 20 8639 3399 if calling from outside the UK. Calls to the 0871 664 0321 number cost 10 pence per minute (including VAT) plus your service provider's network extras. Calls to the helpline from outside the UK will be charged at applicable international rates. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide any financial, legal or tax advice.

PART IV

TERMS AND CONDITIONS OF THE OPEN OFFER

Introduction

As explained in the letter from the Chairman set out in Part I of this document, the Company is proposing to raise gross proceeds of up to approximately £4.7 million by way of the Capital Raising, of which up to approximately £3.8 million will be raised from the issue of the Offer Shares at the Issue Price to Qualifying Shareholders under the Open Offer.

The Open Offer is an opportunity for Qualifying Shareholders to apply for up to 129,811,609 Open Offer Shares pro rata (excepting fractional entitlements) to their current holdings at the Issue Price in accordance with the terms of the Open Offer. The Open Offer has not been underwritten. Qualifying Shareholders are also being offered the opportunity to apply for additional Open Offer Shares in excess of their Open Offer Entitlement to the extent that other Qualifying Shareholders do not take up their Open Offer Entitlement in full. The Excess Application Facility enables Qualifying Shareholders to apply for Excess Shares in excess of their Open Offer Entitlement as at the Record Date. Further details in relation to the Excess Application Facility are set out in this Part IV and, for Qualifying Non-CREST Shareholders, the Application Form.

The Open Offer is not underwritten. Any Unallocated Shares may be placed by RFC Ambrian and FinnCap to meet demand for such New Ordinary Shares under the Placing.

The purpose of this Part IV is to set out the terms and conditions of the Open Offer.

The Record Date for entitlements under the Open Offer for Qualifying CREST Shareholders and Qualifying Non-CREST Shareholders is expected to be 5.00 p.m. on 14 November 2014. Application Forms are expected to be posted to Qualifying Non-CREST Shareholders on or around 18 November 2014 and Open Offer Entitlements are expected to be credited to stock accounts of Qualifying CREST Shareholders in CREST by 19 November 2014.

The latest time and date for receipt of a completed Application Form and payment in full under the Open Offer and settlement of relevant CREST instructions (as appropriate) is expected to be 11.00 a.m. on 2 December 2014 with Admission and commencement of dealings in Open Offer Shares expected to take place at 8.00 a.m. on 8 December 2014.

This document and, for Qualifying Non-CREST Shareholders only, the Application Form contains the formal terms and conditions of the Open Offer. Your attention is drawn to paragraph 3 of this Part IV which gives details of the procedure for application and payment for the Open Offer Shares and any Excess Shares applied for pursuant to the Excess Application Facility.

The Open Offer Shares will, when issued and fully paid, rank equally in all respects with Existing Ordinary Shares, including the right to receive all dividends or other distributions made, paid or declared, if any, by reference to a record date after Admission.

Any Qualifying Shareholder who has sold or transferred all or part of his/her registered holding(s) of Ordinary Shares prior to the Ex-entitlement Date is advised to consult his or her stockbroker, bank or other agent through or to whom the sale or transfer was effected as soon as possible since the invitation to apply for Open Offer Shares under the Open Offer may be a benefit which may be claimed from him/her by the purchasers under the rules of the London Stock Exchange.

1. The Open Offer

Subject to the terms and conditions set out below (and, in the case of Qualifying Non-CREST Shareholders, in the Application Form), Qualifying Shareholders are being given the opportunity under the Open Offer to subscribe for Open Offer Shares at the Issue Price pro rata to their holdings, payable in full on application. The Issue Price represents a premium of approximately 2 per cent. to the closing middle market price of

2.875 pence per Existing Ordinary Share on 17 November 2014 (being the last practicable date before publication of this document).

Qualifying Shareholders have basic entitlements of:

4 Open Offer Shares for every 19 Existing Ordinary Shares

registered in their name on the Record Date. Entitlements under the Open Offer will be rounded down to the nearest whole number of Open Offer Shares, with fractional entitlements being aggregated and made available under the Excess Application Facility.

Holdings of Existing Ordinary Shares in certificated and uncertificated form will be treated as separate holdings for the purpose of calculating entitlements under the Open Offer, as will holdings under different designations and in different accounts.

If you are a Qualifying Non-CREST Shareholder, the Application Form shows the number of Existing Ordinary Shares registered in your name on the Record Date (in Box A of the Application Form) and your Open Offer Entitlements (in Box B of the Application Form).

If you are a Qualifying CREST Shareholder, application will be made for your Open Offer Entitlement and Excess CREST Open Offer Entitlement to be credited to your CREST account. Open Offer Entitlements and Excess CREST Open Offer Entitlements are expected to be credited to CREST accounts on 19 November 2014. The Existing Ordinary Shares are already admitted to CREST. Accordingly, no further application for admission to CREST is required for the New Ordinary Shares. All such shares, when issued and fully paid, may be held and transferred by means of CREST.

Subject to availability, the Excess Application Facility will enable Qualifying Shareholders, provided they have taken up their Open Offer Entitlement in full, to apply for further Open Offer Shares in excess of their Open Offer Entitlement. Further details in relation to the Excess Application Facility are set out in paragraph 3.1 (f) and 3.2(k) of this Part IV and, for Qualifying Non-CREST Shareholders, the Application Form. Qualifying CREST Shareholders should refer to paragraph 3.2 of this Part IV for information on the relevant CREST procedures and further details on the Excess Application Facility. Qualifying CREST Shareholders can also refer to the CREST Manual for further information on the relevant CREST procedures.

The Company may satisfy valid applications for Excess Shares of applicants in whole or in part but reserves the right not to satisfy any excess above any Open Offer Entitlement. The Board may scale back applications made in excess of Open Offer Entitlements on such basis as it reasonably considers to be appropriate.

Qualifying Shareholders should be aware that the Open Offer is not a rights issue. Qualifying Non-CREST Shareholders should also note that their respective Application Forms are not negotiable documents and cannot be traded. Qualifying CREST Shareholders should note that, although the Open Offer Entitlements and Excess CREST Open Offer Entitlements will be credited through CREST and be enabled for settlement, applications in respect of entitlements under the Open Offer may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim raised by Euroclear's Claims Processing Unit. Open Offer Shares not applied for under the Open Offer will not be sold in the market for the benefit of those who do not apply under the Open Offer. Any Open Offer Shares which are not applied for by Qualifying Shareholders under the Open Offer will not be issued by the Company as the Open Offer is not underwritten.

The attention of Overseas Shareholders is drawn to paragraph 6 of this Part IV.

The Open Offer Shares will when issued and fully paid, rank in full for all dividends and other distributions declared, made or paid after the date of this document and otherwise *pari passu* in all respects with the Existing Ordinary Shares. The Open Offer Shares are not being made available in whole or in part to the public except under the terms of the Open Offer.

The Open Offer is not underwritten.

2. Conditions and further terms of the Open Offer

The Open Offer is conditional, *inter alia*, upon the Placing and the Open Offer becoming or being declared unconditional in all respects. The principal conditions to the Placing and the Open Offer are:

- (a) the Placing and Open Offer Agreement having become unconditional in all respects (save for the condition as to Admission) and not having been terminated in accordance with its terms prior to Admission;
- (b) in respect of the Open Offer, the Placing having become unconditional in all respects; and
- (c) Admission occurring not later than 8.00 a.m. on 8 December 2014 (or such later time and/or date as the Company, RFC Ambrian and FinnCap may agree, being no later than 8.00 a.m. on 31 December 2014).

Accordingly, if these conditions are not satisfied or waived (where capable of waiver), the Open Offer will not proceed and any applications made by Qualifying Shareholders will be rejected. In such circumstances, application monies will be returned (at the applicant's sole risk), without payment of interest, as soon as practicable thereafter.

No temporary documents of title will be issued in respect of Open Offer Shares held in uncertificated form. Definitive certificates in respect of Open Offer Shares taken up are expected to be posted to those Qualifying Shareholders who have validly elected to hold their Open Offer Shares in certificated form within ten days of Admission.

In respect of those Qualifying Shareholders who have validly elected to hold their Open Offer Shares in uncertificated form, the Open Offer Shares are expected to be credited to their stock accounts maintained in CREST by 19 November 2014.

Application will be made for the Open Offer Shares to be admitted to trading on AIM. Admission is expected to occur on 8 December 2014, when dealings in the Open Offer Shares are expected to begin.

If any of the details contained in the timetable above should change, the revised times and dates will be notified by means of an announcement through a Regulatory Information Service.

3. Procedure for application and payment

The action to be taken by you in respect of the Open Offer depends on whether, at the relevant time, you are sent an Application Form in respect of your Open Offer Entitlement under the Open Offer or your Open Offer Entitlement and Excess CREST Open Offer Entitlement is credited to your CREST stock account.

Qualifying Shareholders who hold all or part of their Existing Ordinary Shares in certificated form will receive the Application Form, enclosed with this document. The Application Form shows the number of Existing Ordinary Shares held at the Record Date. It will also show such Qualifying Shareholders their Open Offer Entitlement that can be allotted in certificated form.

Qualifying Shareholders who hold part of their Existing Ordinary Shares in uncertificated form (that is, in CREST) will be allotted Open Offer Shares in uncertificated form to the extent that their entitlement to Open Offer Shares arises as a result of holding Existing Ordinary Shares in uncertificated form. However, it will be possible for Qualifying Shareholders to deposit Open Offer Entitlements into, and withdraw them from, CREST. Further information on deposit and withdrawal from CREST is set out in paragraph 3.2(f) of this Part IV.

CREST sponsored members should refer to their CREST sponsor, as only their CREST sponsor will be able to take the necessary action specified below to apply under the Open Offer in respect of the Open Offer Entitlements and Excess CREST Open Offer Entitlements of such members held in CREST. CREST members who wish to apply under the Open Offer in respect of their Open Offer Entitlements and Excess CREST Open Offer Entitlements in CREST should refer to the CREST Manual for further information on the CREST procedures referred to below.

Qualifying Shareholders who do not want to apply for the Open Offer Shares under the Open Offer should take no action and should not complete or return the Application Form, or send a USE message through CREST.

3.1 ***If you have an Application Form in respect of your Open Offer Entitlement under the Open Offer***

(a) *General*

Subject to paragraph 6 of this Part IV in relation to Overseas Shareholders, Qualifying Non-CREST Shareholders will receive an Application Form. The Application Form shows the number of Existing Ordinary Shares registered in their name on the Record Date in Box A of the Application Form. It also shows the Open Offer Entitlement allocated to them set out in Box B of the Application Form. Entitlements to Open Offer Shares are rounded down to the nearest whole number and any fractional entitlements to Open Offer Shares will be aggregated and made available under the Excess Application Facility. Box C of the Application Form shows how much they would need to pay if they wish to take up their Open Offer Entitlement in full. Qualifying Non-CREST Shareholders may apply for less than their entitlement should they wish to do so. Qualifying Non-CREST Shareholders may also hold such an Application Form by virtue of a *bona fide* market claim.

Under the Excess Application Facility, provided they have agreed to take up their Open Offer Entitlement in full, Qualifying Non-CREST Shareholders may apply for more than the amount of their Open Offer Entitlement should they wish to do so. The Excess Application Facility enables Qualifying Shareholders to apply for Excess Shares in excess of their Open Offer Entitlement as at the Record Date. The Excess Shares may be allocated in such manner as the Directors may determine in their absolute discretion and no assurance can be given that excess applications by Qualifying Shareholders will be met in full or in part or at all.

The instructions and other terms set out in the Application Form form part of the terms of the Open Offer in relation to Qualifying Non-CREST Shareholders.

(b) *Bona fide market claims*

Applications to acquire Open Offer Shares may only be made on the Application Form and may only be made by the Qualifying Non-CREST Shareholder named in it or by a person entitled by virtue of a *bona fide* market claim in relation to a purchase of Existing Ordinary Shares through the market prior to the date upon which the Existing Ordinary Shares were marked “ex” the entitlement to participate in the Open Offer. Application Forms may not be sold, assigned, transferred or split, except to satisfy *bona fide* market claims up to 3.00 p.m. on 29 November 2014. The Application Form is not a negotiable document and cannot be separately traded. A Qualifying Non-CREST Shareholder who has sold or otherwise transferred all or part of his holding of Existing Ordinary Shares prior to the date upon which the Existing Ordinary Shares were marked “ex” the entitlement to participate in the Open Offer, should contact his broker or other professional adviser authorised under FSMA through whom the sale or purchase was effected as soon as possible, as the invitation to acquire Open Offer Shares under the Open Offer may be a benefit which may be claimed by the purchaser(s) or transferee(s).

Qualifying Non-CREST Shareholders who have sold all or part of their registered holding should, if the market claim is to be settled outside CREST, complete Box J on the Application Form and immediately send it to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee. The Application Form should not, however be forwarded to or transmitted in or into the United States of America, any Restricted Jurisdiction, nor in or into any other jurisdiction where the extension of the Open Offer would breach any applicable law or regulation. If the market claim is to be settled outside CREST, the beneficiary of the claim should follow the procedures set out in the accompanying Application Form. If the market claim is to be settled in CREST, the beneficiary of the claim should follow the procedure set out in paragraph 3.2 below.

(c) *Application procedures*

Qualifying Non-CREST Shareholders wishing to apply to acquire Open Offer Shares (whether in respect of all or part of their Open Offer Entitlement or Excess Shares in addition to their Open Offer Entitlement under the Excess Application Facility) should complete the Application Form in accordance with the instructions printed on it. Qualifying Non-CREST Shareholders may only apply for Excess Shares if they have agreed to take up their Open Offer Entitlements in full. The Excess Shares may be allocated in such manner as the Directors may determine in their absolute discretion and no assurance can be given that excess applications by Qualifying Shareholders will be met in full or in part or at all.

Completed Application Forms, together with a cheque representing payment in full for the Open Offer Shares, should be posted to Capita Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, or returned by hand (during normal business hours only) so as to be received by Capita Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, by no later than 11.00 a.m. on 2 December 2014. The Company reserves the right to treat any application not strictly complying with the terms and conditions of application as nevertheless valid. The Company further reserves the right (but shall not be obliged) to accept either Application Forms or remittances received after 11.00 a.m. on 2 December 2014. Qualifying Non-CREST Shareholders should note that applications, once made, will be irrevocable and receipt thereof will not be acknowledged. Multiple applications will not be accepted. If an Application Form is being sent by first-class post in the UK, Qualifying Shareholders are recommended to allow at least four Business Days for delivery.

The Company may in its sole discretion, but shall not be obliged to, treat an Application Form as valid and binding on the person by whom or on whose behalf it is lodged, even if not completed in accordance with the relevant instructions or not accompanied by a valid power of attorney where required, or if it otherwise does not strictly comply with the terms and conditions of the Open Offer. The Company further reserves the right (but shall not be obliged) to accept either:

- (i) Application Forms received after 11.00 a.m. on 2 December 2014; or
- (ii) applications in respect of which remittances are received before 11.00 a.m. on 2 December 2014 from authorised persons (as defined in FSMA) specifying the Open Offer Shares applied for and undertaking to lodge the Application Form in due course but, in any event, within two Business Days.

All documents and remittances sent by post by, to, from or on behalf of an applicant (or as the applicant may direct) will be sent entirely at the applicant's own risk.

(d) *Payments*

All payments must be in pounds sterling and made by cheque or A/C banker's draft made payable to "Capita RE: Weatherly International plc Open Offer" and crossed "A/C Payee Only". Cheques or banker's drafts must be drawn on a bank or building society or branch of a bank or building society in the United Kingdom or Channel Islands which is either a settlement member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques and banker's drafts to be cleared through the facilities provided by any of those companies or committees and must bear the appropriate sort code in the top right-hand corner and must be for the full amount payable on application. Third party cheques will not be accepted with the exception of building society cheques or banker's drafts where the building society or bank has confirmed the name of the account holder by stamping or endorsing the cheque or draft to confirm that the relevant Qualifying Shareholder has title to the underlying funds. The account name should be the same as that shown on the application. Post-dated cheques will not be accepted.

Cheques or banker's drafts will be presented for payment upon receipt. The Company reserves the right to instruct the Registrars to seek special clearance of cheques and banker's drafts to allow the Company to obtain value for remittances at the earliest opportunity (and withhold definitive share certificates (or crediting to the relevant member account, as applicable) pending clearance thereof). No interest will be paid on payments made before they are due. It is a term of the Open Offer that cheques shall be honoured on first presentation and the Company may elect to treat as invalid acceptances in respect of which cheques are not so honoured. All documents, cheques and banker's drafts sent through the post will be sent at the risk of the sender. Payments via CHAPS, BACS or electronic transfer will not be accepted. If the Open Offer does not become unconditional, no Open Offer Shares will be issued and all monies will be returned (at the applicant's sole risk), without payment of interest, to applicants as soon as practicable following the lapse of the Open Offer.

If Open Offer Shares have already been allotted to a Qualifying Non-CREST Shareholder and such Qualifying Non-CREST Shareholder's cheque or banker's draft is not honoured upon first presentation or such Qualifying Non-CREST Shareholder's application is subsequently otherwise deemed to be invalid, the Registrars shall be authorised (in its absolute discretion as to manner, timing and terms) to make arrangements, on behalf of the Company, for the sale of such Qualifying Non-CREST Shareholder's Open Offer Shares and for the proceeds of sale (which for these purposes shall be deemed to be payments in respect of successful applications) to be paid to and retained by the Company. None of the Registrars, RFC Ambrian, FinnCap or the Company nor any other person shall be responsible for, or have any liability for, any loss, expense or damage suffered by such Qualifying Non-CREST Shareholders.

(e) *Incorrect sums*

If an Application Form encloses a payment for an incorrect sum, the Company through the Registrars reserves the right:

- (i) to reject the application in full and return the cheque or banker's draft or refund the payment to the Qualifying Non-CREST Shareholder in question; or
- (ii) in the case that an insufficient sum is paid, to treat the application as a valid application for such lesser whole number of Open Offer Shares as would be able to be applied for with that payment at the Issue Price, refunding any unutilised sum to the Qualifying Non-CREST Shareholder in question, save that any sums of less than £1 will be retained for the benefit of the Company; or
- (iii) in the case that an excess sum is paid, to treat the application as a valid application for all of the Open Offer Shares referred to in the Application Form, refunding any unutilised sums to the Qualifying Non-CREST Shareholder in question, save that any sums of less than £1 will be retained for the benefit of the Company.

All monies received by the Registrars in respect of Open Offer Shares will be held in a separate account.

(f) *The Excess Application Facility*

Provided they choose to take up their Open Offer Entitlement in full, the Excess Application Facility enables a Qualifying Non-CREST Shareholder to apply for Excess Shares. Qualifying Non-CREST Shareholders wishing to apply for Excess Shares may do so by completing Box E of the Application Form.

If applications under the Excess Application Facility are received for more than the total number of Open Offer Shares available following take up of Open Offer Entitlements, the Excess Shares may be allocated in such manner as the Directors may determine in their absolute discretion and no assurance can be given that excess applications by Qualifying Shareholders will be met in full or in part or at all. Qualifying Non-CREST Shareholders who

wish to apply for Excess Shares must complete the Application Form in accordance with the instructions set out on the Application Form.

Should the Open Offer become unconditional and applications for Open Offer Shares exceed 129,811,609 Open Offer Shares, resulting in a scale back of applications, each Qualifying Non-CREST Shareholder who has made a valid application for Excess Shares and from whom payment in full for the Excess Shares has been received will receive a pounds sterling amount equal to the number of Excess Shares applied and paid for but not allocated to the relevant Qualifying Non-CREST Shareholder multiplied by the Issue Price. Monies will be returned as soon as reasonably practicable thereafter, without payment of interest and at the applicant's sole risk.

(g) *Effect of application*

All documents and remittances sent by post by, to, from, or on behalf of or to an applicant (or as the applicant may direct) will be sent entirely at the applicant's own risk. By completing and delivering an Application Form the applicant:

- (i) represents and warrants to the Company, RFC Ambrian and FinnCap that he has the right, power and authority, and has taken all action necessary, to make the application under the Open Offer and to execute, deliver and exercise his rights, and perform his obligations under any contracts resulting therefrom and that he is not a person otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares or acting on behalf of any such person on a non-discretionary basis;
- (ii) agrees with the Company, RFC Ambrian and FinnCap that all applications under the Open Offer and contracts resulting therefrom, and any non-contractual obligations related thereto, shall be governed by and construed in accordance with the laws of England;
- (iii) confirms to the Company, RFC Ambrian and FinnCap that in making the application he is not relying on any information or representation in relation to the Company other than that contained in this document, and the applicant accordingly agrees that no person responsible solely or jointly for this document or any part thereof, or involved in the preparation thereof, shall have any liability for any such information or representation not so contained and further agrees that, having had the opportunity to read this document, he will be deemed to have had notice of all information in relation to the Company contained in this document (including information incorporated by reference);
- (iv) represents and warrants to the Company, RFC Ambrian and FinnCap that he is the Qualifying Shareholder originally entitled to the Open Offer Entitlement;
- (v) represents and warrants to the Company, RFC Ambrian and FinnCap that if he has received some or all of his Open Offer Entitlement from a person other than the Company he is entitled to apply under the Open Offer in relation to such Open Offer Entitlements by virtue of a *bona fide* market claim;
- (vi) requests that the Open Offer Shares, to which he will become entitled, are issued to him on the terms set out in this document and the Application Form subject to the Articles of Association of the Company;
- (vii) represents and warrants to the Company, RFC Ambrian and FinnCap that he is not, nor is he applying on behalf of any person who is, in any Restricted Jurisdiction or is a citizen or resident, or which is a corporation, partnership or other entity created or organised in or under any laws, of any Restricted Jurisdiction or any other jurisdiction in which the application for Open Offer Shares is prevented by law and he is not applying with a view to re-offering, re-selling, transferring or delivering any of the Open Offer Shares which are the subject of his application in any Restricted Jurisdiction or to,

or for the benefit of, a Shareholder who is a citizen or resident or which is a corporation, partnership or other entity created or organised in or under any laws of any Restricted Jurisdiction or any other jurisdiction in which the application for Open Offer Shares is prevented by law (except where proof satisfactory to the Company has been provided to the Company that he is able to accept the invitation by the Company free of any requirement which it (in its absolute discretion) regards as unduly burdensome), nor acting on behalf of any such person on a non-discretionary basis nor a person otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares under the Open Offer;

- (viii) represents and warrants to the Company, RFC Ambrian and FinnCap that he is not, and nor is he applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred in sections 67, 70, 93 or 96 (depository receipts and clearance services) of the Finance Act 1986; and
- (ix) confirms that in making the application he is not relying and has not relied on the Company, RFC Ambrian or FinnCap or any person affiliated with the Company, RFC Ambrian or FinnCap in connection with any investigation of the accuracy of any information contained in this document or his investment decision.

All enquiries in connection with the procedure for application and completion of the Application Form should be addressed to, Capita Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, or you can call the shareholder helpline between 9.00 a.m. and 5.30 p.m. (London time) Monday to Friday on 0871 664 0321 from within the UK or +44 20 8639 3399 if calling from outside the UK. Calls to the 0871 664 0321 number cost 10 pence per minute (including VAT) plus your service provider's network extras. Calls to the helpline from outside the UK will be charged at applicable international rates. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide any financial, legal or tax advice.

(h) *Qualifying Non-CREST Shareholders*

Qualifying Non-CREST Shareholders who do not want to take up or apply for the Open Offer Shares under the Open Offer should take no action and should not complete or return the Application Form. A Qualifying Non-CREST Shareholder who is also a CREST member may elect to receive the Open Offer Shares to which he is entitled in uncertificated form in CREST. Please see paragraph 3.2(f) below for more information.

3.2 ***If you have an Open Offer Entitlement and an Excess CREST Open Offer Entitlement credited to your stock account in CREST in respect of your entitlement under the Open Offer***

(a) *General*

Subject to paragraph 6 of this Part IV in relation to certain Overseas Shareholders, each Qualifying CREST Shareholder will receive a credit to his stock account in CREST of his Open Offer Entitlement equal to the maximum number of Open Offer Shares for which he is entitled to apply under the Open Offer plus an amount equal to ten times the Record Date holding of Excess CREST Open Offer Entitlement. Should any Qualifying CREST Shareholder wish to apply for more Excess Shares than they receive Excess CREST Open Offer Entitlements they should contact Computershare to request additional Excess CREST Open Offer Entitlements for which he is entitled to apply under the Excess CREST Open Offer Entitlement. Entitlements to Open Offer Shares will be rounded down to the nearest whole number and any Open Offer Entitlements have therefore also been rounded down. Any fractional entitlements to Open Offer Shares arising will be aggregated and made available under the Excess Application Facility.

The CREST stock account to be credited will be an account under the Participant ID and member account ID that apply to the Existing Ordinary Shares held on the Record Date by the Qualifying CREST Shareholder in respect of which the Open Offer Entitlements and Excess CREST Open Offer Entitlements have been allocated.

If for any reason Open Offer Entitlements and/or the Excess CREST Open Offer Entitlements cannot be admitted to CREST by, or the stock accounts of Qualifying CREST Shareholders cannot be credited by, 5.00 p.m. on 19 November 2014, or such later time and/or date as the Company may decide, an Application Form will be sent to each Qualifying CREST Shareholder in substitution for the Open Offer Entitlement and Excess CREST Open Offer Entitlement which should have been credited to his stock account in CREST. In these circumstances the expected timetable as set out in this document will be adjusted as appropriate and the provisions of this document applicable to Qualifying Non-CREST Shareholders with Application Forms will apply to Qualifying CREST Shareholders who receive an Application Form.

CREST members who wish to apply to acquire some or all of their entitlements to Open Offer Shares and their Excess CREST Open Offer Entitlements should refer to the CREST Manual for further information on the CREST procedures referred to below. Should you need advice with regard to these procedures, please contact the shareholder helpline between 9.00 a.m. and 5.30 p.m. (London time) Monday to Friday on 0871 664 0321 from within the UK or +44 20 8639 3399 if calling from outside the UK. Calls to the 0871 664 0321 number cost 10 pence per minute (including VAT) plus your service provider's network extras. Calls to the helpline from outside the UK will be charged at applicable international rates. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide any financial, legal or tax advice. If you are a CREST sponsored member you should consult your CREST sponsor if you wish to apply for Open Offer Shares as only your CREST sponsor will be able to take the necessary action to make this application in CREST.

(b) *Market claims*

Each of the Open Offer Entitlements and Excess CREST Open Offer Entitlements will constitute a separate security for the purposes of CREST. Although Open Offer Entitlements and Excess CREST Open Offer Entitlements will be admitted to CREST and be enabled for settlement, applications in respect of Open Offer Entitlements and Excess CREST Open Offer Entitlements may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim transaction. Transactions identified by the CREST Claims Processing Unit as "cum" the Open Offer Entitlement and Excess CREST Open Offer Entitlements will generate an appropriate market claim transaction and the relevant Open Offer Entitlement(s) and Excess CREST Open Offer Entitlement(s) will thereafter be transferred accordingly.

(c) *Unmatched Stock Event ("USE") instructions*

Qualifying CREST Shareholders who are CREST members and who want to apply for Open Offer Shares in respect of all or some of their Open Offer Entitlements and their Excess CREST Open Offer Entitlements in CREST must send (or, if they are CREST sponsored members, procure that their CREST sponsor sends) a USE instruction to Euroclear which, on its settlement, will have the following effect:

- (i) the crediting of a stock account of the Registrars under the Participant ID and member account ID specified below, with a number of Open Offer Entitlements or Excess CREST Open Offer Entitlements corresponding to the number of Open Offer Shares applied for; and

- (ii) the creation of a CREST payment, in accordance with the CREST payment arrangements in favour of the payment bank of the Registrars in respect of the amount specified in the USE Instruction which must be the full amount payable on application for the number of Open Offer Shares referred to in paragraph 3.2(c)(i) above.
- (d) *Content of USE instruction in respect of Open Offer Entitlements*
- The USE instruction must be properly authenticated in accordance with Euroclear's specifications and must contain, in addition to the other information that is required for settlement in CREST, the following details:
- (i) the number of Open Offer Shares for which application is being made (and hence the number of the Open Offer Entitlement(s) being delivered to the Registrars);
 - (ii) the ISIN of the Open Offer Entitlement. This is GB00BSNBF008;
 - (iii) the Participant ID of the accepting CREST member;
 - (iv) the CREST member account ID of the accepting CREST member from which the Open Offer Entitlements are to be debited;
 - (v) the Participant ID of the Registrars in its capacity as a CREST receiving agent. This is 7RA33;
 - (vi) the member account ID of the Registrars in its capacity as a CREST receiving agent. This is 28429WEA;
 - (vii) the amount payable by means of a CREST payment on settlement of the USE instruction. This must be the full amount payable on application for the number of New Ordinary Shares referred to in (i) above at the Issue Price;
 - (viii) the intended settlement date. This must be on or before 11.00 a.m. on 2 December 2014; and
 - (ix) the Corporate Action Number for the Open Offer. This will be available by viewing the relevant corporate action details in CREST.

In order for an application under the Open Offer to be valid, the USE Instruction must comply with the requirements as to authentication and contents set out above and must settle on or before 11.00 a.m. on 2 December 2014. In order to assist prompt settlement of the USE Instruction, CREST members (or their sponsors, where applicable) may consider adding the following non-mandatory fields to the USE Instruction:

- (i) a contact name and telephone number (in the free format shared note field); and
- (ii) a priority of at least 80.

CREST members and, in the case of CREST sponsored members, their CREST sponsors, should note that the last time at which a USE Instruction may settle on 2 December 2014 in order to be valid is 11.00 a.m. on that day. In the event that the Placing and Open Offer does not become unconditional by 8.00 a.m. on 8 December 2014 (or such later time and date as the Company, RFC Ambrian and FinnCap determine being no later than 8.00 a.m. on 31 December 2014), the Open Offer will lapse, the Open Offer Entitlements admitted to CREST will be disabled and the Registrars will refund the amount paid by a Qualifying CREST Shareholder by way of a CREST payment, without interest, as soon as practicable thereafter.

(e) *Content of USE Instruction in respect of Excess CREST Open Offer Entitlements*

The USE Instruction must be properly authenticated in accordance with Euroclear's specifications and must contain, in addition to the other information that is required for settlement in CREST, the following details:

- (i) the number of Excess Shares for which application is being made (and hence the number of Excess CREST Open Offer Entitlements being delivered to the Registrars);
- (ii) the ISIN of the Excess CREST Open Offer Entitlement. This is GB00BSNBF115;
- (iii) the Participant ID of the accepting CREST member;
- (iv) the CREST member account ID of the accepting CREST member from which the Excess CREST Open Offer Entitlements are to be debited;
- (v) the participant ID of the Registrars in its capacity as a CREST receiving agent. This is 7RA33;
- (vi) the member account ID of the Registrars in its capacity as a CREST receiving agent. This is 28429WEA;
- (vii) the amount payable by means of a CREST payment on settlement of the USE Instruction. This must be the full amount payable on application for the number of Excess Shares referred to in (i) above at the Issue Price;
- (viii) the intended settlement date. This must be on or before 11.00 a.m. on 2 December 2014; and
- (ix) the Corporate Action Number for the Open Offer. This will be available by viewing the relevant corporate action details in CREST.

In order for an application in respect of an Excess CREST Open Offer Entitlement under the Open Offer to be valid, the USE Instruction must comply with the requirements as to authentication and contents set out above and must settle on or before 11.00 a.m. on 2 December 2014.

In order to assist prompt settlement of the USE Instruction, CREST members (or their sponsors, where applicable) may consider adding the following non-mandatory fields to the USE Instruction:

- (i) a contact name and telephone number (in the free format shared note field); and
- (ii) a priority of at least 80.

CREST members and, in the case of CREST sponsored members, their CREST sponsors, should note that the last time at which a USE Instruction may settle on 2 December 2014 in order to be valid is 11.00 a.m. on that day.

In the event that the Placing and Open Offer do not become unconditional by 8.00 a.m. on 8 December 2014 (or such later time and date as the Company, RFC Ambrian and FinnCap determine being no later than 8.00 a.m. on 31 December 2014), the Open Offer will lapse, the Open Offer Entitlements admitted to CREST will be disabled and the Registrars will refund the amount paid by a Qualifying CREST Shareholder by way of a CREST payment, without interest, as soon as practicable thereafter.

(f) *Deposit of Open Offer Entitlements into, and withdrawal from, CREST*

A Qualifying Non-CREST Shareholder's entitlement under the Open Offer as shown by the number of Open Offer Entitlements set out in his Application Form may be deposited into CREST (either into the account of the Qualifying Shareholder named in the Application Form

or into the name of a person entitled by virtue of a *bona fide* market claim), provided that such Qualifying Non-CREST Shareholder is also a CREST member. Similarly, Open Offer Entitlements and Excess CREST Open Offer Entitlements held in CREST may be withdrawn from CREST so that the entitlement under the Open Offer and entitlement to apply under the Excess Application Facility is reflected in an Application Form. Normal CREST procedures (including timings) apply in relation to any such deposit or withdrawal, subject (in the case of a deposit into CREST) as set out in the Application Form.

A holder of an Application Form who is proposing to deposit the entitlement set out in such form into CREST is recommended to ensure that the deposit procedures are implemented in sufficient time to enable the person holding or acquiring the Open Offer Entitlements and the entitlement to apply under the Excess Application Facility following their deposit into CREST to take all necessary steps in connection with taking up the entitlement prior to 11.00 a.m. on 2 December 2014. After depositing their Open Offer Entitlement into their CREST account, CREST holders will shortly thereafter receive a credit for their Excess CREST Open Offer Entitlement, which will be managed by the Registrars.

In particular, having regard to normal processing times in CREST and on the part of the Registrars, the recommended latest time for depositing an Application Form with the CREST Courier and Sorting Service, where the person entitled wishes to hold the entitlement under the Open Offer set out in such Application Form as Open Offer Entitlements and Excess CREST Open Offer Entitlements in CREST, is 3.00 p.m. on 27 November 2014 and the recommended latest time for receipt by Euroclear of a dematerialised instruction requesting withdrawal of Open Offer Entitlements and Excess CREST Open Offer Entitlements from CREST is 4.30 p.m. on 26 November 2014 in either case so as to enable the person acquiring or (as appropriate) holding the Open Offer Entitlements and the entitlement to apply under the Excess Application Facility following the deposit or withdrawal (whether as shown in an Application Form or held in CREST) to take all necessary steps in connection with applying in respect of the Open Offer Entitlements and the entitlement to apply under the Excess Application Facility, as the case may be, prior to 11.00 a.m. on 2 December 2014.

Delivery of an Application Form with the CREST deposit form duly completed whether in respect of a deposit into the account of the Qualifying Shareholder named in the Application Form or into the name of another person, shall constitute a representation and warranty to the Company and the Registrars by the relevant CREST member(s) that it/they is/are not in breach of the provisions of the notes under the paragraph headed "*Instructions for depositing entitlements under the Open Offer into CREST*" on page 2 of the Application Form, and a declaration to the Company and the Registrars from the relevant CREST member(s) that it/they is/are not in the United States or citizen(s) or resident(s) of any Restricted Jurisdiction or any other jurisdiction in which the application for New Ordinary Shares is prevented by law and, where such deposit is made by a beneficiary of a market claim, a representation and warranty that the relevant CREST member(s) is/are entitled to apply under the Open Offer by virtue of a *bona fide* market claim.

(g) *Validity of application*

A USE instruction complying with the requirements as to authentication and contents set out above which settles by no later than 11.00 a.m. on 2 December 2014 will constitute a valid application under the Open Offer.

(h) *CREST procedures and timings*

CREST members and (where applicable) their CREST sponsors should note that Euroclear does not make available special procedures in CREST for any particular corporate action. Normal system timings and limitations will therefore apply in relation to the input of a USE instruction and its settlement in connection with the Open Offer. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST sponsored member,

to procure that his CREST sponsor takes) such action as shall be necessary to ensure that a valid application is made as stated above by 11.00 a.m. on 2 December 2014. In this connection CREST members and (where applicable) their CREST sponsors are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

(i) *Incorrect or incomplete applications*

If a USE instruction includes a CREST payment for an incorrect sum, the Company, through the Registrars, reserves the right: (i) to reject the application in full and refund the payment to the CREST member in question (without interest); (ii) in the case that an insufficient sum is paid, to treat the application as a valid application for such lesser whole number of Open Offer Shares as would be able to be applied for with that payment at the Issue Price, refunding any unutilised sum to the CREST member in question (without interest); and (iii) in the case that an excess sum is paid, to treat the application as a valid application for all the Open Offer Shares referred to in the USE instruction, refunding any unutilised sum to the CREST member in question (without interest).

(j) *The Excess Application Facility*

The Excess Application Facility enables Qualifying CREST Shareholders, who have taken up their Open Offer Entitlement in full, to apply for Excess Shares in excess of their Open Offer Entitlement as at the Record Date. If applications under the Excess Application Facility are received for more than the total number of Open Offer Shares available following take up of Open Offer Entitlements, the Excess Shares may be allocated in such manner as the Directors may determine in their absolute discretion and no assurance can be given that excess applications by Qualifying Shareholders will be met in full or in part or at all. Excess CREST Open Offer Entitlements may not be sold or otherwise transferred. Subject as provided in paragraph 6 of this Part IV in relation to Overseas Shareholders, the CREST accounts of Qualifying CREST Shareholders will be credited with Excess CREST Open Offer.

(k) *Entitlements to enable applications for Excess Shares to be settled through CREST*

Qualifying CREST Shareholders should note that, although the Open Offer Entitlement and the Excess CREST Open Offer Entitlements will be admitted to CREST, they will have limited settlement capabilities. Neither the Open Offer Entitlements nor the Excess CREST Open Offer Entitlements will be tradable or listed and applications in respect of the Open Offer may only be made by the Qualifying Shareholders originally entitled or by a person entitled by virtue of a *bona fide* market claim.

To apply for Excess Shares pursuant to the Open Offer, Qualifying CREST Shareholders should follow the instructions above and must not return a paper form and cheque.

Should a transaction be identified by the CREST Claims Processing Unit as “cum” the Open Offer Entitlement and the relevant Open Offer Entitlement(s) be transferred, the Excess CREST Open Offer Entitlements will not transfer with the Open Offer Entitlement(s) claim, but will be transferred as a separate claim. Should a Qualifying CREST Shareholder cease to hold all of his Existing Ordinary Shares as a result of one or more *bona fide* market claims, the Excess CREST Open Offer Entitlement credited to CREST and allocated to the relevant Qualifying Shareholder will be transferred to the purchaser. Please note that an additional USE Instruction must be sent in respect of any application under the Excess CREST Open Offer Entitlement.

Should the Open Offer become unconditional and applications for Open Offer Shares by Qualifying Shareholders under the Open Offer exceed 129,881,609 Open Offer Shares, resulting in a scale back of applications under the Excess Application Facility, each Qualifying CREST Shareholder who has made a valid application pursuant to his Excess CREST Open Offer Entitlement and from whom payment in full for the excess Open Offer Shares has been

received, will receive a pounds sterling amount equal to the number of Open Offer Shares validly applied and paid for but which are not allocated to the relevant Qualifying CREST Shareholder multiplied by the Issue Price. Monies will be returned as soon as reasonably practicable following the completion of the scale back, without payment of interest and at the applicant's sole risk by way of cheque or CREST payment, as appropriate. Fractions of Open Offer Shares will be aggregated and made available under the Excess Application Facility.

All enquiries in connection with the procedure for applications under the Excess Application Facility and your Excess CREST Open Offer Entitlement should be addressed to the Registrars, Capita Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU or you can call the shareholder helpline between 9.00 a.m. and 5.30 p.m. (London time) Monday to Friday on 0871 664 0321 from within the UK or +44 20 8639 3399 if calling from outside the UK. Calls to the 0871 664 0321 number cost 10 pence per minute (including VAT) plus your service provider's network extras. Calls to the helpline from outside the UK will be charged at applicable international rates. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide any financial, legal or tax advice.

(l) *Effect of valid application*

A CREST member who makes or is treated as making a valid application for some or all of his pro rata entitlement to the Open Offer Shares in accordance with the above procedures thereby:

- (i) represents and warrants to the Company and RFC Ambrian and FinnCap that he has the right, power and authority, and has taken all action necessary, to make the application under the Open Offer and to execute, deliver and exercise his rights, and perform his obligations, under any contracts resulting therefrom and that he is not a person otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares or acting on behalf of any such person on a non-discretionary basis;
- (ii) agrees to pay the amount payable on application in accordance with the above procedures by means of a CREST payment in accordance with the CREST payment arrangements (it being acknowledged that the payment to the Registrars' payment bank in accordance with the CREST payment arrangements shall, to the extent of the payment, discharge in full the obligation of the CREST member to pay to the Company the amount payable on application);
- (iii) agrees with the Company and RFC Ambrian and FinnCap that all applications under the Open Offer and contracts resulting therefrom, and any non-contractual obligations related thereto, under the Open Offer shall be governed by, and construed in accordance with, the laws of England;
- (iv) confirms to the Company, RFC Ambrian and FinnCap that in making the application he is not relying on any information or representation in relation to the Company other than that contained in this document, and the applicant accordingly agrees that no person responsible solely or jointly for this document or any part thereof, or involved in the preparation thereof, shall have any liability for any such information or representation not so contained and further agrees that, having had the opportunity to read this document, he will be deemed to have had notice of all the information in relation to the Company contained in this document (including information incorporated by reference);
- (v) represents and warrants that he is the Qualifying Shareholder originally entitled to the Open Offer Entitlements;
- (vi) represents and warrants to the Company, RFC Ambrian and FinnCap that if he has received some or all of his Open Offer Entitlements from a person other than the Company, he is entitled to apply under the Open Offer in relation to such Open Offer Entitlement by virtue of a *bona fide* market claim;

- (vii) requests that the New Ordinary Shares to which he will become entitled be issued to him on the terms set out in this document, subject to the Articles of Association of the Company;
 - (viii) represents and warrants to the Company, RFC Ambrian and FinnCap that he is not, nor is he applying on behalf of any Shareholder who is, in any Restricted Jurisdiction or is a citizen or resident, or which is a corporation, partnership or other entity created or organised in or under any laws, of any Restricted Jurisdiction or any other jurisdiction in which the application for Open Offer Shares is prevented by law and he is not applying with a view to re-offering, re-selling, transferring or delivering any of the Open Offer Shares which are the subject of his application in any Restricted Jurisdiction or to, or for the benefit of, a Shareholder who is a citizen or resident or which is a corporation, partnership or other entity created or organised in or under any laws of any Restricted Jurisdiction or any other jurisdiction in which the application for Open Offer Shares is prevented by law (except where proof satisfactory to the Company has been provided to the Company that he is able to accept the invitation by the Company free of any requirement which it (in its absolute discretion) regards as unduly burdensome), nor acting on behalf of any such person on a non-discretionary basis nor any person otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares under the Open Offer;
 - (ix) represents and warrants that he is not, and nor is he applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in sections 67, 70, 93 or 96 (depository receipts and clearance services) of the Finance Act 1986; and
 - (x) confirms that in making the application he is not relying and has not relied on RFC Ambrian and FinnCap or any person affiliated with the Company or RFC Ambrian and FinnCap in connection with any investigation of the accuracy of any information contained in this document or his investment decision.
- (m) *Company's discretion as to the rejection and validity of applications*
- The Company may in its sole discretion:
- (i) treat as valid (and binding on the CREST member concerned) an application which does not comply in all respects with the requirements as to validity set out or referred to in this Part IV;
 - (ii) accept an alternative properly authenticated dematerialised instruction from a CREST member or (where applicable) a CREST sponsor as constituting a valid application in substitution for or in addition to a USE instruction and subject to such further terms and conditions as the Company may determine;
 - (iii) treat a properly authenticated dematerialised instruction (in this sub-paragraph the "first instruction") as not constituting a valid application if, at the time at which the Registrars receives a properly authenticated dematerialised instruction giving details of the first instruction or thereafter, either the Company or the Registrars has received actual notice from Euroclear of any of the matters specified in Regulation 35(5)(a) of the CREST Regulations in relation to the first instruction. These matters include notice that any information contained in the first instruction was incorrect or notice of lack of authority to send the first instruction; and
 - (iv) accept an alternative instruction or notification from a CREST member or CREST sponsored member or (where applicable) a CREST sponsor, or extend the time for settlement of a USE instruction or any alternative instruction or notification, in the event that, for reasons or due to circumstances outside the control of any CREST member or

CREST sponsored member or (where applicable) CREST sponsor, the CREST member or CREST sponsored member is unable validly to apply for Open Offer Shares by means of the above procedures. In normal circumstances, this discretion is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or any part of CREST) or on the part of the facilities and/or systems operated by the Registrars in connection with CREST.

(n) *Lapse of the Open Offer*

In the event that the Open Offer does not become unconditional by 8.00 a.m. on 8 December 2014 or such later time and date as the Company, RFC Ambrian and FinnCap may agree (being no later than 8.00 a.m. on 31 December 2014), the Open Offer will lapse, the Open Offer Entitlements admitted to CREST will be disabled and the Registrars will refund the amount paid by a Qualifying CREST Shareholder by way of a CREST payment, without interest, as soon as practicable thereafter.

(o) *Issue of Open Offer Shares in CREST*

Open Offer Entitlements and Excess Open Offer Entitlements held in CREST are expected to be disabled in all respects after 11.00 a.m. on 2 December 2014. If the conditions to the Open Offer described above are satisfied, Open Offer Shares will be issued in uncertificated form to those persons who submitted a valid application for Open Offer Shares by utilising the CREST application procedures, and whose applications have been accepted by the Company on the day on which such conditions are satisfied. On this day, the Receiving Agent will instruct Euroclear to credit the appropriate stock accounts of such persons with such persons' Open Offer Entitlements with effect from the next Business Day. The stock accounts to be credited will be accounts under the same Participant IDs and Member Account IDs in respect of which the USE instruction was given.

4. Money Laundering Regulations

4.1 Holders of Application Forms

To ensure compliance with the Money Laundering Regulations, the Registrars may require, at its absolute discretion, verification of the identity of the person by whom or on whose behalf the Application Form is lodged with payment (which requirements are referred to below as the "verification of identity requirements"). If the Application Form is submitted by a UK regulated broker or intermediary acting as agent and which is itself subject to the Money Laundering Regulations, any verification of identity requirements are the responsibility of such broker or intermediary and not of the Registrars. In such case, the lodging agent's stamp should be inserted on the Application Form.

The person lodging the Application Form with payment and in accordance with the other terms as described above (the "**acceptor**"), including any person who appears to the Registrars to be acting on behalf of some other person, accepts the Open Offer in respect of such number of Open Offer Shares as is referred to therein (for the purposes of this paragraph 4 the "**relevant Open Offer Shares**") shall thereby be deemed to agree to provide the Registrars with such information and other evidence as they may require to satisfy the verification of identity requirements.

If the Registrars determines that the verification of identity requirements apply to any acceptor or application, the relevant Open Offer Shares (notwithstanding any other term of the Open Offer) will not be issued to the relevant acceptor unless and until the verification of identity requirements have been satisfied in respect of that acceptor or application. The Registrar is entitled, in its absolute discretion, to determine whether the verification of identity requirements apply to any acceptor or application and whether such requirements have been satisfied, and neither the Registrars nor the Company will be liable to any person for any loss or damage suffered or incurred (or alleged), directly or indirectly, as a result of the exercise of such discretion.

If the verification of identity requirements apply, failure to provide the necessary evidence of identity within a reasonable time may result in delays in the despatch of share certificates or in crediting CREST accounts. If, within a reasonable time following a request for verification of identity, the Registrars has not received evidence satisfactory to it as aforesaid, the Company may, in its absolute discretion, treat the relevant application as invalid, in which event the monies payable on acceptance of the Open Offer will be returned (at the acceptor's risk) without interest to the account of the bank or building society on which the relevant cheque or banker's draft was drawn.

Submission of an Application Form with the appropriate remittance will constitute a warranty to each of the Company, the Registrars, RFC Ambrian and FinnCap from the applicant that the Money Laundering Regulations will not be breached by application of such remittance.

The verification of identity requirements will not usually apply:

- (i) if the applicant is an organisation required to comply with the Money Laundering Directive (the Council Directive on prevention of the use of the financial system for the purpose of money laundering (no.91/308/EEC)); or
- (ii) if the acceptor is a regulated United Kingdom broker or intermediary acting as agent and is itself subject to the Money Laundering Regulations; or
- (iii) if the applicant (not being an applicant who delivers his application in person) makes payment by way of a cheque drawn on an account in the applicant's name.

In other cases the verification of identity requirements may apply. Satisfaction of these requirements may be facilitated in the following ways:

- (a) if payment is made by cheque or banker's draft in sterling drawn on a branch in the United Kingdom of a bank or building society which bears a UK bank sort code number in the top right hand corner the following applies. Cheques should be made payable to "Capita Re: Weatherly International plc Open Offer" in respect of an application by a Qualifying Shareholder and crossed "A/C Payee Only". Third party cheques will not be accepted with the exception of building society cheques or banker's drafts where the building society or bank has confirmed the name of the account holder by stamping or endorsing the cheque/banker's draft to such effect. The account name should be the same as that shown on the Application Form; or
- (b) if the Application Form is lodged with payment by an agent which is an organisation of the kind referred to in (i) above or which is subject to anti-money laundering regulation in a country which is a member of the Financial Action Task Force, the agent should provide with the Application Form written confirmation that it has that status and a written assurance that it has obtained and recorded evidence of the identity of the person for whom it acts and that it will on demand make such evidence available to the Registrars. If the agent is not such an organisation, it should contact the Registrars at Capita Asset Services, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU.

To confirm the acceptability of any written assurance referred to in (b) above, or in any other case, the acceptor should contact the Registrars on the shareholder helpline between 9.00 a.m. and 5.30 p.m. (London time) Monday to Friday on 0871 664 0321 from within the UK or +44 20 8639 3399 if calling from outside the UK. Calls to the 0871 664 0321 number cost 10 pence per minute (including VAT) plus your service provider's network extras. Calls to the helpline from outside the UK will be charged at applicable international rates. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide any financial, legal or tax advice.

If the Application Form(s) is/are in respect of Open Offer Shares with an aggregate subscription price of £12,000 or more and is/are lodged by hand by the acceptor in person, or if the Application Form(s) in respect of Open Offer Shares is/are lodged by hand by the acceptor and the accompanying payment

is not the acceptor's own cheque, he or she should ensure that he or she has with him or her evidence of identity bearing his or her photograph (for example, his or her passport) and separate evidence of his or her address.

If, within a reasonable period of time following a request for verification of identity, and in any case by no later than 11.00 a.m. on 2 December 2014, the Registrars has not received evidence satisfactory to it as aforesaid, the Registrars may, at its discretion, as agent of the Company, reject the relevant application, in which event the monies submitted in respect of that application will be returned without interest to the account at the payee bank from which such monies were originally debited (without prejudice to the rights of the Company to undertake proceedings to recover monies in respect of the loss suffered by it as a result of the failure to produce satisfactory evidence as aforesaid).

4.2 *Open Offer Entitlements in CREST*

If you hold your Open Offer Entitlement and Excess CREST Open Offer Entitlement in CREST and apply for Open Offer Shares in respect of some or all of your Open Offer Entitlement Excess CREST Open Offer Entitlement as agent for one or more persons and you are not a UK or EU regulated person or institution (e.g. a UK financial institution), then, irrespective of the value of the application, the Registrar is obliged to take reasonable measures to establish the identity of the person or persons on whose behalf you are making the application. You must therefore contact the Registrar before sending any USE or other instruction so that appropriate measures may be taken.

Submission of a USE instruction which on its settlement constitutes a valid application as described above constitutes a warranty and undertaking by the applicant to provide promptly to the Registrars such information as may be specified by the Registrars as being required for the purposes of the Money Laundering Regulations. Pending the provision of evidence satisfactory to the Registrar as to identity, who may in its absolute discretion take, or omit to take, such action as it may determine to prevent or delay issue of the Open Offer Shares concerned. If satisfactory evidence of identity has not been provided within a reasonable time, then the application for the Open Offer Shares represented by the USE instruction will not be valid. This is without prejudice to the right of the Company to take proceedings to recover any loss suffered by it as a result of failure to provide satisfactory evidence.

5. Admission, settlement and dealings

The result of the Open Offer is expected to be announced on 3 December 2014. Applications will be made to the London Stock Exchange for the Open Offer Shares to be admitted to trading on AIM. Subject to the Placing and the Open Offer becoming unconditional in all respects (save only as to Admission), it is expected that Admission will become effective and that dealings in the Open Offer Shares, fully paid, will commence at 8.00 a.m. on 8 December 2014.

The Existing Ordinary Shares are already admitted to CREST. No further application for admission to CREST is accordingly required for the New Ordinary Shares. All such shares, when issued and fully paid, may be held and transferred by means of CREST.

Open Offer Entitlements and Excess CREST Open Offer Entitlements held in CREST are expected to be disabled in all respects after 11.00 a.m. on 2 December 2014 (the latest date for applications under the Open Offer). If the condition(s) to the Open Offer described above are satisfied, New Ordinary Shares will be issued in uncertificated form to those persons who submitted a valid application for New Ordinary Shares by utilising the CREST application procedures and whose applications have been accepted by the Company.

On 8 December 2014, the Registrars will instruct Euroclear to credit the appropriate stock accounts of such persons with such persons' entitlements to Open Offer Shares with effect from Admission. The stock accounts to be credited will be accounts under the same Participant IDs and CREST member account IDs in respect of which the USE Instruction was given. Notwithstanding any other provision of this document, the Company reserves the right to send Qualifying CREST Shareholders an Application Form instead of crediting the relevant stock account with Open Offer Entitlements and Excess CREST Open Offer Entitlements, and to allot and/or issue any Open Offer Shares in certificated form. In normal circumstances, this right is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or

of any part of CREST) or on the part of the facilities and/or systems operated by the Registrars in connection with CREST.

No temporary documents of title will be issued and transfers will be certified against the UK share register of the Company. All documents or remittances sent by, to, from or on behalf of applicants, or as they may direct, will (in the latter case) be sent through the post and will (in both cases) be at the risk of the applicant. For more information as to the procedure for application, Qualifying Non-CREST Shareholders are referred to paragraph 3.1 above and their respective Application Form.

6. Overseas Shareholders

The comments set out in this paragraph 6 are intended as a general guide only and any Overseas Shareholders who are in any doubt as to their position should consult their professional advisers without delay.

6.1 General

The distribution of this document and the making or acceptance of the Open Offer to or by persons who have registered addresses in, or who are resident or ordinarily resident in, or citizens of, or which are corporations, partnerships or other entities created or organised under the laws of countries other than the United Kingdom or to persons who are nominees of or custodians, trustees or guardians for citizens, residents in or nationals of, countries other than the United Kingdom, may be affected by the laws or regulatory requirements of the relevant jurisdictions. It is the responsibility of those persons to consult their professional advisers as to whether they require any governmental or other consents or need to observe any applicable legal requirement or other formalities to enable them to apply for Open Offer Shares under the Open Offer.

No action has been or will be taken by the Company, RFC Ambrian, FinnCap, or any other person, to permit a public offering or distribution of this document (or any other offering or publicity materials or application form(s) relating to the Open Offer Shares) in any jurisdiction where action for that purpose may be required, other than in the United Kingdom. Receipt of this document and/or an Application Form and/or a credit of an Open Offer Entitlement or an Excess CREST Open Offer Entitlement to a stock account in CREST will not constitute an invitation or offer of securities for subscription, sale or purchase in those jurisdictions in which it would be illegal to make such an invitation or offer and, in those circumstances, this document and/or the Application Form must be treated as sent for information only and should not be copied or redistributed.

Application Forms will not be sent to, and Open Offer Entitlements and Excess CREST Open Offer Entitlements will not be credited to stock accounts in CREST of, persons with registered addresses in the United States or a Restricted Jurisdiction or their agent or intermediary, except where the Company is satisfied that such action would not result in the contravention of any registration or other legal requirement in any jurisdiction.

No person receiving a copy of this document and/or an Application Form and/or a credit of Open Offer Entitlements or Excess CREST Open Offer Entitlements to a stock account in CREST in any territory other than the United Kingdom may treat the same as constituting an invitation or offer to him or her, nor should he or she in any event use any such Application Form and/or credit of Open Offer Entitlements or Excess CREST Open Offer Entitlements to a stock account in CREST unless, in the relevant territory, such an invitation or offer could lawfully be made to him or her and such Application Form and/or credit of Open Offer Entitlements or Excess CREST Open Offer Entitlements to a stock account in CREST could lawfully be used, and any transaction resulting from such use could be effected, without contravention of any registration or other legal or regulatory requirements. In circumstances where an invitation or offer would contravene any registration or other legal or regulatory requirements, this document and/or the Application Form must be treated as sent for information only and should not be copied or redistributed.

It is the responsibility of any person (including, without limitation, custodians, agents, nominees and trustees) outside the United Kingdom wishing to apply for Open Offer Shares under the Open Offer to satisfy themselves as to the full observance of the laws of any relevant territory in connection therewith, including obtaining any governmental or other consents that may be required, observing any other formalities required to be observed in such territory and paying any issue, transfer or other taxes due in such territory.

None of the Company, RFC Ambrian, FinnCap, nor any of their respective representatives, is making any representation to any offeree or purchaser of the Open Offer Shares regarding the legality of an investment in the Open Offer Shares by such offeree or purchaser under the laws applicable to such offeree or purchaser.

Persons (including, without limitation, custodians, agents, nominees and trustees) receiving a copy of this document and/or an Application Form and/or a credit of Open Offer Entitlements or Excess CREST Open Offer Entitlements to a stock account in CREST, in connection with the Open Offer or otherwise, should not distribute or send either of those documents nor transfer Open Offer Entitlements or Excess CREST Open Offer Entitlements in or into any jurisdiction where to do so would or might contravene local securities laws or regulations. If a copy of this document and/or an Application Form and/or a credit of Open Offer Entitlements or Excess CREST Open Offer Entitlements to a stock account in CREST is received by any person in any such territory, or by his or her custodian, agent, nominee or trustee, he or she must not seek to apply for Open Offer Shares in respect of the Open Offer unless the Company, RFC Ambrian and FinnCap determine that such action would not violate applicable legal or regulatory requirements. Any person (including, without limitation, custodians, agents, nominees and trustees) who does forward a copy of this document and/or an Application Form and/or transfers Open Offer Entitlements or Excess CREST Open Offer Entitlements into any such territory, whether pursuant to a contractual or legal obligation or otherwise, should draw the attention of the recipient to the contents of this Part IV “Terms and Conditions of the Open Offer” and specifically the contents of this paragraph 6.

The Company reserves the right to treat as invalid any application or purported application for Open Offer Shares that appears to the Company or its agents to have been executed, effected or dispatched from the United States or a Restricted Jurisdiction or in a manner that may involve a breach of the laws or regulations of any other jurisdiction or if the Company or its agents believe that the same may violate applicable legal or regulatory requirements or if it provides an address for delivery of the share certificates of Open Offer Shares or in the case of a credit of Open Offer Entitlements or Excess CREST Open Offer Entitlements to a stock account in CREST, to a CREST member whose registered address would be, in the United States or a Restricted Jurisdiction or any other jurisdiction outside the United Kingdom in which it would be unlawful to deliver such share certificates or make such a credit.

Notwithstanding any other provision of this document or the relevant Application Form, the Company, RFC Ambrian and FinnCap reserve the right to permit any person to apply for Open Offer Shares in respect of the Open Offer if the Company, in its sole and absolute discretion, is satisfied that the transaction in question is exempt from, or not subject to, the legislation or regulations giving rise to the restrictions in question.

Overseas Shareholders who wish, and are permitted, to apply for Open Offer Shares should note that payment must be made in sterling denominated cheques or banker’s drafts or where such Overseas Shareholder is a Qualifying CREST Shareholder, through CREST. Due to restrictions under the securities laws of the United States and the Restricted Jurisdictions, and subject to certain exceptions, Qualifying Shareholders in the United States or any Restricted Jurisdiction or who have registered addresses in, or who are resident or ordinarily resident in, or citizens of, any Restricted Jurisdiction will not qualify to participate in the Open Offer and will not be sent an Application Form nor will their stock accounts in CREST be credited with Open Offer Entitlements. No public offer of Open Offer Shares is being made by virtue of this document or the Application Forms into the United States or any Restricted Jurisdiction. Receipt of this document and/or an Application Form and/or a credit of an Open Offer Entitlement to a stock account in CREST will not constitute an invitation or offer of

securities for subscription, sale or purchase in those jurisdictions in which it would be illegal to make such an invitation or offer and, in those circumstances, this document and/or the Application Form must be treated as sent for information only and should not be copied or redistributed.

6.2 *United States*

The New Ordinary Shares have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and, accordingly, may not be offered or sold, re-sold, taken up, transferred, delivered or distributed, directly or indirectly, within the United States except in reliance on an exemption from the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States.

Accordingly, the Company is not extending the Open Offer into the United States unless an exemption from the registration requirements of the Securities Act is available and, subject to certain exceptions, neither this document nor the Application Form constitutes or will constitute an offer or an invitation to apply for or an offer or an invitation to acquire any New Ordinary Shares in the United States. Subject to certain exceptions, neither this document nor an Application Form will be sent to, and no New Ordinary Shares will be credited to a stock account in CREST of, any Qualifying Shareholder with a registered address in the United States. Subject to certain exceptions, Application Forms sent from or postmarked in the United States will be deemed to be invalid and all persons acquiring New Ordinary Shares and wishing to hold such New Ordinary Shares in registered form must provide an address for registration of the New Ordinary Shares issued upon exercise thereof outside the United States.

Subject to certain exceptions, any person who acquires New Ordinary Shares will be deemed to have declared, warranted and agreed, by accepting delivery of this document or the Application Form and delivery of the New Ordinary Shares, that they are not, and that at the time of acquiring the New Ordinary Shares they will not be, in the United States or acting on behalf of, or for the account or benefit of a person on a non-discretionary basis in the United States or any state of the United States.

The Company reserves the right to treat as invalid any Application Form that appears to the Company or its agents to have been executed in, or despatched from, the United States, or that provides an address in the United States for the receipt of New Ordinary Shares, or which does not make the warranty set out in the Application Form to the effect that the person completing the Application Form does not have a registered address and is not otherwise located in the United States and is not acquiring the New Ordinary Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any such New Ordinary Shares in the United States or where the Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements.

The Company will not be bound to allot or issue any New Ordinary Shares to any person with an address in, or who is otherwise located in, the United States in whose favour an Application Form or any New Ordinary Shares may be transferred. In addition, the Company, RFC Ambrian and FinnCap reserve the right to reject any USE instruction sent by or on behalf of any CREST member with a registered address in the United States in respect of the New Ordinary Shares. In addition, until 45 days after the commencement of the Open Offer, an offer, sale or transfer of the New Ordinary Shares within the United States by a dealer (whether or not participating in the and Open Offer) may violate the registration requirements of the Securities Act.

6.3 *Restricted Jurisdictions*

Due to restrictions under the securities laws of the Restricted Jurisdictions and subject to certain exemptions, Shareholders who have registered addresses in, or who are resident or ordinarily resident in, or citizens of, any Restricted Jurisdiction will not qualify to participate in the Open Offer and will not be sent an Application Form nor will their stock accounts in CREST be credited with Open Offer Entitlements or Excess CREST Open Offer Entitlements. The Open Offer Shares have not been and

will not be registered under the relevant laws of any Restricted Jurisdiction or any state, province or territory thereof and may not be offered, sold, resold, delivered or distributed, directly or indirectly, in or into any Restricted Jurisdiction or to, or for the account or benefit of, any person with a registered address in, or who is resident or ordinarily resident in, or a citizen of, any Restricted Jurisdiction except pursuant to an applicable exemption.

No offer or invitation to apply for Open Offer Shares is being made by virtue of this document or the Application Forms into any Restricted Jurisdiction.

6.4 *Other overseas territories*

Application Forms will be sent to Qualifying Non-CREST Shareholders and Open Offer Entitlements and Excess CREST Open Offer Entitlements will be credited to the stock account in CREST of Qualifying CREST Shareholders. Qualifying Shareholders in jurisdictions other than the United States or the Restricted Jurisdictions may, subject to the laws of their relevant jurisdiction, take up Open Offer Shares under the Open Offer in accordance with the instructions set out in this document and the Application Form. Qualifying Shareholders who have registered addresses in, or who are resident or ordinarily resident in, or citizens of, countries other than the United Kingdom should, however, consult appropriate professional advisers as to whether they require any governmental or other consents or need to observe any further formalities to enable them to apply for any Open Offer Shares in respect of the Open Offer.

6.5 *Representations and warranties relating to Overseas Shareholders*

(a) *Qualifying Non-CREST Shareholders*

Any person completing and returning an Application Form or requesting registration of the Open Offer Shares comprised therein represents and warrants to the Company, RFC Ambrian, FinnCap and the Registrars that, except where proof has been provided to the Company's satisfaction that such person's use of the Application Form will not result in the contravention of any applicable legal requirements in any jurisdiction: (i) such person is not requesting registration of the relevant Open Offer Shares from within the United States or any Restricted Jurisdiction; (ii) such person is not in any territory in which it is unlawful to make or accept an offer to acquire Open Offer Shares in respect of the Open Offer or to use the Application Form in any manner in which such person has used or will use it; (iii) such person is not acting on a non-discretionary basis for a person located within any Restricted Jurisdiction (except as agreed with the Company) or any territory referred to in (ii) above at the time the instruction to accept was given; and (iv) such person is not acquiring Open Offer Shares with a view to offer, sale, resale, transfer, deliver or distribute, directly or indirectly, any such Open Offer Shares into any of the above territories. The Company and/or the Registrars may treat as invalid any acceptance or purported acceptance of the allotment of Open Offer Shares comprised in an Application Form if it: (i) appears to the Company or its agents to have been executed, effected or dispatched from the United States or a Restricted Jurisdiction or in a manner that may involve a breach of the laws or regulations of any jurisdiction or if the Company or its agents believe that the same may violate applicable legal or regulatory requirements; or (ii) provides an address in the United States or a Restricted Jurisdiction for delivery of the share certificates of Open Offer Shares (or any other jurisdiction outside the United Kingdom in which it would be unlawful to deliver such share certificates); or (iii) purports to exclude the warranty required by this sub-paragraph (a).

(b) *Qualifying CREST Shareholders*

A CREST member or CREST sponsored member who makes a valid acceptance in accordance with the procedures set out in this Part IV represents and warrants to the Company, RFC Ambrian and FinnCap that, except where proof has been provided to the Company's satisfaction that such person's acceptance will not result in the contravention of any applicable legal requirement in any jurisdiction: (i) he or she is not within the United States or any Restricted Jurisdiction; (ii) he or she is not in any territory in which it is unlawful to make or

accept an offer to acquire Open Offer Shares; (iii) he or she is not accepting on a non-discretionary basis for a person located within any Restricted Jurisdiction (except as otherwise agreed with the Company) or any territory referred to in (ii) above at the time the instruction to accept was given; and (iv) he or she is not acquiring any Open Offer Shares with a view the offer, sale, resale, transfer, delivery or distribute, directly or indirectly, any such Open Offer Shares into any of the above territories.

6.6 Waiver

The provisions of this paragraph 6 and of any other terms of the Open Offer relating to Overseas Shareholders may be waived, varied or modified as regards specific Shareholders or on a general basis by the Company, RFC Ambrian and FinnCap in their absolute discretion. Subject to this, the provisions of this paragraph 6 supersede any terms of the Open Offer inconsistent herewith. References in this paragraph 6 to Shareholders shall include references to the person or persons executing an Application Form and, in the event of more than one person executing an Application Form, the provisions of this paragraph 6 shall apply to them jointly and to each of them.

7. Times and dates

The Company shall, in agreement RFC Ambrian and, if relevant, FinnCap and after consultation with its financial and legal advisers, be entitled to amend the dates that Application Forms are despatched or amend or extend the latest date for acceptance under the Open Offer and all related dates set out in this document and in such circumstances shall notify the London Stock Exchange, and make an announcement on a Regulatory Information Service but Qualifying Shareholders may not receive any further written communication.

If a supplementary circular is issued by the Company two or fewer Business Days prior to the latest time and date for acceptance and payment in full under the Open Offer specified in this document, the latest date for acceptance under the Open Offer shall be extended to the date that is three Business Days after the date of issue of the supplementary circular (and the dates and times of principal events due to take place following such date shall be extended accordingly).

8. Admission, settlement and dealings

- 8.1 The result of the Open Offer is expected to be announced on 3 December 2014. Application will be made to AIM for Admission to trading of the Open Offer Shares, which is expected to become effective and dealings in such shares, fully paid, to commence at 8.00 a.m. on 8 December 2014.
- 8.2 The Existing Ordinary Shares are already admitted to CREST and applications will be made for the Open Offer Shares to be admitted to CREST. All such Ordinary Shares, when issued and fully paid, may be held and transferred by means of CREST.
- 8.3 Open Offer Entitlements and Excess Open Offer Entitlements held in CREST are expected to be disabled in all respects after 11.00 a.m. on 2 December 2014 (being the latest practicable date for applications under the Open Offer). If the conditions to the Open Offer described above are satisfied, the Open Offer Shares will be issued in uncertificated form to those persons who submitted a valid application for the Open Offer Shares by utilising the CREST application procedures and whose applications have been accepted by the Company. On 2 December 2014, the Receiving Agent will instruct Euroclear to credit the appropriate stock accounts of such persons with such persons' entitlements to Open Offer Shares with effect from Admission (expected to be on 8 December 2014). The stock accounts to be credited will be accounts under the same Participant IDs and CREST member account IDs in respect of which the USE instruction was given.
- 8.4 Notwithstanding any other provision of this document, the Company reserves the right to send Qualifying CREST Holders an Application Form instead of crediting the relevant stock account with Open Offer Entitlements, and to allot and/or issue any Open Offer Shares in certificated form. In normal circumstances, this right is only likely to be exercised in the event of any interruption, failure

or breakdown of CREST (or of any part of CREST) or on the part of the facilities and/or systems operated by the Receiving Agent in connection with CREST.

- 8.5 For Qualifying Non-CREST Shareholders who have applied by using an Application Form, share certificates in respect of the Open Offer Shares validly applied for are expected to be dispatched by post by within ten days of Admission. No temporary documents of title will be issued and, pending the issue of definitive certificates, transfers will be certified against the register of members of the Company. All documents or remittances sent by or to applicants, or as they may direct, will be sent through the post at their own risk.
- 8.6 The result of the Open Offer will be announced and made public through an announcement on a Regulatory Information Service as soon as reasonably practicable after the results are known.

9. Warranties

Each Qualifying Shareholder applying for Open Offer Shares represents, warrants, covenants, undertakes, agrees and acknowledges as follows:

- 9.1 the Company and others will rely upon its representations, warranties, covenants, agreements and acknowledgements set forth herein, and it agrees to notify the Company promptly in writing if any of its representations, warranties, covenants, agreements or acknowledgements ceases to be accurate and complete;
- 9.2 it has read and understood and accepted the terms and conditions of the Open Offer contained in this document and its application for Open Offer Shares shall be on and subject to the terms and conditions of this document and, if it is a Qualifying Non-CREST Shareholder, the Application Form;
- 9.3 it agrees that all applications, and contracts resulting therefrom, and all non-contractual claims under the Open Offer shall be governed by, and construed in accordance with, the laws of England;
- 9.4 it is a Qualifying Shareholder originally entitled to Open Offer Entitlements or if it has received some or all of its Open Offer Entitlements from a person other than the Company, it is entitled to apply under the Open Offer in relation to such Open Offer Entitlements by virtue of a *bona fide* market claim;
- 9.5 it may lawfully acquire the Open Offer Shares to be subscribed by it pursuant to the Open Offer and has the capacity and authority and is entitled to enter into and perform its obligations as a subscriber for Open Offer Shares and will honour such obligations;
- 9.6 it agrees that its obligations under the Open Offer shall not be capable of rescission or termination by it in any circumstance;
- 9.7 in agreeing to acquire the Open Offer Shares, it is relying on the information contained in this document and any announcement made by or on behalf of the Company through a Regulatory Information Service and it is not relying on any information given or representation, warranty, undertaking, agreement or statement made at any time by the Company, RFC Ambrian, FinnCap or any of their respective officers, directors, agents, employees or advisers, or any other person in relation to the Company or its subsidiary undertakings, the Open Offer or the Open Offer Shares, and neither the Company, RFC Ambrian, FinnCap nor any other person will be liable for any Qualifying Shareholder's decision to participate in the Open Offer based on any other information, representation, warranty, undertaking, agreement or statement which Qualifying Shareholders may have obtained or received. In addition, it has neither received nor relied on any confidential price-sensitive information. Nothing in this paragraph shall exclude the liability of any person for fraud;
- 9.8 it is entitled to acquire the Open Offer Shares under the terms of the Open Offer and the laws of all relevant jurisdictions which apply to it (the "**Applicable Securities Laws**") and it has fully observed such laws and obtained all governmental and other consents which may be required thereunder and complied with all necessary formalities and it has not taken any action or omitted to take any action

which will or may result in the Company or any of their officers, directors, agents, employees or advisers acting in breach of any law or regulatory requirement of any territory or jurisdiction in connection with the Open Offer or its entitlement;

- 9.9 it is not, nor is it applying on behalf of any person who is, a citizen or resident, or which is a corporation, partnership or other entity created or organised in or under any laws, of any Restricted Jurisdiction or any jurisdiction in which the application for Open Offer Shares is prevented by law (except where proof satisfactory to the Company has been provided to the Company that it is able to accept the invitation by the Company free of any requirement which it (in its absolute discretion) regards as unduly burdensome) and the Qualifying Shareholder is not applying with a view to re-offering, re-selling, transferring or delivering any of the Open Offer Shares which are the subject of its application to, or for the benefit of, a person who is a citizen or resident or which is a corporation, partnership or other entity created or organised in or under any laws of any Restricted Jurisdiction or any jurisdiction in which the application for Open Offer Shares is or may be prevented by law (except where proof satisfactory to the Company has been provided to the Company that the Qualifying Shareholder is able to accept the invitation by the Company pursuant to an applicable exemption and free of any requirement which it (in its absolute discretion) regards as unduly burdensome), nor acting on behalf of any such person on a non-discretionary basis nor such person otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares under the Open Offer;
- 9.10 it irrevocably appoints any director of the Company as its agent for the purpose of executing and delivering to the Company and/or the Receiving Agent any documents on its behalf necessary to enable it to be registered as the holder of Open Offer Shares;
- 9.11 it is not, and nor is it applying for Open Offer Shares as nominee or agent for, a person who is or may be liable to notify and account for stamp duty or stamp duty reserve tax at any of the increased rates referred to in sections 67 to 72 inclusive and sections 93 to 97A inclusive of the Finance Act 1986 (Depositary Receipts and Clearance Services) and, in the event of any breach of this warranty, it agrees that neither the Company nor any other person will have any liability to it or other persons in respect of such duty or tax;
- 9.12 the Applicable Securities Laws do not require the Company to make any filings or seek any approvals of any kind whatsoever from any regulatory authority of any kind in connection with the Open Offer in the jurisdiction in which it is resident;
- 9.13 the purchase by it of Open Offer Shares does not trigger in the jurisdiction in which it is resident: (a) any obligation to prepare or file a prospectus or similar document or any other report with respect to such purchase; or (b) any disclosure reporting obligation of the Company; or (c) any registration or other obligation on the part of the Company; or (d) the requirement for the Company to take any other action;
- 9.14 the offer and sale to it of Open Offer Shares was not made through an advertisement of the Open Offer Shares in printed media of general and regular paid circulation, radio or television or any other form of advertisement;
- 9.15 it and any person acting on its behalf is aware of the obligations in connection with money laundering under the Money Laundering Regulations to the extent applicable to it and, if it is making payment on behalf of a third party, it has obtained and recorded satisfactory evidence to verify the identity of the third party as required by the Money Laundering Regulations;
- 9.16 it agrees to be bound by the terms of the articles of association of the Company in force immediately following Admission of the Open Offer Shares;
- 9.17 it will not deal or cause or permit any other person to deal in all or any of the Open Offer Shares unless and until Admission of the Open Offer Shares becomes effective;

- 9.18 the Company is relying on one or more exemptions from the registration requirements of the Securities Act and, as a consequence of acquiring the Open Offer Shares pursuant to such exemption(s), certain protections, rights and remedies provided by applicable securities laws will not be available to it, including an obligation on the Company to provide it with a prospectus or other disclosure document, and, save for this document, no offer document, admission document or prospectus has been, or is required to be, prepared in connection with the Open Offer;
- 9.19 it has not received a prospectus or admission document or, save for this document, any other offering document in connection with the Open Offer, and no United States federal or state agency or any other government or governmental agency has passed on or made any recommendation or endorsement of the Open Offer Shares or the fairness or suitability of the investment in the Open Offer Shares nor have such authorities passed upon or endorsed the merits of the offering of the Open Offer Shares;
- 9.20 it acknowledges that the Ordinary Shares are admitted to trading on AIM and the Company is therefore required to publish certain business and financial information in accordance with the rules of AIM (the “**Exchange Information**”), and that it is able to obtain or access the Exchange Information without undue difficulty;
- 9.21 neither the Company nor RFC Ambrian nor FinnCap nor any person acting on their behalf nor any of their respective affiliates nor any of their respective directors, officers, employees, agents, partners or professional advisers has or shall have any liability for any direct, indirect or consequential loss or damage suffered by any person as a result of relying on any statement contained in the Exchange Information, any other information made available by or on behalf of the Company or made publicly available by the Company on its website, by press release, by public filing or otherwise or any other information, provided that nothing in this paragraph excludes the liability of any person for fraud made by that person;
- 9.22 if it is acquiring any Open Offer Shares as a fiduciary or agent for one or more accounts, it has sole investment discretion with respect to each such account and full power and authority to make such foregoing representations, warranties, covenants, agreements and acknowledgements on behalf of each such account;
- 9.23 it acknowledges that the Open Offer Shares have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States, or under any relevant securities laws of any Restricted Jurisdiction;
- 9.24 it has not, directly or indirectly, distributed, forwarded, transferred or otherwise transmitted this document (or any part thereof) to or within the United States or any Restricted Jurisdiction, nor will it do any of the foregoing;
- 9.25 it is purchasing the Open Offer Shares for its own account or for one or more investment accounts for which it is acting as a fiduciary or agent, in each case for investment only, and not with a view to or for sale or other transfer in connection with any distribution of the Open Offer Shares in any manner that would violate the Securities Act or any other applicable securities laws, and it does not have a present arrangement to effect any distribution of the Open Offer Shares to or through any person or entity;
- 9.26 it is not acquiring any Open Offer Shares for resale in the United States or any Restricted Jurisdiction and it has not and will not deliver or forward any advertisement or other offering material in relation to the Open Offer Shares in or into the United States or any Restricted Jurisdiction;
- 9.27 it will indemnify and hold the Company and its respective affiliates harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of the representations, warranties, agreements and covenants in this document. All representations, warranties, agreements and covenants given by it in this document are given to the Company and will survive completion of the Open Offer;

- 9.28 it is acquiring the Open Offer Shares in an offshore transaction meeting the requirements of Regulation S under the Securities Act;
- 9.29 at the time it received the offer to purchase the Open Offer Shares it was not in the United States or any Restricted Jurisdiction;
- 9.30 it: (i) understands and acknowledges that the offering and sale of the Open Offer Shares are not being, and will not be, made, directly or indirectly, in or into, or by the use of the mails or any means or instrumentality (including, without limitation, telephonically or electronically) of interstate or foreign commerce of, or any facilities of a national securities exchange of, the United States or any Restricted Jurisdiction; and (ii) acknowledges that no Application Form will be accepted by any such use, means, instrumentality or facility or from within the United States or any Restricted Jurisdiction, and doing so may render such Application Form invalid;
- 9.31 its receipt and execution of the Application Form each occurred outside the United States or any Restricted Jurisdiction;
- 9.32 it is not acquiring the Open Offer Shares as a result of or due to, and will not engage in, any “directed selling efforts” (as defined in Regulation S under the Securities Act) in the United States or any Restricted Jurisdiction in respect of the Open Offer Shares, which would include any activities undertaken for the purpose of, or that could reasonably be expected to have the effect of, conditioning the market in the United States or any Restricted Jurisdiction for the resale of the Open Offer Shares, including placing an advertisement in a publication with a general circulation in the United States or any Restricted Jurisdiction, nor has it seen or been aware of any activity that, to its knowledge, constitutes directed selling efforts in the United States or any Restricted Jurisdiction; and
- 9.33 it understands and acknowledges that RFC Ambrian and FinnCap are acting for the Company and not any other person in connection with the Open Offer and will not be responsible to any other person for providing the protections afforded to the clients of RFC Ambrian and FinnCap or for affording advice in relation the Open Offer. Nothing in this paragraph shall serve to exclude or limit any responsibilities which RFC Ambrian and/or FinnCap may have under FSMA or the regulatory regime established thereunder. RFC Ambrian and FinnCap are not making any representation or warranty, express or implied, as to the contents of this document.

10. Taxation

Shareholders who are in any doubt as to their tax position in relation to taking up their entitlements under the Open Offer, or who are subject to tax in any jurisdiction other than the United Kingdom, should immediately consult a suitable professional adviser.

11. Further information

Your attention is drawn to the further information set out in this document and also, in the case of Qualifying Non-CREST Shareholders and other Qualifying Shareholders to whom the Company has sent Application Forms, to the terms, conditions and other information printed on the accompanying Application Form.

12. Governing law and jurisdiction

The terms and conditions of the Open Offer as set out in this document, the Application Form and any non-contractual obligation related thereto shall be governed by, and construed in accordance with, English law.

The courts of England and Wales are to have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Open Offer, this document or the Application Form. By taking up Open Offer Shares, by way of their Open Offer Entitlement and the Excess Application Facility (as applicable), in accordance with the instructions set out in this document and, where applicable, the Application Form, Qualifying Shareholders irrevocably submit to the jurisdiction of the courts of England and Wales and waive any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum.

PART V

ADDITIONAL INFORMATION

1. Responsibility

The Directors (whose names are set out in paragraph 3.1 below) accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this document for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. Share capital and options

2.1 Issued share capital

The issued share capital of the Company as at the date of this document and as it is expected to be immediately following Admission (assuming that the Open Offer is fully subscribed and no options or warrants are exercised prior to Admission) is set out below:

	<i>As at the date of this document</i>	<i>Immediately following Admission</i>
Number of fully paid Ordinary Shares	616,605,144	777,247,010

2.2 Options

The Company has granted options over the Ordinary Shares of the Company to various persons. The share options that have been granted are as follows:

<i>Date of grant</i>	<i>Exercise price (pence)</i>	<i>Ordinary Shares under option</i>
1 April 2010	3.0	4,750,000
10 March 2013	4.12	750,000
25 June 2014	3.13	3,333,333
Total		<u>8,833,333</u>

3. Directors' interests

3.1 The name of the Directors and their respective functions are as follows:

John Bryant (*Non-executive Chairman*)
Rod Webster (*Chief Executive*)
Wolf Martinick (*Non-executive Director*)
Alan Stephens (*Non-executive Director*)
Charilaos Stavrakis (*Non-executive Director*)

3.2 The interests (all of which are beneficial unless stated otherwise) of the Directors and of persons connected with them (within the meaning of section 252 of the 2006 Act) in the issued ordinary share capital of the Company and the existence of which is known to, or could with reasonable due diligence

be ascertained by, any Director as at the date of this document and as they are expected to be immediately following Admission are as follows:

	<i>As at the date of this document</i>		<i>Immediately following Admission*</i>	
	<i>No. of Ordinary Shares</i>	<i>% of Existing Ordinary Shares</i>	<i>No. of Ordinary Shares</i>	<i>% of Enlarged Share Capital*</i>
John Bryant	397,500	0.06	739,380	0.10
Rod Webster	27,343,800	4.40	28,271,800	3.63
Wolf Martinick	19,263,200	3.10	22,983,200	2.96
Alan Stephens	300,300	0.05	300,300	0.04
Charilaos Stavrakis	1,000,000	0.18	1,421,052	0.18

* Assuming that the Open Offer is fully subscribed, the Directors receive their Open Offer Entitlements and full applications for Excess Shares and no options or warrants are exercised prior to Admission.

3.4 The interests (all of which are beneficial unless stated otherwise) of the Directors and of persons connected with them (within the meaning of section 252 of the 2006 Act) in options over the Ordinary Shares and the existence of which is known to, or could with reasonable due diligence be ascertained by, any Director as at the date of this document are as follows:

<i>Directors holding share options</i>	<i>Exercise price (pence)</i>	<i>Number of Ordinary Shares under option</i>
Rod Webster	3.0	2,500,000
Rod Webster	3.13	3,333,333
Charilaos Stavrakis	4.12	750,000
Wolf Martinick	3.0	750,000
Alan Stephens	3.0	750,000
John Bryant	3.0	750,000

4. Major Shareholders

Insofar as has been notified to the Company, and in addition to the holdings of the Directors disclosed in paragraph 3.2 above, the following persons hold, as at the date of this document, and are expected to hold immediately following Admission, directly or indirectly, 3 per cent. or more of the Enlarged Share Capital:

	<i>As at the date of this document</i>		<i>Immediately following Admission*</i>	
	<i>No. of Ordinary Shares</i>	<i>% of Existing Ordinary Shares</i>	<i>No. of Ordinary Shares</i>	<i>% of Enlarged Share Capital</i>
Legal & General Group Direct and Legal & General (Unit Trust Managers) Limited	82,733,334	13.4	82,733,334	10.6
BlackRock	51,076,003	8.3	51,076,003	6.6
Logiman	43,300,000	7.0	43,300,000	5.6
Majedie Asset Management	32,892,561	5.3	32,892,561	4.2

	<i>As at the date of this document</i>		<i>Immediately following Admission*</i>	
	<i>No. of Ordinary Shares</i>	<i>% of Existing Ordinary Shares</i>	<i>No. of Ordinary Shares</i>	<i>% of Enlarged Share Capital</i>
Government of the Republic of Namibia	27,364,986	4.4	27,364,986	3.5
Christopher Chambers	25,000,000	4.1	25,000,000	3.2

* Assuming that the Open Offer is fully subscribed, the Shareholders listed above do not participate in the Open Offer and no options or warrants are exercised prior to Admission.

5. Placing and Open Offer Agreement

The Company and RFC Ambrian have entered into the Placing and Open Offer Agreement the summary of which is contained in paragraph 8 of Part I of this document.

6. The Subscription

The Company and Polo Resources have entered into the Subscription Agreement in respect of the Subscription, the summary of which is contained in paragraph 4.1 of Part I of this document.

7. General

- 7.1 Neither the Company nor any of its subsidiaries is or has been involved in any governmental, legal or arbitration proceedings and, so far as the Directors are aware, there are no governmental, legal or arbitration proceedings pending or threatened against them or being brought by the Company or any of its subsidiaries, during the previous 12 months, which may have, or had in the recent past, a significant effect on the financial position or profitability of the Company.
- 7.2 RFC Ambrian and FinnCap have both given and not withdrawn their written consent to the issue of this document with the inclusion herein of references to their names in the form and context in which they appear.
- 7.3 The total costs and expenses of, and incidental to, the Capital Raising payable by the Company (including professional fees, commissions, the cost of printing and the fees payable to the registrars) are estimated to amount to approximately £150,000.
- 7.4 The net proceeds of the Capital Raising are expected to be approximately £4.5 million, assuming the Open Offer is fully subscribed.
- 7.5 The Ordinary Shares are in registered form and are capable of being held in uncertificated form. Settlement of the New Ordinary Shares will, at the option of Placees or Qualifying CREST Shareholders (as the case may be), be within CREST and New Ordinary Shares will be delivered into the CREST accounts of Placees and Qualifying CREST Shareholders on 8 December 2014. No temporary documents of title will be issued. Definitive share certificates for Placees not settling through CREST and Qualifying Non-CREST Shareholders will be despatched within ten days of Admission. Prior to the despatch of such certificates, transfers will be certified against the register of members of the Company.

8. Availability of documents

Copies of this document are available free of charge at the Company's registered office during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted), and shall remain available for at least one month following Admission. Copies of the material contracts listed in paragraph 6 of this Part V will be available for review until the end of the Open Offer period at the Company's registered office. In addition, this document will be available on the Company's website www.weatherlyplc.com for a period of 12 months from the date of this document.

