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If you have sold or otherwise transferred all of your Existing Ordinary Shares, please send this document as soon as possible to the purchaser or transferee, or to the stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee. If you have sold or otherwise transferred some (but not all) of your Existing Ordinary Shares, please retain these documents and consult the stockbroker or other agent through whom the sale or transfer was effected. You will not receive a form of proxy for the General Meeting in the post. Instead, you will receive instructions to enable you to vote electronically and how to register to do so. You will still be able to vote in person at the General Meeting, and may request a hard copy form of proxy directly from the registrar, Link Asset Services, on tel: 0371 664 0300.

This document does not constitute a prospectus for the purposes of the Prospectus Rules of the Financial Conduct Authority nor does it comprise an admission document prepared in accordance with the AIM Rules. Accordingly, this document has not been approved by or filed with the Financial Conduct Authority, London Stock Exchange plc or any other regulatory authority. This document does not constitute or form part of any offer or invitation to sell or issue, or a solicitation of any offer to acquire, purchase or subscribe for, the subscription.

Application will be made to London Stock Exchange plc for the Subscription Shares and the PrimaryBid Shares to be admitted to trading on AIM. It is expected that Admission will occur and dealings will commence at 8.00 a.m. on 20 January 2020. The Subscription Shares and PrimaryBid Shares will, when issued, rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive all dividends or other distributions declared, made or paid on or after they are issued.

Futura Medical plc

(Incorporated and registered in England and Wales with company number 04206001)

Fundraising of approximately £3.25 million by way of Subscription and PrimaryBid Offer

and

Notice of General Meeting

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

This document should be read in its entirety. Your attention is also drawn to the letter from the Chairman set out in Part I of this document recommending you vote in favour of the Resolutions to be proposed at the General Meeting which is referred to below. You should read the whole of this document carefully including the risk factors set out in Part II of this document. Capitalised words and phrases used in this document shall have the meanings given to them in definitions section of this document.

Market soundings, as defined in the Market Abuse Regulation (EU No. 596/2014) ("**MAR**"), were taken in respect of the Subscription with the result that certain persons became aware of inside information, as permitted by MAR. That inside information was set out in the announcement of the Fundraising dated 20 December 2019 and in this document and has been

disclosed as soon as possible in accordance with paragraph 7 of article 17 of MAR. Therefore, those persons who received information in a market sounding are no longer in possession of inside information relating to the Company and its securities.

Notice convening the General Meeting of the Company to be held at the offices of Futura Medical plc, Surrey Technology Centre, 40 Occam Road, Guildford, Surrey GU2 7YG, on 17 January 2020 at 11:00 a.m. is set out in Part II of this document. Any form of proxy for use in connection with the General Meeting should be completed by Shareholders and returned as soon as possible but, in any event, so as to be received by the Registrars, Link Asset Services, PXS, 34 Beckenham Road, Beckenham, Kent, BR3 4ZF no later than 11:00 a.m. on 15 January 2020 (or, in the case of an adjournment of the General Meeting, not later than 48 hours (excluding any part of a day that is not a working day) before the time fixed for the holding of the adjourned meeting). Alternatively, Shareholders who hold their shares in uncertificated form may use the CREST electronic proxy appointment service. In order for a proxy appointment made using the CREST service to be valid, the appropriate CREST message must be properly authenticated and contain the information required for such instructions as described in the CREST Manual. The message must be transmitted so as to be received by the Company's registrars, Link Asset Services, PXS, 34 Beckenham Road, Beckenham, Kent, BR3 4ZF (ID RA10), by no later than 11:00 a.m. on 14 January 2020. The return of a completed form of proxy, electronic filing, or appointment of proxy through CREST will not preclude Shareholders from attending and voting in person at the General Meeting should they wish to do so.

Liberum Capital Limited, which is authorised and regulated by the Financial Conduct Authority and is a member of the London Stock Exchange (together with its associates, "Liberum"), is acting as nominated adviser and broker to the Company and no one else in connection with the matters referred to in this document. Liberum is not acting for the Company in relation to the PrimaryBid Offer. 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 or warranty, express or implied, is made by Liberum as to any of the contents of this document, for which the Company is responsible (without limiting the statutory rights of any person to whom this document is issued). Liberum has not authorised the contents of, or any part of, this document, and no liability whatsoever is accepted by Liberum for the accuracy of information or opinions contained in this document or for the omission of any material information. Liberum will not be offering advice and will not otherwise be responsible for providing customer protections to recipients of this document in respect of the matters referred to in this document.

Apart from the responsibilities and liabilities, if any, which may be imposed on Liberum by FSMA or the regulatory regime established thereunder, Liberum does not accept any responsibility whatsoever for the contents of this document, including its accuracy, completeness or verification or for any other statement made or purported to be made by it, or on its behalf, in connection with the Company or the Fundraising. Liberum accordingly disclaims all and any liability whether arising in tort, contract or otherwise (save as referred to above) in respect of this document or any such statement.

The distribution of this document in certain jurisdictions may be restricted by law. Accordingly, this document must not be distributed or published in any jurisdiction except under circumstances that will result in full compliance with any applicable laws and regulations. Persons outside of the UK into whose possession this document comes should inform themselves about and observe any such restrictions.

None of the Subscription Shares nor the PrimaryBid Shares have been approved or disapproved by the U.S. Securities and Exchange Commission, any state securities commission in the United States or any other United States regulatory authority, nor have the foregoing authorities passed upon or endorsed the merits of the Subscription or the accuracy or adequacy of this document. Any representation to the contrary is a criminal offence in the United States.

NONE OF THE SUBSCRIPTION SHARES NOR THE PRIMARYBID SHARES HAVE BEEN REGISTERED AND WILL NOT BE REGISTERED UNDER THE US SECURITIES ACT, OR ANY STATE SECURITIES LAWS, AND MAY NOT BE OFFERED OR SOLD WITHIN THE US OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, US PERSONS EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE US SECURITIES ACT AND SUCH OTHER APPLICABLE STATE SECURITIES LAWS. ACCORDINGLY, THE SUBSCRIPTION SHARES AND PRIMARYBID SHARES MAY BE OFFERED AND SOLD ONLY (I) OUTSIDE OF THE UNITED STATES IN RELIANCE UPON REGULATIONS UNDER THE US SECURITIES ACT IN OFFSHORE TRANSACTIONS OR (II) TO "ACCREDITED INVESTORS" AS DEFINED IN RULE 501(A) OF REGULATION D OF THE US SECURITIES ACT, IN RELIANCE ON AN EXEMPTION FROM, OR A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE US SECURITIES ACT.

FORWARD LOOKING STATEMENTS

This document includes forward looking statements (that is, statements other than statements of historical facts), including (without limitation) those regarding the Group's financial position, business strategy, plans and objectives of management for future operations, and any statement preceded or followed by, or including, words such as "target", "believe", "expect", "aim", "intend", "will", "may", "anticipate", "would" or "could", or negatives of such words. Such forward looking statements involve known and unknown risks, uncertainties and other factors beyond the Group's control, which could cause the actual results, performance or achievements of the Company to be materially different to future results, performance or achievements expressed or implied by such statements. Such forward looking statements are based on numerous assumptions regarding the Group's present and future business strategies and the environment in which the Group will operate in the future. They speak only as at the date of this document. The Company expressly disclaims any obligation to disseminate any update or revision to any forward looking statement in this document to reflect any change in the Company's expectations or any change in events, conditions or circumstances on which any such statement is based, unless required to do so by applicable law or the AIM Rules.

Copies of this document will be available free of charge from the Company's registered office during normal business hours on each day (excluding Saturday, Sunday and public holidays) from the date hereof until the date of the General Meeting. Copies will also be available from the Company's website at www.futuramedical.com.

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DIRECTORS AND ADVISERS

Directors

John Clarke – Non-Executive Chairman
James Barder – Chief Executive Officer
Angela Hildreth – Finance Director and Chief Operating Officer
Ken James – Executive Director and Head of R&D
Jonathan Freeman – Senior Independent Non-Executive Director

Company Secretary

Angela Hildreth

Registered Office

Surrey Technology Centre
40 Occam Road
Guildford
Surrey GU2 7YG

Nominated Adviser and Broker

Liberum Capital Limited
25 Ropemaker Street
London EC2Y 9LY

Solicitors to the Company

Covington & Burling LLP
265 Strand
London WC2R 1BH

Registrars

Link Asset Services
The Registry
34 Beckenham Road
Beckenham
Kent BR3 4TU

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Launch of the Fundraising	4:30 p.m. on 20 December 2019
PrimaryBid Offer open from	4:31 p.m. on 20 December 2019
PrimaryBid Offer closed at	approximately 2:30 p.m. on 22 December 2019
Announcement of the result of the Fundraising	23 December 2019
Publication and posting of the this document and Notice of General Meeting	24 December 2019
Deadline for CREST proxy appointment	11:00 a.m. on 14 January 2020
Deadline for return of completed form of proxy or electronic filing	11:00 a.m. on 15 January 2020
General Meeting	11:00 a.m. on 17 January 2020
Results of the General Meeting announced	17 January 2020
Admission of Subscription Shares and PrimaryBid Shares to trading on AIM and commencement of dealings	8 a.m. on 20 January 2020
CREST accounts to be credited for Subscription Shares to be held in uncertificated form	8 a.m. on 20 January 2020
Dispatch of definitive share certificates for Subscription Shares and PrimaryBid Shares to be held in certificated form	by 27 January 2020

All references to time in this document are to London time, unless otherwise stated

KEY STATISTICS

Issue Price	8 pence
Number of Existing Ordinary Shares in issue at the date of this document	204,660,267
Number of Subscription Shares	21,875,000
Number of PrimaryBid Shares	18,750,000
Number of Fundraising Shares	40,625,000
Gross proceeds receivable by the Company pursuant to the Subscription & the PrimaryBid Offer	approximately £3.25 million
Estimated cash proceeds of the Fundraising receivable by the Company (net of expenses)	approximately £3.0 million
Number of Ordinary Shares in issue immediately following Admission	245,285,267
Percentage of the Enlarged Share Capital represented by the Subscription Shares and PrimaryBid Shares	16.6 per cent
Approximate market capitalisation of the Company at Admission at the Issue Price	£19.6 million
Ordinary Share ISIN	GB0033278473
SEDOL	3327847

Notes:

- (a) Unless otherwise specified, references in this document to time are to UK Time.
- (b) The times and dates above are indicative only. If there is any change, revised times and dates will be notified to Shareholders by means of an announcement through a Regulatory Information Service.
- (c) All references in this document to "pounds sterling", "sterling", "£", "pence" or "p" are to the lawful currency of the United Kingdom.

DEFINITIONS

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

"Admission"	the admission of the Subscription Shares, and the PrimaryBid Shares to trading on AIM becoming effective in accordance with the AIM Rules
"AIM"	the market of that name operated by the London Stock Exchange
"AIM Rules"	the AIM Rules for Companies, as published by the London Stock Exchange, as amended from time to time
"Announcement"	the announcement released by the Company on 20 December 2019, relating to the Fundraising and the publication of this document
"Board"	the board of directors of the Company
"certificated" or "in certificated form"	an Ordinary Share which is not in uncertificated form (that is, not in CREST)
"Closing Price"	the closing middle market quotation of an Ordinary Share
"Company" or "Futura Medical"	Futura Medical plc, a public limited company (incorporated and registered in England and Wales with registered number 04206001) whose registered office is at Surrey Technology Centre, 40 Occam Road, Guildford, Surrey GU2 7YG
"Companies Act"	the Companies Act 2006 as amended
"CREST"	the computerised settlement system operated by Euroclear which facilitates the transferring of title to shares in uncertificated form
"CREST Manual"	the CREST Manual, as published by Euroclear, as amended
"CREST Sponsor"	a direct member of CREST under the Regulations
"CREST Regulations"	the Uncertificated Securities Regulations 2001 (SI 2001 No. 2001/3755), as amended
"Directors"	the directors of the Company whose names are set out in this document
"Enlarged Share Capital"	the 245,285,267 Ordinary Shares in issue on Admission, including the Subscription Shares and the PrimaryBid Shares
"Euroclear"	Euroclear UK & Ireland Limited
"Existing Ordinary Shares"	the 204,660,267 Ordinary Shares in issue as at the date of this document
"FCA"	the Financial Conduct Authority
"FSMA"	the Financial Services and Markets Act 2000, as amended
"Fundraising"	the Subscription and the PrimaryBid Offer
"Fundraising Shares"	the new Ordinary Shares made available pursuant to the Subscription and the PrimaryBid Offer
"General Meeting"	the general meeting of the Company to be held at the offices of Futura Medical plc at Surrey Technology Centre, 40 Occam Road, Guildford, Surrey GU2 7YG at 11:00 a.m. on 17 January 2020, or any adjournment thereof, notice of which is set out in part II of this document
"Group"	the Company and its subsidiary undertakings (as defined in the Companies Act)
"Issue Price"	8 pence per Subscription Share or PrimaryBid Share (as the case may be)
"Liberum"	Liberum Capital Limited (registered in England and Wales with registered number 5912554) whose registered office is at 25 Ropemaker Street, London, EC2Y 9LY, and which is authorised and regulated by the FCA with

	reference number 465050, acting together with its associates as the Company's nominated adviser and broker
"Link Asset Services"	a trading name of Link Market Services Limited
"London Stock Exchange"	London Stock Exchange plc
"MAR"	the Market Abuse Regulation (EU/596/2014)
"Notice"	the notice of General Meeting set out at the end of this document
"Ordinary Shares"	the ordinary shares of 0.2 pence each in the capital of the Company
"Subscription"	the conditional subscription for the Subscription Shares at the Issue Price pursuant to the Subscription Agreement
"Subscription Agreement"	the subscription agreement entered into between the Company and Lombard Odier Asset Management (Europe) Limited ("LOAME") acting in its capacity as discretionary investment manager or sub-adviser for and on behalf of certain funds and accounts managed by it and/or as agent of Lombard Odier Asset Management (USA) Corp ("LOAM USA") acting in its capacity as discretionary investment manager for and on behalf of certain funds and accounts managed by it, it being understood that LOAME and LOAM USA are acting as an agent and not as principal, on or about the date of this announcement, pursuant to which LOAME/LOAM USA (as applicable) has agreed to subscribe for 21,875,000 new Ordinary Shares and 18,750,000 Clawback Shares on the terms and conditions set out therein
"Subscription Shares"	21,875,000 new Ordinary Shares to be issued in connection with the Subscription
"PrimaryBid"	PrimaryBid Limited (registered in England and Wales with registered number 08092575) whose registered office is at 21 Albemarle Street, London, W1S 4BS, and which is authorised and regulated by the FCA with reference number 779021
"PrimaryBid Offer"	The PrimaryBid offer of new Ordinary Shares made to private and other investors on the PrimaryBid platform
"PrimaryBid Shares"	18,750,000 new Ordinary Shares to be issued in connection with the PrimaryBid Offer
"Prospectus Rules"	the prospectus rules made by the Financial Conduct Authority
"Registrars" or "Link Asset Services"	Link Asset Services, PXS, 34 Beckenham Road, Beckenham, Kent, BR3 4TU
"Regulations"	the UK Uncertificated Securities Regulations 2001 (SI 2001/3755), as amended
"Regulatory Information Service"	a service approved by the FCA for the distribution to the public of regulatory announcements and included within the list maintained on the FCA's website, http://www.fca.org.uk/
"Resolutions"	the resolutions to be proposed at the General Meeting as set out in the Notice
"Shareholders"	holders from time to time of Ordinary Shares
"uncertificated" or "in uncertificated form"	recorded on a register of securities maintained by Euroclear in accordance with the CREST Regulations as being in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST
"United Kingdom" or "UK"	the United Kingdom of Great Britain and Northern Ireland

PART I

LETTER FROM THE CHAIRMAN

Futura Medical plc

(Registered in England and Wales with company number 04206001)

Directors:

John Clarke – Non-Executive Chairman
James Barder – Chief Executive Officer
Angela Hildreth – Finance Director and Chief Operating Officer
Ken James – Executive Director and Head of R&D
Jonathan Freeman – Senior Independent Non-Executive Director

Registered Office:

Surrey Technology Centre
40 Occam Road
Guildford
Surrey
GU2 7YG

To holders of Ordinary Shares in the Company and, for information only, to holders of share options

24 December 2019

Dear Shareholder,

**Fundraising of approximately £3.25 million
by way of Subscription and PrimaryBid Offer
and Notice of General Meeting**

1. Introduction

The Company announced on 23 December 2019 that it has conditionally raised £3.25 million before fees and expenses by a Subscription and PrimaryBid Offer with certain existing institutional and other investors. The Issue Price of 8 pence represents a 25.58 per cent. discount to the Closing Price of 10.75 pence on 19 December 2019, being the latest practicable date prior to the announcement of the Fundraising.

Completion of the Fundraising is conditional, *inter alia*, upon Shareholder approval of the Resolutions to be proposed at a general meeting of the Company, expected to be held at the offices of Futura Medical plc at Surrey Technology Centre, 40 Occam Road, Guildford, Surrey GU2 7YG at 11:00 a.m. on 17 January 2020.

The purpose of this document is to provide you with information about the background to and the reasons for the Fundraising, to explain why the Board considers the Fundraising to be in the best interests of the Company and its Shareholders as a whole and why the Directors unanimously recommend that you vote in favour of the Resolutions to be proposed at the General Meeting.

As highlighted in previous announcements, the Company requires further funding. It is likely that failure to pass the Resolutions would lead to the Company being unable to progress with its plans to gain regulatory approval of DermalSys as a clinically proven treatment for Erectile Dysfunction, as a medical device and could ultimately result in the Company agreeing a commercial deal on less attractive terms than would otherwise be the case, assuming that sufficient alternative funding would not be available.

The Directors intend to vote in favour of the Resolutions in respect of their legal and/or beneficial shareholdings amounting, in aggregate, to 1,757,677 Ordinary Shares representing approximately 0.9 per cent. of the issued share capital of the Company as at the date of this document.

2. Corporate Update and background to and reasons for the Fundraising

As previously announced, top line results from the MED2005 Phase 3 study (FM57) showed that all arms met all primary endpoints against baseline, showing strong efficacy, excellent safety, rapid speed of onset. These results give us the confidence that DermaSys® has the potential to be a highly effective, clinically proven, topical treatment for erectile dysfunction.

DermaSys® Regulatory Pathway

As DermaSys® alone, without the inclusion of GTN has been shown, in the Board's view, to be a highly effective and safe treatment for ED, Futura now plans to pursue the medical device regulatory pathway for its proprietary transdermal formulation DermaSys® in the US and Europe. Classed as a medical device rather than a pharmacological treatment Futura believes this will enable DermaSys® to have the same clinically proven medical claims as a pharmaceutical drug but will result in a simpler, and potentially faster regulatory pathway for DermaSys®. Initial company assessments indicate that the bar for clinical evidence may already be met; although small studies may be required, especially in the case of the USA. These regulatory positions are the consensus from a number of regulatory experts consulted by Futura, nevertheless the Company will be meeting with respective regulators ahead of regulatory filings. Futura anticipates filing in Europe by mid-2020 and potentially a similar timing for the USA although this will depend on whether no further studies are required by US regulators.

The efficacy of the DermaSys® product has shown in the recent Phase 3 study, efficacy approaching the level of current oral first line therapies for the treatment of erectile dysfunction but with a rapid speed of onset and significantly lower adverse events. Moreover, with the lack of drug interactions with other prescription products will, we believe, enable DermaSys® to be used with other medications such as nitrates and other cardiovascular drugs. The Board believes DermaSys® represents a broader overall commercial opportunity than previously envisaged in a global market for erectile dysfunction worth in excess of \$5 billion.

FM57 Top line results

Futura presented top line data from the 1,000 patient Phase 3 study (FM57) on 10 December 2019. Results demonstrated that all four doses of MED2005 (DermaSys®, DermaSys® with 0.2% Glyceryl Trinitrate (GTN), DermaSys® with 0.4% GTN and DermaSys® with 0.6% GTN) achieved all primary endpoints when assessed against baseline, although no differences were noted between the four treatment groups. DermaSys® alone, without the inclusion of GTN, has a significant clinical effect in over 60% of patients and therefore, the Board believes, is a potent and effective treatment across the three severities of ED. Over 60% of patients also saw a speed of onset within 10 minutes of application, substantially faster than sildenafil with significant benefits for spontaneous rather than pre-planned sexual intercourse.

DermaSys® was used as the placebo arm following regulatory requirements to have a placebo as near as possible to the active product. The side-effect profile of the four different treatment doses saw an extremely low adverse event profile with the DermaSys® formulation (without GTN) and an increasing, but acceptable adverse event profile with the DermaSys® formulation with the 0.2%, 0.4% and 0.6% GTN doses respectively. This supports the Company's strong belief that there was no formulation or administration error in the product labelling for patients and this is further endorsed by quality control checks which were carried out throughout the study on product supplied to patients.

Aside from the potential opportunity a fast acting clinically proven treatment for ED represents, the Board also believes there is a further incremental commercial opportunity for DermaSys®, providing a clinically proven treatment to patients currently contraindicated from using existing medications such as nitrates and alpha blockers and believe DermaSys® could also be used in combination with other ED therapies such as the PDE5s. The Company has filed a new patent application which has the potential, if successful, to extend protection until 2039.

DermaSys®

DermaSys® is a proprietary patented drug delivery technology platform offering clear product differentiation compared to existing marketed treatments. It is a clear, odourless gel that provides rapid and targeted local delivery to the required site of action.

The Board now believes that DermaSys®, when applied to the head of the penis, triggers both mechanical (massage) and physical effects whereby the evaporation of the volatile components in DermaSys create a sensory stimulation effect.

3. Use of proceeds of the Fundraising

The Company is proposing to raise gross proceeds of £3.25 million (net £3.0 million) from the Subscription and PrimaryBid Offer. The net proceeds (after deducting the costs and expenses of the Fundraising), along with the Company's existing cash resources, are intended to be used to fund working capital to allow the Company to pursue a medical device regulatory pathway for DermaSys®.

The Company's cash balance totalled £2.96 million as at 30 November 2019. In addition to existing cash, the net proceeds of the fundraise are expected to be utilised as follows:

- Fund the R&D programme
 - Close out costs relating to FM57 study
 - Regulatory advisory and filings costs relating to the revised Medical Device pathway for DermaSys® as a treatment for ED
- Group Working Capital
- Ongoing costs related with patent renewals and maintenance across all product portfolio

The Board believe that further significant clinical cost will not be required in relation to EU approval based on their past experience of obtaining EU medical device approval. The Board also believes that further significant clinical cost will not be required in relation to US approval, but this cannot be confirmed until a formal meeting with the FDA has been held. The Company believes that this meeting will be held by the end of Q1 2020.

Should further clinical work be required before submission can be made to the appropriate regulators, the existing cash balances along with proceeds raised from the Fundraising will not be sufficient to complete this work. In the event that further clinical work is required, the Board continues to assess non-dilutory funding options, including funding from potential commercial partners as a result of upfront licensing fees or as part of an overall out-licence agreement.

As a result of the Fundraising, and assuming receipt by the Company of its expected levels of tax credits, the Board believe that the Company will now have sufficient working capital for at least 12 months from the date of this announcement and will enable the Company to proceed with its plans to have DermaSys® approved as a medical device.

4. Terms of the Subscription and PrimaryBid Offer

The Company has conditionally raised approximately £3.25 million before expenses pursuant to the Subscription and PrimaryBid Offer. The Issue Price represents a discount of approximately 25.58 per cent. to the Closing Price on 19 December 2019, being the latest practicable date prior to the announcement of the Subscription and the PrimaryBid Offer.

Existing Investor Lombard Odier subscribed for 21,875,000 Investor Subscription Shares (representing an aggregate investment of £1.75 million). Lombard Odier also agreed to subscribe for 18,750,000 shares under the PrimaryBid Offer, and this initial subscription was clawed back in full to meet accepted applications under the PrimaryBid Offer. The PrimaryBid Offer took place between 4:31p.m. on 20 December 2019 and approximately 2:30 p.m. on 22 December 2019 (due to high demand the PrimaryBid Offer was oversubscribed and closed early) and was made in accordance with an available exemption against the requirement to produce an FCA approved prospectus.

Subject to the satisfaction of the conditions under the Subscription and PrimaryBid Offer including, *inter alia*, the passing of the Resolutions, the Company will issue 40,625,000 new Ordinary Shares in aggregate at the Issue Price, thereby raising approximately £3.25 million, before expenses, and approximately £3.0 million, after the expenses of the Subscription and PrimaryBid Offer. The Subscription Shares, and PrimaryBid Shares issued pursuant to the Subscription will represent approximately 16.6 per cent. of the Enlarged Share Capital on Admission.

In relation to its participation in the Subscription, Lombard Odier will be issued 10,937,500 warrants to subscribe for further new Ordinary Shares at a price of 40 pence per share, a 400% premium to the Issue Price, exercisable until the fifth anniversary of their issue (the "Warrants"). The Warrants will be issued at a ratio of one warrant for every two shares subscribed in respect of the Investor Subscription Shares, subject to the Company being granted sufficient headroom to issue Ordinary Shares at the forthcoming General Meeting.

The Subscription and the PrimaryBid Offer are conditional, *inter alia*, upon:

- the Resolutions being passed at the General Meeting or any adjournment thereof by no later than 5:30 p.m. on 17 January 2020;
- the warranties given under the Subscription Agreement being and remaining accurate and not misleading until Admission;
- the Company having complied in all material respects with its obligations and having satisfied the conditions under the Subscription Agreement which are to be performed or satisfied prior to Admission; and
- Admission taking place by no later than 8.00 a.m. on or around 31 January 2020 (or such later date as the Company may agree with Liberum).

If any of the conditions are not satisfied, the Subscription Shares and the PrimaryBid Shares will not be issued and any monies received from subscribers will be returned to them (at the and subscribers' risk and without interest) as soon as possible thereafter. The PrimaryBid Offer will not be completed without the Subscription also being completed.

In relation to the PrimaryBid Offer only in the event of any conflict between the incorporated contractual conditions which apply to the Subscription and the further conditions of PrimaryBid, the contractual conditions which apply to the Subscription will prevail.

The Subscription Agreement contains customary warranties given by the Company to Lombard Odier as to matters relating to the Company and its business and as to matters relevant to the Company and customary rights of termination which could enable Lombard Odier to terminate the Subscription in certain limited circumstances.

No element of the Fundraising was underwritten by Liberum. The Company has agreed to pay certain advisory fees and commissions to Liberum in connection with the Fundraising, a commitment fee to Lombard Odier in connection with its participation in the Subscription and PrimaryBid Offer, and to PrimaryBid in connection with the PrimaryBid Offer.

Application will be made to the London Stock Exchange for the Subscription Shares and the PrimaryBid Shares to be admitted to trading on AIM. Subject to passing of the Resolutions, it is expected that Admission will become effective and that dealings in the Subscription Shares and the PrimaryBid Shares will commence on or around 20 January 2019. The Subscription Shares and the PrimaryBid Shares will when issued, be credited as fully paid and will rank equally in all respects with the Existing Ordinary Shares already in issue, including the right to receive all dividends and other distributions declared, made or paid in respect of such shares after the date of issue of the Subscription Shares and the PrimaryBid Shares.

5. Director participation in the PrimaryBid Offer and related party transaction

James Barder, Chief Executive Offer, has agreed to subscribe for PrimaryBid Shares. The number of PrimaryBid Shares subscribed for by him pursuant to the PrimaryBid Offer, and his resulting shareholding on Admission, are set out below:

	<i>Number of Existing Ordinary Shares</i>	<i>Percentage of existing issued share capital</i>	<i>Number of Subscription Shares subscribed for</i>	<i>Number of Ordinary Shares held following Admission</i>	<i>Percentage of Enlarged Share Capital following Admission</i>
James Barder	1,085,972*	0.53%	125,000	1,210,972	0.49%

*beneficial and non-beneficial holding. James Barder also holds options over 1,750,000 Ordinary Shares.

Where a company enters into a related party transaction, under the AIM Rules the independent directors of the company are required, after consulting with the Company's nominated adviser, to state whether, in their opinion, the transaction is fair and reasonable in so far as its shareholders are concerned.

James Barder, by virtue of being a director of the Company, is considered to be a "related party" as defined under the AIM Rules. James Barder's participation in the PrimaryBid Offer constitutes a related party transaction for the purposes of rule 13 of the AIM Rules.

The Independent Directors (being all the Directors with the exception of James Barder, who is participating in the PrimaryBid Offer) consider, having consulted with the Company's nominated adviser, Liberum, that the terms of James Barder's participation in the PrimaryBid Offer is fair and reasonable insofar as the Shareholders are concerned.

6. Substantial Shareholder and related party transaction

The following existing substantial Shareholders will be participating in the Subscription:

	<i>Number of Existing Ordinary Shares</i>	<i>Percentage of existing issued share capital</i>	<i>Number of Subscription Shares subscribed for</i>	<i>Number of Ordinary Shares held following Admission</i>	<i>Percentage of Enlarged Share Capital following Admission</i>
Lombard Odier	25,489,477	12.45%	21,875,000	47,364,477	19.31%

Where a company enters into a related party transaction, under the AIM Rules the independent directors of the company are required, after consulting with the Company's nominated adviser, to state whether, in their opinion, the transaction is fair and reasonable in so far as its shareholders are concerned.

Lombard Odier Asset Management (Europe) Limited ("Lombard Odier") by virtue of being a substantial shareholder is considered to be "related party" as defined under the AIM Rules. Lombard Odier's participation in the Subscription and PrimaryBid Offer constitutes a related party transaction for the purposes of rule 13 of the AIM Rules.

The Directors consider, having consulted with the Company's nominated adviser, Liberum, that the terms of Lombard Odier's participation in the Subscription and PrimaryBid Offer is fair and reasonable insofar as the Shareholders are concerned.

7. Admission and dealings

Application will be made to the London Stock Exchange for the Subscription Shares, and PrimaryBid Shares to be admitted to trading on AIM. It is expected that, subject to the passing of the Resolutions at the General Meeting, Admission of the Subscription Shares and PrimaryBid Shares will occur and dealings will commence at 8.00 a.m. on 20 January 2020 (or such later date as Liberum and the Company may agree, being not later than 8.00 a.m. on 31 January 2020

8. General Meeting

You will find in Part II of this document the Notice convening the General Meeting to be held at the offices of Futura Medical plc at Surrey Technology Centre, 40 Occam Road, Guildford, Surrey GU2 7YG on 17 January 2020 at 11:00 a.m. to consider and, if thought appropriate, pass the following resolutions:

- Resolution 1 which is an ordinary resolution to authorise the Directors to allot relevant securities up to an aggregate nominal amount of £103,125 comprising:
 - (i) an aggregate nominal amount of £65,625 pursuant to the Subscription (for the avoidance of doubt, such amount to include the aggregate nominal value of the Warrants to be issued in connection thereto); and
 - (ii) up to an aggregate nominal amount of £37,500 pursuant to the PrimaryBid Offer.
- Resolution 2 which is a special resolution and is conditional on the passing of resolution 1, to dis-apply pre-emption rights and authorise the Directors to issue and allot up to an aggregate nominal amount of £103,125 as referred to in resolution 1.
- Resolution 3 which is an ordinary resolution and conditional on the passing of resolutions 1 and 2 to authorise the Directors authority to allot relevant securities up to an aggregate nominal amount of £135,075.

- Resolution 4 which is a special resolution and is conditional on the passing of resolutions 1,2 and 3, to dis-apply pre-emption rights and authorise the Directors to issue and allot up to an aggregate nominal amount of £20,466 on a non-pre-emptive basis.
- Resolution 5 which is a special resolution and is conditional on the passing of resolutions 1,2, 3 and 4, to dis-apply pre-emption rights and authorise the Directors to issue and allot up to an aggregate nominal amount of a further £20,466 on a non-pre-emptive basis in certain limited circumstances.

The Resolutions will expire on the earlier of at the conclusion of the 2020 annual general meeting of the Company and 30 September 2020. The Directors have no present intention to exercise the powers referred to in resolutions 4 and 5 to issue up to 5 per cent. of the Enlarged Share Capital for cash on a non-pre-emptive basis, but they consider having them in place is necessary to retain flexibility.

Resolutions 1 and 3 will be proposed as an ordinary resolution. For an ordinary resolution to be passed, more than half of the votes cast must be in favour of the resolution.

Resolutions 2, 4 and 5 will be proposed as a special resolution. For a special resolution to be passed, at least three quarters of the votes cast must be in favour of the resolution.

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

You can vote in respect of your shareholding by attending the General Meeting or by appointing one or more proxies to attend the General Meeting and vote on your behalf. If you appoint a proxy, you may still attend and vote at the General Meeting in person should you decide to do so.

Whether or not you propose to attend the General Meeting in person, you are requested to appoint a proxy who will be able to vote for you if you are prevented from attending.

You can vote either:

- online, by logging on to www.signalshares.com and following the instructions;
- by requesting a hard copy form of proxy directly from the registrars, Link Asset Services by calling tel: 0371 664 0391. Calls cost 12p per minute plus your phone company's access charge. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 09:00 - 17:30, Monday to Friday excluding public holidays in England and Wales;
- using the CREST electronic proxy appointment service (for CREST members only).

In order for a proxy appointment to be valid, a proxy instruction must be completed. In each case the proxy instruction must reach the Company's Registrars, Link Asset Services, PXS, 34 Beckenham Road, Beckenham, Kent, BR3 4TU by no later than 11:00 a.m. on 15 January 2020. Please refer to the Notes to the Notice for detailed instructions.

The attention of Shareholders is drawn to the voting intentions of the Directors set out below.

10. Recommendation

The Directors believe that the Fundraising will promote the success of the Company for the benefit of the Shareholders as a whole. As highlighted in previous announcements the Company requires further funding. It is likely that failure to pass the Resolutions would lead to the Company being unable to progress its development programmes and could ultimately result in the Company agreeing a deal on less favourable terms than would otherwise be the case, assuming that sufficient alternative funding would not be available. Accordingly, they unanimously recommend that you vote in favour of the Resolutions to be proposed at the General Meeting, as they intend to do in respect of their legal and/or beneficial holdings, amounting, in aggregate to 1,757,677 Ordinary Shares, representing approximately 0.9 per cent. of the share capital of the Company as at the date of this document.

Shareholders are reminded that the Fundraising is conditional, amongst other things, on the passing of the Resolutions to be proposed at the General Meeting. Should the Resolutions not be passed, the Fundraising will not proceed and all monies will be returned to investors.

Yours faithfully

John Clarke
Non-Executive Chairman

PART II

Futura Medical plc

(Registered in England and Wales with company number 04206001)

NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN that a General Meeting of Futura Medical plc (the "**Company**") will be held on 17 January 2020 at 11:00 a.m. at the offices of the Company, Surrey Technology Centre, 40 Occam Road, Guildford, Surrey, GU2 7YG.

NB: You will not receive a form of proxy for the General Meeting in the post. Instead, you will receive instructions to enable you to vote electronically and how to register to do so. You will still be able to vote in person at the General Meeting, and may request a hard copy proxy form directly from the registrars, Link Asset Services, 34 Beckenham Road, Beckenham, BR3 4TU (telephone number: 0371 664 0391).

The business of the meeting will be to consider and, if thought appropriate, to pass the following ordinary and special resolutions:

ORDINARY RESOLUTION

1. Authority to allot shares

THAT in substitution for all existing authorities for the allotment of shares by the Directors, which are hereby revoked but without prejudice to any allotment, offer or agreement already made pursuant thereto, the Directors of the Company be and they are hereby authorised, pursuant to section 551 of the Companies Act 2006 (the "**2006 Act**") to exercise all and any powers of the Company to:

- (a) allot shares in the Company and to grant rights to subscribe for or to convert any security into such shares (all of which transactions are hereafter referred to as an allotment of "**Relevant Securities**") in an aggregate nominal amount of £65,625 pursuant to a subscription of the Company's ordinary shares of no par value each ("**Ordinary Shares**"), to certain institutional and other investors at a price of 8 pence per share (the "**Subscription**"); and
- (b) allot Relevant securities up to an aggregate amount of £37,500 pursuant to the PrimaryBid Offer for Ordinary Shares by private and other investors on the PrimaryBid platform at a price of 8 pence per share (the "**PrimaryBid Offer**");

in each case for a period expiring (unless previously renewed, varied or revoked by the Company in general meeting) at the earlier of either the conclusion of the 2020 AGM of the Company following the passing of this resolution or, midnight on the date 30 September 2020, whichever occurs sooner, provided that the Company may before such expiry, variation or revocation make an offer or agreement which would or might require such Relevant Securities to be allotted after such expiry, variation or revocation and the Directors may allot Relevant Securities pursuant to such an offer or agreement as if the authority conferred hereby had not expired or been varied or revoked.

SPECIAL RESOLUTION

2. Disapplication of pre-emption rights

THAT, subject to and conditional upon the passing of resolution 1, the Directors be and they are hereby empowered pursuant to section 570 of the 2006 Act to allot equity securities (within the meaning of section 560 of the 2006 Act) for cash pursuant to the authority conferred by resolution 1 as if section 561(1) of the 2006 Act did not apply to any such allotment, provided that such power:

- (a) shall, subject to the continuance of the authority conferred by resolution 1 above, expire at the earlier of either the conclusion of the 2020 AGM of the Company following the passing of this resolution or, midnight on the date 30 September 2020, whichever occurs sooner, but may be previously revoked or varied from time to time by special resolution but so that the Company may before such expiry, revocation or variation make an offer or agreement which would or might require equity securities to be allotted after such expiry, revocation or variation and the

Directors may allot equity securities in pursuance of such offer or agreement as if such power had not expired or been revoked or varied; and

(b) shall be limited to:

- (i) the allotment of equity securities in an aggregate nominal amount of £65,625 pursuant to the Subscription; and
- (ii) the allotment of equity securities up to an aggregate nominal value of £37,500 pursuant to the PrimaryBid Offer;

ORDINARY RESOLUTION

3. That, subject to and conditional upon Resolutions 1 and 2 being passed, the Directors be and are hereby generally and unconditionally authorised in accordance with Section 551 of the Companies Act 2006 to issue and allot ordinary shares in the capital of the Company and grant subscription and conversion rights over ordinary shares in the capital of the Company as contemplated by sections 551(1)(a) and (b) of the Companies Act 2006 respectively up to a maximum aggregate nominal amount of £135,075 to such persons at such times and on such terms as they think proper, provided that this authority shall expire on the date of the next AGM in 2020 (or, if earlier, on 30 September 2020), 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. (Resolution 3)

SPECIAL RESOLUTION

4. That, subject to the passing of Resolutions 1, 2 and 3 set out above, the Directors be and are hereby given power pursuant to Sections 570(1) and 573 of the Companies Act 2006 to allot equity securities (as defined in Section 560(1) of the Companies Act 2006) for cash pursuant to the authorisation conferred by that resolution, as if Section 561 of the Companies Act 2006 did not apply to any such allotment, provided that such authority be limited:

A) To the allotment of equity securities where such securities have been offered (whether by rights issue, open offer or otherwise) to the holders of ordinary shares in the capital of the Company made in proportion (as nearly as may be) to their existing holdings but subject to the Directors having a right to make such exclusions or other arrangements in connection with the offering as they may deem necessary or expedient:

a. To deal with equity securities representing fractional entitlements; and

b. record dates or legal, regulatory or practical difficulties which may arise under the laws of, or the requirements of any regulatory body or stock exchange in, any territory or any other matter whatsoever; and

B) the allotment of equity securities for cash otherwise than pursuant to paragraph (A) of this resolution up to an aggregate nominal value of £20,466

In this Resolution, Rights Issue means an offer for 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. (Resolution 4)

SPECIAL RESOLUTION

5. To resolve that, subject to the passing of Resolutions 1, 2, 3 and 4 set out above, the Directors be and are hereby given power, in addition to any authority granted under Resolution 4(b) above and, pursuant to Sections 570(1) and 573 of the Companies Act 2006 to allot equity securities (as defined in Section 560(1) of the Companies Act 2006) for cash pursuant to the authorisation conferred by that resolution, as if Section 561 of the Companies Act 2006 did not apply to any such allotment, provided that such authority be:

(a) limited to the allotment of equity securities up to a nominal amount of £20,466; and

(b) used only for the purposes of financing (or refinancing, if the authority is to be used within six months after the original transaction) a transaction which the Directors of the Company determine to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this Notice,

such authority to expire at the conclusion of the next Annual General Meeting of the Company (or, if earlier, on 30 September 2020), unless previously revoked or varied by the Company (save that the Company may before such expiry make any offer or agreement that would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of any such offer or agreement as if the power conferred hereby had not expired). (Resolution 5)

24 December 2019 *BY ORDER OF THE BOARD*

Angela Hildreth
Company Secretary

Registered Office:
Surrey Technology Centre
40 Occam Road
Guildford
Surrey GU2 7YG
Company No: 04206001

Notes to the Notice of General Meeting:

Entitlement to attend and vote

1. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 (as amended), the Company specifies that only shareholders entered on the register of members of the Company at close of business on 15 January 2019 (or in the event that this meeting is adjourned, on the register of members at close of business on the day preceding the date fixed for the adjourned meeting) shall be entitled to attend and vote at the meeting in respect of the number of Ordinary Shares of the Company registered in their name at that time. Changes to the register after the relevant time shall be disregarded in determining the rights of any person to attend and vote at the meeting.

Appointment of proxies

2. A Shareholder is entitled to appoint one or more proxies to exercise all or any of his or her rights to attend and to speak and vote at the meeting. A proxy need not be a Shareholder of the Company. A Shareholder may appoint more than one proxy in relation to the meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that Shareholder.
3. The appointment of a proxy will not preclude a Shareholder from attending in person at the meeting and voting if he or she wishes to do so.

Appointment of proxy

4. You can vote either:
 - online, by logging on to www.signalshares.com and following the instructions;
 - by requesting a hard copy form of proxy directly from the registrars, Link Asset Services by calling tel: 0371 664 0391. Calls cost 12p per minute plus your phone company's access charge. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 09:00 - 17:30, Monday to Friday excluding public holidays in England and Wales; or
 - in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out below.

Appointment of proxy through CREST

5. CREST members who wish to appoint a proxy or proxies for the meeting, including any adjournments of the meeting, through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual (available via www.euroclear.com). CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
6. In order for a proxy appointment made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's ("Euroclear") specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is 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 Link Asset Services, PXS, 34 Beckenham Road, Beckenham, Kent, BR3 4ZF no later than 48 hours before the time fixed for the holding of the meeting or any adjournment of the meeting (as the case may be). For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which Company's registrars, Link Asset Services, PXS, 34 Beckenham Road, Beckenham, Kent, BR3 4ZF is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
7. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear does not make available special procedures in CREST for any particular message. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member, or has appointed a voting service provider(s), to procure that his or her CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
8. The Company may treat a CREST Proxy Instruction as invalid in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

Changing proxy instructions

9. To change your proxy instructions, simply submit a new proxy appointment using one of the methods set out above. Note that the cut-off time for receipt of proxy appointments also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded. If the Company receives more than one appointment of a proxy in respect of any one share, the appointment received last revokes each earlier appointment and the Company's decision as to which appointment was received last is final.

Termination of proxy appointments

10. In order to revoke a proxy appointment you must notify the Company of the termination at least three hours before the commencement of the meeting.

Joint shareholders

11. In the case of joint shareholders, the vote of the senior who tenders a vote, whether in person (including by corporate representative) or by proxy, shall be accepted to the exclusion of the votes of the other joint shareholders. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members.

Corporate representatives

12. A corporation which is a shareholder may, by resolution of its directors or other governing body, authorise one or more persons to act as its representative at the meeting. Corporate representatives should bring with them to the meeting: (i) an original or certified copy of the resolution authorising them; or (ii) an original letter on the shareholder's letterhead, signed by an authorised signatory, confirming that they are so authorised.

Issued shares and total voting rights

13. As at the date of this Notice of General Meeting, the Company's issued share capital comprised 204,660,267 ordinary shares of 0.2 pence each fully paid. The Company does not hold any shares in treasury. 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 the date of this Notice of General Meeting is 204,660,267.