

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IF YOU ARE IN ANY DOUBT AS TO WHAT ACTION TO TAKE YOU ARE RECOMMENDED TO CONSULT YOUR STOCKBROKER, SOLICITOR, ACCOUNTANT OR OTHER INDEPENDENT ADVISER AUTHORISED UNDER THE FINANCIAL SERVICES AND MARKETS ACT 2000.

If you have sold or transferred all of your ordinary shares in Arcontech Group PLC, you should pass this document, together with the accompanying form of proxy and other documents enclosed herein, to the person through whom the sale or transfer was made for transmission to the purchaser or transferee.

ARCONTECH GROUP PLC

Notice of Annual General Meeting

Notice of the annual general meeting which has been convened for 26 January 2016 at 10 a.m. 1st Floor, 11-21 Paul Street, London EC2A 4JU is set out at pages 3 to 4 of this document.

To be valid, forms of proxy must be completed and returned in accordance with the instructions printed thereon, so as to be received by the Company as soon as possible and in any event no later than 48 hours before the start of the meeting.

ARCONTECH GROUP PLC
(Incorporated and registered in England and Wales under company number 4062416)

Registered Office

1st Floor
11-21 Paul Street
London
EC2A 4JU

8 December 2015

To the Holders of Arcontech Group PLC Shares

Dear Shareholder,

Notice of Annual General Meeting

It has come to the attention of the Board that there was a technical defect in service of the notice of annual general meeting for the annual general meeting of the Company originally proposed for 29 September 2015. Accordingly, and having regard to, in particular, the resolution proposed in respect of the capital reduction by cancellation of the Company's share premium account, the Board consider it best and most efficacious for the annual general meeting to be entirely reconvened.

The annual general meeting ("**AGM**") will take place at the Company's offices at 1st Floor, 11-21 Paul Street, London EC2A 4JU on 26 January 2016 at 10 a.m. The formal notice of the AGM is set out at pages 3 to 4 of this document.

If you would like to vote on the resolutions but cannot attend the AGM, please fill in the proxy form enclosed with this notice and return it to the Company's registrars, Capita Asset Services PXS1, 34 Beckenham Road, Beckenham, Kent, BR3 4ZF, as soon as possible. They must receive it no later than 48 hours before the start of the meeting.

Explanatory notes on all the business to be considered at the AGM can be found on pages 5 to 7. You should note in particular the proposal to cancel the Company's share premium account, resolution 6, and the explanatory notes accompanying the notice explain the purpose and procedure of that.

Recommendation

The board considers that all of the resolutions are in the best interests of the Company and its shareholders as a whole and are most likely to promote the success of the Company for the benefit of its shareholders as a whole. Accordingly, the board unanimously recommends that you vote in favour of all resolutions.

Yours Sincerely

Richard Last
Chairman

Notice of the Annual General Meeting

ARCONTECH GROUP PLC
Company Number 4062416

NOTICE IS HEREBY GIVEN that the annual general meeting of Arcontech Group PLC (the "**Company**") will be held at the Company's offices, 1st Floor, 11-21 Paul Street, London EC2A 4JU on 26 January 2016 at 10 a.m. to consider, and if thought fit, pass the following Ordinary and Special Resolutions specified below:

Ordinary Business

That the following resolutions be considered as Ordinary Resolutions:

1. **THAT** the audited financial statements of the Company for the financial year ended 30 June 2015 together with the reports on those financial statements of (i) the directors of the Company (the "**Directors**") and (ii) the auditors of the Company (the "**Auditors**") be received and adopted.
2. **THAT** Nexia Smith & Williamson be reappointed as Auditors to hold office until the conclusion of the next general meeting at which financial statements are laid before the Company, and that the Directors be authorised to determine their remuneration.
3. **THAT** Louise Barton, who retires by rotation under Article 106 of the Company's articles of association and, who being eligible, offers herself to be re-elected as Director, be re-elected a director of the Company.

Special Business

That the following resolution be considered as an Ordinary Resolution:

4. **THAT** in accordance with section 551 of the Companies Act 2006 ("**2006 Act**"), the Directors of the Company ("**Directors**") be generally and unconditionally authorised to allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company ("**Rights**") up to an aggregate nominal amount of £600,000 provided that this authority shall, unless renewed, varied or revoked by the Company, expire on the day falling fifteen months after the passing of this resolution or at the conclusion of the annual general meeting of the Company to be held in the calendar year 2016 (whichever is earlier) save that the Company may, before such expiry, make an offer or agreement which would or might require shares to be allotted or Rights to be granted and the Directors may allot shares or grant Rights in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired.

This authority is in substitution for all previous authorities conferred on the Directors in accordance with section 551 of the 2006 Act.

THAT the following resolutions be considered as Special Resolutions:

5. **THAT** subject to the passing of the resolution 4 above and in accordance with section 570 of the 2006 Act, the Directors be generally empowered to allot equity securities (as defined in section 560 of the 2006 Act) pursuant to the authority conferred by resolution 4, as if section 561(1) of the 2006 Act did not apply to any such allotment, provided that this power shall:
 - 5.1 Be limited to the allotment of equity securities up to an aggregate nominal amount of £600,000; and
 - 5.2 Expire on the day falling fifteen months after the passing of this resolution or at the conclusion of the next annual general meeting of the Company (whichever is earlier) (unless renewed, varied or revoked by the Company prior to or on that date) save that the Company may, 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 any such offer or agreement notwithstanding that the power conferred by this resolution has expired.

Notice of the Annual General Meeting (continued)

6. **THAT** the share premium account standing in the books of account of the Company at the date hereof be and the same is hereby cancelled.

By Order of the Board

.....
Michael Levy
Secretary

8 December 2015

Registered Office

1st Floor
11-21 Paul Street
London
EC2A 4JU

Notice of the Annual General Meeting (continued)

EXPLANATORY NOTES TO EACH RESOLUTION

The following notes give an explanation of the proposed resolutions

Ordinary Resolutions

Resolutions 1 to 4 (inclusive) are proposed as ordinary resolutions. This means that for each of those resolutions to be passed, more than half of the votes cast must be in favour of the resolution.

Report and Accounts (Resolution 1)

The directors of the Company must present the accounts to the meeting.

Reappointment and Remuneration of Auditors (Resolution 2)

Resolution 2 proposes the reappointment of Nexia Smith & Williamson as Auditors of the Company and authorises the directors to fix their remuneration.

Re-election of Director (Resolution 3)

The Company's articles of association require that any Director who was elected, or last re-elected, a Director at or before the annual general meeting held in the third calendar year before the current year shall retire by rotation, subject to re-election by a simple majority of the members. Louise Barton is offering herself for re-election pursuant to the articles of association.

Authority to Allot Shares (Resolution 4)

Directors may only allot shares if authorised to do so by shareholders. The authority granted at the last Annual General Meeting is due to expire at the conclusion of this year's AGM. Therefore, this resolution seeks to grant a new authority to allow directors to allot shares until the conclusion of the next AGM or until 15 months from the date of this meeting, whichever is the earlier. The maximum amount of shares which the directors would be able to allot without further authority from shareholders is 600,000,000. It is expected that this amount will be sufficient for the day to day running of the Company.

Special Resolutions

Resolutions 5 and 6 are proposed as special resolutions. This means that for the resolutions to be passed, at least three-quarters of the votes cast must be in favour of the resolutions.

Disapplication of Pre-emption Rights (Resolution 5)

Under the requirements of the 2006 Act, if directors wish to allot any of the unissued shares, they must first offer them to existing shareholders on a pro-rata basis in proportion to their shareholdings. There may be occasions however where the directors will need the flexibility to finance business opportunities through the issue of shares without a pre-emptive offer to existing shareholders. This resolution asks shareholders to waive the pre-emption rights on shares issued up to a maximum aggregate number of shares of 600,000,000. As with resolution 4, this authority will expire at the next AGM or within 15 months of the date of this meeting, whichever is earlier.

Reduction of Capital (Resolution 6)

Background to the proposal

The 2006 Act establishes criteria which govern whether a company that wishes to pay a dividend may lawfully do so. Two such criteria are that, first, the company has sufficient distributable reserves standing to the credit of

Notice of the Annual General Meeting (continued)

its profit and loss account and, second, that the board of directors (“**Board**”) has satisfied itself by reference to relevant accounts that such level of distributable reserves is present.

The financial year of the Company is from 1 July to 30 June. The Board needs, by reference to relevant accounts, to be able to demonstrate that it is satisfied that such dividends can be declared on each occasion that it wishes to pay them by reference both to the cash position of the Company and the distributable reserves standing to the credit of the Company’s profit and loss account. The proposal to cancel the share premium account (“**SPA**”) of the Company concerns the creation of distributable reserves; the financial statements of the Company for the period ended 30 June 2015 show retained losses of £7,797,685, and currently the Company is unable to pay any dividend to its shareholders.

The Group, the Directors believe, should in the foreseeable future see its history of making losses turn to the making of profits. Accordingly, the Directors anticipate that the Company should be in a position to pay dividends to shareholders within the next few years. The Directors believe that the Company’s dividend policy should be dictated by its cash resources, financial position and prospects of the Group as a whole. It should not be impeded by the size of the Company’s accumulated profit and loss account, which is a technical accounting reserve, if it is otherwise appropriate to pay dividends. Accordingly, the Directors believe that the Company should now restructure its balance sheet by removing (by reducing to nil) its share premium account since that share premium account is a reserve which is not available for distribution by way of cash dividends to shareholders. As a result of the cancellation of the share premium account, the Company’s accumulated profit and loss account, which is available for distribution, will be increased by the amount of the share premium account. This will provide the Company with the capacity to pay dividends in the future in accordance with the dividend policy determined by the Board.

Cancellation of Share Premium Account

Share premium arises on the issue by the Company of shares at a premium to their nominal value. The premium is credited to the SPA. The SPA is an undistributable capital reserve and the Company’s ability to use the SPA is limited by the 2006 Act. However, with the approval of shareholders by special resolution and the subsequent confirmation of the High Court, a company may reduce or cancel its SPA and in certain circumstances be permitted to credit the sum arising to the profit and loss account. Such sum once the capital reduction takes effect is treated as a realised profit of the Company.

Accordingly, the Board proposes that the SPA in the sum as at the date of the passing of the special resolution be cancelled (“**Cancellation**”) and the sum arising be credited to the profit and loss account of the Company. The amount currently standing to the credit of the SPA is £9,430,312.

In order to effect the Cancellation the Company requires, first, the authority of its shareholders by the passing of the special resolution number six at the AGM. If the special resolution is duly passed, the Company will then apply to the High Court for the Cancellation to be confirmed. If successful, the Cancellation is expected to take effect before the middle of February 2016. An announcement through a regulated news service will be made at that time.

In order to approve the Cancellation, the Court will need to be satisfied that the interests of the Company’s creditors will not be prejudiced by the Cancellation. For the benefit of certain creditors who either do not consent or who the Board decides not to approach, the Company may be required to provide security in a form acceptable to the Court in order for the Cancellation to be confirmed on terms which meet the objectives of the Board in making this proposal.

The Company does not currently have any such creditors but in the event that a creditor arises between the date of this notice and the Cancellation then the Company may be required to obtain the consent of such creditor to the Cancellation. If the Company is unable in the timetable proposed to obtain a consent from, or is unwilling or unable to provide security (where security is required) for all such creditors, then the amount released by the Cancellation when the Cancellation takes effect will remain undistributable for the time being until outstanding consents are obtained, security provided or the obligations discharged. The Board therefore reserves the right to discontinue, postpone or delay the application to Court if the Board believes that the terms upon which the Cancellation will be confirmed are unsatisfactory to the Company.

Notice of the Annual General Meeting (continued)

The Cancellation does not affect the voting or dividend rights of the Ordinary Shares, or the rights of any holder of Ordinary Shares on a return of capital.

Notes:

1. The Company, pursuant to regulation 41 of the Uncertificated Securities Regulations 2001, specifies that only those members registered in the register of members of the Company at the close of business two days before the meeting or any adjournment thereof, shall be entitled to attend, speak or vote at the meeting in respect of the number of shares registered in their name at the relevant time. Changes to entries in the relevant register of securities later than this shall be disregarded in determining the rights of any person to attend, speak or vote at the meeting.
2. Information regarding the meeting, including the information required by section 311A of the 2006 Act, can be found at the Company's website www.arcontech.com.
3. Any member who is entitled to attend and vote at this meeting is entitled to appoint one or more persons as proxies to attend, speak and vote on their behalf at the meeting or any adjournment of it. A proxy need not be a member of the Company. You can only appoint a proxy using the procedure set out in these notes and the notes to the proxy form.
4. A form of proxy is provided with this notice. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy you may photocopy the proxy form. Please indicate the proxy holders name and number of shares in relation to which they authorised to act as your proxy. Please also indicate if the proxy is one of multiple instructions being given.
5. All forms must be signed and should be returned together in the same envelope. To be valid, a form of proxy together with any power of attorney or other authority under which it is executed or a copy thereof certified notarially or in accordance with the Power of Attorney Act 1971 or as the Directors shall accept must be lodged at the Company's registrars – PXS1, 34 Beckenham Road, Beckenham, Kent, BR3 4ZF, so as to arrive no later than 48 hours before the start of the meeting. Completion of the form of proxy will not affect the right of a member to attend, speak and vote at the meeting.
6. The register of Directors' share interests will be available for inspection at the meeting convened by this notice, as will the Directors' service contracts.
7. Any corporate entity which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.
8. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint holders and seniority shall be determined by the order in which their names stand on the register of members of the Company.
9. Any member attending the meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if: (i) to do so would interfere unduly with the preparation for the meeting or would involve the disclosure of confidential information; or (ii) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.
10. As at 6 p.m. on 7 December 2015 (being the latest practicable date prior to publication of this Notice), the Company's issued share capital comprised 1,536,672,013 ordinary shares of £0.001 each, carrying one vote each. Therefore, the total number of voting rights in the Company as at 6 p.m. on 7 December 2015 (being the latest practicable date prior to publication of this Notice) is 1,536,672,013. The website referred to in note 2 will include information on the number of shares and voting rights.

ARCONTECH GROUP PLC

I/We _____ of _____

being (a) member(s) of the above-named Company hereby appoint the Chairman of the meeting OR (Note 3)

(Name of Proxy)

as my/our proxy to vote for me/us on my/our behalf at the annual general meeting to be held on 26 January 2016 at 10 a.m. and at any adjournment thereof.

Dated Signature(s).....

	For	Against	Withheld
1. Ordinary resolution - To receive and adopt the Report of the Directors and the Audited Financial Statements of the Company for the year ended 30 June 2015			
2. Ordinary resolution - To reappoint Nexia Smith & Williamson as Auditors of the Company and to authorise the Directors to fix their remuneration			
3. Ordinary resolution - To re-elect Louise Barton as a Director			
4. Ordinary resolution - Directors' authority to allot shares			
5. Special resolution - Disapplication of pre-emption rights			
6. Special Resolution – Cancellation of share premium account			

Notes

1. Please indicate with an "X" in the appropriate boxes how you wish your proxy to vote. Unless otherwise directed the proxy will vote or abstain as he or she thinks fit.
2. If you do not indicate how you wish your proxy to vote, your proxy will exercise his/her discretion as to whether, and if so how, he/she votes. Your proxy may also vote or abstain from voting as he/she thinks fit on any other business which may properly come before the meeting including on any permissible amendment to the resolutions set out in the notice of meeting.
3. You are entitled to appoint a proxy or proxies, who need not be a member of the Company or the Chairman, to exercise all or any of your rights to attend, speak and vote at a general meeting of the Company. If you wish to appoint someone else other than the Chairman as proxy please delete the words "the Chairman of the meeting" and insert the name of the person whom you wish to appoint in the space provided. The Chairman of the meeting will act as your proxy, whether or not such deletion is made, if no other name is inserted.
4. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, copy this form as many times as needed and indicate on each form how many shares are allocated to each proxy appointment.
5. In the case of joint registered holders the signature of one holder on the form of proxy will be accepted by the vote of the senior who tenders a vote whether in person or by proxy to the exclusion of the votes of any joint holders and for this purpose seniority shall be determined by the order in which the names stand in the register of members in respect of such joint holdings.
6. In the case of a corporation the form of proxy must be executed under its common seal or signed on its behalf by a duly authorised attorney or a duly authorised officer of the corporation.
7. Any alteration made to the form of proxy should be initialled.

8. To change your proxy instructions simply submit a new proxy appointment. Note that the cut-off time for receipt of proxy appointments (see below) also applies in relation to amended instructions; any amended proxy appointment received after the cut-off time shall be disregarded. You may contact the Company Secretary of Arcontech Group PLC, 1st Floor, 11-21 Paul Street, London EC2A 4JU to obtain another proxy form. 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. To revoke a proxy instruction you will need to inform the Company by sending a hard copy notice clearly stating your intention to revoke your proxy appointment to the Company's registrars – PXS1, 34 Beckenham Road, Beckenham, Kent BR3 4ZF by the cut-off time stated below. In the case of a member which is a corporation, the revocation must be executed under its common seal or signed on its behalf by a duly authorised attorney or duly authorised officer of the corporation. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power of attorney) must be included in the revocation notice.
9. This form of proxy should be signed and dated.
10. Completion and return of the form of proxy will not affect the right of a member to attend and vote at the meeting.
11. We have included on the proxy form the ability for a vote to be withheld. A vote withheld is not a vote in law and will not be counted towards the calculation of the proportions of votes "for" or "against".

To be effective, this form of proxy, together with any power of attorney or any other authority (if any) under which it is executed, or a copy of such power of attorney or other authority, certified notarially, must be lodged at the Company's registrars – PXS1, 34 Beckenham Road, Beckenham, Kent BR3 4ZF, no later than the close of business two days before the holding of the meeting or adjourned meeting at which it is to be used.