

**NOTICE OF ANNUAL GENERAL MEETING FOR PINNACLE TECHNOLOGY GROUP plc**  
**Registered in England and Wales with registered number 5259846**

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**NOTICE OF ANNUAL GENERAL MEETING**

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Notice is hereby given that the annual general meeting of Pinnacle Technology Group PLC (the “**Company**”) will be held at the offices of DAC Beachcroft, 100 Fetter Lane, London, EC4A 1BN at 13:00PM (GMT) on Wednesday 23 March 2016 (the “**AGM**”) for the following purposes:

To consider and, if thought fit, pass resolutions 1 to 7 inclusive, which will be proposed as ordinary resolutions:

1. To receive the Company’s audited financial statements for the financial year ended 30 September 2015, together with the Directors’ report and the auditor’s report on those financial statements.
2. To elect Gavin Lyons as a Director of the Company.
3. To elect Simon Duckworth as a Director of the Company.
4. To elect Ian Winn as a Director of the Company.
5. To re-appoint Nexia Smith & Williamson Audit Limited as auditor of the Company until the conclusion of the next general meeting before which accounts are laid.
6. To authorise the directors to fix the remuneration of the auditor.
7. THAT, in accordance with section 551 of the Companies Act 2006 (the “**Act**”), the Directors be generally and unconditionally authorised to allot Relevant Securities (as defined below):
  - 7.1 comprising equity securities (as defined by section 560 of the Act) up to an aggregate nominal amount of £756,883.66 in connection with an offer by way of a rights issue:
    - (a) to holders of ordinary shares in proportion (as nearly as may be practicable) to their respective holdings; and
    - (b) to holders of other equity securities as required by the rights of those securities or as the Directors otherwise consider necessary,but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates, legal or practical problems in or under the laws of any territory or the requirements of any regulatory body or stock exchange; and
  - 7.2 in any other case, up to an aggregate nominal amount of £227,065.08,

provided that this authority shall, unless renewed, varied or revoked by the Company, expire on the date of the next annual general meeting of the Company in 2017 save that the Company may, before such expiry, make offers or agreements which would or might require Relevant Securities to be allotted and the Directors may allot Relevant Securities in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired.

## NOTICE OF ANNUAL GENERAL MEETING (CONTINUED)

This resolution revokes and replaces all unexercised authorities previously granted to the Directors to allot Relevant Securities but without prejudice to any allotment of shares or grant of rights already made, offered or agreed to be made pursuant to such authorities.

In this resolution, “**Relevant Securities**” means:

- (a) shares in the Company, other than shares allotted pursuant to:
- an employee share scheme (as defined in section 1166 of the Act);
  - a right to subscribe for shares in the Company where the grant of the right itself constitutes a Relevant Security; or
  - a right to convert securities into shares in the Company where the grant of the right itself constitutes a Relevant Security; and
- (b) any right to subscribe for or to convert any security into shares in the Company other than rights to subscribe for or convert any security into shares allotted pursuant to an employee share scheme (as defined in section 1166 of the Act).

References to the allotment of Relevant Securities in this resolution include the grant of such rights.

To consider and, if thought fit, pass resolution 8, which will be proposed as a special resolution:

8 That, subject to the passing of resolution 7 above, the Directors be given the general power to allot equity securities (as defined by section 560 of the Companies Act 2006 (the “**Act**”)) for cash, pursuant to the authority conferred by resolution 7 as if section 561(1) of the Act did not apply to any such allotment, provided that this power shall be limited to:

8.1 the allotment of equity securities in connection with an offer of equity securities (but, in the case of the authority granted under paragraph 7.1 of resolution 7, by way of a rights issue only):

- (a) to the holders of ordinary shares in proportion (as nearly as may be practicable) to their respective holdings; and
- (b) to holders of other equity securities as required by the rights of those securities or as the Directors otherwise consider necessary,

but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates, legal or practical problems in or under the laws of any territory or the requirements of any regulatory body or stock exchange; and

8.2 the allotment (otherwise than pursuant to paragraph 8.1 of this resolution) of equity securities to any person up to an aggregate nominal amount of £227,065.08.

The Directors believe that the resolutions described in this Notice are in the best interests of the Company and its shareholders as a whole. They recommend you give them your support by voting in favour of all the resolutions, as they intend to in respect of their own beneficial shareholdings.

By order of the Board  
WJM Secretaries Limited

22<sup>nd</sup> February 2016

**Registered Office**  
5 Fleet Place  
London  
EC4M 7RD

## **NOTICE OF ANNUAL GENERAL MEETING (CONTINUED)**

### **Notes**

#### **Appointment of proxies**

All members holding ordinary shares are entitled to attend, speak and vote at the meeting. Such members may appoint a proxy to attend, speak and vote instead of them. A proxy need not also be a member of the Company but must attend the AGM in order to represent his appointer. A member may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares (so a member must have more than one share to be able to appoint more than one proxy). A form of proxy is enclosed. The notes to the form of proxy include instructions on how to appoint the Chairman of the AGM or another person as proxy. To be effective the form must reach the Company's registrar, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY not less than 48 hours before the time for holding the meeting or adjourned meeting.

#### **Corporate representatives**

Any corporation which is a shareholder can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a shareholder provided that they do not do so in relation to the same shares.

#### **Record date**

Only those persons registered in the register of members of the Company at 6pm on 21 March 2016 (or if the AGM is adjourned, 48 hours before the time fixed for the adjourned AGM) shall be entitled to attend and vote at the AGM in respect of the number of shares registered in their name at that time. Any changes to the register of members after such time shall be disregarded in determining the rights of any person to attend or vote at the AGM.

#### **Other matters**

Please note that communications regarding the matters set out in this Notice of Annual General Meeting will not be accepted in electronic form.

#### **Voting rights**

As at 22 February 2016 (being the last business day prior to the publication of this Notice) the Company's issued share capital consists of 227,065,100 ordinary shares of £0.01 each which carry one vote each. Therefore, the total voting rights in the Company as at 22 February 2016 are 227,065,100.

## **NOTICE OF ANNUAL GENERAL MEETING (CONTINUED)**

### **Explanatory notes to the business of the AGM**

The notes on the following pages give an explanation of the proposed resolutions.

Resolutions 1 to 7 inclusive are proposed as ordinary resolutions. This means that for each of these resolutions to be passed, more than half of the votes cast must be in favour of the resolution.

Resolution 8 is proposed as a special resolution. This means that for it to be passed, at least three quarters of the votes cast must be in favour of the resolution.

### **Resolution 1 – Annual report and accounts**

The Directors must lay the Company's accounts, the Directors' report and the Auditor's report before the shareholders in a general meeting. A copy of the accounts and reports are available on the Company's website for investors at <http://www.pinnacletechnology.co.uk>

### **Resolutions 2 to 4 inclusive – Election of Directors**

Resolution 2 is to elect Gavin Lyons as a director, resolution 3 is to elect Simon Duckworth as a director and resolution 4 is to elect Ian Winn as a director. A biography of each director is included in the annual report and accounts.

### **Resolutions 5 and 6 – Appointment and remuneration of Auditor**

The Company is required to appoint an auditor at each general meeting at which accounts are laid before the shareholders, to hold office until the end of the next such meeting.

Resolution 5 proposes the re-appointment of Nexia Smith & Williamson Audit Limited as the Company's auditor and resolution 6 seeks authority for the Directors to decide the auditor's remuneration.

### **Resolution 7 – Renewal of authority to allot shares**

The purpose of this resolution is to confer upon the Directors the power to allot shares. Section 551 of the Companies Act 2006 provides that the Directors may not allot new shares (other than pursuant to employee share schemes) without shareholder approval.

Resolution 7 would give the Directors authority to allot shares:

- up to an aggregate nominal amount of £756,883.66 for pre-emptive issues - this amount represents approximately one-third of the issued ordinary share capital of the Company as at 22 February 2016, the latest practicable date prior to publication of this Notice; and
- up to an aggregate nominal amount of £227,065.08 for other issues – this amount represents approximately one-tenth of the issued ordinary share capital of the Company as at 22 February 2016, the latest practicable date prior to publication of this Notice.

## NOTICE OF ANNUAL GENERAL MEETING (CONTINUED)

This authority would expire at the conclusion of the next Annual General Meeting of the Company to be held in 2017, unless previously renewed, revoked or varied by the Company in a general meeting.

The authority sought would comply with the Investment Association's *Share Capital Management Guidelines* (July 2014).

### **Resolution 8 – Disapplication of pre-emption rights**

Section 561(1) of the Companies Act 2006 provides that if the Directors wish to allot any equity securities for cash, the Company must first offer them to existing shareholders in proportion to their existing shareholdings (unless the shares are being allotted in connection with an employee share scheme) (a “**pre-emptive offer**”).

However there may be occasions when the Directors may need the flexibility to finance business opportunities by the issue of ordinary shares without having to make a pre-emptive offer to existing shareholders.

The purpose of resolution 8 is to allow the Directors to allot shares for cash as if section 561(1) of the Companies Act 2006 did not apply pursuant to the allotment authority sought in Resolution 7:

- in connection with a pre-emptive offer (paragraph 8.1 of resolution 8); or
- other than in connection with a pre-emptive offer – such allotments are limited to a total nominal value of £227,065.08, representing approximately 10% of the Company's issued ordinary share capital as at 22 February 2016, the latest practicable date prior to publication of this Notice (paragraph 8.2 of resolution 8).

The power conferred by this Resolution would expire at the conclusion of the next Annual General Meeting of the Company to be held in 2017, unless previously renewed, revoked or varied by the Company in a general meeting.

The Company will use the authority sought under paragraph 8.2 of resolution 8 in order to allot ordinary shares having a nominal value greater than £113,532.54 only in connection with an acquisition or specified capital investment. Such acquisition or specified capital investment will be announced contemporaneously with the issue, or have taken place in the preceding six-month period and be disclosed in the announcement of the issue.

The authority sought under resolution 8 is in accordance with the Pre-Emption Group's *Statement of Principles on Disapplying Pre-emption Rights* (March 2015).