THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this Document or the action you should take, you are recommended to seek your own financial advice immediately from an appropriately authorised stockbroker, bank manager, solicitor, accountant or other independent financial adviser who, if you are taking advice in the United Kingdom, is duly authorised under the Financial Services and Markets Act 2000 ("FSMA").

This Document comprises a prospectus relating to Silver Falcon Plc (the "**Company**") prepared in accordance with the Prospectus Rules of the Financial Conduct Authority (the "**FCA**") made under section 73A of FSMA and approved by the FCA under section 87A of FSMA. This Document has been filed with the FCA and made available to the public in accordance with the Prospectus Rules. This document together with the documents incorporated into it by reference will be made available to the public in accordance with Prospectus Rule 3.2 by the same being made available, free of charge, at www.silverfalconplc.com and at the Company's registered office at 5 Fleet Place, London EC4M 7RD.

Applications will be made to the UK Listing Authority and to the London Stock Exchange for all of the Ordinary Shares in the Company (being the issued Ordinary Shares, the Placing Shares, the Subscription Shares, the Consideration Shares, the SF Director Shares and the Peterhouse Shares) to be admitted to the Official List of the UK Listing Authority (the "**Official List**") by way of a standard listing under Chapter 14 of the Listing Rules published by the UK Listing Authority under section 73A of FSMA as amended from time to time and to the London Stock Exchange for such Ordinary Shares to be admitted to trading on the London Stock Exchange's main market for listed securities ("**Admission**").

It is expected that, subject to the conditions to the proposed acquisition of Hemogenyx Pharmaceuticals Limited being satisfied or, where appropriate, waived, and the Resolutions being passed at the General Meeting, Admission will become effective, and that unconditional dealings in the Ordinary Shares will commence, at 8.00 a.m. on 5 October 2017.

THE WHOLE OF THE TEXT OF THIS DOCUMENT AND OF ANY DOCUMENTS INCORPORATED BY REFERENCE SHOULD BE READ BY PROSPECTIVE INVESTORS. YOUR ATTENTION IS SPECIFICALLY DRAWN TO THE DISCUSSION OF CERTAIN RISKS AND OTHER FACTORS THAT SHOULD BE CONSIDERED IN CONNECTION WITH AN INVESTMENT IN THE ORDINARY SHARES, AS SET OUT IN THE SECTION ENTITLED "RISK FACTORS" BEGINNING ON PAGE 18 OF THIS DOCUMENT.

The Directors, and the Proposed Directors whose names appear on page 30, and the Company accept responsibility for the information contained in this Document. To the best of the knowledge 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 is in accordance with the facts and contains no omission likely to affect its import.

SILVER FALCON PLC

(to be renamed Hemogenyx Pharmaceuticals Plc)

(incorporated in England and Wales under company number 08401609)

Issue of 49,714,286 Placing Shares, 7,428,571 Subscription Shares, 228,571,428 Consideration Shares, 3,428,571 Director and adviser Shares and readmission to the Official List of the Company's entire enlarged issued share capital (by way of a Standard Listing under Chapter 14 of the Listing Rules) and to trading on the London Stock Exchange's main market for listed securities in connection with the proposed acquisition of Hemogenyx Pharmaceuticals Limited

Notice of General Meeting and Approval of Waiver of Rule 9 Obligations under the Takeover Code

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Optiva is authorised and regulated by the FCA and is acting exclusively for the Company and is acting for no one else in connection with the production of this document, the Placing, the Acquisition and/or Admission. Optiva will not regard any other person as a client in relation to the production of this document, the Placing, the Acquisition and/or Admission and will not be responsible to anyone other than the Company for providing the protections afforded to its clients, nor for providing advice in connection with the production of this document, the Placing, the Acquisition and/or Admission or any other matter, transaction or arrangement referred to in this document.

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Notice convening a General Meeting of the Company to be held at the offices of Charles Russell Speechlys LLP, 5 Fleet Place, London EC4M 7RD on 4 October 2017 at 10.00 a.m. is set out at the end of this document. Shareholders will find enclosed with this document a Form of Proxy for use in connection with the General Meeting. To be valid, the Form of Proxy must be signed and returned in accordance with the instructions printed thereon so as to be received by Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 8ZY as soon as possible but in any event by not later than 10.00 a.m. on 2 October 2017. Completion and posting of the Form of Proxy does not prevent a Shareholder from attending and voting in person at the General Meeting.

This Document does not constitute an offer to sell or an invitation to subscribe for, or the solicitation of an offer or invitation to buy or subscribe for, Ordinary Shares in any jurisdiction where such an offer or solicitation is unlawful or would impose any unfulfilled registration, publication or approval requirements on the Company.

The Ordinary Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), or the securities laws of any state or other jurisdiction of the United States or under applicable securities laws of Australia, Canada or Japan. Subject to certain exceptions, the Ordinary Shares may not be, offered, sold, resold, transferred or distributed, directly or indirectly, within, into or in the United States or to or for the account or benefit of persons in the United States, Australia, Canada, Japan or any other jurisdiction where such offer or sale would violate the relevant securities laws of such jurisdiction.

The Ordinary Shares have not been approved or disapproved by the US Securities Exchange Commission, any State securities commission in the United States or any other US regulatory authority, nor have any of the foregoing authorities passed comment upon or endorsed the merits of the Placing, the Subscription or adequacy of this document. Any representation to the contrary is a criminal offence in the United States.

Application will be made for the Ordinary Shares to be admitted to a Standard Listing on the Official List. A Standard Listing will afford investors in the Company a lower level of regulatory protection than that afforded to investors in companies with Premium Listings on the Official List, which are subject to additional obligations under the Listing Rules.

It should be noted that the UK Listing Authority will not have authority to (and will not) monitor the Company's compliance with any of the Listing Rules which the Company has indicated herein that it intends to comply with on a voluntary basis, nor to impose sanctions in respect of any failure by the Company to so comply.

8 September 2017

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SUMMARY

Summaries are made up of disclosure requirements known as ''Elements''. These elements are numbered in Sections A - E (A.1 - E.7).

This summary contains all the Elements required to be included in a summary for this type of securities and Issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in the summary because of the type of securities and Issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of ''not applicable''.

SECTION A—INTRODUCTION AND WARNINGS

A.1. **Warning to investors**

This summary should be read as an introduction to this Document.

Any decision to invest in the Ordinary Shares should be based on consideration of this Document as a whole by the investor.

Where a claim relating to the information contained in this Document is brought before a court the plaintiff investor might, under the national legislation of the EEA States, have to bear the costs of translating this Document before legal proceedings are initiated.

Civil liability attaches only to those persons who have tabled this summary including any translation thereof but only if this summary is misleading, inaccurate or inconsistent when read together with the other parts of this Document or it does not provide, when read together with the other parts of this Document, key information in order to aid investors when considering whether to invest in such securities.

A.2. **Consent for intermediaries**

Not applicable; there will be no resale or final placement of securities by financial intermediaries.

SECTION B—ISSUER

B.1. **Legal and commercial name**

The legal and commercial name of the issuer is Silver Falcon Plc, to be changed to Hemogenyx Pharmaceuticals Plc with effect from Admission.

B.2. **Domicile / Legal form / Legislation / Country of incorporation**

The Company was incorporated and registered in England and Wales on 13 February 2013 as a private limited company and re-registered on 25 November 2014 as a public limited company.

B.3. **Current operations / Principal activities and markets**

The Company

The Company was formed for the purpose of acquiring or establishing a company or business and was listed on the Main Market with a Standard Listing on 9 November 2015.

On 23 December 2015, the Company's shares were suspended pending an announcement and on 30 December 2015 the Company announced it had signed heads of terms with a target concerning a potential acquisition. This potential acquisition was aborted. The Company's activities have since been undertaken in relation to the proposed Acquisition.

Hemogenyx Group – an Overview

Hemogenyx Pharmaceuticals Ltd (whose name is to be changed to Hemogenyx UK Ltd) is incorporated in England. Pending completion of the Share Exchange Agreement it will hold a wholly owned US operating subsidiary, Hemogenyx LLC, which is incorporated in the state of Delaware.

Hemogenyx LLC is a pre-clinical stage biopharmaceutical group developing new treatments for blood diseases, such as leukaemia, lymphoma and bone marrow failure. Hemogenyx has two distinct and complementary products:

1. Conditioning product

Proprietary CDX bi-specific antibodies for conditioning patients (immunotherapy class product candidate). The CDX bi-specific antibodies redirect a patient's own immune cells to eliminate unwanted blood stem cells preparing a patient for bone marrow ("**BM**") (also known as haematopoietic stem cell ("**HSC**")) transplantation. The Directors believe that this product could replace traditional methods of conditioning of chemotherapy and radiation which are damaging to a patient's health.

Hemogenyx has achieved proof of principle for the use of CDX antibodies. It has functionally validated CDX bi-specific antibodies *in vitro* and *in vivo* in humanised mouse models. It is anticipated that the CDX bi-specific antibodies will be capable of use as an "off-the-shelf" conditioning product available for application in relation to patients for all BM/HSC transplantations that require conditioning.

The market for such conditioning is estimated to be $1.7 billion in the US and $2 billion in Europe.

2. Cell Therapy product

Human Postnatal Hemogenic Endothelial Cells ("**Hu-PHECs**") generate cancer-free, patient-matched blood stem cells. The Hu-PHECs, being cancer-free cells, are intended to largely eliminate traditional BM/HSC transplants by improving the efficacy of the therapy and, for most patients, potentially eliminating the problem of having to find a matching donor that the majority of patients needing BM/HSC transplants currently face. The Directors believe that Hu-PHEC based cell replacement therapy will expand access to the BM/HSC transplants and, when fully developed, could revolutionise the ability of the body to regenerate a functioning blood system.

Hemogenyx currently has three Hu-PHEC products under development: (i) Hu-PHEC derived from umbilical cord and placenta (Hu-PHEC Umbilical); (ii) Hu-PHEC derived from patients' liver biopsies for autologous transplantations (Hu-PHEC Liver); and (iii) Hu-PHEC derived from patients' livers and expanded *in vitro* for transplantations which potentially incorporate a genetic modification step (Hu-PHEC Expanded). The directors believe that these products will (a) improve the efficacy of autologous BM/HSC transplants as Hu-PHEC do not have accumulated mutations so that the success rate for patients receiving autologous transplants should significantly increase due to a reduced rate of relapse; and (b) largely eliminate the need for allogeneic transplants and BM/HSC donors because these cells are an exact match to the patient, resulting in significantly better outcomes than allogeneic transplants.

Hu-PHEC cell therapy is considered by the Directors to be the only therapy on the market or in trials that could result in a reset of the blood system to a "clean state" therefore diminishing the risk of cancer relapse. Hemogenyx estimates a substantial market expansion opportunity by providing Hu-PHEC therapy to patients unable to find a donor match. Dr Vladislav Sandler, Co-Founder and CEO of Hemogenyx, was the person to discover that these cells exist in adults, as well as in embryos.

The Conditioning and Cell Therapy products are designed to address a range of problems that occur with current standard of care treatments. Both technologies are complementary with one another and are considered to have the potential to enhance current clinical practice. As such, they also have potential as a substantial driver in the growth and application of BM/HSC transplants, individually and used in conjunction with one another.

De-risking with proof of principle

The Company has established sound proof of principle for both the conditioning and the transplant cell technology through studies conducted in the human hematopoietic system of humanised animals. Such studies demonstrate that the CDX antibody-targeted conditioning regime provides good environment for subsequent stem cell transplantation. Studies in similar animal models indicate that Hu-PHECs are capable of safe and efficient restoration of the human hematopoietic system.

Fast tracked as FDA Orphan Drug

Hemogenyx LLC has been granted FDA Orphan Drug Designation for the Hu-PHEC product in relation to the treatment of aplastic anaemia, which will enable it to move forward to clinical trials faster. Aplastic anaemia, or bone marrow failure, is a rare disorder in which the bone marrow fails to create enough blood cells. Hemogenyx applied for Orphan Drug Designation in this regard as the results are capable of use in expanding the application of Hu-PHEC treatment for more complex and frequently diagnosed blood diseases, such as lymphomas and leukaemia.

Exclusive license and Patent Protection Pending

Hemogenyx LLC holds an exclusive, worldwide, sub-licensable license from Cornell University for Dr.Sandler's invention, the Hu-PHEC, which is now at PCT stage covering various regions including the US, Canada, Japan, EU, Israel, China and Australia. Additionally, Hemogenyx LLC has filed a provisional "composition matter" patent application for the CDX bi-specific antibody product.

Hemogenyx expects to complete a pre-Investigative New Drug ("**IND**") consultation programme with the FDA in relation to the CDX product and will apply to obtain Orphan Drug Designation ("**ODD**") for the CDX product in relation to patient conditioning for pre-BM/HSC transplantation in a number of different blood cancers and disorders. Hemogenyx believes that it will be able to achieve ODD status as such procedures are performed upon fewer than 200,000 people per year in the United States, the upper limit for the ODD classification.

Milestones

The Company's further proposed milestones over the eighteen months from Admission for its CDX product include completing a preclinical evaluation and the required IND-enabling studies, filing an IND application with the FDA and preparing to move into Phase 1 clinical trials.

Hemogenyx's objectives over the eighteen months from Admission for the Hu-PHEC product candidate will be to take forward the Hu-PHEC Umbilical product candidate so all actions necessary prior to an IND application have been completed. The IND process is a key part of the process for taking drugs and treatments into clinical trials in the United States. The Company will concentrate on pre-clinical toxicology studies and will continue development of other Hu-PHEC applications, including applying for ODD status for use of Hu-PHEC in a number of other blood diseases in addition to that already achieved for aplastic anaemia.

Hemogenyx Clinical Collaboration

Alongside its principal business, to assist in the progression of its own product candidates, Hemogenyx is collaborating with, and receiving income from, third parties in deploying its proprietary animal models to assist in the evaluation of the immunogenicity of such third parties' biologics which are under development for clinical usage. Hemogenyx expects to increase its revenues from such collaborations and will also be able to apply the related results of such work in relation to its own product candidates.

B.4. **Significant trends affecting the Enlarged Group**

Blood cancers affect over 1.1 million people in the United States each year, and it is estimated that 171,500 new blood cancer diagnoses were made in 2016. After exhausting all conventional treatment options, including chemotherapy, radiation therapy and immunotherapy, a BM/HSC transplant is typically the only remaining choice for blood cancer patients. Hemogenyx seeks to address the following problems that arise with BM/HSC transplants:

- Difficulties in preparing patients for BM/HSC transplants – the broad range of adverse side effects of currently used methods of conditioning patients for BM/HSC treatment has harmful and in many cases life-threatening effects on patients undergoing such conditioning, preventing many patients from receiving such treatment.

- Acute shortage of BM/HSC donors – at least 60% of eligible patients in the US are unable to find an appropriately matched donor.

- High failure rate of BM/HSC transplants – up to 50% of BM/HSC transplants fail due to the body's rejection of the transplant, complications from the procedure or a relapse of the disease.

BM/HSC transplantations require conditioning (preparation) of patients for the transplantation. Conditioning of a patient for BM/HSC transplant is integral to the procedure and is traditionally achieved by administering chemotherapeutic agents sometimes in conjunction with radiation. These preparative regimens are toxic and result in severe side effects which can be life-threatening as the entire body is targeted. These side effects include death, radiation damage, fertility issues, damage to bone and bone growth problems

Notwithstanding the risks, HSC/BM transplantations are used in an increasing range of blood cancers and other non-malignant disorders. However, many patients are still unable to undergo the procedure, with a large minority of patients who do facing significant dangers in both the conditioning before the transplantation and during the BM/HSC transplant procedure itself. Additionally, matching donors are more likely to be found among close relatives or from people with ethnically similar backgrounds to the patient and, as the global population becomes more heterogeneous, the problem of finding matching donors is also likely to increase.

Based on available data for 2014, there were 21,169 BM/HSC transplants performed in the United States.

- Autologous (i.e. utilising the patient's own cells): 12,460 transplants performed.

- Allogeneic (i.e. utilising cells from a donor): 8,709 transplants performed.

When looking at European cases in 2014, there were 40,829 BM/HSC transplants performed:

- Autologous: 20,704 transplants performed.

- Allogeneic: 15,765 transplants performed.

B.5. **Group structure**

On Admission and following the Acquisition, the Company's Group will consist of Hemogenyx Pharmaceuticals Limited (whose name will be changed to Hemogenyx UK Limited) and Hemogenyx LLC. Hemogenyx Pharmaceuticals Limited owns 100% of Hemogenyx LLC.

B.6. **Major shareholders**

As at 7 September 2017 (being the latest practicable date prior to publication of this Document), the following Shareholders had a notifiable interest in the issued shares of the Company and are expected to have the following interests in the issued share capital of the Company following Admission:

Shareholder	**No. of Ordinary Shares pre-Admission**	**% of issued ordinary share capital pre-Admission**	**No. of Ordinary Shares post-Admission**	**% of issued ordinary share capital post-Admission**
Optiva Securities Limited	5,000,000	7.47%	22,428,571	6.3%
Geoffrey Dart	4,800,000	7.17%	5,800,000	1.63%

Peter Redmond	3,600,000	5.38%	4,885,714	1.37%
Adrian Beeston	3,350,000	5.00%	5,414,286	1.45%
Wayne Gibson	2,600,000	3.88%	2,600,000	0.73%
Abdelatif Lachab	2,600,000	3.88%	2,600,000	0.73%

None of these shareholders have different voting rights to the other shareholders in the Company.

B.7. **Selected historical key financial information The Company**

Since 31 December 2016 (being the last financial period for which financial information has been published) and for which the financial information is set out in Part XI, there has been no significant change in the financial or trading position of the Company or Hemogenyx LLC. Shareholders and prospective investors should review the following selected financial information together with the whole of this document and any documents incorporated by reference and should not rely on the selected financial information below. This selected financial information set out below has been presented in accordance with IFRS as adopted by the European Union and the Company's accounting policies.

The table below sets out the comprehensive income statement of the Company for the year and periods ended 28 February 2015, 31 December 2015 and 31 December 2016, extracted from the financial statements.

STATEMENT OF TOTAL COMPREHENSIVE INCOME

	Period ended 31 December 2016	**Period ended 31 December 2015**	**Year ended 28 February 2015**
	£	**£**	**£**
Continuing operations			
Revenue	-	-	-
Administrative expenses	(519,898)	(46,027)	(6,270)
Listing costs	-	(34,340)	-
Operating loss	(519,898)	**(80,367)**	**(6,270)**
Finance costs		-	-
Loss before taxation	**(519,898)**	**(80,367)**	**(6,270)**
Taxation		-	-
Loss for the period attributable to equity owners	**(519,898)**	**(80,367)**	**(6,270)**
Other comprehensive loss for the period		**-**	**-**
Total comprehensive loss for the period attributable to the equity owners	**(519,898)**	**(80,367)**	**(6,270)**

The table below sets out the statement of financial position of the Company for the year and periods ended 28 February 2015, 31 December 2015 and 31 December 2016, extracted from the financial statements.

STATEMENT OF FINANCIAL POSITION

	As at 31 December 2016	**As at 31 December 2015**	**As at 28 February 2015**
	£	**£**	**£**
Assets			
Current assets			
Trade and other receivables	1,680	31,167	37,500
Cash and cash equivalents	1,045,723	1,323,869	6,230

Total current assets	**1,047,403**	**1,355,036**	**43,730**
Total assets	**1,047,403**	**1,355,036**	**43,730**
Equity and liabilities			
Capital and reserves			
Called up share capital	669,000	649,000	50,000
Share Premium	841,243	781,243	-
Retained earnings	(606,535)	(86,637)	(6,270)
Total equity	**903,708**	**1,343,606**	**43,730**
Liabilities			
Current liabilities			
Trade and other payables	143,695	11,430	-
Total liabilities	**95,400**	**11,430**	**-**
Total equity and liabilities	**1,047,403**	**1,355,036**	**43,730**

The table below sets out the statement of cash flows of the Company for the year and periods ended 28 February 2015, 31 December 2015 and 31 December 2016, extracted from the financial statements.

STATEMENT OF CASH FLOWS

	Period ended 31 December 2016 £	Period ended 31 December 2015 £	Year ended 28 February 2015 £
Cash flow from operating activities			
Loss before taxation	(519,898)	(80,367)	(6,270)
Adjustment for share based payment	80,000		
Changes in working capital			
Decrease in trade and other receivables	29,487	6,333	
Increase in trade and other payables	133,265	11,430	
Net cash used in operating activities	**(278,146)**	**(62,604)**	**(6,270)**
Cash flows from financing activities			
Proceeds from issuance of shares net of issue costs	-	1,380,243	12,500
Net cash generated from financing activities	**-**	**1,380,243**	**12,500**
Cash flows from investing activities	-	-	-
Net cash used in investing activities	**-**	**-**	**-**
Increase/(decrease) in cash and cash equivalents	**(278,146)**	**1,317,639**	**6,230**
Cash and cash equivalents at beginning of period	**1,323,869**	**6,230**	**-**
Cash and cash equivalents at end of period	**1,045,723**	**1,323,869**	**6,230**

Major non-cash transactions

On the 11 November 2016 2,000,000 new Ordinary Shares of £0.01 nominal value were issued at a premium of £0.03 per share to M6 Limited as settlement for a fee of £80,000 for online marketing services.

Except as described in this section B.7, there have been no significant changes to the financial condition and operating results of the Company during or subsequent to the period covered by the key financial information set out above.

The table below sets out the comprehensive income statement of Hemogenyx LLC for the year and periods 31 December 2014, 31 December 2015 and 31 December 2016, extracted from the financial statements.

STATEMENT OF TOTAL COMPREHENSIVE INCOME

	Period ended 31 December 2016	Year ended 31 December 2015	Period ended 31 December 2014
	$	$	$
Continuing operations			
Revenue	-	10,095	-
Administrative expenses	(603,479)	(260,584)	-
Depreciation expense	(16,028)	-	-
Operating loss	**(619,507)**	**(250,489)**	**-**
Finance costs	(16,250)	(16,250)	-
		-	-
Loss before taxation	**(635,757)**	**(266,739)**	**-**
Taxation	-	-	
Loss for the period attributable to equity owners	**(635,757)**	**(266,739)**	**-**
Other comprehensive loss for the period	**-**	**-**	**-**
Total comprehensive loss for the period attributable to the equity owners	**(635,757)**	**(266,739)**	**-**

The table below sets out the statement of financial position of Hemogenyx LLC for the year and period ended 31 December 2014, 2015 and 31 December 2016, extracted from the financial statements.

STATEMENT OF FINANCIAL POSITION

	As at 31 December 2016	As at 31 December 2015	As at 31 December 2014
	$	$	$
Assets			
Non-current assets			
Property, plant and equipment	216,955	-	-
Intangible asset	347,500	347,500	-
Total non-current assets	**564,455**	**347,500**	**-**
Current assets			
Cash and cash equivalents	113,905	70,145	-
Other receivables	200,000	-	100
Prepaid expenses	-	61,124	
Total current assets	**313,905**	**131,269**	**100**
Total assets	**878,360**	**478,769**	**100**
Equity and liabilities			
Capital and reserves			
Paid-in Capital	1,381,500	381,500	-
Retained earnings	(902,496)	(266,739)	-
Total equity	**479,004**	**114,761**	**-**
Liabilities			
Non-current liabilities			
Trade and other payables	26,856	7,758	100

Current borrowings	372,500	16,250	-
Total current liabilities	**399,356**	**24,008**	**100**
Current liabilities			
Trade and other payables	-	340,000	-
Total non-current liabilities	**-**	**340,000**	**-**
Total equity and liabilities	**878,360**	**478,769**	**100**

The table below sets out the statement of cash flows of Hemogenyx LLC for the year and period ended 31 December 2014, 31 December 2015 and 31 December 2016, extracted from the financial statements.

STATEMENT OF CASH FLOWS

	Year ended 31 December 2016 $	**Year ended 31 December 2015 $**	**Period ended 31 December 2014 $**
Cash flow from operating activities			
Loss before taxation	(195,620)	(266,739)	-
Changes in working capital			
Depreciation and amortisation	16,028	-	-
Non-cash investment by consultants	-	81,500	
Increase in trade and other payables	35,348	363,908	100
Increase in trade and other receivables	(138,876)	(61,624)	-
Net cash used in operating activities	**(723,257)**	**117,545**	**100**
Cash flows from financing activities			
Proceeds from issuance of shares	1,000,000	300,000	-
Net cash generated from financing activities	**1,000,000**	**300,000**	**-**
Cash flows from investing activities			
Purchase of property, plant and equipment	(232,983)	-	-
Purchase of intangible asset	-	(347,500)	-
Net cash used in investing activities	**(232,983)**	**(347,500)**	**-**
Increase/(decrease) in cash and cash equivalents	**43,760**	**70,045**	**100**
Cash and cash equivalents at beginning of period	**70,145**	**100**	**-**
Cash and cash equivalents at end of period	**113,905**	**70,145**	**100**

The following significant changes in Hemogenyx LLC's financial condition and operating results occurred in the years ended 31 December 2014, 2015 and 2016:

On 25 November 2014 Hemogenyx LLC won a competition to receive a $250,000 investment from 43North LLC in exchange for a non-dilutable 5% holding in Hemogenyx LLC. The investment was received in 3 tranches throughout 2015.

On 27 March 2015 Hemogenyx LLC issued 120,000 Class A units at an aggregate subscription price of $50,000 to Anya Levitov.

On 19 February 2016 Bonsai Capital Ltd agreed to subscribe for 8,769,231 Class B interests at an aggregate subscription price of USD$1,000,000 in the capital of Hemogenyx LLC to be paid over five equal tranches with the final tranche paid on 27 January 2017.

Except as described in this section B.7, there have been no significant changes to the financial condition and operating results of Hemogenyx LLC during or subsequent to the period covered by the key financial information set out above.

B.8. **Selected key pro forma financial information**

Set out below is an unaudited pro forma statement of net assets of the Enlarged Group as at 31 December 2016. The unaudited pro forma statement of net assets of the Enlarged Group for the year ending 31 December 2016 has been prepared to illustrate the impact of the Placing, the Subscription and proposed Acquisition as if it had taken place on 31 December 2016.

The unaudited pro forma statement of net assets has been prepared for illustrative purposes only and, by its nature, addresses a hypothetical situation and does not, therefore, represent the Enlarged Group's actual financial position or results. The statement of net assets may not, therefore, give a true picture of the Enlarged Group's financial position or results nor is it indicative of the results that may or may not be expected to be achieved in the future. The unaudited pro forma statement of net assets is based on the unaudited net assets of the Enlarged Group's as at 31 December 2016. No adjustments have been made to take account of trading, expenditure or other movements subsequent to 31 December 2016, being the date of the last published balance sheet of the Company.

The unaudited pro forma information does not constitute statutory accounts within the meaning of section 434 of the Companies Act. Investors should read the whole of this Prospectus and not rely solely on the summarised financial information contained in this summary.

Unaudited pro forma statement of net assets at 31 December 2016

	The Company Net assets as at 31 December 2016 (Note 1)	**Hemogenyx Pharmaceuticals Limited Net assets as at 31 December 2016 (Note 2)**	**Hemogenyx LLC Net assets as at 31 December 2016 (Note 3)**	**Issue of Placing Shares net of costs (Note 4)**	**Unaudited pro forma adjusted aggregated net assets of the Enlarged Group on Admission**
	$'000	**$'000**	**$'000**	**$'000**	**$'000**
Assets					
Non-current assets					
Intangible assets	-	-	347		347
Property, plant and equipment	-	-	217		217
	-	-	564		564
Current assets					
Inventories	-	-	-		-
Trade and other receivables	2	-	200		202
Cash and cash equivalents	1,292	-	114	[illegible]	3,488
Current assets	1,294	-	314	[illegible]	3,690
Total assets	1,294	-	878	[illegible]	4,254
Liabilities					
Current liabilities					
Trade and other payables	177	-	27		204
Current borrowings	-	-	372		372
Current liabilities	177	-	399		576
Non-current liabilities					
Borrowings	-	-	-		-
Total liabilities	177	-	399		576
Total assets less total liabilities	1,117	-	479	[illegible]	3,678

Notes

The pro forma statement of net assets has been prepared on the following basis:

1. The net assets of the Company as at 31 December 2016 have been extracted without adjustment from the Historic Financial Information and converted to United States Dollars at the closing rate on 31 December 2016 of US$1.2357 to £1.

2. The net assets of Hemogenyx Pharmaceuticals Limited as at 31 December 2016 have been extracted without adjustment from the unaudited Financial Statements included in Part XI Section D of this document and converted to United States Dollars at the closing rate on 31 December of US$1.2357 to £1.

3. The net assets of Hemogenyx LLC as at 31 December 2016 have been extracted without adjustment from the unaudited Financial Statements included in Part XI Section C of this document.

4. An adjustment has been made to reflect the proceeds of a placing of 57,142,857 Ordinary Shares of the Company at an issue price of £0.035 per Ordinary Share net of an adjustment to reflect the payment in cash of admission costs estimated at approximately £0.315 million inclusive of any non-recoverable sales taxes and converted to United States Dollars at the closing rate on 31 December 2016 of US$1.2357 to £1.

Unaudited pro forma income statement for the period ended 31 December 2016

Set out below is an unaudited pro forma income statement of the Enlarged Group for the six months to 31 December 2016. The unaudited pro forma income statement of the Enlarged Group for the period ending 31 December 2016 has been prepared on the basis set out in the notes below and in accordance with the requirements of item 20.2 of Annex I and items 1 to 6 of Annex II of the Prospectus Rules to illustrate the impact of the Placing, the Subscription and proposed Acquisition as if it had taken place on 31 December 2016.

The unaudited pro forma income statement has been prepared for illustrative purposes only and, by its nature, addresses a hypothetical situation and does not, therefore, represent the Enlarged Group's actual financial position or results. Such information may not, therefore, give a true picture of the Enlarged Group's financial position or results nor is it indicative of the results that may or may not be expected to be achieved in the future. The unaudited pro forma income statement is based on the unaudited expenses of the Enlarged Group's as at 31 December 2016 as shown in Part X and XI (*Historical Financial Information*). No adjustments have been made to take account of trading, expenditure or other movements subsequent to 31 December 2016, being the date of the last published income statement of the Company.

The unaudited pro forma income statement does not constitute financial statements within the meaning of section 434 of the Companies Act. Investors should read the whole of this Prospectus and not rely solely on the summarised pro forma income statement contained in this summary.

	The Company Income statement as at 31 December 2016 (Note 1)	**Hemogenyx Pharmaceuticals Limited Income statement as at 31 December 2016 (Note 2)**	**Hemogenyx LLC Income statement as at 31 December 2016 (Note 3)**	**Unaudited pro forma adjusted aggregated income statement of the Enlarged Group on Admission**
	$	**$**	**$**	**$**
Revenue	-	-	-	
Administration expenses	(708,413)	-	(619,507)	(1,327,920)
Operating loss	(708,413)	-	(619,507)	(1,327,920)
Interest expense	-	-	(16,250)	(16,250)
Other income	-	-	-	
Loss before tax	(708,413)	-	(635,757)	(1,355,170)
Tax	-	-	-	
Loss from continuing operations	(708,413)	-	(635,757)	(1,355,170)
Other comprehensive income				
Items that may be subsequently reclassified to profit or loss	-	-	-	-
Total comprehensive loss for the period	(708,413)	-	(635,757)	(1,355,170)

Notes

The pro forma income statement has been prepared on the following basis:

1. The unaudited income statement of the Company as at 31 December 2016 have been extracted without adjustment from the Historic Financial Information to which is set out in Part X of this document and converted to United States Dollars at the average rate for the year to 31 December 2016 of US$1.3626 to £1.

2. The unaudited income statement of Hemogenyx Pharmaceuticals Ltd as at 31 December 2016 have been extracted without adjustment from the Historic Financial Information to which is set out in Part XI Section E of this document and converted to United States Dollars at the average rate for the year 31 December 2016 of US$1.3626 to £1.

3. The unaudited income statement of Hemogenyx LLC as at 31 December 2016 have been extracted without adjustment from the unaudited Financial Statements included in Part XI Section C of this document.

4. No adjustments have been made to reflect the trading or other transactions of the enlarged group since 31 December 2016.

5. No adjustment has been made to reflect trading results of the Enlarged Group since 31 December 2016.

B.9. **Profit forecast or estimate**

Not applicable; no profit forecast or estimate is made.

B.10. **Qualified audit report**

The Company

Not applicable; there are no qualifications in the accountant's report on the historical financial information of the Company.

Hemogenyx Group

Not applicable; there are no qualifications in the accountant's report on the historical financial information of Hemogenyx Pharmaceuticals or Hemogenyx LLC.

B.11. **Insufficient working capital**

Not applicable; The Company is of the opinion that the working capital available to the Enlarged Group, taking into account the Net Proceeds, is sufficient for the Enlarged Group's present requirements, that is for at least the 12 months from the date of this Prospectus.

SECTION C—SECURITIES

C.1. **Description of the type and the class of the securities being offered**

The Company is proposed to issue 289,142,856 New Ordinary Shares in aggregate, comprising 228,571,428 Consideration Shares in connection with the Acquisition, 3,000,000 shares to the current Directors of the Company, 49,714,286 Placing Shares in connection with the Placing, 7,428,571 Subscription Shares in connection with the Subscription and 428,571 shares to Peterhouse in lieu of £15,000 owed in fees for Rule 3 advice. All of the Ordinary Shares are registered with ISIN GB00BYX3WZ24 and SEDOL number BYX3WZ2.

C.2. **Currency of the securities issue**

The currency of the securities issue is Pounds Sterling.

C.3. **Issued share capital**

66,900,000 Ordinary Shares have been issued at the date of this Document. Following the issue of the New Ordinary Shares, there will be 356,042,856 Ordinary Shares in issue.

C.4. **Rights attached to the securities**

The New Ordinary Shares, when issued and fully paid, will rank *pari passu* in all respects with the existing Ordinary Shares and will rank in full for all dividends and other distributions thereafter declared, made or paid on the share capital of the Company.

C.5. **Restrictions on transferability**

Subject to the terms of the Articles, any Shareholder may transfer all or any of his certificated Ordinary Shares. The Directors shall have power to implement and/or approve any arrangements they may, in their absolute discretion, think fit in relation to the evidencing of title to and transfer of interests in Ordinary Shares in the Company in uncertificated form.

C.6. **Application for admission to trading on a regulated market**

The Existing Ordinary Shares are currently admitted to listing on the standard listing segment of the Official List maintained by the FCA and trade on the London Stock Exchange's main market for listed securities. As the Acquisition is classified as a reverse takeover for the purpose of the Listing Rules, upon Completion, the listing of the Existing Ordinary Shares on the standard listing segment of the Official List will be cancelled.

Application has been made for the re-admission of the Existing Ordinary Shares and the admission of the New Ordinary Shares to the standard listing segment of the Official List maintained by the FCA and to trading on the main market for listed securities of the London Stock Exchange. It is expected that Admission will become effective, and that dealings in the Ordinary Shares will commence at 8.00 a.m. on 5 October 2017.

C.7. **Dividend policy**

The Company's current intention is to retain any earnings for use in its business operations, and the Company does not anticipate declaring any dividends in the foreseeable future. The Company will only pay dividends to the extent that to do so is in accordance with the Companies Act and all other applicable laws.

SECTION D—RISKS

D.1 **Key information on the key risks that are specific to the issuer or its industry**

The Group's business is relatively undeveloped

The operations of Hemogenyx are at a relatively early stage and, to date, no commercial sales of its products have been made. The ability of the Company to achieve commercialisation is dependent on a number of factors, many of which are outside of the Company's control.

Business Strategy of the Enlarged Group

The development of clinical products for new medical treatments is inherently uncertain, with high failure rates in clinical studies for both early- and late-stage development products and such clinical studies can be expensive, time-consuming and complicated and there is no certainty as to the outcome of such studies. Even once clinical studies have been successfully carried out, later phase trials may not successfully replicate or improve on such outcomes.

The Company's relationship with the Sellers

The Company will be reliant on a number of the Sellers following the Acquisition, in particular Dr Vladislav Sandler who is the founder of Hemogenyx. Whilst the Company has endeavoured to ensure that it has contractual arrangements which include non-compete restrictions in place with such persons to lessen the risk of them ceasing to be involved with the Company, in the event that the Company was to lose the services of such individuals, its results could be adversely affected.

Costs to commercialisation

The ability of the Company to bring its products to first commercial sale will be dependent in part on the overall costs of manufacturing and the costs involved could be significant and there is no guarantee that the sale prices achievable for its products will be viable and sustainable.

Intellectual property (IP) infringement

The Company may be subject to future litigation concerning its own IP and the IP of others. Adverse judgements in relation to its IP would likely have negative outcomes for its results of operations.

D.2 **Key information on the key risks that are specific to the securities**

The Ordinary Shares

An investment in the Ordinary Shares is highly speculative. Shareholders may be unable to realise their investments if an active market for Ordinary Shares does not develop or is illiquid.

SECTION E—OFFER

E.1 **Total net proceeds / expenses**

The Net Proceeds of the Placing and the Subscription are approximately £1.685m. The total expenses incurred (or to be incurred) by the Company in connection with Admission, the Placing and the Subscription are approximately £315,000.

E.2 **Reasons for the offer and use of proceeds**

The Net Proceeds will primarily be used to:

- finalise preclinical studies of the CDX product;
- advance the pre-clinical development of the Hu-PHEC product; and
- to expand and maintain the Company's intellectual property assets.

In addition the Net Proceeds will be used to repay its loan to Cornell and provide the Company with additional working capital reserves.

E.3 **Terms and conditions of the offer**

The Placing and the Subscription are conditional, *inter* alia, on

- All conditions to the Acquisition (save for Admission) having been satisfied or waived by 30 October 2017; and
- Admission having become effective at or before 8.00 a.m. on 5 October 2017 (or such later time and date as the Company, Optiva, Shard and Peterhouse may agree, being not later than 8.00 a.m. on 30 October 2017).

The Placing Price under the terms of both the Placing Agreement and the Subscription is £0.035.

The Directors have received irrevocable undertakings from Investors to subscribe for 57,142,857 Ordinary Shares in aggregate at the Placing Price. The undertakings are unconditional and may not be withdrawn other than on a failure of the Company to complete the Acquisition and achieve Admission of the Enlarged Issued Share Capital.

E.4 **Material interests**

There are no interests, including conflicting interests, that are material to the Offer, other than those disclosed in B.6 above.

E.5 **Selling Shareholders / Lock-up agreements**

Not applicable; no person or entity is offering to sell the relevant securities.

Each of the Sellers (other than Mark Hawtin and Rs Trading Limited) and the Proposed Directors have agreed that they shall not, offer, sell, contract to sell, pledge or otherwise dispose of any Ordinary Shares which they hold directly or indirectly in the Company (whether as a result of the issue of the Consideration Shares or otherwise), for a period of 12 months commencing on the date of Admission.

The restrictions on the ability of the Sellers to transfer their Ordinary Shares are subject to certain usual and customary exceptions.

E.6 **Dilution**

The issue of the Placing Shares, the Subscription Shares, the Consideration Shares, the SF Director Shares and the Peterhouse Shares will result in the holdings of holders of Ordinary Shares as at the date of this document (presuming such holders do not participate in the Placing or the Subscription) being diluted by 81.2 per cent..

E.7 **Expenses charged to investors**

Not applicable; no expenses will be charged to the investors.

RISK FACTORS

Investment in the Enlarged Group and the Ordinary Shares carries a significant degree of risk, including risks in relation to the Company's business strategy, potential conflicts of interest, risks relating to taxation and risks relating to the Ordinary Shares.

Investors and prospective investors should note that the risks relating to the Company, the Enlarged Group, its industry and the Ordinary Shares summarised in the section of this document headed "Summary" are the risks that the Directors as at the date of this Prospectus believe to be the most essential to an assessment by a prospective investor of whether to consider an investment in the Ordinary Shares. However, as the risks which the Enlarged Group faces relate to events and depend on circumstances that may or may not occur in the future, prospective investors should consider not only the information on the key risks summarised in the section of this document headed "Summary" but also, among other things, the risks and uncertainties described below.

The risks referred to below are those risks the Company and the Directors consider to be the material risks relating to the Enlarged Group as from Admission. However, there may be additional risks that the Company and the Directors do not currently consider to be material or of which the Company and the Directors are not currently aware that may adversely affect the Enlarged Group's business, financial condition, results of operations or prospects. Investors should review this Document carefully and in its entirety and consult with their professional advisers before acquiring any Ordinary Shares. If any of the risks referred to in this Document were to occur, the results of operations, financial condition and prospects of the Enlarged Group could be materially adversely affected. If that were to be the case, the trading price of the Ordinary Shares and/or the level of dividends or distributions (if any) received from the Ordinary Shares could decline significantly. Further, Investors could lose all or part of their investment. ***None of the statements made in the Risk Factors should be taken as any qualification to the working capital statement set out at paragraph 9 of part XV (Additional Information).***

RISKS RELATING TO THE COMPANY'S BUSINESS STRATEGY

The business of the Enlarged Group is relatively undeveloped and Hemogenyx Pharmaceuticals is yet to be profitable

There can be no guarantee that the Enlarged Group will be able to develop its products, which are currently at the preclinical stage. In common with similar small businesses in the biotechnology sector, Hemogenyx is yet to be profitable. The Enlarged Group's ultimate success will depend on the Directors' and Proposed Directors' abilities to implement successful drug development programmes, obtain required regulatory approvals, protect and exploit its intellectual property and know-how, and the intellectual property and know-how licensed to it, generate a cash flow in accordance with the strategy of the Enlarged Group, as well as being able to raise additional capital from the equity markets.

Whilst the Directors and the Proposed Directors are optimistic about the Enlarged Group's prospects, there is no certainty that anticipated outcomes and sustainable or any revenue streams will be achieved. It could be several years (if at all) before the Enlarged Group generates any revenues from product sales or receives royalties from any future licensing agreements.

If the Enlarged Group is unsuccessful in obtaining additional financing, it may be unable to complete the development and subsequently commercialise its drug candidates, and may be unable to continue its research and development programmes.

Further, there can be no assurance that the Enlarged Company's proposed development activities and future operations will be profitable or produce a reasonable return, if any, on investment.

Clinical studies and timelines risk

Hemogenyx is currently progressing its CDX and Hu-PHEC product candidates through preclinical development. Although encouraging results have been achieved so far, there can be no certainty that these results can be reproduced in clinical trials. The monies raised in the Placing and the Subscription are intended to support those preclinical development activities. Additional capital will have to be raised to support clinical trial activities through established and highly-regulated pathways (Phase 1, Phase 2a/2b and Phase 3) to assess safety, tolerability and efficacy of each of its products before applications can be made to individual countries or markets, including the US, Europe and Japan, to market and sell any approved products.

The development of clinical products for new medical treatments is inherently uncertain, with high failure rates in clinical studies for both early- and late-stage development products. Furthermore, such clinical studies (Phase 1, Phase 2a/2b, Phase 3) are typically expensive, complex, can take considerable time to complete and have uncertain outcomes. Furthermore, as a result of adverse, undesirable, unintended or inconclusive results from any testing or clinical trials (which have yet to be designed), the future progress, planning and potential treatment outcome of the products and clinical programmes may be affected, and may potentially prevent or limit the commercial use of one, many or all of the Company's products. In addition, later phase clinical trials may fail to show the desired safety and efficacy obtained in earlier studies, and a successful

completion of one stage of clinical development of an investigational clinical product does not ensure that subsequent stages of clinical development will be successful.

Failure can occur at any stage of clinical development and, as a result, enforced delays to the clinical development plan could delay or prevent commercialisation of the Company's product candidates. Various factors associated with the potential failure or delay in completing a clinical programme include, but are not limited to:

- Delays in securing clinical investigators or clinical study sites;
- Delays in securing any regulatory authority, hospital ethics committee, or institutional review board approval or approvals necessary to commence a clinical study;
- Delays or failure to recruit a sufficient number of clinical study participants in accordance with the clinical study protocol;
- Difficulty or inability to monitor subjects adequately during or after treatment;
- Inability to replicate in Phase 3 controlled studies any safety and efficacy data obtained from controlled Phase 2a/2b clinical studies;
- Difficulty or inability to secure clinical investigator compliance to follow the approved clinical study protocol; and
- Unexpected adverse events or any other safety or related issues.

Many markets where the Company intends to market its future products, including the US, Europe and Japan, expect proposed new pharmaceutical products to pass stringent standards of technical development, product quality, product safety and efficacy. As a result, clinical trial design is extremely important, but costly and time-consuming, in order to satisfy national government regulatory authorities, clinical investigators, hospital ethics committees, institutional review boards, customers and distributors. Furthermore, if the clinical trial budget and timelines to recruit a sufficient number of patients to complete the various clinical phases (from earlier Phase 1, through Phases 2a/2b, to later Phase 3 trials) on time is compromised and the costs for any future trials exceed current Directors' and Proposed Directors' expectations then this could significantly affect the Company's development plan and commercial expectations for the product or products.

Technology and products risks

The Enlarged Group will focus in developing a new treatment process and cell therapy products for HSC/BM transplantation. The development of its proprietary technology (and intellectual property), the technology licensed to the Enlarged Group and future products, which are in varying stages of development, will require clinical trials before commercialisation occurs. There is a significant risk that safety issues may arise when the products are tested. This risk is common to all new classes of clinical treatment and, as with all other biotechnology product companies, there is a risk that trials may not be successful.

Research and development risk

The Enlarged Group will be operating in the biotechnology and bio-pharmaceutical development sectors and will carry out complex scientific research. If the research or preclinical testing or clinical trials of any of Hemogenyx's product candidates fail, meaning that these candidates will not be licensed or marketed, this would result in a complete absence of revenue from these failed candidates. Positive results from preclinical and early clinical studies do not guarantee positive results from clinical trials required to permit application for regulatory approval. Furthermore, the Enlarged Group may discontinue the development of candidates if results are not positive or unlikely to further its progress towards a meaningful outcome or collaboration.

Comparative technology risk

The Group's product candidates are at pre-clinical stage of development, and the possible development to marketable products will take several years. Although the Directors have assessed existing competitive technologies, they cannot know if other more competitive products are developed before the Group's products come to market.

Risks related to Intellectual property and proprietary technology

The commercial success of the Enlarged Group will depend to a significant extent on its ability to obtain granted patents and therefore patent protection for its products in the US, Europe and other countries, and to preserve the confidentiality of its know-how. There is no guarantee that any future patent applications will result in granted patents, that the scope of any patent protection will be able to exclude competition or provide a competitive advantage to the Enlarged Group, that the patents (if

any) owned or licensed to the Enlarged Group will be held valid if challenged or that third parties will not claim rights to such patents or other proprietary rights owned by or licensed to the Enlarged Group.

Further, the commercial success of the Enlarged Group is dependent, in part, on non-infringement of patents granted to third parties. An adverse judgement against the Enlarged Group may give rise to significant liability in monetary damages, legal fees and a requirement to cease manufacturing, marketing or selling products at all or in specific territories (where existing trademarks and/or particular technology is used or applied). The Enlarged Group may be exposed to further liabilities if it has given assurances to customers and licensees that its technology and products do not infringe third party patents and/or proprietary rights.

Additionally, there can be no assurance that others have not developed or will not develop similar products, duplicate any of the Enlarged Group's products or design around any patents held by or licensed to any member of the Enlarged Group. Others may hold or receive patents which contain claims having a scope that covers products developed by or licensed to the Enlarged Group (whether or not patents are issued to the Enlarged Group). If this is the case then the Enlarged Group may have to obtain appropriate licences to these patents or cease and/or alter certain of its activities or processes, or develop or obtain alternative technology. There is no guarantee that, if licences to third-party patents are required, that the Enlarged Group will be able to obtain any such licences on commercially favourable terms (if at all).

Maintenance of patents through prompt payment of renewal and other fees by third parties will allow the Enlarged Group to prosecute its patent estate. Conversely, non-payment of those fees (by itself and of its licensors) would prevent the Enlarged Group enforcing its intellectual property rights and those rights licensed to it. In that position, the Enlarged Group may be vulnerable to third parties bringing patent infringement proceedings and the Enlarged Group may also be unable to assert its intellectual property rights against third parties infringing the rights licensed to it. Such events may have significant adverse effects on the Enlarged Group's financial position and prospects.

Risks related to future funding requirements

Whilst the Company believes that is raising sufficient funds to enable it to undertake all work preparatory to human trials over the next 18 months in relation to the CDX conditioning product candidate and to have met key milestones on the way to clinical trials in relation to the Cell Therapy product candidate, the Enlarged Group will need to raise further funds to complete the development and commercialisation of its products and to proceed with any future product candidates.

Additional funding, whether through further shares issues or collaborative arrangements with corporate partners, or other sources, may not be available when needed or on acceptable terms. This additional funding could dilute or adversely affect the holdings or rights of existing shareholders. A joint venture with a partner may require the Enlarged Group to transfer certain material (and valuable) rights to the partner. In the event that such future funding is not available or is only available or adverse terms, this may require the Enlarged Group to delay, reduce or even stop some of its research and development programmes.

Risk related to dependence on key personnel

The Enlarged Group will be highly dependent on the expertise and experience of the Directors and the Proposed Directors, senior management and scientific staff. Recruiting and retaining qualified personnel, consultants and advisers will be important to its success. There is no guarantee that the Enlarged Group will be able to recruit the staff needed for its business plan and retain its personnel on acceptable terms. Failure to recruit the right people or the loss of service of any of the Enlarged Group's staff may delay the achievement of the business plan objectives.

Risk related to reliance on third parties

The business plan expects that the Enlarged Group will have limited internal resources for the foreseeable future and that it will rely heavily on third party providers wherever possible to conduct research and development, clinical trials, registration, manufacture, marketing and sales of its proposed products. The Enlarged Group cannot guarantee the commercial success that will depend on the activities and performance of these third parties. Furthermore, disagreements between the Enlarged Group and any of these third parties could lead to delays in the research and development programmes and/or commercialisation plans.

If any of these current or future third parties were to terminate their relationship with the Enlarged Group, such entity would be required to obtain replacement services from other parties or develop these capabilities internally. This process could require significant expenditure and, while the Directors and the Proposed Directors believe that the Enlarged Group would be able to enter into alternative arrangements with other companies within a reasonable period of time, upon commercially reasonable terms, and in compliance with applicable regulatory requirements, no guarantee can be given that it would be able

to do so. Failure to enter alternative arrangements, or failure to do so in a timely manner, could have a significant and adverse effect on the Enlarged Group's business, operating results and financial condition.

Risk related to product manufacturing and process technology licensing

There is no guarantee that the Enlarged Group's proposed products can be manufactured in commercial quantities or will comply with regulatory requirements and will be produced at an acceptable cost. Similarly, licensing of the treatment process technology will require licensing and technology transfer, and there is no guarantee that the final licensed process will comply with regulatory requirements and can be completed at an acceptable cost.

The Enlarged Group intends to outsource the manufacture of products and treatment process design and optimisation that will be required in connection with the research and development of its proposed products and process and, as such, will be dependent upon third parties to provide adequate supplies and facilities. Furthermore, where the Enlarged Group is dependent on third parties for product manufacture and process optimisation, its ability to obtain both in accordance with regulatory requirements may be constrained, and its ability to develop and deliver both for patient treatment on a timely and competitive basis may be adversely affected.

Risk related to expectations for the Enlarged Group

The Enlarged Group is heavily reliant on the performance of Hemogenyx for its future financial success. Hemogenyx is a biopharmaceutical company developing a new treatment for blood diseases, such as leukaemia, lymphoma and bone marrow failure. Hemogenyx leverages proprietary CDX antibodies for patient conditioning and a special class of cells that can generate cancer-free, patient-matched blood stem cells. These products are expected to undergo clinical trials. There is no guarantee that such clinical trials will be successful, which would be materially prejudicial to the future success, financial viability and performance of the Enlarged Group.

While the Directors and the Proposed Directors are optimistic regarding the potential efficacy of these products and their commercial opportunity, there is no guarantee that Hemogenyx will bring products to market or that such products will be granted the required regulatory approval so that they will be a financial success.

If the performance of Hemogenyx does not meet the Directors' and Proposed Directors' expectations, the expected benefits of the Acquisition, including realisation of significant market potential and generation of strong future cash flows, will not be satisfied.

Risk related to product development timelines

Hemogenyx's products will have to undergo testing in clinical trials. However, since it is not always possible to predict the rate of patient recruitment into clinical trials, then product development timelines are at risk of delay. Therefore, product development could take longer than presently expected by the Directors and the Proposed Directors and, if such delays occur, the Enlarged Group may require additional working capital. The Directors and the Proposed Directors will aim to minimise the risk of delays by careful management of projects.

Liability and insurance

The nature of the Enlarged Group's business means that such entity may be exposed to potentially substantial liability for damages in the event of product failure or side effects. A liability of this, or any other, nature could have a significant adverse effect on the Enlarged Group's business and financial condition.

Furthermore, there is no guarantee that future insurance cover will be available to the Enlarged Group at an acceptable cost (if at all), or that, in the event of any claim, the level of insurance carried by the Enlarged Group now or in the future will be adequate or that a liability or other claim would not materially and adversely affect its business.

Unforeseen side effects

Clinical trials on the Enlarged Group's products will test for adverse reactions before market approval, but the possibility of observing side effects and adverse reactions once the products are released into the market cannot be discounted. If such side effects and/or adverse reactions exceed limits set by relevant regulatory authorities, the Enlarged Group may be obligated to stop production and/or distribution of the relevant products. Furthermore, any regulatory approvals may be withdrawn or suspended until further clinical trials have been conducted.

In some cases, if the Company is unable to resolve the problem to the satisfaction of the appropriate regulatory authority, then the affected product(s) and development programme(s) may need to be stopped. Any such instance could have a significant adverse effect on the Enlarged Group's business, financial position, results of operations, reputation (including goodwill) and future growth.

The Enlarged Group operates within the Pharmaceuticals Industry which will result in the Enlarged Group being subject to pharmaceuticals sector-specific risks

The Company will be competing against other companies in the pharmaceuticals sector, and increased competition could reduce the Company's market share and revenues. The Enlarged Group expects that new technology developments from pharmaceutical and biotechnology companies and academia, including those specifically competitive to its own activities, will increase. Some of these current and potentially future competitors have substantially greater resources than the Enlarged Group. There is no guarantee that competitors will not succeed in developing products that are more effective, safer and more cost-effective than those being developed by the Enlarged Group, or which would render its products obsolete or uncompetitive. Furthermore, there is no guarantee that the products being developed by the Enlarged Group, now or in the future, will have a better safety, dosing and /or efficacy profile than competitor products, either marketed currently or in the future.

The Company may be subject to regulatory compliance risk

The Enlarged Group will need to obtain various approvals from a number of regulatory authorities (which include the Food and Drug Administration, FDA, in the US and European Medicines Agency, EMA, in Europe) whilst complying with extensive regulations regarding safety, quality and efficacy requirements in order to market its future products.

These regulations vary from country to country and the time required for regulatory review can be lengthy, expensive and uncertain. The Enlarged Group will make extensive efforts to ensure compliance with government standards, but there is no guarantee that any products will be able to achieve or retain the necessary regulatory approvals. The approval in any specific market for any specific product may include restrictions on use of the Enlarged Group's products. Obtaining and maintaining regulatory approval for its products may incur significant costs, so that any delay or failure to obtain approval would have a serious adverse effect on the financial condition of the Enlarged Group and on its financial performance.

There is no guarantee that any relevant regulatory authority will allow the Enlarged Group to progress any of its products into early (Phase 1) or later-stage (Phase 2a/2b, Phase 3) clinical trials.

Risks related to approved products

Regulatory oversight for any approved products of the Enlarged Group will require regular review and inspection by relevant regulatory authorities. Additional regulatory requirements may be requested, such as post-marketing trials or changes to the product label claims. If the Enlarged Group fails to comply with such requests regulatory authorities have a number of sanctions at their disposal, including warning letters, product recalls, product seizures, injunctions (including to stop manufacture or distribution), monetary penalties, withdrawal of existing approvals or civil and criminal sanctions. If this occurs, the Enlarged Group (or its licensees) may not be able to sell its products for a period of time, or ever. The time and cost required to resolve this situation would have a significant adverse financial impact on the Enlarged Group.

In the event of a product recall or other event highlighted above, the Enlarged Group may be vulnerable to contractual or product liability claims from customers, licensees and other third parties. This situation could adversely affect both the Enlarged Group's financial health and its reputation in the industry and elsewhere.

There is no assurance that any operating improvements made to the Enlarged Group will be successful or, that they will be effective in increasing the valuation of Hemogenyx Pharmaceuticals

Following the Acquisition the Company will endeavour to generate shareholder value through capital adequacy, operational improvements and economies of scale. However, there can be no assurance that the Company will be able to implement effective operational improvements for the Enlarged Group. General economic and market conditions or other factors outside the Company’s control could make the Enlarged Group’s operating strategies difficult or impossible to implement. Any failure to implement these operational improvements successfully and/or the failure of these operational improvements to deliver the anticipated benefits could have a material adverse effect on the Enlarged Group’s results of operations and financial condition.

The Company may be unable to hire or retain personnel required to support the Enlarged Group

The Company will evaluate the personnel requirements of Hemogenyx Pharmaceuticals and may determine that it requires increased support to operate and manage the acquired business in accordance with its overall business strategy. There can be no assurance that existing personnel of Hemogenyx Pharmaceuticals will be adequate or qualified to carry out such strategy, or that the Company will be able to hire or retain experienced, qualified employees to carry out such strategy.

The Company will be a holding company whose principal source of operating cash will be income received from the business it has acquired

The Company will be dependent on the income generated by the acquired Hemogenyx business to meet the Company's expenses and operating cash requirements. The amount of distributions and dividends, if any, which may be paid from any operating subsidiary to the Company will depend on many factors, including Hemogenyx's results of operations and financial condition, limits on dividends under applicable law, its constitutional documents, documents governing any indebtedness of the Company, and other factors which may be outside the control of the Company. If Hemogenyx is unable to generate sufficient cash flow, the Company may be unable to pay its expenses or make distributions and dividends on the Ordinary Shares.

The Company's and Enlarged Group's risk management policies and procedures may prove inadequate following the Acquisition

The policies and procedure for managing market, regulatory and operational risk to be utilised by the Company and the Enlarged Group following the Acquisition may prove ineffective. Some of the methods used for managing risk may be based upon observations of historical market behaviour, and statistical techniques are applied to these observations to arrive at quantifications of its potential risk exposures. However, these methods may not accurately quantify risk exposures, especially in situations that cannot be identified based on its historical data. In particular, if the Enlarged Group enter into new lines of business, historical data may be incomplete. Following the global financial and economic crisis, models and techniques used to predict future conditions, behaviours and valuations have become less effective. As additional information becomes available, additional provisions may need to be made. If circumstances arise whereby the Enlarged Group did not identify, anticipate or correctly evaluate certain risks in developing its statistical models, losses could be greater than the maximum losses envisaged under its risk management system. In addition, certain risks may not be accurately quantified by risk management systems. Material deficiencies in risk management or other internal control policies or procedures may result in significant market, regulatory or operational risk, which may in turn have a material adverse effect on the Enlarged Group's business, financial condition, results of operations and prospects.

RISKS RELATING TO THE ORDINARY SHARES

The Standard Listing of the Ordinary Shares will afford Investors a lower level of regulatory protection than a Premium Listing

Application will be made for the Company's entire issued share capital to be admitted to a Standard Listing on the Official List. A Standard Listing will afford Investors in the Company a lower level of regulatory protection than that afforded to investors in a company with a Premium Listing, which is subject to additional obligations under the Listing Rules.

Further details regarding the differences in the protections afforded by a Premium Listing as against a Standard Listing are set out in the section entitled "Consequences of a Standard Listing" on page 25.

A market for the Ordinary Shares may not develop following Admission, which would adversely affect the liquidity and price of the Ordinary Shares

Prior to Suspension, there was a limited market for the Ordinary Shares. The price of the Ordinary Shares after Admission may also vary due to a number of factors, including but not limited to, general economic conditions and forecasts, the Enlarged Group's general business condition and the release of its financial reports. Although the Company's current intention is that its securities should continue to trade on the London Stock Exchange, it cannot assure investors that it will always do so. In addition, an active trading market for the Ordinary Shares may not develop or, if developed, may not be maintained. Investors may be unable to sell their Ordinary Shares unless a market can be established and maintained, and if the Company subsequently obtains a listing on an exchange in addition to, or in lieu of, the London Stock Exchange, the level of liquidity of the Ordinary Shares may decline.

Investors may not be able to realise returns on their investment in Ordinary Shares within a period that they would consider to be reasonable

Investments in Ordinary Shares may be relatively illiquid. There may be a limited number of Shareholders and this, together with the number of Ordinary Shares to be issued pursuant to the Placing, the Subscription and Acquisition, may contribute both to infrequent trading in the Ordinary Shares on the London Stock Exchange and/or to volatile Ordinary Share price movements. Investors should not expect that they will necessarily be able to realise their investment in Ordinary Shares within a period that they would regard as reasonable. Accordingly, the Ordinary Shares may not be suitable for short-term investment. Admission should not be taken as implying that there will be an active trading market for the Ordinary Shares. Even if an active trading market develops, the market price for the Ordinary Shares may fall below the Placing Price.

Dividend payments on the Ordinary Shares are not guaranteed

To the extent the Company intends to pay dividends on the Ordinary Shares, it will pay such dividends at such times (if any) and in such amounts (if any) as the Board determines appropriate and in accordance with applicable law, but will be entirely reliant upon dividends received from its operating subsidiaries in order to do so. Payments of such dividends will be dependent on the availability of free cash from such subsidiaries. The Company can therefore give no assurance that it will be able to pay dividends going forward or as to the amount of such dividends, if any.

RISKS RELATING TO TAXATION

Changes in tax law and practice may reduce any net returns for Investors

The tax treatment of shareholders of the Company, the Enlarged Group and any company which the Company may acquire are all subject to changes in tax laws or practices in England and Wales or any other relevant jurisdiction. Any change may reduce any net return derived by Investors from a shareholding in the Company.

There can be no assurance that the Company will be able to make returns for Shareholders in a tax-efficient manner

It is intended that the Company will structure the Enlarged Group, to maximise returns for Shareholders in as fiscally efficient a manner as is practicable. The Company has made certain assumptions regarding taxation. However, if these assumptions are not correct, taxes may be imposed with respect to the Enlarged Group's assets, or the members of the Enlarged Group may be subject to tax on income, profits, gains or distributions (either on a liquidation and dissolution or otherwise) in a particular jurisdiction or jurisdictions in excess of taxes that were anticipated. This could alter the post-tax returns for Shareholders (or Shareholders in certain jurisdictions). The level of return for Shareholders may also be adversely affected. Any change in laws or tax authority practices could also adversely affect any post-tax returns of capital to Shareholders or payments of dividends (if any, which the Company does not envisage the payment of, at least in the short to medium term). In addition, the Company may incur costs in taking steps to mitigate any such adverse effect on the post-tax returns for Shareholders.

CONSEQUENCES OF A STANDARD LISTING

Application will be made for the enlarged issued share capital to be admitted to listing on the Official List pursuant to Chapter 14 of the Listing Rules, which sets out the requirements for Standard Listings. Listing Principles 1 and 2 as set out in Chapter 7 of the Listing Rules also apply to the Company, and the Company will comply at all times with such Listing Principles.

However, while the Company has a Standard Listing, it is not required to comply with the provisions of, among other things:

- Chapter 8 of the Listing Rules regarding the appointment of a sponsor to guide the Company in understanding and meeting its responsibilities under the Listing Rules in connection with certain matters. The Company has not and does not intend to appoint such a sponsor in connection with the Acquisition, the Placing, the Subscription or Admission;
- Chapter 9 of the Listing Rules relating to continuing obligations of a listed company;
- Chapter 10 of the Listing Rules relating to significant transactions;
- Chapter 11 of the Listing Rules regarding related party transactions;
- Chapter 12 of the Listing Rules regarding purchases by the Company of its Ordinary Shares. and
- Chapter 13 of the Listing Rules regarding the form and content of circulars to be sent to Shareholders.

It should be noted that the UK Listing Authority will not have the authority to (and will not) monitor the Company's compliance with any of the Listing Rules which the Company has indicated herein that it intends to comply with on a voluntary basis, nor to impose sanctions in respect of any failure by the Company so to comply.

IMPORTANT INFORMATION

In deciding whether or not to invest in New Ordinary Shares, prospective Investors should rely only on the information contained in this Document. No person has been authorised to give any information or make any representations other than as contained in this Document and, if given or made, such information or representations must not be relied on as having been authorised by the Company or the Directors. Without prejudice to the Company's obligations under FSMA, the Prospectus Rules, the Listing Rules, the Market Abuse Regulation and the Disclosure Guidance and Transparency Rules, neither the delivery of this Document nor any subscription made under this Document shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date of this Document or that the information contained herein is correct as at any time after its date.

Prospective Investors must not treat the contents of this Document or any subsequent communications from the Company or the Directors or any of their respective affiliates, officers, directors, employees or agents as advice relating to legal, taxation, accounting, regulatory, investment or any other matters.

The section headed "Summary" should be read as an introduction to this Document. Any decision to invest in the Ordinary Shares should be based on consideration of this Document as a whole by the Investor. In particular, Investors must read the section headed Section D—Risks of the Summary together with the risks set out in the section headed "Risk Factors" beginning on page 18 of this Document.

This Document does not constitute, and may not be used for the purposes of, an offer to sell or an invitation or the solicitation of an offer or invitation to subscribe for or buy, any Ordinary Shares by any person in any jurisdiction: (i) in which such offer or invitation is not authorised; (ii) in which the person making such offer or invitation is not qualified to do so; or (iii) in which, or to any person to whom, it is unlawful to make such offer, solicitation or invitation. The distribution of this Document and the offering of the Ordinary Shares in certain jurisdictions may be restricted. Accordingly, persons outside the United Kingdom who obtain possession of this document are required by the Company or the Directors to inform themselves about, and to observe any restrictions as to the offer or sale of Ordinary Shares and the distribution of, this Document under the laws and regulations of any territory in connection with any applications for Ordinary Shares, including obtaining any requisite governmental or other consent and observing any other formality prescribed in such territory. No action has been taken or will be taken in any jurisdiction by the Company, the Directors, or the Founder that would permit a public offering of the Ordinary Shares in any jurisdiction where action for that purpose is required, nor has any such action been taken with respect to the possession or distribution of this Document other than in any jurisdiction where action for that purpose is required. Neither the Company nor the Directors accepts any responsibility for any violation of any of these restrictions by any other person.

The Ordinary Shares have not been and will not be registered under the Securities Act, or under any relevant securities laws of any state or other jurisdiction in the United States, or under the applicable securities laws of Australia, Canada or Japan. Subject to certain exceptions, the Ordinary Shares may not be, offered, sold, resold, reoffered, pledged, transferred, distributed or delivered, directly or indirectly, within, into or in the United States, Australia, Canada or Japan or to any national, resident or citizen of Australia, Canada or Japan.

The Ordinary Shares have not been approved or disapproved by the SEC, any federal or state securities commission in the United States or any other regulatory authority in the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Ordinary Shares or confirmed the accuracy or determined the adequacy of the information contained in this Document. Any representation to the contrary is a criminal offence in the United States.

Investors may be required to bear the financial risk of an investment in the Ordinary Shares for an indefinite period. The Ordinary Shares are not transferable except in compliance with the restrictions described in Part XVI (*Notices to Investors*).

Selling and transfer restrictions

Prospective Investors should consider (to the extent relevant to them) the notices to residents of various countries set out in Part XVI.

Investment considerations

In making an investment decision, prospective Investors must rely on their own examination, analysis and enquiry of the Enlarged Group, this Document and the terms of the Acquisition and Placing, including the merits and risks involved. The contents of this Document are not to be construed as advice relating to legal, financial, taxation, investment decisions or any other matter. Prospective Investors should inform themselves as to:

- the legal requirements within their own countries for the purchase, holding, transfer or other disposal of the Ordinary Shares;
- any foreign exchange restrictions applicable to the purchase, holding, transfer or other disposal of the Ordinary Shares which they might encounter; and
- the income and other tax consequences which may apply in their own countries as a result of the purchase, holding, transfer or other disposal of the Ordinary Shares or distributions by the Company, either on a liquidation and distribution or otherwise. Prospective Investors must rely upon their own representatives, including their own legal advisers and accountants, as to legal, tax, investment or any other related matters concerning the Company and an investment therein.

An investment in the Company should be regarded as a long-term investment. There can be no assurance that the Enlarged Group's objectives will be achieved.

It should be remembered that the price of the Ordinary Shares, and any income from such Ordinary Shares, can go down as well as up.

This Document should be read in its entirety before making any investment in the Ordinary Shares. All Shareholders are entitled to the benefit of, are bound by, and are deemed to have notice of, the provisions of the Articles of Association of the Company, which Investors should review.

Forward-looking statements

This Document includes statements that are, or may be deemed to be, "forward-looking statements". In some cases, these forward-looking statements can be identified by the use of forward-looking terminology, including the terms "targets", "believes", "estimates", "anticipates", "expects", "intends", "may", "will", "should" or, in each case, their negative or other variations or comparable terminology. They appear in a number of places throughout the Document and include statements regarding the intentions, beliefs or current expectations of the Company and the Board concerning, among other things: (i) the Company's objectives, acquisition and financing strategies, results of operations, financial condition, capital resources, prospects, capital appreciation of the Ordinary Shares and dividends; and (ii) future deal flow and implementation of active management strategies, including with regard to the Acquisition. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance. The Company's actual performance, results of operations, financial condition, distributions to shareholders and the development of its financing strategies may differ materially from the forward-looking statements contained in this Document. In addition, even if the Company's actual performance, results of operations, financial condition, distributions to shareholders and the development of its financing strategies are consistent with the forward-looking statements contained in this Document, those results or developments may not be indicative of results or developments in subsequent periods. Important factors that may cause these differences include, but are not limited to:

- the Company's ability to ascertain the merits or risks of the operations of Hemogenyx Pharmaceuticals;
- the Company's ability to use the Net Proceeds on a timely basis;
- the availability and cost of equity or debt capital for any future transactions; and
- legislative and/or regulatory changes, including changes in taxation regimes.

Prospective Investors and Shareholders should carefully review the "Risk Factors" section of this Document for a discussion of additional factors that could cause the Company's actual results to differ materially, before making an investment decision. For the avoidance of doubt, nothing in this paragraph constitutes a qualification of the working capital statement contained in paragraph 9 of Part XV (*Additional Information*).

Forward-looking statements contained in this Document apply only as at the date of this Document. Subject to any obligations under the Listing Rules, the Disclosure Guidance and Transparency Rules and the Prospectus Rules, the Company undertakes no obligation to update or review any forward-looking statement, whether as a result of new information, future developments or otherwise.

Currency presentation

Unless otherwise indicated, all references to ‘‘British pound sterling”, ‘‘sterling”, ‘‘£” or ‘‘pounds” are to the lawful currency of the U.K. All references to “US Dollars”, “USD”, “US$” and “$” are to the lawful currency of the United States of America.

No incorporation of website

The Company’s corporate and commercial website as from Admission will be www.hemogenyx.com. The contents of any website of the Company, including www.hemogenyx.com and www.silverfalconplc.com or any other person do not form part of this Document.

Definitions, technical terms and references.

A list of defined terms used in this Document is set out in Part XVII (*Definitions*). An explanation of technical terms used in this Document and a list of references is set out in Part XVIII.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Publication of this Document	8 September 2017
General Meeting of the Company	10.00 a.m. on 4 October 2017
Results of General Meeting announced	Following the General Meeting
Completion of Acquisition	5 October 2017
Admission and commencement of unconditional dealings in Ordinary Share	8.00 a.m. on 5 October 2017
Crediting of New Ordinary Shares to CREST Accounts	5 October 2017
Share certificates for New Ordinary Shares dispatched	Week commencing 9 October 2017

All references to time in this Document are to London time unless otherwise stated.

ADMISSION, PLACING AND SUBSCRIPTION STATISTICS

Total number of Ordinary Shares in issue on the date of this Document	**66,900,000**
Total number of Placing Shares to be issued in the Placing	49,714,286
Total number of Subscription Shares to be issued in the Subscription	7,428,571
Total number of Ordinary Shares to be issued in the Placing and Subscription	**57,142,857**
Total number of Consideration Shares to be issued to the Sellers	228,571,428
Total number of Ordinary Shares to be issued to the directors of Silver Falcon	3,000,000
Number of Ordinary Shares to be issued to Peterhouse in lieu of fees owed for Rule 3 advice	428,571
Total number of Ordinary Shares in issue following Admission	**356,042,854**
Maximum number of Lock-in Warrants to be issued by the Company	62,021,429
Placing Price per Placing Share	£0.035
Deemed price per Consideration Share	£0.035
Estimated Net Proceeds receivable by the Company	Approximately £1.685m

DEALING CODES

The dealing codes for the Ordinary Shares from Admission are as follows:

ISIN	GB00BYX3WZ24
SEDOL	BYX3WZ2
TIDM	HEMO

DIRECTORS, PROPOSED DIRECTORS AND ADVISERS

Directors	Geoffrey Dart (*to resign on Admission*) Peter Redmond Adrian Beeston
Proposed Directors	Dr Vladislav Sandler Alexis Sandler Lawrence Pemble Dr Robin Campbell Timothy Le Druillenec
Company Secretary	Timothy Le Druillenec
Registered Office	5 Fleet Place London EC4M 7RD
Joint Broker	Optiva Securities Limited 2 Mill Street Mayfair London W1S 2AT
Joint Broker	Shard Capital Partners LLP 23rd Floor 20 Fenchurch Street London EC3M 3BY
Rule 3 Adviser and Financial Adviser	Peterhouse Corporate Finance Limited 3rd Floor New Liverpool House 15 Eldon Street London EC2M 7LD
Auditors and Reporting Accountants	PKF Littlejohn LLP Westferry Circus Canary Wharf London E14 4HD
Registrar	Computershare Investor Services PLC The Pavilions Bridgwater Road Bristol BS13 8AE
Legal advisers to the Company as to English law	Charles Russell Speechlys LLP 5 Fleet Place London EC4M 7RD
Legal advisers to the Company as to US law	Rubin & Rudman LLP 50 Rowes Wharf Boston Massachusetts 0211
Legal advisers to the Joint Brokers, and the Rule 3 Adviser and Financial Adviser.	DMH Stallard LLP 6 New Street Square New Fetter Lane London EC4A 3BF

PART I
THE COMPANY, THE ACQUISITION AND THE ENLARGED GROUP

Introduction

The Company was incorporated on 13 February 2013 in accordance with the laws of England and Wales as a private company limited by shares and re-registered as a public limited company on 25 November 2014. Its entire issued share capital was admitted to trading on the Main Market of the London Stock Exchange on 9 November 2015, as a special purpose acquisition company.

On 23 December 2015, the Company's shares were suspended from trading pending an announcement in relation to a potential acquisition and on 30 December 2015, the Company announced that it had entered into a non-binding memorandum of understanding with Lime Holdings Limited regarding a possible acquisition of 100% of the share capital of Lime by way of a share for share exchange. The Company withdrew from the transaction when it became clear that certain of the pre-conditions for the transaction had not been met. Since then, the Company reviewed a number of other potential transactions before agreeing terms for the acquisition of Hemogenyx.

The Company's Ordinary Shares have remained suspended since 23 December 2015.

On 8 September 2017 the Company entered into a share purchase agreement with the Sellers to acquire, subject to shareholder approval, 100% of Hemogenyx Pharmaceuticals in return for the Consideration Shares. The share purchase agreement will be completed immediately prior to Admission and following passing of the Resolutions at the General Meeting. The name of the Company will be changed to Hemogenyx Pharmaceuticals Plc with effect from Admission.

The Directors and Proposed Directors believe that Hemogenyx has the potential to make a significant contribution to improving treatment for blood cancers (such as leukaemia and lymphoma), as well as other blood disorders (such as aplastic anaemia). Its product candidates are well advanced in pre-clinical development with a proof of principle demonstrated for both its Conditioning product, CDX bi-specific antibodies, its lead product candidate and its Cell Therapy product, Hu-PHEC cells. Hemogenyx has also obtained Orphan Drug Designation for the treatment of aplastic anaemia, has a strong intellectual property position with an exclusive worldwide licence of a patent application related to the isolation of the Hu-PHEC cells and a patent application related to the CDX bi-specific antibodies, as well as an experienced advisory board.

Hemogenyx's product candidates are being developed to improve the efficacy, success and safety of BM/HSC transplants. The latter, a potential life-saving option for blood cancer and other patients currently, comprises a three-part process involving toxic conditioning regimens, then the cell transplant followed by recovery. Hemogenyx is developing a less toxic method of selective elimination of unwanted hematopoietic stem cells/hematopoietic progenitors (HSC/HP) in patients using CDX bi-specific antibodies. Separately, and to solve the problems and limitations associated with BM/HSC transplantation (including notably donor matching and availability), Hemogenyx utilizes adult hemogenic endothelial cells ("**Hu-PHEC**") to generate cancer-free HSC for use in BM/HSC transplants.

Furthermore, the Listing aims to enhance the profile of Hemogenyx and its potential more effectively than if the company remained private. The Listing should also give the Enlarged Group a better introduction to future development capital as the business develops.

The Acquisition, if completed, will result in the Company becoming an operating company instead of a special purpose acquisition company, and will constitute a reverse takeover under the Listing Rules. This Document, which comprises a Prospectus, sets out the background to and reasons for the Acquisition and explains why the Directors consider that the Acquisition is in the best interests of the Company and its shareholders as a whole and recommend that existing Shareholders vote in favour of the Resolutions to be proposed at the General Meeting, notice of which is set out at the end of this Document. This Document also seeks the approval of the existing Shareholders to a waiver, which the Takeover Panel has agreed to give, subject to such shareholder approval, of the obligation that might otherwise arise under Rule 9 of the City Code for the Concert Party to make a mandatory offer for the entire issued and to be issued share capital of the Company. The approval of the Resolutions to be proposed at the General Meeting by the existing Shareholders is required to enable the Acquisition to proceed.

Hemogenyx Group

The Hemogenyx Group will, immediately prior to Admission comprise Hemogenyx Pharmaceuticals Limited (whose name is to be changed to Hemogenyx UK Limited) and its wholly owned US subsidiary, Hemogenyx LLC.

Hemogenyx Pharmaceuticals Limited will become the holding company for Hemogenyx LLC on completion of the Share

Exchange Agreement, which will occur on the passing of the Resolutions.

Hemogenyx LLC is a preclinical-stage biotechnology company focused on the discovery, development and commercialization of innovative treatments relating to bone marrow/hematopoietic (blood-forming) stem cell (BM/HSC) transplants for blood diseases, including leukaemia, lymphoma and bone marrow failure. The products under development are designed to address a range of problems that occur with current standard of care treatments.

The diseases for which BM/HSC transplantations are carried out include leukaemia, lymphoma, aplastic anaemia and multiple myeloma. The Company's products are not suitable for, nor aimed at, other diseases or conditions where stem cell replacement is a potential treatment or cure, as the treatment of non-blood cancers and disorders firstly do not require the elimination of bone marrow prior to treatment and secondly do not use blood forming stem cells as part of the treatment. However, the blood diseases which Hemogenyx's products aim to address represent a major group of intractable diseases which in many cases are fatal and for which BM/HSC treatment is currently used with limited success.

The Directors of Hemogenyx believe that, if successful, its product candidates will help to eliminate the major problems that limit the applicability of BM/HSC transplants to the full range of patients who would benefit from them. These product candidates may also make the procedure much safer and dramatically increase its rate of success.

Work has been taking place on a wide range of prospective BM/HSC conditioning and therapy products, as described in the section headed "Competition" below. However, so far as the Directors are aware, no alternative conditioning therapies under research or development utilise immuno-therapy or entirely eliminate the side effects and risks associated with chemotherapy and radiotherapy, which thereby prevent a high proportion particularly of older or very ill patients from being able to receive BM/HSC transplants. Similarly, the Directors believe that Hemogenyx is the only company developing the use of Hu-PHEC, as developed by Dr Sandler and which will potentially eliminate the need for transplant donors.

Hemogenyx is working towards ODD status for the use of both its conditioning and therapy product candidates for other disease applications, as further described in the section headed "Orphan Drug Development" below.

In 2016, Hemogenyx received an investment of $1,000,000 of private equity capital from private investors and subsequently established an advanced research laboratory at the Downstate Biotechnology Incubator in Brooklyn, New York. The laboratory has the equipment necessary to conduct advanced research and development and for the successful completion of preclinical studies. Hemogenyx currently has three full-time employees.

An Expert's report produced by Aruwon Limited comprising an independent technical and commercial analysis of Hemogenyx and its product pipeline, including an assessment of the background, addressable markets and competition, as well as associated risks, is set out at Part IV of this document.

Hemogenyx background

Hemogenyx LLC was co-founded by Dr. Vladislav Sandler and Alexis M. Sandler in late 2013 to enable Dr. Sandler to develop the Hu-PHEC product candidate and later, the CDX bi-specific antibody product candidate.

In 2015, Hemogenyx LLC established a research laboratory at the New York State Center of Excellence in Bioinformatics and Life Sciences in Buffalo, New York. Collaboration with scientists from Roswell Park Cancer Institute allowed Hemogenyx LLC to obtain access to the Institute's facilities and instrumentation, which proved to be invaluable for successfully completing proof of principle studies of Hu-PHEC. Later that year, Hemogenyx received the FDA's Orphan Drug Designation ("**ODD**") for Hu-PHEC to treat aplastic anaemia.

Aplastic anaemia is a rare blood disorder where bone marrow and HSC residing there are damaged and fail to produce a sufficient number of new blood cells. Hemogenyx chose to target this disease because it is a relatively simple condition which is not complicated by cancer and where results of Hu-PHEC therapy application should be observed more easily. The results obtained from the successful application of Hu-PHEC based treatment of aplastic anaemia could be used to expand the application of Hu-PHEC therapy to the treatment of more complex blood diseases which are seen more frequently, such as lymphomas and leukaemia. The benefits of ODD status mean that it could lead to certain financial incentives and help support the development of a specific marketed product as well as providing Hemogenyx LLC with a period of market exclusivity. Furthermore, ODD can be extremely important from a strategic and commercial point of view, helping accelerate the product into the market and generating news flow, goodwill, collaborator interest and non-dilutive funding/grant offers.

Dr. Sandler received his PhD from the University of British Columbia and performed his postdoctoral training at Howard Hughes Medical Institute and Harvard Medical School. In 2004, he joined the Salk Institute for Biological Sciences, where he developed his expertise in stem cell biology. While at the Salk Institute, Dr. Sandler was part of a team that made an important discovery related to the ability of human embryonic stem cells to integrate into a growing mammalian brain. In 2006, Dr. Sandler returned to Harvard University, where he continued his work in the stem cell field and later led a team of scientists at Advanced Cell Technologies, Inc., developing new methods of derivation and use of embryonic stem cells.

Dr. Sandler became focused on the field of haematopoiesis and blood diseases in 2008 after joining the Albert Einstein College of Medicine in New York. While there, he developed a method of reprogramming terminally differentiated human fibroblasts (skin cells) into functional hematopoietic progenitor cells through fusion with human foetal liver HSC. Dr. Sandler joined Weill Cornell Medical College in 2011. At Cornell, he developed a method of reprogramming endothelial cells into functional transplantable hematopoietic progenitors. He also identified a new type of cells that he called Postnatal Hemogenic Endothelial Cells (PHEC; and the cells derived from Humans are called Hu-PHEC), and developed the method of their isolation and use. These cells can be isolated from several organs and used to generate cancer-free HSC for use in BM/HSC transplants. This represented a critical and significant discovery for Dr. Sandler, the realisation of its potential clinical impact and his subsequent decision to establish Hemogenyx.

Cornell University applied for patent protection of the method of PHEC isolation, invented by Dr. Sandler, and their use for hematopoietic system regeneration in November 2014. Hemogenyx LLC subsequently obtained an exclusive worldwide license to the pending patent in early 2015. Since then, Dr. Sandler has achieved pre-clinical proof of principle for the use of Hu-PHEC for hematopoietic system regeneration. This emerging cell therapy candidate has a potential application to many blood diseases.

In 2014, Dr. Sandler, while still at Cornell, received the Daedalus Award for Innovation, a grant awarded to him specifically to pursue the Hu-PHEC cell-related research and treatments that Hemogenyx LLC is undertaking.

In late 2014, Hemogenyx LLC was one of 11 winning finalists in the inaugural 43North business competition, the largest such competition in the world, which attracted almost 7,000 companies from 96 countries and all 50 states. Among the many benefits of winning the 43North competition, Hemogenyx LLC received a $250,000 investment from Empire State Development, the economic development arm for New York State, in exchange for a 5% equity stake in the Company.

In mid-2015, Dr. Sandler realised that a successful BM/HSC transplant depended not only on the quality of the transplanted cells, which could be improved through the use of Hu-PHEC, but also on the method used to prepare or condition patients for the transplant. This led him to develop a new type of conditioning agent for HSC/BM transplantation – CDX bi-specific antibodies – which represent a more selective and targeted agent but at the same time significantly less toxic than current conditioning regimens.

A list of publications of which Dr Sandler is named as an author is set out on pages 149-150.

BM/HSC Transplantations

The treatment of blood cancers and other blood diseases has in the past relied on chemo-, radio- and more recently on immune-therapy. These forms of treatment bring with them adverse side effects including the inability to target the irradiation at cancerous rather than healthy cells. If such "frontline" chemo-, radio- and immune-therapy prove unsuccessful, the only remaining option for patients is bone marrow ("**BM**") transplantation, also known as a Hematopoietic Stem Cell ("**HSC**") transplantation ("**BM/HSC**"). Hemogenyx will target such blood diseases with its product candidates via changing and improving BM/HSC transplantation procedure.

HSC are cells capable of self-renewal and differentiation into specialised blood cells (blood lineages). They are found in bone marrow in adults and continue to reproduce or self-renew throughout life. However, the quantity of HSC declines and DNA damage accumulates with age in both hematopoietic stem cells and the cells that comprise their environment or "niche". This accumulation is thought to be responsible, at least in part, for increasing HSC dysfunction with aging and may lead to malignancy.

The desired clinical effect of BM/HSC transplantation is that the transplanted cells will be accepted by the patient and regenerate the entire blood system.

BM/HSC transplantation can help regenerate patients' blood systems, facilitating their recovery from certain types of blood cancers and blood disorders. Hematopoietic stem cells used for BM/HSC transplantations can be obtained from the patients

themselves (also known as "autologous BM/HSC transplantation") or from a donor (also known as "allogeneic BM/HSC transplantation"). Both autologous and allogeneic BM/HSC transplantations are currently inefficient and are very high risk.

BM/HSC transplantation can be divided into three stages:

1. **Conditioning**: which involves a regime of radiation and chemotherapy to eliminate diseased HSC from the patient's system and clear such compromised cells from the patient's bone marrow in order to prepare the patient for healthy HSC to be transplanted into the patient;

2. **Bone Marrow / Hematopoietic Stem Cells Transplantation**: which involves the transplantation of healthy BM/HSC into the conditioned patient and their engraftment; and

3. **Engraftment and Recovery**: which involves the recovery of the patient after the transplantation.

There are serious problems associated with all three stages of BM/HSC transplantation as currently performed. First, conditioning of patients has traditionally been achieved by administering maximally tolerated doses of a cocktail of chemotherapeutic agents, with or without radiation. Those preparative regimens that are currently in use are toxic and have severe side effects that can be life threatening due to their off-target activity. Second, BM/HSC transplantations often fail – US data from the Center for International Blood and Marrow Transplant Research suggests that up to 50% of BM/HSC transplants fail due to the body's rejection of the transplant, complications from the procedure or a relapse of the disease. This is further exacerbated by the acute shortage of BM/HSC donors – up to 60% of patients who require a BM/HSC transplant from an unrelated donor are unable to find a match.

Hemogenyx's innovative product candidates aim to address and mitigate the limitations and dangers involved in the first two parts of the transplantation procedure, which are where a substantial proportion of problems currently arise. Its immunotherapy product candidate, CDX bi-specific antibodies, is designed to condition patients for BM/HSC transplantation and reduce or completely eliminate the use of chemotherapy or radiotherapy. Hemogenyx's cell therapy product candidate, the Hu-PHEC, is designed to allow viable precursors of HSC to be isolated from the patient's own body and, if necessary, propagated *in vitro* for transplantation into the patient. This approach should, in due course, substantially obviate the need to find a matching donor, making life-saving transplantations available to many more patients. Hu-PHEC cell therapy is considered by the Directors to be the only product on the market or in trials that has the potential to effectively reset the blood system to a "clean state" and so diminish the risk of cancer relapse.

The reason that Hu-PHEC will not entirely remove the need for donor transplants is that there are some genetic diseases, (e.g. sickle-cell anaemia), which make a patient's own Hu-PHEC unsuitable as a source of HSC for transplantation. However, the Company's conditioning product when fully developed should also be applicable to BM/HSC transplantations used to treat these diseases.

Hemogenyx's Product Candidates

Hemogenyx's two distinct and complementary product candidates consist of proprietary CDX bi-specific antibodies (an immunotherapy product) for patient conditioning and a special class of cell therapy, Hu-PHEC, which can generate cancer-free, patient-matched blood stem cells.

BM/HSC transplants were the first consistently successful cell therapy, a powerful example of the regenerative ability of HSC. Despite a relatively long history, BM/HSC transplantation is an extremely risky procedure and not available to many people who might benefit from the procedure for various reasons as described in this Part I. To make the procedure safer and accessible to a larger number of patients Hemogenyx is developing two products. These are CDX bi-specific antibodies, which will improve the process of preparing a patient for BM/HSC transplants; and Hu-PHEC based cell replacement therapy which the Directors believe will expand access to the procedure and, when fully developed, revolutionise the ability of the body to regenerate a functioning blood system.

The Conditioning Product *- CDX bi-specific antibodies for conditioning patients undergoing BM/HSC transplantations*

Almost every BM/HSC transplant requires the conditioning (preparation) of patients for the transplantation. Conditioning of a patient for BM/HSC transplant is a critical element of the procedure. It serves two main purposes: (i) it provides adequate immunosuppression of the patient and clears sufficient niche space in the bone marrow for the transplanted HSC by eliminating the patient's unwanted HSC, thus allowing transplanted cells to engraft in the recipient; and (ii) it often helps to eradicate the source of malignancy.

Conditioning of patients for BM/HSC transplant has traditionally been achieved by administering maximally tolerated doses of a cocktail of chemotherapeutical agents with or without radiation. All preparative regimens that are currently in use are toxic and have severe side effects that can be life threatening due to their off-target activity. These side effects include high mortality and morbidity rates, radiation damage to the heart or lungs, problems with the thyroid or other hormone-making glands, problems with fertility, damage to bones or problems with bone growth, and development of another cancer years later.

To avoid the use of harmful and dangerous chemotherapeutic agents and radiotherapy for conditioning patients undergoing BM/HSC transplantations, Hemogenyx is developing an immunotherapy method of selective elimination of unwanted hematopoietic stem cells/hematopoietic progenitors (HSC/HP) in patients using CDX bi-specific antibodies. CDX antibodies belong to a class of bi-specific antibodies that redirect a patient's own immune cells to eliminate unwanted HSC. The "bi-specific" antibodies function by binding the targeted unwanted cells and the immune cells, which function to kill off the target unwanted cells. As a result, CDX bi-specific antibodies will potentially provide a more selective and targeted approach to conditioning, avoiding the damaging effects of chemotherapy and radiotherapy.

In addition, Hemogenyx is investigating whether the CDX bi-specific antibodies product candidate will be effective as a targeted treatment for certain types of leukaemia.

Hemogenyx has achieved proof of principle for the use of CDX antibodies. It has functionally validated CDX bi-specific antibodies *in vitro* and *in vivo* in humanised mouse models.

When fully tested and in use, Hemogenyx anticipates that its CDX bi-specific antibodies will be an "off-the-shelf" product available and applicable for conditioning patients for all BM/HSC transplantations that require conditioning.

The Cell Therapy Product - Hu-PHEC for the generation of cancer-free, patient-matched blood stem cells

To solve the problems and limitations associated with BM/HSC transplantations, Hemogenyx utilizes postnatal Hu-PHEC that are capable of generating cancer-free HSC for use in BM/HSC transplantations. This product candidate derives from Dr. Sandler's discovery that the cells that give rise to blood forming stem cells (aka HSC) continue to exist in postnatal mammals including humans, whereas previously it was believed that they existed only up to birth. The Hu-PHEC cell-based technology presents several important advantages compared to existing technologies. Most of these advantages are rooted in the fact that Hu-PHEC are a naturally occurring cell type found in postnatal mammalian tissues. They can be easily isolated and do not require heavy manipulation before use. Hu-PHEC are "healthy" because they do not have accumulated blood cancer-related mutations and/or chromosomal rearrangements, making them a perfect candidate for autologous BM/HSC transplantations. Hu-PHECs can be isolated from the patient before the treatment of blood cancer and preserved for autologous transplantation. They can also be isolated from a related or unrelated matching donor for allogeneic transplantation. In addition, Hu-PHECs can potentially be propagated *in vitro*, allowing the introduction of therapeutic genes and gene modifications and making them a prime candidate for curative gene therapy applications.

Hu-PHECs should, if current work being undertaken by Hemogenyx is successful, be applicable to all candidates for BM/HSC transplantations, thus largely eliminating the need for allogeneic BM/HSC transplantations from unrelated donors and the difficult task of identifying donors. However, allogeneic transplants will, for the foreseeable future, continue to be necessary in certain types of genetically pre-determined blood diseases, such as sickle-cell anaemia, diamond-blackfan anaemia and alpha-thalassaemia, where patient's cells bear a disease-causing mutation and therefore are unsuitable for transplantation.

The discovery and initial proof of principle of the Hu-PHEC product candidate was recognised through the Daedalus Award; and with the help of Target Health, a Clinical Contract Research Organisation, Hemogenyx has obtained an orphan drug designation for Hu-PHEC to treat aplastic anaemia.

Hemogenyx currently has three Hu-PHEC products under development and will in future develop further products, thus widening the range of conditions to which Hu-PHECs will be applicable. The three Cell Therapy products are: (i) Hu-PHEC derived from umbilical cord and placenta (Hu-PHEC Umbilical), (ii) Hu-PHEC derived from patients' liver biopsies for autologous transplantations (Hu-PHEC Liver) and (iii) Hu-PHEC derived from patients' livers and expanded *in vitro* for transplantations which potentially incorporate a genetic modification step (Hu-PHEC Expanded).

Hu-PHEC Umbilical will, as the name suggests, use Hu-PHECs derived from the umbilical cord and placenta of new born babies (subject to parental consent); these cords are currently usually discarded after birth, although the blood from some are now taken for the cord blood derived transplants described below.

Hu-PHEC Umbilical will be targeted for mostly allogeneic transplantations where currently cord blood is used as the source of HSC. Umbilical cord blood, is obtained from a new-born infant's umbilical cord after birth. Use of cord blood for HSC

transplantations is expanding because HSC from cord blood have a "relaxed" matching profile (matching of these cells to a patient can be imperfect in the sense that the matching of cord blood HSC does not have to be as complete as with HSC derived from, for instance, adult donors). However, a single cord blood unit collected from a single donor umbilical cord usually does not have a sufficient number of HSC to successfully transplant an adult patient. Lower than optimal numbers of HSC in a single cord blood unit may cause delays in blood system regeneration, resulting in a reduction in patient's ability to fight infection and, ultimately, may lead to transplant failure. Whilst two cord blood units can be used to increase the number of HSC, this requires two donors and increases the cost and complexity involved for tissue matching of the donor and the recipient. Hemogenyx believes that it can solve the problem of insufficient numbers of HSC in a single cord blood unit by using Hu-PHEC umbilical in combination with HSC obtained from the cord blood of the same donor. This approach will likely greatly increase the number of transplantable cells obtained from the same donor eliminating the need for additional cord blood units or donors.

The use of Hu-PHEC Umbilical will be compatible with and complementary to existing modes of treatment and will therefore, the Directors believe, be relatively easy to achieve widespread adoption in use. It will be applicable both to allogeneic and autologous transplants but will initially mainly be used in relation to the former.

It represents a substantial market in itself as it will be applicable not only to cord related BM/HSC transplantations but will increase the number of such transplants carried out due to the avoidance of the need to find a second matching donor cord blood.

Hu-PHEC Liver will be derived from the adult livers – in fact the livers of those patients who are considered candidates for BM/HSC transplantation. Thanks to Dr Sandler's discoveries, it will be possible to remove these Hu-PHECs which have the particular advantage that, unlike BM/HSC, they are significantly less affected by the mutations or chromosome rearrangements often causing blood malignancies.

Hu-PHEC Liver will be targeted to replace virtually all traditional autologous BMT/HSC transplantations and to a large degree eliminate allogeneic transplantations. Currently, autologous BM/HSC transplantations have a high relapse rate of up to 75%. This is because it is very difficult to separate "healthy" HSC from the cells that are already compromised by the disease such as accumulated genomic mutations and/or chromosome rearrangements. Allogeneic BM/HSC transplantations as described elsewhere in this Part I, have a high failure rate and are complicated by a shortage of donors.

The Directors believe that Hu-PHEC Liver and Hu-PHEC Liver Expanded will greatly increase the ability to obtain "healthy" HSC from a patient's own body and therefore will largely eliminate the need to seek cells from a donor.

Hu-PHEC Expanded will involve the propagation *in vitro* of Hu-PHECs taken from the body.

Hu-PHEC Expanded is intended for use in (i) any BM/HSC transplantation where the number of transplantable cells is insufficient for a successful procedure and (ii) BM/HSC transplantation where genetic correction of disease causing mutations or chromosome rearrangements is necessary prior to transplantation.

Hemogenyx believes that expanded Hu-PHEC should provide an unlimited source of "healthy" HSC for both autologous and allogeneic BM/HSC transplantations. The Directors conclude that this product candidate will be capable of bringing about a revolutionary change in the treatment of blood diseases, greatly increasing the chances of successful and long-lasting treatment and substantially increasing the number of patients affected by blood diseases to whom BM/HSC transplantation can offer a cure.

Developments to date include:

1. *Hu-PHEC Umbilical*
    a. Functional engraftment of human umbilical cord Hu-PHEC demonstrated in mouse (immune-compromised) models
    b. Preparation for the Pre-IND Consultation Program for Hu-PHEC Umbilical
    c. Awarded Orphan Drug Designation for the use of Hu-PHEC Liver to treat aplastic anaemia
2. *Hu-PHEC Liver*
    a. Hu-PHEC successfully isolated and transplanted from mouse livers
    b. Functional engraftment of Mouse-PHEC (M-PHEC) is demonstrated in mice models
3. *Hu-PHEC Expanded*

Initial data has been obtained and collated on the method of expansion of Hu-PHEC cells to allow a larger quantity of cells to be created for transplantation

The work carried out to date (in particular that on Hu-PHEC Umbilical) is a significant part of what is necessary to take the product candidates to clinical trials, although a good deal remains to be done in that respect as explained in the section headed "Future Development Plans" below. Tests carried out both *in vitro* and *in vivo* in mouse models have produced encouraging results which give room for optimism ahead of further work on the products candidates.

In summary, the directors of Hemogenyx believe that the Hu-PHEC cell therapy products being developed by Hemogenyx will:

- improve the efficacy of autologous BM/HSC transplants since Hu-PHEC do not have accumulated mutations or chromosome rearrangements, so that the success rate for patients receiving autologous transplants will significantly increase due to a lower rate of relapse; and

- largely eliminate the need for allogeneic transplants and BM/HSC donors because these cells are a 100% match to the patient, and thus result in significantly better outcomes than an allogeneic transplant.

Hemogenyx clinical collaboration

In addition to its core business as noted above, Hemogenyx also collaborates with third parties to enable them to use its proprietary animal models for the evaluation of the immunogenicity of biologics (products made from living organisms or which contain components of living organisms) being developed for clinical use. The ability to efficiently test biologics for their immunogenicity early on in their development significantly reduces the risk of failure during Phase I clinical trials and is therefore a sought-after service offering. Hemogenyx receives income from such collaboration and expects to increase the amounts received in future years.

As a by-product from such collaboration, Hemogenyx will also be able to utilise the results of such research in respect of its own product candidates. All income received from providing such collaboration will be directed towards the Company's product candidates.

Future Development Plans

As an initial step in relation to the lead product candidate, the CDX bi-specific antibody conditioning product, Hemogenyx expects to complete a pre-Investigative New Drug ("IND") consultation programme with the FDA and also apply to obtain Orphan Drug Designation ("ODD") for this product in relation to patient conditioning for pre-BM/HSC transplantation in a number of different blood cancers and disorders. Hemogenyx believes that it will be capable of receiving ODD status for its products in connection with BM/HSC transplantations, as this procedure is done to less than 200,000 people in the United States which is an upper limit for the ODD classification. ODD and its benefits are described in the section headed "Orphan Drug Designation regime" below.

The Company's further objectives over the next eighteen months for its CDX bi-specific antibodies conditioning product include completing its preclinical evaluation and the required IND-enabling studies, filing an IND application with the FDA and preparing to move into Phase 1 clinical trials. It will be able to file the IND application on completion of the work, as described in the section headed "*Investigative New Drug ("IND") process*".

Hemogenyx's objectives over the next eighteen months for the Hu-PHEC product candidate will be in particular to take forward the Hu-PHEC Umbilical product candidate focusing on the recommendations from the FDA's Consultation programme, to the point where the actions necessary prior to an IND application have been completed. The IND process, which is described below, is a key part of the process for taking drugs and treatments into clinical trials in the United States. The Company will concentrate on pre-clinical toxicology studies, probably the most important work needed prior opening the IND application for clinical trials. It will also continue development of other Hu-PHEC applications, applying for ODD status for use of Hu-PHEC in a number of other blood diseases in addition to that already achieved for aplastic anaemia.

Below is a summary of the development milestones for Hemogenyx over the next 18 months:

Conditioning Product	**Cell Therapy Product**
Completion of pre-IND consultation programme	Preclinical toxicological studies for Hu-PHEC Umbilical
Preclinical evaluation of additional clones of CDX antibodies	Pre-IND consultation with FDA in relation to Hu-PHEC Umbilical

Completion of IND-enabling studies	Continuing research and development for methods of expansion of Hu-PHEC
Submission of IND application to FDA	
Application for Orphan Drug Designation	
Final preparations in readiness for start of Phase 1 trials	

Overall, it is expected by the directors of Hemogenyx that, over the next 18 months, all work preparatory to human trials will be completed in relation to the CDX conditioning product candidate and that, subject to the raising of additional funds (either through a further equity raise or through the procurement of non-dilutive funding in the form, for example of grants or co-venturing with an existing established partner), that product will then be able to commence such trials. In relation to the Cell Therapy product candidate, they expect that, for certain of the products, key milestones on the way to clinical trials will have been completed and that the final pieces of work preparatory to clinical trials will be able to commence.

Orphan Drug Designation ("ODD") regime

Hemogenyx's clinical and commercial strategy includes the development of both its CDX bi-specific antibody product and Hu-PHEC cell therapy products as Orphan Drugs in the US through the FDA's Orphan Drug Designation ("ODD") programme. The ODD programme encourages companies to develop innovative therapies for the safe and effective treatment, diagnosis or prevention of rare diseases or disorders that affect fewer than 200,000 people in the United States or that affect more than 200,000 persons but are not expected to recover the costs of developing and marketing a treatment or drug (the latter not being expected by Hemogenyx in relation to the treatments it is developing). It can lead to certain financial incentives, including tax credits for qualified clinical testing and usually eliminating the requirement to pay a prescription drug user fee, to help support the development of a specific product and provides companies with a period of market exclusivity.

The US Orphan Drug Act ("ODA") provides for granting special status to a drug or biological product to treat a rare disease or condition (upon request of a sponsoring clinical research organisation). For a drug to qualify for orphan designation both the drug and the disease or condition must meet certain criteria. If met, ODD qualifies the sponsor of the drug for the financial incentives mentioned above.

In addition, ODD provides the company developing the designated product, or products, with other benefits and incentives, including assistance in clinical research study design and a period of marketing exclusivity if regulatory approval is ultimately received for the designated indication. Gaining access to regulatory process expertise through the ODD is of great value, since the optimum clinical trial designs can be implemented, and help accelerate a timely regulatory review and, if approved, product launch. In the longer term, the Company plans to turn its attention also to additional opportunities in Europe, where a similar Orphan Drug programme operates.

ODD can be extremely important from a strategic and commercial point of view, helping accelerate both products into the market and generating news flow, goodwill, collaborator interest and non-dilutive funding/grant offers.

Investigative New Drug ("IND") process

Current Federal law in the United States requires that a drug must be the subject of an approved marketing application before it is transported or distributed across state lines. As a sponsor (usually the manufacturer or potential marketer of the drug) will likely want to ship the investigational drug to clinical investigators in many different states, it must seek an exemption from that legal requirement. The IND is the means through which the producer technically obtains this exemption from the FDA.

The FDA's role in the development of a new drug begins when the drug's sponsor having screened the new molecule for pharmacological activity and acute toxicity potential in animals, wants to test its diagnostic or therapeutic potential in humans. At that point, the molecule changes in legal status under the Federal Food, Drug, and Cosmetic Act and becomes a new drug subject to specific requirements of the drug regulatory system.

Once the IND is submitted, the sponsor must wait 30 calendar days before initiating any clinical trials. During this time, the FDA has an opportunity to review the IND for safety to assure that research subjects will not be subjected to unreasonable risk.

Obtaining an IND is a necessary precursor to human trials and Hemogenyx expects to complete this process for the CDX conditioning product candidate and to initiate this process in relation to Hu-PHEC Umbilical within the next 18 months.

The potential market and its size

The treatment of blood diseases such as leukaemia, lymphoma and other haematological or blood cell cancers using BM/HSC transplantation has grown significantly in recent years. In 2015, more than 75,000 bone marrow transplants were performed globally and the count is expected to increase by approximately 25% by the end of 2020. The market for BM/HSC transplantation is forecast to grow a compound annual growth rate of 5% in the United States through 2020. However, the Directors consider that Hemogenyx's products, as they become available, can increase the market growth prospects as they are designed in large part to enable blood disease sufferers who are currently considered unsuitable for BM/HSC transplants to receive them.

Statistics from the National Cancer Institute's Surveillance Program, Epidemiology and End Results Program (SEER) indicate that blood cancers affect over 1.1 million people in the United States, with over 171,500 new cases estimated in 2016 alone.

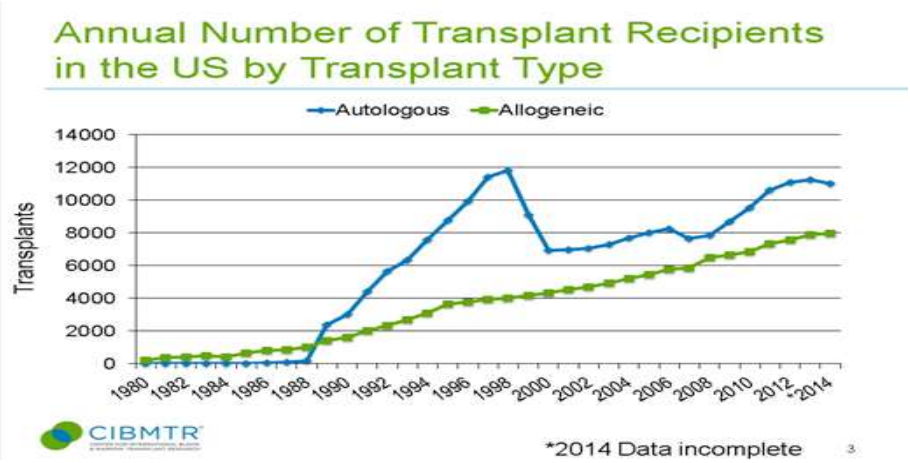
Based on a Milliman, Inc. 2014 Research Report, there were 21,169 transplants performed in the United States in that year alone. These transplants can be broken down into two categories:

- Autologous (utilizing the patient's own cells): 12,460 transplants performed in 2014, and
- Allogeneic (utilizing cells from a donor): 8,709 transplants performed in 2014

In Europe (and affiliated countries) in 2014, a record number of 40,829 BM/HSC transplantations were performed in 36,469 patients in 656 centres across 47 countries. 57% of these procedures were autologous and 43% allogeneic.

Every 4 minutes, someone in the US is told they have a blood cancer like leukaemia, lymphoma or myeloma. Every 10 minutes, someone in the US dies from blood cancer.

The following table below shows the trend in the growth of both types of treatment in the USA from 1980 to 2014 (the date of the latest available public information). Given that Hemogenyx's products will, if successful, enable these procedures to be carried out on a substantially larger number of patients than can be treated currently, the Directors expect this upward trend to continue



Centre for International Blood and Marrow Transplant Research (*Pasquini MC, Zhu X. Current uses and outcomes of hematopoietic stem cell transplantation: CIBMTR Summary Slides, 2015. Available at: http://www.cibmtr.org*)

Hemogenyx estimates that the total US market for BM/HSC transplants is at present some $3-$4 billion based on pricing information from the Center for International Blood and Marrow Transplant Research and other sources. Estimates of the size of European and affiliated markets suggest that the size of those markets is currently more than $5 billion for BM/HSC transplants. These estimates are based on the average current cost of allogeneic BM/HSC transplants in the USA which independent research shows to have been some $200,000 per patient in 2014. In the UK BM/HSC transplants at private hospitals are estimated to cost at least £160,000.

Whilst complete market data in the United States is difficult to obtain because even between hospitals within the same City or State (which is further complicated by the large number of medical insurance companies) the cost per patient of undertaking

a transplant, and of which the conditioning element is only one part, varies to a considerable degree. As described in the Aruwon Expert Report the market for such conditioning is estimated at $1.7billion in the US and $2billion in Europe.

Once it is in use, if successfully trialled and developed, Hemogenyx's CDX conditioning product candidate is expected to increase the potential market size substantially – it is estimated that a significant proportion of patients for whom a stem cell transplant is considered medically potentially beneficial do not receive it because they are considered unable to receive or survive the severe chemo and radiotherapy regime which is currently required in patient conditioning and which would be avoided with Hemogenyx's CDX conditioning product.

Once fully developed, Hemogenyx's cell therapy product candidates would be expected by the directors of Hemogenyx to have a similar significant effect on the market size. At present a high proportion of patients are unable to receive a transplant due to the difficulties in finding an appropriate donor match – in the USA alone, it is estimated that in 2012 some 10,000 patients failed to receive treatment for that reason. Furthermore, the effect of using Hu-PHECs will, in the opinion of the Hemogenyx directors significantly reduce rejection or relapse rates among those patients who receive autologous transplants and will largely eliminate the need for allogeneic transplants through applying the patients' own Hu-PHEC cells. Both these factors should improve the efficacy and hence the use of BM/HSC transplants among patients with blood diseases.

In summary, the directors of Hemogenyx expect a substantial expansion opportunity by delivering CDX conditioning and Hu-PHEC cell therapy as a viable treatment alternative for patients that would have otherwise been unable to undergo pre-procedure conditioning or to find a matching donor and also to substantially reduce if not eliminate the risk of transplant rejection.

Although Hemogenyx's initial focus is on the US market, Europe and other large markets represent a significant opportunity for future expansion. Specifically, there are more BM/HSC transplants performed in Europe than in the US.

Market data in 2012 suggests that in the US, some 17,800 allogeneic transplants were sought but only c.7,500 were carried out. Using the estimated cost of $200,000 per transplant, this indicates an unseen expansion opportunity of $2 billion in the United States alone.

Competitive position

Both Hemogenyx's product candidates will compete with existing forms of treatment and indeed are being developed in order to provide a more benign and effective regime than is seen in current practice. In addition, there are a number of prospective developments at various stages in respect of both products. None of those known by the Directors attempt to fully deal with the major problems encountered in BM/HSC conditioning and transplantations.

The main other developments at the research or trial stage are described below.

1. CDX Conditioning Product

The CDX antibody product candidate provides an alternative to existing chemo/radiotherapy forms of conditioning treatment and, as stated earlier in this document, is being designed to eliminate the substantial side effects and other disadvantages which such treatments have. While the development of reduced intensity and non-myeloablation has led to less harsh procedures, they continue to use chemotherapeutic agents, radiation or both. The more benign conditioning regimen which the CDX antibody product is aimed to provide would enable more vulnerable patients to benefit from BM/HSC transplantations as well as bringing advantages to patients that are considered fit to withstand the current regime.

In terms of future competition for the CDX antibody product, the Directors have identified two other businesses conducting research and development designed to bring about a more benign conditioning regime, namely Actinium Pharmaceuticals Inc. ("**Actinium**") and Magenta Therapeutics Inc ("**Magenta**"), both based in the USA.

Actinium

Actinium is developing a conditioning product, Iomab-B, for preparing patients for BM/HSC transplantation using a monoclonal anti-CD45 antibody linked to a radioactive isotope, Iodine-131. Actinium is currently conducting a multi-centre Phase 3 clinical study of Iomab-B in refractory and relapsed acute myeloid leukaemia patients over the age of 55 No results have been announced from this trial There has only been a limited amount of work and research undertaken by Actinium in relation to addressing conditioning with antibody products and no such products are available on the market.

Actinium's Iomab-B, if successfully developed, will not avoid the problems associated with irradiation and will further require a reduced intensity conditioning regimen (RIC) before the patient is ready for a BM/HSC transplantation. In addition,

Iomab-B is likely to have a higher manufacturing cost and a shorter shelf-life than CDX Antibody and will be considerably more complex to administer because of its radioactivity.

Although Iomab-B is at a later stage in the development than CDX Antibody, the Directors believe that the logistics of radio-isotopes and Iomab-B's lower specificity of action will restrict its adoption and that CDX Antibody potentially has superior performance and will bring additional improvements in efficacy, safety and cost.

Magenta

Magenta has announced that it is developing anti-CD45 antibodies linked to a toxin in the manner of an Antibody Drug Conjugate (or ADC), which aims for a less toxic and more effective conditioning approach to remove existing HSC and possibly tumour cells. As far as the Directors are aware, Magenta's research is at a very early preclinical development stage. Whilst it would, if successful, eliminate the shortcomings with respect to radiotherapy and reduce those associated with chemotherapy, it would not solve the problem of the lack of specificity of the anti-CD45 antibodies which lead to non-specific and unrelated cell and tissue effects.

Magenta is also investigating the possibility of developing processes to improve BM/HSC transplantation procedures which, so far as the Directors are aware, are still at the early discovery stage and as currently outlined would not overcome the problem of tissue matching. Magenta recently in-licensed an early-stage clinical asset from Novartis, MGTA-456 (formerly HSC835, or SR-1). A Phase 1/2 trial demonstrating expansion of CD34+ cells in cord blood for transplant was published in 2016. The Directors are not able to evaluate the importance of this trial. It depends on both the quantity and quality of cord blood cells arising from the planned expansion.

Other

In addition to the above, partially successful efforts have been made and are continuing to improve the efficacy of existing conditioning regimes but their use and benefit has yet to be fully established through pivotal clinical studies. These are summarised below.

T-cell depletion treatments are sometimes incorporated into conditioning regimens to help decrease the incidence of subsequent BM/HSC transplant rejection. However, their use and benefit has yet to be fully established through pivotal clinical studies.

Increased irradiation doses producing a lower relapse rate in allogeneic BM/HSC transplantations (and greater organ radiation damage) led to the development of targeted radio-labelled antibodies (radio-immunoconjugates such as Iomab-B from Actinium). Such product candidates are being tested for conditioning in various combinations with chemotherapy and radiation for both autologous and allogeneic BM/HSC transplantations. These approaches have had limited success but Phase 1 trials are in progress sponsored by the Fred Hutchinson Cancer Research Center in collaboration with the US National Cancer Institute.

An alternative to the radiation and antibody toxin conjugate approaches would be to use bi-specific antibodies. The concept of bi-specific antibodies is not new, but the choice of the targeted cell surface markers, structural design formats and producing the antibodies are complex. Recent success has been achieved with blinatumomab (Amgen's Blincyto); in 2014, Blincyto became the first bi-specific antibody approved for clinical use. It is being used for treating acute B-cell lymphoblastic leukaemia. Blinatumomab does not eliminate HSC and therefore cannot be used to prepare a patient for a transplant.

2. BM/HSC transplantation procedures

Alternative treatments to Hemogenyx's development of Hu-PHEC transplants include isolating stem cells from alternative donor sources in order to modify and/or re-programme them so that they can be used to re-populate the bone marrow niches following a conditioning regimen and to allow the regeneration of the blood system. So far as the Directors are aware, all these strategies are highly expensive, time-consuming and none of these are yet either in pre-clinical or clinical development. Furthermore, the Directors consider that, based on the extensive research and reviews carried out by Dr Sandler in this area, they are likely to be more expensive and time consuming than the approach being developed by Hemogenyx, while a number of them fail to deal with the issue of stem cell donors.

Alternative donor sources, or cell technology platforms, for potentially deriving HSCs include: Embryonic stem cells (ESC); induced pluripotent stem cells (iPSC); directly re-programmed somatic cells; the isolation and 'in-vivo' expansion of HSC; and umbilical cord blood (UCB).

Embryonic stem cells (ESC) are grown in the laboratory from cells found in the early embryo. ESC are pluripotent, which means they are able to differentiate into any cell type found in the body. Human ESC were first cultured in the laboratory in 1998. A number of institutions around the world, such as Hadassah Medical Organisation in Israel, are working to derive new human ESC lines for potential clinical use. Current challenges for ESC research include ethical considerations and the critical need to ensure that ESC can be fully differentiated into the specialised cell type required before transplantation into humans. The Directors consider that it will be extremely difficult, if at all possible, to differentiate ESC into a therapeutically-relevant number of transplantable HSCs in the foreseeable future. In addition, the significant issue of tissue matching is not addressed at all by this treatment.

Induced pluripotent stem cells (iPSC) are obtained through the reprogramming of an individual's somatic cells by the introduction of certain transcription factors. They were first derived in 2006. These cells could potentially be differentiated into HSC, and would address the issue of patient matching. However, the reprogramming methods require transfection involving retroviral vectors and their integration (in vitro and in vivo), which rules out their clinical use because of the potential risks involved. Although non-viral reprogramming methods have been exploited to increase the clinical applicability, the uncertainty with regard to iPSC undergoing genetic aberration on expansion remains a significant issue. In the view of its Directors and Advisors, Hemogenyx believes that it will be extremely difficult, if at all possible, to differentiate iPSC into a therapeutically-relevant number of transplantable HSC in the foreseeable future.

Direct re-programming of somatic cells into HSCs has not yet been fully established. Furthermore, it would be extremely difficult to establish the fidelity of their genetic makeup to be safely used in human transplantation.

The isolation and *ex vivo* expansion of HSC and hematopoietic progenitor cells aims to mobilise and/or harvest HSC and haematopoietic progenitor cells from either the patient, a donor or cord blood followed by an ex-vivo expansion process before being infused into a patient recipient. Problems with this approach are that there is no current method to verify the health of HSC to ensure they are not affected by malignancy, so ruling out autologous transplantation while expansion of cells obtained from a donor or cord blood would not address the issue of tissue matching. Clinical trials in this area are being planned by the Masonic Cancer Center, University of Minnesota and by the Maisonneuve-Rosemont Hospital in Montreal, in collaboration with the Canadian Cancer Society Research Institute and Canadian Institutes of Health Research. Other work in this area being conducted by Fate Therapeutics in the USA appears to have been discontinued.

Nohla Therapeutics Inc., (Nohla) a biotechnology company based in Seattle, USA is developing a method of *ex vivo* expansion of hematopoietic progenitors (HP) isolated from cord blood to supplement and enhance cord blood HSC transplants. The main advantage of Nohla's approach is that *ex vivo* expanded (using synthetic Notch ligand – a short peptide) HP is a pure population of cells that does not include the donor's T-cells and hence can be used without donor to recipient HLA ("Human Leukocyte Antigen") matching. When used in combination with standard of care cord blood transplantation, Nohla's expanded progenitors shorten the time of neutrophil and platelets recovery and hence reduce the risk of infection and graft failure. Nohla's *ex vivo* expanded cord blood HP were tested in clinical studies that were started in 2006. Currently a Phase 2b clinical trial is ongoing in patients undergoing myeloablative cord blood transplant for leukemia and other blood cancers. In the view of its Directors, Hemogenyx believes that this approach is severely limited because the *ex vivo* expanded HP cannot be used for BM/HSC transplantation on their own and must be combined with cord blood transplantation. This limitation is rooted in the properties of all HP (whether expanded or not). HP are not capable of self-renewal (exist transiently) nor the infinite generation of all blood lineages the way HSC are known to be able to.

As mentioned above, Magenta is also targeting ways to mobilise stem cells and then develop methods to expand these stem cells and apply gene therapy and gene-editing techniques for certain diseases. Magenta aims to use MGTA-456 (formerly HSC835, or SR-1), as in-licensed from Novartis, to continue a clinical investigation to expand the number of cord blood cells used in transplants. Magenta has rights to use MGTA-456 in selected applications and aims to develop it in multiple diseases (including immune and blood diseases).

Cord blood-derived (CB HSC) and hematopoietic progenitors. Use of CB HSC has grown because these cells have a 'relaxed' matching profile (i.e. donor cell matching requirements can be less than perfect). With this approach however, it is difficult to transplant an adult patient using a single unit of CB because of the insufficient number of HSC in each CB unit. This can cause delays in blood system regeneration, resulting in a reduction in a patient's ability to fight infection and, ultimately, can lead to transplant failure. To mitigate this problem, attempts have been made to use two cord blood units from different donors , or one cord blood unit plus a BM/HSC transplant. Both these approaches face the considerable difficulty of matching two different donors and so are having limited success.

Chimeric antigen receptors (CARs) Clinical strategies incorporating genetically modified T cells by introducing specific recognition in the form of CARs have been making advances. However, much remains to be done to improve on-target efficacy and reduce significant off-target effects, as well as manage a number of severe adverse events, including potentially life-threatening ones. The high cost of T-cells modification and expansion *ex vivo* and the danger of relapse following these therapies are also significant issues. So far as the Directors are aware, the CDX solution is likely a superior and potentially complementary therapeutic choice in regards to the patients' conditioning for BM/HSC transplantation.

Intellectual Property

CDX bi-specific antibodies

The provisional patent application relating to the CDX bi-specific antibodies is an application filed by Hemogenyx LLC in the USA on 4 April 2016 ("**CDX Patent**"). The invention summarised in the patent application is a method of eliminating hematopoietic stem cells/hematopoietic progenitors (HSC/HP) in a patient using bi-specific antibodies specifically binding to a protein predominantly expressed on the surface of HSC/HP and to a protein uniquely expressed on a surface of immune cells. The bound bi-specific antibodies redirect immune cells to eliminate HSC/HP. The invention relates to the required conditioning of a patient prior to a BM/HSC transplant. In this respect, the invention serves two main purposes:

- it provides adequate immunosuppression of the patient and clears sufficient niche space in the bone marrow for the transplant of HSC. This allows transplanted cells to engraft in the recipient; and
- it often helps to eradicate the source of malignancy.

The provisional patent application is converted to a PCT application and broadened to cover composition matter (novel sequences of antibodies).

On April 4 2017, a PCT (Patent Cooperation Treaty) application was filed by Hemogenyx which includes additional claims that extend the CDX Patent set out in the provisional patent application. These claims protect specific sequences of several high quality clones discovered and validated by Hemogenyx LLC. The claim extension transforms the original "method" provisional patent application into a "composition matter" PCT application.

Hu-PHEC cell therapy patent

The patent relating to Hu-PHECs is an application filed by Cornell University ("**Cornell Patent**") in several jurisdictions on 13 November 2014. The invention summarised a method of isolation and identification of post-natal hemogenic endothelial cells, as well as the provision of substantially purified populations of post-natal hemogenic endothelial cells, compositions of post-natal endothelial cells and methods to utilize post-natal hemogenic endothelial cells to regenerate the hematopoietic system in a patient.

Following Admission, Hemogenyx is planning to file additional composition matter patent applications in relation to the CDX antibodies product and will undertake a further patent application program as required.

Cornell Patent

The principal terms of the licence of the Cornell Patent to Hemogenyx LLC are as follows:

- with effect from 15 January 2015 (the "**Effective Date**") an exclusive licence, with a right to sub-licence, to make, use and sell the Licensed Products (as defined therein, and which will be the Hu-PHECs) throughout the world until expiry of the patent rights.
- the consideration for the license is a licence issue fee of $347,500 ($325,000 of which was paid in the form of the Cornell Loan), license maintenance fees, milestone payments, an earned royalty, a percentage of sub-licence fees, plus a royalty on sub-licence fees, and a minimum annual royalty. The patent costs of Cornell are also reimbursable by Hemogenyx.
- $22,500 of the licence fee has been paid, with the repayment of the Cornell Loan of $325,000 plus interest due on completion of the Acquisition. The Cornell Loan is summarized at paragraph 14.3 of Part XV (*Additional Information*).
- there are licence maintenance fees payable on each anniversary of the Effective Date which increase each year to a maximum of US$75,000 per year from the 9th anniversary of the Effective Date.

The terms of the Cornell Patent are more fully set out at paragraph 15 of Part XV (*Additional Information*).

Hemogenyx Team

The Directors and Advisors of Hemogenyx bring together biotech and large pharma drug development experience with deep scientific expertise in cancer immunology and cell therapy, regulatory pathway, clinical trials and finance.

Details of the directors of Hemogenyx to be appointed from Admission are set out below. In addition, Peter Redmond and Adrian Beeston will continue as directors following Admission, and current company secretary Timothy Le Druillenec will continue in that role and be appointed finance director from Admission. Biographies of Peter Redmond, Adrian Beeston, and Timothy Le Druillenec are set out in Part II.

Vladislav Sandler Ph.D. - Co-Founder and proposed Chief Executive Officer

Dr. Vladislav Sandler is the Co-Founder and CEO of Hemogenyx and a research Assistant Professor at the State University of New York (SUNY) Downstate. Dr. Sandler is a widely-published stem cell scientist with decades of experience in scientific research. In particular, Dr. Sandler has extensive experience developing novel methods of direct reprogramming of somatic cells into functional and engraftable hematopoietic stem cells, as well as developing novel sources of pluri- and multi-potent cells.

Dr. Sandler has conducted his research in Israel, Canada and the United States, including at the Children's Hospital at Harvard Medical School, the Salk Institute for Biological Sciences, Harvard University and Albert Einstein College of Medicine. He also led a team of scientists at Advanced Cell Technologies, Inc. and was most recently on the faculty of Weill Cornell Medical College. While at Cornell, Dr. Sandler made the significant discovery that the cells that give rise to blood stem cells during mammalian development continue to exist after birth, and he developed the method of isolation of these cells from humans. As a result of this important work, Dr. Sandler was awarded the inaugural Daedalus Fund Award for Innovation at Cornell. He went on to found Hemogenyx in order to further pursue this significant scientific discovery and his dedication to the translation of science into clinical practice.

Dr. Sandler has published numerous peer-reviewed papers, and has received a number of awards and fellowships for his scientific research. Dr. Sandler received his PhD from the University of British Columbia. He is a member of the International Society for Stem Cell Research.

Dr Sandler will be appointed as the Company's CEO from Admission.

Lawrence Pemble – proposed Chief Operating Officer

After serving for six years in the Royal Marine Commandos, Lawrence Pemble has over the past six years developed experience in establishing, financing and developing new businesses.

He has led financing rounds, M&A activities, worked for public companies and has held executive roles, up to and including CEO, for start-up and private equity backed ventures, both in private and public capacities.

He has worked extensively in the Private Equity industry, where he has held executive positions in life science and technology focused companies, most recently a Director of Blackcomb Technologies Limited, a Canadian private equity firm focused on military electronics and in Bonsai Capital Limited, a life sciences focused Private Equity company where he is currently a Director. Prior to this, he held a number of managerial and development positions in resources companies, in the gold and oil and gas sectors.

Mr Pemble will be appointed as Chief Operating Officer from Admission.

Dr Robin Campbell - proposed Chairman

Robin Campbell, PhD has more than 30 years' experience working in the pharmaceutical industry with large companies (Shell Research, Beecham International (now GSK)), start-ups (Porton International, PafraBio) and in investment banking primarily in life sciences investment research (including Credit Suisse, Jefferies).

Currently his specialty is searching out investable opportunities in the broader life sciences sector, and helping smaller companies raise growth capital. Robin has helped list a number of companies onto AIM and other international exchanges, advised companies on secondary fundraisings, private equity raises, M&A and has a broad reach into institutional and retail investor networks.

Initial roles in industry with, *inter alia,* Shell Research and Beecham International (now GSK) encompassed R&D, international strategic marketing and market access. He has also worked with start-ups such as Porton International and Pafra Biopreservation in business development roles. As a pharmaceutical and biotech analyst, his experience extends back more than twenty years with a range of firms including Credit Suisse First Boston, Hoare Govett and Jefferies International and

more recently he has acted in a consultancy role in relation to a range of life sciences IPOs, AIM introductions and M&A activity.

He has a degree in Microbiology from King's College London and a Ph.D. in Immunobiology from Liverpool University. Dr. Campbell currently advises a number of private and listed businesses in respect to strategic and financial market opportunities.

Dr Campbell will be appointed as Chairman from Admission.

Alexis M. Sandler - Co-Founder and COO

Alexis M. Sandler is the co-founder of Hemogenyx, for which she has served as the Chief Operating Officer. An attorney with fifteen years of experience in intellectual property and copyright, Ms. Sandler handles day-to-day legal and operational matters for the Company.

Ms. Sandler began her legal practice in Los Angeles at Hogan & Hartson LLP (now Hogan Lovells), specializing in media and intellectual property law. She then worked for several years at Katten Muchin Rosenman LLP representing studios, production companies, television networks, technology companies and other major media companies in all aspects of entertainment, media and intellectual property law. For three years, Ms. Sandler worked as the Director of Business and Legal Affairs for a division of the Fox Entertainment Group, where she advised the company on important intellectual property, corporate and other legal and business matters. Ms. Sandler went on to become the General Counsel at a Smithsonian affiliate museum in New York City, and is currently the Associate General Counsel at The Museum of Modern Art and the Secretary of the Board of Directors of its affiliate institution, MoMA PS1.

Ms. Sandler received her AB from Harvard University, her JD from the UCLA School of Law and her MA from New York University. She is a member of the State Bar of New York and the State Bar of California.

Ms. Sandler will be appointed as a non-executive director from Admission.

Advisory Board

Hemogenyx has established an Advisory Board. The Advisory Board will provide the Company with objectives and external perspectives and will also raise the Company's profile. Details of the Advisory Board Members are as follows:

Sir Marc Feldmann – Scientific Advisor and Chairman of the Board of Advisors

Professor Sir Marc Feldmann studied medicine at University of Melbourne, followed by a PhD with Sir Gus Nossal at the Walter and Eliza Hall Institute on in vitro immune responses and immune regulation.

His subsequent work in London led to the generation of a new hypothesis for mechanisms of autoimmunity, linking upregulated antigen presentation and cytokine expression. Testing this hypothesis led to the discovery with colleague Sir Ravinder Maini of the pivotal role of TNFa in the pathogenesis of rheumatoid arthritis. This major discovery has revolutionized therapy not only of rheumatoid arthritis but other chronic inflammatory diseases, and helped change the perception of monoclonal antibodies from niche products to main stream therapeutics. This has led to much scientific recognition for example election to the Royal Society, the National Academy of Sciences USA and the Australian Academy of Science, and major prizes: Crafoord Prize of the Royal Swedish Academy of Sciences, Albert Lasker Clinical Research Award and Gairdner Award. His current interests are to work with colleagues to define new treatments for major unmet needs, e.g. fibrosis, fractures cancer and atherosclerosis. The other major interest is towards more cost-effective therapy and trying to get closer to a cure for rheumatoid arthritis.

Dr. Alexander Tarakhovsky, M.D., Ph.D. - Scientific Advisor

Born in the former USSR, Dr. Tarakhovsky received his medical degree from the Kiev Medical Institute in Ukraine in 1978, and his Ph.D. from the Institute for Oncology at the Academy of Science in Kiev in 1982.

He has worked as a research associate at the Institute for Oncology, the Cancer Research Center in Moscow and the Institute for Molecular Genetics in Tallinn, Estonia. In 1992, he became a Humboldt Fellow and later a Research Associate at the Institute of Genetics at the University of Cologne, in Germany; he was promoted to group leader in 1994, and to tenured Professor and Head of the Laboratory for Lymphocyte Signalling in 1996. He moved that lab to The Rockefeller University in 2000 when he was appointed Irene Diamond Associate Professor; he was named tenured full Professor in 2003. The laboratory's current interest is to identify the epigenetic mechanisms of adaptive and innate immune responses.

The most significant achievements in this direction include the identification of the role of histone lysine methyltransferase Ezh2 in antibody repertoire formation, discovery of a novel nuclear PKCd signalling pathway that causes autoimmunity, identifying the novel signalling pathway that utilizes lysine methylation for signal-dependent lymphocyte activation and the discovery of functional histone-like sequences (histone mimics) in non-histone mammalian and viral protein.

Koen Van Besien, M.D.,, Ph.D. - Clinical Advisor

Dr. van Besien is a graduate of University of Leuven, Belgium and holds a PhD from the University of Maastricht in the Netherlands. He is currently a Professor of Medicine and Director of the Stem Cell Transplant Program at NYP-Weill Cornell College of Medicine.

Dr. van Besien has established a national and international reputation with several research and clinical interests. He has devoted considerable efforts at developing novel treatment strategies for patients with recurrent lymphoma, including the introduction of novel drugs and treatment in salvage therapy and in transplant conditioning regimens. He also has developed novel methods of transplantation for those patients who lack matching donors.

He has over 200 publications in peer reviewed journals. He is a member of the editorial review boards of the journals, Bone Marrow Transplantation and Biology of Blood and Marrow Transplantation. He is also Editor in Chief of the journal Leukaemia and Lymphoma, a publication that has a 2015 impact factor of 3.1.

Mark Pykett, VMD, Ph.D. - Business Development Advisor

Dr. Pykett is the President and Chief Executive Officer of Agilis Biotherapeutics, LLC and he has two decades of experience in the pharmaceutical industry.

Previously he served as Chief Executive Officer of Navidea Biopharmaceuticals, a precision medicine company focused on oncology and neurology. Prior to Navidea, Dr. Pykett was President and Chief Operating Officer of Alseres Pharmaceuticals, a biotechnology company focused on neurodegenerative and central nervous system disorders.

Before Alseres, Dr. Pykett held senior executive roles at several public and private companies, including CEO of Cytomatrix and President of Cygenics, focused on a range of therapeutic areas, indications and products. Dr. Pykett has also served as a Director of several public and private companies, and of the not-for-profit organization HealthBuilders, developing health infrastructure in central Africa.

Dr. Pykett received a B.A. degree from Amherst College, a V.M.D. and Ph.D. from the University of Pennsylvania, and an M.B.A. from Northeastern University, and completed post-doctoral fellowships at the University of Pennsylvania and Harvard University

Jules Mitchel Ph.D. - Clinical Trials Advisor

Dr. Jules T. Mitchel is President of Target Health Inc., a New York City based CRO with expertise in Regulatory Affairs, including FDA interactions and all submissions, Strategic Planning, Clinical Research Management, Biostatistics and Data Management, Medical Writing, Good Manufacturing Practices (GMP) and other support services to the pharmaceutical industry.

Dr. Mitchel has broad base pharmaceutical experience in drugs, biologics, devices and diagnostics including three NDA submission, many FDA meetings and IND/IDE submissions, study reports, manuscripts and strategic planning. Areas of expertise include but are not limited to, Women's Health, Dermatology, Antimicrobials, Pharmacokinetics, Rheumatology, Ophthalmology, Natural Products, Oral Care, Oncology and Regulatory Affairs. Dr. Mitchel has held industry positions at American Home Products, Pfizer Laboratories and Pfizer Consumer Health Care and academic positions at New York Medical College, Cornell University School of Medicine and NYU School of Medicine.

Boris Shor, Ph.D. Corporate Development Advisor

Dr. Shor is Executive Director, R&D and Scientific Partnerships at Immune Pharmaceuticals in New York City, where he oversees the discovery and development of novel antibody-based therapies for the treatment of cancer and inflammatory diseases. Before joining Immune Pharma, Dr. Shor was a group leader at the Oncology Research Unit of Pfizer in New York. While at Pfizer, he led internal and external collaboration project teams to develop novel antibody-drug conjugates (ADCs) and supported Biological License Application (BLA) filings with worldwide regulatory authorities. Prior to that, Dr. Shor served as a senior scientist and a project team leader at the department of Oncology Discovery at Wyeth Pharmaceuticals, managing the discovery and characterization of novel small molecule kinase inhibitors for the treatment of cancer.

Dr. Shor has nearly 15 years of experience in leading oncology discovery programs and external R&D partnerships at the large pharmas (Wyeth, Pfizer) and biotech startups (Immune Oncology, Hemogenyx, OmniCyte), with specific focus on preclinical development of small molecule inhibitors, biologics and nanoparticles. Most recently at Pfizer, Boris led cross-functional oncology research teams to develop novel antibody-drug conjugates and supported Biological License Application (BLA) filing for the late-stage therapeutics. Prior to that, Dr. Shor served as a project team leader at the department of Oncology Discovery at Wyeth Pharmaceuticals, managing the discovery and characterization of novel kinase inhibitors for the treatment of cancer. He currently serves on the executive management team of early-stage biotech companies and is a life sciences investment advisor for venture-capital funds. Dr. Shor received a Ph.D. in Molecular and Cell Biology at the State University of New York and performed a postdoctoral fellowship in the Inflammation Research team at Johnson & Johnson Pharmaceutical R&D prior to joining Pfizer.

Research and Development Team

Dr Cristine Chisholm Ph.D., Scientist

Dr Chisholm received a PhD in molecular biology from the University of Maryland where her work was focused on the role of kinase regulation on tumour suppressor stability in prostate cancer.

She then continued to the NIH for a postdoc, utilizing drug repurposing screens to overcome chemotherapy resistance in BRCA1 mutant breast cancer by targeting specific transporters in breast cancer stem cells. While at the NIH, she also investigated metastatic signatures and the role of P13K/mTOR signaling in the cytoskeletal remodeling and motility of chemotherapy-resistant breast cancer stem cells.

She has over ten years of management experience in the biotechnology industry, at both incubators and large biotechnology companies as an R&D and new product development scientist in oncology and infectious disease.

Dr Rita Simone Ph.D., Scientist

Rita received her PhD in “Internal Medicine, Autoimmunity and Gastro-Enteric diseases” from the University of Genoa, Italy.

She then continued to the Feinstein Institute for Medical Research as a postdoctoral fellow where she established a xenograft murine model of Chronic Lymphocytic Leukemia and studied immunomodulatory drug effects in vivo. She has published more than fifteen peer-reviewed scientific papers.

Future appointments

In due course, Hemogenyx will appoint a Medical Director to oversee clinical trials development. The Medical Director will develop a protocol and identify endpoints of clinical trials that will have to be clinically relevant in terms of product safety and efficacy. The Medical Director will oversee the process of the IND application making sure that it complies with the FDA requirements. They will also supervise and direct company interaction with a clinical contract research organization.

The Medical Director will also work on reviewing safety and efficacy data as it becomes available during clinical trials and will make sure that the products are truly safe and do not cause any adverse effects on the patients.

Business strategy

Hemogenyx overall long-term business strategy is to create a suite of products which will address the substantive problems currently experienced in BM/HSC transplantations for blood-related diseases and thus enable this form of treatment to be applicable to a much larger number of patients than can presently be treated in this way. In doing so, if successful, this would provide long-term cures for these diseases.

Its strategy is to focus on the two main problems – patient conditioning and donor matching - which interfere with or reduce the effectiveness of such treatments.

Of the two products or product suites that Hemogenyx is developing, it intends to take its lead product candidate, CDX bi-specific antibodies for patient conditioning through the IND submission within the next eighteen months. Hemogenyx intends first to take this product candidate into the clinical trial phase as its development is simpler in relative terms and also because it addresses the initial problem experienced in stem cell therapy treatment.

With regard to its Hu-PHEC product candidates, the Hu-PHEC cell therapy products will be taken to a more advanced stage over the same period, advancing them toward IND application stage. It is planned to take these products into clinical trials as soon as possible thereafter, focusing initially on Hu-PHEC Umbilical for hematopoietic transplantation.

In order to enter and carry out clinical trials, each product will require significant additional funding and it is to be emphasised that no pharmaceutical product can be guaranteed to be successful in such trials. However, Hemogenyx has carried out sufficient pre-clinical work in both product areas to give its Directors strong and encouraging indications of their potential effectiveness.

Additional funding may take the form, in whole or in part, of further equity capital but the Directors of Hemogenyx believe that it may be possible also to finance the clinical trials through grants or other forms of non-dilutive funding or possibly through the formation of a joint venture with an industry partner. They also consider that, should additional equity funds be required for this purpose, significant additional value will have been established in the product candidates to enable such funds to be raised on enhanced terms.

Hemogenyx intends first to take its CDX bi-specific antibody product candidate into the clinical trial phase as its development is simpler in relative terms and also because it addresses the initial problem experienced in stem cell therapy treatment. Once this has gone into trials, it would focus on completing the work to bring the first of the Hu-PHEC cell therapy products to the same stage. A further modest equity financing round may also be needed to enable the pre-clinical trial work to be completed.

Over the longer term it would not be Hemogenyx's intention to develop as a manufacturer of its products. It would seek to bring them to the market through licensing, joint venturing or sale to a larger, more established pharmaceutical industry partner in order to benefit from the manufacturing, marketing and distribution channels that these companies can provide.

Use of proceeds of the Placing and the Subscription

Following the Placing, the Subscription and Admission, and taking into account the Company's and Hemogenyx's existing funds and projected revenue from Hemogenyx's clinical collaboration work, the Company will have net cash resources of approximately £3.10m.

The Company intends to use these cash resources as follows:

- completion of preclinical studies for the Company's CDX bi-specific antibody product candidate and further preclinical development of its Hu-PHEC cell therapy product candidates - £1.89m;
- additional working capital - £743,000;
- expansion and maintenance of the Company's intellectual property suite, including additional patent applications and repayment of the Cornell Loan £350,000;
- contingency reserve - £117,000.

The Company expects that its existing cash resources combined with the net proceeds of the Placing and the Subscription should be sufficient to complete the IND-enabling preclinical development of its lead product, the CDX bi-specific antibody, and to finance significant further preclinical development of certain of the Company's Hu-PHEC cell therapy product candidates, as described above.

General Meeting

Attached to this Document you will find a notice convening a General Meeting of the Company which is to be held at the offices of Charles Russell Speechlys LLP, 5 Fleet Place, London EC4M 7RD at 10.00 a.m. on 4 October 2017, for the purpose of considering, and if thought fit, passing the Resolutions.

Resolution 1 will be proposed as an ordinary resolution and seeks to approve the waiver of the obligation contained in Rule 9 of the City Code. Resolution 1 will be conducted by way of a poll and may only be voted on by the Independent Shareholders.

Resolution 2 is an ordinary resolution and authorises the Directors to issue the Consideration Shares.

Resolution 3 is an ordinary resolution and authorises the Directors to issue the Placing Shares, the Subscription Shares, the SF Director Shares and the Peterhouse Shares, as well as Ordinary Shares deriving from any exercise of the Lock-in Warrants and certain other options and warrants. The authority to be granted pursuant to Resolution 2 is on the basis that the Company will be required to issue the full number of Lock-in Warrants. However, the Lock-in Warrants will only be issued to those Shareholders who meet the entitlement criteria as described at paragraph 13.6 of Part XV (*Additional Information*).

Resolution 4 is an ordinary resolution and authorises the Directors to issue up to £1,068,129 in nominal value of Ordinary Shares following Admission, representing 30 per cent. of the Enlarged Issued Share Capital as at Admission.

Resolution 5 is a special resolution and seeks to dis-apply pre-emption rights in connection with the issue of the Placing Shares, the Subscription Shares, the SF Director Shares and the Peterhouse Shares, as well as the Ordinary Shares deriving from the Lock-in Warrants and certain other options and warrants.

Resolution 6 is a special resolution and authorises the Directors to issue up to £712,086 in nominal value of Ordinary Shares following Admission free of any right of pre-emption, representing 20 per cent. of the Enlarged Issued Share Capital.

Action to be taken

You will find enclosed with this Document a Form of Proxy for use in connection with the General Meeting. Whether or not you intend to be present at the General Meeting, you are asked to complete the Form of Proxy in accordance with the instructions printed on it so as to be received by the Company's registrars, Computershare Investor Services PLC, as soon as possible but in any event not later than 10.00 a.m. on 2 October 2017. The completion and return of the Form of Proxy will not preclude you from attending and voting in person at the meeting should you so wish.

Recommendation

The Directors, who have been so advised by Peterhouse Corporate Finance Limited ("Peterhouse") consider that the terms of the Acquisition and the Rule 9 Waiver are fair and reasonable insofar as the Independent Shareholders are concerned and in the best interests of the Company and its Shareholders as a whole. In providing advice to the Directors, Peterhouse has taken into account the commercial assessments of the Directors. Accordingly, the Directors unanimously recommend that you vote in favour of the Resolutions necessary to approve and implement the Acquisition as they intend to do (for all Resolutions other than the Whitewash Resolution) in respect of their own beneficial holdings of Ordinary Shares, representing approximately 17.55 per cent. of the existing issued share capital. The Directors are not considered to be Independent Shareholders for the purposes of the Whitewash Resolution and therefore are unable to vote on the Whitewash Resolution.

PART II
INFORMATION ON THE COMPANY, OPERATING AND FINANCIAL REVIEW AND RULE 9 WAIVER INFORMATION

The following discussion of the Company financial condition and results of operations should be read in conjunction with the historical financial information on the Company in Part X (*Historical Financial Information of the Company*) and the information relating to its business included elsewhere in this document. The discussion includes forward-looking statements that reflect the current view of the Company's directors and involves risks and uncertainties. The Enlarged Group's actual results could differ materially from those contained in any forward-looking statements as a result of factors discussed below and elsewhere in this document, particularly in the Risk Factors section. Investors should read the whole of this document and not just rely upon summarised information.

Background

The Company was incorporated on 13 February 2013 as a private limited company and was re-registered as a public company on 13 November 2014. It was established for the purpose of acquiring or establishing a company or business and in furtherance of this objective on 9 November 2015, the Ordinary Shares were admitted by the FCA to a Standard Listing on the Official List in accordance with Chapter 14 of the Listing Rules and to trading on the London Stock Exchange's main market for listed securities. The Company raised £1,515,000 (before expenses) prior to and immediately before its listing and on its listing 64,900,000 Ordinary Shares were admitted to trading. Prior to the Company being listed, it had not commenced any operations (other than in respect of the preparation for the listing).

On 23 December 2015, the Company's shares were suspended from trading pending an announcement in relation to a potential acquisition and on 30 December 2015, the Company announced that it had entered into a non-binding memorandum of understanding with Lime Holdings Limited regarding a possible acquisition of 100% of the share capital of Lime by way of a share for share exchange. The potential acquisition was aborted.

The Company's Ordinary Shares have remained suspended since 23 December 2015.

Since 31 December 2016, being the date to which its full year audited results were prepared and which were released to the market on 13 April 2017, the Company has not traded or undertaken operations, other than in respect of preparations for Admission, the Placing, the Subscription and the Acquisition.

Principal terms of the Acquisition

The Company has conditionally agreed to acquire the entire issued share capital of Hemogenyx Pharmaceuticals Limited in exchange for the issue of the Consideration Shares to the Sellers which will represent 64.2 per cent. of the Enlarged Issued Share Capital. Further terms of the Acquisition are set out in Part VI of this document.

City Code implications

Under the City Code, a concert party arises, *inter alia*, when persons acting together pursuant to an agreement or understanding (whether formal or informal), co-operate to obtain or consolidate control of, or frustrate the successful outcome of an offer for, a company to which the City Code applies. "Control" means an interest or interests in shares carrying an aggregate of 30 per cent. or more of the voting rights of the company, irrespective of whether the holding or holdings give de facto control. 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 that company.

Shareholders of a company which is being acquired for shares in a transaction (i.e. as Hemogenyx Pharmaceuticals is) subject to the City Code are deemed to be acting in concert. The Panel has agreed that, based solely on information provided by the Company, a concert party exists in relation to the proposed Acquisition consisting of the Sellers.

The Concert Party's interests in the Company immediately following Admission are set out below. None of the Concert Parties are interested in Ordinary Shares in the Company as at the date of this Document.

Name	*Number of Consideration Shares*	*Total holding of Ordinary Shares at Admission (including shares subscribed for in the Placing and the Subscription)*	*% of issued Enlarged Ordinary Share Capital*	*Options/Warrants*	*% of Company's share capital assuming exercise of all options*
Dr Vladislav Sandler[1]	40,022,639	40,451,210	11.36%	214,286	11.16%
Alexis Sandler	75,090,685	75,090,685	21.09%	None	20.60%
43 North LLC[2]	11,371,429	11,371,429	3.19%	None	3.12%
Deena Malkina	1,742,821	1,742,821	0.49%	None	0.48%
Anya Levitov	1,244,872	1,244,872	0.35%	None	0.34%
Mark Pykett	161,834	161,834	0.05%	None	0.04%
Daniel Valk	6,822,853	6,822,853	1.92%	None	1.87%
Flascherberg Capital Anstalt[3]	27,082,201	27,996,487	7.86%	457,143 Lock-in Warrants	7.81%
Craig Auringer[4]	30,493,627	31,407,913	8.82%	457,143 Lock-in Warrants	8.68%
Ron Valk[5]	16,674,050	17,131,193	4.81%	228,571 Lock-in Warrants	4.76%
Mark Hawtin[6]	3,411,427	6,268,570	1.76%	1,428,571 Lock-in Warrants	2.11%
Plum Capital[7]	11,692,863	11,692,863	3.28%	None	3.21%
RS Trading Limited[8]	1,617,270	5,902,984	1.66%	2,142,857 Lock-in Warrants	2.21%
Dr Robin Campbell	1,142,857	1,142,857	0.32%	3,560,429 options	1.29%
Total	**228,571,428**	**238,428,571**	**66.97%**	**8,489,000**	**67.74%**

[1] Dr Vladislav Sandler is subscribing for 428,571 Ordinary Shares in the Subscription

[2] The beneficial owner of 43 North LLC is Empire State Development Corp.

3 The beneficial owner of Flascherberg Capital Anstalt is Samantha Bauer. Samantha Bauer is subscribing for 914,286 Ordinary Shares in the Subscription

4 Craig Auringer is subscribing for 914,286 Ordinary Shares in the Subscription

5 Ron Valk is subscribing for 457,143 Ordinary Shares in the Subscription

6 Mark Hawtin is subscribing for 2,857,143 Ordinary Shares in the Placing

7 The beneficial owner of Plum Capital is Jayr Coniconde Liangco

8 The beneficial owner of RS Trading Limited is Ilona Rich Schachter. Ilona Rich Schachter is subscribing for 4,285,714 Ordinary Shares in the Subscription

In aggregate, on Admission the Concert Party, including Mark Hawtin's participation in the Placing, Dr Robin Campbell's options, and the participation of Ilona Rich Schachter, Ron Valk, Craig Auringer, Samantha Bauer and Dr Sandler in the Subscription and consequential interest in certain Lock-in Warrants, will be interested in 246,917,571 Ordinary Shares, representing a maximum of 67.74 per cent. of the Enlarged Issued Share Capital following Admission assuming no exercise of any options and no other share issues.

As the Concert Party will acquire 66.97 per cent. of the Enlarged Issued Share Capital on Admission, Rule 9 of the City Code would ordinarily oblige the Concert Party to make a general offer to Shareholders under Rule 9 of the City Code for the remainder of the entire issued share capital. However, the Panel has agreed to waive these obligations subject to the approval of the Independent Shareholders voting on a poll at the General Meeting.

Independent Shareholders

The Independent Shareholders are deemed to be all members of the Company excluding: (i) the existing Directors of the Company; and (ii) any other existing shareholders of the Company who are participating in the Placing and the Subscription.

Intentions of the Concert Parties

At present Silver Falcon is a special purpose acquisition vehicle with no trading business. The Company's objective has been to acquire a trading business, and the Directors believe that the acquisition of the Hemogenyx Group fulfils this objective. The Concert Party has confirmed that following completion of the proposals set out in the Prospectus its intention is that the business of the Company is changed to that of developing the Hemogenyx business as described in Part I.

Other than this change to the Company's strategy, the Concert Party has specifically confirmed that they have no intention to make changes regarding:

- the location of the Company's places of business (although operations will be conducted by Hemogenyx LLC in New York);
- the continued employment of the Company's employees and management, including any material changes in employment;
- employer contributions into the Company's pension schemes, the accrual of benefits for existing members and the admission of new members; or
- the maintenance of any existing trading facilities for the Ordinary Shares (i.e. the trading of the Company's shares on the Main market of the London Stock Exchange),

nor will there be any redeployment of the fixed assets of the Company as result of the Acquisition.

Assuming the proposals set out in the Prospectus are approved at the shareholders meeting (notice of which is set out in Part XIX of the Prospectus), the Concert Party is not restricted from making an offer for the Company.

Waiver of Rule 9 of the City Code

The City Code is issued and administered by the Takeover Panel. The Company is a company to which the City Code applies and its Shareholders are entitled to the protections afforded by the City Code. Under Rule 9 of the City Code, any person who acquires an interest (as defined in the City 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 City Code, is normally required to make a general offer to all the remaining shareholders to acquire their shares.

Rule 9 of the City Code further provides that where any person, together with persons acting in concert with him, is interested in shares which in 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 such 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 or persons acting in concert with him will normally be required to make a general offer to all remaining Shareholders to acquire their shares.

Rule 9 of the City 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, then they will not generally be required to make a general offer to the other shareholders to acquire the balance of their shares.

An offer under Rule 9 of the City Code must be made in cash 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.

Assuming the proposals set out in the Prospectus are approved at the shareholders meeting (notice of which is set out in Part XIX of the Prospectus, the Concert Party is not restricted from making an offer for the Company. Accordingly, the Company has applied to the Panel for a waiver of Rule 9 of the Takeover Code in order to permit the Acquisition without triggering an obligation on the part of the Concert Party to make a general offer to Shareholders (the "Rule 9 Waiver"). Subject to the approval of the Independent Shareholders on a poll, the Panel has agreed to waive the obligation to make a general offer for the entire issued share capital of the Company that would otherwise arise as a result of the issue of the Consideration Shares. 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. None of the existing Directors or any existing Shareholders who are participating in the Placing and the Subscription are permitted to exercise their voting rights in respect of the Whitewash Resolution but may exercise their voting rights in respect of the remainder of the Resolutions.

The waiver to which the Panel has agreed under the City Code will be invalidated if any purchases are made by any member of the Concert Party, or any person acting in concert with any of them, 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 either of them, has purchased Ordinary Shares in the 12 months preceding the date of this document.

In each case above it is assumed that no other person has converted any convertible securities or exercised any option or any other right to subscribe for shares in the Company following the date of this document.

Following the Acquisition, the Concert Party will hold more than 50 per cent. of the Enlarged Issued Share Capital and for so long as the members of the Concert Party continue to be treated as acting in concert, the Concert Party may accordingly increase their aggregate interest in shares in the Company without incurring any obligation under Rule 9 to make a general offer, although an individual member of the Concert Party will not be able to increase his percentage interests in shares through or between a Rule 9 threshold without the Takeover Panel's consent.

Concert Party

The Concert Party's details are set out below:

Dr. Vladislav Sandler

Dr. Vladislav Sandler is the Co-Founder and CEO of Hemogenyx and a research Assistant Professor at the State University of New York (SUNY) Downstate. Dr. Sandler is a widely published stem cell scientist with decades of experience in scientific research. In particular, Dr. Sandler has extensive experience developing novel methods of direct reprogramming of somatic cells into functional and engraftable hematopoietic stem cells, as well as developing novel sources of pluri- and multi-potent cells.

Alexis Sandler

Alexis M. Sandler is the co-founder of Hemogenyx, for which she has served as the Chief Operating Officer. Ms. Sandler is an attorney specializing in intellectual property, with almost 15 years of experience representing a range companies and

institutions. Ms. Sandler is especially skilled at handling diverse interests in day-to-day matters of organizations, multi-party agreements and long-term strategic planning.

43 North LLC

43 North LLC is a New York limited liability company which runs the 43North business competition. Hemogenyx was one of 11 winning finalists in the inaugural 2013 43North business competition. 43 North LLC is beneficially owned by the Empire State Development Corporation, which is the umbrella organization for New York's two principal economic development public-benefit corporations, the New York State Urban Development Corporation and the Job Development Authority.

Deena Malkina

Deena Malkina is an experienced start-up CEO and e-commerce entrepreneur. She is the co-founder of KitNipBox, the leading subscription box service for cats.

Anya Levitov

Anya Levitov is the managing partner of Versus Real Estate, a boutique real estate brokerage based in New York City.

Dr. Mark Pykett

Dr. Pykett is the President and Chief Executive Officer of Agilis Biotherapeutics, LLC and he has two decades of experience in the pharmaceutical industry.

Daniel Valk

Daniel Valk is a private investor based in Houston Texas in the USA. He is the president of North American Interpipe, an Oil Country Tubular Goods and line pipe distributor. Daniel is also the CEO of Dneprospetsstal, a manufacturer of stainless steel; the CEO of Sepco, an Oil Country Tubular Goods and line pipe distributor; and the CEO of Marco International in Russia. Daniel studied at Columbia University and New York University.

Flascherberg Capital Anstalt

Flascherberg Capital Anstalt is a private company established in Lichtenstein whose beneficial owner is Samantha Bauer. Samantha Bauer is a private investor based in London England. Samantha graduated from City University with a Bachelor of Sciences Degree. She has been an active private investor in venture capital and private equity transactions for the past 15 years in North America, Europe, South America and Africa across the Life Sciences, Technology and Natural Resources sectors. She has experience, understanding and knowledge in Life Sciences, especially in Biotech and Medtech investments.

Craig Auringer

Craig Auringer is a private investor based in London England. Craig has been involved in corporate finance and business development for over two decades, raising capital and guiding growth companies in various sectors, including Life Sciences, Technology, and Natural Resources. Craig has also funded a range of projects and businesses privately, focusing on companies with innovative technologies and experienced management teams. He finances and works with these companies to help them realise substantial growth.

Ron Valk

Ron Valk is a private investor based in London. Ron graduated from New York University Stern School of Business with a Bachelor of Science degree. From 2000 to 2008, Ron was an Executive Vice President at Lehman Brothers bank, specialising in emerging markets, media and natural resources. He was also running a proprietary trading desk within the bank. Since 2008, Ron has been focussing on personal investing as well as acting as an adviser for various companies.

Mark Hawtin

Mark has spent the last 18 years investing in technology. Currently he manages the GAM Star Technology Fund investing in the world's biggest growth opportunities. Prior to that, he was a partner and investment manager at Marshall Wace, one of

Europe's largest hedge Funds where he ran the Eureka Interactive Fund. His work gives him extensive access to the world's leading technologies, their thought leaders and innovators and he spends much of his time with technology teams in both the US and Europe. He is a regular technology commentator on CNBC, Bloomberg TV and through social media.

Plum Capital Ltd

Plum Capital is a venture capital firm which invests in early stage European companies before initial public offering. It was founded by JayR Coniconde in 2015 and is currently based in Geneva, Switzerland. JayR has been involved in the venture capital market for the last 9 years, primarily focussing in the Far East. JayR spends his time between Manila and Singapore.

Rs Trading Limited

Rs Trading Limited is a private international business company incorporated in the Republic of Seychelles. It is beneficially owned by Ilona Rich Schachter, daughter of Marc Rich (the founder of Glencore plc). Ilona is a director and founder of Gabrielle's Angel Foundation for Cancer Research which was created in 1996, when Grammy-nominates songwriter and philanthropist Demnise Rich lost her daughter Gabrielle, a 27 year-old actress and Hodgkin's lymphoma survivor, to acute myelogenous leukaemia. Gabrielle's mother and sisters, Daniella Rich Kilstock and Illon Rich Schachter, believed the best way to honour Gabrielle's memory was to create a foundation that would fund the best and brightest scientific researches with the hope that less toxic treatments, and ultimately a cure, might be discovered.

Dr Robin Campbell

Robin Campbell, PhD has more than 30 years' experience working in the pharmaceutical industry with large companies (Shell Research, Beecham International (now GSK)), start-ups (Porton International, PafraBio) and in investment banking primarily in life sciences investment research (including Credit Suisse, Jefferies).

Currently his specialty is searching out investable opportunities in the broader life sciences sector, and helping smaller companies raise growth capital. Robin has helped list a number of companies onto AIM and other international exchanges, advised companies on secondary fundraisings, private equity raises, M&A and has a broad reach into institutional and retail investor networks.

Initial roles in industry with, *inter alia,* Shell Research and Beecham International (now GSK) encompassed R&D, international strategic marketing and market access. He has also worked with start-ups such as Porton International and Pafra Biopreservation in business development roles. As a pharmaceutical and biotech analyst, his experience extends back more than twenty years with a range of firms including Credit Suisse First Boston, Hoare Govett and Jefferies International and more recently he has acted in a consultancy role in relation to a range of life sciences IPOs, AIM introductions and M&A activity. He has a degree in Microbiology from King's College London and a Ph.D. in Immunobiology from Liverpool University. Dr. Campbell currently advises a number of private and listed businesses in respect to strategic and financial market opportunities.

Disclosure of interests and dealings in shares

Definitions

For the purposes of this Part II:

(a) "acting in concert" has the meaning attributed to it in the City Code;

(b) "arrangement" includes any indemnity or option arrangements, 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;

(c) "connected person" means in relation to any person a person whose interest in shares is one in which the first mentioned person is also take to be interested pursuant to Part 22 of the Companies Act;

(d) "control" means an interest or interests, in shares carrying in aggregate 30 per cent., or more of the voting rights of a company, irrespective of whether the holding or aggregate holding gives *de facto* control;

(e) "dealing" or "dealt" includes the following:

(i) the acquisition or disposal of relevant securities, of the right (whether conditional or absolute) to exercise or direct the exercise of voting rights attaching to relevant securities, or of general control of relevant securities;

(ii) the taking, granting, acquisition, disposal, entering into, closing out, termination, exercise (by either party) or variation of an option (including without limitation a traded option contract) in respect of any relevant securities;

(iii) subscribing or agreeing to subscribe for relevant securities (whether in respect of existing or new securities);

(iv) the exercise or conversion, (whether in respect of new or existing relevant securities), of any relevant securities carrying conversion or subscription rights;

(v) the acquisition of, disposal of, entering into, closing out, exercise (by either party) of any rights under, or variation of, a derivative referenced, directly or indirectly, to relevant securities;

(vi) entering into, terminating or varying the terms of any agreement to purchase or sell relevant securities; and

(vii) any other action resulting, or which may result, in an increase or decrease in the number of relevant securities in which a person is interested or in respect of which he has a short position;

(f) "derivative" includes any financial product whose value in whole or in part is determined, directly or indirectly, by reference to the price of an underlying security;

(g) "disclosure date" means 7 September 2017, being the latest practicable date prior to the publication of this document;

(h) "disclosure period" means the period commencing on 7 September 2016, being the date 12 months prior to the date of publication of this Document and ending on the disclosure date;

(i) being "interested" in relevant securities includes where a person:

(i) any other action resulting, or which may result, in an increase or decrease in the number of relevant securities in which a person is interested or in respect of which he has a short position;

(ii) owns relevant securities;

(iii) has the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to the relevant securities or has general control of them;

(iv) by virtue of any agreement to purchase, option or derivative, has the right or option to acquire relevant securities or call for their delivery or is under an obligation to take delivery of them, whether the right, option or obligation is conditional or absolute and whether it is in the money or otherwise; or

(v) 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;

(j) "relevant securities" includes:

(i) shares and any other securities carrying voting rights;

(ii) equity share capital (or derivatives referenced thereto); and

(iii) securities carrying conversion or subscription rights;

(k) "short position" means any short position (whether conditional or absolute and whether in the money or otherwise) including any short position under a derivative, agreement to sell or any delivery obligation or right to require any other person to purchase or take delivery.

Dealings in the Company's Ordinary Shares

No dealings for value in Ordinary Shares by members of the Concert Party have taken place during the disclosure period.

No dealings for value in Ordinary Shares by Directors, their respective immediate families and related trusts, persons acting in concert with the Company or persons with whom the Company or persons acting in concert with the Company have an arrangement have taken place during the disclosure period.

At the close of business on the disclosure date:

(a) no member of the Concert Party (including any members of their respective immediate families, related trusts or connected persons) has any interest in or a right to subscribe for, or has any short position in relation to any relevant securities of the Company;

(b) no person acting in concert with the Concert Party has any interest in, or right to subscribe for, or has any short position in relation to any relevant securities of the Company;

(c) no member of the Concert Party (including any members of their respective immediate families, related trusts or connected persons) nor any person acting in concert with the Concert Party has borrowed or lent any relevant securities of the Company, save for any borrowed shares which have either been on-lent or sold; and

(d) no member of the Concert Party (including any members of their respective immediate families, related trusts or connected persons) nor any person acting in concert with the Concert Party has dealt in relevant securities of the Company during the disclosure period.

At the close of business on the disclosure date, save as disclosed in this paragraph:

(a) none of the Directors (including any members of such Directors' respective immediate families, related trusts or connected persons) has any interest in or a right to subscribe for, or has any short position in relation to any relevant securities of the Company, saved as disclosed in paragraph 7 of Part XV Directors' interests;

(b) no person acting in concert with the Company has any interest in, or right to subscribe for, or had any short position in relation to any relevant securities of the Company; and

(c) none of the Directors (including any members of their respective immediate families, related trusts or connected persons) nor any person acting in concert with the Company nor the Company has borrowed or lent any relevant securities of the Company, save for any borrowed shares which have either been on-lent or sold.

Additional disclosures required by the City Code

Save as disclosed in this Document, none of the Directors have any interest, direct or indirect, in any assets which have been or are proposed to be acquired or disposed of by, or leased to, the Company and no contract or arrangement exists in which a Director is materially interested and which is significant in relation to the business of the Enlarged Group.

Save as disclosed in this Document, there is no agreement, arrangement or understanding (including, without limitation, any compensation arrangement) which exists between the Concert Party or any person acting in concert with the Concert Party and any of the Directors, recent directors of the Company, Shareholders or recent Shareholders or any person interested in or recently interested in shares in the Company which are connected with or dependent on the outcome of the Acquisition.

There is no agreement, arrangement or understanding whereby the legal and/or beneficial ownership of any Consideration Shares to be issued to the Concert Party pursuant to the Acquisition will be transferred to any other person as a result of the Acquisition or otherwise.

There are no management incentives in place in connection with the whitewash transaction meant to encourage or facilitate the obtaining of the Rule 9 Waiver.

General Meeting of the Company and Whitewash resolution

At the General Meeting of the Company to be held at the offices of Charles Russell Speechlys LLP, 5 Fleet Place, London EC4M 7RD at 10.00 a.m. on 4 October 2017, notice of which is appended to this Prospectus, Shareholders will be asked to pass a number of resolutions, including the Rule 9 Waiver.

The Acquisition and Admission are conditional, inter alia, on the passing of the Resolutions. If the Resolutions are approved by Shareholders, it is expected that Admission will become effective and dealings in the Enlarged Ordinary Share Capital will commence on the Main Market on or around 5 October 2017.

Change of name

With effect from Admission, the Directors of the Company will resolve to change the Company's name to Hemogenyx Pharmaceuticals plc.

Directors of Silver Falcon plc

Details of the Silver Falcon plc directors who will continue to be directors after Admission, and of the company secretary Timothy Le Druillenec, who will continue in that role and be appointed finance director from Admission are set out below. Geoffrey Dart will resign as Director of the Company from Admission.

Peter Redmond

Peter Redmond is a corporate financier with some 30 years' experience in corporate finance and venture capital. He has acted on and assisted a wide range of companies to attain a listing over many years, on the Unlisted Securities Market, the Full List and AIM, whether by IPO or in many cases via reversals, across a wide range of sectors, ranging from technology through financial services to natural resources and biotech, in recent years often as a director and shareholder of the companies concerned. He has been active over many years in corporate rescues and reconstructions on AIM and in reverse transactions into a range of investing companies. He was a founder director of Cleeve Capital plc (now Satellite Solutions plc) and Mithril Capital plc (now BeHeard plc), both of which were admitted to the Standard List of the London Stock Exchange, and took a leading role in the reconstruction and refinancing of AIM-quoted Kennedy Investments and 3Legs Resources plc. He is a director of AIM-quoted Pires Investments plc.

Mr Redmond will become a non-executive director effective on Admission.

Adrian Beeston

Adrian founded Thorpe-Beeston Investments Ltd ("**TBIL**") in 2002. TBIL specializes in the financing and structuring of small to medium size businesses, and the floatation of these companies on the American Stock Exchange, AIM Exchange and TSX Venture Exchange. Prior to this, Adrian was at Altium Capital, a major pan-European corporate finance house, where he focused primarily on the raising of private equity. Adrian has worked extensively in small to mid-size businesses, financing and working with over 20 companies in the last 5 years. Other work has included implementation of corporate structure, human resources planning, corporate governance policies and providing finance once these cornerstones of a business are in place.

Mr Beeston will become a non-executive director effective on Admission.

Timothy Le Druillenec

Timothy is a Fellow of the Chartered Institute of Management Accountants and provides consultancy and accounting services to a number of public and private companies in some cases fulfilling the role of director and/or Company Secretary. During 2013 he acted in the same capacity at the AIM listed Leed Resources Plc, Kennedy Ventures Plc and Pires Investments Plc. From 2005 to 2012, he was CEO of Richards Walford & Company Ltd, a fine wine importer. Prior to that from 1995 to 2004, he was the group finance director and company secretary of Pacific Media Plc, a Main Market Company, and during that time occupied the same roles at Bella Media Plc an AIM listed company.

Mr Le Druillenec will be appointed as Finance Director from Admission and will continue to act as Company Secretary.

Arrangements with the current Directors of the Company

On the Company's admission to the Standard List on 9th November 2015, each of the current Directors of the Company (being Geoffrey Dart, Peter Redmond and Adrian Beeston) agreed not to receive a fee from the Company for so long as the Company remained as a special purpose acquisition company in order that the Company could better preserve its cash and maintain a cost-effective operational structure. Instead, the Company and those Directors agreed that they would each be entitled to receive a fee of £30,000 on completion of an acquisition and which would be satisfied by the Company issuing and allotting to each of them 1,000,000 Ordinary Shares at an issue price of £0.03 per Ordinary Share, being the SF Director Shares. Therefore, on Admission, the Company will issue and allot to each of the current directors the SF Director Shares at a deemed price of £0.03 to satisfy that obligation.

Arrangements with Robin Campbell

Dr Robin Campbell has been assisting Hemogenyx on a consultancy basis and has incurred fees and certain expenses as a result of providing such services. He has agreed to reduce the amounts owed to him to £40,000 and to accept payment for that amount owed to him by way of shares in Hemogenyx Pharmaceuticals Limited at the Placing Price in order to preserve cash for the enlarged group. This issue of these shares in Hemogenyx Pharmaceuticals Limited to Dr Campbell will take place before completion of the Acquisition and the Company will acquire such shares in exchange for Consideration Shares.

Lock-in Warrants

The Company has entered into the Lock-in Warrant Instrument, pursuant to which certain qualifying shareholders, being shareholders of the Company immediately before Admission and each of the Placees and Subscribers, will be issued warrants to subscribe for Ordinary Shares on the basis of one Lock-in Warrant for every two Ordinary Shares held on Admission.

The entitlement of such qualifying shareholders to exercise their Lock-in Warrants is dependent on such persons not having dealt in any Ordinary Shares in the period from Admission to the 60th day after Admission (subject to limited exceptions).

Full details of the terms of the Lock-in Warrant Instrument are set out at paragraph 13.6 of Part XV (*Additional Information*) of this Document.

PART III
INFORMATION ON THE HEMOGENYX GROUP

The Hemogenyx Pharmaceuticals Directors

The directors of Hemogenyx Pharmaceuticals Limited and Hemogenyx LLC are:

Dr Vladislav Sandler Ph.D. - Co-Founder and CEO

Dr. Vladislav Sandler is the Co-Founder and CEO of Hemogenyx and a research Assistant Professor at the State University of New York (SUNY) Downstate. Dr. Sandler is a widely published stem cell scientist with decades of experience in scientific research. In particular, Dr. Sandler has extensive experience developing novel methods of direct reprogramming of somatic cells into functional and engraftable hematopoietic stem cells, as well as developing novel sources of pluri- and multi-potent cells.

Dr. Sandler has conducted his research in Israel, Canada and the United States, including at the Children's Hospital at Harvard Medical School, the Salk Institute for Biological Sciences, Harvard University and Albert Einstein College of Medicine. He also led a team of scientists at Advanced Cell Technologies, Inc. and was most recently on the faculty of Weill Cornell Medical College. While at Cornell, Dr. Sandler made the significant discovery that the cells that give rise to blood stem cells during mammalian development continue to exist after birth, and he developed the method of isolation of these cells from humans. As a result of this important work, Dr. Sandler was awarded the inaugural Daedalus Fund Award for Innovation at Cornell. He went on to found Hemogenyx in order to further pursue this significant scientific discovery and his dedication to the translation of science into clinical practice.

Dr. Sandler has published numerous peer-reviewed papers, and has received a number of awards and fellowships for his scientific research. Dr. Sandler received his PhD from the University of British Columbia. He is a member of the International Society for Stem Cell Research.

Dr Sandler will be appointed as the Company's CEO from Admission.

Alexis M. Sandler, JD - Co-Founder and COO

Alexis M. Sandler is the co-founder of Hemogenyx, for which she has served as the Chief Operating Officer. An attorney with fifteen years of experience in intellectual property and copyright, Ms. Sandler handles day-to-day legal and operational matters for the Company.

Ms. Sandler began her legal practice in Los Angeles at Hogan & Hartson LLP (now Hogan Lovells), specializing in media and intellectual property law. She then worked for several years at Katten Muchin Rosenman LLP representing studios, production companies, television networks, technology companies and other major media companies in all aspects of entertainment, media and intellectual property law. For three years, Ms. Sandler worked as the Director of Business and Legal Affairs for a division of the Fox Entertainment Group, where she advised the company on important intellectual property, corporate and other legal and business matters. Ms. Sandler went on to become the General Counsel at a Smithsonian affiliate museum in New York City, and is currently the Associate General Counsel at The Museum of Modern Art and the Secretary of the Board of Directors of its affiliate institution, MoMA PS1.

Ms. Sandler received her AB from Harvard University, her JD from the UCLA School of Law and her MA from New York University. She is a member of the State Bar of New York and the State Bar of California.

Ms. Sandler will be appointed as a non-executive director from Admission.

Lawrence Pemble - CFO

After serving for six years in the Royal Marine Commandos, Lawrence Pemble has over the past six years developed experience in establishing, financing and developing new businesses.

He has led financing rounds, M&A activities, worked for public companies and has held executive roles, up to and including CEO, for start-up and private equity backed ventures, both in private and public capacities.

He has worked extensively in the Private Equity industry, where he has held executive positions in life science and technology focused companies, most recently a Director of Blackcomb Technologies Limited, a Canadian private equity firm focused on military electronics and in Bonsai Capital Limited, a life sciences focused Private Equity company where he is currently a Director. Prior to this, he held a number of managerial and development positions in resources companies, in the gold and oil and gas sectors.

Mr Pemble will be appointed as Chief Operating Officer from Admission.

Group structure

Hemogenyx Pharmaceuticals Limited (whose name will be changed to Hemogenyx UK Limited) is private limited company incorporated in England. It will become the holding company of Hemogenyx LLC which is a private limited liability company incorporated in Delaware on the completion of the Share Exchange Agreement, further details of which are set out at paragraph 14.7 of Part XV (*Additional Information*) of this document.

Significant shareholders in Hemogenyx Pharmaceuticals Limited

Prior to the Acquisition, the following persons will be interested in 3 per cent or more of the issued share capital of Hemogenyx Pharmaceuticals Limited:

Name of shareholder	***Number of A ordinary shares***	***% of total issued share capital***
Dr. Vladislav Sandler	3,858,000	17.60%
Alexis Sandler	7,238,400	33.02 %
43North LLC	1,096,154	5.00%
Daniel Valk	657,692	3.00%

Name of shareholder	***Number of B ordinary shares***	***% of total issued share capital***
Flascherberg Capital Anstalt	2,652,693	12.10%
Craig Auringer	2,981,539	13.60%
Ron Valk	1,636,923	7.47%
Plum Capital Limited	1,013,334	4.62%

Role of Hemogenyx Pharmaceuticals shareholders as from Admission

The Sellers will become shareholders in the Company from Admission, pursuant to the terms of the SPA. Certain of the former shareholders in Hemogenyx Pharmaceuticals will have a role in the Enlarged Group following Admission:

- Dr Vladislav Sandler will become a Director and CEO of the Company
- Alexis Sandler will become a non-executive Director of the Company with IP oversight
- Dr. Mark Pykett will join the Advisory Board as Business Development Advisor

PART IV
EXPERT'S REPORT

Statement

8 September 2017

Aruwon Ltd,

28a Menelik Road,

London NW2 3RP

Hemogenyx Expert Report

Aruwon Ltd is an independent consultancy providing expertise and analysis to companies and institutions active in the life science sector, including support on M&A, licensing and business strategy.

Aruwon Ltd has been instructed by the management/board of Hemogenyx Pharmaceuticals Limited ("HPL"), parent company of Hemogenyx LLC ("Hemogenyx") to provide an independent technical and commercial analysis of the company and its product pipeline, including assessment of the background, addressable markets and competition, as well as the associated risks.

This analysis will form part of the listing document associated with the merger of HPL with Silver Falcon plc and the proposed listing of the merged entity on the London Stock Exchange.

This report has been prepared with due diligence based on the information provided by Hemogenyx or obtained from public domain sources deemed reliable by Aruwon. While every effort has been made to ensure the accuracy and completeness of the information and data presented, Aruwon cannot accept liability for errors or omissions. In particular, the industry areas under examination are fast moving and any change in circumstances may render some or all of the information or conclusions incomplete, obsolete or invalid.

It should be noted that this report does not seek to provide any guidance as to the validity or otherwise of any intellectual property filed, held, or licensed by Hemogenyx.

Aruwon is not acting as an investment advisor. This report is specifically limited to the matters set out above and is not to be taken as giving any advice on the merits of an investment in Hemogenyx.

Christopher Redhead

Managing Director, Aruwon Ltd

Summary

Hemogenyx is a private company based in Brooklyn, NY, USA focussed on developing new treatments for blood diseases, such as leukemia, lymphoma and bone marrow ("BM") failure based on blood stem cell (bone marrow/hematopoietic cell) transplantation. The company has developed two potentially complementary technologies which it believes will make this frequently life-saving procedure available to both a much greater number and a far broader range of patients than is currently possible.

Previously used as a last resort, Hematopoietic Stem Cell Transplantation (HSCT) is now the fastest growing procedure in the US, used in an increasing range of blood cancers and other non-malignant disorders. Most patients receiving HSCT must first receive conditioning to prepare them for transplant; currently a harsh process unsuitable for the old or less healthy. Hemogenyx has developed a gentler antibody-targeted approach that will open the procedure to more vulnerable patients. With the increasing use of HSCT, access to appropriate donors is an increasing problem with many patients unable to find a match. Hemogenyx's second technology uses a special class of cells that it has identified and can isolate from donors or the patients themselves. These cells can generate cancer-free, patient-matched blood stem cells, which can then be used in HSCT. This the company believes will improve the efficacy of BM/HSC transplants and make BM/HSC transplants a viable treatment option for many patients who wouldn't otherwise be able to find a matching donor.

The Company has already established sound proof-of-principle for both the conditioning and the transplant cell technology through studies conducted in well-documented models of the human hematopoietic system in animals. Studies demonstrate that the Hemogenyx antibody-targeted conditioning regimen is efficient and well tolerated, providing a good environment for subsequent stem cell transplantation. Studies in similar animal models indicate that the newly discovered class of blood stem cells are capable of safe and efficient restoration of the human hematopoietic system. The cells are amenable to routine isolation and frozen storage and thus routine clinical use. Both technologies are complementary with and would significantly enhance current clinical practice. As such, they have potential as a substantial driver in the growth and application of HSCT.

The company must now reproduce these results in human clinical trials. The focus will be on orphan indications where there are limited therapeutic alternatives. This approach is designed to facilitate both trial approval, patient recruitment as well as smooth the regulatory path.

The impact of potential competition is difficult to measure given the number of years before expected market entry. Cell therapy and immunotherapy are rapidly evolving areas and true comparisons can only be made in the light of clinical outcomes. However, the technologies promise considerable advantages over the existing technologies. If successful, the Hemogenyx technology has the potential to take a substantial share of a rapidly growing market already valued at $3-$4 billion based on pricing information from the Center for International Blood and Marrow Transplant Research (CIBMTR) and other sources.

The company has a strong management team that combines scientific excellence with expertise in clinical and commercial development.

While, given the opportunity and encouraging progress to date, the prospects for both programmes look bright, the relatively early stage of both means the risks are also high. Success in the human trials is clearly critical.

Bone marrow and Human Stem Cell Transplantation

Hematopoietic stem cell transplantation (HSCT) includes a number of procedures whereby the blood forming stem cells of a patient are depleted and then replaced by infusion of hematopoietic stem/progenitor cells derived from the patient him/herself (Autologous HSCT) or from a donor (Allogenic HSCT). HSCT was historically performed on patients as a last resort where other treatment options had been exhausted. However, it is increasingly used for curing a range of haematological malignancies, repairing dysfunctional blood stem cells (Negrin, 2014) and inducing tolerance to solid organ transplants. Over the last forty years more than 1M patients have undergone HSCT and it has now become a highly valuable medical procedure in the US with 21,169 HSCTs performed in 2014.

There remains some debate over the relative benefits of autologous over allogeneic HSCT. Transplant-related deaths tend to be lower in autologous transplants due to the lack of graft-versus-host disease (GVHD) and the lower incidence of infection resulting from the quicker re-establishment of cells responsible for the immune response. Remission through the carry-over of tumour cells, however, is a clear risk with autologous HSCT. Nonetheless, analysis of the data from the Health Resources Services Administration (HRSA) reveals that in general autologous HSCT is favoured for treatment of both haematological and in solid tumours.

Figure 1 2013 Data From The Health Recourse And Service Administration (HRSA) Showing Transplant Activity By Disease Category And Cell Source.

Year Disease Category	Allogeneic (Related and Unrelated)			Autologous				Grand Total
	Bone Marrow	Cord Blood	Peripheral Blood	Bone Marrow	Cord Blood	Peripheral Blood	Data not available	
2013	1,835	836	5,677	15	2	10,854	1	19,220
Acute lymphoblastic leukemia (ALL)	301	147	665	0	0	17	0	1,130
Acute myelogenous leukemia (AML)	457	317	2,214	1	0	59	0	3,048
Autoimmune Disease	5	1	4	0	0	13	0	23
Chronic myeloid leukemia (CML)	65	27	175	0	0	0	0	267
Disorders of the immune system	114	42	40	2	0	0	0	198
Histiocytic disease	51	10	12	0	0	2	0	75
Hodgkin lymphoma	38	21	168	1	0	824	0	1,052
Inherited abnormalities of erythrocyte function	155	37	48	0	0	2	0	242
Inherited disorders of metabolism	22	42	6	0	0	1	0	71
Inherited platelet abnormalities	3	4	0	0	0	0	0	7
Multiple myeloma/ plasma cell disease	9	3	171	4	1	6,311	1	6,500
Myelodysplastic/myeloproliferative diseases	191	77	1,066	0	0	3	0	1,337
Non Hodgkin lymphoma	106	65	719	3	0	2,656	0	3,549
Other acute leukemia	30	12	57	0	0	2	0	101
Other leukemia	27	15	256	0	0	11	0	309
Severe Aplastic Anaemia	246	13	58	0	1	1	0	319
Solid tumors	2	1	10	4	0	939	0	956
Other disease	13	2	8	0	0	13	0	36
Grand Total	8,002	4,268	25,498	147	13	48,573	1,562	88,063

http://bloodcell.transplant.hrsa.gov/research/transplant_data/transplant_activity_report/bydiseasecategorycellsource.pdf

Both autologous and allogeneic HSCT require two essential steps. The first involves a conditioning step which entails sufficient ablation of the patient's HSC and their immune system. The second step involves the infusion of the autologous or allogeneic HSC.

Conditioning

Conditioning is an essential component of HSCT and has been extensively reviewed (Gyurkocza & Sandmaier, 2014). Designed to reduce both the probability of the rejection of the grafted cells and the disease burden, it involves the ablation of the patient's HSC and immune system. Historically consisting of the use of supra-lethal doses of radiation and chemotherapeutic agents, the harshness of the procedure limited the HSCT to younger 'fitter' patients. However, the realisation of the significant benefits of Graft versus Tumour (GvT) reactions against malignant cells and the subsequent introduction of reduced intensity and non-myeloablative regimens has resulted in HSCT being increasingly used on older and more medically infirm patients. The conditioning regimens may therefore be divided into three groups high dose, reduced intensity conditioning and non-myeloablative conditioning.

High Dose

Myeloablative, or "high-dose" regimens, consisting of alkylating agents (single or multiple) with or without TBI (total body irradiation), are expected to ablate marrow hematopoiesis, not allowing autologous hematologic recovery. TBI is associated with considerable short and long term side-effects and so is frequently replaced with other chemotherapeutic agents.

Reduced Intensity and non-myeloablative conditioning

Observations from the use of HSCT over the last thirty years have increasingly indicated that relapse was significantly reduced in patients who developed GvT, indicating that GvT plays a significant role in clearance of malignant cells in the host. This was also borne out in studies that indicated that patients receiving unmodified grafts enjoyed lower relapse rates than patients receiving syngeneic or T-Cell depleted grafts. This has led to the development of less harsh reduced intensity conditioning (RIC) and non-myeloablative conditioning (NMC), which not only reduced the relapse into malignancy, but also opened the door to the use of HSCT in older or more infirm patients. These RIC regimens cover a spectrum of intensities (Figure 2) that allow the adaptation of the conditioning to suit the individual patient or disease.

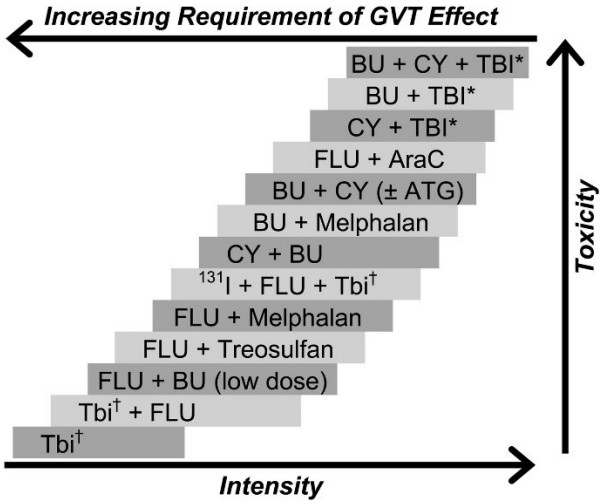


Figure 2 GvT and RIC (Gyurkocza & Sandmaier, 2014)

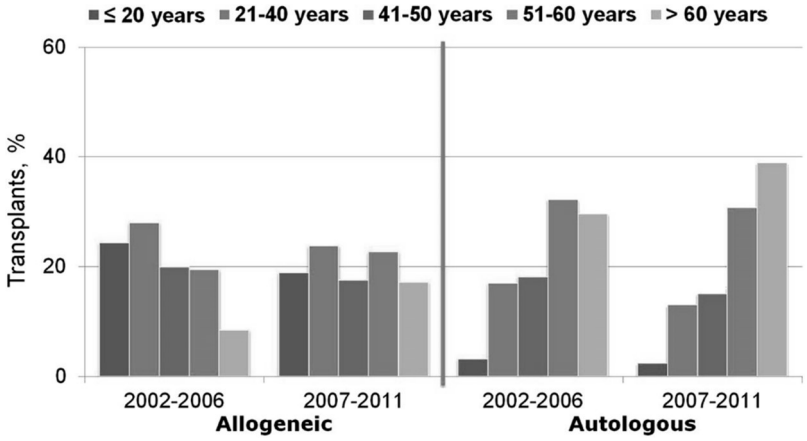
Antibody-targeted conditioning

The success of RIC regimens has led to the development of antibody-based regimens that target tumour cell lineages or T-cells. Given the sensitivity of leukaemias and lymphomas to radiation, antibodies targeted at a number of hematopoietic cell-specific antigens, including CD20, CD33 and CD45 have been labelled with radioisotopes to deliver a radioactive dose.

A number of radiolabelled antibody approaches have been used and shown to provide conditioning. Bexxar (^{131}I-labelled tositumomab), which targets the CD20 receptor, has been used with some success for the preconditioning of Non-Hodgkin Lymphoma patients (Krishnan, Nademanee, & Fung, 2008). Encouraging results for conditioning have also been reported for Zevalin (^{90}Y-ibritumomab) (Shimoni, Zwas, & Oksman , 2007), also anti-CD20. CD20 is specific to B-cells and thus is probably better suited to the treatment of B-cell cancers than general conditioning. As a result, neither is in widespread use for conditioning.

A further ^{131}I antibody targeting the CD45 receptor, Actinium Pharmaceuticals' Iomab-B, commenced a phase 3 trial in H1 2016 for conditioning in relapsed AML. CD45 is fairly ubiquitously expressed across the blood system, and Iomab-B will provide generalised irradiation of hematopoietic cells. Iomab-B used before autologous or allogeneic HSCT has shown encouraging results in elderly patients with advanced AML or MDS (Pagel, Gooley, & Rajendran, 2009).

The development of the RIC regimens has meant that there has been a significant increase in the number of patients, particularly elderly patients, who are suitable for HSCT (Figure 3).



- *Figure 3 Progressive increase in HSCT in older patients*

Stem cell infusion and donor selection

Once the patient has been conditioned, new stem cells will be infused. The choice of the donor will largely depend on the patient's indication and individual circumstances. Autologous cells are sourced before treatment most commonly from the patient's own peripheral blood, but also from bone marrow. The choice of source of allogeneic cells is more complex depending not only on the condition of the patient, but also the availability of the relevant donors.

Donors are matched according to their HLA (Human Leucocyte Antigen) genotyping, now most commonly performed by molecular typing (Eng & Leffell, 2011). The degree of HLA matching is critical to long term patient survival. Potential donors may be divided into three groups fully matched, haplo-identical (at least 50% match) and mismatched. Fully matched may most easily be obtained from a twin, but can also be found amongst other siblings, as well as individuals within the broader population. The ideal donor is generally a fully matched sibling. If this is unavailable, an unrelated fully matched donor is sought. As this can take time, in cases of urgency the clinician may opt for an infusion of Umbilical Cord Blood (UCB) or a haploidentical donor.

UCB as a source

Collected at the time of delivery, UCB is seen as an increasingly useful source of HSC. Stored frozen and ready typed in blood banks, unrelated UCB can provide a rapidly accessible source for HSCT, when an HLA matched donor cannot be identified in the right time frame. Its advantages include:

Expanded donor pool – increased representation of ethnic minorities in the unrelated UCB banks and more effective use of partially HLA-matched donors (Querol, Rubinstein, & Marsh, 2009).

Ease of procurement and lack of donor attrition – tested prior to storage for infections, blood and HLA-type, and cell dose, (Gluckman, Rocha, & Chevret, 2001), avoids the risk of donor attrition and speeds access.

Graft-versus-host disease (GVHD) –incidence and severity of acute and chronic GVHD among unrelated UCB recipients is lower than reported with matched unrelated donor marrow or partially-matched family member marrow allograft (Rocha, Wagner, & Sobocinski, 2000).

Safety for donors and recipients – easily and safely collected after delivery with reduced risk of carrying infection

The limitations of UCB largely stem from the relatively low abundance of stem cells, which frequently leads to reduced rates of engraftment, leading to graft failure, and delayed reconstitution of the immune system, leaving the patients vulnerable to infection. While these limitations can be mitigated by the use of double transplants or ex-vivo expansion, there is a pressing need to increase the efficiency of UCB for HSCT.

Hemogenyx Technology and Approach

Our review indicates that while there have been considerable improvements in both conditioning and the availability of donor tissue, there remains a substantial number of patients for whom existing regimens are too harsh or who cannot identify an appropriate donor. Hemogenyx has developed two technologies with which it believes it could both broaden the use, as well as increase the safety of HSCT. The first is aimed at improved conditioning opening up HSCT to an even broader set of patients. The second is aimed at developing a new source of human hematopoietic stem/progenitor cells for use in HSCT.

Conditioning with CDX

The Hemogenyx CDX technology is designed to clear the patient's existing hematopoietic stem cells using his/her own immune system. The technology uses bispecific antibodies. These double-headed molecules combine specificity for the T-Cell receptor at one end with specificity for an as yet publicly undisclosed specific hematopoietic stem cell receptor at the other. This causes T-Cells to bind to and subsequently destroy the progenitor target cells. While yet to be tested in man, the technology has already been shown to work efficiently in an established mouse model constructed to mimic the human hematopoietic system.

Chimeric mouse studies

Hemogenyx has tested its CDX platform in immune-deficient NSG mice stably engrafted with human hematopoietic stem cells (HSC); a powerful and well documented model of the human hematopoietic system (Shultz, Lyons, & Burzenski, 2005). The tests have shown that treatment with CDX specifically targets human HSC eliminating the human compartment of the mouse blood system. The CDX approach should not only avoid the overall toxic effects generated by the use of radiation and chemotherapeutic agents used in traditional conditioning, but also any direct toxic effects on mature blood cells such as B-cells, T-cells and myeloid cells including macrophages and neutrophils.

Experiments performed by Hemogenyx have demonstrated that infusion of chimeric mice with the CDX bispecific antibody causes a dramatic decrease in the human blood cells in the chimeric mouse reverting them into their native non-chimeric state. This decrease in human cells is characterized by a relatively rapid decrease of the number of myeloid cells carrying the marker CD33 followed by a slower decrease in mature T and B cells carrying markers hCD3 or hCD19, respectively (Figure 4). This is consistent with a specific depletion of human hematopoietic stem/progenitor cells and was not accompanied by any other detectable adverse events.

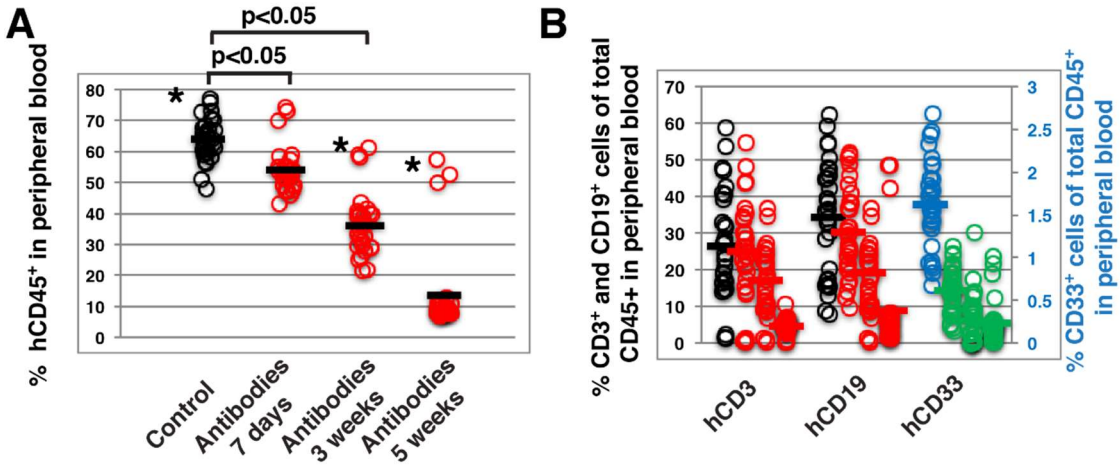


*Figure 4 Treatment with CDX of humanised NSG mice produces a progressive decrease of the levels of total human hematopoietic cells (**A**) and also the levels (**B**) of T-cells (% hCD3$^+$ cells of total hCD45$^+$ cells), B-cells (% hCD19$^+$ cells of total hCD45$^+$ cells) and myeloid lineages (% hCD33$^+$ cells of total hCD45$^+$ cells) in the peripheral blood (n=27) progressively over 1, 3 and 5 weeks (right red and green data sets) compared to control levels (left black and blue data sets). The treatment was repeated in twenty-seven chimeric mice (N=27).*

Importantly for its potential role in conditioning for HSCT, preliminary experiments indicate that CDX treated mice can subsequently be again engrafted with human HSC that turns them back into chimeric humanized mice where part of their hematopoietic system is human. This emulates the conditioning of patients followed by a HSCT. While these effects have yet to be repeated in human subjects, the good efficacy and safety demonstrated in this well-established mouse model is clearly encouraging.

Hu-PHECs a new source of HSCs

As outlined in a published patent (SANDLER, 2014), Hemogenyx has been able to generate a new source of HSC using the cells that line the inside of adult blood vessels (a subset of endothelial cells). This is based on the observation that HSC arise from embryonic hemogenic endothelial cells, which appear to involve an intermediate cell type that still resides in postnatal/adult endothelia. Dr. Sandler showed that it is possible to isolate these intermediate cells and restore their hematopoietic potential. Known as Hu-PHECs (Human-Post-Natal Hematopoietic Cells), these HSCs can be generated from a range of tissues, including the umbilical cord and adult liver

Hu-PHECs

Data on the Hu-PHECs clearly show that Hu-PHECs can be generated from umbilical cord and liver endothelia. The outline details of the process are summarised in a patent application (SANDLER, 2014). As we understand it, cells are prepared from endothelia and those expressing a specific combination of markers (CD45 and CD144) can be purified in an automated fluorescent cell sorter. These cells can then be cultured on a feeder layer of a subset of embryonic liver cells, where they are able to multiply and regain their hematopoietic potential.

Studies where Hu-PHECs isolated from human umbilical cord are transplanted into the NSG mouse model have shown that these cells are capable of stable engraftment and are able to generate what appears to be a near full repertoire of human blood cells.

The company has also been able to show that Hu-PHEC cells can be generated from liver endothelia. While they have yet to generate sufficient material to perform transplantation due to insufficient access to suitable human livers, the mouse equivalent M-PHECs isolated in the same way have been shown to be capable of engraftment in these models.

While the mouse NSG model is well established and documented, it has some limitations (Brehm, Shultz, Luban, & Greiner, 2013). However, in the light of the data to date, we are optimistic that the results may be transferable to human patients.

The company has also shown that it is possible to culture and expand the Hu-PHECs for up to 11 days. This opens up the possibility that autologous liver Hu-PHECs could be expanded to help deliver the appropriate genetic material capable of correcting inherited deficiencies and/or provide treatment of disease.

Development Plan and Strategy

Although Hemogenyx has established very encouraging proof of principle for both its CDX bispecific conditioning regimen and use of Hu-PHECs for hematopoietic reconstitution in the mouse NGS model, there is considerable work to be done before either product will be ready for use in humans.

CDX Conditioning

The company has a number of milestones to meet for its lead product before it is able to initiate phase I clinical trials in 18 months. Most significantly, it will need to engage with the FDA to determine the nature and scope of pre-clinical studies required for its IND, as well as gaining orphan designation for the use of CDX for conditioning and subsequently for certain types of leukaemia.

Below is a summary of the development milestones for Hemogenyx over the next 18 months for the CDX bi-specific antibody:

- Completion of pre-IND consultation programme
- Preclinical evaluation of additional clones of CDX antibodies
- Completion of IND-enabling studies
- Submission of IND application to FDA
- Application for Orphan Drug Designation
- Completion of pre-IND consultation programme

We would anticipate a reasonably straight forward path for development. The development path for the antibody-based conditioning agent has already been at least partially mapped out through the development of several currently approved bispecific therapeutic antibodies (e.g. Blinatumomab, Amgen) and more than thirty bispecific antibodies in clinical trials (Fan, Wang, Hao, & Li, 2015).

Hu-PHEC transplantation

Hemogenyx has also outlined a number of milestones for its Hu-PHEC programme. Of these milestones, we would see the pre-IND consultation as being the most critical, as this will drive the overall speed of entry into the clinic and ultimately into the market.

Below is a summary of the development milestones for Hemogenyx over the next 18 months for the Hu-PHEC:

- Preclinical toxicological studies for Hu-PHEC Umbilical
- Pre-IND consultation with FDA in relation to Hu-PHEC Umbilical
- Collection of cells and tissue samples for transplantation in relation to Hu-PHEC Liver
- Continuing research and development for methods of expansion of Hu-PHEC
- Achievement of proof of principle of transplantation of human liver derived Hu-PHEC
- Preclinical toxicological studies for Hu-PHEC Umbilical

The key strategy to expedite the development of the Hu-PHECs will initially be to target patients who currently have no other option due to lack of appropriate matched donors or life threatening time constraints. This would include patients who develop Aplastic Anaemia. Clinical proof of principle in these ‘last resort’ patients will facilitate the initiation of trials in a broader patient population.

Design of the late stage pivotal trials will clearly depend on the results of these initial phase I/II trials. With these unlikely to report before year three, it is unlikely that the products will gain approval before year five.

Regulatory path

CDX

The regulatory path for CDX has at least partially been mapped out for CDX by the development of Iomab-B by Actinium Pharmaceuticals, currently in a Phase 3 clinical study for bone marrow conditioning in relapsed refractory AML. A more specifically targeted product without the complexity of a radionucleotide, we would expect that the regulatory path would be far less complex for CDX compared to Iomab-B. There are certainly a large number of relapsed patients that would not easily tolerate existing conditioning regimens. With few other options, they may provide good initial candidates for CDX clinical trials. Given the relatively small number of patients involved and the lack of alternatives, we believe it is likely that the CDX would receive Orphan Status from the FDA. This would qualify the product for accelerated development and approval under FDA rules.

Hu-PHECs

Hemogenyx has indicated that it will also seek an orphan path for its Hu-PHEC programme. The company has already achieved orphan status for the use of Hu-PHECs for patients with Aplastic Anaemia and will seek the same designation for a range of other rare genetic and/or pediatric diseases, where there are currently limited alternative options.

Competitive landscape

CDX

The major competition will be the existing conditioning regimens for HSCT (Gyurkocza & Sandmaier, 2014). There is clearly a need for an effective, but more benign conditioning regimen to enable more vulnerable patients to benefit from HSCT. While the mouse data suggest that it should have strong advantages, the extent to which a potentially higher priced CDX will displace existing regimens will clearly depend on the observed clinical benefits.

With regards to other antibody-based regimens, while the radio-immunotherapy Iomab-B from Actinium Pharmaceuticals may reach the market significantly earlier, the logistics of radio-isotopes use and the lower specificity of action may restrict its widespread adoption. A novel product positioned as a more targeted therapeutic than a more general conditioning regimen will likely have a clear advantage.

Further, Magenta Therapeutics Inc., based in the USA, is developing anti-CD45 antibodies linked to a toxin aiming for a less toxic and more effective conditioning approach to remove existing HSC and possibly tumour cells. In our opinion, Magenta's research is at a very early preclinical development stage. It may, if successful, eliminate the problems with respect to radiotherapy and decrease those associated with chemotherapy. However, it would not resolve the problems due to the lack of specificity of the anti-CD45 antibodies, which are believed to lead to non-specific and unrelated cell and tissue effects.

Magenta is also investigating the possibility of developing processes to improve HSCT procedures, although it is believed to be at the early discovery stage. Furthermore, the process as currently outlined would not overcome the problem of tissue matching. Magenta recently in-licensed an early stage clinical programme from Novartis – MGTA-456 (formerly known as HSC835, or SR-1) as part of a $50m fund raising. MGTA-456 has demonstrated expansion of cord blood stem cells in a Phase I/II study and thus could also improve transplant outcomes.

Hu-PHECs

Competition for Hu-PHECs is difficult to assess given the relatively early stage of development and the number of years to market.

One such competitor, Nohla Therapeutics Inc., is developing a method of ex vivo expansion of hematopoietic progenitors isolated from cord blood to supplement and enhance cord blood HSCT. The main advantage of Nohla's approach is that it generates a pure population of cells that does not include donor T-cells and therefore can be used without HLA ("Human Leukocyte Antigen") matching. When used in combination with standard of care cord blood transplantation, these expanded progenitors shorten the time required for neutrophil and platelet recovery, helping reduce the risk of infection and graft failure. Nohla's clinical studies started in 2006. Currently, a Phase IIb clinical trial is ongoing in patients undergoing myeloablative cord blood transplant for leukemia and other blood cancers. It is believed that this approach may have a limited outcome, since the progenitors have to be used in combination with cord blood transplantation and since the progenitors are unable to self-renew (albeit transiently).

As mentioned above, Magenta, recently in-licensed a clinical stage asset from Novartis, MGTA-456 (formerly HSC835, or SR-1), which demonstrated increased expansion of cord blood stem cells in a Phase I/II study. The company is also exploring other ways to mobilise and expand these stem cells and apply gene therapy and gene-editing techniques for certain diseases. We understand that these plans are still at the discovery stage.

Furthermore, immunotherapy is very rapidly growing. The impressive results in blood and other cancers using CAR-T cells (Chimeric Antigen Receptor -T cells) (Jackson, Rafiq, & Brentjens, 2016) suggest immune cell therapies will play a significant role. However, it is unlikely that such therapies will completely replace the need for HSCT and indeed these approaches may well be complementary. Hu-PHECs provide a unique source of the patients own cells and may themselves play a substantial role in delivering gene-mediated therapies.

Intellectual property

The Hemogenyx CDX conditioning and Hu-PHEC technology are the subject of a number of filed patents yet to be granted, which have either been filed by or the rights licensed to Hemogenyx. Aruwon is not qualified to provide expert analysis on intellectual property. Analysis of the merits of these applications does not form a part of this report.

Reimbursement

HSCT is already a recognised and reimbursed procedure for a variety of diagnoses. Average pricing has been well reviewed (Milliman, 2014). Pressure on reimbursement is only likely to increase with an increased need to demonstrate real clinical benefits to justify pricing,

Market and Opportunity

There were, according to Worldwide Network for Bone Marrow Transplantation, around 60,000 procedures for the treatment of over 70 different diseases in the US and Europe (Passweg, Baldomero, Bader, & Bonini, 2016). Although HSCT is already one of the fastest growing procedures, there is a need to open up the therapy to older more vulnerable patients through gentler more effective conditioning, while at the same time meeting the increasingly unmet need for suitable donor cells.

Although at a preclinical stage of development, both Hemogenyx's product candidates have the potential to meet these needs and subsequently address substantial markets.

CDX Conditioning

While the continued development of RIC has expanded access to progressively older and more infirm patients, these are still unsuitable for at least one third of patients over 55 and an increasingly elderly population will only see the need for gentler treatments increase.

If successfully developed and found to be as effective and safe in man as it currently is in mice, we believe Hemogenyx's CDX bispecific antibody should have potential not only in the one third of patients over 55 who are currently ineligible for HSCT, but also in a substantial proportion of the majority of patients who currently receive the range of RIC regimens.

According to Milliman (Milliman, 2014) the average full cost, in the US, of an allogeneic HSCT is $930,600 and an autologous transplant at $378,000. Given that there were 12,460 autologous and 8,709 allogeneic (Milliman, 2014) transplants performed in 2014 the estimated market size for the full transplant procedure, from start to finish (including pre/post transplant care and drug therapy costs) is $12.8bn. There were 21,169 procedures in the US and a further 40,829 in Europe in 2014 at estimated average prices for CDX conditioning of $50,000 for Europe and $80,000 for the US would imply a total addressable market in Europe and the US of approximately $3.7bn.

Hu-PHEC Transplantation

Despite increased access to donor tissue through the establishment of Umbilical Cord Blood (UCB) banks, demand already outstrips supply. Numbers from the Health Resources Services Administration (HRSA) suggest that at least 60% of eligible patients in the US are unable to find an appropriately matched donor. This is a particular problem for mixed race or ethnic minority groups. Hemogenyx's potential to generate new sources of donor cells with Hu-PHEC from umbilical cord blood vessels and the liver has the potential to help meet the increasing demand from both allogeneic and autologous transplant candidates.

Umbilical Cord Hu-PHEC

While UCB held in blood banks has been increasingly seen as a valuable alternative to bone marrow or peripheral blood from registered donors, the numbers of HSC obtained from UCB are frequently too low, leading to delayed or failed engraftment, especially when comparing adult to child recipients. While this problem can be mitigated by using blood from two umbilical cords, this will obviously substantially increase the cost, double the problem of identifying matched donor cells and reduce the availability of UCB for other patients when the supply is already limited.

Supplementation of the cord blood with Hu-PHECs could make transplants for adults from single cords possible. This would substantially boost the availability of optimally matched cord cells, allowing more patients to be treated more easily. Hemogenyx has indicated that the process of Hu-PHEC isolation is relatively straightforward and the cells can be successfully frozen and stored. While this clearly needs to be properly established, the company is confident that it will be able to isolate, bank and retrieve Hu-PHECs on a routine basis.

According to Milliman, the average current cost of transplant procurement for allogeneic HSCT in the US is $55,700. With 8,709 transplants performed in 2014, this amounts to a total market in the US of $485m. With, according to the HRSA, around 20k patients seeking transplants, there are around 11k who are currently unserved, bringing the potential addressable market to approximately $1.1bn in the US alone. (This may be a conservative estimate, as the Milliman estimate of procurement cost is an average that may include transplant from available siblings at often be negligible cost. With two UCB units frequently used per adult at an average cost of $40,000 per UCB unit, the cost of procurement per transplant would be closer to $80,000.)

Liver Hu-PHECs

Hu-PHECS derived from liver could provide a powerful alternative to stem cells sourced either from bone marrow or peripheral blood for patients seeking autologous transplantation. Autologous HSCT is often associated with increased rates of relapse. This is thought to be at least partially due to the contamination of the infused stem cells with tumour cells. This contamination would be removed by the use of autologous liver Hu-PHECs, which could thus provide a safer alternative to bone marrow and peripheral blood.

Milliman estimates the cost of autologous transplant procurement to be $10,700. If clinical studies with Hu-PHECs indicate a significantly reduced risk of relapse, this would justify a pricing premium. Assuming that the procurement price rises to the same level as allogeneic, with 12,460 patients receiving autologous grafts in 2014, this would amount to a total market in the US of at least $694m.

While yet to achieve proof-of-principle, autologous liver Hu-PHECs also have the potential to be used as vehicles for gene therapy for the treatment of a large range of inherited, metabolic, immune and infectious diseases. Such applications would open up potential markets measured in the billions of dollars.

Product Synergy

There is clear synergy between the two products. Success in CDX conditioning should enable previously excluded patients to

join the pool looking for donors. This will feed the need for additional supplies of donor material such as Hu-PHECs.

Opportunities and Risks

Hemogenyx has accumulated an impressive body of data, providing strong proof of principle for the company's scientific approach. The products in development address a substantial opportunity in what is already a large and rapidly growing market. While its two lead products are independently viable, there is also substantial potential synergy, with one broadening demand and the other safely and efficiently providing supply. The products are disruptive to existing therapies, but are compatible with existing treatment paradigms and thus do not require physicians to adopt radically new therapeutic approaches. A focus on high need orphan indications should help accelerate clinical development as well as passage along the regulatory pathway.

While the company looks well placed to move forward, risks and uncertainties are considerable. While the data from the mouse models are highly encouraging, these models are clearly imperfect and the data generated within them is frequently not reproduced safely in human studies. Human immunotherapy is a highly complex area, where products frequently run into unforeseen issues of safety and efficacy upon entering clinical trials in human subjects. Human immunotherapy is also currently a very rapidly evolving area. Given that it could be at least 5 years before the Hemogenyx products reach the market, it is possible that the developments in other areas of immune or cell therapy will make the technologies obsolete.

Personnel

Hemogenyx has assembled an excellent team that combines outstanding science with expertise in clinical and commercial development.

Board of Directors

Vladislav Sandler Ph.D. - Co-Founder and proposed Chief Executive Officer

Dr. Vladislav Sandler is the Co-Founder and CEO of Hemogenyx and a research Assistant Professor at the State University of New York (SUNY) Downstate. Dr. Sandler is a widely published stem cell scientist with decades of experience in scientific research. In particular, Dr. Sandler has extensive experience developing novel methods of direct reprogramming of somatic cells into functional and engraftable hematopoietic stem cells, as well as developing novel sources of pluri- and multi-potent cells.

Dr. Sandler has conducted his research in Israel, Canada and the United States, including at the Children's Hospital at Harvard Medical School, the Salk Institute for Biological Sciences, Harvard University and Albert Einstein College of Medicine. He also led a team of scientists at Advanced Cell Technologies, Inc. and was most recently on the faculty of Weill Cornell Medical College. While at Cornell, Dr. Sandler made the significant discovery that the cells that give rise to blood stem cells during mammalian development continue to exist after birth, and he developed the method of isolation of these cells from humans. As a result of this important work, Dr. Sandler was awarded the inaugural Daedalus Fund Award for Innovation at Cornell. He went on to found Hemogenyx in order to further pursue this significant scientific discovery and his dedication to the translation of science into clinical practice.

Dr. Sandler has published numerous peer-reviewed papers, and has received a number of awards and fellowships for his scientific research. Dr. Sandler received his PhD from the University of British Columbia. He is a member of the International Society for Stem Cell Research.

Dr Sandler will be appointed as the Company's CEO from Admission.

Lawrence Pemble – proposed Chief Operating Officer

After serving for six years in the Royal Marine Commandos, Lawrence Pemble has over the past six years developed experience in establishing, financing and developing new businesses.

He has led financing rounds, M&A activities, worked for public companies and has held executive roles, up to and including CEO, for start-up and private equity backed ventures, both in private and public capacities.

He has worked extensively in the Private Equity industry, where he has held executive positions in life science and technology focused companies, most recently a Director of Blackcomb Technologies Limited, a Canadian private equity firm focused on military electronics and in Bonsai Capital Limited, a life sciences focused Private Equity company where he is currently a Director. Prior to this, he held a number of managerial and development positions in resources companies, in the gold and oil and gas sectors.

Mr Pemble will be appointed as Chief Operating Officer from Admission.

Dr Robin Campbell - proposed Chairman

Robin Campbell, PhD has more than 30 years' experience working in the pharmaceutical industry with large companies (Shell Research, Beecham International (now GSK)), start-ups (Porton International, PafraBio) and in investment banking primarily in life sciences investment research (including Credit Suisse, Jefferies).

Currently his specialty is searching out investable opportunities in the broader life sciences sector, and helping smaller companies raise growth capital. Robin has helped list a number of companies onto AIM and other international exchanges, advised companies on secondary fundraisings, private equity raises, M&A and has a broad reach into institutional and retail investor networks.

Initial roles in industry with, inter alia, Shell Research and Beecham International (now GSK) encompassed R&D, international strategic marketing and market access. He has also worked with start-ups such as Porton International and Pafra Biopreservation in business development roles. As a pharmaceutical and biotech analyst, his experience extends back more than twenty years with a range of firms including Credit Suisse First Boston, Hoare Govett and Jefferies International and more recently he has acted in a consultancy role in relation to a range of life sciences IPOs, AIM introductions and M&A activity.

He has a degree in Microbiology from King's College London, and a Ph.D. in Immunobiology from Liverpool University. Dr. Campbell currently advises a number of private and listed businesses in respect to strategic and financial market opportunities.

Dr Campbell will be appointed as Chairman from Admission.

Alexis M. Sandler - Co-Founder and COO

Alexis M. Sandler is the co-founder of Hemogenyx, for which she has served as the Chief Operating Officer. An attorney with fifteen years of experience in intellectual property and copyright, Ms. Sandler handles day-to-day legal and operational matters for the Company.

Ms. Sandler began her legal practice in Los Angeles at Hogan & Hartson LLP (now Hogan Lovells), specializing in media and intellectual property law. She then worked for several years at Katten Muchin Rosenman LLP representing studios, production companies, television networks, technology companies and other major media companies in all aspects of entertainment, media and intellectual property law. For three years, Ms. Sandler worked as the Director of Business and Legal Affairs for a division of the Fox Entertainment Group, where she advised the company on important intellectual property, corporate and other legal and business matters. Ms. Sandler went on to become the General Counsel at a Smithsonian affiliate museum in New York City, and is currently the Associate General Counsel at The Museum of Modern Art and the Secretary of the Board of Directors of its affiliate institution, MoMA PS1.

Ms. Sandler received her AB from Harvard University, her JD from the UCLA School of Law and her MA from New York University. She is a member of the State Bar of New York and the State Bar of California.

Ms. Sandler will be appointed as a non-executive director from Admission.

Advisory Board

Hemogenyx has established an Advisory Board. The Advisory Board will provide the Company with objectives and external perspectives and will also raise the Company's profile. Details of the Advisory Board Members are as follows:

Sir Marc Feldmann – Scientific Advisor and Chairman of the Board of Advisors

Professor Sir Marc Feldmann studied medicine at University of Melbourne, followed by a PhD with Sir Gus Nossal at the Walter and Eliza Hall Institute on in vitro immune responses and immune regulation.

His subsequent work in London led to the generation of a new hypothesis for mechanisms of autoimmunity, linking upregulated antigen presentation and cytokine expression. Testing this hypothesis led to the discovery with colleague Sir Ravinder Maini of the pivotal role of TNFa in the pathogenesis of rheumatoid arthritis. This major discovery has revolutionized therapy not only of rheumatoid arthritis but other chronic inflammatory diseases, and helped change the perception of monoclonal antibodies from niche products to main stream therapeutics. This has led to much scientific recognition for example election to the Royal Society, the National Academy of Sciences USA and the Australian Academy of Science, and major prizes: Crafoord Prize of the Royal Swedish Academy of Sciences, Albert Lasker Clinical Research Award and Gairdner Award. His current interests are to work with colleagues to define new treatments for major unmet needs, e.g. fibrosis, fractures cancer and atherosclerosis. The other major interest is towards more cost-effective therapy and trying to get closer to a cure for rheumatoid arthritis.

Dr. Alexander Tarakhovsky, M.D., Ph.D. - Scientific Advisor

Born in the former USSR, Dr. Tarakhovsky received his medical degree from the Kiev Medical Institute in Ukraine in 1978, and his Ph.D. from the Institute for Oncology at the Academy of Science in Kiev in 1982.

He has worked as a research associate at the Institute for Oncology, the Cancer Research Center in Moscow and the Institute for Molecular Genetics in Tallinn, Estonia. In 1992, he became a Humboldt Fellow and later a Research Associate at the Institute of Genetics at the University of Cologne, in Germany; he was promoted to group leader in 1994, and to tenured

Professor and Head of the Laboratory for Lymphocyte Signalling in 1996. He moved that lab to The Rockefeller University in 2000 when he was appointed Irene Diamond Associate Professor; he was named tenured full Professor in 2003. The laboratory's current interest is to identify the epigenetic mechanisms of adaptive and innate immune responses.

The most significant achievements in this direction include the identification of the role of histone lysine methyltransferase Ezh2 in antibody repertoire formation, discovery of a novel nuclear PKCd signalling pathway that causes autoimmunity, identifying the novel signalling pathway that utilizes lysine methylation for signal-dependent lymphocyte activation and the discovery of functional histone-like sequences (histone mimics) in non-histone mammalian and viral protein.

Koen Van Besien, M.D.,, Ph.D. - Clinical Advisor

Dr. van Besien is a graduate of University of Leuven, Belgium and holds a PhD from the University of Maastricht in the Netherlands. He is currently a Professor of Medicine and Director of the Stem Cell Transplant Program at NYP-Weill Cornell College of Medicine.

Dr. van Besien has established a national and international reputation with several research and clinical interests. He has devoted considerable efforts at developing novel treatment strategies for patients with recurrent lymphoma, including the introduction of novel drugs and treatment in salvage therapy and in transplant conditioning regimens. He also has developed novel methods of transplantation for those patients who lack matching donors.

He has over 200 publications in peer reviewed journals. He is a member of the editorial review boards of the journals, Bone Marrow Transplantation and Biology of Blood and Marrow Transplantation. He is also Editor in Chief of the journal Leukaemia and Lymphoma, a publication that has a 2015 impact factor of 3.1.

Mark Pykett, VMD, Ph.D. - Business Development Advisor

Dr. Pykett is the President and Chief Executive Officer of Agilis Biotherapeutics, LLC and he has two decades of experience in the pharmaceutical industry.

Previously he served as Chief Executive Officer of Navidea Biopharmaceuticals, a precision medicine company focused on oncology and neurology. Prior to Navidea, Dr. Pykett was President and Chief Operating Officer of Alseres Pharmaceuticals, a biotechnology company focused on neurodegenerative and central nervous system disorders.

Before Alseres, Dr. Pykett held senior executive roles at several public and private companies, including CEO of Cytomatrix and President of Cygenics, focused on a range of therapeutic areas, indications and products. Dr. Pykett has also served as a Director of several public and private companies, and of the not-for-profit organization HealthBuilders, developing health infrastructure in central Africa.

Dr. Pykett received a B.A. degree from Amherst College, a V.M.D. and Ph.D. from the University of Pennsylvania, and an M.B.A. from Northeastern University, and completed post-doctoral fellowships at the University of Pennsylvania and Harvard University

Jules Mitchel Ph.D. - Clinical Trials Advisor

Dr. Jules T. Mitchel is President of Target Health Inc., a New York City based CRO with expertise in Regulatory Affairs, including FDA interactions and all submissions, Strategic Planning, Clinical Research Management, Biostatistics and Data Management, Medical Writing, Good Manufacturing Practices (GMP) and other support services to the pharmaceutical industry.

Dr. Mitchel has broad base pharmaceutical experience in drugs, biologics, devices and diagnostics including three NDA submission, many FDA meetings and IND/IDE submissions, study reports, manuscripts and strategic planning. Areas of expertise include but are not limited to, Women's Health, Dermatology, Antimicrobials, Pharmacokinetics, Rheumatology, Ophthalmology, Natural Products, Oral Care, Oncology and Regulatory Affairs. Dr. Mitchel has held industry positions at American Home Products, Pfizer Laboratories and Pfizer Consumer Health Care and academic positions at New York Medical College, Cornell University School of Medicine and NYU School of Medicine.

Boris Shor, Ph.D. Corporate Development Advisor

Dr. Shor is Executive Director, R&D and Scientific Partnerships at Immune Pharmaceuticals in New York City, where he oversees the discovery and development of novel antibody-based therapies for the treatment of cancer and inflammatory diseases. Before joining Immune Pharma, Dr. Shor was a group leader at the Oncology Research Unit of Pfizer in New York.

While at Pfizer, he led internal and external collaboration project teams to develop novel antibody-drug conjugates (ADCs) and supported Biological License Application (BLA) filings with worldwide regulatory authorities. Prior to that, Dr. Shor served as a senior scientist and a project team leader at the department of Oncology Discovery at Wyeth Pharmaceuticals, managing the discovery and characterization of novel small molecule kinase inhibitors for the treatment of cancer. Dr. Shor received a Ph.D. in Molecular and Cell Biology at the State University of New York and performed a postdoctoral fellowship in the Inflammation Research team at Johnson & Johnson Pharmaceutical R&D prior to joining Pfizer. He is currently a

mentor to entrepreneurial academic researchers, early-stage biotechnology companies and is a life sciences investment advisor for a venture-capital fund.

Dr. Shor has nearly 15 years of experience in leading oncology discovery programs and external R&D partnerships at the large pharmas (Wyeth, Pfizer) and biotech startups (Immune Oncology, Hemogenyx, OmniCyte), with specific focus on preclinical development of small molecule inhibitors, biologics and nanoparticles. Most recently at Pfizer, Boris led cross-functional oncology research teams to develop novel antibody-drug conjugates and supported Biological License Application (BLA) filing for the late-stage therapeutics. Prior to that, Dr. Shor served as a project team leader at the department of Oncology Discovery at Wyeth Pharmaceuticals, managing the discovery and characterization of novel kinase inhibitors for the treatment of cancer. He currently serves on the executive management team of early-stage biotech companies and is a life sciences investment advisor for venture-capital funds. Dr. Shor received a Ph.D. in Molecular and Cell Biology at the State University of New York and performed a postdoctoral fellowship in the Inflammation Research team at Johnson & Johnson Pharmaceutical R&D prior to joining Pfizer.

Research and Development Team

Dr Cristine Chisholm Ph.D., Scientist

Dr Chisholm received a PhD in molecular biology from the University of Maryland where her work was focused on the role of kinase regulation on tumour suppressor stability in prostate cancer.

She then continued to the NIH for a postdoc, utilizing drug repurposing screens to overcome chemotherapy resistance in BRCA1 mutant breast cancer by targeting specific transporters in breast cancer stem cells. While at the NIH, she also investigated metastatic signatures and the role of P13K/mTOR signaling in the cytoskeletal remodeling and motility of chemotherapy-resistant breast cancer stem cells.

She has over ten years of management experience in the biotechnology industry, at both incubators and large biotechnology companies as an R&D and new product development scientist in oncology and infectious disease.

Dr Rita Simone Ph.D., Scientist

Rita received her PhD in “Internal Medicine, Autoimmunity and Gastro-Enteric diseases” from the University of Genoa, Italy.

She then continued to the Feinstein Institute for Medical Research as a postdoctoral fellow where she established a xenograft murine model of Chronic Lymphocytic Leukemia and studied immunomodulatory drug effects in vivo. She has published more than fifteen peer-reviewed scientific papers.

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PART V
THE COMPANY, PROPOSED BOARD AND CORPORATE GOVERNANCE

The Directors

The Directors of the Company following Admission will be:

- Peter Redmond – non-executive director.
- Adrian Beeston – non-executive director.
- Dr Vladislav Sandler – CEO.
- Alexis Sandler - non executive director.
- Lawrence Pemble – Chief Operating Officer.
- Dr Robin Campbell – Chairman.
- Timothy Le Druillenec – Finance Director

The biographies of each of the Directors and Proposed Directors are set out at Part I of this document.

Company Secretary

Timothy Le Druillenec is the Company's current company secretary and will continue in that position from Admission. He will also act as Finance Director.

Independence of the Board

The Directors consider that the board as a whole is independent from its major shareholders from Admission and that the oversight of Peter Redmond and Adrian Beeston as independent non-executive directors and the provisions of the Relationship Agreement (summarised at paragraph 13.4 of Part XV) will provide a good level of scrutiny and give adequate protections to minority shareholders in the Company. Dr Sandler and Alexis Sandler are husband and wife.

Directors' appointment arrangements and fees

The executive directors have each entered into service agreements with the Company and the non-executive directors have entered into letters of appointment with the Company, in each case to take effect from Admission. A summary of the principal terms is set out in the following table:

	Dr Vladislav Sandler (CEO)	**Lawrence Pemble (Chief Operating Officer)**	**Timothy Le Druillenec (Finance Director)**	**Dr Robin Campbell (Chairman)**
Salary (p.a.)	£1,500 for each day spent in the UK in relation to Hemogenyx	£40,000	£54,000	£45,000
Healthcare	Yes	No	No	No
Time Commitment	Full time (in his capacity as CEO of Hemogenyx LLC)	2 days per week	8 days per calendar month	1 day per week
Holiday (pa)	28 days pro-rata	28 days pro-rata	28 days pro-rata	28 days pro-rata
Term and Notice period	24 months' rolling	12 month initial term and then 3 months' notice	12 month initial term and then 3 months' notice	12 month initial term and then 3 months' notice
Bonus	None	None	None	None
Options	None	1 per cent. of the Company's issued share capital vesting over two years	None	1 per cent. of the Company's issued share capital vesting over two years

	Alexis Sandler	Adrian Beeston	Peter Redmond
Fee (p.a.)	US$12,000	£12,000	£36,000
Time Commitment	up to one day pcm	up to one day pcm	up to three days pcm
Term and Notice period	12 month initial term and then 3 months' notice	12 month initial term and then 3 months' notice	12 month initial term and then 3 months' notice
Bonus	None	None	None
Options	None	None	None

All such contracts impose certain restrictions as regards the use of confidential information and intellectual property and each of the executive directors' service contracts impose restrictive covenants which apply following the termination of the agreement.

In addition, Dr Vladislav Sandler has a separate contract with Hemogenyx LLC effective 19 June 2017 appointing him as CEO and Chief Scientific Officer of Hemogenyx LLC for a five year term and setting out his duties in relation to his day-to-day to work in connection with Hemogenyx's product candidates. Pursuant to this contract, Dr Sandler receives $120,000 per annum and four weeks' holiday a year. Dr Sandler is also subject to certain non-compete and non-interference covenants in the event of its termination (subject to certain limited exceptions).

Strategic decisions

Members and responsibility

The Directors are responsible for carrying out the Enlarged Group's objectives, implementing its business strategy and conducting its overall supervision. Strategic decisions will all be considered and determined by the Board.

The Board will provide leadership within a framework of prudent and effective controls. The Board will establish the corporate governance values of the Company and will have overall responsibility for setting the Company's strategic aims, defining the business plan and strategy and managing the financial and operational resources of the Company.

Advisory Board

The Advisory Board is composed of leading scientists, clinicians, commercial business and strategic management executives and has been established to provide the Company's management, and its executive and non-executive directors with guidance on various matters including its preclinical development programmes, potential commercial and competitive issues surrounding future licensing discussions and to enhance its awareness of technological and clinical advances in the fields of bone marrow and haematopoietic stem cell transplantation, advanced cellular therapies and relevant disease indications for application of its platform technologies.

The Advisory Board will meet at least twice a year, although additional meetings and 'ad-hoc' telephone meetings may be required as appropriate or when specific issues need the Advisory Board's attention.

The CEO will attend all advisory board meetings, with company scientists, executive and non-executive directors attending as and when appropriate.

Advisory board meetings will be scheduled in advance, on a rolling 12-month basis, with the agenda, meeting and presentational materials circulated to all members and attendees well in advance of the meeting dates.

Minutes from meetings will be circulated promptly to allow agreement on conclusions and in order to stimulate a frequent, open dialogue between CEO/management and the Advisory Board.

Each of the Advisory Board Members has entered into an advisory agreement with the Company. The terms of those agreements are summarised in the following table:

Advisory Board Member	*Fee*	*Options/Equity arrangements*	*Date and term*
Prof. Sir Marc Feldmann	None	Options representing 1.5% of the Company's Enlarged Issued Share Capital at Admission at the Placing Price vesting quarterly on a pro-rata basis over two years from Admission	From Admission for 2 years
Prof. Alexander Tarakhovsky	US$1,500 (pcm)	Options representing 0.75% of the Company's Enlarged Issued Share Capital at Admission at the Placing Price vesting quarterly on a pro-rata basis over two years from Admission	From Admission for 2 years
Prof. Koen Van Besien	US$1,500 (pcm)	Options representing 0.75% of the Company's Enlarged Issued Share Capital at Admission at the Placing Price vesting quarterly on a pro-rata basis over two years from Admission	From Admission for 2 years
Dr. Mark Pykett	US$1,500 (pcm)	Options representing 0.75% of the Company's Enlarged Issued Share Capital at Admission at the Placing Price vesting quarterly on a pro-rata basis over two years from Admission	From Admission for 2 years
Dr. Jules Mitchell	US$350 (ph)	None	From Admission for 2 years
Dr Boris Shor	US$1500 (pcm)	Options representing 0.75% of the Company's Enlarged Issued Share Capital at Admission at the Placing Price vesting quarterly on a pro-rata basis over two years from Admission	From Admission for 2 years

Each such advisory agreement contains customary non-disclosure provisions and a confirmation that the respective Advisory Board Member is an independent contractor and not an employee of the Company.

Frequency of meetings

The Board will schedule monthly meetings and will hold additional meetings as and when required.

Corporate governance

The Company will observe the requirements of the UK Corporate Governance Code. As at the date of this Document, the Company is, and at the date of Admission will be, in compliance with the UK Corporate Governance Code, save as set out below:

- The Company does not comply with the requirements of the UK Corporate Governance Code in relation to the requirement to have a senior independent director.

- The Company does not have an independent non-executive Chairman.
- The UK Corporate Governance Code also recommends the submission of all directors for re-election at annual intervals. Directors will be required to submit for re-election every three years from Admission.

Each of the Directors has been briefed on their obligations and has signed up to a protocol relating to the management and dissemination of confidential information so as to ensure that the Company and its Directors comply with the provisions of the Market Abuse Regulation and the requirement to ensure that any inside information and other confidential information remains properly collated, recorded and held confidential.

The Company will, from Admission, have established audit, remuneration and nomination committees.

Audit Committee

The Audit Committee has responsibility for, among other things, the monitoring of the integrity of the financial statements of the Company and its Enlarged Group and the involvement of the Group's auditors in that process. It focuses in particular on compliance with accounting policies and ensuring that an effective system of external audit and financial control is maintained, including considering the scope of the annual audit and the extent of the non-audit work undertaken by external auditors and advising on the appointment of external auditors. The ultimate responsibility for reviewing and approving the annual report and accounts and the half-yearly reports remains with the Board. The Audit Committee will meet at least three times a year at the appropriate times in the financial reporting and audit cycle.

On Admission, the members of the Audit Committee will be Peter Redmond, who will act as chairman of the committee, Adrian Beeston and Robin Campbell.

Remuneration Committee

The remuneration committee will review the performance of the executive directors and make recommendations to the Board on matters relating to their remuneration and terms of employment. The committee will also make recommendations to the Board on proposals for the granting of share awards and other equity incentives pursuant to any share award scheme or equity incentive scheme in operation from time to time. The Remuneration Committee will meet at least twice a year.

On Admission, the members of the Remuneration Committee will be Robin Campbell, who will act as chairman of the committee, Alexis Sandler and Peter Redmond.

Nomination Committee

The Nomination Committee is responsible for considering and making recommendations to the Board in respect of appointments to the Board, the Board committees and the chairmanship of the Board committees. It is also responsible for keeping the structure, size and composition of the Board under regular review, and for making recommendations to the Board with regard to any changes necessary, taking into account the skills and expertise that will be needed on the Board in the future. The Nomination Committee will meet at least once a year.

On Admission, the members of the Nomination Committee will be Alexis Sandler, Peter Redmond and Robin Campbell.

Share dealings

With effect from Admission, the Board will adopt a dealing policy for Directors' dealings and a share dealing procedures manual based on the precedents produced by Institute of Chartered Secretaries and Administrators and which are compliant with the provisions of the Market Abuse Regulation. The Board will be responsible for taking all proper and reasonable steps to ensure compliance with this dealing code by the Directors, other persons discharging managerial responsibilities within the Enlarged Group and their persons closely associated.

Options

The Company has established an option pool pursuant to which it can issue options over Ordinary Shares representing 10 per cent. of the Enlarged Issued Share Capital. Pursuant to this option pool it has issued options over Ordinary Shares effective on Admission to certain members of the Advisory Board (as noted in this Part V), Lawrence Pemble, Dr Robin Campbell and to two employees.

The terms of the options for the Advisory Board members and the employees provide for quarterly vesting of the options to subscribe for Ordinary Shares so long as the relevant optionholder remains an employee, advisory board member of the Company (as the case may be). The exercise price for each option share is the Placing Price and the options are capable of

exercise at any time following vesting. The Advisory Board members have each agreed to be restricted from dealing in any Ordinary Shares received as a result of exercising any vested options for a 12 month period from Admission,

Lawrence Pemble and Dr Robin Campbell have each been awarded options over 1 per cent. of the Enlarged Issued Share Capital. The terms of such options provide for vesting of 25 per cent. of the outstanding options to subscribe for Ordinary Shares on each of the following events/dates: (i) Admission; (ii) on the date falling six months after Admission; (iii) on the date falling 12 months after Admission; and (iv) on the date falling 24 months after Admission, so long as the optionholder remains a director of the Company on the relevant date. The exercise price for each option share is the Placing Price. Each of Lawrence Pemble and Dr Robin Campbell are restricted from dealing in any Ordinary Shares received as a result of exercising any vested options for a 12 month period from Admission. As directors they are also subject to any restrictions under the Company's share dealing code from exercising vested options.

Following such option awards, the Company will have headroom to issue options over Ordinary Shares representing 3.1 per cent. of the Enlarged Issued Share Capital.

PART VI
THE ACQUISITION

The Company and each of the Sellers have entered into the SPA in respect of the sale and purchase of the entire issued share capital of Hemogenyx Pharmaceuticals Limited by the Company. The consideration for the Target Shares is £8,000,000 to be satisfied by the issue and allotment to the Sellers of, in aggregate, 228,571,428 Consideration Shares in the Company.

Completion of the SPA is conditional upon:

- the Placing Agreement becoming unconditional in all respects save for Admission;
- Admission taking place before the Long Stop Date (being 30 October 2017);
- the despatch by the Company to its shareholders of this Prospectus;
- the SPA not having been terminated;
- the Resolutions being passed at the General Meeting;
- no notice to terminate, or amend, or no notice of any breach or non-fulfilment of any material term of a material contract of Hemogenyx Pharmaceuticals Limited or Hemogenyx LLC;
- no person (being a governmental or regulatory authority):
    - having commenced, or threatened to commence, any proceedings or investigation for the purpose of prohibiting or otherwise challenging or interfering with the sale of Hemogenyx; or
    - having taken or threatened to take any action as a result of or in anticipation of the sale of Hemogenyx that would be materially inconsistent with any of the warranties given by the Sellers; or
    - having enacted or proposed any legislation (including any subordinate legislation) which would prohibit, materially restrict or materially delay the implementation of the sale of Hemogenyx or its operations.

If any of these conditions has not been fulfilled or waived by the Long Stop Date (or such later date as may be agreed between the parties to the SPA) then the SPA shall cease to have effect.

Provided that all of the conditions are satisfied (other than the Admission condition), completion of the sale of the Target shall take place in escrow on the business day immediately prior to the proposed date of Admission or such other time as may be agreed between the parties to the SPA. Provided certain criteria are met, completion of the sale of the Target then occurs automatically on Admission.

The Sellers will undertake to the Company to use their rights and controls as directors and/or shareholders of the Target to procure that, so far as is reasonably practicable, that all times from the date of the SPA until completion of the sale, the Target shall carry on its business in the normal and ordinary course with a view to profit and so as to maintain the same as a going concern and shall not undertake certain actions without the consent of the Company.

The SPA contains a customary set of warranties from the Warrantors, including business warranties in respect of insurance, litigation and disputes, material contracts, the effect of sale of the Target Shares, the accounts, assets and tax. In addition, all Sellers give fundamental title and capacity warranties in relation to their respective Target Shares.

The Company has agreed to give certain warranties to the Sellers in respect of the Consideration Shares, litigation, accounts, the Placing Agreement and this Prospectus.

The Sellers have agreed to enter into non-compete and non-solicit restrictions for a period of 2 years from completion of the SPA.

PART VII
THE PLACING AND THE SUBSCRIPTION

Description of the Placing and the Subscription

Under the terms of the Placing Agreement, Optiva and Shard and Peterhouse, as agents for the Company, have agreed procure investors for Placing Shares at the Placing Price of £0.035, which is expected to raise gross proceeds of £1.74m.

In addition, the Company is receiving direct subscriptions from Subscribers for Subscription Shares at the Placing Price, which is expected to raise gross proceeds of £260,000.

Such Ordinary Shares will constitute 16 per cent. of the enlarged Ordinary Share Capital after the Placing and issue of the Consideration Shares, SF Director Shares and the shares to be issued to Peterhouse. The market capitalisation of the Company is expected to be £12.46m on Admission.

The Directors have received irrevocable undertakings from potential Investors to subscribe for the Placing Shares and the Subscription Shares. The undertakings are unconditional and may not be withdrawn other than on a failure by the Company to achieve Admission by 30 October 2017.

Under the terms of the Placing Agreement, the Company has agreed to pay each of Optiva, Shard and Peterhouse a commission of 5 per cent. of the funds raised by each of them respectively in the Placing and 1 per cent. in relation to funds introduced by the Directors and certain other parties. In addition, the Company will issue warrants to subscribe for Ordinary Shares to each of Optiva, Shard and Peterhouse equal to 2 per cent. of the respective Placing Shares placed by them. Such warrants will be capable of exercise for three years from Admission at a 50 per cent. premium to the Placing Price (i.e. £0.0525).

Each Placee and Subscriber will also be due to receive the Lock-in Warrants if they meet the qualifying criteria under the terms of the Lock-in Warrant Instrument. Further details of the Lock-in Warrants are set out at paragraph 13.6 of Part XV (*Additional Information*).

The Placing Agreement contains certain warranties given by the Company and certain Directors and Proposed Directors to each of Optiva, Shard and Peterhouse in respect of the Company, the Acquisition and the Enlarged Group. In addition the Company has agreed to indemnify Optiva, Shard and Peterhouse on the terms of an indemnity customary for such agreements.

The Placing and Subscription are conditional and Optiva, Shard and Peterhouse's obligations in relation to the Placing are also conditional on, *inter alia*, Admission having become effective on or before 8.00 a.m. on 5 October 2017 (or such later date as the Company and Optiva, Shard and Peterhouse may determine). Each of Optiva, Shard and Peterhouse has the right to terminate the Placing Agreement prior to Admission in the event of material breach of the Agreement and in certain *force majeure* circumstances. If the Placing Agreement is terminated, the Placing will not proceed and no Placing Shares will be issued. In such circumstances the Company will not proceed with the Subscription.

The Company intends to apply the Net Proceeds in pursuit of the objectives set out in Part I (*The Company, the Acquisition and the Enlarged Group*).

The Ordinary Shares have not been and will not be registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States and may not be, offered, sold, resold, transferred, delivered or distributed, directly or indirectly, within, into or in the United States except pursuant to an exemption from, or in a transaction that is not subject to, the registration requirements of the Securities Act and in compliance with the securities laws of any state or other jurisdiction of the United States.

The Placing and Subscription are being made by means of an offering of the Placing Shares to certain institutional and other qualifying investors in the United Kingdom.

Certain restrictions that apply to the distribution of this Prospectus and the New Ordinary Shares being issued under the Placing and Subscription in certain jurisdictions are described in the section headed Part XVI (*Notices to Investors)*. Certain selling and transfer restrictions are also contained in that Part.

Admission is expected to take place and unconditional dealings in the Placing Shares and Subscription Shares are expected to commence on the London Stock Exchange on 5 October 2017. All dealings in Placing Shares and Subscription Shares prior to the commencement of unconditional dealings will be on a "when issued basis", will be of no effect if Admission does not take place, and will be at the sole risk of the parties concerned. No application has been or is currently intended to be made

for the Ordinary Shares to be admitted to listing or dealt with on any other stock exchange. The Placing Shares and Subscription Shares will be registered with ISIN GB00BYX3WZ24 and SEDOL number BYX3WZ2.

Allocation

Allocations under the Placing will be determined by Optiva, Shard and Peterhouse and the Company as determined by the Placing Agreement. A number of factors will be considered in deciding the basis of allocation under the Placing, including the level and nature of the demand for the Placing Shares. Allocations under the Subscription will be determined by the Company.

All New Ordinary Shares issued pursuant to the Placing and Subscription will be issued, payable in full, at the Placing Price.

The Ordinary Shares issued pursuant to the Placing and the Subscription will be issued in registered form. It is expected that the Ordinary Shares will be issued pursuant to the Placing and the Subscription on 5 October 2017.

Dealing arrangements

Application has been made to the UK Listing Authority for all the Ordinary Shares to be listed on the Official List and application has been made to the London Stock Exchange for the Ordinary Shares to be admitted to trading on the London Stock Exchange's main market for listed securities.

The expected date for settlement of such dealings will be 5 October 2017. All dealings between the commencement of conditional dealings and the commencement of unconditional dealings will be on a "when issued basis". If the Placing does not become unconditional in all respects, any such dealings will be of no effect and any such dealings will be at the risk of the parties concerned.

It is expected that Admission will take place and unconditional dealings in the Placing Shares and the Subscription Shares will commence on the London Stock Exchange at 8.00 a.m. on 5 October 2017. This date and time may change.

It is intended that settlement of Ordinary Shares allocated to Investors who wish to hold shares in uncertificated form will take place through CREST on Admission. It is intended that, where applicable, definitive share certificates in respect of the Placing and Subscription will be distributed from 9 October 2017 or as soon as practicable thereafter. Temporary documents of title will not be issued. Dealings in advance of crediting of the relevant CREST stock account shall be at the risk of the person concerned.

CREST

CREST is the system for paperless settlement of trades in listed securities operated by Euroclear. CREST allows securities to be transferred from one person's CREST account to another's without the need to use share certificates or written instruments of transfer.

The Articles permit the holding of Ordinary Shares in uncertificated form under the CREST system.

Application has been made for the Placing Shares and the Subscription Shares to be admitted to CREST with effect from Admission. Accordingly, settlement of transactions in the Placing Shares and the Subscription Shares following Admission may take place within the CREST System if a Shareholder so wishes. CREST is a voluntary system and holders of Ordinary Shares who wish to receive and retain share certificates will be able to do so. An Investor applying for Placing Shares in the Placing or Subscription Shares in the Subscription may elect to receive their Ordinary Shares in uncertificated form in the form if the Investor is a system member (as defined in the CREST Regulations) in relation to CREST.

PART VIII
SHARE CAPITAL, LIQUIDITY AND CAPITAL RESOURCES AND ACCOUNTING POLICIES

Share capital

The Company was incorporated on 13 February 2013 under the Companies Act.

Details of the current issued share capital of the Company are set out in paragraph 3.1 of Part XV – (*Additional Information*). Immediately following Admission, the Enlarged Issued Share Capital is expected to be £3,560,428.56 of Ordinary Shares (divided into 356,042,856 issued Ordinary Shares of £0.01 each).

All of the issued Ordinary Shares will be in registered form, and capable of being held in certificated or uncertificated form. The Registrar will be responsible for maintaining the share register. Temporary documents of title will not be issued. The ISIN of the Ordinary Shares is GB00BYX3WZ24. The SEDOL number of the Ordinary Shares is BYX3WZ2.

Financial position

The Company was listed on the Main Market as a special purpose acquisition vehicle having raised £1.515m (before expenses). As at 7 September 2017 its cash balance was c.£915,000. Hemogenyx Pharmaceutical's cash balance (including for this purpose cash held by Hemogenyx LLC) as at 7 September 2017 was c.$35,000.

If the Acquisition, Placing, Subsciption and Admission had taken place on 31 December 2016 (being the latest date to which the Historical Financial Information is compiled), the net assets of the Company would have increased by £1.772m due to the Net Proceeds and the cash in Target.

Liquidity and capital resources

Sources of cash and liquidity

The Enlarged Group's initial primary source of cash will be the Net Proceeds of which are, in aggregate, expected to be £1.685m. The Company will require further fundraising (which may be by way of debt or equity) in order to commence full human trials but this stage will not be reached until at least 18 months from Admission.

Cash uses

The Company's principal use of cash (including the Net Proceeds) will be as working capital and to finance the Clinical Trials. The Company's current intention is to retain earnings for use in its business operations and it does not anticipate declaring any dividends in the foreseeable future.

Hedging arrangements and risk management

The Company may use forward contracts, options, swaps, caps, collars and floors or other strategies or forms of derivative instruments to limit its exposure to changes in the relative values of investments that may result from market developments, including changes in prevailing interest rates and currency exchange rates, as previously described. It is expected that the extent of risk management activities by the Company will vary based on the level of exposure and consideration of risk across the business.

The success of any hedging or other derivative transaction generally will depend on the Company's ability to correctly predict market changes. As a result, while the Company may enter into such a transaction to reduce exposure to market risks, unanticipated market changes may result in poorer overall investment performance than if the transaction had not been executed. In addition, the degree of correlation between price movements of the instruments used in connection with hedging activities and price movements in a position being hedged may vary. Moreover, for a variety of reasons, the Company may not seek, or be successful in establishing, an exact correlation between the instruments used in a hedging or other derivative transactions and the position being hedged and could create new risks of loss. In addition, it may not be possible to fully or perfectly limit the Company's exposure against all changes in the values of its assets, because the values of its assets are likely to fluctuate as a result of a number of factors, some of which will be beyond the Company's control.

Accounting policies and financial reporting

The Company's financial year end on incorporation and as at its IPO was 28 February in each year. However, the Company shortened the year of the year which was to end on 28 February 2016 so it ended on 31 December 2015 and so the Company's financial year end will be 31 December in each year. The Company's accounts for the shortened ten month period to 31 December 2015 were sent to Shareholders in June 2016.

The first set of audited annual consolidated financial statements for the Company and its Enlarged Group after Admission will be for the period from 1 January 2017 to 31 December 2017 and will be sent to Shareholders no later than 30 April 2018.

The Company will produce and publish half-yearly financial statements as required by the Disclosure Guidance and Transparency Rules. The Company will present its financial statements in accordance with IFRS as adopted by the European Union.

PART IX
OPERATING AND FINANCIAL REVIEW FOR THE HEMOGENYX GROUP

Description of Hemogenyx Pharmaceuticals Limited

Hemogenyx Pharmaceuticals Limited (whose name is to be changed to Hemogenyx UK Limited) will become the holding company of Hemogenyx LLC pursuant to the Share Exchange Agreement which will complete following the passing of the Resolutions. Pursuant to the Share Exchange Agreement, the Unitholders in Hemogenyx LLC will exchange their units in Hemogenyx LLC for shares in Hemogenyx Pharmaceuticals Limited. Further details of the Share Exchange Agreement are set out in paragraph 14.6 of Part XV (*Additional Information)*.

Operating review for Hemogenyx LLC

Dr. Vladislav Sandler earned his PhD from University of British Columbia in 1999. Dr. Sandler received his post-doctoral training at Children's Hospital, Harvard Medical School (Laboratory of Dr. David Clapham, currently vice president and chief scientific officer of Howard Hughes Medical Institute) and The Salk Institute for Biomedical Sciences (Laboratory of Dr. Fred (Rusty) Gage) where he studied properties of neuronal stem cells. From there Dr. Sandler moved to work at Harvard University developing new methods of cell reprogramming by somatic cell nuclear transfer. Dr. Sandler continued this line of studies working for Advanced Cell Technology as a senior scientist.

In 2007 Dr. Sandler returned to academia as a faculty member at Albert Einstein College of Medicine and later at Weill Cornell Medical College where he developed new methods for the reprograming of somatic cells into functional hematopoietic stem cells. While at Weill Cornell Medical College, Dr. Sandler discovered postnatal hemogenic endothelial cells ("**Hu-PHEC**").

Cornell University filed a patent application claiming methods of prospective isolation and use of these cells for hematopoietic reconstitution in 2013. An exclusive worldwide licence for this patent was granted to Hemogenyx in the end of 2014. This technology that is being developed by Hemogenyx has been reviewed and received by an independent advisory committee comprised of recognised scientific and thought leaders drawn from the biopharmaceutical industry, the venture capital community and the Weill Cornell Medical College faculty.

In 2014, Dr. Sandler received the Daedalus Award for Innovation, a grant awarded to him specifically to pursue the very Hu-PHEC cell-related research and treatments that Hemogenyx is undertaking. This technology, which is being developed by, Hemogenyx has been reviewed and enthusiastically received by an independent advisory committee comprised of recognised scientific and thought leaders drawn from the biopharmaceutical industry, the venture capital community and the Weill Cornell Medical College faculty.

Hemogenyx led by Dr. Sandler was one of 11 winning finalists in the inaugural 2013 43North business competition, the largest such competition in the world, which attracted almost 7,000 companies from 96 countries and all 50 states. Among the many benefits of winning the 43North competition, Hemogenyx received a $250,000 investment from the Empire State Development Corporation.

In January 2015 Hemogenyx established a lab at the New York State Center of Excellence in Informatics and Life Sciences. Collaboration with scientists from Roswell Park Cancer Institute allowed Hemogenyx to get access to state of the art facilities and instrumentation of the Institute which proved to be indispensable for successfully completing proof of the principle studies of Hu-PHEC. Hemogenyx has also entered into a material transfer agreement with Kaleida Health, the largest healthcare provider in Western New York, to supply Hemogenyx with fresh human tissues for isolation of Hu-PHEC in research purposes through Keleida's owned Women and Children's Hospital of Buffalo. Hemogenyx received an Investigational Review Board ("**IRB**") approval, through collaboration with the University at Buffalo, for use of umbilical cords, cord blood and placentas for research purposes.

In February 2016 Hemogenyx received a $1,000,000 investment from Bonsai Capital. This allowed the company in March 2016 to establish an advanced research laboratory at the Downstate Biotechnology Incubator, Brooklyn, New York. The laboratory is equipped with the state-of-the-art equipment including four-laser thirteen-colour fluorescent cytometer, tissue culture equipment (including tissue culture incubators and a biosafety hood), centrifuges, liquid nitrogen cell storage and advanced fluorescent and wide field microscopes, all the equipment necessary for successful completion of pre-clinical studies. Simultaneously, Dr. Sandler received an appointment as Research Assistant Professor at SUNY Downstate. Further, Hemogenyx has entered into an agreement with SUNY Downstate that allows it to use the university's animal facility to conduct preclinical studies.

To advance towards clinical trials of Hu-PHEC based product candidates, Hemogenyx applied and received from the FDA orphan drug designation ("**ODD**") of Adult Hemogenic Endothelial Cells for the treatment of Aplastic Anaemia.

To ensure freedom to operate Hemogenyx secured an exclusive, worldwide, sub-licensable license to the inventions disclosed in PCT Patent Application No. PCT/US2014/065469 entitled: POST-NATAL HEMATOPOETIC CELLS AND THEIR ISOLATION AND USE made during the course of research at Cornell by Dr. Sandler. The PCT is filed in US, Canada, Japan, EU, Israel, China, Australia. This patent covers the prospective isolation of Post-natal Hemogenic Endothelium (that is, Hu-PHEC cells) and methods for its use, including for hematopoietic transplantation. The term of the license is for the life of the patent.

Hemogenyx has filed a provisional patent application covering use of CDX antibodies for conditioning of patients for BM/HSC transplantation. "Method of Eliminating Hematopoietic Stem Cells/Hematopoietic Progenitors (HSC/HP) in a Patient Using Bi-Specific Antibodies" Application No.: 62/317,906; Filed on April 4, 2016; GRR Ref.: 6944-002. On April 4 2017, a PCT (Patent Cooperation Treaty) application was filed by Hemogenyx to extend the CDX Patent. The additional claims protect certain sequences of several high quality clones discovered and validated by Hemogenyx LLC. The claim extension transforms the original "method" provisional patent application into a "composition matter" PCT application.

Direct investment from Bonsai Capital in 2015 allowed Hemogenyx to conduct rigorous proof of the principle studies and demonstrate that Hu-PHEC cells derived from human umbilical cord engraft in immune-compromised mice generating all major human hematopoietic lineages. The details of the Bonsai Capital investment are set out at paragraph 14.5 of Part XV of this document.

The Bonsai Capital investment allowed Hemogenyx to validate its CDX antibodies *in vitro* and *in vivo* in humanized animal models.

PART X
HISTORICAL FINANCIAL INFORMATION OF THE COMPANY

1. **Background**

The audited financial statements of the Company for the year ended 28 February 2015 were included in Silver Falcon plc's IPO prospectus dated 3 November 2015 (the "**IPO Prospectus**") and are incorporated by reference into this Prospectus.

The audited financial statements of the Company for the shortened year ended 31 December 2015 and the year ended 31 December 2016, as set out in the Company's 2015 annual report and accounts and 2016 annual report and accounts respectively, are incorporated by reference into this Prospectus.

2. **Cross Reference List**

The following list is intended to enable investors to identify easily specific items of information which have been incorporated by reference into this Prospectus:

IFRS financial statements for the shortened year ended 31 December 2016 and the audit report thereon

The page numbers below refer to the relevant pages of the annual report and accounts of the Company for the shortened financial year ended 31 December 2016:

- independent auditors' report—pages 20-24;
- statement of comprehensive income—page 25;
- statement of cash flows—page 28;
- balance sheet—page 26;
- statement of changes in equity—page 27; and

notes to the financial statements (including a summary of significant accounting policies)—pages 29-42, and in particular note 11 at page 39 in relation to related party disclosures

IFRS financial statements for the shortened year ended 31 December 2015 and the audit report thereon

The page numbers below refer to the relevant pages of the annual report and accounts of the Company for the shortened financial year ended 31 December 2015:

- independent auditors' report—pages 21-25;
- statement of comprehensive income—page 26;
- statement of cash flows—page 29;
- balance sheet—page 27;
- statement of changes in equity—page 28; and
- notes to the financial statements (including a summary of significant accounting policies)—pages 30-41, and in particular note 11 at page 38 in relation to related party disclosures.

IFRS financial statements for the year ended 28 February 2015 and the audit report thereon

The page numbers below refer to the relevant pages of IPO Prospectus:

- independent auditors' report—pages 46-47;
- statement of financial position—page 48;
- statement of comprehensive income—page 48;
- statement of cash flows—page 48;
- statement of changes in equity—page 49; and
- notes to the financial statements (including a summary of significant accounting policies)—pages 49-50.

The historical financial information referred to in this part X is available to view and download from www.silverfalconplc.com and therefore has not been reproduced in this Document.

Shareholders may request a hard copy of the financial information from the Company's registered office or alternatively by telephone on +44 (0)207 976 6381. Hard copies of the financial information will be despatched as soon as possible, and in any event, within two business days of a receipt of a request. Shareholders who do not make a request will not been sent hard copies of the financial information,

PART XI
SECTION A

ACCOUNTANT'S REPORT ON THE SPECIAL PURPOSE HISTORICAL FINANCIAL INFORMATION OF HEMOGENYX LLC

PKF Littlejohn LLP

The Directors
Silver Falcon Plc
5 Fleet Place
London
EC4M 7RD

Dear Sirs

Hemogenyx LLC

Introduction

We report on the financial information of Hemogenyx LLC ("**Financial Information**") set out below in Section B of this Part XI. This Financial Information has been prepared for inclusion in the prospectus dated 8 September 2017 (the "**Prospectus**") of Silver Falcon Plc ("the **Company**") on the basis of the accounting policies set out in Note 2 of the Financial Information. This report is required by Annex 1 item 20.1 of Commission Regulation (EC) No. 809/2004 and is given for the purpose of complying with that requirement and for no other purpose.

Responsibilities

The directors of the Company (the "**Directors**") are responsible for preparing the Financial Information in accordance with International Financial Reporting Standards as adopted by the European Union ("**IFRS**").

It is our responsibility to form an opinion on the Financial Information and to report our opinion to you.

Save for any responsibility arising under Prospectus Rule 5.5.3R (2) (f) to any person as and to the extent there provided, and save for any responsibility that we have expressly agreed in writing to assume, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with Annex I item 23.1 to Commission regulation (EC) 809/2004, consenting to its inclusion in the Prospectus.

Basis of opinion

We conducted our work in accordance with Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom. Our work included an assessment of evidence relevant to the amounts and disclosures in the financial information. It also included an assessment of significant estimates and judgements made by those responsible for the preparation of the Financial Information and whether the accounting policies are appropriate to the entity's circumstances, consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Financial Information is free from material misstatement whether caused by fraud or other irregularity or error.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in other jurisdictions and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Opinion

In our opinion, the Financial Information gives, for the purposes of the Prospectus dated 8 September 2017 a true and fair view of the state of affairs of Hemogenyx LLC as at 31 December 2014, 2015 and 2016 and of its loss, cash flows and changes in equity for the period then ended in accordance with IFRS as adopted by the European Union.

Declaration

For the purposes of Prospectus Rule 5.5.3R (2)(f) we are responsible for this report as part of the Prospectus and declare that we have taken all reasonable care to ensure that the information contained in this report is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the Prospectus in compliance with Annex I item 1.2 of Commission Regulation (EC) 809/2004.

Yours faithfully

PKF Littlejohn LLP
Reporting Accountants
Date: 8 September 2017

PART XI
SECTION B

HISTORICAL FINANCIAL INFORMATION ON HEMOGENYX LLC

STATEMENT OF COMPREHENSIVE INCOME

	Note	Year ended 31 December 2016 USD	Year ended 31 December 2015 USD	Period ended 31 December 2014 USD
Revenue		-	10,095	-
Administrative expenses	7	(603,479)	(260,584)	-
Depreciation expense		(16,028)	-	-
Loss on ordinary activities before interest		**(619,507)**	**(250,489)**	**-**
Interest expense		(16,250)	(16,250)	-
Loss Before Income Tax		**(635,757)**	**(266,739)**	**-**
Income tax		-	-	-
Loss for the period		**(635,757)**	**(266,739)**	**-**
Total Comprehensive Loss for the period		**(635,757)**	**(266,739)**	**-**
Loss per membership unit, basic and fully diluted	11	**(0.05)**	**(0.02)**	**-**

STATEMENT OF FINANCIAL POSITION

	Note	As at 31 December 2016	As at 31 December 2015	As at 31 December 2014
ASSETS		**USD**	**USD**	**USD**
Non-Current Assets				
Fixed assets, net of depreciation	8	216,955	-	-
Intangible assets	8	347,500	347,500	-
Total Non-Current Assets		**564,455**	**347,500**	**-**
Current Assets				
Cash and cash equivalents		113,905	70,145	100
Other receivables		200,000	-	-
Prepaid expenses		-	61,124	-
Total Current Assets		**313,905**	**131,269**	**100**
Total Assets		**878,360**	**478,769**	**100**
EQUITY AND LIABILITIES				
Equity Attributable to Owners				
Paid-in capital	11	1,381,500	381,500	-
Retained loss		(902,496)	(266,739)	-
Total Equity		**479,004**	**114,761**	**-**
Current Liabilities				
Trade and other payables	9	26,856	7,758	100
Current borrowings	9	372,500	16,250	-
Total Current Liabilities		**399,356**	24,008	100
Non-Current Liabilities				
Borrowings	9	-	340,000	-
Total Non-Current Liabilities		**-**	**340,000**	**-**
Total Liabilities		**399,356**	**364,008**	**100**
Total Equity and Liabilities		**878,360**	**478,769**	**100**

STATEMENT OF CHANGES IN EQUITY

STATEMENT OF CHANGES IN EQUITY	Class A Units	Class B Units	Paid-in capital (USD)	Retained loss (USD)	Total Equity (USD)
At incorporation	11,264,400	-	-	-	-
Total comprehensive profit/(loss) for the period ended 31 December 2014	-	-	-	-	-
Balance as at 31 December 2014	**11,264,400**	**-**	**-**	**-**	**-**
Equity investment in the period	720,000	-	300,000	-	300,000
Units issued in exchange for services	673,292	-	81,500	-	81,500
Total comprehensive loss for the year ended 31 December 2015	-	-	-	(266,739)	(266,739)
Balance as at 31 December 2015	**12,657,692**	**-**	**381,500**	**(266,739)**	**114,761**
Equity investment in the period	-	8,769,230	1,000,000	-	1,000,000
Units issued to retain contractual ownership percentage	496,154	-	-	-	-
Total comprehensive loss for the year ended 31 December 2016	-	-	-	(635,757)	(635,757)
Balance as at 31 December 2016	**13,153,846**	**8,769,230**	**1,381,500**	**(902,496)**	**479,004**

STATEMENT OF CASH FLOWS

STATEMENT OF CASH FLOWS	Year ended 31 December 2016	Year ended 31 December 2015	Period ended 31 December 2014
	USD	USD	USD
Cash flows generated from operating activities			
Loss before income tax	(635,757)	(266,739)	-
Non-cash investment by consultants	-	81,500	-
Increase in trade and other payables	35,348	363,908	100
Increase in trade and other receivables	(138,876)	(61,124)	-
Depreciation expense	16,028	-	-
Net cash outflow used in operating activities	**(723,257)**	**117,545**	**100**
Cash flows generated from investing activities			
Purchase of intangible assets	-	(347,500)	-
Purchase of equipment	(232,983)	-	-
Net cash outflow generated from investing activities	**(232,983)**	**(347,500)**	**-**
Cash flows generated from financing activities			
Proceeds from equity investment	1,000,000	300,000	-
Net cash flow generated from financing activities	**1,000,000**	**300,000**	**-**
Net increase in cash and cash equivalent	**43,760**	**70,045**	**100**
Cash and cash equivalents at the beginning of the period	70,145	100	-
Cash and cash equivalents at the end of the period	**113,905**	**70,145**	**100**

NOTES TO THE HISTORICAL FINANCIAL INFORMATION

1 General information

The Company was incorporated on 27 December 2013 as Hemogenyx LLC in the State of Delaware, USA. The address of its registered office is 9 East Loockerman Street, Suite 3A in the City of Dover, County of Kent, Zip Code 19901. The Company remained dormant from incorporation until it commenced trading in January 2015.

The Historical Financial Information is presented in US Dollars ('**USD'**), which is Hemogenyx LLC functional and presentational currency.

Hemogenyx LLC operates in the biopharmaceutical industry developing a new treatment for blood diseases, such as leukaemia, lymphoma and bone marrow ("**BM**") failure.

2 Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards ("**IFRSs**") as issued by the International Accounting Standards Board ("**IASB**").

The financial statements have been prepared under the historical cost convention basis, as modified by the revaluation of financial assets and liabilities at fair value through profit or loss.

The preparation of financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts in this historical financial information. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Judgments made by management in the application of IFRSs that have significant effect on the financial statements and major sources of estimation uncertainty are discussed in note 5 in the financial statements.

Hemogenyx LLC has adopted all applicable IFRSs in force as at 31 December 2016 and 2015.

Hemogenyx LLC has not applied any new or revised IFRSs that are not yet effective for the accounting year ended 31 December 2016, 2015 and 2014. The Directors believe that these new and revised standards are not expected to have a material impact on the Company's results or members' funds.

3 Going concern

The Directors, having made appropriate enquiries, consider that adequate resources exist for Hemogenyx LLC to continue in operational existence for the foreseeable future and that, therefore, it is appropriate to adopt the going concern basis in preparing these historical financial statements.

4 Significant accounting policies

Segment reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with other components of the Company. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The Company's Chief Executive Officer, Dr. Vladislav Sandler, is responsible for allocating resources and assessing performance of the operating segments. There is only one operating segment for Hemogenyx LLC.

Foreign currency

(a) Functional and presentation currency

Items included in the financial statements of Hemogenyx LLC are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements are presented in US Dollar ("**USD**"), which is the Company's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income, except when deferred in other comprehensive income as qualifying cash flow hedges and qualifying net investment hedges.

Foreign exchange gains and losses that relate to borrowings and cash and bank balances are presented in the statement of comprehensive income within "finance income or cost". All other foreign exchange gains and losses are presented in the statement of comprehensive income within "administrative expense" or "other income".

Changes in the fair value of monetary securities denominated in foreign currency classified as available for sale are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security. Translation differences in respect of changes in amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in other comprehensive income.

Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets, such as equities classified as available for sale, are included in other comprehensive income.

Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and rendering of services in the ordinary course of the Company's activities. Revenue is shown net of business tax, value-added tax, rebates and discounts.

Hemogenyx LLC recognises revenue when the amount of revenue and related cost can be reliably measured, it is probable that future economic will flow to the entity and when specific criteria have been met for each of the Company's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. Hemogenyx LLC bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Taxation

The tax expense represents the sum of tax currently payable and deferred tax.

Current tax

Tax currently payable is based on taxable profit for the year and is calculated using tax rates enacted or substantively enacted at the statement of financial position date. Taxable profit differs from accounting profit either because items are taxable or deductible in periods different to those in which they are recognised in the accounts or because they are never taxable or deductible

Intangibles

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful economic life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Intellectual Property - The useful economic life of the intellectual property will be estimated once it is brought into use.

Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	5 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the income statement.

Financial instruments

Financial assets, or their component parts are classified on initial recognition into two categories: a financial asset at fair value through profit or loss, or loans and receivables. Financial liabilities are classified as either a financial liability at fair value through profit or loss, or as another financial liability. Financial assets and financial liabilities are recognised in the statement of financial position when the Company becomes party to the contractual provisions of the instrument. The particular recognition and measurement methods adopted for trade and other receivables, bank and cash, trade and other payables, borrowings and derivatives are disclosed below:

Cash and cash equivalents

In the Statement of Cash Flows, cash and cash equivalents comprise cash at bank and in hand and demand deposits with banks and other financial institutions, that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

Borrowings

Borrowings are recognised initially at their fair value and subsequently measured at amortised cost less settlement payments.

Convertible loans are accounted for either as a liability or as a liability and equity depending as to whether they are classified as compound financial instruments. The fair value of the liability portion of the convertible loan notes is determined using a market interest rate for an equivalent non-convertible loan note. This amount is recorded as a liability on an amortised cost basis until extinguished on conversion or maturity of the loan notes. The remainder of the proceeds is allocated to the conversion option, which is recognised and included in shareholders' equity, net of tax effects, and is not subsequently re-measured.

Trade and other payables

Trade and other payables are measured initially at fair value and subsequently at amortised cost using the effective interest rate method. These financial instruments are categorised with other financial liabilities.

Impairment of financial assets

Assets that have an indefinite useful life are not subject to any depreciation or amortisation and are tested annually for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

Finance costs

Borrowing and finance charges, including any premiums payable on settlement or redemption and direct issue costs, are generally recognised in profit and loss as incurred.

Equity

Membership units are valued at either the amount of investment or, in the case of membership units issued to consultants for services rendered, the fair value of the services rendered.

Membership units may also be issued to a member to avoid the dilution of their holding; when this is the case, there is no cash consideration paid.

5 Critical accounting estimates and judgements

The board of directors makes estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual results may differ from these estimates and assumptions.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements

5.1 Impairment of intangible assets

Intangible assets related to intellectual property costs had a carrying value as at 31 December 2016 of $347,500 (2015: $347,500). Management tests annually whether intangible assets have a carrying value in accordance with the Company's accounting policy. Intangible assets that have not yet been brought into use are deemed to have an indefinite life. The Directors of the Company carry out an annual assessment of whether intellectual property purchased has been brought into use and so if an impairment review is required. The Directors have reviewed the value of intellectual property held and do not consider any impairment necessary.

6 Financial risk management

The Company's major financial risk includes currency risk, interest rate risk, credit risk and liquidity risk. Management manages and monitors these exposures to ensure appropriate measures are implemented in a timely and effective manner.

(i) Market risk

(a) Currency risk

The Company incurs foreign currency transactions, which exposes the Company to foreign currency risk. The Company currently does not have any policy on hedges of foreign currency risk. However, management monitors the foreign currency risk exposure and will consider hedging significant foreign currency risk should the need arise.

(b) Interest rate risk

The Company currently has neither borrowings nor significant cash deposit; its exposure to interest rate risk due to fluctuation of the prevailing market interest rate is limited.

(ii) Credit risk

At the end of the reporting period, the Company's maximum exposure to credit risk in the event of the counterparties' failure to perform their obligations in relation to each class of recognised financial assets is the carrying amount of those assets as stated in the statement of financial position.

The company's credit risk is currently limited as the Company has no trade of other receivables. Should the need arise in the future, Management will implement credit policy and monitor the exposures to these credit risks on an ongoing basis.

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

(iii) Liquidity risk

In managing liquidity risk, the Company's policy is to regularly monitor and maintain an adequate level of cash and cash equivalents determined by Management to finance the Company's operations. Management also need to ensure the continuity of funding for both the short and long terms, and to mitigate the effects of cash flow fluctuation.

(iv) Capital risk management

The Company's primary objectives regarding capital management are to safeguard the Company's ability to continue as a going concern.

Management actively and regularly review and monitor its capital structure, and make adjustments to the Company's capital structure in light of changes in economic conditions.

7 Expenses by nature

	Year ended 31 December 2016 USD	Year ended 31 December 2015 USD	Year ended 31 December 2014 USD
Laboratory rent	28,266	3,538	-
Consumable equipment and supplies	112,281	90,269	-
Contractors	129,852	31,976	-
Patent fees	94,532	23,073	-
Staff costs	216,525	96,000	-
Insurance	6,693	3,341	-
Other	15,330	12,387	-
Total administrative expenses	**603,479**	**260,584**	-

8 Capital assets

	Intellectual property USD	Equipment USD	Total Capital Assets USD
Cost			
As at 1 January 2014 and 31 December 2014	-	-	-
As at 1 January 2015	-	-	-
Additions	347,500	-	347,500
As at 31 December 2015	347,500	-	347,500
Additions	-	232,983	232,983
As at 31 December 2016	347,500	232,983	580,483
Depreciation and amortisation			
As at 1 January 2014 and 31 December 2014	-	-	-
As at 1 January 2015	-	-	-
Charge for the year	-	-	-
As at 31 December 2015			
As at 1 January 2016	-	-	-
Charge for the year		(16,028)	(16,028)
As at 31 December 2016	-	(16,028)	(16,028)
Net book value			
As at 31 December 2014	-	-	-
As at 31 December 2015	347,500	-	347,500
As at 31 December 2016	**347,500**	**216,955**	**564,455**

Intangible assets

On 15 January 2015, the Company entered into an Exclusive License Agreement with Cornell University to grant to the Company patent rights to patent PCT/US14/65469 entitled "Post-Natal Hematopoietic Endothelial Cells and Their Isolation and Use" and rights to any product or method deriving therefrom.

The Company paid Cornell University $347,500, consisting of cash payments of $22,500 and a convertible promissory note in the amount of $325,000.

9 Trade and other receivables

	As at 31 December 2016 USD	As at 31 December 2015 USD	As at 31 December 2014 USD
Other receivables	200,000	-	-
Total liabilities	**200,000**	**-**	**-**

10 Non-current and current Liabilities

	As at 31 December 2016 USD	As at 31 December 2015 USD	As at 31 December 2014 USD
Non-current liabilities			
Loan notes	-	325,000	-
Loan	-	15,000	-
Total non-current liabilities	**-**	**340,000**	**-**
Current liabilities			
Trade and other payables	26,856	7,758	-
Loan note interest	32,500	16,250	-
Loan notes	325,000	-	-
Loan	15,000	-	-
Total current liabilities	**59,356**	**24,008**	**-**
Total liabilities	**399,356**	**364,008**	**-**

11 Borrowings

On 15 January 2015 Hemogenyx LLC issued a USD325,000 unsecured convertible promissory note to Cornell University in partial payment of the license fee with that University. The promissory note bears interest at 5% per annum with the interest payable annually in arrears. The maturity date is the earlier of (1) after the Company receives a bona fide equity investment of not less than $5 million, (2) 14 January 2020, or (3) a change in control of the Company. The note is convertible into membership units at a price equal to the price obtained in the above-mentioned bona fide equity investment.

	As at 31 December 2016 USD	As at 31 December 2015 USD	As at 31 December 2014 USD
Convertible note - beginning of period	341,250	-	-
Nominal value of convertible loan note issued	-	325,000	-
Accrued interest	16,250	16,250	-
Convertible note - end of period	**357,500**	**341,250**	**-**

12 Equity

As at 31 December 2016, the Company had three classes of membership units:

- Class A units – the Company is authorized to issue up to 13,153,846 units. Each unit is entitled to one vote and rights to profit distributions pro rata with all other membership units. At 31 December 2016, 2015 and 2014, the Company had 13,153,846, 12,657,692 and 11,264,400 Class A membership units outstanding, respectively.
- Class B units – the Company is authorized to issue up to 8,769,231 units. Each unit has all of the rights of a Class A unit, but it is also entitled receive its capital investment payment as a priority to all other membership units. At 31 December 2016 and 2015, the Company had 8,769,230, Nil and Nil units outstanding.
- Class C units – the Company is authorized to issue up to 500,000 units. Class C units have equal rights and privileges with the Class A units, except that Class C units are not entitled to vote. At 31 December 2016, 2015 and 2014, there were no Class C units outstanding.

The basic net loss per membership units is computed by dividing the net loss by the weighted average number of common membership units outstanding. Diluted net loss per common membership unit is computed by dividing the net loss adjusted on an "as if converted" basis, by the weighted average number of membership units outstanding plus potential dilutive securities. For the periods presented, potential dilutive securities had an anti-dilutive effect and were not included in the calculation of diluted net loss per membership unit.

13 Related party transactions

(a) Compensation of key management personnel

The remuneration of the key management of Hemogenyx LLC during the year was as follows:

	Year ended 31 December 2016	Period ended 31 December 2015	Period ended 31 December 2014
	USD	USD	USD
Vladislav Sandler	**107,019**	**96,000**	**-**

The remuneration of key management personnel comprises the remuneration of Chief Executive Officer Dr. Vladislav Sandler.

(b) Transactions with related parties

Apart from the transactions disclosed above and elsewhere in the financial statements, the Company had no other material transactions with related parties during the year.

(c) Ultimate controlling party

The directors consider that Dr Vladislav Sandler is the ultimate controlling party.

PART XI
SECTION C

FINANCIAL INFORMATION ON HEMOGENYX PHARMACEUTICALS

ACCOUNTANT'S REPORT ON THE SPECIAL PURPOSE HISTORICAL FINANCIAL INFORMATION OF HEMOGENYX PHARMACEUTICALS LTD

PKF Littlejohn LLP

Accountants & business advisers

The Directors
Silver Falcon Plc
5 Fleet Place
London
EC4M 7RD

8 September 2017

Dear Sirs

Hemogenyx Pharmaceuticals Ltd (the "Company")

Introduction

We report on the historic financial information set out Section E below (the "Financial Information") relating to Hemogenyx Pharmaceuticals Ltd ("the Company"). This information has been prepared for inclusion in the prospectus dated 8 September 2017 (the "Prospectus") relating to the proposed admission to the standard segment of the main market of Hemogenyx Pharmaceuticals Ltd and on the basis of the accounting policies set out in note •. This report is required by Annex 1 item 20.1 of Commission Regulation (EC) No. 809/2004 and is given for the purpose of complying with that requirement and for no other purpose.

Responsibility

The directors of the Company (the "Directors") are responsible for preparing the Financial Information in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS").

It is our responsibility to form an opinion on the Financial Information and to report our opinion to you.

Save for any responsibility arising under Prospectus Rule 5.5.3R (2) (f) to any person as and to the extent there provided, and save for any responsibility that we have expressly agreed in writing to assume, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with Annex I item 23.1 to Commission regulation (EC) 809/2004, consenting to its inclusion in the Prospectus.

Basis of opinion

We conducted our work in accordance with Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom. Our work included an assessment of evidence relevant to the amounts and disclosures in the financial information. It also included an assessment of significant estimates and judgements made by those responsible for the preparation of the Financial Information and whether the accounting policies are appropriate to the entity's circumstances, consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Financial Information is free from material misstatement whether caused by fraud or other irregularity or error.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in other jurisdictions and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Opinion

In our opinion, the Financial Information gives, for the purpose of the Prospectus dated 8 September 2017, a true and fair view of the state of affairs of Hemogenyx Pharmaceuticals Ltd as at 31 December 2016 and of its results, cash flows and changes in equity for the period then ended in accordance with IFRS as adopted by the European Union.

Declaration

For the purposes of Prospectus Rule 5.5.3R (2)(f) we are responsible for this report as part of the Prospectus and declare that we have taken all reasonable care to ensure that the information contained in this report is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the Prospectus in compliance with Annex I item 1.2 of Commission Regulation (EC) 809/2004.

Yours faithfully

PKF Littlejohn LLP

Reporting Accountants

PART XI
SECTION D

HISTORICAL FINANCIAL INFORMATION ON HEMOGENYX PHARMACEUTICALS LTD

STATEMENT OF COMPREHENSIVE INCOME

The Statement of Comprehensive Income of the Company is stated below:

	Note	31 December 2016 £
Revenue		-
Administrative expenses		-
Operating result		-
Finance income/(expense)		-
Result Before Taxation		-
Income tax		-
Total comprehensive Profit/(loss) for the period		-

STATEMENT OF FINANCIAL POSITION

The Statement of Financial Position of the Company is stated below:

	Note	31 December 2016 £
ASSETS		
Current Assets		
Cash and cash equivalents		1
Total Assets		1
EQUITY AND LIABILITIES		
Equity Attributable to owners		
Share capital	3	1
Share premium		-
Total Equity and Liabilities		1

STATEMENT OF CASH FLOWS

The Statement of Cash Flows of the Company is as follows:

	Note	31 December 2016 £
Cash flows from operating activities		-
Cash flows from investment activities		1
Cash flows from financing activities		-
Net increase/(decrease) in cash and cash equivalent		1
Cash and cash equivalents at beginning of period		-
Cash and cash equivalents at end of period		1

STATEMENT OF CHANGES IN EQUITY

	Share capital £	Share premium £	Retained earnings £	Total equity £
At incorporation	**1**	**-**	**-**	**1**
Total comprehensive income for the period ended 31 December 2016	**-**	-	-	-
As at 31 December 2016	1		-	1

NOTES TO THE HISTORICAL FINANCIAL INFORMATION

1 General information

The Company was incorporated on 12 April 2016 as Hemogenyx Pharmaceuticals Ltd in England and Wales with Registered Number 10118339 under the Companies Act 2006. The Company has not yet commenced business, no audited financial statements have been prepared and no dividends have been declared or paid since the date of incorporation.

The address of its registered office is 5 Fleet Place, London, England, EC4M 7RD.

This Financial Information of the Company has been prepared for the sole purpose of publication within this Admission Document. It has been prepared in accordance with the requirements of the Prospectus Rule and has been prepared in accordance with International Financial Reporting Standards and IFRS interpretations Committee (IFRS IC) interpretations as adopted by the European Union ("IFRS") and the policies stated elsewhere within the Financial Information. The Financial Information does not constitute statutory accounts within the meaning of section 434 of the Companies Act 2006.

The Historical Financial Information is presented in Sterling, which is the Company's functional and presentational currency and has been prepared under the historical cost convention.

2 Significant accounting policies

The financial information is based on the following policies which have been consistently applied:

Cash and cash equivalents

In the Statement of Cash Flows, cash and cash equivalents comprise cash at bank and in hand and demand deposits with banks and other financial institutions, that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

Equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction from the proceeds.

Critical accounting estimates and judgements

The Company makes estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual results may differ from these estimates and assumptions. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

3 Share capital and premium

	Number of shares	Shares £	Share premium £	Total £
At incorporation	100	1	-	1
At 31 December 2016	100	1	-	1

On incorporation, the Company issued 100 ordinary share of £0.01 each for consideration of £1 cash.

4 Controlling party

Lawrence Pemble held all the shares issued of Hemogenyx Pharmaceuticals Ltd during the period. He is considered to be the Company's controlling party.

5 Post balance sheet events

On 8 September 2017 the Company entered into a conditional share exchange agreement to acquire a 100% interest in Hemogenyx LLC via a share for equity exchange.

PART XII
CAPITALISATION AND INDEBTEDNESS OF SILVER FALCON PLC

Capitalisation

The following table sets out the capitalisation of Silver Falcon Plc as at 31 December 2016 and has been extracted without material adjustment from the financial information which is incorporated by reference into this Prospectus as noted in Part X.

Shareholder Equity	*31 December 2016*
	(£'000)
Share Capital	669
Share Premium	841
Reserves	(607)
Total	903

As at 7 September 2017, being the latest practicable date prior to the publication of this document, there has been no material change in the capitalisation of Silver Falcon Plc since 31 December 2016

Indebtedness

As at 30 June 2017 Silver Falcon Plc had no debt.

Total Current Debt	*30 June 2017*
	(£'000)
Guaranteed	0
Secured	0
Unguaranteed/Unsecured	0
Total Non-Current Debt	
Guaranteed	0
Secured	0
Unguaranteed/Unsecured	0
Total gross financial indebtedness	0

The following table sets out the unaudited net funds of Silver Falcon Plc as at 30 June 2017 and has been extracted without material adjustment from the financial information which is incorporated by reference into this Prospectus as noted in Part X.

	(£'000)
	31 May 2017
A. Cash	929
B. Cash equivalent	-
C. Trading securities	-
D. **Liquidity (A) + (B) + (C)**	**929**
E. Current financial receivable	7
F. Current bank debt	-
G. Current portion of non-current debt	-
H. Other current financial debt	-
I. **Current Financial Debt (F) + (G) + (H)**	-
J. **Net Current Financial Indebtedness (I) - (E) - (D)**	**(936)**
K. Non-current Bank loans	-
L. Bonds Issued	
M. Other non-current loans	-
N. **Non-current Financial Indebtedness (K) + (L) + (M)**	-
O. **Net Financial Indebtedness (J) + (N)**	**(936)**

Notes:

1. *As at 30 June 2017, Silver Falcon Plc had no indirect or contingent indebtedness.*

PART XIII
SECTION A

ACCOUNTANT'S REPORT ON THE PRO FORMA FINANCIAL INFORMATION

PKF Littlejohn LLP

Accountants & business advisers

The Directors
Silver Falcon Plc
5 Fleet Place
London
EC4M 7RD

8 September 2017

Dear Sirs

Introduction

We report on the unaudited pro forma statement of net assets and income statement (the "Pro Forma Financial Information") of Silver Falcon PLC ("the Company"), Hemogenyx Pharmaceuticals Ltd and Hemogenyx LLC (together "the Enlarged Group") as at 31 December 2016 set out below in Section B and C of this Part XIII, which has been prepared on the basis described within notes to each section. This has been prepared for illustrative purposes only, to provide information about how the Placing and Admission might affect the income, expenses and net assets presented on the basis of the accounting policies adopted by the Enlarged Group in preparation of the audited financial information. This report is required by Annex 1 item 20.1 of Commission Regulation (EC) No. 809/2004 and is given for the purpose of complying with that requirement and for no other purpose.

Responsibilities

It is the responsibility of the directors of the Company (the "Directors") to prepare the Pro-Forma Financial Information in accordance with Annex I, item 20.2 and Annex II, items 1 to 6 of Commission Regulation (EC) N 809/2004.

It is our responsibility to form an opinion, in accordance with Annex I, item 20.2 of Commission Regulation (EC) N 809/2004, as to the proper compilation of the Pro-Forma Financial Information and to report that opinion to you in accordance with Annex II, item 7 of Commission Regulation (EC) N 809/2004.

Save for any responsibility arising under Prospectus Rule 5.5.3R (2) (f) to any person and to the extent there provided, and save for any responsibility that we have expressly agreed in writing to assume, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with Annex I item 23.1 to Commission regulation (EC) 809/2004, consenting to its inclusion in the Prospectus.

In providing this opinion we are not updating or refreshing any reports or opinions previously made by us on any financial information used in the compilation of the Pro-Forma Financial Information, nor do we accept responsibility for such reports or opinions beyond that owed to those to whom those reports or opinions were addressed by us at the dates of their issue.

Basis of opinion

We conducted our work in accordance with Standards of Investment Reporting issued by the Auditing Practices Board in the United Kingdom. The work that we performed for the purpose of making this report, which involved no independent examination of any of the underlying financial information, consisted primarily of comparing the unadjusted financial information with the source documents, considering the evidence supporting the adjustments and discussing the Pro-Forma Financial Information with the Directors.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with reasonable assurance that the Pro-Forma Financial Information has been properly compiled on the basis stated and that such basis is consistent with the accounting policies of the Company.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in jurisdictions outside the United Kingdom, including the United States of America, and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Opinion

In our opinion:

(a) the Pro-Forma Financial Information has been properly complied on the basis stated; and
(b) such basis is consistent with the accounting policies of the Company.

Declaration

For the purposes of Prospectus Rule 5.5.3R (2)(f) we are responsible for this report as part of the Prospectus and declare that we have taken all reasonable care to ensure that the information contained in this report is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the Prospectus in compliance with Annex I item 1.2 of Commission Regulation (EC) 809/2004.

Yours faithfully

PKF Littlejohn LLP
Reporting Accountants

PART XIII
SECTION B

UNAUDITED PRO FORMA CONSOLIDATED NET ASSET STATEMENT FOR THE ENLARGED GROUP

Set out below is an unaudited pro forma statement of net assets of Silver Falcon PLC ("the Company"), Hemogenyx Pharmaceuticals Ltd and Hemogenyx LLC (together "the Enlarged Group") as at 31 December 2016. The unaudited pro forma statement of net assets of the Enlarged Group for the year ending 31 December 2016 has been prepared on the basis set out in the notes below and in accordance with the requirements of item 20.2 of Annex I and items 1 to 6 of Annex II of the Prospectus Rules to illustrate the impact of the Placing and proposed acquisition as if it had taken place on 31 December 2016.

The unaudited pro forma statement of net assets has been prepared for illustrative purposes only and, by its nature, addresses a hypothetical situation and does not, therefore, represent the Enlarged Group's actual financial position or results. The statement of net assets may not, therefore, give a true picture of the Enlarged Group's financial position or results nor is it indicative of the results that may or may not be expected to be achieved in the future. The unaudited pro forma statement of net assets is based on the unaudited net assets of the Enlarged Group's as at 31 December 2016 as shown in Part X and XI (*Historical Financial Information*). No adjustments have been made to take account of trading, expenditure or other movements subsequent to 31 October 2016, being the date of the last published balance sheet of the Company.

The unaudited pro forma statement of net assets does not constitute financial statements within the meaning of section 434 of the Companies Act. Investors should read the whole of this Prospectus and not rely solely on the summarised pro forma statement of net assets contained in this Part.

Unaudited pro forma statement of net assets at 31 December 2016

	The Company Net assets as at 31 December 2016 (Note 1)	**Hemogenyx Pharmaceuticals Limited Net assets as at 31 December 2016 (Note 2)**	**Hemogenyx LLC Net assets as at 31 December 2016 (Note 3)**	**Issue of Placing Shares net of costs (Note 4)**	**Unaudited pro forma adjusted aggregated net assets of the Enlarged Group on Admission**
	$'000	**$'000**	**$'000**	**$'000**	**$'000**
Assets					
Non-current assets					
Intangible assets	-	-	347	-	347
Property, plant and equipment	-	-	217	-	217
	-	-	564	-	564
Current assets					
Inventories	-	-	-		-
Trade and other receivables	2	-	200	-	202
Cash and cash equivalents	1,292	-	114	2,082	3,488
Current assets	1,294	-	314	2,082	3,690
Total assets	1,294	-	878	2,082	4,254
Liabilities					
Current liabilities					
Trade and other payables	177	-	27	-	204
Current borrowings	-	-	372	-	372
Current liabilities	177	-	399	-	576

Non-current liabilities					
Borrowings	-	-	-		-
Total liabilities	177	-	399		576
Total assets less total liabilities	1,117	-	479	2,082	3,678

Notes

The pro forma statement of net assets has been prepared on the following basis:

1. The unaudited net assets of the Company as at 31 December 2016 have been extracted without adjustment from the Historic Financial Information to which is set out in Part X of this document and converted to United States Dollars at the closing rate on 31 December 2016 of US$1.2357 to £1.

2. The net assets of Hemogenyx Pharmaceuticals Limited as at 31 December 2016 have been extracted without adjustment from the Financial Statements included in Part XI Section C of this document and converted to United States Dollars at the closing rate on 31 December of US$1.2357 to £1.

3. The net assets of Hemogenyx LLC as at 31 December 2016 have been extracted without adjustment from the Financial Statements included in Part XI Section A of this document.

4. An adjustment has been made to reflect the proceeds of a placing of 57,142,857 Ordinary Shares of the Company at an issue price of £0.035 per Ordinary Share net of an adjustment to reflect the payment in cash of admission costs estimated at approximately £ 0.315 million inclusive of any non-recoverable sales taxes and converted to United States Dollars at the closing rate on 31 December 2016 of US$1.2357 to £1.

5. No adjustments have been made to reflect the trading or other transactions, other than described above of:

   i. the Company since 31 December 2016;
   ii. Hemogenyx Pharmaceuticals Limited since 31 December 2016;
   iii. Hemogenyx LLC since 31 December 2016.

6. The pro forma statement of net assets does not constitute financial statements.

PART XIII
SECTION C

UNAUDITED PRO FORMA INCOME STATEMENT FOR THE ENLARGED GROUP

Set out below is an unaudited pro forma income statement of Silver Falcon PLC ("the **Company**"), Hemogenyx Pharmaceuticals Ltd and Hemogenyx LLC (together "the **Enlarged Group**") for the year to 31 December 2016. The unaudited pro forma income statement of the Enlarged Group for the year ending 31 December 2016 has been prepared on the basis set out in the notes below and in accordance with the requirements of item 20.2 of Annex I and items 1 to 6 of Annex II of the Prospectus Rules to illustrate the impact of the Placing and proposed acquisition as if it had taken place on 31 December 2016.

The unaudited pro forma income statement has been prepared for illustrative purposes only and, by its nature, addresses a hypothetical situation and does not, therefore, represent the Enlarged Group's actual financial position or results. Such information may not, therefore, give a true picture of the Enlarged Group's financial position or results nor is it indicative of the results that may or may not be expected to be achieved in the future. The unaudited pro forma income statement is based on the unaudited expenses of the Enlarged Group as at 31 December 2016 as shown in Parts X and XI. No adjustments have been made to take account of trading, expenditure or other movements subsequent to 31 December 2016, being the date of the last published income statement of the Company.

The unaudited pro forma income statement does not constitute financial statements within the meaning of section 434 of the Companies Act. Investors should read the whole of this Prospectus and not rely solely on the summarised pro forma income statement contained in this Part.

Unaudited pro forma income statement for the period ended 31 December 2016

	The Company **Income statement as at 31 December 2016 (Note 1)**	**Hemogenyx Pharmaceuticals Limited** **Income statement as at 31 December 2016** **(Note 2)**	**Hemogenyx LLC** **Income statement as at 31 December 2016 (Note 3)**	**Unaudited pro forma adjusted aggregated income statement of the Enlarged Group on Admission**
	$	**$**	**$**	**$**
Revenue	-	-	-	
Administration expenses	(708,413)	-	(619,507)	(1,327,920)
Operating loss	(708,413)	-	(619,507)	(1,327,920)
Interest expense	-	-	(16,250)	(16,250)
Other income	-	-	-	
Loss before tax	(708,413)	-	(635,757)	(1,355,170)
Tax	-	-	-	
Loss from continuing operations	(708,413)	-	(635,757)	(1,355,170)
Other comprehensive income				
Items that may be subsequently reclassified to profit or loss	-	-	-	-
Total comprehensive loss for the period	(708,413)	-	(635,757)	(1,355,170)

Notes

The pro forma income statement has been prepared on the following basis:

1. The unaudited income statement of the Company as at 31 December 2016 have been extracted without adjustment from the Historic Financial Information to which is set out in Part X of this document and converted to United States Dollars at the average rate for the year to 31 December 2016 of US$1.3626 to £1.

2. The unaudited income statement of Hemogenyx Pharmaceuticals Ltd as at 31 December 2016 have been extracted without adjustment from the Historic Financial Information to which is set out in Part XI Section E of this document and converted to United States Dollars at the average rate for the year 31 December 2016 of US$1.3626 to £1.

3. The unaudited income statement of Hemogenyx LLC as at 31 December 2016 have been extracted without adjustment from the Financial Statements included in Part XI Section A of this document.

4. No adjustments have been made to reflect the trading or other transactions, other than described, of the enlarged group since 31 December 2016.

5. No adjustment has been made to reflect trading results of the Enlarged Group since 31 December 2016.

PART XIV
TAXATION

Taxation of dividends – General

There is no UK withholding tax on dividends, including cases where dividends are paid to a Shareholder who is not resident (for tax purposes) in the UK.

(A) ***UK Resident Individual Shareholders***

With effect for the tax year beginning 6 April 2016, a United Kingdom resident individual Shareholder will not be subject to income tax on a dividend such individual Shareholder receives from the Company if the total amount of dividend income received by the individual in the tax year (including the dividend from the Company) does not exceed a dividend allowance of £5,000, which will be taxed at a nil rate (the "Dividend Allowance").

In determining the income tax rate or rates applicable to a United Kingdom resident individual Shareholder's taxable income, dividend income is treated as the highest part of such individual Shareholder's income. Dividend income that falls within the Dividend Allowance will count towards the basic or higher rate limits (as applicable) which may affect the rate of tax due on any dividend income in excess of the Dividend Allowance.

To the extent that a United Kingdom resident individual Shareholder's dividend income for the tax year exceeds the Dividend Allowance and, when treated as the highest part of such individual Shareholder's income, falls above such individual Shareholder's personal allowance but below the basic rate limit, such an individual Shareholder will be subject to tax on that dividend income at the dividend basic rate of 7.5 per cent.

To the extent that such dividend income falls above the basic rate limit but below the higher rate limit, such an individual Shareholder will be subject to tax on that dividend income at the dividend upper rate of 32.5 per cent.

To the extent that such dividend income falls above the higher rate limit, such an individual Shareholder will be subject to tax on that dividend income at the dividend additional rate of 38.1 per cent.

(B) ***Corporate Shareholders***

Shareholders within the charge to UK corporation tax which are "small companies" (for the purposes of UK taxation of dividends) will not generally expect to be subject to tax on dividends from the Company. Other Shareholders within the charge to UK corporation tax will not be subject to tax on dividends from the Company so long as the dividends fall within an exempt class and certain conditions are met. In general, (i) dividends paid on shares that are not redeemable and do not carry any present or future preferential rights to dividends or to a company's assets on its winding up and (ii) dividends paid to a person holding less than, among other things, 10 per cent. of the issued share capital of the payer (or any class of that share capital) are examples of dividends that fall within an exempt class.

(C) ***Non-resident Holders***

A Shareholder resident or otherwise subject to tax outside the United Kingdom (whether an individual or a body corporate) may be subject to foreign taxation on dividend income under local law. Shareholders to whom this may apply should obtain their own tax advice concerning tax liabilities on dividends received from the Company.

Taxation of chargeable gains

(A) UK Resident Individual Shareholders

A disposal of New Ordinary Shares may give rise to a chargeable gain (or allowable loss) for the purposes of UK capital gains tax, depending on the circumstances and subject to any available exemption or relief.

For individuals who pay income tax at the basic rate, the rate of UK capital gains tax on gains will be 10 per cent. for tax year 2017/18. For individuals who pay income tax at a rate above the basic rate, the rate of UK capital gains tax on gains will be 20 per cent. for tax year 2017/18. Reliefs and allowances may be available to reduce or mitigate these rates and liabilities.

(B) Corporate Shareholders

Where a Shareholder is within the charge to corporation tax, including cases where it is not resident (for tax purposes) in the UK, a disposal of New Ordinary Shares may give rise to a chargeable gain (or allowable loss) for the purposes of UK corporation tax, depending on the circumstances and subject to any available exemption or relief. Indexation allowance may

reduce the amount of chargeable gain that is subject to corporation tax, but may not create or increase any allowable loss. For tax year 2017/18 chargeable gains arising to corporate entities are subject to corporation tax at a rate of 19 per cent.

(C) Non-resident Holders

A Shareholder that is not resident in the UK (and is not temporarily non-resident) for UK tax purposes and whose New Ordinary Shares are not held in connection with carrying on a trade, profession or vocation in the UK generally will not be subject to UK tax on chargeable gains on the disposal of New Ordinary Shares.

Stamp Duty and Stamp Duty Reserve Tax ("SDRT")

The statements below (which apply whether or not a Shareholder is resident or domiciled in the UK) summarise the current position and are intended as a general guide only to stamp duty and SDRT. Certain categories of person are not liable to stamp duty or SDRT, and special rules apply to agreements made by broker dealers and market makers in the ordinary course of their business and to certain categories of person (such as depositaries and clearance services) who may be liable to stamp duty or SDRT at a higher rate or who may, although not primarily liable for tax, be required to notify and account for SDRT under the Stamp Duty Reserve Tax Regulations 1986.

(A) Issue

No UK stamp duty or SDRT will be payable on the issue of New Ordinary Shares pursuant to the Placing or Subscription, other than as explained below.

(B) Transfers outside of Depositary Receipt Systems and Clearance Services

An instrument effecting the transfer on sale of New Ordinary Shares will generally be liable to stamp duty at the rate of 0.5 per cent. (rounded up, if necessary, to the nearest multiple of £5) of the amount or value of the consideration payable. However, where the amount or value of the consideration is £1,000 or less, and provided that the transfer does not form part of a larger transaction or series of transactions where the combined consideration exceeds £1,000, such instrument should be exempt from charge upon certification of such facts.

An unconditional agreement to transfer New Ordinary Shares will generally be liable to SDRT at the rate of 0.5 per cent. of the amount or value of the consideration payable, but such liability will be cancelled, or a right to a repayment (generally, with interest) in respect of the payment of such SDRT liability will arise, if the agreement is completed by a duly stamped or exempt transfer within six years of the agreement having become unconditional. Stamp duty and SDRT are normally the liability of the purchaser.

(C) Transfers to and within Depositary Receipt Systems and Clearance Services

Subject to certain exemptions, a charge to stamp duty or SDRT will arise on the transfer of New Ordinary Shares to a person providing a clearance service, its nominee or agent, or to an issuer of depositary receipts, its nominee or agent, where that transfer is not an integral part of an issue of share capital. The rate of stamp duty or SDRT, as the case may be, in such circumstances will generally be 1.5 per cent. of the amount or value of the consideration for the transfer or, in some circumstances, the value of the New Ordinary Shares concerned, in the case of stamp duty rounded up, if necessary, to the nearest multiple of £5.

(D) Transfers within CREST

No stamp duty or SDRT will arise on a transfer of New Ordinary Shares into the CREST system provided that the transfer is not for money or money's worth. Paperless transfers of New Ordinary Shares within CREST are liable to SDRT (at a rate of 0.5 per cent. of the amount or value of the consideration payable) rather than stamp duty, and SDRT arising on the agreement to transfer New Ordinary Shares under relevant transactions settled within the system or reported through it for regulatory purposes will generally be collected by CREST.

Inheritance Tax

New Ordinary Shares will be assets situated in the United Kingdom for the purposes of United Kingdom inheritance tax. A gift of such assets by, or the death of, an individual holder of such assets may (subject to certain exemptions and reliefs) give rise to a liability to United Kingdom inheritance tax, even if the holder is neither domiciled in the United Kingdom nor deemed to be domiciled there (under certain rules relating to long residence or previous domicile). Generally, United Kingdom inheritance tax is not chargeable on gifts to individuals if the transfer is made more than seven complete years prior to death of the donor. For inheritance tax purposes, a transfer of assets at less than full market value may be treated as a gift and particular rules apply to gifts where the donor reserves or retains some benefit. Special rules also apply to close companies and to trustees of settlements who hold New Ordinary Shares bringing them within the charge to inheritance tax. Holders of New Ordinary Shares should consult an appropriate professional adviser if they make a gift of any kind or intend to hold any Shares through such a company or trust arrangement. They should also seek professional advice in a situation where there is potential for a double charge to United Kingdom inheritance tax and an equivalent tax in another country or if they are in any doubt about their United Kingdom inheritance tax position.

PART XV
ADDITIONAL INFORMATION

1. **Responsibility**

1.1 The Directors and the Proposed Directors, whose names appear on page 30, and the Company accept responsibility for the information contained in this Document (including any expressions of opinion), other than that relating to the Concert Party. To the best of the knowledge and belief of the Directors and Proposed Directors and the Company (who have each taken all reasonable care to ensure that such is the case), the information contained in this Document is in accordance with the facts and contains no omission likely to affect its import.

1.2 The members of the Concert Party accept responsibility for the information contained in this Document (including any expressions of opinion) relating to the Concert Party. To the best of the knowledge and belief of the members of the Concert Party (who have each taken all reasonable care to ensure that such is the case), the information contained in this Document for which they accept responsibility is in accordance with the facts and contains no omission likely to affect its import.

2. **The Company**

2.1 The Company was incorporated in England and Wales on 13 February 2013 with the name Silver Falcon Limited with the registration number 08401609 as a private company limited by shares. Pursuant to special resolutions passed on 13 November 2014, the Company was re-registered as a public company and changed its name to Silver Falcon Plc. Upon Admission, the Company will be renamed Hemogenyx Pharmaceuticals plc.

2.2 The Company is subject to the Listing Rules (and the resulting jurisdiction of the UK Listing Authority) to the extent such rules apply to companies with a Standard Listing pursuant to Chapter 14 of the Listing Rules and the Disclosure Guidance and Transparency Rules. The Company is also subject to the Market Abuse Regulation.

2.3 The principal legislation under which the Company operates, and pursuant to which the Ordinary Shares have been created, is the Companies Act.

2.4 The Company's registered and head office is at 5 Fleet Place, London, England, EC4M 7RD. The Company's telephone number is 0207 976 6381.

2.5 On incorporation of the Company, one ordinary Share was issued to Chesterfield Capital Limited, fully paid up and at a nominal value of £0.001 each. On 13 November 2014, Chesterfield Capital subscribed for and was allotted, in aggregate, 9 ordinary shares fully paid up at a nominal value of £0.001. On the same date, the 10 ordinary shares of £0.001 each in the capital of the Company were consolidated into one new Ordinary Share of £0.01 each and Black Eagle Capital Plc subscribed for 5,000,000 Ordinary Shares at par. On 29 July 2015, Catalyst Corporate Consultants Limited subscribed for and was allotted, in aggregate, 2,499,999 Ordinary Shares at par. On 30 October 2015, certain placees were allotted, in aggregate, 12,500,000 Ordinary Shares at par. On 9 November 2015, 43,300,000 Ordinary Shares were issued at £0.03 per share in a placing in connection with the Company's admission to the Main Market. On 18 November 2016, the Company issued 2,000,000 Ordinary Shares at a deemed price of £0.04 each in satisfaction of a debt.

2.6 On 13 November 2014, the Company adopted the Articles in substitution for and to the exclusion of the Company's then existing articles of association.

2.7 As at 7 September 2017, being the latest practicable date prior to publication of this Document, the Company did not have any subsidiaries.

2.8 On completion of the Acquisition, the Company will have two wholly owned subsidiaries:

Name of Subsidiary	Place of Incorporation	Ownership
Hemogenyx Pharmaceuticals Limited (*to be renamed Hemogenyx UK Limited)*	England	100 per cent. (direct)
Hemogenyx LLC	Delaware	100 per cent. (indirect)

3. **Share Capital**

3.1 The following table shows the issued and fully paid shares of the Company at the date of this document:

		Issued and Credited as Full Paid
Class of Share	**Number**	**Amount Paid up**
Ordinary	66,900,000	£669,000

3.2 Following the Placing and Subscription and the issue of the Consideration Shares, the SF Director Shares and the Peterhouse Shares, the Enlarged Issue Share Capital of the Company will be as shown in the following table:

		Issued and Credited as Full Paid
Class of Share	**Number**	**Amount Paid up**
Ordinary	356,042,856	£3,560,428.56

3.3 Save as disclosed in this Document, as at the date of this Document, the Company will have no short, medium or long term indebtedness.

3.4 The Company is proposing resolutions at the General Meeting to resolve, *inter alia*, that:

(a) the Directors be generally and unconditionally authorised to exercise all the powers of the Company to allot up to £2,285,714.30 in nominal value of Ordinary Shares for the purpose of or in connection with the Acquisition;

(b) the Directors be generally and unconditionally authorised to exercise all the powers of the Company to allot up to £605,714,29 in nominal value of Ordinary Shares for the purpose of or in connection with the Placing, the Subscription, the SF Director Shares and the Peterhouse Shares and £877,312.38 in connection with the exercise of rights pursuant to the Lock-in Warrants and certain other options and warrants to be granted by the Company;

(c) the Directors be generally and unconditionally authorised to exercise all powers of the Company to allot Ordinary Shares (including rights for equity securities or the sale of equity securities from treasury) up to £106,812,857 in nominal value of Ordinary Shares for one year following Admission; and

(d) the Directors may allot equity securities for the purposes of (b) above as if section 561 of the Companies Act and any pre-emption rights in the Articles (including rights for equity securities or the sale of equity securities from treasury) did not apply, including any arrangements in connection with any issue of equity securities as they deem necessary or expedient and for the purposes of (c) above as if such pre-emption rights did not apply up to £356,043 in nominal value of Ordinary Shares, in each case for one year from Admission.

3.5 Save as disclosed in this Document:

(a) no share or loan capital of the Company has been issued or is proposed to be issued;

(b) no person has any preferential subscription rights for any shares of the Company;

(c) no share or loan capital of the Company is unconditionally to be put under option; and

(d) no commissions, discounts, brokerages or other special terms have been granted by the Company since its incorporation in connection with the issue or sale of any share or loan capital of the Company.

3.6 The Ordinary Shares will be listed on the Official List and will be traded on the standard segment of the Main Market of the London Stock Exchange. The Ordinary Shares are not listed or traded on, and no application has been or is being made for the admission of the Ordinary Shares to listing or trading on any other stock exchange or securities market.

4. **Articles of Association of the Company**

4.1 Set out below is a summary of the provisions of the Articles of Association of the Company. A copy of the Articles is available for inspection at the address specified in paragraph 2.4 of this Part XV and at the Company's website www.silverfalconplc.com

(a) Share Capital

The Company's share capital currently consists of Ordinary Shares. The Company may issue shares with such rights or restrictions as may be determined by ordinary resolution, including shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the holder of such shares.

(b) Voting

The Shareholders have the right to receive notice of, and to vote at, general meetings of the Company. Each Shareholder who is present in person (or, being a corporation, by representative) at a general meeting on a show of hands has one vote and, on a poll, every such holder who is present in person (or, being a corporation, by representative) or by proxy has one vote in respect of every share held by him.

(c) Dividends

The Company may, subject to the provisions of the Companies Act and the Articles, by ordinary resolution from time to time declare dividends to be paid to members not exceeding the amount recommended by the Directors. Subject to the provisions of the Companies Act in so far as, in the Directors' opinions, the Company's profits justify such payments, the Directors may pay interim dividends on any class of shares except for shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrears. Any dividend, unclaimed after a period of 12 years from the date such dividend was declared or became payable shall, if the Directors resolve, be forfeited and revert to the Company. The Company does not pay interest on any dividend unless otherwise provided by the terms on which the shares were issued or the provision of another agreement.

(d) Transfer of Ordinary Shares

Each member may transfer all or any of his shares which are in certificated form by means of an instrument of transfer in any usual form or in any other form which the Directors may approve. Each member may transfer all or any of his shares which are in uncertificated form by means of a relevant system in such manner provided for, and subject as provided in, the uncertificated securities rules.

The Board may, in its absolute discretion, refuse to register a transfer of certificated shares unless:

(i) it is for a share which is fully paid up;

(ii) it is for a share upon which the Company has no lien;

(iii) it is only for one class of share;

(iv) it is in favour of a single transferee or no more than four joint transferees;

(v) it is duly stamped or is duly certificated or otherwise shown to the satisfaction of the Board to be exempt from stamp duty; and

(vi) it is delivered for registration to the registered office of the Company (or such other place as the Board may determine), accompanied (except in the case of a transfer by a person to whom the Company is not required by law to issue a certificate and to whom a certificate has not been issued or in the case of a renunciation) by the certificate for the shares to which it relates and such other evidence as the Board may reasonably require to prove the title of the transferor (or person renouncing) and the due execution

of the transfer or renunciation by him or, if the transfer or renunciation is executed by some other person on his behalf, the authority of that person to do so.

The Directors may refuse to register a transfer of uncertificated shares in any circumstances that are allowed or required by the uncertificated securities rules and the relevant system.

(e) Allotment of shares and pre-emption rights

Subject to the Companies Act and the Articles and in accordance with section 551 of the Companies Act, the Directors shall be generally and unconditionally authorised to exercise for each prescribed period, all the powers of the Company to allot shares up to an aggregate nominal amount equal to the amount stated in the relevant special resolution passed pursuant to section 561 of the Companies Act, authorising such allotment.

Under and within the terms of the said authority or otherwise in accordance with section 570 of the Companies Act, the Directors shall be empowered during each prescribed period to allot equity securities (as defined in the Companies Act), wholly for case:

(i) in accordance with a rights issue (as defined in the Articles);

(ii) otherwise than in connection with a rights issue up to an aggregate nominal amount equal to the amount stated in the relevant ordinary or special resolution passed pursuant to section 551 of the Companies Act, authorising such allotment.

(f) Directors

Unless otherwise determined by the Company by ordinary resolution, the number of Directors (other than any alternate Directors) shall not be less than two, but there shall be no maximum number of Directors.

Subject to the Articles and the Companies Act, the Company may by ordinary resolution appoint a person who is willing to act as a Director and the Board shall have power at any time to appoint any person who is willing to act as a Director, in both cases either to fill a vacancy or as an addition to the existing Board.

At each annual general meeting any director who: (i) has been appointed by the Directors since the last annual general meeting; or (ii) was not appointed or re-appointed at one of the preceding two annual general meetings must retire from office and may offer themselves for reappointment by the Shareholders by ordinary resolution.

Subject to the provisions of the Articles, the Board, which may exercise all the powers of the Company, may regulate their proceedings as they think fit. A Director may, and the secretary at the request of a Director shall, call a meeting of the Directors.

The quorum for a Directors' meeting shall be fixed from time to time by a decision of the Directors, but it must never be less than two and unless otherwise fixed, it is two.

Questions arising at a meeting shall be decided by a majority of votes of the participating directors, with each director having one vote. In the case of an equality of votes the chairman shall have a second or casting vote.

The Directors shall be entitled to receive such remuneration as the Directors shall determine for their services to the Company as directors and for any other service which they undertake for the Company provided that the aggregate fees payable to the Directors must not exceed such amount as may from time to time be decided by ordinary resolution of the Company. The Directors shall also be entitled to be paid all reasonable expenses properly incurred by them in connection with their attendance at meetings of Shareholders or class meetings, board or committee meetings or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company.

The Board may, in accordance with the requirements in the Articles, authorise any matter proposed to them by any Director which would, if not authorised, involve a Director breaching his duty under the Companies Act to avoid conflicts of interests.

A Director seeking authorisation in respect of such conflict shall declare to the Board the nature and extent of his interest in a conflict as soon as is reasonably practicable. The Director shall provide the Board with such details of the matter as are necessary for the Board to decide how to address the Conflict together with such additional information as may be requested by the Board.

Any authorisation by the Board will be effective only if:

(i) to the extent permitted by the Act, the matter in question shall have been proposed by any Director for consideration in the same way that any other matter may be proposed to the Directors under the provisions of the Articles;

(ii) any requirement as to the quorum for consideration of the relevant matter is met without counting the conflicted Director and any other conflicted Director; and

(iii) the matter is agreed to without the conflicted Director voting or would be agreed to if the conflicted Director's and any other interested Director's vote is not counted.

(g) General meetings

The Company must convene and hold annual general meetings in accordance with the Companies Act.

No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business, but the absence of a quorum shall not preclude the choice or appointment of a chairman of the meeting which shall not be treated as part of the business of the meeting. Save as otherwise provided by the articles, two Shareholders present in person or by proxy and entitled to vote shall be a quorum for all purposes.

(h) Borrowing Powers

Subject to the Articles and the Companies Act, the Board may exercise all of the powers of the Company to:

(i) borrow money;

(ii) indemnify and guarantee;

(iii) mortgage or charge;

(iv) create and issue debentures and other securities; and

(v) give security either outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

(i) Capitalisation of profits

The Directors may, if they are so authorised by an ordinary resolution of the Shareholders, decide to capitalise any undivided profits of the Company (whether or not they are available for distribution), or any sum standing to the credit of the Company's share premium account or capital redemption reserve. The Directors may also, subject to the aforementioned ordinary resolution, appropriate any sum which they so decide to capitalise to the persons who would have been entitled to it if it were distributed by way of dividend and in the same proportions.

(j) Uncertificated Shares

Subject to the Companies Act, the Directors may permit title to shares of any class to be issued or held otherwise than by a certificate and to be transferred by means of a relevant system without a certificate.

The Directors may take such steps as it sees fit in relation to the evidencing of and transfer of title to uncertificated shares, any records relating to the holding of uncertificated shares and the conversion of uncertificated shares to certificated shares, or vice-versa.

The Company may by notice to the holder of an uncertificated share, require that share to be converted into certificated form.

The Board may take such other action that the Board considers appropriate to achieve the sale, transfer, disposal, forfeiture, re-allotment or surrender of an uncertified share or otherwise to enforce a lien in respect of it.

5. **Directorships and Partnerships**

In addition to their directorships of the Company and members of the Enlarged Group, the Directors are, or have been, members of the administrative, management or supervisory bodies ("directorships") or partners of the following companies or partnerships, at any time in the five years prior to the date of this Document.

Current directorships and partnerships	*Former directorships and partnerships*
Geoffrey Dart	
Apsley Estates Limited	Detours Limited
Dukemount Capital plc	China Pub Company UK Limited
Chesterfield Capital Limited	Junk Pub Limited
China 8 Group Limited	Global GSM Solutions Inc.
Clarence Capital Inc.	Lime U.K. Limited
Westminster Group Limited	Encor Power Plc
Fulltime-Select (Soccer) Limited	Solar Fidelity Limited
Harrell Hospitality Inc.	MBE Coal & Minerals Technology GmbH
Schillingtons Limited	
Wildlife Defence Systems Inc.	
Chesterfield Red Limited	
Gilbert Capital Limited	
Peter Redmond	
Catalyst Corporate Consultants Limited	Blenheim Energy Limited
Pires Investments Plc	Blenheim Wind and Biomass Limited
Energy Investment Opportunities Limited	Blenheim Wind (UK) Ltd
	Citypoint Investments Plc
	Devonshire Wind Projects Limited
	D S Finance & Leasing Limited
	Leed Resources Plc
	Satellite Solutions Worldwide Group plc
	Be Heard Group Plc
	EVR Holdings Plc
	Renewable Power & Light Limited
	Kennedy Ventures Plc

	EVR Holdings Plc
	Renewable Power & Light Limited
	Dukemount Capital Plc
Adrian Beeston	
M6 Limited	The Coleherne Court Company Limited
Sarah Rossi Limited	Coleherne Court Freehold Limited
Thorpe-Beeston Investments Limited	Sunlogics plc
M6 Africa Ltd	Israneft Exploration Limited
M6 Asia Ltd	Red Thread Media Limited
M6 Latin America Ltd	Genesis Petrocorp Ltd
Dr Vladislav Sandler	
None	None
Alexis Sandler	
None	None
Lawrence Pemble	
Blackcomb Technologies Limited	Gray Fox Petroleum Corp
Neural Game Studios Limited	Nador Enterprises Limited
Kymax Limited	
Androgenix Pharmaceuticals Ltd	
Garthland Limited	
Bonsai Capital Ltd	
Bruin Point Energy Corp	
Pure Medsim Technologies Ltd	
Mobnsters Ltd	
Sinanco Dimanonds Ltd	
UNIP Technologies Limited	
Cognetivity Ltd	
Pri-Num Limited	
Hemogenyx Pharmaceuticals Limited	
Dr Robin Campbell	
Barnes Day Care Limited.	None
Timothy Le Druillenec	
Briarmount Limited	Encor Power Plc
European Media Ventures Limited	Le Soula Limited
The Bottlers Limited	Richards Walford & Co Limited

Berlin Land Limited

Dukemount Limited

Black Eagle Capital Limited

Dukemount Capital plc

Pure Cremation Limited

Pure Cremation Funeral Planning Limited

6. **Directors' Confirmations**

6.1 At the date of this Document, save as disclosed in paragraph 6.2, none of the Directors:

(i) has any convictions in relation to fraudulent offences for at least the previous five years;

(ii) has been associated with any bankruptcy, receivership or liquidation while acting in the capacity of a member of the administrative, management or supervisory body or of senior manager of any company for at least the previous five years; or

(iii) has been subject to any official public incrimination and/or sanction of him by any statutory or regulatory authority (including any designated professional bodies) or has ever been disqualified by a court from acting as a director of a company or from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer for at least the previous five years.

6.2 Peter Redmond was a non-executive director of Renewable Power & Light Limited ("**RPL**") from 18 May 2010 to 1 December 2014. At that time, RPL was a non-trading company, and was later put into administration by its continuing directors.

6.3 None of the Directors has any potential conflicts of interest between their duties to the Company and their private interests or other duties they may also have.

6.4 Lawrence Pemble is a director of Bonsai Capital Limited ("**Bonsai**") and each of Craig Auringer and Samantha Bauer are beneficial shareholders in Bonsai, with Samantha Bauer's interest held via Flascherberg Capital Anstalt. Craig Auringer will hold 8.82 per cent. of the Enlarged Issued Share Capital and Flascherberg Capital Anstalt will hold 7.86 per cent. of the Enlarged Issued Share Capital. Samantha Bauer's husband is Ronald J Bauer. In February 2006, Mr Bauer signed a voluntary agreement without any admission of liability with the SEC in relation to various alleged civil breaches of US securities laws relating to announcements made about a company then quoted on the OTC market in the US. Pursuant to the agreement, Mr Bauer paid an agreed sum by way of disgorgement of profits and, inter alia, agreed not to act as an officer of any company in the USA whose shares are registered under the Securities Exchange Act 1934 for a period of 5 years after February 2006. The case was closed in October 2006, and since the date of the agreement no claim for breach of its terms or similar activity to that alleged in it, has been made. Mr Bauer is not a shareholder, and will not have any involvement in the management of the Group. In accordance with the corporate governance protocol described at Part V (The Company, Proposed Board and Corporate Governance) of this Prospectus, no confidential or inside information will be passed to Bonsai or any of its directors (other than Lawrence Pemble but only in his capacity as a director of the Company), shareholders, or associates (including Mr Bauer).

7. **Directors' interests**

Save as disclosed below, none of the Directors or Proposed Directors, nor any member of their immediate families has or will have on or following Admission any interests (beneficial or non-beneficial) in the shares of the Company or any of its subsidiaries.

Interests as at 7 September 2017 (being the latest practicable date prior to the publication of this Document)

Director	*No of Ordinary Shares*	*Percentage of Issued Shares*
Geoffrey Dart*	4,800,000	7.17
Peter Redmond**	3,600,000	5.38

Adrian Beeston	3,350,000	5.00

*2,300,000 Ordinary *Shares held in the name of Chesterfield Capital Limited. In addition, Dukemount Capital plc, a company of which Geoffrey Dart is a director and a major shareholder, holds 2,500,000 Ordinary Shares which is included in that total. Geoffrey Dart will resign as a Director of the Company prior to Admission.*

*** Ordinary Shares held in the name of Catalyst Corporate Consultants Limited of which Peter Redmond is a director and sole shareholder.*

Interests in the Enlarged Issued Share Capital immediately following Admission

Director / Proposed Director	***No of Ordinary Shares***	***Percentage of Enlarged Issued Ordinary Share Capital***	***Options / Warrants over Ordinary Shares***
Geoffrey Dart*	5,800,000	1.63%	2,400,000 Lock-in Warrants
Peter Redmond**	4,885,714	1.37%	1,942,857 Lock-in Warrants
Adrian Beeston	5,414,286	1.45%	2,082,143 Lock-in Warrants
Dr Vladislav Sandler	40,451,210	11.36%	214,286 Lock-in Warrants
Alexis Sandler	75,090,685	21.09%	-
Lawrence Pemble	-	-	3,560,428 Options (1 per cent. of the Enlarged Issued Share Capital)
Dr Robin Campbell	1,142,857	0.32%	3,560,428 Options (1 per cent. of the Enlarged Issued Share Capital)
Timothy Le Druillenec***	800,000	0.22%	400,000 Lock-in Warrants

*2,300,000 Ordinary *Shares held in the name of Chesterfield Capital Limited. In addition, Dukemount Capital plc, a company of which Geoffrey Dart is a director and a major shareholder, holds 2,500,000 Ordinary Shares which is included in that total. Geoffrey Dart will resign as a Director of the Company prior to Admission.*

** *Shares held in the name of Catalyst Corporate Consultants Limited of which Peter Redmond is a director and sole shareholder.*

*** *Timothy Le Druillenec is a director of Dukemount Capital plc which holds 2,500,000 Ordinary Shares but which is not included in his total.*

The shares held by each of Geoffrey Dart, Peter Redmond and Adrian Beeston from Admission includes in each case 1,000,000 SF Director Shares to be awarded on completion of the Acquisition in lieu of receiving any fees as acting as directors.

8. **Major Shareholders and other interests**

8.1 As at 7 September 2017 (being the latest practicable date prior to the publication of this Document), the following shareholders had a notifiable interest (being more than three per cent. of the voting rights) in the issued shares of the Company:

Shareholder	***No of Ordinary Shares***	***Percentage of Issued Ordinary Share Capital***
Optiva Securities Limited	5,000,000	7.47%
Geoffrey Dart*	4,800,000	7.17%
Peter Redmond**	3,600,000	5.38%
Adrian Beeston	3,350,000	5.00%

Wayne Gibson	2,600,000	3.88%
Abdelatif Lachab	2,600,000	3.88%

**Shares held in the name of Chesterfield Capital Limited. In addition, Dukemount Capital plc, a company of which Geoffrey Dart is a director and a major shareholder, holds 2,500,000 Ordinary Shares which is included in that total.*

*** Shares held in the name of Catalyst Corporate Consultants Limited of which Peter Redmond is a director and sole shareholder.*

8.2 Immediately following Admission, as a result of the Placing, the Subscription and the issue of the Consideration Shares, the Directors expect that a number of persons will have an interest, directly or indirectly, in at least three per cent. of the voting rights attached to the Company's Enlarged Issued Share Capital and certain current Shareholders who hold at least three per cent. of the Existing Ordinary Shares prior to the issue of the New Ordinary Shares may have their percentage holdings in the Company diluted. Such persons will be required to notify such interests or changes to their interests to the Company in accordance with the provisions of Chapter 5 of the Disclosure Guidance and Transparency Rules, and such interests will be notified by the Company to the public.

8.3 As at 7 September 2017 (being the latest practicable date prior to the publication of this Document), the Company was not aware of any person or persons who, directly or indirectly, jointly or severally, exercise or could exercise control over the Company nor is it aware of any arrangements, the operation of which may at a subsequent date result in a change in control of the Company.

8.4 No Shareholder interested, directly or indirectly, in three per cent. or more of the Enlarged Issued Share Capital will have different voting rights from any other holder of Ordinary Shares.

9. **Working capital**

The Company is of the opinion that the working capital available to the Enlarged Group, taking into account the Net Proceeds, is sufficient for the Enlarged Group's present requirements, that is for at least the 12 months from the date of this Prospectus.

10. **Significant change**

10.1 There has been no significant change in the trading or financial position of the Company since 31 December 2016, being the date as at which the financial information contained in Part X (*Financial Information on the Company*) was prepared.

10.2 There has been no significant change in the trading or financial position of Hemogenyx Pharmaceuticals Limited or Hemogenyx LLC since 31 December 2016, being the date at which the financial information contained in Part XI (*Financial Information on the Hemogenyx Group*) was prepared.

11. **Litigation**

11.1 There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) which may have, or have had in the recent past, significant effects on the financial position or profitability of the Company.

11.2 There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) which may have, or have had in the recent past, significant effects on the financial position or profitability of Hemogenyx Pharmaceuticals Limited or Hemogenyx LLC.

12. **City Code**

12.1 The City Code applies to the Company. Under Rule 9 of the City Code, if:

(a) a person acquires an interest in shares in the Company which, when taken together with shares already held by him or persons acting in concert with him, carry 30% or more of the voting rights in the Company; or

(b) a person who, together with persons acting in concert with him, is interested in not less than 30% and not more than 50% of the voting rights in the Company acquires additional interests in shares which increase the percentage of shares carrying voting rights in which that person is interested,

the acquirer and, depending on the circumstances, his concert parties, will be required (except with the consent of the Panel on Takeovers and Mergers) to make a cash offer for the outstanding shares in the Company at a price not less than the highest price paid for any interests in the Ordinary Shares by the acquirer or his concert parties during the previous 12 months.

12.2 On Admission, and taking into account the issue of the Placing Shares, the Subscription Shares, the SF Director Shares, the Peterhouse Shares and the Consideration Shares to be issued the Sellers, the Sellers will hold approximately 66.97 per cent. of the Enlarged Issued Share Capital. The Sellers, taken together, are treated by the Panel as a concert party through the application of paragraph (9) to the definition of "Acting in concert" in the City Code.

12.3 Following the Acquisition, the Concert Party will hold more than 50 per cent. of the Enlarged Issued Share Capital and for so long as the members of the Concert Party continue to be treated as acting in concert, the Concert Party may accordingly increase their aggregate interest in shares in the Company without incurring any obligation under Rule 9 to make a general offer, although an individual member of the Concert Party will not be able to increase his percentage interests in shares through or between a Rule 9 threshold without the Takeover Panel's consent.

12.4 The Panel has agreed to waive the obligation to make a general offer that would otherwise arise as a result of the issue of the Consideration Shares to the Sellers following the Acquisition, subject to the approval of the Independent Shareholders of the Company. Accordingly, the Whitewash Resolution will be proposed at the General meeting and will be taken on an independent poll of the Company's Shareholders. The Company and Hemogenyx Pharmaceuticals have agreed that the Whitewash Resolution is being proposed to permit, if passed, the Sellers to hold up to and including 67.74 per cent of the issued ordinary share capital of the Company.

13. **Material contracts – Silver Falcon**

The following are all of the contracts (not being contracts entered into in the ordinary course of business) that have been entered into by the Company since the Company's incorporation which: (i) are, or may be, material to the Company; or (ii) contain obligations or entitlements which are, or may be, material to the Company as at the date of this document.

13.1 *Share Purchase Agreement*

The terms of the SPA are detailed in Part VI (*The Acquisition*) of this Prospectus.

13.2 *Placing Agreement*

The terms of the Placing Agreement are detailed in Part VII (*The Placing*) of this Prospectus.

13.3 *Lock-In agreement*

Each of the Sellers (other than Mark Hawtin and Rs Trading Limited) and the Company have entered into a lock-in agreement pursuant to which the relevant Sellers have each agreed that for a 12 month period from Admission they will not offer, sell, contract to sell, pledge or otherwise dispose of any Ordinary Shares which they hold directly or indirectly in the Company. These restrictions are subject to usual and customary exceptions relating to estate planning or transfers to affiliates, transfers of any Ordinary Shares acquired in an open market transaction after the date of Admission, or acceptance of a general offer made to all Shareholders on equal terms. After the expiry of the lock-in period for a second twelve month period each relevant Seller has agreed to dispose of shares only through the Company's broker(s) from time to time in accordance with orderly marketing principles.

13.4 *Relationship Agreement*

Dr. Vladislav Sandler and Alexis M. Sandler (the "**Covenantors**") and the Company entered into a Relationship Agreement dated 8 September 2017 to regulate the relationship between the Company and the Covenantors with effect from Admission. The Relationship Agreement contains customary terms and conditions, including a requirement that any transactions or arrangements proposed to be entered into between any of Convenantor or their associates and the Company be transacted on arms' length terms and approved by the Directors other than any interested Covenantor who is also a Director. In addition, the Covenantors have agreed that there will be at all times a majority of independent directors (as such term is defined in the Relationship Agreement). The Relationship Agreement will remain in full force and effect so long as the Covenantors' aggregate shareholding in the Company exceeds 20 per cent..

13.5 *Registrars' Agreement*

The Registrar is responsible for providing share registration services to the Company under the terms of a registrar's agreement dated 2 November 2015, which is subject to six months' notice.

The Company has agreed to pay the Registrar's fees monthly in arrears in respect of its base service. The fee for the base service comprises £1.35 per holding per annum, subject to a minimum fee per annum of £3,250.

13.6 *Lock-in Warrant Instrument*

The Company entered into the Lock-in Warrant Instrument on 8 September 2017, pursuant to which it will issue the Lock-in Warrants.

Pursuant to the terms of the Lock-in Warrant Instrument, the only persons entitled to the Lock-in Warrants are "qualifying shareholders", being (i) parties who are beneficial owners of Ordinary Shares immediately prior to Admission; and (ii) the Placees and Subscribers. Therefore none of the Sellers will receive Lock-in Warrants unless they are also a Placee or Subscriber.

The entitlement to a Lock-in Warrant depends on a qualifying shareholder not having dealt in the Ordinary Shares they held as at Admission in the period between Admission and 5.00 p.m. on the 60th day following Admission (being the "**warrant issue date**"), save for any 'permitted dealing', i.e. dealings between nominees and underlying beneficial owners (the "**Warrant Issue Condition**").

Warrant certificates representing entitled to the Lock-in Warrants will be issued on the later of 10 Business Days following the warrant issue date and the date on which the Company is satisfied as to the entitlement of a qualifying shareholder to the Lock-in Warrant.

The Lock-in Warrant Instrument entitles a qualifying shareholder who fulfils the Warrant Issue Condition to one Lock-in Warrant for every two Ordinary Shares held as at the warrant issue date and each Lock-in Warrant entitles the holder to one Ordinary Share. In the event that all qualifying shareholders meet the Warrant Issue Condition, a maximum number of 62,021,429 Lock-in Warrants would be issued, which would represent 17.41 per cent. of the Enlarged Issued Share Capital.

Lock-in Warrants may be exercised on the first Business Day of each calendar month in whole or part within two years from Admission, subject to certain limited exceptions. The exercise price of a Lock-in Warrant is 4 pence. The Lock-in Warrants are freely transferable.

14. **Material contracts – Hemogenyx**

The following are all of the contracts (not being contracts entered into in the ordinary course of business) that have been entered into by Hemogenyx Pharmaceuticals and Hemogenyx LLC since the Company's incorporation which: (i) are, or may be, material to the Company; or (ii) contain obligations or entitlements which are, or may be, material to the Company as at the date of this document:

14.1 *Clinical Development Agreement*

Hemogenyx LLC and Target Health Inc ("**Target**"), a Clinical Research Organisation, entered into an agreement dated 15 December 2014 to utilise Target Health's experience and contacts to manage the process with the FDA and to submit an Orphan Drug Designation request in relation to the use of the Company's products in treating Aplastic Anaemia. Target agreed to undertake this work on a reduced fee basis with additional payments to be made on the occurrence of future funding of Hemogenyx and will be paid US$90,000 on Admission in full settlement of such monies owed.

14.2 *Exclusive Licence Agreement with Cornell*

Hemogenyx LLC and Cornell University ("**Cornell**") entered into an Exclusive Licence Agreement ("**ELA**") on 15 January 2015, pursuant to which Cornell agreed that until the expiration date of the longest-lived patent in the "**Patent Rights**" (as defined below), it will grant to Hemogenyx LLC a licence under the Patent Rights to make, use, sell, offer for sale and to import and have imported licences products and to practice licences methods in the field worldwide where the Patent Rights exist.

Patent Rights in the ELA is defined as Cornell's right in any of the following:

a) the Patent Cooperation Treaty (the "**PCT**") being the patent application disclosing and claiming the invention, filed by Dr Vladislav Sandler and assigned to Cornell;

b) continuing applications of the PCT patent including divisions, substitutions and continuations in part (but only to the extent the claims thereof are enabled by disclosure of the parent application);

c) any patents issuing on the PCT patent applications including reissues, re-examination and extensions; and

d) any corresponding foreign applications or patents.

Hemogenyx is able to sub-licence its rights to third parties.

The licence is subject to payment of fees, including an annual fee and certain milestone payments due on the occurrence of specified events. In addition, Cornell is due royalty payments on sales of products by the Company and on sub-licence fees.

Hemogenyx LLC is required to keep, and is required to ensure require its sub licensees keep, accurate and correct records of all licensed products manufactured, used and sold and sublicense fees received under the ELA. If Hemogenyx is informed of a substantial infringement of the Patent Rights, it has to inform Cornell and provide them with reasonable evidence of the infringement.

If the ELA or any associated transaction is required by the law to be either approved or registered with any governmental agency, Hemogenyx is required to assume all legal obligations to do so.

Cornell is able to terminate the agreement under the following circumstances:

i) if Hemogenyx fails to perform or violates any term of the ELA and Hemogenyx fails to cure the default within sixty days of the notice; or

ii) if Hemogenyx files a claim including in any way the assertion that any portion of Cornell's Patent Rights is invalid or unenforceable.

The Agreement is governed by laws of the State of New York.

14.3 *Cornell Loan*

As part of the ELA arrangements, Hemogenyx LLC and Cornell entered into a convertible loan agreement dated 23 December 2014 in a principal amount of $325,000 (the "**Cornell Loan**"). The Cornell Loan attracts a 5 per cent. p.a. interest rate which compounds.

The Cornell Loan is repayable following the earlier of: i) the date on which Hemogenyx LLC receives third party equity investment of at least $5,000,000; ii) a change of control of Hemogenyx LLC; and iii) 23 December 2019.

Cornell can elect to be re-paid in shares in Hemogenyx LLC in the event that there has been a third party equity investment into Hemogenyx LLC at the same price as such third party investment. However, on the basis of discussions with Cornell, the Company expects that Cornell will elect to have the entire outstanding principal and interest in respect of the Cornell Loan repaid to it in cash shortly following Admission.

14.4 *Master Human Material Transfer Agreement*

On 28 April 2015, Hemogenyx LLC and Kaleida Health ("**Kaleida**") entered into a Master Human Material Transfer Agreement ("**MTA**") for the transfer of Human Material (as defined in the Statement of Works ("**SOW**") attached to the Agreement), with or without accompanying data for teaching and non-profit research purposes only.

Hemogenyx agreed not to use the Human Material for any commercial purposes, including selling, commercial screening or transferring Human Material to a third party for commercial purposes.

All requests for the transfer of Human Material under the MTA need to be made and transferred pursuant to a SOW to be attached and incorporated as an addendum to the MTA and Hemogenyx is only able to use Human Material for any research project for which it has been specifically requested under the SOW.

Hemogenyx also agreed that Human Material provided under the MTA may not be used on humans or for any diagnostic, prognostic or treatment purposes, and that in all oral presentations or written publications concerning the

use of Human Materials, Hemogenyx will acknowledge Kaleida's contribution of the Human Material (unless requested otherwise by Kaleida).

Either party may terminate the MTA within 60 days' written notice. The MTA is governed by the laws of the State of New York.

14.5 *Bonsai Capital Investment Agreement*

On 19 February 2016, Bonsai Capital Ltd ("**Bonsai**") along with Dr Vladislav Sandler, Alexis Sandler as the "**Founders**", each of the other investors in Hemogenyx LLC and Hemogenyx LLC entered into an investment agreement (the "**Original Bonsai Agreement**").

Under the terms of the original Bonsai Agreement, Bonsai agreed to subscribe for 8,769,231 Class B interests at an aggregate subscription price of USD$1,000,000 in the capital of Hemogenyx LLC to be paid over five equal tranches with the final tranche paid on 27 January 2017.

Hemogenyx LLC and the Founders gave various warranties to Bonsai with any claims for breach of such warranties being six months after the final payment date. Both Hemogenyx LLC and the Founders gave each other certain business undertakings.

14.6 *Share Exchange Agreement*

On 8 September 2017 each of Vladislav Sandler, Alexis Sandler, 43North LLC, Deena Malkina, Anya Levitov, Mark Pykett, Daniel Valk, Flascherberg Capital Anstalt, Craig Auringer, Ron Valk, Mark Hawtin and Plum Capital Ltd (the **LLC Sellers**) and Hemogenyx Pharmaceuticals Ltd as purchaser entered into the Share Exchange Agreement pursuant to which the LLC Sellers agreed to sell their entire interests in Hemogenyx LLC in exchange for shares in Hemogenyx Pharmaceuticals Limited on a pro-rata basis. Completion of the Share Exchange Agreement is conditional on the passing of the Resolutions.

Following completion of the Share Exchange Agreement, Hemogenyx Pharmaceuticals Limited (whose name is to be changed to Hemogenyx UK Limited) will become the parent company of Hemogenyx LLC.

15. **Cornell Patent**

15.1 The patent rights are Cornell's right in any of the following:

- the Patent Cooperation Treaty (the "PCT") being the patent application disclosing and claiming the invention, filed by Dr Vladislav Sandler and assigned to Cornell;
- continuing applications of the PCT patent including divisions, substitutions and continuations in part (but only to the extent the claims thereof are enabled by disclosure of the parent application);
- any patents issuing on the PCT patent applications including reissues, re-examination and extensions; and
- any corresponding foreign applications or patents.

15.2 There are also various milestone payments which are to be paid to Cornell on the occurrence of certain events, which include FDA approvals and first commercial sales of the Company's products.

15.3 Cornell also has a royalty right in respect of net sales of Hu-PHECs at 4 per cent. in any year in which annual sales are less than or equal to $10,000,000 and five per cent. where annual sales are more than $10,000,000.

15.4 In the event of Hemogenyx sub-licencing any of its rights under the Cornell Patent, Cornell will receive a percentage of any sub-license fee due to Hemogenyx, between 20-50 per cent., dependent on the achievement by Hemogenyx of certain events at the time of entering into the sub-licence. Cornell will also receive a proportion of any royalties payable by the sub-licensee.

15.5 Hemogenyx is obliged to achieve certain milestones, either directly or through its sub-licensees, relating to the development of Hu-PHECs including:

- raising a minimum of $250,000 within six months of the Effective Date, which Hemogenyx achieved ;
- raising an additional $250,000 within one year of the Effective Date, which Hemogenyx achieved;

- raising a further $1,000,000 within two (2) years of the Effective Date – as at the date of this document, Hemogenyx has raised $750,000 out of the target of $1,000,000 and the balance will be raised in the Placing and Subscription;
- raising an additional $1,500,000 within three years of the Effective Date;
- raising an additional $2,000,000 within four years of the Effective Date;
- submission to the Federal government or other State agencies or foundations, at least one small business grant within two years of the Effective Date and Hemogenyx intends to submit a grant application in this respect;
- initiate medicinal chemistry development of new compounds from hits obtained from screening experiments employing any cellular Licensed Products within 18 months of the Effective Date, which Hemogenyx has initiated;
- initiate preclinical toxicology studies of Cell Therapeutic Products within two years of the Effective Date, which has been done and initial results obtained;
- submit an IND for Cell Therapeutic Product for bone marrow transplant within three years of the Effective Date; and
- undertake a Phase 1 clinical trial for Cell Therapeutic Product within three and a half years of the Effective Date.

16. **Related party transactions**

16.1 From 13 February 2013 (being the Company's date of incorporation) up to and including the date of this Prospectus, the Company has not entered into any related party transactions other than as set out in the Company's annual reports and accounts (as incorporated into this document in Part X) and as most recently referred to at Note 11 of the Company's annual report and accounts for the year ended 31 December 2016. As at the date of this Prospectus the Company was not party to any related party arrangements.

16.2 From 27 December 2013 (being the date of its incorporation) up to and including the date of this Prospectus, Hemogenyx LLC has not entered into any related party transactions other than as referred to at Note 14 of Part XI Section B of this document.

17. **Directors' service contracts and letters of appointment**

17.1 Geoffrey Dart was appointed as a non-executive director of the Company under a letter of appointment dated 2 November 2015 for an initial term ending at the conclusion of the Company's next annual general meeting. Mr Dart is not entitled to receive a fee from the Company for so long as the Company remains as a special purpose acquisition company. Instead, Mr Dart shall be entitled to receive a fee of £30,000 on completion of an acquisition to be satisfied by the Company issuing and allotting to each of Mr Dart 1,000,000 Ordinary Shares at an issue price of £0.03 per Ordinary Share. Mr Dart will be resigning as a director on Admission.

17.2 The other Directors have entered into service agreements and letters of appointment (as applicable) to take effect from Admission which are summarised in the section headed "Directors' appointment arrangements and fees" in Part V.

18. **Accounts and annual general meetings**

18.1 The Company's annual report and accounts are made up to 31 December in each year, with the first annual report and accounts of the Company which will consolidate the results of the Enlarged Group following Acquisition and Admission covering the period from 1 January 2017 to 31 December 2017. The Company's annual report and accounts for the year ended 31 December 2016 will be made public no later than 30 June 2017.

18.2 It is expected that the Company will make public its annual report and accounts within four months of each financial year end (or earlier if possible) and that copies of the annual report and accounts will be sent to Shareholders within six months of each financial year end (or earlier if possible). The Company will prepare its unaudited interim report for each six month period ending 30 June. It is expected that the Company will make public its unaudited interim reports within two months of the end of each interim period.

18.3 The Company will hold its next annual general meeting in 2018.

19. **Issues of new shares**

19.1 At the General Meeting, notice of which is set out in this Prospectus, Shareholders will be asked to pass resolutions to authorise the Directors to issue the Consideration Shares. In addition, Shareholders will be asked to pass resolutions to enable the Company to issue on a non-pre-emptive basis: (i) 60,571,429 Ordinary Shares in connection with the Placing, the Subscription, the SF Director Shares and the Peterhouse Shares; and (ii) following Admission, Ordinary Shares representing 20% per cent. of the Company's Enlarged Issued Share Capital.

19.2 Otherwise, subject to certain other exceptions such as issues for non-cash consideration, the Directors are obliged to offer Ordinary Shares to Shareholders on a basis pro rata to their existing holdings before offering them to any other person for cash. The Directors will only issue Ordinary Shares if they deem it to be in the interests of the Company and (save pursuant to the powers or exceptions referred to above) will not issue Ordinary Shares for cash on a non-pre-emptive basis without first obtaining Shareholder approval.

20. **General**

20.1 PKF Littlejohn LLP whose address is 1 Westferry Circus, Canary Wharf, London, E14 4HD, is the auditor of the Company. PKF Littlejohn LLP is registered to carry out audit work by the Institute of Chartered Accountants in England and Wales.

20.2 PKF Littlejohn LLP has given and has not withdrawn its consent to the inclusion in this document of its accountant's reports in Part XI (*Historical Financial Information on the Company*) and Part XII (*Historical Financial Information on the Hemogenyx Group*) and in the form and context in which they are included and has authorised the contents of each of those reports for the purposes of Rule 5.5.3R(2)(f) of the Prospectus Rules.

20.3 Aruwon Limited has given and has not withdrawn its consent to the inclusion in this document of its Expert's Report set out at Part IV.

20.4 Peterhouse Corporate Finance Limited has given and has not withdrawn its consent to the inclusion in this document of the references to its name and the form and context in which they appear.

20.5 Where information has been sourced from a third party, the information has been accurately reproduced and that, as far as the Company is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information or inaccurate or misleading.

20.6 The Company has not had any employees since its incorporation and does not own any premises. Following the Acquisition and Admission, the Enlarged Group will have four employees.

20.7 The total expenses incurred (or to be incurred) by the Company in connection with Admission, the Placing and the Subscription are approximately £315,000. The estimated Net Proceeds, after deducting fees and expenses in connection with the Placing and Subscription, are approximately £1.685m.

21. **Availability of this Document**

20.1 Following Admission, copies of this Document may be collected, free of charge during normal business hours, from the registered office of the Company at 5 Fleet Place, London, England, EC4M 7RD.

20.2 In addition, this Prospectus will be published in electronic form and be available on the Company's website at www.silverfalconplc.com, subject to certain access restrictions applicable to persons located or resident outside the United Kingdom.

22. **Documents for inspection**

Copies of the following documents may be inspected at the registered office of the Company, during usual business hours on any day (except Saturdays, Sundays and public holidays) from the date of this Document until the Placing closes:

(i) the Articles of Association of the Company;

(ii) the documents in the cross reference list which are incorporated by reference into this Prospectus as set out in Part X (*Historical Financial Information of the Company*);

(iii) the accountant's report by PKF Littlejohn LLP on the historical financial information of the Hemogenyx Group set out in Part XI (*Historical Financial Information of the Hemogenyx Group)*;

(iv) this Prospectus;

(v) the expert report by Aruwon Limited as set out in Part IV of this Prospectus;

(vi) the consent letters referred to in paragraphs 20.1 to 20.4 of this Part XV; and

(vii) the Directors' service contracts referred to in Part V.

Copies of the documents set out above are also available on the Company's website at www.silverfalconplc.com.

Dated: 8 September 2017

PART XVI
NOTICES TO INVESTORS

The distribution of this Prospectus may be restricted by law in certain jurisdictions and therefore persons into whose possession this Prospectus comes should inform themselves about and observe any restrictions, including those set out below. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

General

No action has been or will be taken in any jurisdiction that would permit a public offering of the Ordinary Shares, or possession or distribution of this Prospectus or any other offering material in any country or jurisdiction where action for that purpose is required. Accordingly, the Ordinary Shares may not be offered or sold, directly or indirectly, and neither this Prospectus nor any other offering material or advertisement in connection with the Ordinary Shares may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any and all applicable rules and regulations of any such country or jurisdiction. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. This Document does not constitute an offer to subscribe for any of the Ordinary Shares offered hereby to any person in any jurisdiction to whom it is unlawful to make such offer or solicitation in such jurisdiction.

This Prospectus has been approved by the FCA as a prospectus which may be used to offer securities to the public for the purposes of section 85 of FSMA, and of the Prospectus Directive. No arrangement has however been made with the competent authority in any other EEA State (or any other jurisdiction) for the use of this document as an approved prospectus in such jurisdiction and accordingly no public offer is to be made in such jurisdiction. Issue or circulation of this Document may be prohibited in countries other than those in relation to which notices are given below.

For the attention of all Investors

The Ordinary Shares are only suitable for acquisition by a person who: (a) has a significantly substantial asset base such that would enable the person to sustain any loss that might be incurred as a result of acquiring the Ordinary Shares; and (b) is sufficiently financially sophisticated to be reasonably expected to know the risks involved in acquiring the Ordinary Shares.

For the attention of European Economic Area Investors

In relation to each member state of the EEA which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), an offer to the public of the Ordinary Shares may only be made once the prospectus has been passported in such Relevant Member State in accordance with the Prospectus Directive as implemented by such Relevant Member State. For the other Relevant Member States an offer to the public in that Relevant Member State of any Ordinary Shares may only be made at any time under the following exemptions under the Prospectus Directive, if they have been implemented in that Relevant Member State:

(a) to any legal entity which is a qualified investor as defined under the Prospectus Directive;

(b) to fewer than 100 or, if the Relevant Member State has implemented the relevant provisions of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive) in such Relevant Member State subject to obtaining prior consent of the Company for any such offer; or

(c) in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of Ordinary Shares shall result in a requirement for the publication by the Company of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer to the public" in relation to any offer of Ordinary Shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and any Ordinary Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Ordinary Shares, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State and the expression "Prospectus Directive" means Directive 2003/71/EC (and any amendments, thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State) and includes

any relevant implementing measure in each Relevant Member State and the expression "2010 PD Amending Directive" means Directive 2010/73/EU.

During the period up to but excluding the date on which the Prospectus Directive is implemented in member states of the EEA, this Prospectus may not be used for, or in connection with, and does not constitute, any offer of Ordinary Shares or an invitation to purchase or subscribe for any Ordinary Shares in any member state of the EEA in which such offer or invitation would be unlawful.

The distribution of this Document in other jurisdictions may be restricted by law and therefore persons into whose possession this Document comes should inform themselves about and observe any such restrictions.

For the attention of U.K. Investors

This Document comprises a prospectus relating to the Company prepared in accordance with the Prospectus Rules and approved by the FCA under section 87A of FSMA. This Document has been filed with the FCA and made available to the public in accordance with Rule 3.2 of the Prospectus Rules.

This document is being distributed only to and is directed at persons who (if they are in the EEA) will fall within one of the categories of persons set out above. In addition, this document is being distributed only to and is directed at persons in the United Kingdom who are: (i) persons having professional experience in matters relating to investments falling within the definition of "investment professionals" in Article 19(5) of the Financial Promotions Order; or (ii) persons who are high net worth bodies corporate, unincorporated associations and partnerships and the trustees of high value trusts, as described in Article 49(2)(a)-(d) of the Financial Promotions Order; or (iii) persons to whom it may otherwise be lawful to distribute (all such persons together being referred to as "relevant persons").

PART XVII
DEFINITIONS

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

"Acquisition"	means the conditional acquisition by the Company of Hemogenyx Pharmaceuticals pursuant to the SPA as more detailed at Part VI (*The Acquisition*);
"Admission"	means admission of the Enlarged Issued Share Capital to the standard segment of the Official List and to trading on the main market for listed securities of the London Stock Exchange;
"Advisory Board"	means the board to be established by Hemogenyx LLC from Admission consisting of the Advisory Board Members which is to produce expert advice and oversight;
"Advisory Board Members"	means together, each of Prof. Sir Marc Feldmann, Prof. Alexander Tarakhovsky, Prof. Koen Van Besien, Dr. Mark Pykett, Dr. Jules Mitchel and Dr Boris Shor;
"Articles of Association" or "Articles"	means the articles of association of the Company in force from time to time;
"Business Day"	means a day (other than a Saturday or a Sunday) on which banks are open for business in London;
"certificated" or "in certificated form"	means in relation to a share, warrant or other security, a share, warrant or other security, title to which is recorded in the relevant register of the share, warrant or other security concerned as being held in certificated form (that is, not in CREST);
"Chairman"	means from Admission Dr Robin Campbell, or the Chairman of the Board from time to time, as the context requires, provided that such person was independent on appointment for the purposes of the UK Corporate Governance Code;
"Change of Control"	means the acquisition of Control of the Company by any person or party (or by any group of persons or parties who are acting in concert);
"City Code"	means the City Code on Takeovers and Mergers;
"Companies Act"	means the Companies Act 2006, as amended;
"Company"	means Silver Falcon Plc (whose name is to be changed to Hemogenyx Pharmaceuticals Plc effective from Admission) a company incorporated in England and Wales under the Companies Act on 13 February 2013, with number 08401609;
"Concert Party"	the Sellers;
"Consideration Shares	means the 228,571,428 Ordinary Shares to be issued to the Sellers in connection with the Acquisition as set out in the SPA;
"Control"	means: (i) the power (whether by way of ownership of shares, proxy, contract, agency or otherwise) to: (a) cast, or control the casting of, more than 50 per cent. Of the maximum number of votes that might be cast at a general meeting of the Company; or (b) appoint or remove all, or the majority, of the Directors or other

	equivalent officers of the Company; or (c) give directions with respect to the operating and financial policies of the Company with which the Directors or other equivalent officers of the Company are obliged to comply; and/or (ii) the holding beneficially of more than 50 per cent. Of the issued shares of the Company (excluding any issued shares that carry no right to participate beyond a specified amount in a distribution of either profits or capital);
"CREST" or "CREST System"	means the paperless settlement system operated by Euroclear enabling securities to be evidenced otherwise than by certificates and transferred otherwise than by written instruments;
"CREST Regulations"	means The Uncertified Securities Regulations 2001 (SI 2001 No. 3755), as amended;
"Directors" or "Board"	means the directors and, if the context requires, the Proposed Directors of the Company, whose names appear at page 30 or the board of directors from time to time of the Company, as the context requires, and "Director" is to be construed accordingly;
"Disclosure Guidance and Transparency Rules"	means the disclosure guidance and transparency rules of the UK Listing Authority made in accordance with section 73A of FSMA as amended from time to time;
"EEA"	means the European Economic Area;
"EEA States"	means the member states of the European Union and the European Economic Area, each an "EEA State";
"Enlarged Group"	means the Company and its subsidiary undertakings from time to time;
"Enlarged Issued Share Capital"	means the ordinary share capital of the Company as enlarged by the New Ordinary Shares;
"EU"	means the Member States of the European Union;
"Euroclear"	means Euroclear UK & Ireland Limited;
"FCA"	means the Financial Conduct Authority;
"Form of Proxy"	the form of proxy which is enclosed with this Document for use by existing Shareholders in connection with the General Meeting;
"FSMA"	means the Financial Services and Markets Act 2000, as amended;
"General Meeting"	the general meeting of the Company proposed to be held on 4 October 2017, the notice of which is set out in this Prospectus;
"Group"	means the Company and its subsidiaries from time to time;

"Hemogenyx"	means Hemogenyx LLC, a Delaware incorporated company
"Hemogenyx Pharmaceuticals Limited"	means Hemogenyx Pharmaceuticals Limited, a company registered in England and Wales whose name is to be changed to Hemogenyx UK Limited;
"IFRS"	means International Financial Reporting Standards, as adopted by the European Union;
"Independent Non-Executive Director"	means the non-executive directors of the Board from time to time considered by the Board to be independent for the purposes of the UK Corporate Governance Code, being Peter Redmond and Adrian Beeston as from Admission;
"Independent Shareholders"	means those shareholders independent of the Acquisition who are capable of voting on the Whitewash Resolution pursuant to the City Code, being all of the shareholders of the Company other than the Directors and any existing shareholder of the Company who is participating in the Placing or Subscription;
"Listing Rules"	means the listing rules made by the UKLA under section 73A of FSMA as amended from time to time;
"Lock-in Warrant Instrument"	means the warrant instrument entered into by the Company on 8 September 2017;
"Lock-in Warrants"	means the warrants to subscribe for Ordinary Shares to be issued by the Company pursuant to the Lock-in Warrant Instrument on a 1:2 basis to: (i) each existing shareholder of the Company as at Admission; and (ii) each Placee on the date falling 60 days from Admission, subject only to such persons not having dealt in the Ordinary Shares (subject to certain limited exceptions) and exercisable at £0.04 per Ordinary Share;
"London Stock Exchange"	means London Stock Exchange Plc;
"Market Abuse Regulation"	means Regulation 596/2014 in relation to market abuse;
"Net Proceeds"	means the Placing and Subscription Proceeds less any expenses paid or payable in connection with Admission, the Placing, the Subscription and the Acquisition;
"New Ordinary Shares"	means, together, the Placing Shares, the Subscription Shares, the Consideration Shares, the SF Director Shares and the Peterhouse Shares;
"Official List"	means the official list maintained by the UKLA;
"Optiva"	means Optiva Securities Limited;
"Ordinary Shares"	means the ordinary shares of £0.01 each in the capital of the Company including, if the context requires, the New Ordinary Shares;
"Peterhouse"	means Peterhouse Corporate Finance Limited;

"Peterhouse Shares"	means the 428,571 Ordinary Shares to be paid to Peterhouse on Admission in lieu of fees owed by the Company to Peterhouse for the provision of its Rule 3 advice;
"Placee"	means a person subscribing for Placing Shares under the Placing;
"Placing"	means the proposed placing of the Placing Shares by Optiva, Shard and Peterhouse as agents for the Company;
"Placing Agreement"	the placing agreement dated 8 September 2017 between (i) the Company, (ii) the Directors and Proposed Directors and (iii) each of Optiva, Shard and Peterhouse;
"Placing Price"	means £0.035 per New Ordinary Share;
"Placing and Subscription Proceeds"	means £2m, being the gross funds received on closing of the Placing and Subscription;
"Placing Shares"	means the 49,714,286 Ordinary Shares to be issued pursuant to the Placing;
"Premium Listing"	means a premium listing under Chapter 6 of the Listing Rules;
"Proposed Directors"	means each of Dr Vladislav Sandler, Alexis Sandler, Lawrence Pemble and Dr Robin Campbell and Timothy Le Druillenec, all of whom are to be appointed as a Director of the Company with effect from Admission;
"Prospectus Directive".	means Directive 2003/71/EC (and any amendments thereto, including Directive 2010/73/EU, to the extent implemented in the relevant member state), and includes any relevant implementing measures in each EEA State that has implemented Directive 2003/71/EC;
"Prospectus Rules"	means the prospectus rules of the UK Listing Authority made in accordance with section 73A of FSMA, as amended from time to time;
"Registrar"	means Computershare Investor Services PLC or any other registrar appointed by the Company from time to time;
"Relationship Agreement"	means the agreement dated 8 September 2017 entered into between the Company, Vladislav Sandler and Alexis Sandler which will regulate the on-going relationship between them from Admission;
"Rule 9 Waiver"	means the waiver of the obligations of the Concert Party to make a general offer for the Enlarged Group under Rule 9 of the Takeover Code which may otherwise arise as a consequence of the issue of the Consideration Shares to the Concert Party, granted by the Panel conditional upon approval of the Independent Shareholders voting on a poll, further details of which are set out in Part I of this document;
"SEC"	means the U.S. Securities and Exchange Commission;
"Securities Act"	means the U.S. Securities Act of 1933, as amended;

"Sellers"	means the selling shareholders of Hemogenyx Pharmaceuticals Limited pursuant to the SPA, being: (i) the former unitholders of Hemogenyx LLC following completion of the Share Exchange; (ii) following such completion, Rs Trading Limited, which is to acquire ordinary shares in Hemogenyx Pharmaceuticals Limited from certain of the selling shareholders of Hemogenyx Pharmaceuticals Limited prior to the completion of the SPA; and (iii) Dr Robin Campbell who will be issued shares by Hemogenyx Pharmaceuticals Limited prior to the completion of the SPA;
"Shard"	Shard Capital Partners LLP;
"SF Director Shares"	means the, in aggregate, 3,000,000 Ordinary Shares to be issued to Adrian Beeston, Geoffrey Dart and Peter Redmond at a price of £0.03 per share in settlement of the fee of £30,000 due to each of them on the completion of the Acquisition and Admission which was agreed on the basis of their not taking any fees for acting as directors from the date of the Company's original IPO;
"Shareholders"	means the holders of the Ordinary Shares and/or New Ordinary Shares, as the context requires;
"Share Exchange Agreement"	means the agreement dated 8 September 2017 pursuant to which the unitholders in Hemogenyx LLC will, subject to the passing of the Resolutions, exchange their interests in that entity for shares in Hemogenyx Pharmaceuticals Limited in order that Hemogenyx Pharmaceuticals becomes the holding company of Hemogenyx LLC;
"SPA"	means the conditional share sale and purchase agreement relating to the purchase of Hemogenyx Pharmaceuticals Limited by the Company dated 8 September 2017 between (1) the Company, (2) the Warrantors, and (3) the Sellers;
"Standard Listing"	means a standard listing under Chapter 14 of the Listing Rules;
"Subscriber"	means a person subscribing for Subscription Shares under the Subscription;
"Subscription"	means the subscriptions for Ordinary Shares in the Company to be made by the Subscribers;
"Subscription Shares"	means the 7,428,571 Ordinary Shares to be issued pursuant to the Subscription;
"Takeover Panel"	means the Panel on Takeovers and Mergers;
"UK Corporate Governance Code"	means the Corporate Governance Code issued by the Financial Reporting Council from time to time;
"UK Listing Authority"	means the FCA in its capacity as the competent authority for listing in the U.K. pursuant to Part VI of FSMA;
"uncertificated" or "uncertificated form"	means, in relation to a share or other security, a share or other security, title to which is recorded in the relevant register of the share or other security concerned as being held in uncertificated form (that is, in CREST) and title to which may be transferred by using CREST;

"United Kingdom" or "U.K."	means the United Kingdom of Great Britain and Northern Ireland;
"United States" or "U.S."	means the United States of America;
"VAT"	means (i) within the EU, any tax imposed by any Member State in conformity with the Directive of the Council of the European Union on the common system of value added tax (2006/112/EC), and (ii) outside the EU, any tax corresponding to, or substantially similar to, the common system of value added tax referred to in paragraph (i) of this definition; and
"Warrantors"	means each of Dr Vladislav Sandler and Alexis Sandler in respect of the warranties in the SPA.

References to a "company" in this document shall be construed so as to include any company, corporation or other body corporate, wherever and however incorporated or established.

PART XVIII
TECHNICAL TERMS and REFERENCES

The following technical terms are used in this document:

Ablation	Before a BM/HSC transplant a conditioning regimen (see Conditioning treatment) is used to ablate, that is kill, any cancer cells. Ablative, or myeloablative, treatment normally consists of high-dose chemotherapy and/or radiation. This also destroys all other healthy bone marrow cells. The BM/HSC (see BM/HSC transplantation) procedure potentially allows new stem cells to grow in the bone marrow)
Aplastic Anaemia	Aplastic Anaemia is a blood disorder caused by the failure of bone marrow to create sufficient blood cells
Allogeneic	The term 'allo-' means ‘other’. An allogeneic stem cell transplantation involves the transfer of stem cells from a healthy donor to a patient who has received ablative or conditioning treatment. Special tests are done to see if a donor's stem cells are a good match for a recipient. A brother or sister is most likely to be a good match. Sometimes parents, children, and other relatives are good matches. Unrelated donors who are not related to the recipient, yet still match, may be found through national bone marrow registries
Antibodies	An antibody, also known as an immunoglobulin, is a large protein molecule produced mainly by mature B-lymphocytes or plasma cells. Antibodies are important components of the immune system, specifically identifying and neutralising potential pathogens, such as bacteria and viruses. They also have a more aggressive therapeutic role, as in immunotherapy, and can be used to bind to specific cells or cell receptors to help stimulate a patient's immune system to attack and destroy those specific cells
Autologous	The term 'auto-' means ‘self’. An autologous stem cell transplantation involves removing stem cells from a patient before (any) high-dose chemotherapy or radiation treatment. These stem cells are stored in a freezer. After a conditioning treatment, these stored stems cells are transferred back into the same patient to help make normal blood cells
Bi-specific antibody	Bi-specific antibodies combine the specificities of two antibodies and simultaneously address different antigens (or epitopes). Bi-specific antibody functionality can potentially interfere with multiple surface receptors associated, for example with cancer, cell proliferation or inflammatory processes. Bi-specific antibodies can also bring 'targets' into close proximity, helping trigger contacts between cells. Examples of these ‘forced-connection’ functionalities are bi-specific antibodies that support tumour-targeted immune cell recruiters and/or activators
BM/HSC transplantation (BMT, HSCT)	A stem cell or bone marrow transplant replaces damaged blood cells with healthy ones. It can be used to treat conditions affecting the blood cells, such as leukaemia and lymphoma. Stem cells, or haematopoietic stem cells, are special cells produced by the bone marrow (a spongy tissue found in the centre of some bones) that has the ability to turn into different types of blood cells. This multi-potent characteristic of the stem cells allows them to differentiate into new red and white blood cells and platelets following the chemotherapy and/or radiation steps of a

	conditioning treatment
Cord Blood or CB	Cord blood, or umbilical cord blood, is obtained from a new-born infant's umbilical cord (and placenta) after birth. The HSC concentration is much higher in cord blood than normal adult blood. However, the small volume of blood obtained from an umbilical cord (typically about 50 millilitres) means that this source is more suitable for transplantation into small children than into adults. Use of two cord blood units from different donors facilitates use of cord blood transplants in adults
CDX antibody/antibodies	Hemogenyx's proprietary group of customised bi-specific antibodies, that bind to molecular targets on the surface of the targeted cells with high specificity and designed to act as both a conditioning agent before HSC/BM transplantation and as a potential immunotherapy for a subset of leukaemia
CRO or clinical contract research organization	An organisation that is able to provide support to the pharmaceutical, biotechnology, and medical device industries in the form of research and pre-clinical and clinical trial services, normally outsourced on a contract basis
Chemotherapy	Chemotherapy is a category of cancer treatment that uses one or more anti-cancer drugs (or chemotherapeutic agents) as part of a standardised mono- or combination chemotherapy regimen
Clinical trials or studies	In a clinical trial, specific interventions are given to trial participants, or subjects, according to the clinical trial design or protocol created by the sponsor (normally the company) and its clinical investigators. Interventions comprise medical products, such as drugs or devices; new clinical procedures; or changes to a subject's normal activities, such as diet or exercise. Clinical trials aim to compare a new medical product or approach to a current one (regarded as an approved standard of care), to a placebo (contains no active ingredient) or to no intervention. Other trials may look to compare interventions, that are both available, with each other. With a new product or approach, it is normally unknown or uncertain whether it should be regarded as helpful, harmful or no different to the available standard of care. The clinical trial investigators assess the safety and determine the efficacy of the intervention, or compare interventions, by measuring certain outcomes in the trial participants. For example, giving a new drug or treatment to trial subjects who have high blood pressure to see whether their blood pressure decreases. Those clinical trials that are used in drug development in order to determine the safety and efficacy of new drugs are often described by Phase. These phases are defined by regulatory authorities in charge of national review and approval for new medicines, for example, the Food and Drug Administration (FDA) in the US. There are three main clinical phases: Phase 1, Phase 2 and Phase 3. Their definitions are functional ones and not normally based on duration. A new drug being studied in a clinical trial (an investigational drug) can often be evaluated in two or more phases simultaneously in different therapeutic indications. Also clinical trials may overlap two different phases
Conditioning treatment	Before a BM/HSC transplant a conditioning treatment is used to ablate, that is eliminate, any cancer cells. This treatment normally consists of high-dose chemotherapy (more recently immunotherapy) and/or radiation. A conditioning

	regimen also destroys all other healthy bone marrow cells. Following the conditioning treatment, a subsequent BM/HSC (see BM/HSC transplantation) procedure potentially allows new stem cells to grow in the bone marrow
EMA	The EMA, or European Medicines Agency. The EMA is responsible for the scientific evaluation, supervision and safety monitoring of medicines developed by pharmaceutical companies for use in the EU. The EMA protects public and animal health in 28 EU Member States, as well as the countries of the European Economic Area, by ensuring that all medicines available on the EU market are safe, effective and of high quality
Engraft	A step in a successful stem cell transplant. Until the donor's stem cells given to the recipient engraft, the recipient is at danger of infection, lacking sufficient infection-fighting white blood cells. Successful engraftment in stem cell transplantation is when the recipient accepts the transplanted bone marrow or blood-forming stem cells and these cells start to produce new blood and immune system cells
FDA	The US Food and Drug Administration (FDA), a governmental agency responsible for protecting the public health in the United States by, *inter alia* ensuring the safety, efficacy, and security of human and veterinary drugs, biological products, and medical devices
GvT or Graft versus Tumour effect	An immune response to a person's tumour cells by immune cells present in a donor's transplanted tissue, such as bone marrow. GvT can occur after an allogeneic HSCT. In this situation, the graft contains donor T-lymphocytes (specific immune cells) that are beneficial for the recipient. These donor T-cells can help eliminate malignant residual host T-cells (graft versus leukaemia, GvL) or help eliminate diverse kinds of tumours (GvT)
Hu-PHEC Cells	Hemogenyx's proprietary Postnatal Hemogenic Endothelial Cells, derived from Humans
HSC or Hematopoietic stem cells	Haematopoietic (blood-forming) stem cells (HSC) are stem cells that give rise to all the other blood cells through the process of haematopoiesis. They are derived from the red bone marrow, located in the core of most bones
Immunosuppression	The partial or complete suppression of the immune response of an individual
In vitro	Studies performed with microorganisms, cells, or biological molecules outside their normal biological context (i.e. in test tubes)
In vivo	Studies performed with microorganisms, cells, or biological molecules within their normal biological context (i.e. in the body)
IND or Investigational New Drug	An Investigational New Drug application (IND) is a request to the Food and Drug Administration (FDA) for authorisation to administer an investigational drug or biological product to humans. The FDA reviews the IND application for safety to assure that study participants will not be subjected to unreasonable risk. If the application is cleared, the candidate drug usually enters a Phase 1 clinical trial

Leukaemia	A group of malignant progressive diseases in which the bone marrow and other blood-forming organs produce increased numbers of immature or abnormal leucocytes (white blood cells). The latter cells suppress the production of normal blood cells, leading to anaemia and other symptoms
Lymphoma	Lymphoma is cancer that begins in infection-fighting cells of the immune system, called lymphocytes. These cells are found in the lymph nodes, spleen, thymus, bone marrow, and other parts of the body. When people develop a lymphoma, their lymphocytes change and can grow out of control. The major types of lymphoma are Hodgkin's disease and non-Hodgkin's lymphoma (NHL).
M-PHEC Cells	Hemogenyx's proprietary experimental Postnatal Hemogenic Endothelial Cells, derived from mice
Non-myeloablative regimens	A transplant using a reduced-dose conditioning treatment or regimen
Orphan Drug Designation or ODD	The FDA’s Orphan Drug Designation program provides Orphan Designation (or 'Orphan status') to drugs and biologics which are defined as those intended for the safe and effective treatment, diagnosis or prevention of rare diseases/disorders that affect fewer than 200,000 people in the U.S. The EMA equivalent relates to medicines where the life-threatening condition has a prevalence in the EU of not more than 5 in 10,000
Pharmaco-/toxico-kinetics	Pharmacokinetics studies the time course of drug concentrations in tissue compartments (of the body) and its relevance to the time course of drug action. Toxicokinetics studies the time course of any toxicity produced by various drug concentrations in the body. These analyses are a critical component in the development of new clinical products and of the IND application and subsequent clinical studies
Phase 1	Phase 1 trials are initial safety trials performed on a new medicine. The aim is to establish the dose range tolerated by volunteers for single and for multiple doses. Phase 1 trials can also be carried out in severely ill patients (e.g. patients with cancer) or in other (less severely ill) patients where drug absorption, metabolism and drug excretion studies can be carried out. Pharmacokinetic trials are usually considered as Phase 1 trials (whenever they are carried out). This and other information is used to plan the next phase of the clinical trial process, the Phase 2 trial
Phase 2	Phase 2 trials can often be split into two separate phases, Phase 2a/Phase 2b. Phase 2a trials are often pilot trials to evaluate efficacy (and safety) in selected populations of patients with the disease or condition to be treated, diagnosed, or prevented. The objectives in the trial design may focus on a number of things, including dose-response, status and type of patient, frequency of dosing, or various other measures and characteristics of safety and efficacy. Phase 2b trials are well controlled trials that aim to evaluate efficacy and safety in patients with the disease or condition to be treated, diagnosed or prevented. Phase 2b trials often represent the most rigorous demonstration of an investigational medicine's efficacy. In some disease indication areas Phase 2 trials can be described as pivotal trials. This and other information is used to plan the next phase of the clinical trial process, the Phase 3 trial

Phase 3	Phase 3 trials are clinical trials conducted in a larger patient sample, with disease characteristics typical of the patient population for which the medicine is eventually intended. Phase 3 trials are conducted after efficacy of the medicine has been demonstrated but before submission of a New Drug Application (NDA) to the relevant regulatory authorities. Phase 3 trials are also an opportunity to generate additional data on both safety and efficacy in larger numbers of patients in controlled trials. Additional Phase 3 trials in special groups of patients (e.g. with renal failure and other issues) or under special conditions (dictated by the nature of the disease) allow for the collection of much of the information needed for preparation of the package insert leaflet and labelling of how to administer and use the medicine. Results from the Phase 3 programme and often various trials in different disease indication areas are submitted in the form of an NDA to the regulatory authorities with the aim to be awarded an approval to market and sell the new medicine
Postnatal Hemogenic Endothelial Cells or PHECs	Hemogenic endothelial cells are endothelial cells found in post-natal adults that have the capacity to generate hematopoietic cells, including hematopoietic stem cells. PHECs are described in Cornell University's patent, PCT/US2014/065469, and have the ability to engraft and provide for the long term repopulation of hematopoietic cells following transplantation into a recipient, such as an immune-compromised individual. Hemogenyx has an exclusive, worldwide, sub-licensable license to this invention
Post-natal Hemogenic Endothelium	Cornell University's patent, PCT/US2014/065469 describes a previously unknown reservoir of postnatal hemogenic endothelial cells (PHEC) that can give rise to hematopoietic cells, and surface markers that allow for the separation of PHECs from other cell types. PHECs are found in the endothelial cell layers (or, endothelium) of several organs and have the ability to reconstitute the immune system for the treatment of hematopoietic disorders
Pluri- and multi-potent cells	HSCs can replenish all blood cell types (i.e., are described as multi-potent) and self-renew. A small number of HSCs can expand to generate a very large number of (daughter) HSCs. Bone marrow transplantation relies on this phenomenon, whereby a small number of HSCs are able to reconstitute the hematopoietic system. In contrast, pluri-potent stem cells can differentiate into nearly all cells
Pre-clinical studies	Before the testing of a drug in humans, researchers must determine whether it has the potential to cause serious harm, also called toxicity, or even death. The two main types of preclinical research are *in vitro* and *in vivo* studies. For example, in the US the FDA requires researchers to use "Good Laboratory Practice" as defined in medical product development regulations, in order to perform preclinical laboratory studies. The details of these GLP regulations are found in 21 CFR (US Code of Federal Regulations) Part 58.1: Good Laboratory Practice for Nonclinical Laboratory Studies. These regulations set the minimum basic requirements for a number of important activities in carrying out preclinical studies, including: study conduct, personnel, facilities, equipment, written protocols, operating procedures, study reports and a system of quality assurance oversight for each study to help assure the safety of a (potentially future) FDA-regulated product Preclinical studies tend not to be very large studies. However, preclinical studies must provide detailed information on and findings related to dosing and toxicity levels. After preclinical testing, researchers and regulatory authorities are able to review the findings and decide whether the drug should be tested in people

RIC or reduced intensity conditioning	A conditioning treatment or regimen that uses less chemotherapy and radiation than standard myeloablative conditioning treatments
Somatic cells	Somatic cells are all cells in the body except germline cells, which are egg and sperm
TBI or Total Body Irradiation	Many patients have total body irradiation (TBI) before haematopoietic stem cell (or bone marrow) transplantation, as part of the conditioning treatment. It is delivered to the entire body. It is given in order to destroy cancer cells in areas not easily reached by chemotherapy, and to decrease the response of a patient's immune system to bone marrow or stem cells from a donor (as the body may see these as 'non-self' or foreign). TBI is done so that the immune system does not destroy these donor cells. It also helps create niche space for the new marrow to grow (engraft)

The following is a list of publications of which Dr Sandler is named as an author:

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3. Sandler VM, Lailler N, Bouhassira EE. Reprogramming of Embryonic Human Fibroblasts into Fetal Hematopoietic Progenitors by Fusion with Human Fetal Liver CD34+ Cells. PLoS ONE 6(4) 2011.

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10. V.M. Sandler and J.G. Barbara. Calcium-induced calcium release contributes to action potential-evoked calcium transients in hippocampal CA1 pyramidal neurons. J Neurosci. 1999 Jun 1;19(11):4325-36.

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13. H.Spitzer, M.Almon, V.M. Sandler. A Model for Detection of Spatial and Temporal Edges by Single X Cell. Vision Research, Vol. 33, No 13, pp. 1871-1880, 1993.

14. I.A.Rybak, N.A.Shevtsova, V.M. Sandler. The model of a neural network visual pre processor. Neurocomputing 4(1992) pp.93-102, Elsevier.

15. I.A.Rybak, N.A.Shevtsova, L.N.Podladchikova, V.M.Sandler. Modeling of neural organization of visual cortex and some issues of image processing by neural networks. In Neural Networks - Theory and Architecture. Eds. A.V.Holden and V.I.Krukov. Manchester University Press, 1990, pp. 117-137.

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PART XIX
NOTICE OF GENERAL MEETING

SILVER FALCON PLC

Company number: 08401609 (the "**Company**")

NOTICE IS HEREBY GIVEN that a General Meeting of the Company will be held at 10.00 a.m. on 4 October 2017 at the offices of Charles Russell Speechlys LLP, 5 Fleet Place, London EC4M 7RD to consider and, if thought fit, pass resolutions 1, 2, 3 and 4 as ordinary resolutions and resolutions 5 and 6 as special resolutions, as set out below:

ORDINARY RESOLUTIONS

1. **THAT** the waiver granted by the Panel on Takeovers and Mergers of the obligation that would otherwise arise for the selling shareholders of Hemogenyx Pharmaceuticals Limited to make a general offer to shareholders of the Company pursuant to Rule 9 of the City Code on Takeovers and Mergers as a result of the issue of Ordinary Shares of £0.01 in the Company to them in connection with the proposals set out in the Prospectus of which this notice forms part, be and is hereby approved.

2. **THAT** the Directors be generally and unconditionally authorised to exercise all the powers of the Company to allot in aggregate up to £2,285,714.28 in nominal value of Ordinary Shares of £0.01 each in the capital of the Company (including any rights for Ordinary Shares) for the purpose of or in connection with the Acquisition (as defined in the Prospectus of which this Notice of Meeting forms part), provided that this authority shall, unless renewed, varied or revoked by the Company expire on the date falling one year from the date following Admission, save that the Company may, before such expiry, make an offer or agreement which would or might require shares to be allotted and the Directors may allot shares in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired.

3. **THAT** the Directors be generally and unconditionally authorised to exercise all the powers of the Company to allot in aggregate up to: (i) £605,714.29 in nominal value of Ordinary Shares of £0.01 each in the capital of the Company (including any rights for Ordinary Shares) for the purposes of, or in connection with the Placing, the Subscription, the issue of the SF Director Shares and the issue of the Peterhouse Shares (as such terms are defined in the Prospectus of which this Notice of Meeting forms part); and (ii) £877,312.38 in nominal value of Ordinary Shares of £0.01 each in the capital of the Company (including any rights for Ordinary Shares) for the purposes of, or in connection with the exercise of rights pursuant to, the Lock-in Warrants, the Advisory Board options, the warrants to be issued to the brokers pursuant to the Placing and the options to be granted to certain Directors and employees of the Company, provided that this authority shall, unless renewed, varied or revoked by the Company expire on the date falling one year from the date following the General Meeting, save that the Company may, before such expiry, make an offer or agreement which would or might require shares to be allotted and the Directors may allot shares in pursuance of such offer of agreement notwithstanding that the authority conferred by this resolution has expired.

4. **THAT** the Directors be generally and unconditionally authorised to exercise all the powers of the Company to allot in aggregate up to £1,068,129 in nominal value of Ordinary Shares of £0.01 each in the capital of the Company (including any rights for Ordinary Shares) for such purposes as the Directors may think fit, provided that this authority shall, unless renewed, varied or revoked by the Company expire on the date falling one year from the date following Admission, save that the Company may, before such expiry, make an offer or agreement which would or might require shares to be allotted and the Directors may allot shares in pursuance of such offer of agreement notwithstanding that the authority conferred by this resolution has expired.

SPECIAL RESOLUTIONS

5. **THAT** the Directors may allot equity securities for the purpose of resolution (3) above as if section 561 of the Companies Act and any pre-emption rights in the Articles (including rights for equity securities or the sale of equity securities from treasury) did not apply including any arrangements in connection with any issue of equity securities as they deem necessary or expedient (A) to deal with equity securities representing fractional entitlements and (B) to deal

with legal or practical problems in the laws of any territory, or (C) the requirements of any regulatory body, on the basis that this authority shall expire on the date falling one year from the date of Admission, save that the Company shall be entitled to make an offer or agreement which would or might require equity securities to be issued pursuant to restrictions (A), (B) and (C) above (inclusive) before the expiry of its power to do so, and the Directors shall be entitled to issue or sell from treasury the equity securities pursuant to any such offer or agreement after that expiry date.

6. **THAT t**he Directors may allot equity securities for the purpose of resolution (4) above as if section 561 of the Companies Act up to an aggregate nominal value of £712,086 and any pre-emption rights in the Articles (including rights for equity securities or the sale of equity securities from treasury) did not apply including any arrangements in connection with any issue of equity securities as they deem necessary or expedient (A) to deal with equity securities representing fractional entitlements and (B) to deal with legal or practical problems in the laws of any territory, or (C) the requirements of any regulatory body, on the basis that this authority shall expire on the date falling one year from the date of Admission, save that the Company shall be entitled to make an offer or agreement which would or might require equity securities to be issued pursuant to restrictions (A), (B) and (C) above (inclusive) before the expiry of its power to do so, and the Directors shall be entitled to issue or sell from treasury the equity securities pursuant to any such offer or agreement after that expiry date.

BY ORDER OF THE BOARD

Timothy Le Druillenec, Company Secretary

8 September 2017

Registered Office:

5 Fleet Place
London
EC4M 7RD

EXPLANATORY NOTES TO THE NOTICE OF GENERAL MEETING

Entitlement to attend and vote

1. Only those shareholders registered in the Company's register of members at 6.00 pm on 1 October 2017 or, if this meeting is adjourned, at 6.00 pm on the day two days prior to the adjourned meeting, shall be entitled to attend and vote at the meeting. Changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.

Website giving information regarding the meeting

2. Information regarding the meeting, including the information required by section 311A of the Companies Act 2006, can be found at www.silverfalconplc.com.

Attending in person

3. If you wish to attend the meeting in person, please bring proof of identity and your shareholding. If your shares are held through a nominee, please ensure you have a letter of representation from the nominee along with your proof of shareholding.

Appointment of proxies

4. If you are a shareholder who is entitled to attend and vote at the meeting, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the meeting and you should have received a proxy form with this notice of meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.

5. If you are not a member of the Company but you have been nominated by a member of the Company to enjoy information rights, you do not have a right to appoint any proxies under the procedures set out in this "Appointment of proxies" section. Please read the section "Nominated persons" below.

6. A proxy does not need to be a shareholder of the Company but must attend the meeting to represent you. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, please contact the registrar. If you wish your proxy to speak on your behalf at the meeting you will need to appoint your own choice of proxy (not the chairman) and give your instructions directly to them.

7. Shareholders can appoint a proxy and give proxy instructions by returning the enclosed proxy form by post (see note 9). If a CREST member, register their proxy appointment by utilising the CREST electronic proxy appointment service (see note 10). Appointment of a proxy does not preclude you from attending the meeting and voting in person. If you have appointed a proxy and attend the meeting and vote in person, your proxy appointment will automatically be terminated.

8. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If you either select the "Discretionary" option or if no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the meeting.

Appointment of proxy by post

9. The notes to the proxy form explain how to direct your proxy how to vote on each resolution or withhold their vote. To appoint a proxy using the proxy form, the form must be completed and signed; sent or delivered to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY and received no later than 10.00 a.m. on 2 October 2017.

   In the case of a shareholder which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.

   If you have not received a proxy form and believe that you should have one, or if you require additional proxy forms, please contact Computershare Investor Services PLC on +44 (0330) 303 1185.

Appointment of proxies through CREST

10. 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.

In order for a proxy appointment made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's ("EUI") specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by Computershare Investor Services plc (CREST ID 3RA50) no later than 10.00 a.m. on 2 October 2017, or, in the event of an adjournment of the meeting, 48 hours 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.

Appointment of proxy by joint members

11. In the case of joint holders, where more than one of the joint holders completes a proxy appointment, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).

Changing proxy instructions

12. Shareholders may change proxy instructions by submitting a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also applies in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.

    Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY or call +44 (0330) 303 1185.

    If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

Termination of proxy appointments

13. A shareholder may change a proxy instruction but to do so you will need to inform the Company in writing by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to Computershare Investor Services PLC at The Pavilions, Bridgwater Road, Bristol BS99 6ZY. In the case of a shareholder which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.

    The revocation notice must be received by Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY no later than 10.00 a.m. on 2 October 2017.

    If you attempt to revoke your proxy appointment but the revocation is received after the time specified, your original proxy appointment will remain valid unless you attend the meeting and vote in person.

Corporate representatives

14. A corporation which is a shareholder can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a member provided that no more than one corporate representative exercises powers over the same share.

Issued shares and total voting rights

15. As at 6.00 p.m. on 7 September 2017 the Company's issued share capital comprised 66,900,000 ordinary shares of £0.01 each. Each ordinary share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at 6.00 p.m. on 7 September 2017 is 66,900,000. The Company holds no shares in treasury.

    The website referred to in note 2 will include information on the number of shares and voting rights.

Questions at the meeting

16. Any member attending the meeting has the right to ask questions. The Company must answer any question you ask relating to the business being dealt with at the meeting unless answering the question would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information; the answer has already been given on a website in the form of an answer to a question; or it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

Shareholders' right to require circulation of resolution to be proposed at the meeting

17. Under section 338 of the Companies Act 2006, a shareholder or shareholders meeting the qualification criteria set out at note 19 below, may, subject to conditions, require the Company to give to shareholders notice of a resolution which may properly be moved and is intended to be moved at that meeting.

    The conditions are that the resolution must not, if passed, be ineffective (whether by reason of inconsistency with any enactment or the Company's constitution or otherwise); and the resolution must not be defamatory of any person, frivolous or vexatious.

    The request:

    - may be in hard copy form or in electronic form (see note 21 below);
    - must identify the resolution of which notice is to be given by either setting out the resolution in full or, if supporting a resolution sent by another shareholder, clearly identifying the resolution which is being supported;
    - must be authenticated by the person or persons making it (see note 22 below); and
    - must be received by the Company at least 6 weeks before the meeting to which the request relates.

    Any such request must be authenticated in the way set out at note 20:

Shareholders' right to have a matter of business dealt with at the meeting

18. Under section 338A of the Companies Act 2006, a shareholder or shareholders meeting the qualification criteria set out at note 20 below, may, subject to conditions, require the Company to include in the business to be dealt with at the meeting a matter (other than a proposed resolution) which may properly be included in the business (a matter of business).

    The conditions are that the matter of business must not be defamatory of any person, frivolous or vexatious.

    The request:

    - may be in hard copy form or in electronic form (see note 20 below)
    - must identify the matter of business by either setting it out in full or, if supporting a statement sent by another shareholder, clearly identify the matter of business which is being supported;
    - must be accompanied by a statement setting out the grounds for the request;
    - must be authenticated by the person or persons making it (see note 20 below); and
    - must be received by the Company at least 6 weeks before the meeting to which the request relates.

Shareholders' qualification criteria

19. In order to be able to exercise the shareholders' right to require:

    - circulation of a resolution to be proposed at the meeting (see note 18); or

- a matter of business to be dealt with at the meeting (see note 19);

the relevant request must be made by:

- a shareholder or shareholders having a right to vote at the meeting and holding at least 5% of total voting rights of the Company; or

- at least 100 shareholders having a right to vote at the meeting and holding, on average, at least £100 of paid up share capital.

For information on voting rights, including the total number of voting rights, see note 15 above and the website referred to in note 2.

Submission of hard copy and electronic requests and authentication requirements

20. Where a shareholder or shareholders wish to request the Company to:

    - circulate a resolution to be proposed at the meeting (see note 17); or

    - include a matter of business to be dealt with at the meeting (see note 18);

    such request be must be made by either sending a hard copy request which is signed by you, states your full name and address to the Company Secretary at the registered or via email in an email which states your full name and address, and entitlement to make such request to tim@emv.org.uk. Please state "Silver Falcon General Meeting" in the subject line of the e-mail.

Nominated persons

21. If you are a person who has been nominated under section 146 of the Companies Act 2006 to enjoy information rights ("**Nominated Person**"):

    - You may have a right under an agreement between you and the shareholder of the Company who has nominated you to have information rights ("**Relevant Shareholder**") to be appointed or to have someone else appointed as a proxy for the meeting.

    - If you either do not have such a right or if you have such a right but do not wish to exercise it, you may have a right under an agreement between you and the Relevant Shareholder to give instructions to the Relevant Shareholder as to the exercise of voting rights.

    - Your main point of contact in terms of your investment in the Company remains the Relevant Shareholder (or, perhaps, your custodian or broker) and you should continue to contact them (and not the Company) regarding any changes or queries relating to your personal details and your interest in the Company (including any administrative matters). The only exception to this is where the Company expressly requests a response from you.

Voting

22. Voting on Resolution 1 will be conducted by way of a poll rather than on a show of hands as it is a requirement of the City Code on Takeovers and Mergers that a vote to approve a whitewash resolution (which Resolution 1 is) can only be conducted on a poll. All other resolutions will be conducted on a show of hands.

    As soon as practicable following the meeting, the results of the voting will be announced via regulatory information service and also placed on the Company's website.

Documents on display

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23. Copies of the Company's articles of association are available for inspection at the Company's registered office during normal business hours and at the place of the meeting from at least 15 minutes prior to the meeting until the end of the meeting.

Communication

24. Except as provided above, shareholders who have general queries about the meeting should email tim@emv.org.uk (no other methods of communication will be accepted). You may not use any electronic address provided either in this notice of general meeting or any related documents (including the Prospectus and proxy form) to communicate with the Company for any purposes other than those expressly stated.