

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

If you have sold or transferred all of your Ordinary Shares in Futura Medical plc please forward this document, together with the accompanying Form of Proxy, as soon as possible, to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for onward transmission to the purchaser or transferee. If you have sold or otherwise transferred some of your Ordinary Shares, please consult your stockbroker, bank or other agent through whom the sale or transfer was effected.

Applications will be made to the London Stock Exchange for the Placing Shares to be admitted to trading on AIM. No application has been made or is currently intended to be made for the Placing Shares to be admitted to trading or dealt in on any other exchange. It is expected that First Admission to AIM will become effective in respect of, and that dealings on AIM will commence in, the First Placing Shares, on or around 26 March 2014 and it is expected that Second Admission to AIM will become effective in respect of, and that dealings on AIM will commence in, the Second Placing Shares, on or around 27 March 2014 both subject to, *inter alia*, the passing of the Resolutions at the General Meeting.

Futura Medical plc

(A company incorporated in England and Wales with registration number 04206001)

Placing of 21,052,632 New Ordinary Shares at 57 pence per New Ordinary Share and Notice of General Meeting

This document does not constitute a public offer of securities and accordingly is not a prospectus. Neither does it constitute an admission document drawn up in accordance with the AIM Rules. This document does not constitute an offer to buy or to subscribe for, or the solicitation of an offer to buy or subscribe for, New Ordinary Shares.

The Placing Shares described in this document have not been, and will not be, registered under the US Securities Act of 1933, as amended (the "Securities Act") or under the securities laws of any state of the United States, and may not be offered, sold, resold, transferred or delivered, directly or indirectly, within the United States except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. There will be no public offer of the Placing Shares in the United States. The Placing Shares have not been approved or disapproved by the US Securities and Exchange Commission, any state securities commission in the United States or any US regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Placing Shares or the accuracy or adequacy of this document. Any representation to the contrary is a criminal offence in the United States.

In addition, offers, sales or transfers of the Placing Shares in or into the United States for a period of time following completion of the Placing by a person (whether or not participating in the Placing) may violate the registration requirement of the Securities Act.

Furthermore, the Placing Shares have not been and will not be registered under the applicable laws of any of Canada, Australia, Republic of South Africa or Japan and, subject to certain exceptions, may not be offered or sold in the United States or to, or for the account or benefit of, US persons (as such term is defined in Regulation S under the Securities Act) or to any national, resident or citizen of Canada, Australia, Republic of South Africa or Japan. The distribution of this document in other jurisdictions may be restricted by law and, therefore, persons into whose possession this document comes should inform themselves about and observe such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. In particular, this document may not be distributed, directly or indirectly in or into the United States, Canada, Republic of South Africa, Australia or Japan. Overseas Shareholders and any person (including, without limitation, nominees and trustees) who have a contractual or other legal obligation to forward this document to a jurisdiction outside the United Kingdom should seek appropriate advice before taking any action.

A notice convening a General Meeting of Futura Medical plc to be held at the offices of Buchanan Communications Limited, 107 Cheapside, London EC2V 6DN at 3.30 p.m. on 25 March 2014 is set out at the end of this document. Whether or not you intend to be present at the General Meeting, you are urged to complete and return the enclosed Form of Proxy, in accordance with the instructions printed thereon, so as to arrive as soon as possible and in any event by no later than 3.30 p.m. on 21 March 2014. Alternatively, you may appoint a proxy electronically in accordance with the procedures set out in note 8 to the Notice of General Meeting. Completion and return of Forms of Proxy or the electronic appointment of a proxy will not preclude Shareholders from attending and voting at the General Meeting should they so wish.

Nplus1 Singer Advisory LLP (“N+1 Singer”) which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting as nominated adviser and broker to the Company in connection with the Placing and is not acting for any other person nor will otherwise be responsible to any person for providing the protections afforded to customers of N+1 Singer, or for advising any other person in respect of the Placing. Its responsibilities as the Company’s nominated adviser under the AIM Rules are owed solely to the London Stock Exchange and are not owed to the Company or to any Director or any other person. No representation, express or implied, is made by N+1 Singer as to any of the contents of this document (without limiting the statutory rights of any person to whom this document is issued). N+1 Singer has not approved the contents of, or any part of, this document and no liability whatsoever is accepted by N+1 Singer for the accuracy of any information or opinions contained in this document or for the omission of any information.

Copies of this document are available from the Company’s registered office address at Surrey Technology Centre, 40 Occam Road, Guildford, Surrey GU2 7YG from the date of this document to the date of the General Meeting and also from the Company’s website: www.futuramedical.com.

CONTENTS

	<i>Page</i>
Expected Timetable of Principal Events	2
Placing Statistics	2
Directors, Officers and Advisers	3
Definitions	4
Letter from the Chairman	6
Notice of General Meeting	12

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Announcement of the Placing and Posting of Circular to Shareholders	7 March 2014
Latest Time and Date for Receipt of Forms of Proxy	3.30 p.m. on 21 March 2014
Latest Time and Date for Receipt of Crest Proxy Instructions	3.30 p.m on 21 March 2014
General Meeting	3.30 p.m on 25 March 2014
Admission of the First Placing Shares to Trading on AIM	8.00 a.m. on 26 March 2014
Admission of the Second Placing Shares to Trading on AIM	8.00 a.m. on 27 March 2014

PLACING STATISTICS

Existing Ordinary Shares	77,929,576
Placing Shares to be Issued	21,052,632
of which: Number of EIS and VCT Shares	3,493,236
Number of Non-EIS / VCT Shares	17,559,396
Enlarged Share Capital	98,982,208
Percentage of the Enlarged Share Capital Represented by the Placing Shares	21.3 per cent.
Placing Price	57 pence
Gross Proceeds of the Placing	£12.0 million
Net Proceeds of the Placing	£11.5 million
ISIN Code	GB0033278473
SEDOL Code	3327847

Note

Each of the times and dates refer to London time and are subject to change by the Company (with the agreement of N+1 Singer), in which case details of the new times and dates will be notified to the London Stock Exchange and the Company will make an appropriate announcement through a Regulatory Information Service.

DIRECTORS, OFFICERS AND ADVISERS

Directors	John Clarke, <i>Non-Executive Chairman</i> James Barder, <i>Chief Executive</i> Derek Martin, <i>Finance Director and Company Secretary</i> David Davies, <i>Chief Development Officer</i> Jonathan Freeman, <i>Senior Independent Non-Executive Director</i> Lisa Arnold, <i>Non-Executive Director</i>
Registered Office	Surrey Technology Centre 40 Occam Road Surrey Research Park Guildford Surrey GU2 7YG
Nominated Adviser and Broker	N+1 Singer One Bartholomew Lane London EC2N 2AX
Solicitors to the Company	Memery Crystal LLP 44 Southampton Buildings London WC2A 1AP
Solicitors to the Nominated Adviser and Broker	Pinsent Masons LLP 30 Crown Place Earl Street London EC2A 7BA
Registrars	Capita Registrars Limited The Registry 34 Beckenham Road Beckenham Kent BR3 4TU

DEFINITIONS

The following definitions apply throughout this document, unless the context otherwise requires:

“Act”	the Companies Act 2006;
“AIM”	the AIM market of the London Stock Exchange plc;
“AIM Rules”	the AIM Rules for Companies and/or the AIM Rules for Nominated Advisers as applicable, published by the London Stock Exchange;
“Articles”	the articles of association of the Company;
“Business Day”	any day on which banks are generally open in England and Wales for the transaction of business, other than a Saturday, Sunday or public holiday;
“Closing Price”	the closing middle market quotation of an Ordinary Share as derived from the AIM Appendix to the Daily Official List of the London Stock Exchange;
“Company” or “Futura”	Futura Medical plc, a company incorporated in England and Wales with registered number 04206001 with its registered office at Surrey Technology Centre, 40 Occam Road, Surrey Research Park, Guildford, Surrey GU2 7YG;
“CREST”	the computerised settlement system to facilitate transfer of the title to an interest in securities in uncertified form operated by Euroclear UK and Ireland Limited;
“Directors” or “the Board”	the directors of the Company whose names are set out on page 3 of this document;
“EIS”	Enterprise Investment Scheme;
“EIS and VCT Shares”	3,493,236 new Ordinary Shares to be issued to certain Placees under the Placing;
“Enlarged Share Capital”	the 98,982,208 Ordinary Shares in issue on Second Admission, comprising the Existing Ordinary Shares and the New Ordinary Shares;
“Existing Ordinary Shares”	the 77,929,576 Ordinary Shares in issue as at the date of this document;
“First Admission”	admission of the First Placing Shares to trading on AIM;
“First Placing Shares”	the EIS and VCT Shares;
“Form of Proxy”	the form of proxy for use in relation to the General Meeting which accompanies this document;
“General Meeting”	the general meeting of the Company, the details of which are set out in the Notice of General Meeting, to be held at the offices of Buchanan Communications Limited, 107 Cheapside, London EC2V 6DN at 3.30 p.m. on 25 March 2014 (or at any adjournment thereof) to consider the Resolutions;
“Group”	the Company and its subsidiary undertakings;
“HMRC”	Her Majesty’s Revenue and Customs;

“London Stock Exchange”	London Stock Exchange plc;
“New Ordinary Shares”	each of the new Ordinary Shares comprising the Placing Shares;
“N+1 Singer”	Nplus1 Singer Advisory LLP, acting as nominated adviser and broker to the Company in respect of the Placing, and where the context allows, its affiliates;
“Notice of General Meeting”	the notice convening the General Meeting which is set out at the end of this document;
“Ordinary Shares”	the ordinary shares of 0.2 pence each in the capital of the Company;
“Placees”	those persons procured by N+1 Singer acting as agent for the Company who have agreed to subscribe for all or any of the Placing Shares pursuant to the Placing;
“Placing”	the conditional placing by N+1 Singer on behalf of the Company of the Placing Shares at the Placing Price, in accordance with the Placing Agreement;
“Placing Agreement”	the agreement dated 7 March 2014 between the Company and N+1 Singer in relation to the Placing, further details of which are set out in paragraph 5 in the letter from the Chairman;
“Placing Price”	57 pence per New Ordinary Share;
“Placing Resolutions”	Resolutions 1 and 2;
“Placing Shares”	together the First Placing Shares and Second Placing Shares;
“Posting”	the posting of the Circular and form of proxy;
“Regulatory Information Service”	the regulatory information service approved by the London Stock Exchange for the distribution of AIM announcements;
“Resolutions”	the ordinary and special resolutions to be proposed at the General Meeting as set out in the Notice of General Meeting and “Resolution” shall mean any one of them;
“Second Admission”	admission of the Second Placing Shares to trading on AIM;
“Second Placing Shares”	the non-EIS / VCT Shares 17,559,396 new Ordinary Shares to be issued to certain Placees under the Placing;
“Shareholder”	a holder of Ordinary Shares from time to time;
“Uncertificated”	a share or security recorded in the Company’s register of members as being held in uncertificated form, title to which may be transferred by means of CREST; and
“VCT”	Venture Capital Trust.

LETTER FROM THE CHAIRMAN OF FUTURA MEDICAL plc

(A company incorporated in England and Wales with number 04206001)

Directors

John Clarke, *Non-Executive Chairman*
James Barder, *Chief Executive*
Derek Martin, *Finance Director*
David Davies, *Chief Development Officer*
Jonathan Freeman, *Senior Independent Non-Executive Director*
Lisa Arnold, *Non-Executive Director*

Registered Office
Surrey Technology Centre
40 Occam Road
Guildford
Surrey
GU2 7YG

7 March 2014

Placing of 21,052,632 New Ordinary Shares at a Price of 57 pence per New Ordinary Share and Notice of General Meeting

Dear Shareholder

1. Introduction

The Company announced today that it intends to raise £12.0 million (before expenses) through the placing of 21,052,632 New Ordinary Shares at a placing price of 57 pence per Ordinary Share with existing and new institutional investors. The Placing is conditional, *inter alia*, on the passing of the Placing Resolutions by Shareholders at the General Meeting and First Admission and Second Admission. The Placing Price represents a 10.9 per cent. discount to the Closing Price of 64 pence per Ordinary Share on 6 March 2014 (being the last Business Day prior to the announcement of the Placing). N+1 Singer is acting as nominated adviser and broker for the Company in connection with the Placing.

The net proceeds of the Placing will be used by the Group to accelerate the development of the Group's business as described in paragraphs 2 and 4 below.

Currently the Directors have insufficient authorities in place to allot the Placing Shares to the Placees without the need first to offer the Placing Shares to existing Shareholders. Accordingly, the Placing is conditional upon the Company, among other things, obtaining approval from Shareholders to empower the Directors to allot the Placing Shares pursuant to the Placing and to disapply statutory pre-emption rights in respect of such allotment.

The Board believes that raising equity finance using the flexibility provided by a non pre-emptive placing is the most appropriate and optimal structure for the Company at this time. This allows both existing institutional holders and new institutional investors to participate in the Placing and avoids the need for a prospectus which is a costly and time consuming process.

The Placing, which has been arranged on behalf of the Company by N+1 Singer subject to the terms of the Placing Agreement, is therefore conditional, *inter alia*, on the passing of the Placing Resolutions at a general meeting of Shareholders to be held at 3.30 p.m. on 25 March 2014, notice of which appears on pages 12 to 15 of this Document.

I am writing to Shareholders to: (i) explain the background to and the reasons for the Placing, (ii) give notice of the General Meeting to approve the Resolutions required to give effect to the Placing to be held at the offices of Buchanan Communications Limited, 107 Cheapside, London EC2V 6DN at 3.30 p.m. on 25 March 2014, (iii) explain why the Directors recommend that Shareholders vote in favour of the Resolutions to approve the Placing, and (iv) explain the actions you should now take in respect of the General Meeting.

2. Background to and Reasons for the Placing

As stated in the Group's unaudited interim results for the six months to 30 June 2013, the ambition for the Group going forward is to transform it into a revenue generating business at the forefront of topical drug innovation. The Group currently focuses on the development and commercialisation of topically applied products addressing sexual health and pain relief applications.

Sexual Healthcare product portfolio

CSD500

In the second half of 2013, and as announced in December 2013, the Group made significant progress with the award of the CE mark and two further licensing deals for CSD500, the Company's novel condom, an erectogenic condom with a nitrate-based gel incorporated in the teat.

To date, the product has been licensed in North America, key European territories, Scandinavia, the Middle East and North Africa ("MENA") and China.

Church & Dwight Co Inc., whose brands include Trojan[®] condoms, which has rights to CSD500 in North America and key European markets, has been making significant progress in its launch plans, although precise details and timings are commercially sensitive and will not be disclosed. CSD500 is also licensed under Ansell Limited's Jissbon[®] brand in China, RFSU AB in Scandinavia and Saudi Pharmacy Group in MENA. In total, the rights to CSD500 have been licensed in 29 countries to date.

In addition to continuing discussions in connection with licensing the condom in further territories, including South America, Asia and Oceania, Futura also intends to launch CSD500 in at least one mainland European country under a brand-name belonging to Futura and using an established condom distributor in the applicable country.

It is expected that the initial launch of CSD500 will take place during the second half of 2014 in a number of territories within MENA and in at least one European country, and the number of 2014 launch territories will increase pending satisfactory and timely completion of other marketing discussions.

PET500

As announced in January 2014 the commercial launch is underway of PET500, the sexual performance enhancement spray for men under the Ansell Limited LifeStyles[®] range and with the brand name EPIC[®]. PET500 is a topical spray that combines our DermaSys[®] AquaFree delivery system with a well-known mild topical anaesthetic. It is designed to take effect rapidly and to delay male ejaculation, thereby offering enhanced sexual control. Ansell has exclusive worldwide rights to PET500.

MED2002

The third sexual healthcare product currently in development is MED2002, a topical gel for the treatment of men with erectile dysfunction which uses the Group's DermaSys[®] drug delivery system. The Group will be providing an update of its strategy for the commercial development of this product at the date of the release of the 2013 year end results.

Pain Relief product portfolio

The Group currently has three products in development in its pain relief portfolio each using a different compound and all using the DermaSys[®] delivery system. The two new programmes added in 2013 complemented the existing product TPR100, which uses the non-steroidal anti-inflammatory drug ("NSAID") diclofenac as its active ingredient. TIB200 is a topical gel combining the analgesic ibuprofen and SPR300 is a topical gel combining methyl salicylate and menthol.

The pain relief portfolio comprises:

TPR100 - a topical gel containing 1% diclofenac w/w with the DermaSys[®] delivery system. TPR100 has been shown to achieve in excess of eight times higher permeation through human skin and 35 times greater bioavailability than achieved by the UK's best-selling topically applied diclofenac-based pain relief product, Voltarol[®] Emulgel (1% diclofenac w/w).

TIB200 - a topical gel containing 5% ibuprofen w/w with the DermaSys[®] delivery system. TIB200 has been shown to achieve up to 20 times higher permeation through isolated human skin compared with the UK's topically applied ibuprofen-based topical pain relief product, Nurofen[®] (5% ibuprofen w/w).

SPR300 - a topical gel combining methyl salicylate and menthol with the DermaSys[®] delivery system. SPR300 has been shown to achieve up to four times higher permeation and sustained delivery through isolated human skin compared with the UK's topically applied methyl salicylate / menthol-based topical pain relief product, Deep Heat[®].

In addition, SPR300 was directly compared with the best-selling over-the-counter topically applied gels sold in the USA, Icy Hot[®] and Bengay[®], and showed similarly improved permeation rates. It should be noted that the US market differs from the European market in that no NSAIDs are licensed as over-the-counter topically applied pain relief products.

It is not envisaged that any further clinical work will be required to obtain regulatory approval for SPR300 in the USA or Canada. It is therefore intended to move ahead as soon as practicably possible to obtain the necessary regulatory clearances to prepare the product for launch in the USA and Canada.

Further development potential

The Group continues to evolve its science and has established a highly efficient and proprietary transdermal delivery technology, DermaSys[®] and its aqua free variant, for the absorption of active molecules through the skin.

The Group's challenge is now to progress the launch of its products in conjunction with its licensing partners in multiple territories whilst continuing to develop additional products.

While the Group has sufficient cash resources for its near term needs, and retains discretion over a substantial part of its development and other expenditure, the Board believes that the Group requires and would benefit from additional finance to enable it to accelerate its growth strategy.

If the Placing Resolutions are not passed by Shareholders at the General Meeting, the Company could raise a lower amount of funding than proposed under the Placing using existing authorities. In this situation, the Company would continue to invest its cash resources in line with its current plan to commercialise its technology. The Directors believe, however, that the acceleration of these programmes has the potential to enhance shareholder value and are recommending that Shareholders vote to approve the Placing.

3. Current Trading

The Company's announcements of 17 October 2013 regarding the award of the CE mark certificate and 6 December 2013 and 19 December 2013 in relation to building commercial opportunities for CSD500 with two additional licensing agreements in China and Scandinavia respectively increased the number of countries covered to 29. Further announcements will be made as appropriate.

The Group intends to announce its results for the year ended 31 December 2013 on Friday 28 March 2014. It is expected that the Group will report revenue in line with market expectations and a loss before tax of approximately £2.5 million, principally reflecting higher than forecast legal expenditure incurred in securing additional license agreements in December 2013 as referred above.

The Company continues to make good progress in commercial operations with the commercial launch of PET500, as announced on 27 January 2014.

The Company expects to commence revenue generation through royalties in connection with both CSD500 and PET500 in 2014. The Company currently has six products using five different compounds in its pipeline.

The Directors believe that the Placing will allow the Group to continue to fund additional product and commercial development activities whilst building material shareholder value over the longer term by securing sustainable income streams from existing and new applications of its advanced proprietary transdermal technology.

4. Use of Proceeds

The net proceeds raised from the Placing will be used for:

- The continued development of the Company's current business by developing its sexual healthcare and pain relief product portfolios;
- General working capital purposes;
- To fund the clinical work and trials required to expand and develop the pain relief portfolio, expedite the process of bringing MED2002 to market with the potential for greater long term value for the Company; and
- To accelerate the launch of products in additional territories.

5. Information on the Placing

The Company is proposing to raise approximately £12.0 million (before fees and expenses) by way of a placing of 21,052,632 New Ordinary Shares at the Placing Price. The Placing Shares will represent approximately 21.3 per cent. of the Enlarged Share Capital. The Placing Price represents a discount of 10.9 per cent. to the Closing Price of 64 pence per Ordinary Share as at 6 March 2014 (being the last Business Day prior to the announcement of the Placing).

The Placing is being conducted by way of a non pre-emptive share issue. The Directors believe that this is the most cost effective and certain method to raise funds, avoiding the significant costs and uncertainty of a full public offer. The Directors have also sought to diversify the institutional shareholder base which the Placing will enable. The Directors consider that the potential long term value creation benefit to Shareholders arising from the application of the net placing proceeds outweigh the dilutive effects of the Placing.

The Placing Shares will be issued credited as fully paid and will rank in full for all dividends and other distributions declared, made or paid after the admission of the Placing Shares and will otherwise rank on admission *pari passu* in all respects with the Existing Ordinary Shares. The Placing Shares are not being made available to the public and are not being offered or sold in any jurisdiction where it would be unlawful to do so.

The Placing is conditional, *inter alia*, upon:

- (i) the approval of the Placing Resolutions at the General Meeting;
- (ii) the conditions in the Placing Agreement relating to the Placing being satisfied or (if applicable) waived and the Placing Agreement not having being terminated in accordance with its terms prior to First Admission and Second Admission; and
- (iii) First Admission becoming effective by no later than 8.00 a.m. on 26 March 2014 (or such later time and / or date as the Company and N+1 Singer may agree) and Second Admission becoming effective by no later than 8.00 a.m. on 27 March 2014 (or such later time and / or date as the Company and N+1 Singer may agree).

The Placing is to be effected on behalf of the Company by N+1 Singer, under the terms of the Placing Agreement. Completion of the Placing is subject to certain conditions including the passing of the Resolutions 1 and 2. Under the terms of the Placing Agreement, the Company has agreed to pay N+1 Singer, in consideration for its corporate finance and broking services in respect of the Placing, a fixed corporate finance fee and a variable commission fee.

The Placing Agreement contains certain warranties given by the Company with respect to its business and the Group and certain matters connected with the Placing. The Placing may be terminated by N+1 Singer in the event of, *inter alia*, a material breach by the Company of the terms of the Placing Agreement (including the warranties) or a material adverse change in the condition of the Group.

Application will be made to the London Stock Exchange for the Placing Shares to be admitted to trading on AIM. It is expected that First Admission will be effective and trading will commence at 8.00 a.m. on 26 March 2014 and that Second Admission will be effective and trading will commence at 8.00 a.m. on 27 March 2014.

Immediately following Second Admission, the Company will have 98,982,208 Ordinary Shares in issue. Since the Company currently holds no shares in treasury, the total number of voting rights in the Company is therefore 98,982,208 and this figure may therefore be used by Shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change in their interest in, the share capital of the Company under the FCA's Disclosure and Transparency Rules.

6. Notice of General Meeting

Set out on page 12 of this document is a notice convening the General Meeting to be held at the offices of Buchanan Communications Limited, 107 Cheapside, London EC2V 6DN at 3.30 p.m. on 25 March 2014.

The resolutions to be proposed at the General Meeting are as follows:

1. an ordinary resolution to provide the Directors with authority under section 551 of the Act to allot the Placing Shares; and
2. subject to the passing of Resolution 1, a special resolution granting the Directors an authority pursuant to section 571 of the Act to allot the Placing Shares for cash on a non-pre-emptive basis without first having to offer them to existing Shareholders.

In addition, to the resolutions described above the Company is also proposing the following resolutions at the General Meeting:

3. an ordinary resolution to provide the Directors with an authority under section 551 of the Act to allot Ordinary Shares up to a maximum nominal amount of £65,329 (being 33% of the Enlarged Share Capital) up to the conclusion of the annual general meeting of the Company to be held in June 2015 or 30 June 2015 (whichever is earlier); and
4. subject to the passing of Resolution 3, a special resolution granting the Directors an authority pursuant to section 571 of the Act to allot equity shares up to a maximum nominal amount of £19,797 (being 10% of the Enlarged Share Capital) up to the conclusion of the annual general meeting of the Company to be held in June 2015 or 30 June 2015 (whichever is earlier).

Resolutions 3 and 4 above will give the Company flexibility to take advantage of further growth opportunities that may arise.

7. Admission, Settlement and CREST

Applications will be made to the London Stock Exchange for the Admission of the Placing Shares to trading on AIM. It is expected that First Admission will become effective on or around 26 March 2014 and that dealings in the First Placing Shares will commence at that time. It is expected that Second Admission will become effective on or around 27 March 2014 and that dealings in the Second Placing Shares will commence at that time.

The Articles permit the Company to issue shares in uncertificated form. CREST is a computerised paperless share transfer and settlement system which allows shares and other securities to be held in electronic rather than paper form. The Ordinary Shares are already admitted to CREST and therefore the Placing Shares will also be eligible for settlement in CREST. CREST is a voluntary system and Shareholders who wish to retain certificates will be able to do so upon request. The First Placing Shares due to uncertificated holders are expected to be delivered in CREST on 26 March 2014. The Second Placing Shares due to uncertificated holders are expected to be delivered in CREST on 27 March 2014.

8. EIS / VCT Schemes

Clearance has been applied for from HMRC that the Company's business qualifies for EIS relief and is a qualifying business for VCT relief. Although qualifying investors should obtain tax relief on their investments under EIS relief or VCT relief, neither the Company nor the Directors can provide any warranty or guarantee in this regard. Investors must seek independent advice on which they are able to rely.

Neither the Company nor the Directors give any warranties or undertakings that EIS relief or VCT relief, if granted, will not be withdrawn. Investors must take their own advice and rely on it. If the Company carries on activities beyond those disclosed to HMRC, then Shareholders may cease to qualify for the tax benefits.

9. Action to be taken by Shareholders in respect of the General Meeting

Shareholders will find enclosed with this document a Form of Proxy for use at the General Meeting. Whether or not you intend to attend the General Meeting you are strongly encouraged to complete, sign and return the Form of Proxy in accordance with the instructions printed on it to the Company's registered office at Surrey Technology Centre, 40 Occam Road, Guildford, Surrey GU2 7YG as soon as possible, and in any event so as to arrive no later than 3.30 p.m. on 21 March 2014 (or, in the case of an adjournment of the General Meeting, not later than 48 hours before the time fixed for the holding of the adjourned meeting (excluding any part of a day that is not a Business Day)).

If you hold your Ordinary Shares in CREST you may appoint a proxy using the CREST proxy appointment service by following the instructions in note (8) to the Notice of General Meeting. The completion and return of a Form of Proxy, or the electronic appointment of a proxy will not preclude Shareholders from attending the General Meeting and voting in person should they so wish.

10. Recommendation

The Directors believe that the Resolutions to be proposed at the General Meeting are in the best interests of the Company and Shareholders as a whole and unanimously recommend that you vote in favour of the Resolutions as they intend to do in respect of their own beneficial holdings totaling 1,733,593 Ordinary Shares, representing approximately 2.2 per cent. of the issued share capital of the Company as at the date of this document.

Yours faithfully

John Clarke

Non-Executive Chairman

NOTICE OF GENERAL MEETING

FUTURA MEDICAL plc

(A company Incorporated in England and Wales with registration number 04206001)

NOTICE IS HEREBY GIVEN that a general meeting of Futura Medical plc (the “Company”) will be held at the offices of Buchanan Communications Limited, 107 Cheapside, London EC2V 6DN at 3.30 p.m. on 25 March 2014 for the purposes of considering and, if thought fit, passing the following resolutions of which resolutions 1 and 3 will be proposed as ordinary resolutions and resolutions 2 and 4 as special resolutions. In this notice, save as otherwise defined herein, words and defined terms shall have the same meaning as defined terms in the document sent to Shareholders (the “Circular”) to which this notice is attached.

ORDINARY RESOLUTION

1. THAT the Directors be and are generally and unconditionally authorised in accordance with Section 551 of the Companies Act 2006 (the “Act”) to allot shares in the Company (“Shares”) and grant subscription and conversion rights over Shares as contemplated by sections 551(1)(a) and (b) of the Act respectively up to a maximum aggregate nominal amount of £42,106 in connection with the Placing provided that this authority shall expire on 30 June 2014, unless and to the extent that such authority is renewed, varied, revoked or extended prior to such date, except that the Company may before such expiry make an offer or agreement which would or might require relevant securities to be allotted in pursuance of such offer or agreement as if the authority conferred hereby had not expired. This authority is in addition to all previous authorities conferred on the Directors in accordance with section 551 of the Act.

SPECIAL RESOLUTION

2. THAT subject to and conditional upon Resolution 1 above being passed, the Directors be generally empowered to allot equity securities (within the meaning of section 560 of the Act) of the Company for cash pursuant to the authority granted in Resolution 1 above as if section 561(1) of the Act did not apply to any such allotment, provided that this power is limited to the allotment of equity securities with an aggregate nominal amount of £42,106 in connection with the Placing and provided that this power shall expire on 30 June 2014, unless and to the extent that such authority is renewed, varied, revoked or extended prior to such date, except that the Company may at any time before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such an offer or agreement as if this power had not expired. This authority is in addition to all previous authorities conferred on the Directors in accordance with section 570 of the Act.

ORDINARY RESOLUTION

3. THAT the Directors be and are generally and unconditionally authorised in accordance with Section 551 of the Act to allot shares in the Company (“Shares”) and grant subscription and conversion rights over Shares as contemplated by sections 551(1)(a) and (b) of the Act respectively up to a maximum aggregate nominal amount of £65,329 provided that this authority shall expire on the earlier of 30 June 2015 and the conclusion of the annual general meeting of the Company to be held in 2015, unless and to the extent that such authority is renewed, varied, revoked or extended prior to such date, except that the Company may before such expiry make an offer or agreement which would or might require relevant securities to be allotted in pursuance of such offer or agreement as if the authority conferred hereby had not expired. This authority is in addition to the authority conferred on the Directors pursuant to Resolution 1 above, but in substitution for all previous authorities conferred on the Directors in accordance with section 551 of the Act.

SPECIAL RESOLUTION

4. THAT, subject to and conditional upon Resolution 3 above being passed, the Directors be generally empowered to allot equity securities (within the meaning of section 560 of the Act) of the Company for cash pursuant to the authority granted in Resolution 3 above as if section 561(1) of the Act did not apply to any such allotment, provided that this power is limited to the allotment of equity securities:

- 4.1. in connection with an offer of equity securities by way of a Rights Issue; and
4.2. otherwise than pursuant to Resolution 4.1 above, up to an aggregate nominal value of £19,797

provided that this power shall expire on the earlier of 30 June 2015 and the conclusion of the annual general meeting of the Company to be held in 2015, unless and to the extent that such authority is renewed, varied, revoked or extended prior to such date, except that the Company may at any time before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such an offer or agreement as if this power had not expired. This authority is in addition to the authority conferred on the Directors pursuant to Resolution 2 above, but in substitution for all previous authorities conferred on the Directors in accordance with section 570 of the Act.

In this Resolution, Rights Issue means an offer of equity securities open for acceptance for a period fixed by the Directors of the Company to Shareholders on the register on a fixed record date in proportion as nearly as may be to their respective holdings, but subject to such exclusions or other arrangements as the Directors of the Company may deem necessary or expedient to deal with any fractional entitlements or legal or practical difficulties under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory.

7 March 2014

By Order of the Board

Derek Martin

Company Secretary

Registered Office:

Surrey Technology Centre

40 Occam Road

Guildford

Surrey

GU2 7YG

Company No: 04206001

Notes to Notice of General Meeting:

- (1) A Shareholder entitled to attend and vote at the meeting is also entitled to appoint one or more proxies to attend, speak and vote on a show of hands and on a poll instead of him or her. You can only appoint a proxy using the procedures set out in these notes. A proxy need not be a member of the Company but must attend the meeting to represent you. Where a Shareholder appoints more than one proxy, each proxy must be appointed in respect of different shares comprised in his or her shareholding which must be identified on the proxy form. Each such proxy will have the right to vote on a poll in respect of the number of votes attaching to the number of shares in respect of which the proxy has been appointed. Where more than one joint Shareholder purports to appoint a proxy in respect of the same shares, only the appointment by the most senior Shareholder will be accepted as determined by the order in which their names appear in the Company's register of members. If you wish your proxy to speak at the meeting, you should appoint a proxy other than the chairman of the meeting and give your instructions to that proxy. Appointment of a proxy does not preclude you from attending the meeting and voting in person. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.
- (2) A corporation which is a Shareholder may appoint one or more corporate representatives who have one vote each on a show of hands and otherwise may exercise on behalf of the Shareholder all of its powers as a shareholder provided that they do not do so in different ways in respect of the same shares.
- (3) A Form of Proxy is enclosed for use by members. To be valid it should be completed, signed and delivered (together with the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power of authority) to the Company's registered office at Surrey Technology Centre, 40 Occam Road, Guildford, Surrey GU2 7YG, as soon as possible, and in any event so as to arrive no later than 3.30 p.m. on 21 March 2014, within 48 hours before the appointed time (excluding any part of a day that is not a Business Day) for the meeting (or adjourned meeting) at which the person named in the appointment proposes to vote, whether on a show of hands or a poll taken at or within 48 hours after the meeting (or adjourned meeting); or within 24 hours before a poll which is taken more than 48 hours after the day of the meeting (or adjourned meeting). Shareholders who intend to appoint more than one proxy can obtain additional forms of proxy from the Company. Alternatively, the form provided may be photocopied prior to completion. The Forms of Proxy should be returned in the same envelope and each should indicate that it is one or more than one appointments being made.
- (4) To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.

Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact the Company. If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

- (5) In order to revoke a proxy instruction you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment as above. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.

The revocation notice must be received by the Company no later than 3.30 p.m. on 21 March 2014. If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.

- (6) An abstention (or "vote withheld") option has been included on the Form of Proxy and in the available options for electronic proxy voting. The legal effect of choosing the abstention option on any resolution is that the Shareholder concerned will be treated as not having voted on the relevant resolution. The number of votes in respect of which there are abstentions will however be counted and recorded, but disregarded in calculating the number of votes for or against each resolution.
- (7) In accordance with Regulation 41 of the Uncertificated Securities Regulations 2001 (as amended), the Company specifies that only those Shareholders registered in the register of members of the Company as at 6.00 p.m. on 21 March 2014 or, in the event that the meeting is adjourned, in such register not later than 6.00 p.m. two days (excluding any part of a day that is not a Business Day) prior to the adjourned meeting, shall be entitled to attend, or vote (whether in person or by proxy) at the meeting in respect of the number of shares registered in their names at the relevant time. Changes after the relevant time will be disregarded in determining the rights of any person to attend or vote at the meeting.
- (8) CREST members who wish to appoint a proxy or proxies by using the CREST electronic proxy appointment service may do so by utilising the procedures described in the CREST Manual. The message, (a CREST proxy instruction) must be properly authenticated in accordance with the specifications of Euroclear UK & Ireland Limited ("EUI") and must contain the information required for such instructions, as described in the CREST manual. The message, regardless of whether it relates to the appointment of a proxy or to an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the Company's agent (ID RA10) not later than the time stated in note (3) above. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Applications Host) from which the Company's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by EUI.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST proxy instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider takes) such action as shall be necessary to ensure that a message is transmitted by any particular time. Reference should be made to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST proxy instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

- (9) As at 6.00 p.m on 6 March 2014, (being the last Business Day prior to the publication of this Notice of General Meeting) the Company's issued share capital comprised 77,929,576 ordinary shares of 0.2 pence each. Each ordinary share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at 6.00 p.m on 6 March 2014 was 77,929,576 ordinary shares.