



BTG plc

Notice of the Annual General Meeting

to be held at the offices of

Stephenson Harwood LLP
1 Finsbury Circus
London EC2M 7SH

Wednesday, 18 July 2018 at 10.30 am

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. This document should be read in conjunction with the accompanying BTG Annual Report and Accounts. If you are in any doubt as to the action you should take, you are recommended to seek your own personal financial advice immediately from your stockbroker, bank manager, solicitor, accountant or independent adviser, who, if you are taking advice in the United Kingdom, is authorised pursuant to the Financial Services and Markets Act 2000.

If you have sold or otherwise transferred all your ordinary shares in BTG plc, please send this document and accompanying form of proxy to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was affected for delivery to the purchaser or transferee.

Registered in England and Wales: No. 2670500
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15 June 2018

Dear Shareholder

Annual General Meeting 2018

I have pleasure inviting you to the 2018 Annual General Meeting (the AGM) of BTG plc (the Company or BTG) to be held on Wednesday, 18 July 2018 at 10.30 am at the offices of Stephenson Harwood LLP, 1 Finsbury Circus, London EC2M 7SH and enclose the Notice of Meeting.

The formal notice convening the meeting (to be found on pages 3 to 7) gives a detailed explanation of each resolution to be proposed at the AGM.

The AGM agenda will include a presentation, giving us the opportunity to explain the Company's strategy and performance, and you will have the chance to meet and ask questions of the Board.

As described further in the Notice of Meeting, many of the resolutions proposed are standard matters normally dealt with at each Company AGM. Explanatory notes for all the business of the meeting are given on pages 8 to 14 of this document. I have highlighted below some of the resolutions to be proposed at this year's AGM:

New Auditor (Resolution 13) – Following a competitive tender process and on the Audit Committee's recommendation, the Board is recommending to shareholders, for approval at the AGM, the appointment of Deloitte LLP (Deloitte) to succeed KPMG LLP (KPMG) as the Group's auditor until the conclusion of the next annual general meeting. As outgoing auditor, KPMG has provided the Company with a 'Statement of Circumstances' accompanying their proposed resignation following the conclusion of the AGM, as required by the Companies Act 2006 (the Act), which is set out in Appendix 1 to this AGM Notice. I would like to extend my appreciation to KPMG for their services as auditor.

Renewal of BTG's All Employee Share Plans (Resolutions 16 and 17) – The Company operates two all-employee share plans previously approved by shareholders that will expire shortly. It is proposed to extend the lives of these plans, for 10 years from the date of the AGM, and summaries of the plans' principal terms can be seen in Appendix 2.

Director changes (Resolutions 10, 11 and 12) – Gregory Barrett, Duncan Kennedy and Anne Thorburn, will be standing for election, having been appointed since the last AGM. Giles Kerr, who has been on the Board since 2007, will not be standing for re-election and will be resigning with effect from the date of this AGM.

Attending the AGM

I hope that you will be able to come to the AGM but, if you are unable to attend, you may appoint a proxy to vote on your behalf at the meeting by returning the form of proxy sent to you in paper form. Alternatively, you may elect to vote online. If you choose to submit your proxy online you can access the voting site through the website of our registrar, Link Asset Services, at www.signalshares.com. Further instructions are provided on Link's website. If you hold your shares in CREST you may vote via the CREST system. In each case, notice of your appointment of a proxy should reach Link Asset Services no later than 10.30 am on Monday, 16 July 2018. Submitting your proxy will not prevent you attending and voting in person if you wish to do so.

If no proxy card is enclosed, this means that you have been nominated by the registered shareholder, who administers the investment on your behalf, to receive general shareholder communications directly from

BTG. In this instance you may not send any voting instructions to the Company but should utilise any voting arrangements you have with the registered holder of your shares.

Please note that this will be the last year that we send proxy cards by post. From the 2019 AGM, you will instead receive instructions to enable you to vote electronically and how to register to do so. You will still be able to vote in person at the AGM, and may request a hard copy proxy directly from the registrars, Link Asset Services, if you are unable to vote electronically.

Voting for all resolutions will be by way of a poll. The results of the poll will be announced through a Regulatory Information Service and posted on the Investors/Regulatory News section of the Company's website (www.btgplc.com) after the AGM. If you have already voted and do not wish to change your vote then you will not need to complete the poll card that will be handed to you at the meeting.

The Annual Report and Accounts for the year ended 31 March 2018 (the Annual Report and Accounts) contains the financial statements and a detailed review of progress in the business over the past year. A copy is enclosed and may be found on BTG's website (www.btgplc.com/investors/reports-and-presentations/).

Recommendation

The directors believe that all the proposals to be considered at the AGM are in the best interests of the Company and its shareholders and recommend to shareholders that they vote in favour of each of the resolutions. The directors intend to vote in favour of the resolutions in respect of their own shareholdings in the Company.

Yours faithfully

Garry Watts

Chairman
BTG plc

Registered in England & Wales: No. 2670500
Registered office: 5 Fleet Place, London EC4M 7RD

Share Fraud Warning

If shareholders receive unsolicited calls from anyone, we recommend that you read the Fraud Warning for Shareholders issued by the Financial Conduct Authority. This can be found on our website in the Investors section (www.btgplc.com/investors).

BTG plc

Notice of the Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting of BTG plc (the Company) will be held at the offices of Stephenson Harwood LLP, 1 Finsbury Circus, London EC2M 7SH on Wednesday, 18 July 2018, at 10.30 am, to consider and, if thought fit, pass the following resolutions.

Resolutions 1 to 18 will be proposed as Ordinary Resolutions. Resolutions 19 to 21 will be proposed as Special Resolutions.

Ordinary Business

- 1 To receive and adopt the accounts for the financial year ended 31 March 2018, together with the reports of the directors and auditor thereon (including the strategic report). (Resolution 1)
- 2 To approve the Annual Statement by the Chairman of the Remuneration Committee and the Annual Report on Directors' Remuneration for the financial year ended 31 March 2018 as set out on pages 69 to 72 and 73 to 88 of the Company's Annual Report & Accounts. (Resolution 2)
- 3 To re-elect Susan Foden as a director of the Company. (Resolution 3)
- 4 To re-elect Graham Hetherington as a director of the Company. (Resolution 4)
- 5 To re-elect Louise Makin as a director of the Company. (Resolution 5)
- 6 To re-elect Ian Much as a director of the Company. (Resolution 6)
- 7 To re-elect James O'Shea as a director of the Company. (Resolution 7)
- 8 To re-elect Garry Watts as a director of the Company. (Resolution 8)
- 9 To re-elect Richard Wohanka as a director of the Company. (Resolution 9)
- 10 To elect Gregory Barrett as a director of the Company. (Resolution 10)
- 11 To elect Duncan Kennedy as a director of the Company. (Resolution 11)
- 12 To elect Anne Thorburn as a director of the Company. (Resolution 12)
- 13 To appoint Deloitte LLP as auditor to hold office from the conclusion of this meeting until the conclusion of the next general meeting at which accounts are laid. (Resolution 13)
- 14 To authorise the directors to determine the remuneration of the Auditor. (Resolution 14)

Special Business

15 Donations to Political organisations and political expenditure

That in accordance with section 366 and 367 of the Companies Act 2006 (the Act), the Company and all companies which are subsidiaries of the Company during the period when this resolution has effect be and are hereby authorised:

- a. to make political donations to political parties and/or independent election candidates, not exceeding £25,000 in total;
- b. to make political donations to political organisations other than political parties, not exceeding £25,000 in total; and
- c. to incur political expenditure not exceeding £25,000 in total,

in each case during the period beginning with the date of passing this resolution and ending at the end of the next Annual General Meeting of the Company or on 18 October 2019, whichever is the sooner. In any event, the aggregate amount of political donations and political expenditure made and incurred by the Company and its subsidiaries pursuant to this resolution shall not exceed £50,000. For the purposes of this resolution the terms 'political donation', 'political parties', 'independent election candidates', 'political organisation' and 'political expenditure' have the meanings given by sections 363 to 365 of the Act. (Resolution 15)

16 Approval of changes to the BTG Sharesave Plan 2009

That the Directors be authorised to alter the rules of the BTG Sharesave Plan 2009 (the “Sharesave Plan”), the principal terms of which are summarised in Appendix 2 to this Notice of Meeting, and any similar plans established in the future for employees outside the UK as previously authorised by shareholders (other than the USA Stock Purchase Plan referred to in resolution 17 below), to permit options to be granted until 17 July 2028. (Resolution 16)

17 Approval of changes to the BTG USA Stock Purchase Plan 2009

That the directors be authorised to alter the rules of the BTG USA Stock Purchase Plan 2009 (the “US Plan”) the principal terms of which are summarised in Appendix 2 to this Notice of Meeting, to permit options to be granted until 17 July 2028. (Resolution 17)

18 Authority to allot shares

That the directors be generally and unconditionally authorised for the purposes of Section 551 of the Companies Act 2006 (the Act), to exercise all the powers of the Company to allot shares and grant rights to subscribe for, or convert any security into, shares:

- a. up to a maximum nominal value (within the meaning of Section 551(3) and (6) of the Act) of £12,898,495 (such amount to be reduced by the nominal amount allotted or granted under (b) below in excess of such sum); and
- b. comprising equity securities (as defined in Section 560 of the Act) up to an aggregate nominal amount (within the meaning of Section 551(3) and (6) of the Act) of £25,796,989 (such amount to be reduced by any allotments or grants made under (a) above) in connection with or pursuant to an offer by way of a rights issue in favour of holders of ordinary shares in proportion (as nearly as practicable) to the respective number of ordinary shares held by them on the record date for such allotment (and holders of any other class of equity securities entitled to participate therein or if the directors consider it necessary, as permitted by the rights of those securities), but subject to such exclusions or other arrangements as the directors may consider necessary or appropriate to deal with fractional entitlements, treasury shares, record dates or legal, regulatory or practical difficulties which may arise under the laws of, or the requirements of any regulatory body or stock exchange in any territory or any other matter whatsoever,

these authorisations to expire at the conclusion of the next Annual General Meeting of the Company (or if earlier on 18 October 2019), (save that the Company may before such expiry make any offer or agreement which would or might require shares to be allotted or rights to be granted, after such expiry and the directors may allot shares, or grant rights to subscribe for or to convert any security into shares, in pursuance of any such offer or agreement as if the authorisations conferred hereby had not expired). (Resolution 18)

Special Resolutions

19 Disapplication of pre-emption rights

That, subject to the passing of resolution 18 set out above, the directors be given power pursuant to Sections 570(1) and 573 of the Companies Act 2006 (the Act) to allot equity securities (as defined in Section 560 of the Act) of the Company for cash pursuant to the authorisation conferred by that resolution, as if section 561 of the Act did not apply to any such allotment or sale, such authority to be limited:

- a. to the allotment of equity securities for cash in connection with or pursuant to an offer of or invitation to acquire equity securities (but in the case of the authorisation granted under resolution 18b. above, by way of a rights issue only) in favour of holders of ordinary shares in proportion (as nearly as practicable) to the respective number of ordinary shares held by them on the record date for such allotment or sale (and holders of any other class of equity securities entitled to participate therein or if the directors consider it necessary, as permitted by the rights of those securities) but subject to such exclusions or other arrangements as the directors may consider necessary or appropriate to deal with fractional entitlements, record dates or legal, regulatory or practical difficulties which may arise under the laws of or the

requirements of any regulatory body or stock exchange in any territory or any other matter whatsoever; and

- b. to the allotment of equity securities or sale of treasury shares (otherwise than under paragraph (a) above) up to a nominal amount of £1,934,774.

such authority to expire at the conclusion of the next Annual General Meeting of the Company (or, if earlier, on 18 October 2019), save that the Company may before such expiry make any offer or agreement that would or might require equity securities to be allotted, or treasury shares to be sold, after such expiry and the directors may allot equity securities, or sell treasury shares in pursuance of any such offer or agreement as if the power conferred hereby had not expired. (Resolution 19)

20 Disapplication of pre-emption rights in respect of an additional 5% of the Company's issued share capital

That, subject to the passing of resolution 18 set out above, the directors be given power, in addition to any authority granted under resolution 19 and, pursuant to Sections 570(1) and 573 of the Companies Act 2006 (the Act) to allot equity securities (as defined in Section 560 of the Act) of the Company for cash pursuant to the authorisation conferred by resolution 18, as if section 561 of the Act did not apply to any such allotment or sale, such authority to be:

- a. limited to the allotment of equity securities or treasury shares up to a nominal amount of £1,934,774; and
- b. used only for the purposes of financing (or refinancing, if the authority is to be used within six months after the original transaction) a transaction which the directors of the Company determine to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this notice,

such authority to expire at the conclusion of the next Annual General Meeting of the Company (or, if earlier, on 18 October 2019), save that the Company may before such expiry make any offer or agreement that would or might require equity securities to be allotted, or treasury shares to be sold, after such expiry and the directors may allot equity securities, or sell treasury shares in pursuance of any such offer or agreement as if the power conferred hereby had not expired. (Resolution 20)

21 Reduced notice of a meeting other than an annual general meeting

That a general meeting, other than an annual general meeting, may be called on not less than 14 clear days' notice, such authority to expire on the date of the next Annual General Meeting of the Company. (Resolution 21)

By order of the Board

Paul Mussenden

Secretary

BTG plc

15 June 2018

Registered Office

5 Fleet Place

London

EC4M 7RD

Registered in England and Wales No. 2670500

Notes

1 A member entitled to attend and vote at the Annual General Meeting (AGM) may appoint one or more proxies (who need not be members of the Company), provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him, to attend, to speak and, on a poll, to vote on his or her behalf. A form of proxy is enclosed for use by shareholders. In order to be valid an appointment of proxy must be returned to the Company's Registrars by one of the following methods:

- In hard copy form (together with the power of attorney or other authority, if any under which it is signed) by post, by courier or by hand not later than 10.30 am on 16 July 2018 to the Company's Registrars, Link Asset Services, PXS1, 34 Beckenham Road, Beckenham, Kent, BR3 4ZF;
- Online through the website of our registrar, Link Asset Services, at www.signalshares.com

Appointment of a proxy does not preclude a member of the Company from attending the AGM and voting in person. If you wish to attend the AGM in person, please bring with you the Attendance Card accompanying this Notice. This will authenticate your right to attend, speak and vote at the AGM and assist us in registering your attendance without delay.

2 Alternatively, if you are a member of CREST, you may register the appointment of a proxy by using the CREST electronic proxy appointment service. Further details are contained below.

CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Annual General Meeting and any adjournment(s) thereof by using the procedures, and to the address, described in the CREST Manual (available via www.euroclear.com/CREST) subject to the provisions of the Company's articles of association. 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 or instruction 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 and Ireland Limited's (Euroclear) specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or 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 the issuer's agent (ID RA 10) by the latest time(s) for receipt of proxy appointments specified in the Notice of the Annual General Meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp 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 provider(s) should note that Euroclear does not make available special procedures in CREST for any particular messages. 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 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 provider(s) 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.

3 Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, in order to be able to attend and vote at the AGM or any adjourned meeting (and also for the purposes of calculating how many votes a person may cast), a person must have his/her name entered on the register of members of the Company by close of business on 16 July 2018 (or 48 hours before the time appointed for holding any adjourned meeting). Changes to entries on the register of members after this time shall be disregarded in determining the rights of any person to attend or vote at the meeting.

4 Voting on all resolutions will be conducted by way of a poll rather than on a show of hands so as to accurately record the decision of all members based on their shareholding interests in the Company. This is a more transparent method of voting as shareholders' votes are counted according to the number of shares registered in their names. As soon as practicable following the meeting, the results of the voting will be announced via a regulatory information service and also placed on the Company's website, www.btgplc.com.

5 Copies of executive directors' service agreements the terms and conditions of appointment of non-executive directors and the proposed amended rules of the Sharesave Plan 2009 and USA Stock Purchase Plan 2009 are available for inspection at the Company's registered office during normal business hours from the date of this notice until the close of the Annual General Meeting (Saturdays, Sundays and public holidays excepted) and will be available for inspection at the place of the meeting for at least 15 minutes prior to and during the meeting.

6 The right to appoint a proxy does not apply to persons whose shares are held on their behalf by another person and who have been nominated to receive communications from the company in accordance with section 146 of the Companies Act 2006 (the Act) (nominated persons). Nominated persons may have a right under an agreement with the registered shareholder who holds the shares on their behalf to be appointed (or to have someone else appointed) as a proxy. Alternatively, if nominated persons do not have such a right, or do not wish to exercise it, they may have a right under such an agreement to give instructions to the person holding the shares as to the exercise of voting rights.

- 7 Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.
- 8 Any member attending the Annual General Meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information, (b) the answer has already been given on a website in the form of an answer to a question, or (c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.
- 9 A copy of this notice, and other information required by Section 311A of the Act, can be found on the Company's website, www.btgplc.com.
- 10 Under Section 527 of the Act, members meeting the threshold requirements set out in that section have the right to require the Company to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the Annual General Meeting; or (ii) any circumstance connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with Section 437 of the Act, (in each case) that the members propose to raise at the Annual General Meeting. The Company may not require the members requesting any such website publication to pay its expenses in complying with Sections 527 or 528 of the Act. Where the Company is required to place a statement on a website under Section 527 of the Act, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the meeting includes any statement that the Company has been required under Section 527 of the Act to publish on a website.
- 11 As at 14 June 2018 (being the last business day prior to the publication of this Notice) the Company's issued share capital consists of 386,954,838 ordinary shares, carrying one vote each. Therefore, the total voting rights in the Company as at 14 June 2018 are 386,954,838.
- 12 You may not use any electronic address (within the meaning of Section 333(4) of the Act) provided in this Notice of Meeting (or in any related documents including the Chairman's letter and proxy form) to communicate with the Company for any purposes other than those expressly stated.

Information on resolutions

Resolution 1: To receive and adopt the accounts for the financial year ended 31 March 2018, together with the reports of the directors and auditor thereon (including the strategic report)

The Company is required to present the Directors' Report, audited Financial Statements and the independent auditor's report at a General Meeting.

Resolution 2: Approval of the annual statement by the Chairman of the Remuneration Committee and the Annual Report on Directors' Remuneration for the year ended 31 March 2018

In accordance with section 439 of the Act, shareholders are invited to vote on the annual statement by the Chairman of the Remuneration Committee and the Directors' Remuneration Report (excluding the Directors' Remuneration Policy), which is set out on pages 69 to 72 and 73 to 88 of the Annual Report and Accounts.

Resolutions 3 to 9: Retirement and re-election of directors

In accordance with section B.7.1 of the UK Corporate Governance Code (the Code) all the directors of the Company will stand for re-election or election except Giles Kerr who will resign from the date of this AGM.

The directors who are standing for re-election were first appointed to the Board as follows: Louise Makin was first appointed in 2004, James O'Shea in 2009, Ian Much in 2010, Garry Watts in 2012, Richard Wohanka in 2013, Susan Foden in 2015 and Graham Hetherington in 2016. Following a formal evaluation process, the Chairman is satisfied that each of the directors continues to perform effectively and demonstrates commitment to their role, including commitment of time for Board and Committee meetings and their other duties. Evaluation of Garry Watts as Chairman was carried out by Graham Hetherington, the Senior Independent Director, who found him to be committed and his performance to be effective.

Resolutions 10 to 12: Election of directors

The Company's Articles of Association require that any director newly appointed to the Board should retire at the first AGM following their appointment and stand for election. Gregory Barrett, Duncan Kennedy and Anne Thorburn have all been appointed as directors since the last AGM and the Board is recommending that shareholders vote to elect them each as a director.

Gregory Barrett was appointed as a non-executive director on 27 November 2017. The Board considered that his significant US commercial and international medtech experience would be of great benefit to the Board as implementation of the Company's growth plans continue.

Duncan Kennedy was appointed as a director and Chief Financial Officer with effect from 1 January 2018. Prior to his appointment, Duncan had led BTG's Interventional Oncology business since May 2015. He joined BTG in 2005 as Group Financial Controller and became a member of the Leadership Team in 2012 when he was appointed Group Director of Finance, responsible for managing the global finance function and supporting the CFO. Before joining BTG, Duncan spent six years in the group finance function of Wembley plc. He qualified as a Chartered Accountant at Arthur Andersen.

Anne Thorburn was appointed as a non-executive director on 23 January 2018. The Board considered that her extensive range of international financial management, risk, audit and M&A experience would benefit the Company as it continues to implement growth plans.

All the non-executive directors have letters of appointment rather than service contracts with a notice period of three months for all except the Chairman who has a six month notice period, unless they are not re-elected at an AGM. Louise Makin and Duncan Kennedy have service contracts with a notice period of 12 months.

Biographical details of the directors standing for re-election/election are shown on pages 40 and 41 of the Annual Report and Accounts and on the Company's website.

Resolutions 13 and 14: Appointment of the auditor and approval of its remuneration

At every general meeting at which accounts are presented to shareholders, the Company is required to appoint an auditor to serve from the end of the meeting until the next such meeting. Under resolution 13, it is proposed to appoint a new auditor. Following a competitive tender process and on the Audit Committee's recommendation, the Board is recommending to shareholders, for approval at the AGM, the appointment of Deloitte to succeed KPMG as the Group's auditor until the conclusion of the next annual general meeting. As outgoing auditor, KPMG has provided the Company with a 'Statement of Circumstances' accompanying their

proposed resignation following the conclusion of the AGM, as required by the Act, which is set out in Appendix 1 to this AGM Notice.

Under Resolution 14, the Board seeks authority to determine Deloitte's remuneration. The directors will delegate the responsibility of determining the auditor's remuneration to the Audit Committee of the Board.

Resolution 15: Political donations and political expenditure

Provisions of the Act relating to political donations and expenditure, include provisions that prohibit the Company and its subsidiaries from making donations to an EU political party or other EU political organisation or to an independent election candidate in the EU of more than £5,000 in any 12-month period unless they have been authorised to make donations by the Company's shareholders.

The Company does not make and does not intend to make donations to political parties, other political organisations or independent election candidates, nor does it incur or intend to incur EU political expenditure within the ordinary meaning of those words. However, the definitions of political donations, political expenditure and political organisations used in the Act are very broadly drafted. In particular, the definition of political organisations may extend to bodies such as those concerned with policy review, law reform, the representation of the business community and special interest groups such as those concerned with the environment. Matching employees' donations to certain charities may also be covered. As a result, the definitions may cover legitimate business activities that are not in the ordinary sense considered to be political donations or political expenditure. Such activities are not designed to support any political party or independent election candidate.

The Company wishes to ensure that neither it nor its subsidiaries inadvertently commits any breaches of the Act; accordingly, the directors have decided to seek shareholders' authority for political donations and political expenditure to be made in case any of our normal activities are caught by the legislation. The authority sought would be capped at £50,000 for the next year. The authority will expire at the conclusion of the next AGM or, if earlier, the date which is fifteen months from the date of this resolution. The directors will continue to seek to renew their authority at each AGM, in accordance with current best practice.

No payments have ever been made under this authority, which is specific to political donations and political expenditure in relation to any and all EU member states.

Resolutions 16 and 17: Approval of changes to the BTG Sharesave Plan 2009 and BTG USA Stock Purchase Plan 2009

The Company operates two all-employee share plans previously approved by shareholders that will expire shortly:

- a. The BTG Sharesave Plan 2009; and
- b. The BTG USA Stock Purchase Plan 2009

The Remuneration Committee believes that these plans play an important role in helping employees align their interests with those of the Company and its shareholders and provide incentives for them to improve performance and remain with BTG.

It is therefore proposed to extend the lives of these plans for 10 years from the date of the AGM.

Summaries of each of the plans, as it is proposed that they should be amended, are set out in Appendix 2 to the Notice of Meeting on pages 12 to 14.

Resolution 18: Authority to allot securities

The directors may allot shares and grant rights to subscribe for, or convert any security into, shares only if authorised to do so by the shareholders. Resolution 18 proposes granting the directors authority to allot shares and grant rights to subscribe for, or convert any security into, shares (a) up to an aggregate nominal amount of £12,898,495 and (b) in connection with a rights issue up to an aggregate nominal amount (reduced by allotments under part (a) of the resolution) of £25,796,989. The nominal amounts to which this authority relates represent approximately 33.3% and approximately 66.7% respectively of the issued ordinary share capital of the Company as at 14 June 2018. The authority will expire at the conclusion of the next Annual General Meeting of the Company or, if earlier, the date which is fifteen months from the date of this resolution. It is the directors' intention to seek renewal of this authority annually. The directors have no present intention of exercising this authority, but it provides them with an appropriate level of flexibility to allow them to respond to business

opportunities that may arise which are consistent with the Company's strategic objectives. The Company does not hold any shares in treasury.

Resolution 19: Disapplication of pre-emption rights

Resolution 19 gives the directors the power, in certain limited circumstances, to allot equity securities for cash without first being required to offer such shares to the existing shareholders in proportion to their existing holdings. Apart from in connection with rights issues and other pre-emptive offers, the power will be limited to the allotment of equity securities for cash up to an aggregate nominal value of £1,934,774 (being 5% of the issued ordinary share capital of the Company as at 14 June 2018 the latest practicable date prior to publication of this notice). The directors will have due regard to the Pre-Emption Group's Statement of Principles published on 12 March 2015 in relation to any exercise of this power, in particular to the requirement for advance consultation and explanation before making any non pre-emptive cash issue pursuant to this resolution which exceeds 7.5% of the share capital in any rolling three-year period.

The authority will expire at the conclusion of the next Annual General Meeting of the Company or, if earlier, the date which is fifteen months from the date of this resolution. It is the directors' intention to seek renewal of this authority annually. It is standard for most UK companies to propose this resolution each year.

Resolution 20: Disapplication of pre-emption rights in respect of an additional 5% of the Company's issued share capital

Resolution 20 also gives the directors the power, in certain limited circumstances, to allot equity securities for cash without first being required to offer such shares to the existing shareholders in proportion to their existing holdings. The disapplication of pre-emption rights in respect of a further 5% of the Company's issued share capital in addition to the authority proposed to be granted pursuant to Resolution 19 reflects the guidance from the Pre-Emption Group's revised Statement of Principles published on 12 March 2015 (the Statement of Principles) and the Guidance issued by the Pre-Emption Group on 5 May 2016. Apart from in connection with rights issues and other pre-emptive offers, the power will be limited to the allotment of equity securities for cash up to an aggregate nominal value of £1,934,774 (being 5% of the issued ordinary share capital of the Company as at 14 June 2018, the latest practicable date prior to publication of this notice) provided that the authority can only be used in connection with the financing or refinancing of an acquisition or specified capital investment (within the meaning of the Statement of Principles). Any such refinancing must be within six months of the original transaction. The directors will have due regard to the Statement of Principles in relation to any exercise of this power.

The authority will expire at the conclusion of the next Annual General Meeting of the Company or, if earlier, the date which is fifteen months from the date of this resolution. It is the directors' intention to seek renewal of this authority annually. It is standard for most UK companies to propose this resolution each year.

Resolution 21: Notice of general meetings

The notice period required for general meetings of the Company required under the Companies Act 2006 is at least 21 clear days unless shareholders approve a shorter notice period, which cannot however be less than 14 clear days. (Annual general meetings will continue to be held on at least 21 clear days' notice.) Shareholder consent is being sought to approve the calling of general meetings on 14 clear days' notice.

Resolution 21 seeks to renew the approval granted at last year's annual general meeting. The approval will be effective until the Company's next annual general meeting, when it is intended that a similar resolution will be proposed. The Board confirms that it will give as much notice as practicable when calling a general meeting. The Board does not intend to use this authority as a matter of routine. The Board envisages that this authority would be used (in limited circumstances for time sensitive matters) where a shorter notice period would be, in the Board's opinion, merited in the interests of shareholders as a whole.

KPMG Statement



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Private & confidential

BTG plc
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London
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8 June 2018

Dear Sirs

Statement to BTG plc (no. 02670500) on ceasing to hold office as auditors pursuant to section 519 of the Companies Act 2006

The reason connected with our ceasing to hold office is the holding of a competitive tender for the audit, in which we were not invited to participate.

Yours faithfully,

A handwritten signature in blue ink that reads 'KPMG LLP'.

KPMG LLP
Audit registration number: 9188307
Audit registration address:
15 Canada Square
Canary Wharf, London E14 5GL

Appendix 2

Summary of the principal terms of the BTG Sharesave Plan 2009 and the BTG USA Stock Purchase Plan 2009

Introduction

The following is a summary of the principal terms of the BTG Sharesave Plan 2009 (the "Sharesave Plan") and the BTG USA Stock Purchase Plan 2009 (the "US Plan") (together, the "Plans").

The Sharesave Plan has two parts. Part A has been approved by HM Revenue & Customs ("HMRC") and provides for the grant of tax-advantaged options to employees in the UK. Part B has not been approved by HMRC and provides for the grant of options to other Group employees.

The US Plan is designed to comply with the requirements of Section 423 of the U.S. Internal Revenue Code of 1986 and provides for the grant of tax-advantaged options to employees in the US.

The terms of both Parts A and B of the Sharesave Plan and the US Plan are substantially the same, unless indicated to the contrary below.

Operation

Operation of the Plans is supervised by the Board of directors of the Company (the "Board"). The Plans operate on an 'all-employee' basis (i.e. they are not discretionary plans).

Eligibility

Employees and full-time directors of the Company and designated subsidiaries are eligible to participate in the Plans.

The Board may require employees to have completed a qualifying period of employment before the grant of options. The Sharesave Plan and the US Plan allow this to be up to 5 years and 2 years respectively. The Board may also allow other employees to participate.

Grant of options

Participating employees must enter into a savings arrangement approved by the Board, under which monthly savings are normally made over 3 or 5 years (up to 2 years under the US Plan).

Under Part B of the Sharesave Plan the Board may grant cash-based awards of an equivalent value to share-based awards or satisfy share-based awards in cash.

Options under the Sharesave Plan may normally be granted within 30 days (42 days if applications are scaled back) of the first day by reference to which the option price is set (see below). Options under the US Plan may normally be granted within 30 days (42 days if applications are scaled back) after invitations to participate are issued. The number of Shares over which an option is granted is such that the total option amount payable for the Shares corresponds to the maturity proceeds of the related savings arrangement.

No options may be granted under the Plans after 17 July 2028. Options are not transferable (except on death) or pensionable.

Individual participation

Savings by an employee under saving arrangements linked to options granted under the Plans are limited the statutory maximum (currently £500 per month) applicable to Part A of the Sharesave Plan (or the relevant foreign currency equivalent).

In addition, under the US Plan no option may be granted which permits an individual's rights to purchase shares under the US Plan (or any similar plan established by a group company) to accrue at over US\$25,000 (calculated by reference to the market value of a share on grant) for each calendar year that the option is outstanding.

Option price

The price per Share payable upon the exercise of an option under the Sharesave Plan may not be manifestly less than 80 per cent. (or other percentage specified by statute) of its market value shortly before the grant date. It may be determined by reference to the middle-market quotation of a Share on the London Stock Exchange (the "MMQ") on dealing days falling within 6 weeks following the Company's announcement of its results for any period, or the day on which a new savings contract is announced or comes into force, or at any other time in circumstances considered by the Board to be sufficiently exceptional.

The price per Share payable upon the exercise of an option under the US Plan must not be less than 85 per cent. (or other percentage specified by statute) of the closing price of a Share published in the Financial Times on the date of its grant.

Exercise of options

Options granted under the Sharesave Plan are normally exercisable for six months from the third or fifth anniversary of the commencement of the related savings arrangement.

Options granted under the US Plan are normally exercisable following completion of the related savings arrangement (up to 24 months in duration) until 27 months after the grant of the option.

Options normally lapse on cessation of employment but may be exercised (normally to a reduced extent) following cessation of employment in limited circumstances, including death, injury, disability, redundancy, retirement or the sale of the subsidiary or business for which the participating employee works. Options may also be exercisable early and normally to a reduced extent if there is a change of control of the Company.

Alternatively, options may be exchanged for new equivalent options over shares in the acquiring company, where the acquiring company agrees.

Overall limits

The Plans may operate over new issue Shares, treasury Shares or Shares purchased in the market.

In any ten calendar year period, the Company may not issue (or create the possibility of issuing) more than 10 per cent of the issued ordinary share capital of the Company under the Plans and any other employee share plan adopted by the Company.

Treasury Shares count as new issue Shares for this purposes unless institutional investors decide that they need not count.

Options may only be granted under the US Plan over a total of 20 million shares (equal to approximately 5.17 per cent of the current issued ordinary share capital of the Company).

Variation of capital

On a variation in the Company's share capital, the Board may adjust the number of Shares under option and/or the price payable on the exercise of an option, and in the case only of the US Plan the total number of shares over which options may be granted under the Plan.

Rights attaching to Shares

Any Shares allotted or transferred when an option is exercised under the Plans rank equally with Shares then in issue (except for rights arising by reference to a record date prior to their allotment or transfer).

Alterations to the Plans

The Board may amend the Plans provided that the prior approval of shareholders is obtained for amendments to the advantage of participants to the rules governing eligibility, limits on participation, the overall limits on the issue of Shares or the transfer of treasury Shares, the basis for determining a participant's entitlement to, and the terms of, the Shares to be acquired and the adjustment of options.

The requirement to obtain the prior shareholder approval does not apply to minor alterations to benefit the administration of the Plans, to take account of a change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for participants or for any Group company.

Overseas plans

The Board has authority without further shareholder approval, to establish further plans or schedules to the Sharesave Plan for overseas territories, any such plan or schedule to the Sharesave Plan to be similar to the Sharesave Plan, but modified to take account of local tax, exchange control or securities laws, provided that any Shares made available under such further plans are treated as counting against the limits on individual and overall participation in the Sharesave Plan.