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If you have sold or otherwise transferred all of your Ordinary Shares, please immediately forward this document (but not the personalised Form of Proxy) to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for delivery to the purchaser or transferee. However, these documents should not be forwarded or transmitted in, into or from the United States, Canada, Australia, New Zealand, Japan or the Republic of South Africa or any other state or jurisdiction in which release, publication or distribution would be unlawful and therefore persons into whose possession this document and any accompanying documents come should inform themselves about and observe any applicable requirements. Any failure to comply with these restrictions might constitute a violation of the securities laws of any such jurisdiction. If you have sold only part of your holding of Ordinary Shares, please contact immediately your bank, stockbroker or other agent through whom the sale or transfer was effected and retain this document and the accompanying Form of Proxy.

LOCATION SCIENCES GROUP PLC

(Incorporated and registered in England and Wales with company number 06458458)

**Conditional Placing and Subscription of 1,750,000,000 Ordinary Shares at 0.2 pence per share,
Conditional Broker Option of up to 175,000,000 Ordinary Shares at 0.2 pence per share,
Approval of Waiver of Rule 9 of the City Code on Takeovers and Mergers,
Proposed Board changes
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.

Application will be made to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on AIM. On the assumption that, *inter alia*, the Resolutions are passed without amendment, it is expected that Admission will become effective and that dealings in the Ordinary Shares will commence on or around 25 May 2021.

Allenby Capital, which is authorised and regulated in the United Kingdom by the FCA and is a member of the London Stock Exchange, is acting as nominated adviser to the Company for the purposes of the AIM Rules. Allenby Capital is not acting for any other person in connection with the matters referred to in this document and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Allenby Capital or for giving advice in relation to the matters referred to in this document. Allenby Capital has not authorised the contents of this document for any purpose and, without limiting the statutory rights of any person to whom this document is issued, no representation or warranty, express or implied, is made by Allenby Capital as to any of the contents or the completeness of this document and Allenby Capital does not accept responsibility for this document and accordingly disclaims all and any liability, whether arising in tort, contract or otherwise, which it might otherwise be found to have in respect of this document.

Turner Pope, which is authorised and regulated in the United Kingdom by the FCA and is a member of the London Stock Exchange, is acting as placing agent to the Company. Turner Pope is not acting for any other person in connection with the matters referred to in this document and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Turner Pope or for giving advice in relation to the matters referred to in this document. Turner Pope has not authorised the contents of this document for any purpose and, without limiting the statutory rights of any person to whom this document is issued, no representation or warranty, express or implied, is made by Turner Pope as to any of the contents or the completeness of this document and Turner Pope does not accept responsibility for this document and

accordingly disclaims all and any liability, whether arising in tort, contract or otherwise, which it might otherwise be found to have in respect of this document.

You are recommended to read the whole of this document but your attention is drawn in particular to the letter from the Chairman of the Company which is set out in Part 1 of this document on pages 13 to 29 inclusive of this document and which recommends that you vote in favour of the Resolutions to be proposed at the General Meeting. A General Meeting to consider the Resolutions will be held at 10.00 a.m. on 21 May 2021 in no particular place. You are requested to complete, sign and return the enclosed Form of Proxy to the Company's registrars, Computershare Investor Services PLC, by post to The Pavilions, Bridgwater Road, Bristol, BS99 6ZY, United Kingdom or by email to externalproxyqueries@computershare.co.uk as soon as possible but in any event, in order to be valid, to arrive not later than 10.00 a.m. on 19 May 2021. Alternatively, you may appoint your proxy electronically via the Registrar's website at www.investorcentre.co.uk/eproxy. You will need your Control Number, SRN & PIN which can be found on your Form of Proxy. CREST members can also vote by utilising the CREST electronic proxy appointment service in accordance with the procedures set out in the Notice.

The General Meeting has been convened for 10.00 a.m. on 21 May 2021 and will be held at the offices of Turner Pope at 8 Frederick's Place, London, EC2R 8AB.

The Company's preference would be to welcome Shareholders in person to the General Meeting. However, at present, as a result of the COVID-19 pandemic, there continue to be restrictions on gatherings of people indoors.

The Company will therefore arrange to hold the General Meeting as a closed meeting, with the minimum attendance required to form a quorum under the Company's articles of association. These Shareholders will each be directors, officers or employees of the Company. Shareholders will not be permitted to attend the General Meeting in person but can be represented by the Chairman of the General Meeting acting as their proxy.

Given the constantly evolving nature of the situation, should circumstances change before the time of the General Meeting, the Company intends to ensure that it is able to adapt arrangements and to welcome Shareholders to the General Meeting, within safety constraints and in accordance with government guidelines. Should it become possible to do so, the General Meeting will be open for all Shareholders to attend. Any changes to the running of the General Meeting will be notified via a Regulatory Information Services as early as is possible before the date of the General Meeting. Any updates to the position will also be included on the Company's website at www.locationsciencesgroup.ai.

Given the uncertainty around whether Shareholders will be able to attend the General Meeting, all Shareholders are recommended to complete and return their Form of Proxy appointing the Chairman of the General Meeting, as their proxy. This will ensure that Shareholders' votes will be counted even if attendance at the General Meeting is restricted or Shareholders are unable to attend in person. Alternatively, Shareholders may appoint their proxy electronically via the Registrar's website at www.investorcentre.co.uk/eproxy. Shareholders will need their Control Number, SRN & PIN which can be found on their Form of Proxy. CREST members can also vote by utilising the CREST electronic proxy appointment service in accordance with the procedures set out in the Notice.

Except pursuant to certain limited exceptions which will be determined solely by the Company and/or its advisers, this document may not be published, distributed, forwarded or transmitted, directly or indirectly, in whole or in part, in or into the United States. These materials do not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States.

The New Ordinary Shares described in this document have not been, and will not be, registered under 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. The New Ordinary Shares are being offered outside of the United States in reliance on Regulation S. The New Ordinary 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 New Ordinary Shares or the accuracy or adequacy of this document. Any representation to the contrary is a criminal offence in the United States.

Furthermore, the New Ordinary Shares have not been and will not be registered under the applicable laws of any of Canada, Australia, New Zealand, Japan or the Republic of South Africa and, consequently, may not be offered or sold to any national, resident or citizen thereof.

The distribution of this document in or into jurisdictions other than the United Kingdom may be restricted by law and therefore any person who is subject to the laws of any jurisdiction other than the United Kingdom should inform themselves about, and observe, such restrictions. Any failure to comply with the applicable restrictions might constitute a violation of the securities laws of any such jurisdiction. Subject to certain exceptions, this document is not for release, publication or distribution, directly or indirectly, in or into the United States, Canada, Australia, New Zealand, Japan, the Republic of South Africa or any jurisdiction where to do so might constitute a violation of local securities laws or regulations.

FORWARD-LOOKING STATEMENTS

This document contains (or may contain) certain forward-looking statements with respect to certain of the Company's plans and its current goals and expectations relating to its future financial condition and performance and which involve a number of risks and uncertainties. The Company cautions readers that no forward-looking statement is a guarantee of future performance and that actual results could differ materially from those contained in the forward-looking statements. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements sometimes use words such as "aim", "anticipate", "target", "expect", "estimate", "intend", "plan", "goal", "believe", "predict" or other words of similar meaning. Examples of forward-looking statements include, amongst others, statements regarding, or which make assumptions in respect of, the planned use of the proceeds from the Transaction, the Company's liquidity position, the future performance of the Company, future foreign exchange rates, interest rates and currency controls, the future political and fiscal regimes in the overseas markets in which the Company operates, the Company's future financial position, plans and objectives for future operations and any other statements that are not historical fact. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances, including, but not limited to, economic and business conditions, the effects of continued volatility in credit markets, market-related risks such as changes in interest rates and foreign exchange rates, the policies and actions of governmental and regulatory authorities, changes in legislation, the further development of standards and interpretations under IFRS applicable to past, current and future periods, evolving practices with regard to the interpretation and application of standards under IFRS, the outcome of pending and future litigation or regulatory investigations, the success of future acquisitions and other strategic transactions and the impact of competition. A number of these factors are beyond the Company's control. As a result, the Company's actual future results may differ materially from the plans, goals, and expectations set forth in the Company's forward-looking statements. Any forward-looking statements made in this document by or on behalf of the Company speak only as of the date they are made. These forward-looking statements reflect the Company's judgement and the information available to the Company at the date of this document and are not intended to give any assurance as to future results. These statements have not been reviewed by the Company's auditors. Except as required by the FCA, the London Stock Exchange, the AIM Rules or other applicable law, the Company expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained in this document to reflect any changes in the Company's expectations with regard thereto or any changes in events, conditions or circumstances on which any such statement is based.

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CORPORATE INFORMATION AND ADVISERS

Directors	Kelvin Harrison (Non-Executive Chairman) Mark Slade (Chief Executive Officer) David Rae (Finance Director) Benjamin Chilcott (Non-Executive Director)
Proposed Directors	Simon Wilkinson (proposed Non-Executive Chairman) Dr Nigel Burton (proposed Non-Executive Director)
Company Secretary	BPE Secretaries Limited
Company number	06458458
Company website	www.locationsciencesgroup.ai
Registered office	First Floor St James' House St James' Square Cheltenham Gloucestershire, GL50 3PR
Nominated Adviser and Financial Adviser	Allenby Capital Limited 5 St Helen's Place London, EC3A 6AB
Placing Agent	Turner Pope Investments (TPI) Ltd 8 Frederick's Place London, EC2R 8AB
Broker	Peterhouse Capital Limited 80 Cheapside London, EC2V 6EE
Legal Advisers to the Company	BPE Solicitors LLP St James' House St James' Square Cheltenham Gloucestershire, GL50 3PR
Legal Advisers to the Nominated Adviser, Financial Adviser and Placing Agent	Memery Crystal LLP 165 Fleet Street London, EC4A 2DY
Auditors	Hazlewoods LLP Windsor House Bayshill Road Cheltenham, GL50 3AT
Registrars	Computershare Investor Services PLC The Pavilions Bridgwater Road Bristol, BS99 6ZY

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Announcement of the Transaction	4 May 2021
Publication and posting of this document and Form of Proxy	4 May 2021
Latest time and date for applications for the Broker Option	8.00 a.m. on 5 May 2021
Announcement of result of Broker Option	6 May 2021
Latest time and date for receipt of Forms of Proxy for the General Meeting	10.00 a.m. on 19 May 2021
Time and date of General Meeting	10.00 a.m. on 21 May 2021
Announcement of result of General Meeting	21 May 2021
Admission and commencement of dealings in New Ordinary Shares	8.00 a.m. on 25 May 2021
CREST accounts credited in respect of New Ordinary Shares in uncertificated form	25 May 2021
Despatch of definitive share certificates in respect of New Ordinary Shares to be issued in certificated form	week commencing 31 May 2021

Notes:

- (1) If any of the above times and/or dates change, Shareholders will be notified of the revised times and/or dates by the Company via announcement through a Regulatory Information Service.
- (2) All of the above times refer to London time unless otherwise stated.
- (3) Admission and dealings in the New Ordinary Shares are conditional upon, *inter alia*, the passing of the Resolutions at the General Meeting.

KEY STATISTICS

Placing statistics

Number of Existing Ordinary Shares	587,337,398
Nominal value of Existing Ordinary Shares	0.1 pence
Number of Placing Shares	1,737,500,000
Number of Subscription Shares	12,500,000
Number of Fees Shares*	180,500,000
Enlarged issued share capital following the issue of the Placing Shares, the Subscription Shares and the Fees Shares*	2,517,837,398
Placing Shares, Subscription Shares and Fees Shares* as a percentage of the enlarged issued share capital	76.7 per cent.
Placing Price of Ordinary Shares to be issued as Placing Shares	0.2 pence
Market capitalisation (at the Placing Price) following the issue of the Placing Shares, the Subscription Shares and the Fees Shares*	£5,035,675
Expected gross proceeds of the Placing and Subscription	£3,500,000

Note: These placing statistics assume that no further Ordinary Shares are issued following the date of this document apart from the Placing Shares, the Subscription Shares and the Fees Shares*, and that no Broker Option Shares are issued.

* Excluding 42,500,000 Fees Shares in respect of the second year's fees of the Proposed Directors.

Broker Option statistics

Maximum number of Broker Option Shares	175,000,000
Maximum additional gross proceeds from the full exercise of the Broker Option	£350,000
Potential enlarged issued share capital on Admission following the issue of the Placing Shares, the Subscription Shares, the Fees Shares* and the Broker Option Shares if fully subscribed	2,692,837,398
Placing Shares, Subscription Shares, Fees Shares* and Broker Option Shares as a percentage of the potential enlarged issued share capital on Admission	78.2 per cent.

Note: These Broker Option statistics assume that no further Ordinary Shares or New Ordinary Shares are issued following the date of this document apart from the Placing Shares, the Subscription Shares and the Fees Shares*, and the maximum number of Broker Option Shares are issued.

* Excluding 42,500,000 Fees Shares in respect of the second year's fees of the Proposed Directors.

Fully Diluted Share Capital statistics

Number of Ordinary Shares over which Promoter Warrants will be issued	1,500,000,000
Number of Ordinary Shares over which Cornerstone Investor Warrants will be issued	250,000,000
Number of Ordinary Shares over which Director Warrants will be issued	120,000,000
Number of Ordinary Shares over which Broker Warrants will be issued	100,000,000
Potential fully diluted share capital assuming that the Promoter Warrants, Cornerstone Investor Warrants, Broker Warrants and Director Warrants are exercised in full	4,705,337,398

Note: These fully diluted share capital statistics assume the Placing Shares, the Subscription Shares and all of the Fees Shares, and the maximum number of Broker Option Shares are issued. They do not take into account existing employee share options, which in practical terms have no likelihood of being exercised, other existing warrants or any new share options which may be issued to employees under the Company's existing share option schemes and authorities or any future such schemes.

DEFINITIONS

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

“Act”	the Companies Act 2006;
“Admission”	the admission of the New Ordinary Shares to trading on AIM becoming effective in accordance with the AIM Rules;
“AIM”	AIM, a market operated by the London Stock Exchange;
“AIM Rules”	the AIM Rules for Companies published by the London Stock Exchange from time to time;
“Allenby Capital”	Allenby Capital Limited (and its affiliates) (registered number 06706681), acting as nominated adviser to the Company;
“Board” or “Directors”	the directors of the Company as at the date of this document whose names appear on page 6;
“Broker Option”	the option granted to Turner Pope by the Company in the Placing Agreement to enable the Company to raise additional funds through the issue of the Broker Option Shares at the Placing Price (in addition to the Placing Shares), details of which are set out in paragraph 5 of Part 1 (<i>Letter from the Chairman</i>) of this document;
“Broker Option Shares”	up to 175,000,000 Ordinary Shares in respect of which the Broker Option may be exercised;
“Broker Warrant Instrument”	the warrant instrument granting unlisted warrants over Ordinary Shares to JIM Nominees Limited (as nominee on behalf of Turner Pope) and to be executed by the Company on Admission;
“Broker Warrants”	unlisted warrants to subscribe for up to 100,000,000 Ordinary Shares, to be issued to JIM Nominees Limited (as nominee on behalf of Turner Pope), further details of which can be found in paragraph 5 of Part 1 (<i>Letter from the Chairman</i>) of this document;
“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;
“certificated” or “in certificated form”	a share or other security not held in uncertificated form (i.e. not in CREST);
“Company”	Location Sciences Group plc (registered number 06458458);
“Concert Party”	together Richard Hughes, Rebecca Hughes, Abigail Hughes, Mahmud Kamani, Samir Kamani, Umar Kamani, Adam Kamani, Petar Cvetkovic, Carol Kane, Daron Lee, John Lyttle, Shaun Mealey, Christian Stephenson and Simon Wilkinson;
“Cornerstone Investors”	Ben Turner and James Pope, the founders of Turner Pope, and their wives, Donna Turner and Maxine Pope, respectively;
“Cornerstone Investor Warrant Instrument”	the warrant instrument granting unlisted warrants over Ordinary Shares to the Cornerstone Investors and to be executed by the Company on Admission;

“Cornerstone Investor Warrants”	unlisted warrants to subscribe for up to 250,000,000 Ordinary Shares to be issued to the Cornerstone Investors, further details of which can be found in paragraph 5 of Part 1 (<i>Letter from the Chairman</i>) of this document;
“CREST”	a relevant system for paperless settlement of trades in securities and the holding of uncertificated securities operated by Euroclear in accordance with the CREST Regulations;
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001/3755), including: (i) any enactment or subordinate legislation which amends or supersedes those regulations; and (ii) any applicable rules made under those regulations for the time being in force;
“Director Warrant Instrument”	the warrant instrument granting unlisted warrants over Ordinary Shares to the Directors and the Proposed Directors and to be executed by the Company on Admission;
“Director Warrants”	unlisted warrants to subscribe for up to 120,000,000 Ordinary Shares, to be issued to the Directors and the Proposed Directors, further details of which can be found in paragraph 11 of Part 1 (<i>Letter from the Chairman</i>) of this document;
“Enlarged Issued Share Capital”	the entire issued share capital of the Company immediately following Admission (assuming that the Placing and Subscription is fully subscribed, the Fees Shares (excluding 42,500,000 Fees Shares in respect of the second year’s fees of the Proposed Directors) are issued, no Broker Option Shares are issued and assuming that no further Ordinary Shares are issued following the date of this document and prior to completion of the Placing and Subscription);
“EIS”	Enterprise Investment Scheme (as such term is used under Part 5 of the Income Tax Act 2007);
“Euroclear”	Euroclear UK & Ireland Limited;
“Executive Directors”	Mark Slade and David Rae;
“Existing Ordinary Shares”	the 587,337,398 Ordinary Shares in issue on the date of this document, all of which are admitted to trading on AIM;
“FCA”	the UK Financial Conduct Authority;
“Fees Shares”	223,000,000 Ordinary Shares to be issued in respect of: (i) fees due to Turner Pope for its first year of joint broking services to be provided to the Company; (ii) fees and commission due to Turner Pope pursuant to the Placing; and (iii) the first and second year’s fees of the Proposed Directors in accordance with the Proposed Directors’ letters of appointment;
“Form of Proxy”	the form of proxy accompanying this document for use by Shareholders in connection with the General Meeting;
“FSMA”	Financial Services and Markets Act 2000 (as amended);
“General Meeting”	the general meeting of the Company convened for 10.00 a.m. on 21 May 2021, notice of which is set out at the end of this document;

“IFRS”	International Financial Reporting Standards, as adopted by the European Union;
“Independent Directors”	Kelvin Harrison and Benjamin Chilcott;
“Independent Shareholders”	the Shareholders who are independent of the Concert Party;
“London Stock Exchange”	London Stock Exchange plc;
“New Ordinary Shares”	the Placing Shares, the Subscription Shares, the Fees Shares (excluding 42,500,000 Fees Shares in respect of the second year’s fees of the Proposed Directors) and the Broker Option Shares (if any);
“Notice”	the notice convening the General Meeting set out at the end of this document;
“Ordinary Shares”	the existing ordinary shares of 0.1 pence each in the share capital of the Company;
“Panel”	the Panel on Takeovers and Mergers;
“Placees”	subscribers for Placing Shares and/or Broker Option Shares;
“Placing”	the placing of Placing Shares at the Placing Price pursuant to the Placing Agreement to certain institutional and other investors;
“Placing Agent”	Turner Pope;
“Placing Agreement”	the conditional placing agreement dated 4 May 2021 between the Company, Allenby Capital and Turner Pope relating to the Placing and the Broker Option, further details of which are set out in paragraph 7.1 of Part 3 (<i>Additional Information on the Concert Party and the Company</i>) of this document;
“Placing Price”	0.2 pence per Ordinary Share;
“Placing Shares”	1,737,500,000 Ordinary Shares conditionally placed with certain institutional and other investors pursuant to the Placing Agreement;
“Promoter Warrant Instrument”	the warrant instrument granting unlisted warrants over Ordinary Shares to certain members of the Concert Party and to be executed by the Company on Admission;
“Promoter Warrants”	unlisted warrants to subscribe for up to 1,500,000,000 Ordinary Shares to be issued to certain members of the Concert Party, further details of which can be found in paragraph 5 of Part 1 (<i>Letter from the Chairman</i>) of this document;
“Proposed Directors”	Simon Wilkinson and Dr Nigel Burton;
“Registrar”	Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY;
“Regulation S”	Regulation S under the Securities Act;

“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;
“Resolutions”	the resolutions being put to Shareholders in order to give effect to the Transaction, which are set out in the Notice at the end of this document;
“Rule 9 Waiver”	the waiver by the Panel of the obligations which would otherwise arise on the part of any member of the Concert Party (individually or collectively) under Rule 9 of the Takeover Code in connection with the Transaction;
“Securities Act”	the US Securities Act of 1933, as amended;
“Shareholders”	holders of Ordinary Shares;
“Subscription”	the subscription for the Subscription Shares by one of the Executive Directors;
“Subscription Shares”	12,500,000 Ordinary Shares conditionally subscribed by one of the Executive Directors pursuant to the Subscription;
“Takeover Code” or “the Code”	the City Code on Takeovers and Mergers, as amended from time to time;
“Transaction”	the Placing, the Subscription, the Broker Option, the grant of the Promoter Warrants, the grant of the Cornerstone Investor Warrants, the grant of the Director Warrants, the grant of the Broker Warrants, the allotment of Fees Shares, the proposed changes to the Board and the Rule 9 Waiver;
“Turner Pope”	Turner Pope Investments (TPI) Ltd (registered number 09506196), acting as placing agent to the Company;
“uncertificated” or “uncertificated form”	recorded on the register of members of the Company as being held 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;
“United States” or “US”	the United States of America, its territories and possessions and the District of Columbia;
“VCT”	a venture capital trust under Part 6 of the Income Tax Act 2007; and
“VCT/EIS Shares”	such number of Placing Shares and/or Broker Option Shares to be allotted and issued to certain VCTs or to certain persons seeking to invest in “eligible shares” for the purpose of the EIS.

LOCATION SCIENCES GROUP PLC

(Incorporated and registered in England and Wales with company number 06458458)

Directors:

Kelvin Harrison (Non-Executive Chairman)
Mark Slade (Chief Executive Officer)
David Rae (Finance Director)
Benjamin Chilcott (Non-Executive Director)

Registered office:

First Floor, St James' House
St James' Square
Cheltenham
Gloucestershire
GL50 3PR

4 May 2021

To Shareholders and, for information only, to the holders of options over Ordinary Shares

Dear Shareholder,

**Conditional Placing and Subscription of 1,750,000,000 Ordinary Shares at 0.2 pence per share,
Conditional Broker Option of up to 175,000,000 Ordinary Shares at 0.2 pence per share,
Approval of Waiver of Rule 9 of the City Code on Takeovers and Mergers
Proposed Board Changes
and
Notice of General Meeting**

1. INTRODUCTION

The purpose of this document is to explain the background to, reasons for, and details of, the proposed Transaction, as announced on 4 May 2021 to raise up to £3.85 million before expenses for the Company through the issue of new Ordinary Shares. It also sets out why the Independent Directors recommend that Shareholders vote in favour of the Resolutions to be proposed at the forthcoming General Meeting.

The Transaction is, amongst other things, conditional upon each of the Resolutions being passed at the forthcoming General Meeting and includes:

- a Placing and Subscription with certain institutional and other investors, to raise £3.5 million before expenses through the issue of 1,750,000,000 Ordinary Shares (together, the "Placing Shares" and the "Subscription Shares") at the Placing Price of 0.2 pence per Ordinary Share. The Placing Price is at a discount of approximately 64 per cent. to the closing middle market price of 0.56 pence per Existing Ordinary Share on 30 April 2021, being the latest practicable date prior to the publication of this document;
- a Broker Option to raise up to £350,000 (before expenses) pursuant to which Turner Pope may conditionally allocate up to 175,000,000 Ordinary Shares (in addition to the Placing Shares) (the "Broker Option Shares") at the Placing Price in order to give the flexibility to meet any additional demand from Shareholders for Ordinary Shares arising during the period from the announcement of the Transaction up to 8.00 a.m. on 5 May 2021;
- the issuance of the Fees Shares, whereby: (i) 17,500,000 Ordinary Shares are to be issued at the Placing Price in respect of the first year of fees due to Turner Pope for the provision of its broking services to the Company; (ii) 120,500,000 Ordinary Shares are to be issued at the Placing Price in settlement of fees and commission due to Turner Pope pursuant to the Placing; and (iii) 85,000,000 Ordinary Shares are to be issued at the Placing Price in settlement of the first and second year's fees of the Proposed Directors;
- the issuance of Promoter Warrants, whereby non-transferable warrants to subscribe for up to 1,500,000,000 Ordinary Shares (equivalent to approximately 85.7 per cent. of the Placing Shares and Subscription Shares issued), exercisable at the Placing Price for five years from Admission, are to be issued to certain members of the Concert Party in consideration of those persons assembling and co-ordinating the Concert Party's investment in the Company and facilitating the proposed appointment of Simon

Wilkinson as Non-Executive Chairman;

- the issuance of Cornerstone Investor Warrants, whereby non-transferable warrants to subscribe for up to 250,000,000 Ordinary Shares (equivalent to approximately 14.3 per cent. of the Placing Shares and Subscription Shares issued), exercisable at the Placing Price for five years from Admission, are to be issued to the Cornerstone Investors;
- the issuance of Director Warrants, whereby non-transferable warrants to subscribe for, in aggregate, 120,000,000 Ordinary Shares are issued to the Executive Directors and the Proposed Directors (equivalent to approximately 6.9 per cent. of the Placing Shares and Subscription Shares issued), exercisable at the Placing Price for five years from Admission, provided that the Ordinary Shares have traded at a Volume Weighted Average Price (VWAP) at or above a 50 per cent. premium to the Placing Price for 20 consecutive Business Days, or on a change of control of the Company. The Director Warrants are to be issued to the Executive Directors and the Proposed Directors as part of their incentive package;
- the issuance of Broker Warrants, whereby transferable warrants to subscribe for up to 100,000,000 Ordinary Shares (equivalent to 5.7 per cent. of the Placing Shares and Subscription Shares issued), exercisable at the Placing Price for five years from Admission, are issued to JIM Nominees Limited (as nominee on behalf of Turner Pope) as part of the consideration payable to Turner Pope for its services as placing agent to the Transaction. Turner Pope has agreed to transfer, in aggregate, 41,250,000 Broker Warrants to Dr Nigel Burton and the Executive Directors upon Admission;
- proposed changes to the Board (namely the appointment of the Proposed Directors on the terms summarised in paragraph 10 below); and
- the Rule 9 Waiver.

The proceeds receivable by the Company from the Transaction on Admission amount to £3.5 million (before expenses) and approximately £3.35 million (net of expenses) (assuming that no Broker Option Shares are issued). If the Broker Option Shares are issued in full, the proceeds receivable by the Company from the Transaction amount to £3.85 million (before expenses) and approximately £3.7 million (net of expenses).

Immediately following Admission, the Concert Party will hold, in aggregate, 1,035,000,000 Ordinary Shares, representing approximately 41.1 per cent. of the Enlarged Issued Share Capital. If the Promoter Warrants and the Director Warrants held by members of the Concert Party following Admission are exercised, a further 25,000,000 Fees Shares are issued to Simon Wilkinson, the Broker Option is not exercised, no other options or warrants are exercised and no other Ordinary Shares are issued, the Concert Party would hold 2,590,000,000 Ordinary Shares representing 63.6 per cent. of the so enlarged ordinary share capital. If the Broker Option, the Promoter Warrants, the Cornerstone Investor Warrants, the Broker Warrants, and the Director Warrants are exercised in full and a further 25,000,000 Fees Shares are issued to Simon Wilkinson (and assuming no other issuance, including such as that which may arise from the exercise of other options which may be granted to other employees in future), the Concert Party would hold 2,590,000,000 Ordinary Shares representing 55.0 per cent. of the so enlarged ordinary share capital. In the unlikely event that the existing employee share options over 23,466,666 Ordinary Shares, which have an exercise price of 2.25 pence per share, are also exercised, then the Concert Party's holding would reduce to 54.8 per cent. of the so enlarged ordinary share capital.

Under Rule 9 of the Takeover Code, on Admission, the Concert Party would normally be obliged to make a general offer to all Shareholders (other than the Concert Party) to acquire all the Ordinary Shares not owned by the Concert Party. The Panel has agreed to waive these obligations subject to the approval (on a poll) of the Independent Shareholders of Resolution 1 to be proposed at the General Meeting. The Placing is therefore subject to the approval of that resolution by the Independent Shareholders. Your attention is drawn to paragraph 6 of this Part 1 which contains further information on the Takeover Code and the waiver of Rule 9 of the Takeover Code.

At the end of this document, you will find the Notice of the General Meeting at which the Resolutions will be proposed to approve the Transaction. The General Meeting has been convened for 10.00 a.m. on 21 May 2021 and will be held at the offices of Turner Pope at 8 Frederick's Place, London, EC2R 8AB.

As explained in the Notice, at present, as a result of the COVID-19 pandemic, there continue to be restrictions on gatherings of people indoors. The Company will therefore arrange to hold the General Meeting as a closed meeting,

with the minimum attendance required to form a quorum under the Company's articles of association. These Shareholders will each be directors, officers or employees of the Company. Shareholders will not be permitted to attend the General Meeting in person but can be represented by the Chairman of the General Meeting acting as their proxy.

Given the uncertainty around whether Shareholders will be able to attend the General Meeting, all Shareholders are recommended to complete and return their Form of Proxy to arrive no later than 10.00 a.m. on 19 May 2021 appointing the Chairman of the General Meeting, as their proxy. This will ensure that Shareholders' votes will be counted even if attendance at the General Meeting is restricted or Shareholders are unable to attend in person. Alternatively, Shareholders may appoint their proxy electronically via the Registrar's website at www.investorcentre.co.uk/eproxy. Shareholders will need their Control Number, SRN & PIN which can be found on their Form of Proxy. CREST members can also vote by utilising the CREST electronic proxy appointment service in accordance with the procedures set out in the Notice. Further instructions for voting can be found in paragraph 14 below.

If approved, the Resolutions would provide the Directors with the authority to allot the Placing Shares, the Subscription Shares, the Broker Option Shares, the Fees Shares, and to satisfy in full the prospective issuance of Ordinary Shares arising from the exercise of the Promoter Warrants, the Cornerstone Investor Warrants, the Broker Warrants and the Director Warrants, and to dis-apply statutory pre-emption rights in respect thereof. They also include Resolutions to appoint the Proposed Directors, as set out in paragraph 10 below.

The Transaction is conditional, *inter alia*, upon: (i) the passing by Shareholders of all of the Resolutions at the General Meeting; (ii) the Placing Agreement not having been terminated and becoming unconditional in all respects save for Admission; and (iii) Admission having become effective by no later than 8.00 a.m. on 25 May 2021 (or such time and date as the Company, Allenby Capital and Turner Pope may agree, being no later than 8.00 a.m. on 22 June 2021). Subject to all relevant conditions being satisfied (or, if applicable, waived), it is expected that Admission will occur on or around 25 May 2021.

For the purposes of this document, the Executive Directors are not considered to be independent in light of their involvement in the Transaction. As a result, they do not accept responsibility for the views of the Board on the Transaction and are not participating in the recommendation to Shareholders.

Shareholders should be aware that if the Resolutions are not approved at the General Meeting, the Transaction will not proceed in any respect. Shareholders are urged to vote in favour of the Resolutions, which the Independent Directors consider to be in the best interests of the Shareholders as a whole.

2. BACKGROUND TO THE TRANSACTION

On 11 February 2021, the Company announced that, in part as a consequence of COVID-19, the Company and in particular, Verify, would continue to face a number of trading challenges. This is despite the current relative strength of the Company's working capital position. Included within this announcement, the Board advised Shareholders that they were exploring a number of options for the Company and its businesses and further announcements would be made as and when appropriate.

Since that announcement, and following numerous discussions, both internally and with third parties, surrounding the business review, the Board has concluded that given the market outlook for each of the Company's business units, it is essential that Location Sciences secures additional financial resources. The Directors believe this will give the Company more time and greater flexibility to deliver value to the Shareholders from the Company's two core business units, namely location verification and data and insights.

Pleasingly the Board, with the assistance of Turner Pope, has secured the investment commitment and support, conditional upon each of the Resolutions being passed at the forthcoming General Meeting, from *inter alia*, Mahmud Kamani, Founder & Group Executive Chairman at Boohoo Group plc and Richard Hughes, founder at Zeus Capital, each of whom form part of the Concert Party. Mahmud Kamani and Richard Hughes have together introduced Simon Wilkinson as a proposed investor and proposed Non-Executive Chairman of the Company and as a member of the Concert Party.

The addition of these new supportive shareholders and the experience and relationships of the Proposed Directors, together with the additional resources from the Placing and Subscription, would, in the Board's opinion, considerably enhance the opportunities available to the Company.

3. COMPANY OVERVIEW

About the Company

Location Sciences is a global location verification provider to the digital advertising industry, and works in partnership with advertisers, media agencies and suppliers to reduce ad wastage and improve the effectiveness of location-based advertising campaigns.

Location Sciences has developed Verify and GeoProtect, the world's first independent location verification products, to tackle the global location ad fraud problem. Utilising sophisticated machine learning and pattern recognition technologies, Verify and GeoProtect detect location ad fraud and highlight location data inaccuracy with the aim of bringing back integrity, transparency and trust to the marketplace.

Location Sciences is also a specialised footfall insights company in the UK, combining cutting-edge GDPR compliant location data collection with proprietary machine learning analytics to create new value and insights from location information.

Recent trading

Trading performance for the year to 31 December 2020

For the year to 31 December 2020, revenue reduced to £1,080,742 (2019: £1,206,254) representing a decrease in revenues of approximately 10 per cent. year-on-year. Location data and insights delivered £762,170 of revenue (2019: £710,700) with Verify contributing £318,572 (2019: £495,554).

The Group received £30,119 of grant income, including £20,119 of furlough income from the UK's job retention scheme in 2020 (2019: £25,280). There is no grant income expected in the foreseeable future.

In response to the COVID-19 pandemic, the Board made swift cost reductions to mitigate the impact of the downturn in revenues. These included salary reductions for the Board and senior members of the team, a hiring freeze, closure of the London office and staff being furloughed. In addition, with the exception of product development, all operational expenses were reduced to the minimal viable levels from April 2020 following the downturn in the location-based advertising industry caused by the restrictions imposed by governments globally.

These actions reduced the administrative costs for continuing operations excluding depreciation and amortisation to £1,535,906 (2019: £2,545,767) a reduction of 40 per cent. compared to the prior year.

The business delivered a loss before exceptional items, amortisation and depreciation of £783,242 (2019: £1,712,986), an operating loss of £1,400,019 (2019: £2,271,242) and a loss after taxation of £1,239,268 (2019: £2,116,812).

Loss per Ordinary Share from continuing operations decreased from 0.61 pence in 2019 to 0.24 pence in 2020.

Impact of COVID-19

Verify revenues have continued to be adversely impacted by the significantly reduced advertising spend caused by the pandemic. The anticipated uplift in Verify revenues during the fourth quarter of 2020 did not materialise and there has been no improvement in the first part of 2021 due to the ongoing restrictions being imposed by governments globally.

As reported during 2020, it has been a challenging time for location-based advertising within sectors that rely on people's movement, such as retail and Quick Service Restaurants.

The outlook for location-based advertising is poor due to the overall impact of the pandemic on the location-based advertising industry. In the Board's experience, mainstream media agencies are now focused on media delivery rather than adopting new technologies, especially those which risk limiting delivery scale such as Verify.

Location Verification

In the first two months of 2020, the Board was buoyed by the momentum building around Verify which included being added to the Group M technology partner list, trials with Starbucks, Unilever and Horizon Media Inc., as well as deals with Phillip Morris International and Dentsu Aegis.

Unfortunately, this momentum was halted by COVID-19. Reduced media spending on location-based advertising resulted in a significantly reduced number of campaigns for location verification. More significantly, a new layer of verification was something media agencies would not promote given their need to spend and deliver revenues. In the UK, preferred partner relationships between location suppliers and their media agencies amplified this challenge. The recent dispute which the Company has had with Blis is evidence of how these relationships can override the Verify platform findings.

It is the management team's belief that the Verify platform needs a direct sales channel into brands and for the budget holders to see the problem our products are solving. Although this is a deeply opaque and unregulated part of digital advertising market, the Directors believe more work is needed to educate brands on the inefficiencies caused by poor data and the data quality and fraud issues omnipresent on the location-based advertising supply chain.

Following the announcement of the business review, the management team is exploring options for the Company's location verification products that could support the brand direct channel strategy. It is the management team's belief that with the right partners this can still be a successful SAAS offering.

The Directors are confident that the Company's products solve a significant problem in the ad-tech ecosystem. However, finding the right partners who are committed to promoting transparency will be a key next step. The recent changes in the ad-tech ecosystem such as the loss of cookies and the move to real time context are also creating some macro tail winds and scope for optimism.

Data and Insights

The Data and Insights business has fared better despite a drop in location events due to lack of movement from various lockdowns. Customers such as CACI, JC Decaux and the NHS have relied on the Company's data to show movement trends during the different phases of the COVID-19 pandemic.

The supply of data which feeds the Data and Insights business is being affected by the privacy changes introduced by the main operating systems. However, the Location Sciences management team continue to explore new supply relationships in order to maintain the data at a level suitable for the level of insights the Company delivers.

The Board is excited about the launch of the Company's new Insights products for the financial services industry, with the first such product launching on the Bloomberg Enterprise Access Point in the next few months.

The Data and Insights business also faces challenges, in particular with regards to location data supply, with Google and Apple having a significant influence on how location data is collected and processed. The Company has weathered the challenges of location data supply to date; however, these challenges have limited the growth of the Company's Data and Insights business as well as increased the costs to the Company. Consequently, this business unit is not yet break even and will require further investment to realise its full potential.

Outlook

There is still significant uncertainty ahead for Location Sciences. The management team is optimistic that as COVID-19 restrictions are relaxed the brakes on Location Sciences' business will be eased.

On 11 February 2021, the Company announced that, in part as a consequence of COVID-19, the Company and in particular, Verify, would continue to face a number of trading challenges. This is despite the current relative strength of the Company's working capital position. As made clear above, the key for Verify is to find the right partners who

are committed to promoting transparency. In the Board's view, this is imperative to deliver the value of Verify to shareholders.

4. USE OF PROCEEDS

The Company intends to use the funds raised from the Transaction:

- i. to fund the commercialisation of Location Sciences' current products and services;
- ii. to provide funds to further develop Location Sciences' product and service portfolio; and
- iii. for general working capital purposes.

5. INFORMATION ON THE TRANSACTION

Details of the Placing

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

- i. all of the Resolutions being passed without amendment at the General Meeting;
- ii. the Company allotting, subject only to Admission, the Placing Shares and the Broker Option Shares (if any) in accordance with the Placing Agreement;
- iii. Admission becoming effective by no later than 8.00 a.m. on 25 May 2021 (or such other time and/or date, being no later than 8.00 a.m. on 22 June 2021, as Allenby Capital, Turner Pope and the Company may agree);
- iv. the conditions in the Placing Agreement being satisfied or (if applicable) waived; and
- v. the Placing Agreement not having been terminated in accordance with its terms prior to Admission.

The Placing Shares will be credited as fully paid and will rank *pari passu* in all respects with the Ordinary Shares then in issue, including the right to receive all future distributions, declared, paid or made in respect of the Ordinary Shares from the date of Admission. The Placing Shares will represent approximately 69.0 per cent. of the Enlarged Issued Share Capital, if no Broker Option Shares are issued.

None of the Directors nor the Company give any warranty or undertaking that a subscription for VCT/EIS Shares: (i) is a qualifying holding for the purposes of Part 6 of the Income Tax Act 2007, or that such qualifying status will not be withdrawn; or (ii) would be regarded as "eligible shares" for the purposes of Part 5 of the Income Tax Act 2007, nor do they warrant or undertake that the Company will conduct its activities in a way that qualifies for or preserves its status or the status of any investment in New Ordinary Shares. Investors considering taking advantage of any of the reliefs available to VCTs or under EIS should seek their own professional advice in order that they may fully understand how the rules apply in their individual circumstances and what they are required to do in order to claim any reliefs (if available). As the rules governing VCT and/or EIS reliefs are complex and interrelated with other legislation, if any potential investors are in any doubt as to their tax position, require more detailed information than the general outline above or as set out in Part 2 (*Risk Factors*) of this document, or are subject to tax in a jurisdiction other than the UK, they should consult their own professional advisers.

Application will be made for the Placing Shares, the Subscription Shares, the Broker Option Shares (if any) and the Fees Shares (excluding 42,500,000 Fees Shares in respect of the second year's fees of the Proposed Directors) to be admitted to trading on AIM following the approval of the Resolutions. Admission is expected to become effective by no later than 8.00 a.m. on 25 May 2021. Settlement of the Placing Shares, the Subscription Shares, the Broker Option Shares (if any) and the Fees Shares (excluding 42,500,000 Fees Shares in respect of the second year's fees of the Proposed Directors) is expected to take place within the CREST system in conjunction with Admission.

It is expected that CREST accounts of the Placees who hold their Ordinary Shares in CREST will be credited with their Placing Shares and/or Broker Option Shares on 25 May 2021. In the case of Placees holding Ordinary Shares in certificated form, it is expected that certificates will be dispatched during the week commencing 31 May 2021.

The Placing and the Subscription are not being underwritten and the Placing Shares, the Subscription Shares and the Broker Option Shares are not subject to clawback.

Subscription

The Subscription Shares will be issued at the Placing Price, raising £25,000 for the Company. One of the Executive Directors has subscribed directly with the Company for these shares, which are issued on the same terms and conditions as the Placing Shares.

Details of the Broker Option

The Company has granted the Broker Option to Turner Pope to enable the Company to raise additional funds in the event of there being additional demand under the Placing. The Broker Option enables Turner Pope to procure subscribers for up to 175,000,000 Broker Option Shares, at the Placing Price, which they may use to satisfy additional demand for Ordinary Shares. Turner Pope may exercise the Broker Option during the period from the date of this document (on more than one occasion if partially exercising) at any time up to 5.00 p.m. on 5 May 2021. The allotment and issue of the Broker Option Shares is subject to the Placing proceeding and all Resolutions having been passed, amongst other things.

Any issue of Broker Option Shares will be made on the same terms and conditions as the issue of the Placing Shares. The Broker Option Shares are not being offered to the public and are not being offered or sold in any jurisdiction where it would be unlawful to do so. Any Shareholder wishing to apply for any Broker Option Shares, unless they are themselves an FCA authorised market counterparty, will need to communicate their interest in Broker Option Shares to Turner Pope via a FCA authorised market counterparty such as a stockbroker or other firm authorised by the FCA by 8.00 a.m. on 5 May 2021. Turner Pope will have absolute discretion in the allocation of any Broker Option Shares following the communication of any such interest, and communication of an order to Turner Pope will not guarantee any person any allocation or participation. The Broker Option Shares, if and when issued, will be credited as fully paid and will rank *pari passu* in all respects with the Ordinary Shares then in issue, including the right to receive all future distributions, declared, paid or made in respect of the Ordinary Shares from the date of Admission. If the Broker Option is fully exercised, the Broker Option Shares arising will represent approximately 6.5 per cent. of the Enlarged Issued Share Capital as further increased by the full issuance of the Broker Option Shares.

Details of the Fees Shares

The Fees Shares comprise:

- i. 17,500,000 Ordinary Shares to be issued at the Placing Price in respect of £35,000 for the first year of fees, paid in advance, due to Turner Pope for the provision of its broking services to the Company following Admission, upon which it will be appointed as joint broker to the Company;
- ii. 120,500,000 Ordinary Shares are to be issued at the Placing Price in settlement of fees and commission due to Turner Pope pursuant to the Placing; and
- iii. 85,000,000 Ordinary Shares to be issued at the Placing Price in respect of the first and second year's fees of the Proposed Directors, paid in advance, as set out in paragraph 10 below.

The issue of the Fees Shares reflects the agreement of Turner Pope and the Proposed Directors to apply the amounts owed to them by the Company in paying up new Ordinary Shares. The Fees Shares (other than the 42,500,000 Fees Shares to be issued in respect of the second year's fees of the Proposed Directors) will be issued at Admission, credited as fully paid and will rank *pari passu* in all respects with the Ordinary Shares then in issue, including the right to receive all future distributions, declared, paid or made in respect of the Ordinary Shares from the date of Admission. The Fees Shares (excluding the 42,500,000 Fees Shares to be issued in respect of the second year's fees of the Proposed Directors) will represent approximately 7.2 per cent. of the Enlarged Issued Share Capital, if no Broker Option Shares are issued, or approximately 6.7 per cent. of the Enlarged Issued Share Capital as further increased if the Broker Option is exercised in full.

Details of the Promoter Warrants

Pursuant to the terms of the Promoter Warrant Instrument, the Company will, conditional upon Admission, grant warrants to subscribe for up to 1,500,000,000 Ordinary Shares, which represents 85.7 per cent. of the Placing Shares and the Subscription Shares, to Richard Hughes, Mahmud Kamani and Simon Wilkinson, who are members of the Concert Party. The exercise price of the Promoter Warrants shall be the Placing Price and the Promoter Warrants

shall be capable of exercise for a period of five years from Admission. The Promoter Warrants will not be listed and will not be transferable. The Promoter Warrants will be allocated as set out below:

<i>Name</i>	<i>Number of Ordinary Shares subject to Promoter Warrants</i>
Richard Hughes	500,000,000
Mahmud Kamani	500,000,000
Simon Wilkinson	500,000,000
TOTAL	1,500,000,000

Details of the Cornerstone Investor Warrants

Pursuant to the terms of the Cornerstone Investor Warrant Instrument, the Company will, conditional upon Admission, grant warrants to subscribe for up to 250,000,000 Ordinary Shares, which represents 14.3 per cent. of the Placing Shares and the Subscription Shares, to the Cornerstone Investors. The exercise price of the Cornerstone Investor Warrants shall be the Placing Price and the Cornerstone Investor Warrants shall be capable of exercise for a period of five years from Admission. The Cornerstone Investor Warrants will not be listed and will not be transferable. The Cornerstone Investor Warrants will be allocated as set out below:

<i>Name</i>	<i>Number of Ordinary Shares subject to Cornerstone Investor Warrants</i>
Ben Turner	50,000,000
Donna Turner	75,000,000
James Pope	50,000,000
Maxine Pope	75,000,000
TOTAL	250,000,000

Details of the Broker Warrants

Pursuant to the terms of the Broker Warrant Instrument, the Company will, conditional upon Admission, grant warrants to subscribe for up to 100,000,000 Ordinary Shares, which represents 5.7 per cent. of the Placing Shares and the Subscription Shares, to JIM Nominees Limited (as nominee on behalf of Turner Pope). The exercise price of the Broker Warrants shall be the Placing Price and the Broker Warrants shall be capable of exercise for a period of five years from Admission. The Broker Warrants will not be listed, are transferable and any transfers must be registered with the Company. The Broker Warrants are exercisable by new holders on the same terms as they could be exercised by Turner Pope, subject to such new holders having been registered as holders of the Broker Warrants in accordance with the transfer terms of the Broker Warrant Instrument. Turner Pope has agreed to transfer, in aggregate, 41,250,000 Broker Warrants to Dr Nigel Burton and the Executive Directors upon Admission. Following such transfers, the Broker Warrants will be allocated as set out below:

<i>Name</i>	<i>Number of Ordinary Shares subject to Broker Warrants</i>
JIM Nominees Limited (as nominee on behalf of Turner Pope)	58,750,000
Dr Nigel Burton	25,000,000
Mark Slade	10,000,000
David Rae	6,250,000
TOTAL	100,000,000

6. THE TAKEOVER CODE

The terms of the Transaction give rise to certain considerations under the Takeover Code. Brief details of the Panel, the Takeover Code and the protections they afford are given below.

Rule 9 of the Takeover Code

The Code is issued and administered by the Panel. The Company is a company to which the Code applies, and its Shareholders are entitled to the protections afforded by the Code. Under Rule 9 of the Code, any person who acquires an interest (as defined in the Code) in shares which, taken together with shares in which he is already interested and in which persons acting in concert with him are interested, carry 30 per cent. or more of the voting rights of a company which is subject to the Code, is normally required to make a general offer to all the remaining shareholders to acquire their shares.

If any person, together with persons acting in concert with him, is interested in shares which in the aggregate carry not less than 30 per cent. of the voting rights of a company but does not hold shares carrying more than 50 per cent. of such voting rights and such person, or any person acting in concert with him, acquires an interest in any other shares which increases the percentage of shares carrying voting rights in which he is interested, such person shall extend offers, on the basis set out in Rules 9.3, 9.4 and 9.5 of the Code, to the holders of any class of equity share capital whether voting or non-voting and also to the holders of any other class of transferable securities carrying voting rights. Offers for different classes of equity share capital must be comparable; the Panel should be consulted in advance in such cases.

An offer will not be required under Rule 9 of the Takeover Code where control of the offeree company is acquired as a result of a voluntary offer made in accordance with the Code to all the holders of voting equity share capital and other transferable securities carrying voting rights. Note 4 on Rule 9.1 of the Code further provides, among other things, that where any person who, together with persons acting in concert with him, holds over 50 per cent. of the voting rights of a company and acquires further shares, then they that person will not generally be required to make a general offer to the other shareholders to acquire the balance of their shares, although individual members of the concert party will not be able to increase their percentage interest in shares through or between a Rule 9 threshold, without Panel consent.

An offer under Rule 9 of the Code must be made in cash (or with a cash alternative) and at the highest price paid by the person required to make the offer, or any person acting in concert with him, for any interest in shares of the company during the 12 months prior to the announcement of the offer.

Rule 9 Waiver

Under Note 1 of the Notes on the Dispensations from Rule 9, the Panel may waive the requirement for a general offer to be made in accordance with Rule 9 if, amongst other things, the shareholders of a company who are independent of the person who would otherwise be required to make an offer, and any person acting in concert with him, pass an ordinary resolution on a poll at a general meeting or by way of a written resolution approving such a waiver.

The Company has applied to the Panel for the Rule 9 Waiver of the Code in order to permit the implementation of the Transaction without triggering an obligation on the part of the Concert Party, or any member of the Concert Party, to make a general offer to Shareholders. Subject to the approval of the Independent Shareholders of the Whitewash Resolution taken on a poll in General Meeting, the Panel has agreed to waive the obligations to make an offer under Rule 9 of the Code for the entire issued share capital of the Company that would otherwise arise as a result implementation of the Transaction. Accordingly, the Whitewash Resolution being proposed at the General Meeting will be taken by means of a poll of Independent Shareholders attending and voting at the General Meeting. Anybody who is not an Independent Shareholder cannot vote on the Whitewash Resolution. Any Shareholder, who is not an Independent Shareholder, has undertaken to the Company that they will not vote on the Whitewash Resolution.

The waiver to which the Panel has agreed under the Code will be invalidated if any purchases are made by any member of the Concert Party, or any person acting in concert with it, in the period between the date of this document and the General Meeting. No member of the Concert Party, nor any person acting in concert with it, has purchased Ordinary Shares in the 12 months preceding the date of this document.

Potential voting rights of the Concert Party

Persons acting in concert include persons who, pursuant to an agreement or understanding (whether formal or informal), co-operate to obtain or consolidate control of a company.

The Concert Party consists of Richard Hughes, Rebecca Hughes, Abigail Hughes, Mahmud Kamani, Samir Kamani, Umar Kamani, Adam Kamani, Petar Cvetkovic, Carol Kane, Daron Lee, John Lyttle, Shaun Mealey, Christian Stephenson and Simon Wilkinson, all of whom are presumed to be acting in concert under the Takeover Code. No member of the Concert Party holds any Existing Ordinary Shares.

Further details of, and information on, the members of the Concert Party who are presumed to be acting in concert for the purposes of the Takeover Code are set out in Part 3 of this document.

The Concert Party will not be restricted from making an offer for the Company.

Maximum Controlling Position

The Concert Party has conditionally agreed to subscribe for, in aggregate, 1,010,000,000 Ordinary Shares under the Placing. In addition, a member of the Concert Party is receiving 25,000,000 Fees Shares at Admission. Consequently, immediately following Admission, the Concert Party will hold, in aggregate, 1,035,000,000 Ordinary Shares, representing approximately 41.1 per cent. of the Enlarged Issued Share Capital. The Concert Party's acquisition of New Ordinary Shares would, without a waiver of the obligations under Rule 9 of the Takeover Code, oblige the Concert Party to make a general offer for the Company under Rule 9 of the Takeover Code.

As part of the Transaction, certain members of the Concert Party will be granted, in aggregate, 1,500,000,000 Promoter Warrants and 30,000,000 Director Warrants. Simon Wilkinson will also be issued with a further 25,000,000 Fees Shares in respect of his second year of service as Non-Executive Chairman. If the Promoter Warrants and the Director Warrants held by members of the Concert Party following Admission are exercised, a further 25,000,000 Fees Shares are issued to Simon Wilkinson, the Broker Option is not exercised, no other options or warrants are exercised and no other Ordinary Shares are issued, the Concert Party would hold 2,590,000,000 Ordinary Shares representing 63.6 per cent. of the so enlarged ordinary share capital.

If the Broker Option, the Promoter Warrants, the Cornerstone Investor Warrants, the Broker Warrants, and the Director Warrants are exercised in full and a further 25,000,000 Fees Shares are issued to Simon Wilkinson (and assuming no other issuance, including such as that which may arise from the exercise of other options which may be granted to other employees in future), the Concert Party would hold 2,590,000,000 Ordinary Shares representing 55.0 per cent. of the so enlarged ordinary share capital. In the unlikely event that the existing employee share options over 23,466,666 Ordinary Shares, which have an exercise price of 2.25 pence per share, are also exercised then the Concert Party's holding would reduce to 54.8 per cent. of the so enlarged ordinary share capital.

The exercise of any of the Promoter Warrants or Director Warrants held by members of the Concert Party and the issue of a further 25,000,000 Fees Shares to Simon Wilkinson would, without a waiver of the obligations under Rule 9 of the Takeover Code, oblige the Concert Party to make a general offer to Shareholders under Rule 9 of the Takeover Code.

The following table sets out the Concert Party's shareholdings (i) on Admission; and (ii) following Admission (assuming that no Broker Option Shares are issued) in the event that all the Promoter Warrants and the Director Warrants held by members of the Concert Party are exercised, a further 25,000,000 Fees Shares are issued to Simon Wilkinson and no other options or warrants are exercised or further Ordinary Shares are issued.

	<i>Fees Shares</i>	<i>Placing Shares</i>	<i>At Admission</i>		<i>Promoter Warrants</i>	<i>Director Warrants</i>	<i>Fees Shares</i>	<i>Maximum holding</i>	
	<i>No. Shares</i>	<i>No. Shares</i>	<i>No. Shares</i>	<i>%</i>	<i>No. Shares</i>	<i>No. Shares</i>	<i>No. Shares</i>	<i>No. Shares</i>	<i>%</i>
Richard Hughes	-	200,000,000	200,000,000	7.94	500,000,000	-	-	700,000,000	17.19
Rebecca Hughes	-	50,000,000	50,000,000	1.99	-	-	-	50,000,000	1.23
Abigail Hughes	-	50,000,000	50,000,000	1.99	-	-	-	50,000,000	1.23
Mahmud Kamani	-	200,000,000	200,000,000	7.94	500,000,000	-	-	700,000,000	17.19

	<i>Fees Shares</i>	<i>Placing Shares</i>	<i>At Admission</i>		<i>Promoter Warrants</i>	<i>Director Warrants</i>	<i>Fees Shares</i>	<i>Maximum holding</i>	
	<i>No. Shares</i>	<i>No. Shares</i>	<i>No. Shares</i>	<i>%</i>	<i>No. Shares</i>	<i>No. Shares</i>	<i>No. Shares</i>	<i>No. Shares</i>	<i>%</i>
Samir Kamani	-	60,000,000	60,000,000	2.38	-	-	-	60,000,000	1.47
Umar Kamani	-	50,000,000	50,000,000	1.99	-	-	-	50,000,000	1.23
Adam Kamani	-	50,000,000	50,000,000	1.99	-	-	-	50,000,000	1.23
Petar Cvetkovic	-	25,000,000	25,000,000	0.99	-	-	-	25,000,000	0.68
Carol Kane	-	50,000,000	50,000,000	1.99	-	-	-	50,000,000	1.23
Daron Lee	-	125,000,000	125,000,000	4.96	-	-	-	125,000,000	3.07
John Lyttle	-	50,000,000	50,000,000	1.99	-	-	-	50,000,000	1.23
Shaun Mealey	-	25,000,000	25,000,000	0.99	-	-	-	25,000,000	0.68
Christian Stephenson	-	25,000,000	25,000,000	0.99	-	-	-	25,000,000	0.68
Simon Wilkinson	25,000,000	50,000,000	75,000,000	2.98	500,000,000	30,000,000	25,000,000	630,000,000	15.47
Total Concert Party	25,000,000	1,010,000,000	1,035,000,000	41.11	1,500,000,000	30,000,000	25,000,000	2,590,000,000	63.59

Waiver of Rule 9 of the Takeover Code

The Company applied to the Panel for a waiver of Rule 9 of the Takeover Code in order to permit members of the Concert Party to subscribe for in aggregate, 1,010,000,000 Ordinary Shares pursuant to the Placing, receive 50,000,000 Fees Shares and exercise the Promoter Warrants and Director Warrants held by the Concert Party without triggering an obligation on the part of the Concert Party to make a general offer for the Company. The Panel has agreed, subject to Resolution 1 to be proposed at the General Meeting being passed on a poll of Independent Shareholders, to waive the requirement for the Concert Party to make a general offer to all Shareholders where such an obligation would arise as a result of members of the Concert Party subscribing for Placing Shares pursuant to the Placing, receiving 50,000,000 Fees Shares and exercising the Promoter Warrants and Director Warrants held by the Concert Party.

In the event that the Rule 9 Waiver is granted by the Panel and the Concert Party exercises the Promoter Warrants and the Director Warrants held by members of the Concert Party and a further 25,000,000 Fees Shares are issued to Simon Wilkinson, the Concert Party may hold in excess of 50 per cent. of the so enlarged ordinary share capital. As such, the Concert Party would be entitled to further increase its holding or voting rights without incurring any further obligations under Rule 9 to make a mandatory offer, although individual members of the Concert Party will not be able to increase their percentage shareholding through or between a Rule 9 threshold without Panel consent.

If the Resolutions are approved at the General Meeting, the Concert Party will not be restricted from making an offer for the Company unless the Concert Party either makes a statement that it does not intend to make an offer or enters into an agreement with the Company not to make an offer. No such statement has been made or agreement entered into as at the date of this document.

Intentions of the Concert Party

Following completion of the Transaction, the Company's business will be continued in the same manner as it is at present. The Concert Party has confirmed that it has no current intention to change the Company's plans with respect to:

- (i) the Company's existing business (including the Company's intentions for its research and development functions);
- (ii) the continued employment of the employees and management of the Company, including any material change in conditions of employment or in the balance of the skills and functions of the employees and management;

- (iii) its strategic plans for the Company, or their likely repercussions on employment or the locations of the Company's places of business, including on the location of the Company's headquarters and the headquarters' functions;
- (iv) employer contributions into any pension scheme(s), the accrual of benefits for existing members, or the admission of new members; or
- (v) the redeployment of the fixed assets of the Company.

Relationship agreement

Given the size of the Concert Party's aggregate shareholding in the Company, the Company, Allenby Capital and each member of the Concert Party have entered into a relationship agreement to regulate the relationship between the Company and the Concert Party following Admission. Further details of the relationship agreement are set out at paragraph 7.7 of Part 3 of this document.

7. PLACING AGREEMENT

The Company has entered into the Placing Agreement with each of Allenby Capital and Turner Pope, pursuant to which Allenby Capital has agreed to act as nominated adviser and financial adviser in connection with the Transaction and Turner Pope has agreed (as the Company's placing agent) to use reasonable endeavours to procure places for the Placing Shares at the Placing Price. The Company has also granted the Broker Option to Turner Pope, although Turner Pope is not obliged to use reasonable endeavours to procure places for Broker Option Shares. The Placing Price represents a discount of approximately 64 per cent. to the closing mid-market price of 0.56 pence per Ordinary Share on 30 April 2021, being the latest practicable date prior to the publication of this document.

The Placing Agreement contains customary warranties given by the Company to Allenby Capital and Turner Pope as to matters relating to the Company and its business and a customary indemnity given by the Company to Allenby Capital and Turner Pope in respect of liabilities arising out of or in connection with the Transaction. Each of Allenby Capital and Turner Pope is entitled to terminate the Placing Agreement in certain circumstances prior to Admission, including circumstances where any of the warranties are found not to be true or accurate or to be misleading in any respect or on the occurrence of certain *force majeure* events.

The Placing Shares are not being offered to the public and are not being offered or sold in any jurisdiction where it would be unlawful to do so.

8. DIRECTORS' AND PROPOSED DIRECTORS' PARTICIPATION IN THE PLACING AND SUBSCRIPTION AND THEIR RESULTING INTERESTS IN THE COMPANY

The Executive Directors and Proposed Directors propose to subscribe for an aggregate of 120,000,000 Placing Shares and 12,500,000 Subscription Shares, representing approximately 7.6 per cent. of the Placing Shares and Subscription Shares. Immediately following Admission (assuming the issue of 42,500,000 Fees Shares but that no Broker Option Shares are issued), the Executive Directors and Proposed Directors will together hold an aggregate of 182,371,111 Ordinary Shares, representing 7.2 per cent. of the Enlarged Issued Share Capital, as set out in the table below. This figure decreases to 6.8 per cent. of the Enlarged Issued Share Capital as further increased if the Broker Option is exercised in full and excluding the 42,500,000 Fees Shares in respect of the second year's fees of the Proposed Directors

Director	Number of Existing Ordinary Shares held as at the date of this document	Number of Placing Shares subscribed for	Number of Subscription Shares subscribed for	Number of Fees Shares to be issued at Admission	Resulting number of Ordinary Shares held immediately following Admission¹	Resulting holding as a percentage of the Enlarged Issued Share Capital
Executive Directors						
Mark Slade	6,204,444	20,000,000	-	-	26,204,444	1.0

<i>Director</i>	<i>Number of Existing Ordinary Shares held as at the date of this document</i>	<i>Number of Placing Shares subscribed for</i>	<i>Number of Subscription Shares subscribed for</i>	<i>Number of Fees Shares to be issued at Admission</i>	<i>Resulting number of Ordinary Shares held immediately following Admission¹</i>	<i>Resulting holding as a percentage of the Enlarged Issued Share Capital</i>
David Rae	1,166,667	-	12,500,000	-	13,666,667	0.5
Proposed Directors						
Simon Wilkinson	-	50,000,000	-	25,000,000	75,000,000	3.0
Dr Nigel Burton	-	50,000,000	-	17,500,000	67,500,000	2.7
TOTAL	7,371,111	120,000,000	12,500,000	42,500,00	182,371,111	7.2

Note: The interests above assume no Broker Option Shares are issued and exclude the 22,888,889 unexercised but out-of-the-money options over Ordinary Shares held at the date of this document by the Executive Directors, as disclosed in the Company's 2020 Annual Report. It is expected that following Admission these options will be surrendered and that new options will be granted to the Executive Directors. If any new options are granted, details will be notified to Shareholders via a Regulatory Information Service.

9. RELATED PARTY TRANSACTIONS

The Directors' aggregate participation in the Placing and Subscription (as set out in paragraph 8 above) and their aggregate entitlement to Broker Warrants and Director Warrants (as set out in paragraphs 10 and 11 below) are deemed to constitute a related party transaction pursuant to Rule 13 and Rule 16 of the AIM Rules.

The Independent Directors, consider, having consulted with Allenby Capital, the Company's nominated adviser, that the terms of the Directors' aggregate participation in the Placing and Subscription and their aggregate entitlement to Broker Warrants and Director Warrants are fair and reasonable insofar as the Shareholders are concerned.

10. PROPOSED BOARD CHANGES

Conditional upon the approval of the Resolutions at the General Meeting and Admission, and subject always to the satisfactory discharge by Allenby Capital of its obligations under the AIM Rules for Nominated Advisers in respect of the board changes, it is intended that Simon Wilkinson will join the Board as Non-Executive Chairman and Dr Nigel Burton will join the Board as a Non-Executive Director, in each case at Admission. It is also intended that the current Non-Executive Chairman, Kelvin Harrison, and Non-Executive Director, Benjamin Chilcott, will step down from the Board at Admission.

On their appointment to the Board, it is proposed that the Company's Audit, Remuneration and Nomination Committees will be chaired by Dr Nigel Burton and Simon Wilkinson will be a member of all committees. Dr Nigel Burton will also assume the responsibilities of Senior Non-Executive Director.

Simon Wilkinson

Simon Wilkinson is a highly experienced software executive and entrepreneur, having been involved with a number of public and private companies over his career. He was most recently CEO then Chairman of Mobica, a world-leading, award-winning software services company offering bespoke development, QA and consultancy. He was previously Chief Executive Officer of Myriad Group AG, which was listed in Zurich, and founder and Chief Executive Officer of Magic4 Ltd, a mobile messaging software market leader, backed by 3i, Philips Ventures and Motorola Ventures, sold to Openwave Systems for \$83 million in August 2004.

Dr Nigel Burton

Following over 14 years as an investment banker at leading City institutions including UBS Warburg and Deutsche Bank, including as the Managing Director responsible for the energy and utilities industries, Nigel spent 15 years as

Chief Financial Officer or Chief Executive Officer of a number of private and public companies. Nigel is currently a Non-Executive Director of main listed, BlackRock Throgmorton Investment Trust plc, as well as AIM quoted companies, DeepVerge plc, eEnergy Group plc, Mobile Streams plc and Microsaic Systems plc.

Proposed remuneration and terms for the Proposed Directors

<i>Proposed Director</i>	<i>Position</i>	<i>Appointment term</i>	<i>Annual Remuneration</i>	<i>Number of Fees Shares to be issued on Admission for first year of service</i>	<i>Number of new Ordinary Shares to be issued for second year of service</i>	<i>Number of Director Warrants to be issued (see paragraph 11 below)</i>	<i>Number of Broker Warrants to be issued (see paragraph 11 below)</i>	<i>Number of Promoter Warrants to be issued (see paragraph 11 below)</i>
Simon Wilkinson	Non-Executive Chairman	Two years, subject to three months' notice*	£50,000	25,000,000	25,000,000	30,000,000	-	500,000,000
Dr Nigel Burton	Non-Executive Director, Chairman of the Audit Committee, Chairman of the Remuneration Committee and Chairman of the Nomination Committee	Two years, subject to three months' notice*	£35,000	17,500,000	17,500,000	30,000,000	25,000,000	-

* Notice cannot be given by the Proposed Directors during the first two years of their appointment except to the end of the period to which their fees have been paid in advance.

Summary details of the letters of appointment to be entered into between the Company and each of the Proposed Directors prior to Admission are set out below:

- To make the most effective use of the proceeds, each of the Proposed Directors has agreed that for each of the first two years of their appointment, the relevant fee will be paid annually in advance and the payment owed by the Company to each of the Proposed Directors will be applied by them in paying up such number of Ordinary Shares as equals the annual remuneration set out in the table above divided by the Placing Price (“**Director Fees Shares**”), with each of the Proposed Directors reimbursing the Company in cash for the employee national insurance and PAYE taxes due in respect of those fees. Thereafter, fees will be paid in cash, monthly in arrears.
- In the event that the appointment of a Proposed Director terminates for any reason within the first or second year of service, the relevant Proposed Director will reimburse the Company in cash for the value of any over-payment for that year calculated on a pro-rata basis.
- The appointment of each Proposed Director is for an initial term of two years and can be terminated by either party upon three months’ notice (although the Proposed Directors cannot give notice to terminate their appointment prior to the end of any twelve-month period during which they have been remunerated annually in advance in shares) or immediately by the Company in certain circumstances.
- In the event that a third-party takes direct or indirect beneficial ownership of more than 50 per cent. of the share capital, voting rights or assets of the Company or of another participating interest carrying the right to direct the affairs of the Company (a “**Change of Control**”) for a consideration per Ordinary Share which is at least a 100 per cent. premium to the Placing Price, the annual fees of the Proposed Directors for the second year’s service (to the extent that any amount has not already been paid) will become payable by the Company in cash as soon as the transaction leading to the Change of Control becomes unconditional and any reimbursement obligation of advance payment shall not apply in the event of termination after the Change of Control. This payment will be satisfied by the issuance to the Proposed Directors of Director Fees Shares.

Corporate governance

The Executive Directors and the Proposed Directors recognise the importance of good governance arrangements. Following the changes detailed above, the Company intends to initiate a process to identify and appoint a second independent Non-Executive Director in addition to Nigel Burton, who is deemed independent, with a view to making an appointment as soon as reasonably practicable and ideally within six months following Admission, subject to finding an appropriate candidate with relevant experience. Further consideration will be given to appointing a third independent Non-Executive Director following the anniversary of completion of the Transaction and before the Company's 2022 annual general meeting.

11. PROPOSED WARRANTS FOR DIRECTORS

To incentivise the Executive Directors and the Proposed Directors appropriately, the following Director Warrants, issued pursuant to the Director Warrant Instrument, will be awarded subject to Admission.

<i>Director</i>	<i>Number of Ordinary Shares subject to Director Warrants</i>	<i>Number of Ordinary Shares subject to Broker Warrants</i>	<i>Number of Ordinary Shares subject to Promoter Warrants</i>
Mark Slade	30,000,000	10,000,000	-
David Rae	30,000,000	6,250,000	-
Simon Wilkinson	30,000,000	-	500,000,000
Dr Nigel Burton	30,000,000	25,000,000	-
TOTAL	120,000,000	41,250,000	500,000,000

The Director Warrants, which are non-transferable, are separate from the Broker Warrants and the Promoter Warrants and will be exercisable at the Placing Price for five years from Admission, provided that the Ordinary Shares have traded at a Volume Weighted Average Price (VWAP) at or above a 50 per cent. premium to the Placing Price for 20 consecutive Business Days, or on a change of control of the Company.

The grant of the Promoter Warrants, which are not part of the incentivisation scheme but included in the above table for completeness, are conditional upon each of the Resolutions being passed at the forthcoming General Meeting and allocated based on the Proposed Director's participation in the Placing.

The Broker Warrants included above are an agreed allocation of the Broker Warrants granted to JIM Nominees Limited (as nominee on behalf of Turner Pope), further details of which are set out in paragraph 5 above. These are not part of the incentivisation scheme but included in the above table for completeness. The issue of the Broker Warrants is conditional upon each of the Resolutions being passed at the forthcoming General Meeting and the Broker Warrants will be allocated to the Executive Directors and Proposed Directors based on their participation in the Placing and the Subscription.

In aggregate, the 661,250,000 Ordinary Shares subject to the Promoter Warrants, Director Warrants and Broker Warrants granted to the Executive Directors and the Proposed Directors represent 26.3 per cent. of the Enlarged Issued Share Capital (i.e. after the issue of the Placing Shares, the Subscription Shares and the Fees Shares (excluding 42,500,000 Fees Shares in respect of the second year's fees of the Proposed Directors)). This figure reduces to 14.2 per cent. of the aggregate of the Enlarged Issued Share Capital as further increased by the exercise in full of the Broker Option, the Promoter Warrants, the Cornerstone Investor Warrants, the Broker Warrants, and the Director Warrants (and assuming no other issuance, including such as that which may arise from the exercise of other options which may be granted to other employees in future).

12. RISK FACTORS

The attention of Shareholders is drawn to the risk factors set out in Part 2 (*Risk Factors*) of this document.

13. GENERAL MEETING

A Notice convening the General Meeting for 10.00 a.m. on 21 May 2021 is set out at the end of this document. The business to be considered at the General Meeting is set out in the Notice.

Explanation of the Resolutions

Resolution 1 is an ordinary resolution to approve the Rule 9 Waiver, as explained in paragraph 6 above. This resolution will need to be approved by way of a poll of Independent Shareholders.

Resolution 2 is an ordinary resolution, the passing of which is conditional upon the passing of Resolutions 1 and 3 to 5 (inclusive), to grant the Directors authority pursuant to section 551 of the Act to issue equity securities up to an aggregate nominal amount of £4,118,000.

Resolution 3 is a special resolution, the passing of which is conditional upon the passing of Resolutions 1, 2, 4 and 5, to empower the Directors, pursuant to section 570 of the Act, to allot equity securities up to a maximum aggregate nominal amount of £4,118,000 on a non-pre-emptive basis.

Resolutions 2 and 3 will enable the Directors to issue the Placing Shares, the Subscription Shares, the Fees Shares and the Broker Option Shares (if any) and grant the Promoter Warrants, the Cornerstone Investor Warrants, the Director Warrants and the Broker Warrants.

Resolution 4 is an ordinary resolution, the passing of which is conditional upon the passing of Resolutions 1 to 3 (inclusive) and 5, to approve the appointment of Simon Wilkinson as a director of the Company.

Resolution 5 is an ordinary resolution, the passing of which is conditional upon the passing of Resolutions 1 to 4 (inclusive), to approve the appointment of Dr Nigel Burton as a director of the Company.

The authorities to be granted to the Directors by the Resolutions will be in addition to the authority to allot shares given at the Company's annual general meeting held on 9 April 2020 and will only be used in connection with the Transaction.

Resolutions 1, 2, 4 and 5 are ordinary resolutions and require a majority of more than 50 per cent. of the Shareholders voting to be passed. Resolution 3 is a special resolution and requires the approval of not less than 75 per cent. of the Shareholders voting to be passed.

14. ACTION TO BE TAKEN

A Form of Proxy for use at the General Meeting is enclosed with this document. You are requested to return the duly completed Form of Proxy to the Company's registrars, Computershare Investor Services PLC, by post to The Pavilions, Bridgwater Road, Bristol, BS99 6ZY or by email to externalproxyqueries@computershare.co.uk as soon as possible and in any event, so as to be valid, to arrive before 10.00 a.m. on 19 May 2021. Alternatively, you may appoint your proxy electronically via the Registrar's website at www.investorcentre.co.uk/eproxy. You will need their Control Number, SRN & PIN which can be found on their Form of Proxy. CREST members can also vote by utilising the CREST electronic proxy appointment service in accordance with the procedures set out in the Notice.

The General Meeting has been convened for 10.00 a.m. on 21 May 2021 and will be held at the offices of Turner Pope at 8 Frederick's Place, London, EC2R 8AB.

The Company's preference would be to welcome Shareholders in person to the General Meeting. However, at present, as a result of the COVID-19 pandemic, there continue to be restrictions on gatherings of people indoors.

The Company will therefore arrange to hold the General Meeting as a closed meeting, with the minimum attendance required to form a quorum under the Company's articles of association. These Shareholders will each be directors, officers or employees of the Company. Shareholders will not be permitted to attend the General Meeting in person but can be represented by the Chairman of the General Meeting acting as their proxy.

Given the constantly evolving nature of the situation, should circumstances change before the time of the General Meeting, the Company intends to ensure that it is able to adapt arrangements and to welcome Shareholders to the General Meeting, within safety constraints and in accordance with government guidelines. Should it become possible to do so, the General Meeting will be open for all Shareholders to attend. Any changes to the running of the General Meeting will be notified via a Regulatory Information Services as early as is possible before the date of the General Meeting. Any updates to the position will also be included on the Company's website at www.locationsciencesgroup.ai.

Given the uncertainty around whether Shareholders will be able to attend the General Meeting, all Shareholders are recommended to complete and return their Form of Proxy appointing the Chairman of the General Meeting, as their proxy. This will ensure that Shareholders' votes will be counted even if attendance at the General Meeting is restricted or Shareholders are unable to attend in person. Alternatively, Shareholders may appoint their proxy electronically via the Registrar's website at www.investorcentre.co.uk/eproxy. Shareholders will need their Control Number, SRN & PIN which can be found on their Form of Proxy. CREST members can also vote by utilising the CREST electronic proxy appointment service in accordance with the procedures set out in the Notice.

Should a Shareholder have a question that they would have raised at the General Meeting, the Company asks that it be sent to info@locationsciences.ai by no later than 10.00 a.m. on 19 May 2021. The Company will publish relevant questions received, together with answers, on the Company's website as soon as practicable after the deadline for receipt. The questions may be grouped into generic classes as the Board deems appropriate and answers will not include any price-sensitive information that has not previously been made public via a Regulatory Information Service.

Shareholders can vote on the Resolutions without being physically present by appointing the Chairman of the General Meeting as their proxy to attend the General Meeting and vote on their behalf. A hard copy Form of Proxy is enclosed for use at the General Meeting. The Company recommends that Shareholders complete, sign and return a Form of Proxy to the Company's registrars, Computershare Investor Services PLC, by post to The Pavilions, Bridgwater Road, Bristol, BS99 6ZY or by email to externalproxyqueries@computershare.co.uk. Forms of Proxy must be returned so as to be received by Computershare Investor Services PLC by no later than 10.00 a.m. on 19 May 2021. Further details as to how to complete and return a Form of Proxy are set out in the notes to the Notice at the end of this document and also on the Form of Proxy itself. Alternatively, Shareholders may appoint their proxy electronically via the Registrar's website at www.investorcentre.co.uk/eproxy. Shareholders will need their Control Number, SRN & PIN which can be found on their Form of Proxy. CREST members can also vote by utilising the CREST electronic proxy appointment service in accordance with the procedures set out in the Notice.

At the General Meeting, instead of the usual practice of each Resolution being voted on initially by a show of hands, the Chairman of the General Meeting shall exercise his right to demand a poll on each Resolution which shall be taken immediately. This will enable those votes cast by those Shareholders who have submitted a Form of Proxy to be recorded and used as the basis for determining whether or not a Resolution has been passed at the General Meeting. Results of the votes cast on each Resolution will be included in the announcement that follows the General Meeting confirming the outcome of the General Meeting.

15. RECOMMENDATION

The Independent Directors, who have been so advised by Allenby Capital, believe that the Transaction is fair and reasonable and in the best interests of the Company and its Independent Shareholders as a whole. In providing advice to the Independent Directors, Allenby Capital has taken into account the commercial assessments of the Independent Directors. Accordingly, the Independent Directors unanimously recommend Shareholders to vote in favour of the Resolutions as they intend so to do in respect of their beneficial shareholdings amounting to, in aggregate, 5,302,083 Ordinary Shares, representing approximately 0.9 per cent. of the Existing Ordinary Shares.

The Transaction is conditional, inter alia, upon the passing of the Resolutions at the General Meeting. Shareholders should be aware that if the Resolutions are not approved at the General Meeting, the Transaction will not proceed in any respect. Shareholders are urged to vote in favour of the Resolutions, which the Independent Directors consider to be in the best interests of the Shareholders as a whole.

Yours faithfully,

Kelvin Harrison
Non-Executive Chairman

PART 2 – RISK FACTORS

Shareholders should consider carefully all of the information set out in this document and the risks attaching to an investment in the Company, including (but not limited to) the risk factors described below and those referred to in the Company's 2019 Annual Report. The risk factors described below do not purport to be an exhaustive list and do not necessarily comprise all of the risks to which the Company is exposed or all those associated with an investment in the Company. In particular, the Company's performance is likely to be affected by changes in market and/or economic conditions and in legal, accounting, regulatory and tax requirements. The risk factors described below are not intended to be presented in any assumed order of priority. Additional risks and uncertainties not presently known to the Directors, or which the Directors currently deem immaterial, may also have an adverse effect upon the Company. If any of the following risks were to materialise, the Company's business, financial condition, results, prospects and/or future operations might be materially adversely affected. In such case, the value of the New Ordinary Shares might decline and investors might lose all or part of their investment.

An investment in the Company is only suitable for investors capable of evaluating the risks and merits of such investment and who have sufficient resources to bear any loss that may result from the investment. A prospective investor should consider with care whether an investment in the Company is suitable for him in the light of his personal circumstances and the financial resources available to him.

Investment in the Company should not be regarded as short-term in nature. There can be no guarantee that any appreciation in the value of the Company's investments will occur or that the commercial objectives of the Company will be achieved. Investors may not get back the full amount initially invested. The prices of shares and the income derived from them can go down as well as up. Past performance is not necessarily a guide to the future.

In addition to all of the other information set out in this document, the following specific risk factors should be carefully considered by any person in evaluating whether to make an investment in the Company. If you are in any doubt about the action you should take, you should consult an independent financial adviser authorised under FSMA who specialises in advising on the acquisition of shares and other securities.

The Directors believe the following risks to be the most significant. However, the risks listed do not comprise all those associated with an investment in the Company and are not set out in any particular order of priority. Additional risks and uncertainties not currently known to the Directors or which the Directors currently deem immaterial may also have an adverse effect on the Company and the information set out below does not purport to be an exhaustive summary of the risks affecting the Company.

If any of the following risks were to materialise, the Company's business, financial condition, results or future operations could be materially adversely affected. In such cases, the market price of the Company's shares could decline and an investor may lose part or all of their investment.

RISKS RELATING TO THE COMPANY

COVID-19

The outbreak of COVID-19 (commonly referred to as the coronavirus) has negatively impacted economic conditions globally and is having an adverse and disruptive effect in every country in which the Company operates. As a direct result of the current pandemic, the Company's sales have been materially adversely affected. Despite a number of vaccines being approved in various markets, whilst the pandemic continues it remains difficult to predict when markets will return to a more normal situation for the Company. Due to the pandemic, there is a heightened risk of bankruptcy of suppliers and customers of the Company, with a consequential risk for the financial position of the Company. In addition, there is risk to the health and wellbeing of employees and others working alongside the Company. Any of these risks could adversely affect the Company's business, financial condition, results or future operations. The Company has adapted its operating methodology in general and in specific response to national, regional, and local conditions and government rules and regulations. If the pandemic worsens significantly or if vaccines fail to have the desired effect in 2021, the Company's business, cash flow, profitability, and overall financial condition could continue to be adversely affected as it was in 2020.

Implementation of business strategy

The future success of the Company will depend on the Directors' ability to implement effectively its business strategy. In particular, the pursuit of that strategy may be affected by, *inter alia*, changes in government legislation, regulatory environment or changes in the competitive environment in the markets in which the Company currently operates or expects to operate. If such changes were to materialise this could result in the Company being unable to grow sales of the Company's products and services in line with the Directors' plans to achieve breakeven. Any such delay may mean that the Directors decide to change certain aspects of the Company's strategy. This might entail the development of alternative products and services, which would place additional strain on the Company's capital resources and may adversely impact on the revenues and profitability of the Company.

Dependence on key executives and personnel

The Company's future success is substantially dependent on the continued services and performance of its executive Directors and senior management and its ability to attract and retain suitably skilled and experienced personnel. The Directors cannot give assurances that members of the senior management team, the executive Directors and other key personnel will remain with the Company. The loss of the services of any of the executive Directors, members of senior management or other key employees could have a material adverse effect upon the Company's business and results of operations. Finding and hiring any such replacements can be a time consuming and costly process.

Loss of competitive position

New entrants to the market for location verification and location insights products or existing competitors may develop technologies and insights such that they are in direct competition with the Company or provide competitive alternative solutions in its key market and application areas. Although the Company continues to invest in research and development to develop new intellectual property in order to ensure that its products are competitive in its chosen markets, developments by other companies of competing products could be introduced which would have a material adverse effect on the Company's business, financial condition, results or future operations.

Technological innovation

The market for the Company's services is characterised by rapid technological change, evolving industry standards, frequent device and service introductions and short life cycles. The Company's success depends on its ability to enhance its current solutions and to develop and introduce new solutions and enhanced performance features and functionality on a timely basis at competitive prices. The Company's inability, for technological or other reasons, to enhance, develop, introduce or deliver compelling services in a timely manner, or at all, in response to changing market conditions, technologies or consumer expectations could harm operating results or could result in its services becoming obsolete. The Company's ability to compete successfully will depend to a great extent on its ability to adapt to technological changes and advances in the industry, including providing for the continued compatibility of its technology platform with evolving industry standards and protocols.

Reliance on software

The business of the Company is reliant on the efficient operation of software which has been specifically developed for a range of industries. The ability of such software to be used by the Company to function properly depends upon the Company's ability to protect its network infrastructure, computer equipment and customer files against damage from human error, various natural disasters, power loss and other systems failures. However, despite measures taken by the Company, such as daily data backup and off-site storage, using the services of global cloud and data solutions, the occurrence of a natural disaster or other unanticipated problems could result in a loss of customer information or other data. Loss of such data could lead to a material interruption to the Company's business.

Technical risk

New technology, changing commercial circumstances and new entrants to the markets in which the Company operates may adversely affect the Company's value. Unforeseen technical issues with the Company's technology may arise which could affect adversely the Company's ongoing technical development, growth and business performance.

The Company may not be able to enforce its intellectual property rights, and others may claim that the Company is infringing on their intellectual property rights

The Company relies on a combination of trademarks, service marks and domain name registrations, common law or statutory copyright protection and contractual restrictions to establish and protect its intellectual property. Any third party may challenge the Company's intellectual property. The Company may incur substantial costs in defending any claims relating to its intellectual property rights.

There can be no guarantee that third parties have not and/or will not manage to independently develop software with the same functionality as the Company's products without infringing the Company's intellectual property rights and there can be no guarantee that any such competing software would not have a material adverse effect on the Company.

Although the Directors believe that the Company's intellectual property rights do not infringe the intellectual property rights of others, third parties may assert claims that the Company has infringed a particular copyright, trademark or other proprietary right or confidential information belonging to them. Any such intellectual property claims, with or without merit, could be time consuming, expensive to litigate or settle and could divert management resources and information.

The Company could also be subject to potential claims from employees, consultants or third parties with whom it conducts business who allege ownership or co-ownership of certain intellectual property used by the Company. Although the Company enters into invention assignment and nondisclosure agreements with its employees, consultants and third parties, there is no assurance that these contracts will be enforceable or interpreted to cover the Company's use or development of the disputed intellectual property.

Legislative and regulatory current requirements and possible changes

The Company is subject to laws and regulations in the UK and so the Company's operations may be affected by such laws and regulations. Further, the Company may be subject to and required to comply with certain regulatory requirements that are applicable to companies carrying on businesses of a similar nature. The Company must also comply with the AIM Rules and with certain elements of the Disclosure Guidance and Transparency Rules made by the FCA under Part VI of the FSMA. Any change in the law and regulation affecting the Company may have a material adverse effect on the ability of the Company to carry on its business and on the value of the Ordinary Shares. In particular, regulatory change could lead to increased compliance costs, the prohibition of certain types of trading and a decrease in the value of the Ordinary Shares. In addition, the interpretation of existing legislation or regulation may change or may prove different than anticipated when applied to the Company's business model. Compliance with such requirements could involve additional costs, which could have a material adverse effect on the business of the Company or otherwise adversely affect or constrain the Company's ability to operate.

Regulation of the internet and ecommerce is rapidly evolving and there are an increasing number of directly applicable laws and regulations. It is possible that additional laws and regulations may be enacted with respect to the internet, covering issues such as user privacy, law enforcement, pricing, taxation, content liability, data encryption, copyright protection and quality of products and services. The requirement to comply with and the adoption of such new or revised regulations, or new or changed interpretations or enforcement of existing regulations, may have a material adverse effect on the Company.

Brexit

The United Kingdom's exit from the European Union ("Brexit") has resulted in economic volatility, including with respect to the share price of UK-based enterprises, depreciation of the pound sterling and additional friction in trading arrangements. Potential long-term uncertainties with respect to its effects on existing and future contractual arrangements and economic relationships, may result in a slowdown in foreign and domestic investment in the UK economy, which may adversely impact the Company's trading and ability to raise any further financing which may be required. The Company cannot guarantee that its business plans and projections will not be directly or indirectly adversely impacted by Brexit.

Use of net proceeds and potential requirement for further investment

The use of net proceeds from the Transaction set out in this document is based on management's current expectations. Whilst there are some restrictions on the Company's use of net proceeds, it is possible that the Company may deviate from this. Investors will not have the opportunity to evaluate the economic, financial or other information on which the Company bases its decisions on how to use the net proceeds of the Transaction. The failure of the Board to apply these funds effectively could harm investor confidence and cause the price of the Ordinary Shares to decline.

In addition, any future expansion, activity and/or business development may require additional capital, whether from equity or debt sources. There can be no guarantee that the necessary funds will be available on a timely basis, on favourable terms, or at all, or that such funds if raised, would be sufficient. If additional funds are raised by issuing equity securities or convertible securities, dilution to the then existing shareholdings may result. Debt funding may require assets of the Company to be secured in favour of the lender, which security may be exercised if the Company were to be unable to comply with the terms of the relevant debt facility agreement. The level and timing of future expenditure will depend on a number of factors, many of which are outside the Company's control. If the Company is not able to obtain additional capital on acceptable terms, or at all, it may be forced to curtail or abandon any planned acquisition opportunities, expansion, activity and/or business development. The above could have a material adverse effect on the Company.

VCT/EIS status

The status of the VCT/EIS Shares as a qualifying holding for VCT purposes or as "eligible shares" for EIS purposes is conditional, amongst other things, upon the Company and its trade satisfying the requirements of VCT/EIS (as applicable) throughout the period the New Ordinary Shares are held as a qualifying holding for VCT and/or EIS purposes and on the investor that is seeking to avail itself of VCT qualifying status, or the reliefs available under EIS, satisfying certain conditions.

Neither the Directors nor the Company give any warranty or undertaking that: (i) VCT qualifying status is or will be available; (ii) New Ordinary Shares will be "eligible shares" for the purposes of Part 5 of the Income Tax Act 2007; or (iii) that the Company will conduct its activities in a way that qualifies for or preserves its status or the status of any investment in New Ordinary Shares.

If the law regarding the reliefs available to investors in VCTs and/or EIS change, any qualifying status previously obtained (if any) may be lost or withdrawn.

Investors considering taking advantage of any of the reliefs available to VCTs or under EIS should seek their own professional advice in order that they may fully understand how the rules apply in their individual circumstances and what they are required to do in order to claim any reliefs (if available). As the rules governing VCT and EIS reliefs are complex and interrelated with other legislation, if any potential investors are in any doubt as to their tax position, require more detailed information than the general outline above, or are subject to tax in a jurisdiction other than the UK, they should consult their professional advisers.

RISKS RELATING TO THE ORDINARY SHARES

Dilution

The proportionate ownership and voting interest in the Company of the existing Shareholders who do not participate in the Placing and/or the Broker Option will be significantly reduced pursuant to the Transaction.

Access to further capital

The Company may require additional funds to respond to business challenges or to enhance existing products and services. Accordingly, the Company may need to engage in equity or debt financings to secure additional funds. If the Company raises additional funds through further issues of equity or convertible debt securities, existing Shareholders could suffer significant dilution, and any new equity securities could have rights, preferences and privileges superior to those of current Shareholders. Any debt financing secured by the Company in the future could involve restrictive covenants relating to its capital raising activities and other financial and operational matters, which may make it more difficult for the Company to obtain additional capital and to pursue business opportunities,

including potential acquisitions. In addition, the Company may not be able to obtain additional financing on terms favourable to it, if at all. If the Company is unable to obtain adequate financing or financing on terms satisfactory to it, when the Company requires it, the Company's ability to continue to support its business growth and to respond to business challenges could be significantly limited or could affect its financial viability.

Investment in AIM-traded securities

Investment in shares traded on AIM involves a higher degree of risk, and such shares may be less liquid, than shares in companies which are listed on the Official List. The rules of AIM are less demanding than those relating to companies admitted to the Official List. It is emphasised that no application is being made for the admission of the Company's securities to the Official List. An investment in the Ordinary Shares may be difficult to realise. Prospective investors should be aware that the value of an investment in the Company may go down as well as up and that the market price of the Ordinary Shares may not reflect the underlying value of the Company. Investors may therefore realise less than, or lose all of, their investment.

PART 3 – ADDITIONAL INFORMATION ON THE CONCERT PARTY AND THE COMPANY

1. RESPONSIBILITY STATEMENTS

- 1.1. The Directors, whose names appear in paragraph 2 below, and the Company accept responsibility for the information contained in this document (including any expressions of opinion) other than the information concerning the members of the Concert Party and their intentions for which the members of the Concert Party accept responsibility (as set out in paragraph 1.3 below) and the recommendation of the Independent Directors set out in paragraph 15 of Part 1 of this document for which the Independent Directors accept responsibility (as set out in paragraph 1.2 below). To the best of the knowledge and belief of the Directors and the Company (who have taken all reasonable care to ensure that such is the case), the information contained in this document for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 1.2. The Independent Directors, whose names appear in paragraph 2 below (excluding Mark Slade and David Rae who are not considered to be independent directors), accept responsibility for the recommendation of the Independent Directors set out in paragraph 15 of Part 1 of this document. To the best of the knowledge and belief of the Independent Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 1.3. Each member of the Concert Party accepts responsibility for the information contained in this document relating to itself (including any expressions of opinion). To the best of the knowledge and belief of each member of the Concert Party (having taken all reasonable care to ensure that such is the case), the information contained in this document for which it is responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. DIRECTORS

The Directors as at the date of this document are Kelvin Harrison, Mark Slade, David Rae and Benjamin Chilcott.

3. CONCERT PARTY

The members of the Concert Party are Richard Hughes, Rebecca Hughes, Abigail Hughes, Mahmud Kamani, Samir Kamani, Umar Kamani, Adam Kamani, Petar Cvetkovic, Carol Kane, Daron Lee, Shaun Mealey, John Lyttle, Christian Stephenson and Simon Wilkinson.

Richard Hughes is the founder of Zeus Capital and he was previously a non-executive director of Boohoo Group plc (“Boohoo”) for seven years. He is a business associate of Mahmud Kamani. Mr Hughes’s address is c/o Zeus Capital, 82 King Street, Manchester M2 4WQ.

Rebecca Hughes and Abigail Hughes are daughters of Richard Hughes.

Mahmud Kamani co-founded Boohoo with Carol Kane in 2006, leveraging over 30 years of experience in the fashion and clothing industry. Mr Kamani is an entrepreneur, with expertise encompassing all areas of the supply chain from sourcing, to import and wholesale. Mr Kamani holds approximately 13 per cent. of the issued share capital of Boohoo. Mahmud’s address is c/o Boohoo, 49-51 Dale Street, Manchester, M1 2HF.

Samir Kamani, Umar Kamani and Adam Kamani are sons of Mahmud Kamani.

Petar Cvetkovic has known Richard Hughes and Mahmud Kamani as friends since 1998 and has worked with and invested alongside them in Boohoo and Crawford Healthcare Holdings Limited (“Crawford Healthcare”).

Carol Kane, Executive director of Boohoo, has worked with Mahmud Kamani for the past 26 years, supplying high street retailers. Carol Kane co-founded Boohoo with Mahmud Kamani in 2006 and since inception of that company has worked on marketing, product and brand strategy both domestically and

overseas.

Daron Lee is a personal friend of Richard Hughes (and his family) and Mahmud Kamani. He is a shareholder in Medusa 19 Group Limited (“Medusa 19”), a company majority owned by Richard Hughes and Mahmud Kamani.

John Lyttle, Chief Executive of Boohoo, joined the board of that company in March 2019. Prior to joining Boohoo, John held senior roles at Primark, Matalan and Arcadia Group.

Shaun Mealey is a personal friend of Richard Hughes and Mahmud Kamani and has also been a Zeus Capital client in the past.

Christian Stephenson led the R&D, Regulatory and Quality team at Crawford Healthcare, a company that was majority owned by Richard Hughes and his wife, and he is currently chief development officer at Medusa 19, a company majority owned by Richard Hughes and Mahmud Kamani.

Simon Wilkinson is a personal friend of both Richard Hughes and Mahmud Kamani. Richard Hughes and Zeus Capital advised Myriad Group AG during the time that Simon Wilkinson was chief executive officer.

4. DEFINITIONS

For the purposes of this Part 3, reference to:

- (i) “acting in concert” is to such term as defined in the Code;
- (ii) an “arrangement” includes any indemnity or option arrangement, and any agreement or understanding, formal or informal, of whatever nature, relating to relevant securities which may be an inducement to deal or refrain from dealing;
- (iii) an “associate” of any company means, unless otherwise stated:
 - * its parent, subsidiaries and fellow subsidiaries, and their associated companies and companies of which any such companies are associated companies (“relevant associates”). For this purpose, ownership or control of 20 per cent. or more of the equity share capital of a company is regarded as the test of associated company status;
 - * connected advisers and persons controlling, controlled by or under the same control as any such connected advisers;
 - * the directors (together in each case with their close relatives and related trusts) of the company or any relevant associate;
 - * the pension funds of the company or any relevant associate;
 - * any investment company, unit trust or other person whose investments an associate manages on a discretionary basis, in respect of the relevant investment accounts;
 - * an employee benefit trust of the company or any relevant company; and
 - * a company having a material trading arrangement with the company;
- (iv) a “connected adviser” is to such term as defined in the Code;
- (v) “connected person” has the meaning attributed to it in section 252 of the Act;
- (vi) “control” means an interest, or interests, in shares carrying in aggregate 30 per cent. or more of the voting rights of a company which are currently exercisable at a general meeting, irrespective of whether such interest or interests give de facto control;

- (vii) “dealing” or “dealt” includes the following:
- * the acquisition or disposal of securities, of the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to the securities, or of general control of securities;
 - * the taking, granting, acquisition, disposal, entering into, closing out, termination, exercise (by either party) or variation of an option (including a traded option contract) in respect of any securities;
 - * subscribing or agreeing to subscribe for securities;
 - * the exercise or conversion, whether in respect of new or existing securities, of any securities carrying conversion or placing rights;
 - * the acquisition of, or disposal of, entering into, closing out, exercise (by either party) of any rights under, or variation of, a derivative referenced, directly or indirectly, to securities;
 - * entering into, terminating or varying the terms of any agreement to purchase or sell securities; and
 - * any other action resulting, or which may result, in an increase or decrease in the number of securities in which a person is interested or in respect of which he has a short position;
- (viii) “derivative” includes any financial product the value of which, in whole or in part, is determined directly or indirectly by reference to the price of any underlying security;
- (ix) “disclosure period” means the period of 12 months ending on 30 April 2021 (being the latest practicable date prior to the publication of this document);
- (x) “exempt principal trader” or “exempt fund manager” is to such term as defined in the Code;
- (xi) “Directors” the directors of the Company as at the date of this document;
- (xii) a person has an “interest” in or is “interested” if he has a long economic exposure, whether absolute or condition, to change in the price of those securities (and a person who only has a short position in securities is not treated as interested in those securities). In particular, a person is treated as “interested” in securities if:
- * he owns them;
 - * he has the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to them or has general control of them;
 - * by virtue of any agreement to purchase any option or derivative, he has the right or option to acquire them or call for their delivery, or is under an obligation to take delivery of them, in each case, whether the right, option or obligation is conditional or absolute and whether it is in the money or otherwise;
 - * he is party to any derivative whose value is determined by reference to their price and which results, or may result, in his having a long position in them; or
 - * in the case of Rule 5 of the Code only, he has received an irrevocable commitment in respect of them;
- (xiii) “related parties” in relation to a director, means those persons whose interests in shares the director would be required to disclosure pursuant to Part 22 of the Act and related regulations;
- (xiv) “relevant securities” includes: (1) shares and any other securities conferring voting rights, (2) equity

share capital, (3) any securities convertible into or rights to subscribe for securities, described in (1) and (2) above and (4) securities convertible into, rights to subscribe for, options (included traded options) in respect of and derivatives referenced to any of the foregoing; and

- (xv) “short position” means any short position (whether conditional or absolute and whether in the money or otherwise) including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery.

5. INTERESTS AND DEALINGS IN RELEVANT SECURITIES

- 5.1. As at 30 April 2021 (being the latest practicable date prior to the date of this document), the interests of each Director and each Proposed Director, including those of any connected person (within the meaning of section 252 of the Act and the provisions of the Disclosure Guidance and Transparency Rules), the existence of which is known to, or could with reasonable diligence be ascertained by, that Director or the Proposed Director whether or not held through another party, in the share capital of the Company were as follows:

<i>Name</i>	<i>Ordinary Shares</i>	<i>%</i>
Kelvin Harrison	3,010,416	0.51
Mark Slade	6,204,444	1.06
David Rae	1,166,667	0.20
Benjamin Chilcott	2,291,667	0.39
Simon Wilkinson	Nil	Nil
Dr Nigel Burton	Nil	Nil

- 5.2. As at 30 April 2021 (being the latest practicable date prior to the date of this document), the interests of each Director and each Proposed Director, including those of any connected person (within the meaning of section 252 of the Act and the provisions of the Disclosure Guidance and Transparency Rules), the existence of which is known to, or could with reasonable diligence be ascertained by, that Director or the Proposed Director whether or not held through another party, in options in respect of the share capital of the Company were as follows:

<i>Name</i>	<i>Date of grant</i>	<i>Exercise price per Ordinary Share (pence)</i>	<i>Vesting date</i>	<i>Number of Ordinary Shares over which options exercisable</i>
Mark Slade	29.11.2018	2.25	See below	15,555,555
David Rae	29.11.2018	2.25	See below	7,333,333
Kelvin Harrison	29.11.2018	2.25	See below	577,778

Notes: The options will vest in three equal tranches when certain share price targets have been reached, the share price targets are as follows:

- 4.8 pence per Ordinary Share
- 7.3 pence per Ordinary Share
- 9.7 pence per Ordinary Share

- 5.3. During the disclosure period, the Directors including any connected person (within the meaning of section 252 of the Act and the provisions of the Disclosure Guidance and Transparency Rules) have dealt in the relevant securities of the Company as follows:

<i>Name</i>	<i>Date of dealing</i>	<i>Type of dealing</i>	<i>Number of Ordinary Shares</i>	<i>Price per Ordinary Share (pence)</i>
Kelvin Harrison	04.11.2020	Acquisition	2,343,750	0.48
Benjamin Chilcott	04.11.2020	Acquisition	2,291,667	0.48

5.4. During the disclosure period, there were no dealings in the share capital of the Company by members of the Concert Party.

5.5. Save as disclosed in this Part 3, as at 30 April 2021 (being the latest practicable date prior to the date of this document), none of:

- the Company;
- the Directors, the Proposed Directors or their respective immediate families, related trusts or any other connected persons;
- any person acting in concert with the Company;
- any person who is a party to an arrangement with the Company or any person acting in concert with the Company of the kind referred to in Note 11 on the definition of “acting in concert” in the Code;
- any member of the Concert Party; or
- any person who is a party to an arrangement with any member of the Concert Party or any person acting in concert with any member of the Concert Party of the kind referred to in Note 11 on the definition of “acting in concert” in the Code,

held any interest in or right to subscribe for or any short position in any relevant securities of the Company, nor had any agreements to sell or any delivery obligations or rights to require another person to purchase or take any delivery of any relevant securities of the Company nor had borrowed or lent any relevant securities of the Company (including for these purposes any financial collateral arrangements of the kind referred to in Note 4 on Rule 4.6 of the City Code) nor has any such person dealt in any relevant securities of the Company during the disclosure period.

5.6. During the disclosure period, the Company has not redeemed or purchased any of its relevant securities or taken or exercised an option over any of its relevant securities.

6. GENERAL

6.1. As at the disclosure date, there were no agreements, arrangements or understandings (including any compensation arrangement) between any member of the Concert Party or any person acting in concert with a member of the Concert Party and any of the Directors, recent directors, shareholders or recent shareholders of the Company or any person interested or recently interested in Ordinary Shares having any connection with or dependence upon the transactions set out in this document.

6.2. There is no agreement, arrangement or understanding whereby the beneficial ownership of the new Ordinary Shares to be issued to the Concert Party pursuant to the Transaction will be transferred to any other person.

6.3. The members of the Concert Party will fund their participation in the Placing and Subscription through the use of their own resources.

7. MATERIAL CONTRACTS

The following contracts, not being in the ordinary course of business, have been entered into by the Group within the two years immediately preceding the date of this document and are, or may be, material or are, or may, contain provisions under which any member of the Group has an obligation or entitlement which is material to the Group:

7.1. *Placing Agreement*

A placing agreement dated 4 May 2021 and made between (1) the Company, (2) Allenby Capital and (3) Turner Pope pursuant to which Allenby Capital has agreed to act as nominated adviser in connection with the Transaction and Turner Pope has agreed (as the Company’s placing agent and subject to certain

conditions) to use reasonable endeavours to procure places for the Placing Shares at the Placing Price.

Pursuant to the terms of the Placing Agreement, the Company has also granted the Broker Option to Turner Pope, although Turner Pope is not obliged to use reasonable endeavours to procure places for the Broker Option Shares.

The Placing Agreement is conditional upon, *inter alia*, Admission occurring on or before 8.00 a.m. on 25 May 2021 (or such later date as the Company, Allenby Capital and Turner Pope may agree, being not later than 8.00 a.m. on 22 June 2021).

Under the terms of the Placing Agreement, the Company has agreed to pay certain fees and commissions to Allenby Capital and Turner Pope and certain other costs and expenses in connection with the Transaction.

The Placing Agreement contains customary warranties given by the Company to Allenby Capital and Turner Pope as to matters relating to, *inter alia*, the Company and its business and a customary indemnity given by the Company to Allenby Capital and Turner Pope in respect of liabilities arising out of or in connection with the Transaction.

Each of Allenby Capital and Turner Pope is entitled to terminate the Placing Agreement in certain circumstances prior to Admission, including circumstances where any of the warranties are found not to be true or accurate or to be misleading in any respect or on the occurrence of certain force majeure events.

7.2. *A subscription letter*

A subscription letter dated 4 May 2021 and made between (1) the Company and (2) David Rae pursuant to which David Rae has agreed to subscribe for the Subscription Shares at the Placing Price.

The Subscription is conditional upon, *inter alia*, Admission occurring on or before 8.00 a.m. on 25 May 2021 (or such later date as the Company and David Rae may agree, being not later than 8.00 a.m. on 22 June 2021).

The subscription letter contains certain warranties given by David Rae to the Company as to matters relating to, *inter alia*, his capacity to enter into the subscription letter.

7.3. *Broker Warrant Instrument*

A warrant instrument executed by the Company on 4 May 2021 pursuant to which the Company will, conditional upon Admission, grant warrants to subscribe for up to 100,000,000 Ordinary Shares to JIM Nominees Limited (as nominee on behalf of Turner Pope). The exercise price of the Broker Warrants shall be the Placing Price and the Broker Warrants shall be capable of exercise for a period of five years from Admission. The Broker Warrants will not be listed and will be issued in certificated form. The Broker Warrants are transferable and any transfers must be registered with the Company. The Broker Warrants are exercisable by new holders on the same terms as they could be exercised by Turner Pope, subject to such new holders having been registered as holders of the Broker Warrants in accordance with the transfer terms of the Broker Warrant Instrument.

7.4. *Promoter Warrant Instrument*

A warrant instrument executed by the Company on 4 May 2021 pursuant to which the Company will, conditional upon Admission, grant warrants to subscribe for up to 1,500,000,000 Ordinary Shares, to Richard Hughes, Mahmud Kamani and Simon Wilkinson, who are members of the Concert Party. The exercise price of the Promoter Warrants shall be the Placing Price and the Promoter Warrants shall be capable of exercise for a period of five years from Admission. The Promoter Warrants will not be listed and will be issued in certificated form. The Promoter Warrants will not be transferable.

7.5. *Cornerstone Investor Warrant Instrument*

A warrant instrument executed by the Company on 4 May 2021 pursuant to which the Company will,

conditional upon Admission, grant warrants to subscribe for up to 250,000,000 Ordinary Shares to the Cornerstone Investors. The exercise price of the Cornerstone Investor Warrants shall be the Placing Price and the Cornerstone Investor Warrants shall be capable of exercise for a period of five years from Admission. The Cornerstone Investor Warrants will not be listed and will be issued in certificated form. The Cornerstone Investor Warrants will not be transferable.

7.6. *Director Warrant Instrument*

A warrant instrument executed by the Company on 4 May 2021 pursuant to which the Company will, conditional upon Admission, grant warrants to subscribe for up to 120,000,000 Ordinary Shares to the Executive Directors and the Proposed Directors. The exercise price of the Director Warrants shall be the Placing Price and the Director Warrants shall be capable of exercise for a period of five years from Admission, provided that the Ordinary Shares have traded at a Volume Weighted Average Price (VWAP) at or above a 50 per cent. premium to the Placing Price for 20 consecutive Business Days, or on a change of control of the Company. The Director Warrants will not be listed and will be issued in certificated form. The Director Warrants will not be transferable.

7.7. *Relationship agreement*

A relationship agreement dated 4 May 2021 and made between (1) the Company, (2) Allenby Capital and (3) each member of the Concert Party to regulate the relationship between the Company and the Concert Party following Admission. The provisions of the relationship agreement ensure that the Company will at all times be capable of carrying on its business independently of the Concert Party and that all transactions and arrangements between the Company and the Concert Party will be at arm's length and on normal commercial terms. The relationship agreement will continue in full force and effect for so long as the Ordinary Shares are admitted to trading on AIM and the Concert Party is interested in 20 per cent. or more of the Company's issued ordinary share capital.

7.8. *Nominated adviser agreement*

A nominated adviser agreement dated 1 October 2020 and made between (1) the Company, (2) Allenby Capital and (3) the Directors pursuant to which the Company has appointed Allenby Capital to act as nominated adviser to the Company for the purposes of the AIM Rules.

The nominated adviser agreement contains certain customary undertakings and warranties given by the Company and the Directors to Allenby Capital and a customary indemnity given by the Company to Allenby Capital in respect of liabilities arising out of or in connection with their appointment.

The Company has agreed to pay certain fees, costs and expenses in connection with Allenby Capital's appointment.

The nominated adviser agreement is for an initial term of 12 months and thereafter is terminable upon not less than three months' prior written notice by either the Company or Allenby Capital.

7.9. *Warrant instrument*

A warrant instrument executed by the Company on 26 March 2020 pursuant to which the Company granted warrants to subscribe for up to, in aggregate, 74,286,667 Ordinary Shares at an exercise price of 0.1 pence per Ordinary Share (the "**Warrants**") in connection with the placing of Ordinary Shares by the Company which took place in March 2020.

The Warrants were issued to all placees participating in the placing. Each placee received two Warrants for every three placing shares subscribed. The Warrants were exercisable at 0.1 pence per Ordinary Share during the period from admission of the placing shares until 30 June 2020. The Warrants were not listed, were issued in certificated form and were not transferable.

7.10. *Placing agreement*

A placing agreement dated 6 March 2020 and made between (1) the Company, (2) Shore Capital and

Corporate Limited (“**SCC**”), (3) Shore Capital Stockbrokers Limited (“**SCS**”), and (4) Peterhouse Capital Limited (“**Peterhouse**”) pursuant to which SCS and Peterhouse agreed (subject to certain conditions) to use reasonable endeavours to procure places for 111,430,000 Ordinary Shares at an issue price of 0.875 pence per Ordinary Share.

The placing agreement was conditional upon, *inter alia*, admission of the Ordinary Shares occurring on or before 8.00 a.m. on 27 March 2020 (or such later time and/or date as the Company, SCS, SCC and Peterhouse Capital may have agreed being no later than 5.00 p.m. on 9 April 2020).

Under the placing agreement the Company agreed to pay certain fees and commissions to SCC, SCS and Peterhouse and certain other costs and expenses in connection with the placing and admission.

The placing agreement contained customary warranties given by the Company to SCC, SCS and Peterhouse as to matters relating to, *inter alia*, the Company and its business and a customary indemnity given by the Company to SCC, SCS and Peterhouse in respect of liabilities arising out of or in connection with the placing and admission.

Each of SCC, SCS and Peterhouse was entitled to terminate the placing agreement in certain circumstances prior to admission, including circumstances where any of the warranties are found not to be true or accurate or to be misleading in any respect or on the occurrence of certain force majeure events.

7.11. *Joint broker agreement*

A joint broker agreement dated on or around 27 January 2020 and made between (1) the Company and (2) Peterhouse pursuant to which the Company has appointed Peterhouse to act as joint broker to the Company for the purposes of the AIM Rules. The joint broker agreement contains certain undertakings, warranties and indemnities given by the Company to Peterhouse. The joint broker agreement is terminable upon not less than six months’ prior written notice by either the Company or Peterhouse.

7.12. *Purchase and sale agreement*

A purchase and sale agreement dated 14 January 2020 and made between (1) Location Sciences AI Limited (“**LSAIL**”) and (2) X-Mode Social, Inc. (“**X-Mode**”) pursuant to which X-Mode acquired certain location data collection assets from LSAIL for a consideration of up to US\$640,000 to be satisfied in cash. The consideration comprised an initial payment of up to US\$180,000 with the balance to be paid monthly until December 2021. The total amount of the consideration payable is subject to the timing of the transfer of the data collection assets and certain performance criteria.

The purchase and sale agreement contains certain limited warranties and indemnities given by LSAIL in favour of X-Mode. LSAIL’s liability for those warranties and indemnities expires on 1 January 2022 and is capped at the amount actually received by LSAIL from X-Mode pursuant to the terms of the purchase and sale agreement.

The purchase and sale agreement also includes certain revenue sharing arrangements pursuant to which LSAIL pays X-Mode a percentage of revenue from certain customer contracts on a sliding scale depending on certain performance criteria.

7.13. *Placing agreement*

A placing agreement dated 26 September 2019 and made between (1) the Company, (2) SCC and (3) SCS pursuant to which SCS agreed (subject to certain conditions) to use reasonable endeavours to procure places for 27,246,900 ordinary shares of one penny each at an issue price of 2.25 pence per share.

The placing agreement was conditional upon, *inter alia*, admission of the ordinary shares occurring on or before 8.00 a.m. on 3 October 2019 (or such later time and/or date as the Company, SCS, SCC and Peterhouse Capital may have agreed being no later than midday on 18 October 2019).

Under the placing agreement the Company agreed to pay certain fees and commissions to SCC and SCS and

certain other costs and expenses in connection with the placing and admission.

The placing agreement contained customary warranties given by the Company to SCC and SCS as to matters relating to, *inter alia*, the Company and its business and a customary indemnity given by the Company to SCC and SCS in respect of liabilities arising out of or in connection with the placing and admission.

Each of SCC and SCS was entitled to terminate the placing agreement in certain circumstances prior to admission, including circumstances where any of the warranties are found not to be true or accurate or to be misleading in any respect or on the occurrence of certain force majeure events.

8. MARKET QUOTATIONS

The following table sets out the middle market quotation for the Ordinary Shares for the first Business Day in each of the six months immediately prior to the date of this document and for 30 April 2021 (being the latest practicable date prior to the publication of this document):

<i>Date</i>	<i>Middle market quotation (pence)</i>
2 November 2020	0.45
1 December 2020	0.47
4 January 2021	0.38
1 February 2021	0.95
1 March 2021	0.50
1 April 2021	0.42
30 April 2021	0.56

9. RATINGS AND OUTLOOKS

There are no current ratings or outlooks publicly accorded to any member of the Concert Party or the Company by ratings agencies.

10. FINANCIAL INFORMATION

The Company's audited consolidated accounts for the last two financial years ended 31 December 2020 are available on the Company's website (www.locationsciencesgroup.ai) and are incorporated into this document by reference for the purposes of compliance with the Code only (and are not required to be incorporated into this document by the Prospectus Regulation Rules, the Listing Rules, AIM Rules or otherwise). The Company has not published any preliminary statement of annual results, half-yearly financial report or interim financial information since the date of its last published audited accounts.

11. SIGNIFICANT CHANGE

Save as set out in Part 1 of this document, there has been no significant change in the financial position or the financial performance of the Group since 31 December 2020 (being the date to which the last audited financial statements of the Group were published).

12. DIRECTORS' SERVICE CONTRACTS

- 12.1. Pursuant to the terms of a letter of appointment with the Company dated 17 January 2019, Kelvin Harrison agreed to serve as a non-executive director and chairman of the Company for an annual fee of £30,000. This appointment is terminable by either party on not less than three months' written notice but will terminate automatically if Mr Harrison is removed as a director or vacates office pursuant to the Company's articles of association. Mr Harrison's services are also supplied to the Group pursuant to the terms of a consultancy agreement dated 14 February 2017 made between (1) Location Sciences AI Limited and (2) Alderslade Ltd for the provision of strategic management consultancy services. The consultancy agreement is terminable

by either party on three months' written notice. The Company pays Alderslade Ltd £1,250 per month, with additional tasks charged on a daily rate of £1,500.

- 12.2. Mark Slade is employed as CEO pursuant to the terms of a service agreement with the Company dated 1 November 2017. The agreement is terminable by either party on not less than six months' written notice. Mr Slade is paid a basic annual salary of £156,000 which is subject to annual review by the Board. He is also eligible for a discretionary bonus, at the absolute discretion of the Company, and to participate in the Senior Management Team Incentive Scheme which includes company share options and a bonus scheme. In addition, he is entitled to participate in any private medical insurance scheme, life assurance scheme or permanent health insurance scheme offered by the Company from time to time. Mr Slade receives a contribution of 3 per cent. of his basic salary to a stakeholder contributory pension. Pursuant to the terms of an agreement dated 8 April 2021, Mr Slade's notice period will be extended such that his service agreement is terminable by either party on not less than 12 months' written notice on the date of admission of new Ordinary Shares to trading on AIM in connection with a recapitalisation of the business which raises gross proceeds of at least £2,000,000. Following the commencement of the new service agreement, the Company will also pay to Mr Slade a bonus equal to 30 per cent. of his annual pay based on the achievement of mutually agreed KPIs.
- 12.3. David Rae is employed as CFO pursuant to the terms of a service agreement with the Company dated 1 December 2018. The agreement is terminable by either party on not less than six months' written notice. Mr Rae is paid a basic annual salary of £130,000 which is subject to annual review by the Board. He is also eligible for a discretionary bonus, at the absolute discretion of the Company, and to participate in the Senior Management Team Incentive Scheme which includes company share options and a bonus scheme. In addition, he is entitled to participate in any private medical insurance scheme, life assurance scheme or permanent health insurance scheme offered by the Company from time to time. Mr Rae receives a contribution of 3 per cent. of his basic salary to a stakeholder contributory pension. Pursuant to the terms of an agreement dated 8 April 2021, Mr Rae's notice period will be extended such that his service agreement is terminable by either party on not less than 12 months' written notice on the date of admission of new Ordinary Shares to trading on AIM in connection with a recapitalisation of the business which raises gross proceeds of at least £2,000,000. Following the commencement of the new service agreement, the Company will also pay to Mr Rae a bonus equal to 30 per cent. of his annual pay based on the achievement of mutually agreed KPIs.
- 12.4. Pursuant to the terms of a letter of appointment with the Company dated 18 January 2018, Benjamin Chilcott agreed to serve as a non-executive director of the Company for an annual fee of £24,000. This appointment is terminable by either party on not less than one month's written notice but will terminate automatically if Mr Chilcott is not re-elected by Shareholders or if he is retired from office under the Company's articles of association. Mr Chilcott's services are also supplied to the Group pursuant to the terms of a consultancy agreement dated 1 June 2020 made between (1) Location Sciences AI Limited and (2) Chilkins Ltd for the provision of strategic management consultancy services. The consultancy agreement is terminable by either party on three months' written notice. The Company pays £2,000 per month, with additional tasks charged on a daily rate of £1,500.
- 12.5. Save as disclosed above, there are no Directors' service agreements which have been replaced or amended during the six months prior to the date of this document.
- 12.6. Save as disclosed above, there are no other contracts of service between the Directors and the Company or any of its subsidiaries.
- 12.7. No member of the Concert Party entered into or reached an advanced stage of discussions on any form of incentivisation arrangements with any members of the Company's management who are interested in Ordinary Shares.

13. CONSENT

Allenby Capital has given, and has not withdrawn, its written consent to the issue of this document with the inclusion of its name and references to it in the form and in the context in which it appears.

14. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be published in electronic form and be available at the Company's website www.locationsciencesgroup.ai, subject to certain restrictions relating to persons resident outside the United Kingdom for the period from date of this document up to and including 21 May 2021 and at the General Meeting to be held on that day:

- 14.1. the Company's Articles of Association;
- 14.2. the financial information of the Company referred to in paragraph 10 of this Part 3;
- 14.3. the material contracts referred to in paragraph 7 of this Part 3;
- 14.4. the letter of consent referred to in paragraph 13 of this Part 3; and
- 14.5. this document.

NOTICE OF GENERAL MEETING

Location Sciences Group plc ("Company")

Notice is hereby given that a general meeting of the Company ("**Meeting**") will be held at 10.00 a.m. on Friday 21 May 2021 the offices of Turner Pope at 8 Frederick's Place, London, EC2R 8AB. The Meeting is to consider and, if thought fit, pass the resolutions below, of which resolutions 1, 2, 4 and 5 will be proposed as ordinary resolutions and resolution 3 will be proposed as a special resolution. Resolution 1 will be held on a poll of Independent Shareholders,

Terms defined in the circular to shareholders published by the Company dated 4 May 2021 of which this Notice forms part ("**Circular**") shall have the same meanings when used in this Notice.

Ordinary Resolutions

1. That, the waiver granted by the Panel on Takeovers and Mergers described in the Circular of the obligation under Rule 9 of the Takeover Code for any member of the Concert Party (individually or collectively) to make a general offer to the shareholders of the Company as a result of its participation in the Placing, the issue of Fees Shares and any exercise of the Promoter Warrants and Director Warrants held by members of the Concert Party be and is hereby approved.
2. THAT, subject to and conditional upon the passing of Resolutions 1 and 3 to 5 (inclusive), in addition to any other powers granted to the directors of the Company ("**Directors**") at any other general meeting or annual general meeting of the Company at or after the Company's last annual general meeting on 9 April 2020, and in accordance with section 551 of the Companies Act 2006 ("**Act**"), the Directors be generally and unconditionally authorised to allot equity securities (as defined in section 560(1) of the Act) up to an aggregate nominal amount of £4,118,000 provided that this authority shall, unless renewed, varied or revoked by the Company, expire on the date falling 15 months from the passing of this resolution save that the Company may, before such expiry, make offers or agreements which would or might require equity securities to be allotted and the Directors may allot equity securities in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired.

Special Resolution

3. THAT, subject to and conditional upon the passing of Resolutions 1, 2, 4 and 5, and in addition to any other powers granted to the directors of the Company ("**Directors**") at any other general meeting or annual general meeting of the Company at or after the Company's last annual general meeting on 9 April 2020, the Directors be given the general power to allot equity securities (as defined by section 560 (1) of the Act) for cash, pursuant to the authority conferred by Resolution 1, as if section 561 of the Act did not apply to any such allotment or sale, provided that this power shall be limited to the allotment of equity securities up to an aggregate nominal amount of £4,118,000.

The power granted by this resolution will expire 15 months from the date this resolution is passed or, if earlier, at the conclusion of the Company's next annual general meeting (unless renewed, varied or revoked by the Company prior to or on such date) save that the Company may, before such expiry make offers or agreements 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.

Ordinary Resolutions

4. THAT, subject to and conditional upon the passing of Resolutions 1 to 3 (inclusive) and 5, Simon Wilkinson be appointed as a Director of the Company with effect from Admission.
5. THAT, subject to and conditional upon the passing of Resolutions 1 to 4 (inclusive), Dr Nigel Burton be appointed as a Director of the Company with effect from Admission.

By order of the Board

BPE Secretaries Limited
Company Secretary

4 May 2021

Registered Office:
First Floor, St James' House
St James' Square
Cheltenham
Gloucestershire
GL50 3PR

IMPORTANT COVID-19 INFORMATION

As a result of the COVID-19 pandemic, there continue to be restrictions on gatherings of people indoors. The Company will therefore arrange to hold the Meeting as a closed meeting, with the minimum attendance required to form a quorum under the Company's articles of association. These Shareholders will each be directors, officers or employees of the Company. Shareholders will not be permitted to attend the Meeting in person but can be represented by the Chairman of the Meeting acting as their proxy.

Given the constantly evolving nature of the situation, should circumstances change before the time of the Meeting, the Company intends to ensure that it is able to adapt arrangements and to welcome Shareholders to the Meeting, within safety constraints and in accordance with government guidelines. Should it become possible to do so, the Meeting will be open for all Shareholders to attend. Any changes to the running of the Meeting will be notified via a Regulatory Information Services as early as is possible before the date of the Meeting. Any updates to the position will also be included on the Company's website at www.locationsciencesgroup.ai.

Given the uncertainty around whether Shareholders will be able to attend the Meeting, all Shareholders are recommended to complete and return their Form of Proxy appointing the Chairman of the Meeting, as their proxy. This will ensure that Shareholders' votes will be counted even if attendance at the Meeting is restricted or Shareholders are unable to attend in person. Alternatively, Shareholders may appoint their proxy electronically via the Registrar's website at www.investorcentre.co.uk/eproxy. Shareholders will need their Control Number, SRN & PIN which can be found on their Form of Proxy. CREST members can also vote by utilising the CREST electronic proxy appointment service in accordance with the procedures set out in the Notice.

The below notes are to be read subject to this COVID-19 related proviso.

NOTES:

1. The quorum for the Meeting shall be two shareholders present in person or by proxy. If, within five minutes (or such longer time not exceeding one hour as the Chairman of the Meeting may determine to wait) after the time appointed for the Meeting a quorum is not present, the Meeting, shall stand adjourned to such other day (not being fewer than fourteen nor more than twenty-eight days after such meeting) and at such other time or place as the Chairman of the Meeting may determine and at such adjourned meeting one member present in person or by proxy (whatever the number of shares held by him) shall be a quorum.
2. As a result of the COVID-19 pandemic and the restrictions on gatherings that are currently in place, shareholders will not be entitled to attend the Meeting. Therefore, the Company strongly encourages all Shareholders to submit their Form of Proxy, appointing the Chairman of the Meeting as proxy, rather than another person who will not be permitted to attend the Meeting given the current restrictions in place due to the COVID-19 pandemic. If restrictions on gatherings and social distancing are relaxed or lifted by the UK Government prior to the date of the Meeting, the Company will notify shareholders of any resulting change which may affect their ability to attend the Meeting via a Regulatory Information Service and/or on the Company's website.
3. Only those holders of ordinary shares of 0.1 pence each in the capital of the Company registered on the Company's register of members at 6.00 p.m. on 19 May 2021 shall be entitled to vote at the Meeting or if the Meeting is adjourned, at 6.00 p.m. on the day two days prior to the adjourned meeting. Changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person to attend or vote at the Meeting.
4. Members entitled to attend, speak and vote at the Meeting (in accordance with Note 3 above) are entitled to appoint one or more proxies to attend, speak and vote in their place. A proxy need not be a member of the Company.
5. In order to be valid, a proxy appointment must be made and returned by one of the following methods:
 - by completion of the Form of Proxy, in hard copy form, to the registrar, Computershare Investor Services PLC (see Note 12);
 - in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out below (see Note 13); or
 - by appointing your proxy electronically via the Registrar's website at www.investorcentre.co.uk/eproxy. You will need your Control Number, SRN & PIN which can be found on your Form of Proxy,and, in each case, the appointment must be received by no later than 10.00 a.m. on 19 May 2021, or, in the event of an adjournment of the Meeting, 48 hours (excluding non-working days) before the adjourned meeting.
6. If you wish to appoint a proxy please use the Form of Proxy enclosed with this document and return it to the Company's registrar, Computershare Investor Services PLC (see Note 12) CREST members can register their proxy appointment by utilising the CREST electronic proxy appointment service (see Note 13).
7. In the case of joint holders, only one need sign the Form of Proxy. The vote of the senior joint member will be accepted to the exclusion of the votes of the other joint members. For this purpose, seniority will be determined by the order in which the names of the members appear in the register of members in respect of the joint shareholding.

8. You may appoint more than one proxy provided each proxy is appointed to exercise the rights attached to different ordinary shares. You may not appoint more than one proxy to exercise rights attached to any one ordinary share. If you choose to appoint multiple proxies use a separate copy of the Form of Proxy (which you may photocopy) for each proxy, and indicate after the proxy's name the number of ordinary shares in relation to which they are authorised to act as your proxy (which, in aggregate, should not exceed the number of ordinary shares held by you). Please also indicate if the proxy instruction is one of multiple instructions being given. All hard copy Forms of Proxy must be signed and should be returned together in the same envelope.
9. You can appoint the Chairman of the Meeting, or any other person, as your proxy. As previously stated, in light of COVID-19, the Board encourages all shareholders to exercise their votes by appointing the Chairman of the Meeting as their proxy rather than another person who will not be permitted to attend the Meeting. If you wish to appoint someone other than the Chairman, cross out the words "the Chairman of the Meeting" on the Form of Proxy and insert the full name of your appointee.
10. You can instruct your proxy how to vote on each resolution by ticking the "For" and "Against" boxes on the Form of Proxy as appropriate (or entering the number of shares which you are entitled to vote). If you wish to abstain from voting on any resolution, please tick the box on the Form of Proxy which is marked "Withheld". It should be noted that a vote withheld is not a vote in law and will not be counted in the calculation of the proportion of votes "For" and "Against" a resolution.

If you do not indicate on the Form of Proxy how your proxy should vote, he/she can exercise his/her discretion as to whether, and if how so how, he/she votes on each resolution, as he/she will do in respect of any other business (including amendments to resolutions) which may properly be conducted at the Meeting.

11. A member that is a company or other organisation not having a physical presence cannot attend in person but can appoint a representative to represent it. This can be done in one of two ways: either by the appointment of a proxy (described in Notes 4 to 10 above) or of a corporate representative. Members considering the appointment of a corporate representative should check their own legal position, the Company's articles of association and the relevant provisions of the Act.

A company incorporated in England and Wales or Northern Ireland should execute the Form of Proxy under its common seal or otherwise in accordance with section 44 of the Act or by signature on its behalf by a duly authorised officer or attorney whose power of attorney or other authority should be enclosed with the Form of Proxy.

12. The completed and signed Form of Proxy and any power of attorney (or a notarially certified copy or office copy thereof) under which it is executed must be received by Computershare Investor Services PLC, by post to The Pavilions, Bridgwater Road, Bristol, BS99 6ZY or by email to externalproxyqueries@computershare.co.uk by no later than 10.00 a.m. on 19 May 2021 in respect of the Meeting. Any Forms of Proxy received before such time will be deemed to have been received at such time. In the case of an adjournment, the Form of Proxy must be received by Computershare Investor Services PLC by no later than 48 hours (excluding non-working days) before the rescheduled Meeting.
13. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the Meeting and any adjournment(s) of it 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.

For a proxy appointment or instructions made using the CREST service to be valid, the appropriate CREST 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 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 Computershare Investor Services PLC (ID 3RA50) no later than 10.00 a.m. on 19 May 2021, or, in the event of an adjournment of the Meeting, 48 hours (excluding non-working days) before the adjourned meeting. 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 the issuer's agent 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.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI 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/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.

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.

14. In order to revoke a proxy instruction you will need to inform the Company. Please send a signed hard copy notice clearly stating your intention to revoke your proxy appointment to Computershare Investor Services PLC by post to The Pavilions, Bridgwater Road, Bristol, BS99 6ZY or by email to externalproxyqueries@computershare.co.uk by no later than 10.00 a.m. on 19 May 2021 in respect of the Meeting. Any revocation received after this time will be disregarded.
- In the case of a member which is a company incorporated in England and Wales or Northern Ireland, the revocation notice must be executed under its common seal or otherwise in accordance with section 44 of the Act or by signature on its behalf by an officer or attorney whose power of attorney or other authority should be included with the revocation notice.

15. If you submit more than one valid proxy appointment in respect of the same shares, the appointment received last before the latest time for receipt of proxies will take precedence.
16. Completion of a Form of Proxy will not, of itself, preclude a member from attending and voting in person. If you have appointed a proxy and attend the Meeting in person, your proxy appointment will be automatically terminated. However, as outlined above, given the current restrictions in place due to the COVID-19 pandemic, shareholders and persons other than the Chairman of the Meeting and the other person chosen to form a quorum at the Meeting will not be permitted entry to the Meeting.
17. The total number of shares in issue in the capital of the Company as at close of business on the last practical date prior to the printing of this Notice is 587,337,398 ordinary shares of 0.1 pence each.
18. On a vote by a show of hands, every holder of shares who (being an individual) is present in person, by proxy or (being a corporation) is present by a duly authorised representative, not being himself a member, shall have one vote. On a poll every holder of shares who is present in person or by proxy shall have one vote for every share held by him.
- Given the COVID-19 pandemic and the restrictions as to attendance at the Meeting, it is proposed that instead of the usual practice of each resolution being voted on initially by a show of hands, the Chairman of the Meeting shall exercise his right to demand a poll on each resolution that shall be taken immediately. This will enable those votes cast by those members who have submitted a Form of Proxy to be recorded and used as the basis for determining whether or not a resolution has been passed at the Meeting.
19. Except as provided above, members who have general queries about the Meeting should use the following means of communication (no other methods of communication will be accepted):
- calling the Computershare Investor Services PLC shareholder helpline (lines are open from 9.00 a.m. to 5.00 p.m. Monday to Friday, excluding public holidays):
 - (i) From the UK: 0370 702 0000;
 - (ii) From outside the UK: +44 370 702 0000 (calls from outside the UK are charged at applicable international rates); or
 - (iii) in writing to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY.

You may not use any electronic address provided either:

- in this Notice of Meeting; or
- any related documents (including the Form of Proxy for this Meeting)

to communicate with the Company for any purposes other than those expressly stated.