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 ("**UK**"), is duly authorised under the Financial Services and Markets Act 2000 ("**FSMA**") or, if not, from another appropriately authorised independent financial adviser in your own jurisdiction.

This document comprises a simplified prospectus (the "**Prospectus**") relating to OKYO Pharma Limited (the "**Company**") prepared in accordance with the prospectus regulation rules of the Financial Conduct Authority (the "**FCA**") made under section 73A of FSMA (the "**Prospectus Regulation Rules**"). This Prospectus has been approved by the FCA as competent authority under the UK version of Regulation (EU) 2017/1129 (the "**Prospectus Regulation**"), which forms part of retained law by virtue of the European Union (Withdrawal) Act 2018 (the "**EUWA**") (the "**UK Prospectus Regulation**"). The FCA has only approved this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the UK Prospectus Regulation. Such approval should not be considered an endorsement of the Company and of the quality of the ordinary shares of no par value in the capital of the Company (the "**Ordinary Shares**") that are the subject of this Prospectus. This Prospectus has been drawn up as part of the simplified prospectus in accordance with Article 14 of the UK Prospectus Regulation.

This Prospectus has been filed with the FCA and made available to the public in accordance with Rule 3.2 of the Prospectus Regulation Rules.

The Company's entire issued share capital comprising 672,816,302 Ordinary Shares (the "**Existing Ordinary Shares**") as at 4 May 2021 (being the latest practicable date prior to publication of this Prospectus) is admitted to listing on the standard segment of the Official List ("**Standard Listing**") maintained by the FCA (the "**Official List**"), in its capacity as competent authority under FSMA (under Chapter 14 of the listing rules published by the FCA under section 73A of FSMA (the "**Listing Rules**")) and to trading on the main market for listed securities (the "**Main Market**") of London Stock Exchange plc (the "**London Stock Exchange**").

The Company has issued £6,311,287 in principal amount of convertible loan notes (the "**CLNs**") to new and existing investors. The CLNs can be converted at any time at a conversion price (a) in respect of £466,400 in principal amount of CLNs of 0.4 pence each, and when converted, the resultant 315,076,410 new Ordinary Shares will have attached a warrant to subscribe for additional Ordinary Shares on a one-for-one basis at any time at a price of 0.4 pence per Ordinary Share (the "**CLN Warrants**") and (b) in respect of £5,844,887 in principal amount of CLNs of 8.5 pence each. Holders of £5,992,660 CLNs have undertaken to convert those CLNs conditional only upon Admission and holders of 39,605,760 CLN Warrants and 108,363,636 existing outstanding warrants have undertaken to exercise those warrants conditional only upon Admission.

Application will be made for 297,869,806 new Ordinary Shares (the "**New Ordinary Shares**") to be admitted to a Standard Listing on the Official List and to trading on the Main Market of the London Stock Exchange (together, "**Admission**"). The Ordinary Shares are not listed or traded on, and no application has been made for the admission of the Ordinary Shares to listing or trading on any other stock exchange or securities market. The Company announced to the market by way of a regulatory information service ("**RIS**") on 18 August 2020 that it intends to seek a secondary listing of its Ordinary Shares to be represented by American Depositary Shares on the Nasdaq Global Market operated by NASDAQ, Inc. ("**Nasdaq**") in 2021.

The whole of the text of this Prospectus 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 Ordinary Shares, as set out in *Part II – Risk Factors* of this Prospectus. Investors should make their own assessment as to the suitability of investing in the Ordinary Shares.

The Company and the directors, whose names appear on page 28 of this Prospectus (the "**Directors**"), accept responsibility for the information contained in this Prospectus. To the best of the knowledge of the Directors and the Company, the information contained in this Prospectus is in accordance with the facts and this Prospectus makes no omission likely to affect its import.

OKYO Pharma Limited

(Incorporated and registered in Guernsey with company number 65220)

Issue of 297,869,806 New Ordinary Shares on the conversion of £5,992,660 in principal amount plus interest of convertible loan notes, issue of 76,605,760 warrants, exercise of 147,969,396 CLN Warrants and Existing Warrants and admission of 297,869,806 New Ordinary Shares to the Official List (by way of a Standard Listing under Chapter 14 of the Listing Rules) and to trading on the Main Market of the London Stock Exchange

Broker

Apart from the responsibilities and liabilities, if any, which may be imposed on Optiva Securities Limited ("**Optiva**") by FSMA or the regulatory regime established thereunder, neither Optiva nor any of its representatives or affiliates accepts any responsibility whatsoever for the contents of this Prospectus or its accuracy, completeness or verification or for any other statement made or purported to be made by it, or on its behalf, or by any other person(s) in connection with the Company, the Ordinary Shares or

Admission. Optiva and its representatives and affiliates each expressly disclaims all and any responsibility or liability, whether arising in tort, contract or otherwise (save as referred to above) which it might otherwise have in respect of this Prospectus and/or any such statement(s).

Optiva has not authorised the contents of, or any part of, this Prospectus and no liability whatsoever is accepted by Optiva nor does it make any representation or warranty, express or implied, for the accuracy, completeness or sufficiency of any information or opinion contained in this Prospectus or for the omission of any information. Nothing in this Prospectus shall be relied upon as a promise or representation in this respect, whether as to the past or the future (without limiting the statutory rights of any person to whom this Prospectus is issued).

Optiva, which is authorised and regulated in the UK by the FCA, is acting solely and exclusively for the Company and no-one else in connection with Admission and will not regard any other person(s) (whether or not a recipient of this Prospectus) as a client in relation to Admission nor will Optiva be responsible to anyone other than the Company for providing the protections afforded to its clients or for providing advice in relation to and Admission or any transaction, matter, or arrangement referred to in this Prospectus.

Notice to overseas shareholders

The Ordinary Shares have not been 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. The Ordinary Shares may not be taken up, offered, sold, resold, transferred 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. There will be no public offer in the United States.

No actions have been taken to allow a public offering of the Ordinary Shares under the applicable securities laws of any jurisdiction, including Australia, Canada, Japan or the Republic of South Africa. 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, the Republic of South Africa or any other jurisdiction where such offer or sale would violate the relevant securities laws of such jurisdiction or would impose any unfulfilled registration, publication or approval requirements on the Company.

This Prospectus does not constitute an offer to sell or an invitation to purchase or subscribe for, or the solicitation of an offer or invitation to purchase or subscribe for, Ordinary Shares in any jurisdiction.

None of the Ordinary Shares have been approved or disapproved by the United States Securities and Exchange Commission (the "**SEC**"), any state securities commission in the United States or any other regulatory authority in the United States, nor has the accuracy or the adequacy of this Prospectus. Any representation to the contrary is a criminal offence in the United States.

The distribution of this Prospectus in or into jurisdictions other than the UK may be restricted by law and therefore persons into whose possession this Prospectus comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

Other than in the UK, no action has been taken or will be taken to permit the possession or distribution of this Prospectus in any other jurisdiction. Accordingly, neither this Prospectus nor any advertisement may be distributed or published in any jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Prospectus comes should inform themselves about and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of the securities laws of any such jurisdiction. In particular, no actions have been or will be taken to permit a public offering of the Ordinary Shares under the applicable securities laws of any jurisdiction. For a description of these and certain further restrictions on the offer, subscription, sale and transfer of the Ordinary Shares and distribution of this Prospectus, please see *Part III – Important Information* of this Prospectus.

No incorporation of website information

A copy of this Prospectus is available at the Company's website https://okyopharma.com.

Neither the content of the Company's website nor any website accessible by hyperlinks to the Company's website is incorporated in, or forms part of, this Prospectus (unless specifically incorporated by reference in this Prospectus).

General

A Standard Listing will afford investors in the Company a lower level of regulatory protection than that afforded to investors in companies with listings on the premium segment of the Official List ("**Premium Listing**") which are subject to additional obligations under the Listing Rules.

The New Ordinary Shares will rank *pari passu* in all respects with all Existing Ordinary Shares in issue on Admission, including the right to receive dividends and other distributions declared, made or paid on or in respect of such shares after their date of issue, being the date of Admission.

Capitalised terms have the meanings ascribed to them in *Part XIV – Definitions* and *Part XV – Glossary* of this Prospectus.

The date of this Prospectus is 5 May 2021.

CONTENTS

Pages

Part I

SUMMARY

This summary is made up of four sections and contains all the sections required to be included in a summary for this type of securities and issuer.

Even though a sub-section 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 sub-section. In this case, a short description of the sub-section is included in the summary with the mention of “not applicable”.

INTRODUCTION AND WARNINGS	
Name and ISIN of the securities	The securities are ordinary shares of no par value, which have the ISIN GG00BD3FV870.
Identity and contact details of the issuer	The issuer is OKYO Pharma Limited, a limited company incorporated in Guernsey. Its registered address is at Martello Court, Admiral Park, St Peter Port, Guernsey GY1 3HB and telephone number is +44 (0)20 7495 2379. The Company’s LEI is 213800VVN5CB56Y15A05.
Identity and contact details of the offeror or of the person asking for admission to trading on a regulated market	The Company is the person asking for admission to trading of the New Ordinary Shares on the Main Market, which is a regulated market.
Date of approval of the prospectus	This Prospectus was approved on 5 May 2021.
Identity and contact details of the competent authority approving the prospectus	The competent authority approving this Prospectus is the FCA. The FCA’s registered address is at 12 Endeavour Square, London E20 1JN, United Kingdom and telephone number is +44 (0)20 7066 1000.
Warnings	This summary should be read as an introduction to this Prospectus. Any decision to invest in Ordinary Shares should be based on consideration of this Prospectus as a whole by the investor. The investor could lose all or part of the invested capital. Civil liability attaches only to those persons who have tabled this summary including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent, when read together with the other parts of this Prospectus, or where it does not provide, when read together with the other parts of this Prospectus, key information in order to aid investors when considering whether to invest in Ordinary Shares.

KEY INFORMATION ON THE ISSUER	
Who is the issuer of the securities?	
Domicile and legal form	The Company was incorporated in the British Virgin Islands as a British Virgin Islands Business Company on 4 July 2007 under the BVI Business Companies Act with company number 1415559 under the name Jellon Enterprises, Inc. The legal and commercial name of the Company was changed to Minor Metals & Mining, Inc. on 24 October 2007, to Emerging Metals Limited on 28 November 2007, to West African Minerals Corporation on 9 December 2011, and to OKYO Pharma Corporation on 10 January 2018. On 3 July 2018 following shareholder approval and the approval of the Guernsey Companies Registry, the Company was registered under the Guernsey Companies Law under the name OKYO Pharma Limited, as a Guernsey company with limited liability, an indefinite life and company number 65220. The Company is domiciled in Guernsey.
Principal activities	The Company is a research and development based biotechnology company concerned with a number of pre-clinical assets. Its business model is to develop and commercialise a portfolio of novel product candidates. On 21 February 2018, the Company announced that it had identified an opportunity to obtain (via assignment from Panetta Partners Limited ("**Panetta**")) a licence from On Target Therapeutics, LLC and a sub-licence from Tufts Medical Center, Inc. of the right to exploit all of the intellectual property relating to rights claimed on patent WO2017014605, being claims in composition of matter and methodology for treating, *inter alia*, ocular inflammation, dry eye disease ("**DED**") and ocular neuropathic pain with a chemoattractant protein that acts as a ligand for the G protein-coupled receptor CMKLR1 (also known as ChemR23) ("**Chemerin**") or a fragment of analogue thereof and a lipid entity linked to the Chemerin or fragment or analogue thereof (the "**Chemerin Project**"). On 1 May 2018, the Company acquired the benefit of a licence from Tufts Medical Center, Inc. of the right to exploit all of the intellectual property relating to the development of the endogenous peptide BAM-8 ("**BAM-8**") (the "**BAM-8 Project**") which the Company intends to investigate as a non-opioid analgesic (the "**BAM-8 Acquisition**"). On 27 July 2018, the Company sought and obtained admission to a Standard Listing as a life science and biotechnology company to develop its newly acquired licence assets. The Company identified the Chemerin Project as an initial business opportunity and will look to make further complementary acquisitions in the future. On 18 August 2020, the Company announced to the market by way of RIS that it intends to seek a secondary listing of its Ordinary Shares to be represented by American Depositary Shares on Nasdaq in 2021.

	On 19 January 2021, the Company announced to the market by way of RIS that the Company has submitted a patent application for the potential use of Chemerin and Chemerin analogues for prophylaxis against and treatment of symptoms associated with, or resulting from, infection with SARS-CoV-2 virus, including inflammation due to the cytokine storm caused by the disease caused by SARS-CoV-2 ("**COVID-19**"), and acute respiratory distress syndrome. The Directors will draw on their collective experience, knowledge and extensive network in conjunction with their advisers and other relationships in order to target suitable additional investment and acquisition candidates in the life science and biotechnology sector. To support the future development of its portfolio and to assist in its approach to its scientific strategy, the Company established a scientific advisory board in August 2020, however currently the Company only engages one scientific consultant.
Major shareholders	As at 4 May 2021 (being the latest practicable date prior to the publication of this Prospectus) (the "**Latest Practicable Date**"), in so far as it is known to the Company, the following persons were directly or indirectly interested in 5 per cent. or more of the Company's issued share capital (being the threshold for notification of interests that will apply to Shareholders as of Admission pursuant to Chapter 5 of the Disclosure Guidance and Transparency Rules): *As at the Latest Practicable Date* / *Following conversion of all CLNs* *Name* — *Number of Ordinary Shares* — *Percentage of voting shares* — *Number of Ordinary Shares* — *Percentage of voting shares (1)* Panetta Partners Limited: 350,762,726 — 52.13% — 510,966,362 — 52.64% Veneto Seed Ventures Ltd: 40,000,000 — 5.95% — 40,000,000 — 4.12% (1) This assumes that save for the conversion of £5,992,660 CLNs and the exercise of 39,605,760 CLN Warrants and 108,363,636 Existing Warrants, no other convertible instrument are converted, options or warrants are exercised or shares are issued prior to conversion of the CLNs. As at the date of this Prospectus, the ultimate parent and controlling entity of the Company is Panetta, incorporated in the British Virgin Islands. Save as disclosed in this element, the Company is not aware of any person who, as at the date of this Prospectus, directly or indirectly, has a holding which is notifiable under English law or who directly or indirectly, jointly or severally, exercises or could exercise control over the Company. There are no differences between the voting rights enjoyed by the Shareholders described above and those enjoyed by any other holder of Ordinary Shares.
Key managing directors	Dr. Gary S. Jacob, Chief Executive Officer.
Statutory auditors	Mazars LLP, Tower Bridge House, St Katherine's Way, London E1W 1DD.

What is the key financial information regarding the issuer?	
Selection of historical key financial information	The statutory auditor's report on the annual financial statements for the year ended 31 March 2020, incorporated by reference in this Prospectus, contains a statement that the Company's requirement to secure sufficient investment to fund its pre-clinical activity indicates that a material uncertainty exists that may cast significant doubt on the Group and its parent company's ability to continue as a going concern. The statutory auditor's opinion is not, however, modified in respect of this matter. Between 29 May 2020 and 8 September 2020, the Company raised £5,877,104 through the issue of CLNs. The tables below set out selected key financial information for the Group for the financial year ended 31 March 2020 and unaudited historical financial information for the six month periods ended 30 September 2019 and 30 September 2020.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Six months ended 30 September 2020 (Unaudited) £	Six months ended 30 September 2019 (Restated and Unaudited) £	Year ended 31 March 2020 (Audited) £
Revenue		-	-
Research	(29,250)	(276,910)	(407,478)
Operating expenses	(836,774)	(977,724)	(799,503)
Operating loss	(866,024)	(1,254,634)	(1,206,981)
Finance costs	(53,729)	-	(911)
Finance income	-	-	37,850
Impairment	(57,726)	-	(104,342)
Loss before taxation	(920,142)	(1,320,400)	(1,274,384)
Tax	(68)	-	60,000
Loss for the financial period	(920,210)	(1,320,400)	(1,214,384)
Other comprehensive income	303	(14,541)	3,639
Total comprehensive loss for period	(919,907)	(1,334,941)	(1,210,745)
Basic and diluted loss per share	(0.00)	(0.00)	(0.00)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Six months ended 30 September 2020 (Unaudited) £	Year ended 31 March 2020 (Audited) £	Year ended 31 March 2019 (Audited) £
Property, plant and equipment	1,597	512	847
Right of use asset	21,948	24,278	-
Total Non-Current Assets	23,545	24,790	847
Cash and cash equivalents	5,761,714	189,941	481,153
Trade and other receivables	31,329	191,120	100,581
Related Party Receivable	23,682	17,092	-
Taxation Receivable	-	60,000	-
Total Current Assets	5,816,370	458,153	581,734
Total Assets	5,840,370	482,943	582,581
Non-Current Liabilities	18,525	21,454	-
Trade and other payables	285,772	535,000	321,691
Related party payable	34,459	35,398	5,473
Current lease liability	3,996	4,106	-
Total Current Liabilities	324,227	574,504	327,164
Total Liabilities	342,753	595,958	327,164
Equity			
Share capital	-	-	-
Share premium	67,136,780	67,518,700	68,403,220
Share options reserve	76,819	68,233	38,744
Warrants reserve	2,314,212	1,721,625	24,281
Foreign currency translation reserve	3,046	2,744	(895)
Retained losses	(70,395,480)	(69,518,700)	(68,209,933)
Total equity	5,497,618	(113,015)	255,417

CONSOLIDATED STATEMENT OF CASH FLOWS

	Six months ended 30 September 2020 (Unaudited) £	Six months ended 30 September 2019 (Unaudited) £	Year ended 31 March 2020 (Audited) £
Cash flows from operating activities			
Loss for the period before taxation	(920,142)	(1,320,400)	(1,274,384)
Adjusted for non-cash and non-operating items:			
Shares issued in lieu of fees	-	-	-
Share options charge	8,586	20,340	29,489
Warrants charge	29,321	499,894	33,698
Depreciation of property, plant and equipment	414	167	335
Loss on foreign exchange	-	-	-
Depreciation of right-of-use-asset	2,105	-	4,367
Convertible loan notes issued in lieu of fees	434,183	-	-
Impairment of loan to West African Minerals Ltd	53,726	65,766	104,342
Net (increase) in related party receivables	(6,590)	-	(17,093)
Net (decrease)/increase in related party payables	(939)	-	29,925
Net decrease/(increase) in other receivables	159,621	(345,803)	(96,101)
Net (decrease)/increase in trade and other payables	(248,923)	319,296	213,310
Cash inflow from taxation	59,932	-	-

Cash used in operating activities	(428,706)	(760,740)	(961,168)
Cash flows from investing activities			
Addition of property, plant and equipment	(1,499)	-	-
Cash used in investing activities	(1,499)	-	-
Cash flows from financing activities			
Proceeds from issuance of ordinary shares	181,346	400,000	779,126
Proceeds from issuance of convertible loan notes	5,877,104	-	-
Loan to West African Mining Ltd	(53,726)	(65,766)	(104,342)
Repayment of leasing liabilities	(2,746)	-	(4,828)
Cash generated from financing activities	6,001,978	334,234	669,956
Increase/(decrease) in cash and cash equivalents	5,571,773	(426,506)	(291,212)
Cash and cash equivalents at beginning of period	189,941	481,153	481,153
Cash and cash equivalents at end of period	5,761,714	54,647	189,941

During the six month financial period to 30 September 2020, the Company reported a total comprehensive loss of £0.92 million (30 September 2019: £1.33 million). Expenditure on research and development was £29,000 (30 September 2019: £0.28 million). The Company's cash balance at 30 September 2020 stood at £5.8 million (31 March 2020: £0.2 million).

Set out below are details of the significant changes in the financial position and financial performance of the Group during, and subsequent to, the six month period ended 30 September 2020.

Completed fundraising

On 28 May 2020, the Company announced that it had placed a further 36,269,253 new Ordinary Shares with Panetta at a placing price of 0.5 pence each to raise £181,346 (before expenses). The shares were issued with warrants attached on a one-for-one basis, exercisable at a price of 0.55 pence for a period of five years from the date of issue.

Between 29 May 2020 and 8 September 2020, the Company has raised £5,877,104 through the issue of CLNs.

On 1 March 2021, the Company announced that it had issued 250,000 Ordinary Shares, credited as fully paid, at a price of 4.5 pence per share on the exercise of 250,000 options, raising £11,250.

Selected key *pro forma* financial information	Not applicable
Brief description of any qualification in the audit report	Not applicable. There are no qualifications in the accountant's report relating to the historical financial information.

What are the key risks that are specific to the issuer?	
Brief description of the most material risk factors specific to the issuer contained in the prospectus	• The Company's product candidates Chemerin and BAM-8 are both very early in the development stage. The Company's ability to generate product revenue will depend heavily on the successful development of the product candidates, many stages of clinical trials and eventual commercialisation. The Company currently generates no revenue from sales of any product and may never be able to develop or commercialise a marketable product • The Company's product candidates may fail to progress through clinical trials. Data obtained from pre-clinical and clinical activities is subject to varying interpretations which may delay, limit or prevent applications for regulatory approvals. Significant risks exist that Chemerin and BAM-8 may never progress to a commercially viable product. • The Directors anticipate that the Company will continue to incur significant losses in the near future. The amount will depend partly on the rate of its future expenditures, including further research and development activity, and its success in developing and commercialising Chemerin and other products. • The Company will need to spend extensively on further research and there is no guarantee of access to funds to fully realise its research and development plan or to commercialise any products derived from this research. • Even if the Company were to receive regulatory approval for Chemerin or any other products, it may be unable to commercialise them. There remain high barriers to commercial success, including the Company's inability to recruit, train and retain adequate numbers of effective sales and marketing personnel, the inability of sales personnel to obtain access to or persuade adequate numbers of potential practitioners to prescribe any

	future products, unforeseen costs and expenses associated with creating an independent sales and marketing organisation, higher than anticipated costs of marketing and promotion and the inability and the inability to secure a suitable level of pricing and/or reimbursement approval from the relevant regulatory authorities. • The expiry of certain intellectual property rights or the Company's inability to obtain, maintain or enforce adequate intellectual property rights for products that are marketed or in development may result in additional competition from other third-party products. • The process of conducting and running clinical trials is expensive and time consuming and subject to significant regulatory compliance, particularly in the UK, all member states of the EU, the US and Japan. • Potential participants in clinical trials may be reluctant to be exposed to early stage pharmaceuticals and/or have concerns about side effects. Ocular products and trials related to them can be particularly difficult to enroll and any adverse safety findings prior to a clinical trial or during a clinical trial may result in patients withdrawing from the trial, rendering the trial unsuccessful and prejudicing the ability of the Company to conduct future trials.

KEY INFORMATION ON THE SECURITIES	
What are the main features of the securities?	
Type, class and ISIN	The New Ordinary Shares are Ordinary Shares with no par value each in the capital of the Company. The New Ordinary Shares will be registered with ISIN GG00BD3FV870, SEDOL code BD3FV87 and TIDM OKYO.
Currency, denomination, par value, number of securities issued and term of the securities	The issued share capital of the Company as at the Latest Practicable Date was 672,816,302 Existing Ordinary Shares, each with no par value. Following Admission and the conversion of the CLNs the Enlarged Share Capital will be 970,686,108 Ordinary Shares. The conversion price in respect of £466,400 in principal amount of CLNs is 0.4 pence each and such CLNs bear interest at a rate of 20 per cent. per annum. The conversion price in respect of £5,844,887 in principal amount of CLNs is 8.5 pence each and such CLNs bear interest at a rate of 2.15 per cent. per annum. CLN Warrants are exercisable at any time at a price of 0.4 pence per Ordinary Share on a one-for-one basis with the New Ordinary Shares issued on the conversion of the £466,400 in principal amount of CLNs. The Ordinary Shares are denominated in UK Pounds Sterling. The Ordinary Shares are in registered form, may be held in either certificated or uncertificated form and title to such uncertificated shares may be transferred by means of a relevant system (as defined in the CREST Regulations). The term of the Ordinary Shares is perpetual. There are no shares in issue that are not fully paid.
Rights attached to the securities	All New Ordinary Shares will, when issued, rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive dividends and other distributions made, paid or declared after the date of issue of the New Ordinary Shares. Shareholders will have the right to receive notice of and to attend and vote at any meetings of Shareholders. Each Shareholder entitled to attend and being present in person or by proxy at a meeting will, upon a show of hands, have one vote and upon a poll each such Shareholder present in person or by proxy will have one vote for each Ordinary Share held by him. Pre-emption rights have been disapplied pursuant to the special resolutions passed at the annual general meeting of the Company held on 25 September 2020 (the "**2020 AGM**"), to allow for the issue of the New Ordinary Shares on a non-pre-emptive basis. In the case of joint holders of an Ordinary Share, if two or more persons hold an Ordinary Share jointly either of them may be present in person or by proxy at a meeting of Shareholders and may speak on behalf of all joint owners as a Shareholder, and if two or more joint holders are present at a meeting of Shareholders, in person or by proxy, the holder whose name stands first in the register of members of the Company in respect of such Ordinary Share shall alone be entitled to vote in respect thereof. Subject to the Guernsey Companies Law, on a winding-up of the Company the assets of the Company available for distribution shall be distributed, provided there are sufficient assets available, to the holders of Ordinary Shares *pro rata* to the number of such fully paid up Ordinary Shares held (by each holder as the case may be) relative to the total number of issued and fully paid up Ordinary Shares.
Relative seniority of the securities in the issuer's capital structure in the event of insolvency	Not applicable. The Company does not have any other securities in issue or liens over its assets and so the New Ordinary Shares are not subordinated in the Company's capital structure.
Restrictions on the free transferability of the securities	Not applicable. The Ordinary Shares (including the New Ordinary Shares) are freely transferable and tradable and there are no restrictions on transfer. Each Shareholder may transfer all or any of their Ordinary 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 Shareholder may transfer all or any of their Ordinary Shares which are in uncertificated form by means of a 'relevant system' (i.e., the CREST System) in such manner provided for, and subject as provided in, the Uncertificated Securities Regulations 2001 (*SI 2001 No. 3755*) (the "**CREST Regulations**").
Dividend or pay-out policy	To date, the Company has not declared or paid any dividends on the Ordinary Shares. 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 until the Company is generating significant revenue.

Where will the securities be traded?	
Application for admission to trading	The Existing Ordinary Shares are currently admitted to a Standard Listing on the Official List and to trading on the Main Market of the London Stock Exchange. Applications will be made for Admission of the New Ordinary Shares to a Standard Listing on the Official List and to trading on the Main Market of the London Stock Exchange upon the exercise of the conversion rights under the CLNs and/or the CLN Warrants. Neither the Existing Ordinary Shares nor the New Ordinary Shares will be listed on any other regulated market at Admission.
Identity of other markets where the securities are or are to be traded	The Existing Ordinary Shares are not currently listed or traded on any other market. On 18 August 2020, the Company announced to the market by way of RIS that it intends to seek a secondary listing of its Ordinary Shares to be represented by American Depositary Shares on Nasdaq in 2021.

What are the key risks specific to the securities?	
Brief description of the most material risk factors specific to the securities contained in the prospectus	• The proposed Standard Listing of the New Ordinary Shares will not afford Shareholders the opportunity to vote to approve any future material investment or acquisition. • A suspension or cancellation of the Ordinary Shares, as a result of the FCA determining that there is insufficient information in the market about an acquisition or a target business, would materially reduce liquidity in such Ordinary Shares, which may affect an investor's ability to realise some or all of its investment and/or the price at which such investor can effect such realisation. In the event of such suspension or cancellation, the value of the investors' shareholdings may be materially reduced. • The Company is one of the smaller companies listed on the Main Market of the London Stock Exchange. Further, pending any future fundraising (the success of which cannot be assured), the Company will have limited cash and other resources with which to pursue its ambitious strategic objectives. • Further substantial equity capital raisings will be required by the Company in order to complete any additional investments or acquisitions. If the Company does offer its Ordinary Shares as consideration in making investments or acquisitions, depending on the number of Ordinary Shares offered and the value of such Ordinary Shares at the time, the issuance of such Ordinary Shares could materially reduce the percentage ownership represented by the holders of New Ordinary Shares in the Company and also dilute the value of New Ordinary Shares held by such Shareholders at the time. • The Company will continue to have substantial numbers of outstanding share options and warrants and may issue further warrants in connection with a future fundraising. In addition to the New Ordinary Shares issued on conversion of the CLNs and the 76,605,760 CLN Warrants (of which 37,000,000 will be outstanding following Admission), a total of 65,750,000 share options with exercise prices ranging from 0.45 pence to 15.5 pence (the majority of the share options remain subject to time vesting over a four year period) and 184,272,726 warrants are outstanding as at the Latest Practicable Date (of which 75,909,090 will remain outstanding following Admission). All of these instruments will have a significant dilutive effect on Shareholders when and if they are exercised. Shareholdings immediately prior to Admission will be diluted by approximately 30.69 per cent. as a result of the issue of the New Ordinary Shares pursuant to conversion of the CLNs, the exercise of the CLN Warrants and Existing Warrants in connection with Admission, and by 41.46 per cent if all of the remaining CLN Warrants and other warrants and options were exercised in full.

KEY INFORMATION ON THE OFFER OF SECURITIES TO THE PUBLIC AND/OR THE ADMISSION TO TRADING ON THE LONDON STOCK EXCHANGE	
Under which conditions and timetable can I invest in this security?	
General terms and conditions	Not applicable.
Expected timetable of the offer	Not applicable.
Details of admission to trading on a regulated market	The £466,400 in principal amount of CLNs can be converted at any time. CLN Warrants are exercisable at any time at a price of 0.4 pence per Ordinary Share on a one for one basis with the New Ordinary Shares issued on the conversion of the £466,400 in principal amount of CLNs. The £3,762,500 in principal amount of CLNs issued on 27 July 2020 can be converted at any time from 28 February 2021. The £1,544,887 in principal amount of CLNs issued on 18 August 2020 can be converted at any time from 31 March 2021. The £537,500 in principal amount of CLNs issued on 8 September 2020 can be converted at any time from 15 May 2021. Applications for Admission to the FCA and the London Stock Exchange will be made upon the exercise of the relevant conversion rights.
Plan for distribution	The CLNs were offered exclusively to Qualified Investors and/or Relevant Persons. There was no offer to the public of the CLNs and no intermediaries offer. The New Ordinary Shares will only be issued as a result of the exercise of the conversion rights attached to the CLNs and the CLN Warrants.
Amount and percentage of immediate dilution resulting from the offer	Shareholdings immediately prior to Admission will be diluted by approximately 30.69 per cent. as a result of the issue of the New Ordinary Shares arising on the conversion of the CLNs.

Estimate of total expenses of the issue and/or offer	The expenses of the issue and conversion of the CLNs and the Admissions will be borne by the Company in full. These expenses (including listing and admission fees, printing, and professional advisory fees, including legal fees, and any other applicable expenses) are not expected to exceed £150,000.

Why is this prospectus being produced?	
Reasons for the offer or for the admission to trading on a regulated market	This Prospectus is being produced solely in connection with the admission of the New Ordinary Shares to a Standard Listing on the Official List and to trading on the Main Market of the London Stock Exchange
Use and estimated net amount of the proceeds	Not applicable.
Indication of whether the offer is subject to an underwriting agreement	Not applicable.
Indication of the most material conflicts of interests relating to the offer or admission to trading	Not applicable.

Part II

RISK FACTORS

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

The risks referred to below are those risks the Company and the Directors consider to be the material risks relating to the Company. 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 Company's business, financial condition, results of operations or prospects.

Investors should review this Prospectus 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 Prospectus were to occur, the results of operations, financial condition and prospects of the 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.

PART A. IMMEDIATE RISKS RELATING TO THE COMPANY, ITS BUSINESS AND PROSPECTS

The Company only recently committed to its new business and its chosen product candidates are in the early stages of development and it may be some years until the Company generates revenue, if at all

The Company's chosen product candidates, Chemerin and BAM-8, are both very early in the development stage and even the lead product candidate, Chemerin, is still in the pre-clinical stage. The Company, through its scientific collaborators, has only recently completed initial pre-clinical studies with respect to Chemerin and BAM-8 and the Company's ability to generate product revenue, which is not expected to occur for several years, if ever, will depend heavily on the successful development of the product candidates, many stages of clinical trials and eventual commercialisation. The Company has only recently committed to its new business operating as a life sciences and biotechnology business. The Company currently generates no revenue from sales of any product and may never be able to develop or commercialise a marketable product.

The Company's product candidates may fail to progress through clinical trials and any clinical trial data may be interpreted in varying ways which may delay, limit or prevent future regulatory approvals

The Company's product candidates have made significant initial progress, however they may suffer significant setbacks in later stage clinical trials. There is a high failure rate for product candidates in the life sciences and biotechnology sectors as they proceed through clinical trials. Data obtained from pre-clinical and clinical activities is subject to varying interpretations which may delay, limit or prevent applications for regulatory approvals. Significant risks exist that Chemerin and BAM-8 may never progress to a commercially viable product.

The Company's product candidates have not been evaluated in clinical trials and results in the clinic may not be reproduced in human trials

The early stages of the Company's business strategy will carry significant risks associated with product candidates which have not been evaluated in human clinical trials. Not only may encouraging results seen in pre-clinical trials not be indicative of results in later clinical trials but given that the product candidates have only been evaluated in mouse models to date, unexpected or adverse effects may be seen once the product candidates enter the human clinical trials stage which in turn may create significant hurdles to further development or lead to the abandonment of further development.

The development of the Company's pharmaceutical products carries significant risk of failure in early and late stage development programs

The development of pharmaceutical products is inherently uncertain, even in late-stage product development programmes. There is a high failure rate in the development of pharmaceutical products and there is a substantial risk of adverse, undesirable, unintended or inconclusive results from testing or pre-clinical or clinical trials, which may substantially delay, or halt entirely, or make uneconomic, any further development of the Company's products and may prevent or limit the commercial use of such products.

Whilst the pre-clinical development of Chemerin and initial studies in animal models have been encouraging, the scope of these studies is limited and significant risks exist that Chemerin may never progress to a commercially viable product. Laboratory studies in animal models carry the risk that similar results may not be seen or reproduced in future tests and trials, and there can be no guarantee that a successful test in a mouse or other animal model will be capable of being reproduced in a human clinical trial. Small scale trials and the results thereof, can be misleading as to efficacy, safety and other findings, as the outcome may be influenced by laboratory or demographic factors and not due to the chemistry or biological effect of the drug candidate being evaluated. Larger scale trials often fail to produce the same positive results seen in small scale trials for a variety of reasons and clinical trials in humans frequently fail

to reproduce efficacy seen in animal trials in the laboratory. Failure can often result after significant sums have been expended on research and often where initial trial results (both in animals and in humans) have shown very encouraging results.

The Company's management initially intends to conduct laboratory and pre-clinical trials to establish the safety and efficacy of the Company's products. Due to the inherent risks involved in developing pharmaceutical products, there is a risk that some or all of the Company's products will not ultimately be successfully developed or launched. In addition, the planned clinical trials may fail to show the desired safety and efficacy, this may be the case even if an investigational new drug application ("**IND**") is approved as positive data in animal studies may not be reflected or reproduced in human trials. Successful completion of one stage of development of a pharmaceutical product does not ensure that subsequent stages of development will be successful. The inability of the Company to market any of its products currently under development would adversely affect the Company's business and financial condition.

The Company is currently primarily dependent on one early stage product candidate

The Company is currently primarily dependent for its short to medium-term success on a single early stage product, Chemerin, which is a research product that has shown pre-clinical potential, but has not yet been tested on humans and is some way from obtaining the necessary approvals required to conduct Phase I clinical trials in humans.

Any commercial development of Chemerin is highly dependent on a number of factors, including:

(a) the successful conduct of human trials in the initial indications of DED;

(b) receipt of marketing approvals for Chemerin in the United States and other jurisdictions where separate approval is required and where the Company subsequently chooses to market Chemerin;

(c) launching commercial sales of Chemerin, if and when approved;

(d) acceptance of Chemerin by patients, the medical community and third-party payers;

(e) Chemerin competing effectively with existing therapies and in particular with established products addressing the same clinical needs;

(f) Chemerin influencing the treatment guidelines in relevant territories; and

(g) further clinical trials to provide additional data to support commercialisation of Chemerin and to permit wider label claims.

If any of these factors were not met, the Company's business, financial condition, prospects and results of operations could be materially adversely affected.

PART B. RISKS RELATED TO THE COMPANY'S FINANCIAL POSITION AND NEED FOR CAPITAL

The Directors anticipate that the Company will continue to incur significant losses for the foreseeable future

The amount of the Company's future net losses will depend, in part, on the rate of its future expenditures, including further research and development activity. The amount of net losses will also depend on the Company's success in developing and commercialising Chemerin and other products that generate significant revenue. Any failure by the Company to become and remain profitable could depress the value of the Ordinary Shares and could impair its ability to expand its business, maintain its research and development efforts, diversify its product offerings or continue its operations.

The Company will need to spend extensively on further research activities and there can be no guarantee that the Company will have access to sufficient funds to fully realise its research and development plan or to commercialise any products derived from research activities

The Company expects to incur further significant expenses in connection with its ongoing research and development activities in relation to its products, including for funding clinical studies, registration, manufacturing, marketing, sales and distribution. The Company expects that the Group has sufficient working capital available to fund the Company's business plan for at least the 12 months following the date of this Prospectus.

Beyond the next 12 months, access to adequate additional financing, whether through debt financing, an equity capital raise or a suitable partnering transaction may not be available to the Company on acceptable terms, or at all. Further, while the potential economic impact brought by, and the duration of the COVID-19 pandemic is difficult to assess or predict, the impact of the COVID-19 pandemic on the global financial markets may reduce the Company's ability to access capital, which could negatively impact the Company's short-term and long-term liquidity. If the Company is unable to raise capital, the Company could be forced to delay, reduce or eliminate its research and development programmes or commercialisation efforts. Any additional equity fundraising may be dilutive for Shareholders.

Any of these events could have a material adverse effect on the Company's business financial condition, prospects and results of operation and may lead the Company to delay, reduce or abandon research and development programmes or commercialisation of some of its products.

PART C. RISKS RELATED TO COMMERCIALISATION OF THE COMPANY'S PRODUCT CANDIDATES

Even if the Company successfully develops a product which shows efficacy in human subjects it may not be able to commercialise such product

Even if the Company were to receive regulatory approval for Chemerin or any other products, it may be unable to commercialise them.

There are a number of factors that may inhibit the Company's efforts to commercialise its products on its own, including:

(a) the Company's inability to recruit, train and retain adequate numbers of effective sales and marketing personnel;

(b) the inability of sales personnel to obtain access to or persuade adequate numbers of potential practitioners to prescribe any future products;

(c) unforeseen costs and expenses associated with creating an independent sales and marketing organisation;

(d) costs of marketing and promotion above those anticipated by the Company; and

(e) the inability to secure a suitable level of pricing and/or reimbursement approval from the relevant regulatory authorities in the countries the Company is targeting.

Whilst the Company may only seek to enter into arrangements with third parties to perform sales and marketing services in non-core territories, any such arrangements could result in the Company's product revenues (or the profitability of such product revenues to the Company) being lower than if the Company were to market and sell the products itself. In addition, the Company may not be successful in entering into arrangements with third parties to sell and market its products or may be unable to do so on terms that are favourable to the Company. Acceptable third parties may fail to devote the necessary resources and attention to sell and market the Company's products effectively. If the Company does not establish sales and marketing capabilities successfully, either on its own or in collaboration with third parties, it will not be successful in commercialising its products, which in turn would have a material adverse effect on its business, prospects, financial condition and results of operations.

The Company's products face high barriers to commercial success

Even where the Company's products are successfully developed and marketing approval is secured from relevant regulatory authorities, these products might not achieve commercial success. Factors which could limit commercial success of a product include but are not limited to:

(a) limited market acceptance or a lack of recognition of the unmet medical need for the product amongst prescribers;

(b) new competitor products entering the market;

(c) the number and relative efficacy, safety or cost of competitive products;

(d) an inability to supply a sufficient amount of the product to meet market demand;

(e) insufficient funding being available to market the product adequately;

(f) an inability to enforce intellectual property rights, or the existence of third party intellectual property rights;

(g) safety concerns arising pre or post-launch resulting in negative publicity or product withdrawal or narrowing of the product label and the group of persons who may receive the product;

(h) labelling being restricted/narrowed in the future and in the future by regulatory agencies; and

(i) refusals by government or other healthcare payors to fund the purchase of the products by healthcare providers at a commercially viable level (or at all) or otherwise to restrict the availability of approved products on other grounds.

If any of the foregoing were to occur, it could materially and adversely affect the Group’s business, financial condition, prospects and results of operations.

The Company faces significant competition from other pharmaceutical companies

The Company has competitors internationally, including major multinational pharmaceutical companies, universities and research institutions. In respect of Chemerin, as an indication for the treatment of DED, there are a number of established companies engaged in the development and marketing of preparations addressing the DED market. In addition, there are a wide range of products addressing the DED market currently approved and marketed by a number of large and small pharmaceutical companies.

Many of the Company's competitors have substantially greater financial, technical and other resources, such as larger research and development teams, proven marketing and manufacturing organisations and well-established sales forces. The Company's competitors may succeed in developing, acquiring or licensing, drug products that are more effective or less costly than products which the Company is currently developing or which it may develop.

Established pharmaceutical companies may invest heavily to accelerate the discovery and development of products that could make the Company's products less competitive. In addition, any new product that competes with an approved product must demonstrate compelling advantages in efficacy, convenience, tolerability or safety in order to overcome price competition and to be commercially successful. Accordingly, the Company's competitors may succeed in obtaining patent protection, receiving approval from the UK Medicines and Healthcare products Regulatory Agency ("**MHRA**"), the US Food and Drug Administration (the "**FDA**"), the European Medicines Agency (the "**EMA**") or that of another relevant regulatory authority or discovering, developing and commercialising pharmaceutical products before the Company does, which would have a material adverse effect on the Company's business.

The availability and price of the Company's competitors' products could limit the demand, and the price the Company is able to charge, for any of its products, if approved for sale

The Company will not achieve its business plan if acceptance is inhibited by price competition or the reluctance of physicians to switch from existing drug products to the Company's products, or if physicians switch to other new drug products or choose to reserve its products for use in limited circumstances. Competition from lower-cost generic pharmaceuticals may also result in significant reductions in sales volumes or prices for the Company's products, which could materially adversely affect the Company's business, prospects, financial condition and results of operations.

The Company is dependent on third-party supply, development and manufacturing and clinical service relationships and on single manufacturing sites for certain products

The Company's business strategy utilises the expertise and resources of third parties in a number of areas, including the conduct of clinical trials, other product development, manufacture and the protection of the Company's intellectual property rights in various geographical locations. This strategy creates risks for the Company by placing critical aspects of the Company's business in the hands of third parties whom the Company may not be able to manage or control adequately and who may not always act in the best interests of the Company.

Where the Company is dependent upon third parties for the development or manufacture of certain products, the Company's ability to procure their development or manufacture in a manner which complies with regulatory requirements may be constrained, and its ability to develop and deliver such material on a timely and competitive basis may be materially adversely affected, which may impact revenues.

Regulatory requirements for pharmaceutical products tend to make the substitution of suppliers and contractors costly and time-consuming. Alternative suppliers may not be able to manufacture products effectively or obtain the necessary manufacturing licences from relevant regulatory authorities. The unavailability of adequate commercial quantities, the inability to develop alternative sources, a reduction or interruption in supply of contracted services, or a significant increase in the price of materials and services, could have a material adverse effect on the Company's ability to manufacture and market its products or to fulfil orders from its distributors or licensees, which in turn would have a material adverse impact on its cash flows.

Insurance coverage and reimbursement may be limited, unavailable or may be reduced over time in certain market segments for the Company's products

Government authorities and third-party payers, such as private health insurers, decide which pharmaceutical products they will cover and the amount of reimbursement. Reimbursement may depend upon a number of factors, including the payer’s determination that use of a product is:

(i) a covered benefit under the Company's health plan;

(ii) safe, effective and medically necessary;

(iii) appropriate for the specific patient;

(iv) cost-effective; and

(v) neither experimental nor investigational.

Obtaining coverage and reimbursement approval for a product from a government or other third-party payer is a time-consuming and costly process that could require the Company to provide supporting scientific, clinical and cost-effectiveness data for the use of its products.

The Company may not be able to provide data sufficient to gain acceptance with respect to coverage and reimbursement, or to demonstrate commercial value compared to existing established treatments. If reimbursement of the Company's products is unavailable or limited in scope or amount, or if pricing is set at unsatisfactory levels, the Company may be unable to achieve or sustain profitability.

Market acceptance and sales of the Company's products will depend significantly on the availability of adequate coverage and reimbursement from third-party payers and may be affected by existing and future healthcare reform measures.

Pricing of prescription pharmaceuticals is subject to governmental control in certain jurisdictions

The Company may, in the future, seek approval to market its products in the UK, the EU, the US and in selected other jurisdictions. In the UK and the EU, the pricing of prescription pharmaceuticals is subject to national governmental control and pricing negotiations with governmental authorities can, in some circumstances, take several years after obtaining marketing approval for a product.

The continuing efforts of governments, insurance companies, managed care organisations and other payers of healthcare services to contain or reduce costs of healthcare and/or impose price controls may materially adversely affect the Company's ability to set prices for its products, generate revenues and

achieve or maintain profitability. Any reduction in government reimbursement programmes may result in a similar reduction in payments from private payers, which may materially adversely affect the Company's business, prospects, financial condition and results of operations.

PART D. RISKS RELATED TO THE COMPANY'S INTELLECTUAL PROPERTY

The expiry of certain intellectual property rights or an inability to obtain, maintain or enforce adequate intellectual property rights for products that are marketed or in development may result in additional competition from other third-party products

The extent of the Company's success will, to a significant degree, depend on its ability to establish, maintain, defend and enforce adequate intellectual property rights and to operate without infringing the proprietary or intellectual property rights of third parties. The Company has been granted, or has in-licensed rights under, a number of key patent families for Chemerin (or other proprietary rights), and patent applications are pending in the UK, the US, the EU, and certain other jurisdictions. The Company might develop or acquire further technology or products that are not patentable or otherwise protectable. The strength of patents in the pharmaceutical field involves complex legal and scientific questions and can be uncertain. Patents or other rights might not be granted under any pending or future applications filed or in-licensed by the Company and any claims allowed might not be sufficiently broad to protect the Company's technologies and products from competition. Competitors may also successfully design around key patents held by the Company, thereby avoiding a claim of infringement. There is a risk that not all relevant prior art has been identified with respect to any particular patent or patent application and the existence of such prior art may invalidate any patents granted (or result in a patent application not proceeding to grant). Patents or other registerable rights might also be revoked for other reasons after grant. Third parties may challenge the validity, enforceability or scope of any granted patents. The Company's defense of its proprietary rights could involve substantial costs (even if successful) and could result in declarations of invalidity or significantly narrow the scope of those rights, limiting their value.

The Company may not be able to obtain, maintain, defend or enforce the intellectual property rights covering its products

To date, the Company has had certain patents licensed to it in jurisdictions it considers to be important to its business. However, the Company cannot predict:

(a) the degree and range of protection any patents will afford against competitors and competing technologies, including whether third parties will find ways to invalidate or otherwise circumvent the patents by developing a competitive product that falls outside its scope;

(b) if, when any patents will be granted;

(c) that granted patents will not be contested, invalidated or found unenforceable;

(d) whether or not others will obtain patents claiming aspects similar to those covered by the Company's patents and patent applications;

(e) whether the Company will need to initiate litigation or administrative proceedings, or whether such litigation or proceedings will be initiated by third parties against the Company, which may be costly and time consuming; and

(f) whether third parties will claim that the Company's technology infringes upon their rights.

Whilst the Directors believe that the Company has novel composition of matter on the Chemerin peptide and novel methods of its use in treating DED, the Directors cannot be sure that these patent applications will issue as patents. Each patent office has different patentability requirements, but the Directors believe that the license patent applications contain patentable subject matter. The process for issuance of a patent involves a correspondence with each local patent office in the jurisdictions in which the patent application is filed. That process, patent prosecution, involves a discussion of any relevant prior art and typically a discussion of the scope of the claims. The patent prosecution process can take several years depending on the jurisdiction and is not in the control of the patent owner, but in the control of the local patent office. The Directors cannot be sure the outcome of the patent prosecution will be successful and result in issued patents.

Patent protection is of importance to the Company in maintaining its competitive position in its planned product lines and a failure to obtain or retain adequate protection could have a material adverse effect on the Company's business, prospects, financial condition and results of operations.

The Company may not be able to prevent disclosure of its trade secrets, know-how or other proprietary information ("Confidential Information")

The Company relies on trade secret protection to protect its interests in proprietary know-how and in processes for which patents are difficult to obtain or enforce. If the Company is unable to protect its trade secrets adequately the value of its technology and products could be significantly diminished. Furthermore, the Company's employees, consultants, contract personnel or third-party partners, either accidentally or through willful misconduct, may cause serious damage to its programmes and/or its strategy by disclosing Confidential Information to third parties. It is also possible that Confidential Information could be obtained by third parties as a result of breaches of the Company's physical or electronic security systems. Any disclosure of confidential data into the public domain or to third parties could allow the third parties to access Confidential Information and use it in competition with the Company. In addition, others may independently discover the Confidential Information. Any action to enforce the Company's rights against any

misappropriation or unauthorised use and/or disclosure of Confidential Information is likely to be time-consuming and expensive, and may ultimately be unsuccessful, or may result in a remedy that is not commercially valuable. Any such loss of Confidential Information or failure to enforce the Company's rights in relation to such Confidential Information, or unsatisfactory outcome of any related litigation could have a material adverse effect on the Company's business, prospects, financial condition or results of operation.

The Company's products could infringe patents and other intellectual property rights of third parties

The Company's commercial success depends upon its ability, and the ability of any third party with which it may partner to develop, manufacture, market and sell its products and use its patent- protected technologies without infringing the patents of third parties.

The Company's products may infringe or may be alleged to infringe existing patents or patents that may be granted in the future which may result in costly litigation and could result in the Company having to pay substantial damages or limit the Company's ability to commercialise its products.

Because some patent applications in the UK, Europe, the US and many foreign jurisdictions may be maintained in secrecy until the patents are issued, patent applications in such jurisdictions are typically not published until 18 months after filing, and publications in the scientific literature often lag behind actual discoveries. Accordingly, the Company cannot be certain that others have not filed patents that may cover its technologies, its products or the use of its products. Additionally, pending patent applications which have been published can, subject to certain limitations, be later amended in a manner that could cover the Company's technologies, its products or the use of its products. As a result, the Company may become party to, or threatened with, future adversarial proceedings or litigation regarding patents with respect to its products and technology.

If the Company is sued for patent infringement, the Company would need to demonstrate that its products or methods either do not infringe the patent claims of the relevant patent or that the patent claims are invalid, and the Company may not be able to do this. If the Company is found to infringe a third party's patent, the Company could be required to obtain a licence from such third party to continue developing and marketing its products and technology or the Company may elect to enter into such a licence in order to settle litigation or in order to resolve disputes prior to litigation. However, the Company may not be able to obtain any required licence on commercially reasonable terms or at all. Even if the Company is able to obtain a licence, it could be non- exclusive, thereby giving its competitors access to the same technologies licensed to the Company, and could require the Company to make substantial royalty payments. The Company could also be forced, including by court order, to cease commercialising the infringing technology or products. A finding of infringement could prevent the Company from commercialising its products or force the Company to cease some of its business operations, which could materially harm its business. Claims that the Company has misappropriated the confidential information or trade secrets of third parties could have a similarly negative impact on its business.

Any such claims are likely to be expensive to defend, and some of its competitors may be able to sustain the costs of complex patent litigation more effectively than the Company can because they have substantially greater resources. Moreover, even if the Company is successful in defending any infringement proceedings, it may incur substantial costs and divert management's time and attention in doing so, which could materially adversely affect the Company's business, prospects, results of operations or financial condition.

PART E. RISKS RELATED TO GOVERNMENT REGULATION

The process of conducting and running clinical trials is expensive and time consuming and subject to significant regulatory compliance

Many countries, including but not limited to, the UK, all member states of the EU, the US and Japan, have very high standards of technical appraisal for prescription pharmaceutical products and, accordingly, the clinical trial process is, in most cases, lengthy and expensive. Clinical trials need to be correctly designed to satisfy regulators, investigators, hospital ethics committees, customers and distributors, which can be time-consuming and expensive, and it is not always possible quickly and efficiently to identify a sufficient number of patients who meet the trial criteria. If the cost and timing of the Company's planned clinical and non-clinical trials exceeds the Directors' current expectations, this could significantly impact the Company's development plan for the relevant product.

Delays in obtaining the necessary regulatory approvals for products to be sold by the Company may result in the emergence of competing products and/or the loss of lifespan of granted patents or data exclusivity protecting the Company's products from competition, may materially reduce the Company's potential future revenues and profitability.

If the Company experiences delays or difficulties in the enrolment of subjects in clinical studies, its receipt of necessary regulatory approvals could be delayed or prevented

Potential participants in clinical trials may be reluctant to be exposed to early stage pharmaceuticals and/or have concerns about side effects. Ocular products and trials related to them can be particularly difficult to enroll and any adverse safety findings prior to a clinical trial or during a clinical trial may result in patients withdrawing from the trial, rendering the trial unsuccessful and prejudicing the ability of the Company to conduct future trials.

In addition, some of the Company's competitors may have ongoing clinical studies for products that treat the same indications as the Company's products, and subjects who would otherwise be eligible for its clinical studies may instead enroll in clinical studies of its competitors' products.

Subject enrolment is affected by other factors, including:

(a) the severity of the indication under investigation;

(b) the subject eligibility criteria for the study in question;

(c) the perceived risks and benefits of the product under the study;

(d) the Company's payments to participants and third parties for conducting clinical studies;

(e) the referral practices of physicians;

(f) the ability to monitor subjects adequately during and after treatment; and

(g) the proximity and availability of clinical study sites for prospective subjects.

Any difficulties in enrolling a sufficient number of subjects for any of its clinical trials could result in significant delays and require the Company to abandon one or more clinical trials altogether. Enrolment delays in the Company's clinical studies may result in increased development costs for its products and in delays to commercially launching its products, if approved. If any of these factors materialise, the Company's business, prospects, results of operations or financial condition could be materially adversely affected.

If the Company obtains regulatory approval for a product, such product will remain subject to ongoing regulatory obligations

If the Company obtains regulatory approval in a jurisdiction in respect of a product, regulatory authorities may still impose significant restrictions on the indicated uses or marketing of such product, or impose ongoing requirements for potentially costly post-approval studies or post-market surveillance.

In addition, product manufacturers and their facilities are subject to continual review and periodic inspections by the MHRA, the EMA, the FDA and other relevant regulatory authorities for compliance with good manufacturing practices ("**GMP**") and good pharmacovigilance practices. If the Company or a regulatory agency discovers previously unknown problems with a product or problems with the facility where a product is manufactured, a regulatory agency may impose restrictions relative to that product or the manufacturing facility, including requiring recall or withdrawal of the product from the market or suspension of manufacturing.

If the Company fails to comply with applicable regulatory requirements following approval of any product, a regulatory agency may:

(a) issue a warning letter asserting that the Company is in violation of relevant laws;

(b) seek an injunction or impose civil or criminal penalties or monetary fines;

(c) suspend or withdraw regulatory approval;

(d) suspend any ongoing clinical studies;

(e) seize the product; or

(f) refuse to allow the Company to enter into supply contracts, including government contracts.

Any governmental or regulatory agency investigation of alleged violations of law or regulation could require the Company to expend significant time and resources and may generate negative publicity. The occurrence of any event or penalty described above may delay commercialisation of the Company's products, increase costs and materially and adversely affect the Company's business, prospects, results of operations or financial condition.

The Company operates in a highly regulated environment

During the period before any of its products are approved for commercial sale, the Company and its approved partners must operate to relevant standards of conduct, including Good Clinical Practice ("**GCP**") and GMP, and follow relevant International Council for Harmonisation guidelines in the conduct of any clinical studies. Whilst the Company maintains and operates suitable quality standards and practices including the audit of key suppliers, there is a risk that an inspection by a relevant regulatory authority may result in adverse findings that inhibit the Company's ability to conduct its research and development activity.

In respect of products marketed once regulatory approval has been obtained, the Company is required to adhere to relevant quality requirements including the maintenance of appropriate and adequate pharmacovigilance systems for monitoring adverse events and other quality and safety issues in territories in which its products are marketed. There is a risk that such a system is not deemed to be adequate or appropriate by a relevant regulatory authority and that would have a negative impact on the Company's ability to market its products in such territories.

In addition, as is the case with all registered pharmaceutical products, the Company will be required to monitor the safety of its products once they are being prescribed in territories for which it has approval to market its products. Even if the Company has acquired, referenced and generated a wide body of positive evidence in respect of the safety profile of Chemerin, there is a risk that either its monitoring framework is not adequate or that data emerges that leads to safety concerns or issues and negatively impacts the ability of the Company to continue to market its products, which could have a material adverse effect on the business, prospects, results of operation or financial condition of the Company.

Changes in the regulatory environment could result in delays or failures by the Company to manufacture or sell products

The Company may experience delays or rejections based upon additional government regulation from future legislation or administrative action, or changes in relevant regulatory agency policy during the period of product development, clinical studies and the review process. Relevant regulatory agencies also may

approve a treatment candidate for fewer or more limited indications than requested or may grant approval subject to the performance of post-marketing studies. In addition, relevant regulatory agencies may not approve the labelling claims that are necessary or desirable for the successful commercialisation of the Company's products.

Any of these actions could have a material adverse effect on the business, prospects, results of operation or financial condition of the Company. The Company consults with several relevant regulatory agencies including the MHRA, FDA, EMA and other national European agencies and is not aware of any relevant proposed changes in the regulatory environment.

PART F. RISKS RELATED TO LEGAL, POLITICAL AND ECONOMIC UNCERTAINTY

The relationship of the UK with the EU could impact the Group's ability to operate efficiently in certain jurisdictions or in certain markets

The UK formally exited the EU on 31 January 2020 ("**Brexit**"). Under the terms of its departure, the UK entered a transition period during which it continued to follow all EU rules until 31 December 2020 (the "**Transition Period**"). On 30 December 2020, the UK and EU signed the Trade and Cooperation Agreement, which includes an agreement on free trade between the two parties.

There is considerable uncertainty resulting from a lack of precedent and the complexity of the UK and EU's intertwined legal regimes as to how Brexit (following the Transition Period) will impact the medical devices industry in Europe. Since a significant proportion of the regulatory framework in the UK applicable to the Company's business and product candidates is derived from EU directives and regulations, Brexit could materially impact the regulatory regime with respect to the development, manufacture, importation, approval and commercialisation of the Company's product candidates in the UK or the EU. The impact will largely depend on the model and means by which the UK's relationship with the EU is governed post-Brexit and the extent to which the UK chooses to diverge from the EU regulatory framework. For example, following the Transition Period, the UK will no longer be covered by the centralised procedures for obtaining EU-wide marketing authorisations and the Company's product candidates will therefore require a separate marketing authorisation for such products to be marketed in the UK. It is also unclear as to whether the relevant authorities in the EU and the UK are adequately prepared for the additional administrative burden caused by Brexit. Any delay in obtaining, or an inability to obtain, any marketing approvals, as a result of Brexit or otherwise, would prevent the Company from, or delay commercialisation of, product candidates in the UK and/or the EEA and restrict the Company's ability to generate revenue and achieve and sustain profitability.

If any of these outcomes occur, the Company may be forced to restrict or delay efforts to seek regulatory approval in the UK for its product candidates, which could significantly and materially harm our business. There is a degree of uncertainty regarding the overall impact that Brexit will have on process to obtain regulatory approval in the UK for product candidates.

Further, the UK's withdrawal from the EU has resulted in the relocation of the EMA from the UK to the Netherlands. This relocation has caused, and may continue to cause, disruption in the administrative and medical scientific links between the EMA and the MHRA, including delays in granting clinical trial authorisation or marketing authorisation, disruption of importation and export of medical devices, active substance and other components of new drug formulations, and disruption of the supply chain for clinical trial product and final authorised formulations. The cumulative effects of the disruption to the regulatory framework may add considerably to the development lead time to marketing authorisation and commercialisation of product candidates in the EU and/or the UK. Brexit may also result in a reduction of funding to the EMA once the UK no longer makes financial contributions to EU institutions, such as the EMA. If funding to the EMA is so reduced, it could create delays in the EMA issuing regulatory approvals for the Company's product candidates and, accordingly, have a material adverse effect on our business, financial condition, results of operations or prospects.

PART G. RISKS RELATED TO THE COMPANY'S BUSINESS OPERATIONS

Risks relating to managing growth, employee matters and other risks relating to the Company's business

Growth may place significant demands on the Company's management and resources. The Company expects to experience growth in the number of its employees and the scope of its operations in connection with the continued development and, in due course, the potential commercialisation of its products.

This potential growth will place a significant strain on its management and operations, and the Company may have difficulty managing this future potential growth.

The Company is highly dependent on its current Directors and the Senior Manager (together, the "**Persons Discharging Managerial Responsibility**" or "**PDMR**") and their services are critical to the successful implementation of its product development and regulatory strategies. Whilst suitable contracts of employment or engagement are in place including six to 12 months' notice periods for all PDMRs, they may give notice to terminate their employment with the Company at any time. The loss of the services of any of the PDMRs and its inability to find suitable replacements could harm its business, prospects, financial condition, results of operations and ability to achieve the successful development or commercialisation of its products.

Challenges in identifying and retaining key personnel could impair the Company's ability to conduct and grow its operations effectively

The Company's ability to compete in the highly competitive pharmaceutical industry depends upon its ability to attract and retain highly qualified management and sales teams. The Company is intending to recruit its

own commercial team and expand its existing central infrastructure team. Many of the other pharmaceutical companies and academic institutions that the Company competes against for qualified personnel have greater financial and other resources, different risk profiles and a longer history in the industry than it does. The Company might not be able to attract or retain these key persons on conditions that are economically acceptable. The inability of the Company to attract and retain these key persons could have a material adverse effect on its business, prospects, financial conditions and results of operation.

COVID-19 has adversely affected the Company's business, and the continuation of the COVID-19 pandemic or any new pandemic, epidemic or outbreak of an infectious disease may further adversely affect its business.

In December 2019, a novel strain of coronavirus, SARS-CoV-2, spread globally, which has impacted the global economy and the Company's operations, including interrupting preclinical and clinical trial activities and disrupting the Company's supply chain. The continuing pandemic has resulted in changes to the Company's operations, such as limited work in the laboratory on rota and work-from-home arrangements. The Company is allowing for extended delivery times for some supplies, and for slower progress with collaboration partners.

The global pandemic of COVID-19 continues to rapidly evolve. The ultimate impact of the COVID-19 pandemic or a similar health epidemic is highly uncertain and subject to change, and will depend on a number of factors, such the severity of any current infection rates and subsequent waves of infection, government initiatives to limit the spread of the virus, and the length of time it takes to effectively vaccinate the global population. The Company does not yet know the full extent of potential delays or impacts on its business, its preclinical trials, healthcare systems or the global economy as a whole. However, these effects could have a material impact on the Company's operations, and the Directors will continue to monitor the COVID-19 situation closely.

The Company may become subject to product liability claims

The Company faces an inherent risk of product liability and associated adverse publicity as a result of the clinical testing of its products and sales of its products once marketing approval is received from relevant regulatory authorities.

Criminal or civil proceedings might be filed against the Company by study subjects, patients, relevant regulatory authorities, pharmaceutical companies, and any other third party using or marketing its products. Any such product liability claims may include allegations of defects in manufacturing or design, negligence, strict liability, a breach of warranties and a failure to warn of dangers inherent in the product.

If the Company cannot successfully defend itself against product liability claims, it may incur substantial liabilities or be required to limit commercialisation of its products, if approved. Even if the Company successfully defends itself against such product liability claims it could require significant financial and management resources. Regardless of the merits or eventual outcome, product liability claims may result in:

(a) decreased demand for its products due to negative public perception;

(b) injury to the Company's reputation;

(c) withdrawal of clinical study participants or difficulties in recruiting new study participants;

(d) initiation of investigations by regulators;

(e) costs to defend or settle the related litigation;

(f) diversion of management's time and the Company's resources;

(g) substantial monetary awards to patients, study participants or subjects;

(h) product recalls, withdrawals or labelling, marketing or promotional restrictions;

(i) loss of revenues from product sales; or

(j) the inability to commercialise any of the Group's products, if approved.

Although the Company will maintain levels of insurance customary for its sector to cover its current and future business operations, any claim that may be brought against the Company could result in a court judgment or settlement in an amount that is not covered, in whole or in part, by its insurance or that is in excess of the limits of its insurance coverage. Its insurance policies also have various exclusions, and the Company may be subject to a product liability claim for which the Company has no coverage. In such cases, the Company would have to pay any amounts awarded by a court or negotiated in a settlement that exceed its coverage limitations or that are not covered by its insurance, and the Company may not have, or be able to obtain, sufficient capital to pay such amounts.

If the Company or its partners, licensees and subcontractors were unable to obtain and maintain appropriate insurance coverage at an acceptable cost, or to protect themselves in any way against actions for damages, this would seriously affect the marketing of the Company's products and, more generally, be detrimental to its business, prospects, results of operations or financial condition.

PART H. RISKS RELATED TO THE OWNERSHIP OF THE COMPANY'S SHARES

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

Application will be made for the Ordinary Shares to be admitted to the Standard Listing segment of 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.

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 that may be issued on conversion of the CLNs, may contribute both to infrequent trading in the Ordinary Shares on the Main Market of 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.

If the Company proposes making a further acquisition and the FCA determines that there is insufficient information in the market about that acquisition or the target, the Ordinary Shares may be suspended from listing or cancelled and may not be readmitted to listing thereafter, which will reduce liquidity in the Ordinary Shares, potentially for a significant period of time, and may adversely affect the price at which a Shareholder can sell them

Any investment or acquisition by the Company has the potential to be treated as a reverse takeover for the purposes of the Listing Rules depending upon the size of that acquisition. Generally, when a reverse takeover for the purposes of the Listing Rules is announced or leaked, there will be insufficient publicly available information in the market about the proposed transaction and the listed company will be unable to assess accurately its financial position and inform the market appropriately. In this case, the FCA will often consider that suspension of the listing of the listed company's securities will be appropriate. The London Stock Exchange will suspend the trading in the listed company's securities if the listing of such securities has been suspended. However, if the FCA is satisfied that there is sufficient publicly available information about the proposed transaction it may agree with the listed company that a suspension is not required. The FCA will generally be satisfied that a suspension is not required in the following circumstances: (i) the target company is admitted to listing on a regulated market or another exchange where the disclosure requirements in relation to financial information and inside information are not materially different than the disclosure requirements under the DTRs; or (ii) the issuer is able to fill any information gap at the time of announcing the terms of the transaction, including the disclosure of relevant financial information in relation to the target and a description of the target.

If information regarding a significant proposed transaction were to leak to the market, or the Board considered that there were good reasons for announcing the transaction at a time when it was unable to provide the market with sufficient information regarding the impact of the transaction on its financial position, the Ordinary Shares may be suspended. Any such suspension would be likely to continue until sufficient financial information on the transaction was made public. Depending on the nature of the transaction (or proposed transaction) and the stage at which it is leaked or announced, it may take a substantial period of time to compile the relevant information, particularly where the target does not have financial or other information readily available which is comparable with the information a listed company would be expected to provide under the Disclosure Guidance and Transparency Rules and the Listing Rules (for example, where the target business is not itself already subject to a public disclosure regime), and the period during which the Ordinary Shares would be suspended may therefore be significant.

Furthermore, the Listing Rules provide that the FCA will generally seek to cancel the listing of a listed company's securities when it completes a reverse takeover. In such circumstances, the Company will be required to seek admission to listing as a new applicant either simultaneously with completion of any such acquisition or as soon thereafter as is possible but there is no guarantee that such admission would be granted.

A suspension or cancellation of the listing of the Ordinary Shares would materially reduce liquidity in such shares which may affect an investor's ability to realise some or all of its investment and/or the price at which such investor can effect such realisation.

The Company is a small company and so carries consequential financial risk

The Company is one of the smaller companies listed on the Main Market of the London Stock Exchange. Further, pending any future fundraising (the success of which cannot be assured), the Company will have limited cash and other resources with which to pursue its strategic objectives. Smaller companies have historically often encountered difficulty when seeking to raise significant amounts of capital to develop their businesses and their shares may lack liquidity.

The Company may be unable or unwilling to transition to a Premium Listing in the future

The Company is not currently eligible for a Premium Listing under Chapter 6 of the Listing Rules. There can be no guarantee that the Company will ever meet such eligibility criteria or that a transition to a Premium Listing will be obtained. If the Company does not obtain a Premium Listing, the Company will not be obliged to comply with the higher standards of corporate governance or other requirements which it would be subject to upon achieving a Premium Listing and, for as long as the Company continues to have a Standard Listing, it will be required to continue to comply with the lesser standards applicable to a company with a Standard Listing. This would include a period of time following a further acquisition where the Company could be operating a substantial business but would not need to comply with such higher standards. In addition, an inability to obtain a Premium Listing will prohibit the Company from gaining a FTSE indexation and may have an adverse effect on the valuation of the Ordinary Shares.

The Company may be required to raise cash through issuing substantial additional equity, which may dilute the percentage ownership of a Shareholder and the value of its Ordinary Shares

The Directors believe that further equity capital raisings will be required by the Company in order to develop the Chemerin Project and the BAM-8 Project to commercial viability (or develop any other asset or product acquired by the Company), which may be substantial. If the Company does offer its Ordinary Shares as consideration in making investments, depending on the number of Ordinary Shares offered and the value of such Ordinary Shares at the time, the issuance of such Ordinary Shares could materially reduce the percentage ownership represented by the Shareholders and also dilute the value of Ordinary Shares held by such Shareholders at the time. If a target has a large shareholder, the Company's issue of Ordinary Shares may result in such shareholder subsequently holding a large stake in the Company, which may, in turn, enable it to exert significant influence in the Company. Under the resolutions passed at the 2020 AGM, the Board has the authority to issue up to 134,513,260 Ordinary Shares (representing approximately 20 per cent. of the Existing Ordinary Shares) on a non-pre-emptive basis. It is the intention of the Directors to seek renewal of this authority annually. The current and any future disapplication of pre-emption rights could cause a Shareholder's percentage ownership in the Company to be reduced and the issuance of Ordinary Shares, or, as the case may be, other equity securities could also dilute the value of Ordinary Shares held by such Shareholder.

The Company has a significant number of outstanding warrants and share options which, if exercised and/or converted could have a substantial dilutive effect on existing Shareholders

The Company has issued warrants in connection with previous fundraisings, and in connection with the acquisition of the Chemerin Project. In addition to the CLNs and the CLN Warrants, the Company has 184,272,726 warrants outstanding with exercise prices between 0.55 pence and 4.5 pence per Ordinary Share. The Company also has granted 65,750,000 options to acquire Ordinary Shares at prices between 4.5 pence and 15.5 pence to former and current Directors, members of Senior Management and to certain consultants. The combined dilutive effect of these convertible instruments would have significant dilutive effect upon existing Shareholders and may impact both the future share price and the ability of attract new investors or sources of equity to invest in the Company.

Shareholdings immediately prior to Admission will be diluted by approximately 30.69 per cent. as a result of the issue of the Ordinary Shares on conversion if the CLNs and the exercise of the 39,605,760 CLN Warrants and 108,363,636 Existing Warrants and by approximately 41.46 per cent assuming the exercise of the balance of the 178,659,090 in aggregate of CLN Warrants and all other outstanding options and warrants in full.

The Company does not currently intend to pay dividends and its ability to pay dividends in the future may be limited

The Company has never declared or paid any dividends on the Ordinary Shares. The Company has no current intention to pay dividends and a dividend may never be paid. Any decision to declare and pay dividends will be made at the discretion of the Board.

PART I. RISKS RELATING TO TAXATION

The Company may be classified as a passive foreign investment company for United States federal income tax purposes

Prospective investors are also notified that the Company may be classified as a passive foreign investment company for US federal income tax purposes. If the Company is so classified, the Company may but is not obliged to, provide to US holders of Ordinary Shares the information that would be necessary in order for such persons to make a qualified electing fund election with respect to the Ordinary Shares for any year in which the Company is a passive foreign investment company.

Changes in tax law and practice may impact Shareholders and the Group

The tax treatment of Shareholders and the Group are subject to changes in tax laws or tax authority practices in the United Kingdom or any other relevant jurisdiction. Any change may reduce any net return derived by investors from a shareholding in the Company.

Investors should not rely on the general guide to taxation set out in this Prospectus and should seek their own specialist advice. The tax rates referred to in this Prospectus are those currently applicable and they are subject to change.

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

The Company intends to structure the Group, including any company or business acquired, 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 borne out in practice, taxes may be imposed with respect to any of the Group's assets, or the members of the Group may be subject to tax on income, profits, gains or distributions 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, of which the Company does not envisage the payment, 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.

Part III

IMPORTANT INFORMATION

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 other 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 other country or jurisdiction where action for that purpose is required. Accordingly, the New 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 Prospectus 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 Regulation. No arrangement has however been made with the competent authority in any member state of the EEA (or any other jurisdiction) for the use of this Prospectus as an approved prospectus in such jurisdiction and accordingly no public offer is to be made in such jurisdiction. Issue or circulation of this Prospectus may be prohibited in Restricted Jurisdictions and in countries other than those in relation to which notices are given below.

For the attention of all investors

In deciding whether or not to invest in Ordinary Shares, prospective investors should rely only on the information contained in this Prospectus. No person has been authorised to give any information or make any representations other than as contained in this Prospectus and, if given or made, such information or representations must not be relied on as having been authorised by the Company, the Directors or Optiva.

Without prejudice to the Company's obligations under the FSMA, the Prospectus Regulation Rules, the Listing Rules and the Disclosure Guidance and Transparency Rules, neither the delivery or this Prospectus, nor any subscription made under this Prospectus shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date of this Prospectus or that the information in this Prospectus is correct as at any time after its date.

In making an investment decision, prospective investors must rely on their own examination of the Company and this Prospectus including the merits and risks involved. The contents of this Prospectus are not to be construed as advice relating to legal, financial, taxation, accounting, regulatory, investment or any other matter.

Prospective investors must rely upon their own representatives, including their own legal and financial advisers and accountants, as to legal, tax, financial, 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 Company's objectives and acquisition, financing and business strategies 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 Prospectus 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 Company's Articles, which prospective investors should review.

Selling restrictions

The distribution of this Prospectus in other jurisdictions may be restricted by law and therefore persons into whose possession this Prospectus comes should inform themselves about and observe any such restrictions. This Prospectus may not be used for, or in connection with, and does not constitute an offer to sell or issue, or the solicitation of an offer to buy, subscribe or otherwise acquire, Ordinary Shares in any jurisdiction where it would be unlawful, and in particular, subject to certain limited exceptions is not for release, publication or distribution in whole or in part, directly or indirectly, to US Persons (within the meaning of Regulation S) or into the United States, any member state of the EEA (other than any member state of the EEA where the Ordinary Shares are lawfully marketed), Canada, Australia, Japan, the Republic of South Africa or any of their territories or possessions.

United States

The Ordinary Shares have not been registered under the Securities Act, or the securities laws of any state or other jurisdiction of the United States.

The Ordinary Shares may not be taken up, offered, sold, resold, transferred 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. There will be no public offer in the United States.

The Company has not been and will not be registered under the US Investment Company Act pursuant to the exemption provided by Section 3(c)(7) thereof, and Investors will not be entitled to the benefits of the US Investment Company Act.

The Ordinary Shares have not been approved or disapproved by the SEC, 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 an investment in the New Ordinary Shares or adequacy of this Prospectus. Any representations to the contrary is a criminal offence in the United States.

European Economic Area

In relation to each member state of the European Economic Area ("**EEA**") (each, a "**Relevant State**"), no Ordinary Shares have been offered or will be offered pursuant to the Admission to the public in that Relevant State prior to the publication of a prospectus in relation to the Ordinary Shares which has been approved by the competent authority in that Relevant State or, where appropriate, approved in another Relevant State and notified to the competent authority in that Relevant State, all in accordance with the Prospectus Regulation, except that the Ordinary Shares may be offered to the public in that Relevant State at any time:

(a) to any legal entity which is a "qualified investor" as defined under Article 2 of the Prospectus Regulation;
(b) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the Prospectus Regulation, subject to obtaining the prior consent of Optiva for any such offer; or
(c) in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of the Ordinary Shares shall require the Company or Optiva to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an "**offer to the public**" in relation to the Ordinary Shares in any Relevant 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 any Ordinary Shares.

United Kingdom

No Ordinary Shares have been offered or will be offered pursuant to the Admission to the public in the UK prior to the publication of a prospectus in relation to the Ordinary Shares which has been approved by the FCA, except that the Ordinary Shares may be offered to the public in the UK at any time:

(a) to any legal entity which is a "qualified investor" as defined under Article 2 of the UK Prospectus Regulation;
(b) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the UK Prospectus Regulation), subject to obtaining the prior consent of Optiva for any such offer; or
(c) in any other circumstances falling within section 86 of FSMA,

provided that no such offer of the Ordinary Shares shall require the Company or Optiva to publish a prospectus pursuant to section 85 of FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

For the purposes of this provision, the expression an "offer to the public" in relation to the Ordinary Shares in the UK 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 any Ordinary Shares.

Australia

This Prospectus:

(a) does not constitute a prospectus or a product disclosure statement under the Corporations Act 2001 of the Commonwealth of Australia ("**Corporations Act**");

(b) does not purport to include the information required of a prospectus under Part 6D.2 of the Corporations Act or a product disclosure statement under Part 7.9 of the Corporations Act;

(c) has not been, nor will it be, lodged as a disclosure document with the Australian Securities and Investments Commission ("**ASIC**"), the Australian Securities Exchange operated by ASX Limited or any other regulatory body or agency in Australia; and

(d) may not be provided in Australia other than to select investors ("**Exempt Investors**") who are able to demonstrate that they: (i) fall within one or more of the categories of investors under Section 708 of the Corporations Act to whom an offer may be made without disclosure under Part 6D.2 of the Corporations Act; and (ii) are “wholesale clients” for the purpose of Section 761G of the Corporations Act.

The Ordinary Shares may not be directly or indirectly offered for subscription or purchased or sold, and no invitations to subscribe for, or buy, the Ordinary Shares may be issued, and no draft or definitive offering memorandum, advertisement or other offering material relating to any Ordinary Shares may be distributed, received or published in Australia, except where disclosure to investors is not required under Chapters 6D and 7 of the Corporations Act or is otherwise in compliance with all applicable Australian laws and regulations. By submitting an application for the Ordinary Shares, each subscriber or purchaser of Ordinary

Shares represents and warrants to the Company, Optiva and their affiliates that such subscriber or purchaser is an Exempt Investor.

As any offer of Ordinary Shares under this Prospectus, any supplement or the accompanying prospectus or any other document will be made without disclosure in Australia under Parts 6D.2 and 7.9 of the Corporations Act, the offer of those Ordinary Shares for resale in Australia within 12 months may, under the Corporations Act, require disclosure to investors if none of the exemptions in the Corporations Act applies to that resale. By applying for the Ordinary Shares, each subscriber or purchaser of Ordinary Shares undertakes to the Company and Optiva that such subscriber or purchaser will not, for a period of 12 months from the date of issue or purchase of the Ordinary Shares, offer, transfer, assign or otherwise alienate those Ordinary Shares to investors in Australia except in circumstances where disclosure to investors is not required under the Corporations Act or where a compliant disclosure document is prepared and lodged with ASIC.

Canada (British Columbia, Alberta, Ontario and Quebec only)

The Ordinary Shares may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are “accredited investors”, as defined in National Instrument 45-106 Prospectus Exemptions or Subsection 73.3(1) of the Securities Act (Ontario), and are “permitted clients”, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the Ordinary Shares must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Prospectus (including any amendment thereto) contains a misrepresentation, provided that the remedies of rescission or damages are exercised by the purchaser within the time limits prescribed under, and subject to limitations and defences under, the securities legislation of the purchaser’s province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser’s province or territory for particulars of these rights or consult with a legal adviser.

Pursuant to Section 3 (or, in the case of securities issued or guaranteed by the government of a non-Canadian jurisdiction, Section 3A.4) of National Instrument 33-105 Underwriting Conflicts (NI 33-105), Optiva is not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with Admission.

Japan

The Ordinary Shares have not been and will not be registered under the Financial Instruments and Exchange Law, as amended (the "**FIEL**"). This Prospectus is not an offer of securities for sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or entity organised under the laws of Japan) or to others for reoffer or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan, except pursuant to an exemption from the registration requirements under the FIEL and otherwise in compliance with such law and any other applicable laws, regulations and ministerial guidelines of Japan.

Republic of South Africa

This Prospectus will not be registered as a prospectus in terms of the Companies Act 1973 in South Africa and as such, any offer of Ordinary Shares in the Republic of South Africa may only be made if it shall not be capable of being construed as an offer to the public as envisaged by section 144 of such Act. Furthermore, any offer or sale of the Ordinary Shares shall be subject to compliance with South African exchange control regulations.

Information to distributors

Solely for the purposes of the product governance requirements contained within the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK Product Governance Rules**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any 'manufacturer' (for the purposes of the UK Product Governance Rules) may otherwise have with respect thereto, the Ordinary Shares have been subject to a product approval process, which has determined that the Ordinary Shares are: (i) compatible with an end target market of (a) retail clients, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA, (b) investors who meet the criteria of professional clients as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA and (c) eligible counterparties as defined in the FCA Handbook Conduct of Business Sourcebook ("**COBS**"); and (ii) eligible for distribution through all distribution channels as are permitted by Directive 2014/65/EU (the "**UK Target Market Assessment**"). Notwithstanding the UK Target Market Assessment, distributors should note that: the price of the Ordinary Shares may decline and investors could lose all or part of their investment; the Ordinary Shares offer no guaranteed income and no capital protection; and an investment in the Ordinary Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The UK Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Admission. Furthermore, it is noted that, notwithstanding the UK Target Market Assessment, Optiva will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the UK Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of COBS 9A and COBS 10A, respectively; or (b) a

recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Ordinary Shares. Each distributor is responsible for undertaking its own target market assessment in respect of the Ordinary Shares and determining appropriate distribution channels.

Rounding

Percentages in tables have been rounded and accordingly may not add up to 100 per cent. Certain financial data have also been rounded. As a result of this rounding, the totals of data presented in this Prospectus may vary slightly from the actual arithmetic totals of such data.

Data protection

The Company may delegate certain administrative functions to third parties and will require such third parties to comply with data protection and regulatory requirements of any jurisdiction in which data processing occurs. Such information will be held and processed by the Company (or any third party, functionary or agent appointed by the Company) for the following purposes:

(a) verifying the identity of the prospective investor to comply with statutory and regulatory requirements in relation to anti-money laundering procedures;

(b) carrying out the business of the Company and the administering of interests in the Company;

(c) meeting the legal, regulatory, reporting and/or financial obligations of the Company in the UK or elsewhere; and

(d) disclosing personal data to other functionaries of, or advisers to, the Company to operate and/or administer the Company.

Where appropriate it may be necessary for the Company (or any third party, functionary or agent appointed by the Company) to:

(a) disclose personal data to third party service providers, agents or functionaries appointed by the Company to provide services to prospective investors; and

(b) transfer personal data outside of the EEA to countries or territories which do not offer the same level of protection for the rights and freedoms of prospective investors as the UK.

If the Company (or any third party, functionary or agent appointed by the Company) discloses personal data to such a third party, agent or functionary and/or makes such a transfer of personal data it will use reasonable endeavours to ensure that any third party, agent or functionary to whom the relevant personal data is disclosed or transferred is contractually bound to provide an adequate level of protection in respect of such personal data.

In providing such personal data, investors will be deemed to have agreed to the processing of such personal data in the manner described above. Prospective investors are responsible for informing any third party individual to whom the personal data relates of the disclosure and use of such data in accordance with these provisions.

Presentation of financial information

Prospective investors should consult their own professional advisers to gain an understanding of the financial information contained in this Prospectus. An overview of the basis for presentation of financial information in this Prospectus is set out below. *Part IX – Selected Financial Information on the Company* of this Prospectus presents selected financial information extracted without material adjustment from (i) the unaudited interim historical financial information of the Company for the six months ended 30 September 2020, and (ii) the audited historical financial information of the Company for the 12 month period ended 31 March 2020, all of which are incorporated by reference in *Part XVI – Documents Incorporated by Reference* of this Prospectus.

The financial and volume information in this Prospectus, including in a number of tables, has been rounded to the nearest whole number or the nearest decimal place. The sum of the numbers in a column in a table may not conform exactly to the total figure given for that column. In addition, certain percentages presented in the tables in this Prospectus reflect calculations based on the underlying information prior to rounding, and, accordingly, may not conform exactly to the percentages that would be derived if the relevant calculations were based upon the rounded numbers.

Market data

Where information contained in this Prospectus has been sourced from a third party, the Company and the Directors confirm that such information has been accurately reproduced and, so far as they are aware and have been able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

CREST

CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by written instrument. The Articles permit the holding of Ordinary Shares under the CREST System. The Ordinary Shares are admitted to CREST and accordingly, settlement of transactions in the Ordinary Shares following Admission may take place within the CREST System if any investor so wishes.

CREST is a voluntary system and Shareholders who wish to receive and retain certificates for their Ordinary Shares will be able to do so. Shareholders may elect to receive Ordinary Shares in uncertificated form if such Shareholder is a system-member (as defined in the CREST Regulations) in relation to CREST.

Transferability

The Ordinary Shares are freely transferable and tradable and there are no restrictions on transfer.

International Financial Reporting Standards

Certain information in relation to the Company is incorporated by reference in this Prospectus, as set out in *Part XVI – Documents Incorporated by Reference* of this Prospectus.

As required by the Guernsey Companies Law and Article 4 of the EU International Accounting Standards Regulation, the financial statements of the Company are prepared in accordance with International Financial Reporting Standards as adopted by the EU ("**IFRS**") issued by the International Accounting Standards Board ("**IASB**") and interpretations issued by the International Financial Reporting Interpretations Committee of the IASB as adopted by the EU.

Incorporation of information by reference

The contents of the Company's website (https://www.okyopharma.com/), unless specifically incorporated by reference, any website mentioned in this Prospectus or any website directly or indirectly linked to these websites have not been verified and do not form part of this Prospectus, and prospective investors should not rely on them.

Forward-looking statements

This Prospectus 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 Prospectus and include statements regarding the intentions, beliefs or current expectations of the Company and the Board concerning, *inter alia*: (i) the Company's objective, 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 acquisitions. 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 Prospectus. 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 Prospectus, those results or developments may not be indicative of results or developments in subsequent periods.

Prospective investors should carefully review *Part II – Risk Factors* of this Prospectus for a discussion of additional factors that could cause the Company's actual results to differ materially, before making an investment decision. Undue reliance should not be placed on these forward-looking statements. These forward-looking statements are made as at the date of this Prospectus and are not intended to give any assurance as to future results.

For the avoidance of doubt, nothing appearing under the heading "Forward-looking statements" constitutes a qualification of the working capital statement set out in paragraph 11 of *Part XIII – Additional Information* of this Prospectus.

Forward-looking statements contained in this Prospectus apply only as at the date of this Prospectus. Subject to any obligations under the Listing Rules, the UK version of the Market Abuse Regulation (EU 596/2014) as such legislation forms part of retained EU law (the "**UK MAR**"), the Disclosure Guidance and Transparency Rules and the Prospectus Regulation Rules, the Company undertakes no obligation publicly to update or review any forward-looking statement, whether as a result of new information, future developments or otherwise.

Currency

Unless otherwise indicated, all references in this Prospectus to:

- "**UK Pounds Sterling**", "**pence**", "**£**" or "**p**" is to the lawful currency of the United Kingdom; and
- "**US$**" or "**cents**" is to the lawful currency of the United States.

Part IV

ADMISSION STATISTICS

Number of Existing Ordinary Shares	672,816,302
Number of New Ordinary Shares (1)	297,869,806
Enlarged Share Capital (1)	970,686,108
Conversion price of £466,400 in principal amount of CLNs	0.4 pence
Conversion price of £5,844,887 in principal amount of CLNs	8.5 pence
Number of warrants in issue (excluding CLN Warrants) prior to Admission	184,272,726
Number of options in issue	65,750,000
Number of CLN Warrants to be issued	76,605,760
Number of CLN Warrants to be exercised at Admission	39,605,760
Number of Existing Warrants to be exercised at Admission	108,363,636
Market capitalisation at Admission (2)	£70,374,743
Number of warrants and options outstanding following Admission (3)	178,659,090.00
New Ordinary Shares as a percentage of the Enlarged Share Capital (1)	30.69 per cent.
New Ordinary Shares as a percentage of the Fully Diluted Share Capital	25.92 per cent.

(1) This assumes that the maximum number of New Ordinary Shares is issued as a result of the conversion of £5,992,660 CLNs and no exercise of the CLN Warrants, save for those 39,605,760 CLN Warrants for which notice of exercise has been given and the 108,363,636 Existing Warrants for which notice of exercise has been given.

(2) The market capitalisation of the Company at any given time will depend on the market price of the Ordinary Shares at that time and is based on the mid-market closing price of the Existing Ordinary Shares as traded on the Main Market on the Latest Practicable Date.

(3) Comprising 37,000,000 CLN Warrants, 75,909,090 Existing Warrants and 65,750,000 options.

DEALING CODES

The dealing codes for the Ordinary Shares are as follows:

ISIN	GG00BD3FV870
SEDOL code	BD3FV87
TIDM	OKYO
LEI	213800VVN5CB56Y15A05

Part V

DIRECTORS, AGENTS AND ADVISERS

Directors	Gary S. Jacob (*Chief Executive Officer*) Gabriele Cerrone (*Non-Executive Chairman*) Willy Simon (*Non-Executive Director*) Dr Kunwar Shailubhai (*Non-Executive Director*) John Brancaccio (*Non-Executive Director*)
Company Secretary	Orrick, Herrington & Sutcliffe (UK) LLP 107 Cheapside London EC2V 6DN
Registered Office	Martello Court Admiral Park St. Peter Port Guernsey GY1 3HB
Sole Broker and Co-ordinator	Optiva Securities Limited 49 Berkeley Square London W1J 5AZ
Auditors and Reporting Accountants	Mazars LLP Tower Bridge House St Katherine's Way London E1W 1DD
Solicitors to the Company	Orrick, Herrington & Sutcliffe (UK) LLP 107 Cheapside London EC2V 6DN
Registrar	Computershare Investor Services (Guernsey) Limited 1st Floor Tudor House Le Bordage St Peter Port Guernsey GY1 1DB

Part VI

THE COMPANY'S STRATEGY

1. Introduction

The Company is a biopharmaceutical company developing next-generation therapeutics to improve the lives of patients with inflammatory eye diseases and ocular pain. The Group focuses on novel G Protein-Coupled Receptor ("**GPCR**") based therapeutics for eye diseases of high unmet need and non-opioid analgesics for chronic pain, where large market potential exists. The Company is presently developing OK-101, its lead product candidate, for the treatment of dry-eye, uveitis and allergic conjunctivitis, and OK-201, a bovine adrenal medulla ("**BAM**") lipidated peptide analogue candidate for the treatment of neuropathic ocular and chronic pain. The Company's therapeutic approach is focused on targeting inflammatory and pain modulation pathways that drive these conditions.

On 21 February 2018, the Company announced that it had successfully obtained (via assignment from Panetta, a related party) a license from On Target Therapeutics LLC and a sub-license from Tufts Medical Center Inc. to support its ophthalmic disease drug programs. These licenses gave the Company the right to exploit the intellectual property estate which covers composition-of-matter and methodology claims for treating ocular inflammation, DED with Chemerin or lipid-linked Chemerin analogues, and a separate intellectual estate for treating symptoms of ocular neuropathic pain, uveitis associated pain and neuropathic chronic pain (OK-201).

On 6 August 2019 the Company signed a collaborative agreement with Tufts Medical Center, Inc. on a research program focused on ocular neuropathic pain.

On 7 January 2021, the Company announced the appointment of Mr. Gabriele Cerrone as non-executive chairman and Director, and Gary S. Jacob, Ph.D. as Chief Executive Officer and Director. The addition of these two individuals highlights a careful realignment of the strategic focus of the Company's research and development program, with the aim of facilitating advancement of both of its preclinical programs. We believe the realignment will allow us to file IND applications on its drug candidates with the FDA in the shortest time possible.

2. Company strategy

The Company's goal is to develop first in class drug candidates that prevent inflammatory eye disease and ocular pain, instead of controlling it, through collaboration with pioneer scientists in the field.

OK-101

OK-101, the Company's lead product candidate, is focused on *keratoconjunctivitis sicca*, commonly referred to as DED. DED is a multifactorial disease caused by an underlying inflammation resulting in the lack of lubrication and moisture in the surface of the eye. DED is one of the most common ophthalmic conditions encountered in clinical practice. Symptoms of DED include constant discomfort and irritation accompanied by inflammation of the ocular surface, visual impairment and potential damage to the ocular surface. The disease affects over 35 per cent. of the population aged over 50, with women representing approximately two-thirds of those affected. Prevalence of DED is anticipated to increase substantially in the next 10 to 20 years due to aging populations in the US, Europe, Japan and China and use of contact lenses in the younger population. The Company believes this increase in prevalence of DED represents a major expanding economic burden to public healthcare.

The evidence from over 40 years of scientific literature suggests inflammation as the most common underlying cause of DED. An increase in the levels of inflammatory cytokines in both conjunctiva and tears is known to cause the chronic inflammation associated with DED. Consequently, development of new therapeutic agents that target inflammatory pathways is crucial in improving symptoms in DED patients. OK-101 is focused on an anti-inflammatory pathway for treating dry eye.

The Chemerin receptor (CMKLR1 or ChemR23) is a chemokine like GCPR expressed on select populations of cells including inflammatory mediators as well as epithelial cells. Activation of CMKLR1 by Chemerin has been shown to resolve the inflammation in animal models of asthma. The Company has pioneered the development of OK-101, a lipidated-Chemerin analogue, which is an agonist of CMKLR1, in treating DED and other ocular inflammatory conditions. OK-101 was first identified in a program developed by On Target Therapeutics using membrane-tethered ligand technology.

To expand its understanding of the structure-activity relationships of the lipidated-Chemerin analogues as agonists of the Chemerin receptor, the Company synthesised a small library of analogues of OK-101. The Company screened these analogues in a cell line-based receptor binding assay to characterise the agonist potency of these lipidated-Chemerin analogues. This work has also been coupled to an evaluation of a subset of these analogues' potential in treating dry eye by using a variety of preclinical studies and dry eye animal model studies. After evaluating a number of our analogues in a mouse model of acute DED by looking at their ability to reduce corneal permeability, a measure of dry-eye effectiveness, as well as the analogues' impact on immune response, the Company determined that OK-101 was the most potent analogue in reducing corneal permeability and down-regulating immune response. Following these studies, the Company evaluated the ocular tolerance of OK-101 via repeated ocular instillation in rabbits followed by clinical ophthalmic observations. Rabbit ocular tolerance tests on OK-101 showed no adverse signs such as inflammation, chemosis or hyperemia and no signs of local irritation.

Based on the results from the DED animal model and ocular tolerance studies, the Company now plans to move forward with filing an IND on OK-101 to treat DED.

Additional Applicable Disease Indications for OK-101

A second related ophthalmic disease indication that is the target of the Company's Chemerin-based technology is uveitis. Uveitis is the third leading cause of blindness worldwide. The most common type of uveitis is an inflammation of the iris called iritis (anterior uveitis). Uveitis can damage vital eye tissue, leading to permanent vision loss. Uveitis is currently treated with corticosteroid eyedrops and injections that reduce inflammation, however, the long-term use of corticosteroids causes risk of cataract and glaucoma, requiring close monitoring for their potential side effects.

As the Chemerin Project develops, the Company also plans to explore the potential of OK-101 to suppress the inflammation associated with uveitis. The Company will explore OK-101's ability to diminish ocular redness, the most common symptom of allergic conjunctivitis.

In addition, on 19 January 2021, the Company announced to the market via an RIS that it had submitted a patent application for the potential use of Chemerin and Chemerin analogues for prophylaxis against and treatment of symptoms associated with, or resulting from, infection with SARS-CoV-2 virus, including inflammation due to the cytokine storm caused by COVID-19 disease, and acute respiratory distress syndrome ("**ARDS**"). The Company's plan to advance Chemerin and its associated analogues for the treatment of patients with SARS-CoV-2 virus and ARDS will be led by Dr. Napoleone Ferrara, the Company's Scientific Consultant.

BAM-8 (OK-201)

Ocular pain that occurs in several conditions, such as DED, uveitis, diabetic retinopathy (DR), accidental trauma and surgery, is typically treated with topical steroids. Damage to the ocular surface (nociceptive pain in response to inflammation) or to the somatosensory nervous system (chronic neuropathic pain) due to the underlying pathogenesis of eye disease is the main cause of pain.

The Company's current focus is to develop first-in-class drug candidates as non-opioid analgesics for ocular pain management without side effects and the potential abuse associated with opioid medications. On 6 August 2019, the Company signed a collaborative agreement with Tufts Medical Center, Boston, MA and Pedram Hamrah, MD, Professor of Ophthalmology at Tufts University School of Medicine, Boston, MA as Principal Investigator to evaluate the Company's proprietary lead compounds as non-opioid analgesics to suppress corneal neuropathic pain using a mouse ocular pain model recently developed in Dr. Hamrah's laboratory. A lipidated cyclised BAM-8 analogue (OK-201), a promising candidate for the treatment of neuropathic and inflammatory pain, was licensed from Tuffs University in on 1 May 2018. The Company's goal is to further develop this lipidated peptide, as well as explore additional analogues, for their potential use in treating ocular pain, and for potentially treating long-term chronic pain.

OK-201 is designed to activate a human MAS-Related G Protein-Coupled Receptor ("**MRGPR**") as a promising analgesic target. This receptor is expressed mainly in sensory neurons and is involved in the perception of pain. Activation of MRGPR by BAM-8 inhibits pain by modulating Ca2+ influx. Since acquiring the rights to OK-201, the Company have also synthesised a small library of BAM-8 analogues. The potencies of these analogues were determined using a cell-based assay, and a small number of these analogues were evaluated for their analgesic properties in the neuropathic pain model developed by Dr. Hamrah's laboratory at Tufts Medical Center. These collaborative studies have provided additional 'proof-of-concept' results for BAM analogues as potential non-opioid analgesics.

On 28 April 2021 the Company announced positive results of OK-201 in a study delivering OK-201 topically in a mouse neuropathic corneal pain model. The study demonstrated the potential of OK-201 to treat acute and chronic ocular pain. The research program was conducted in collaboration with Pedram Hamrah, MD, at Tufts Medical Center. The study was focused on evaluating OK-201 as potential non-opioid analgesic to suppress neuropathic corneal pain using a mouse model of neuropathic corneal pain recently developed in Dr. Hamrah's laboratory, which is based on ligation of ciliary nerves. Importantly, OK-201 demonstrated a reduced corneal pain response similar to that of gabapentin, a commonly used oral drug for neuropathic pain. These observations demonstrated preclinical 'proof-of-concept' for the topical administration of OK-201 as a potential non-opioid analgesic for ocular pain. Current treatments for corneal pain are limited to short term NSAIDs, steroids, and oral gabapentin and opioids in severe cases. Side effects and the risk of addiction to opioids is a serious concern.

During the next year, the Company plans to utilise the capabilities assembled to advance OK-201 to an IND filing. A supplemental study characterizing corneal permeability of the Company's class of analogues is also needed for the development of future topical formulations.

Future Strategy

In the coming year, the Company's strategy is:

- To explore the use of OK-101 analogues for other inflammatory diseases such as Uveitis and Allergic Conjunctivitis in order to expand our portfolio.
- To explore and identify novel BAM-8 (OK-201) analogues to strengthen the IP portfolio by synthesising additional peptides.
- To explore the use of OK-201 analogues for Ocular Pain, uveitis associated pain and Neuropathic pain associated with dry eye in order to expand our portfolio.
- To explore the potential use of Chemerin and Chemerin analogues for prophylaxis against and treatment of symptoms associated with, or resulting from, infection with SARS-CoV-2 virus, including inflammation due to the cytokine storm caused by COVID-19 disease, and ARDS.

3. Dividend policy

The Company has not paid any dividends on share capital since its inception and does not anticipate paying dividends on its share capital in the foreseeable future.

Part VII

THE BOARD OF DIRECTORS

The Directors

Gary S. Jacob (age 73)

Gary S. Jacob, Ph.D. has over 35 years of extensive experience in the pharmaceutical and biotechnology industries across multiple disciplines, including research and development, operations, business development, capital financing activities and senior management expertise. He has developed broad and influential contacts throughout the biopharmaceutical, financial, banking and investor communities. Dr. Jacob is the Co-Founder and former CEO of Synergy Pharmaceuticals, Inc, a biopharmaceutical company, where he held various positions from July 2008 to November 2018 and served as its Chairman from September 2013 to November 2018. On 12 December 2018, Synergy Pharmaceuticals Inc. filed a petition for relief under Chapter 11 of the U.S. Bankruptcy Code. He is the co-inventor of the FDA-approved drug Trulance® which is currently marketed in the U.S. by Bausch Health, Inc. to treat functional GI disorders. Dr. Jacob is also the former CEO and Managing Director of Immuron, Inc., an Australian biotechnology company dual-listed on the Australian ASX exchange and on Nasdaq. Dr. Jacob currently is Chairman of the Board of Hepion Pharmaceuticals, Inc., a public Nasdaq-listed company with a drug in clinical development to treat non-alcoholic steatohepatitis (NASH), and is also on the Board of Directors of Cardiff Oncology, Inc., a Nasdaq-listed public oncology company, and on the Board of Directors of Virpax Pharmaceuticals, Inc., a Nasdaq-listed public biotechnology company. He served as Chief Executive Officer and Director of Callisto Pharmaceuticals, Inc. from May 2003 until January 2013.

Prior to his involvement with Callisto and Synergy, Dr. Jacob was at Monsanto/G.D. Searle, where he was Director of Glycobiology and a Monsanto Science Fellow, specializing in the field of Glycobiology and drug discovery. Dr. Jacob holds over 30 patents and is the co-inventor of two pharmaceutical drugs which are FDA approved. Dr. Jacob earned a B.S. *cum laude* in Chemistry from the University of Missouri – St. Louis and holds a Ph.D. in Biochemistry from the University of Wisconsin-Madison.

Gabriele Cerrone (age 48)

Gabriele Cerrone has a successful track record and extensive experience in the financing and restructuring of micro-cap biotechnology companies. He has founded nine biotechnology companies in oncology, infectious diseases and molecular diagnostics, and has taken six of these companies to Nasdaq and one to the AIM Market in London. Mr. Cerrone co-founded Trovagene, Inc. (Nasdaq: TROV), a molecular diagnostic company and served as its Co-Chairman; he was a co-founder and served as Chairman of both Synergy Pharmaceuticals, Inc. (Nasdaq: SGYP) and Callisto Pharmaceuticals, Inc. (OTCMKTS: CLSP), and was a Director of and led the restructuring of Siga Technologies, Inc. (Nasdaq: SIGA). Mr. Cerrone also co-founded FermaVir Pharmaceuticals, Inc. and served as Chairman of the Board until its merger in September 2007 with Inhibitex, Inc. Mr. Cerrone served as a director of Inhibitex, Inc. until its US$2.5bn sale to Bristol Myers Squibb Co in 2012.

Mr. Cerrone is the Executive Chairman and Co-Founder of Gensignia Life Sciences, Inc., a molecular diagnostics company focused on oncology using microRNA technology; Executive Chairman and Founder of Tiziana Life Sciences plc (AIM: TILS) an oncology focused therapeutics company; Executive Chairman of Accustem Sciences Limited, a genomics-based personalised medicine business focussed on breast cancer patients; Chairman and Co-Founder of Rasna Therapeutics Limited, a company focused on the development of therapeutics for leukaemias; Co-Founder of ContraVir Pharmaceuticals, Inc. (Nasdaq: CTRV); and founder of BioVitas Capital Ltd.

Willy Simon (age 69)

Willy Jules Simon is a banker and worked at Kredietbank N.V. and Citibank London before serving as an executive member of the Board of Generale Bank NL from 1997 to 1999 and as the chief executive of Fortis Investment Management from 1999 to 2002. He acted as chairman of Bank Oyens & van Eeghen from 2002 to 2004. He was chairman of AIM-traded Velox3 plc (formerly 24/7 Gaming Group Holdings plc) until 2014 and had been a director of Playlogic Entertainment Inc., a Nasdaq OTC listed company. Willy Simon has been the chairman of Bever Holdings, a company listed in Amsterdam, since 2006 and Chairman of Ducat Maritime since 2015. He is also a non-executive director of Tiziana Life Sciences plc and Accustem Sciences Limited.

Dr. Kunwar Shailubhai (age 63)

Kunwar Shailubhai, Ph.D., M.B.A. serves as chief executive officer, chief scientific officer and executive director of Tiziana Life Sciences plc. Dr. Shailubhai brings more than 25 years of experience within the life science industry, combined with a distinguished track record of success in translating drugs from concept through commercialisation to market. He also currently serves as chief executive officer of Rasna Therapeutics, Inc., a developer of therapeutics to address the high unmet need that exists for acute myeloid leukaemia and other forms of leukaemia.

Dr. Shailubhai has been serving as a member of board of Tiziana Life Sciences plc since 2015. He actively played key roles in development of growth strategies through several key licencings of technologies and drug candidates. Dr. Shailubhai steered Tiziana Life Sciences plc through prioritisation of projects to focus on novel drug candidates for treatment of autoimmune and inflammatory diseases and cancer. Dr. Shailubhai is also a non-executive director of Accustem Sciences Limited.

As co-founder, executive vice-president and chief scientific officer of Synergy Pharmaceuticals, Inc. he led the non-clinical, chemistry, manufacture, controls and clinical development of TrulanceTM from inception

to approval by the FDA, having co-invented and pioneered Synergy's platform technology for functional GI disorders, inflammatory bowel disease, gastrointestinal cancer and other human diseases. Dr. Shailubhai, as the chief architect of the intellectual property estate, directed all aspects of intellectual property management, including timely submission of patent applications, directing office actions and coordinating with intellectual property attorneys.

Earlier, from 2003 until 2008, Dr. Shailubhai served as senior vice president, Drug Discovery and from 2001 to 2003, he held the position of vice president, Drug Discovery at Synergy, where he pioneered therapeutic applications of Guanylate Cyclease-C agonists in a variety of human diseases such as Asthma, Chronic Obstructive Pulmonary Disease and cholesterol lowering.

Prior to Synergy, he was with Monsanto Company, serving as group leader, Cancer Prevention and previously served as a senior staff fellow at the National Institutes of Health, and as an assistant professor at the University of Maryland. Dr. Shailubhai received his Ph.D. in microbiology from the University of Baroda, India, and his M.B.A. from the University of Missouri, St. Louis. He has more than 20 issued patents and over 50 peer-reviewed publications.

John Brancaccio (age 72)

John Brancaccio, retired Certified Public Accountant, is a financial executive with extensive international and domestic experience in pharmaceutical and biotechnology for privately and publicly held companies. From 2000 to 2002, Mr. Brancaccio was the Chief Financial Officer/Chief Operating Officer of Eline Group, an entertainment and media company. From May 2002 until March 2004, Mr. Brancaccio was the Chief Financial Officer of Memory Pharmaceuticals Corp., a biotechnology company. From April 2004 until May 2017, Mr. Brancaccio was the Chief Financial Officer of Accelerated Technologies, Inc., an incubator for medical device companies.

Mr. Brancaccio is also currently a director of Cardiff Oncology, Inc., Rasna Therapeutics, Inc., Tiziana Life Sciences plc, Accustem Sciences Limited and Hepion Pharmaceuticals, Inc.

Scientific Consultant

The board is assisted in its approach to its scientific strategy by a Scientific Consultant, being:

Professor Napoleone Ferrara, MD **– University of California's Moores Cancer Center in San Diego**

Napoloene Ferrara is Senior Deputy Director for Basic Sciences at University of California's Moores Cancer Center in San Diego; and Distinguished Professor of Pathology at the University of California's School of Medicine, also in San Diego. Dr. Ferrara's research led to the development of the anti-VEGF monoclonal antibody bevacizumab (Avastin®) which was initially approved for the treatment of colorectal cancers, now one of the top ten selling global pharmaceutical products and won the 2010 Lasker Award for his work on VEGF.

Senior Manager

The Board is supplemented by Keeren Shah who acts as finance director.

Keeren Shah **– Finance Director***

Keeren Shah serves as the Finance Director at the Company. Ms. Shah currently also serves as the Finance Director of Tiziana and Accustem Sciences Limited, having previously served as the Group Financial Controller for both businesses from June 2016 to July 2020. Prior to joining the Company, Ms. Shah spent 10 years at Visa, Inc. as a Senior Leader in its finance team where she was responsible for key financial controller activities, financial planning and analysis, and core processes as well as leading and participating in key transformation programmes and Visa Inc.'s initial public offering. Before joining Visa, Ms. Shah has also held a variety of finance positions at other leading companies including Arthur Andersen and BBC Worldwide.

She holds a Bachelor of arts with honours in Economics and is a member of the Chartered Institute of Management Accountants.

* Title of director but not a statutory director of the Company

Part VIII

THE BUSINESS

1. Background

The Company was original incorporated as Jellon Enterprises, Inc. on 4 July 2007 and changed its name to Minor Metals and Mining, Inc. on 24 October 2007, to Emerging Metals Limited on 28 November 2007, to West African Minerals Corporation on 9 December 2011 and to OKYO Pharma Corporation on 10 January 2018. On 9 March 2018 shareholders approved the cancellation of the Company's AIM listing and migration into Guernsey.

Having considered the options available to the Company, the decision was taken by the Directors to pursue the Chemerin Project, which the Directors had identified as being an interesting opportunity in the life sciences and biotechnology sector with near-term opportunity for commercialisation, and to leave AIM and seek admission to a Standard Listing on the Official List and to trading on the Main Market of the London Stock Exchange.

The Directors also considered the domicile of the Company and, influenced by a strong desire to enhance corporate governance and afford shareholders the protections and transparency they should expect from a company whose shares are traded on a stock exchange, decided that it was prudent to migrate the Company to Guernsey and to adopt certain shareholder protections which are set out in the Company's constitution adopted on Migration.

Throughout its life, until Migration, the Company was incorporated in the British Virgin Islands and Shareholders have been deprived of what the current Directors consider to be adequate rights and protections. In particular the Company, as a BVI entity, was not subject to the protections afforded by the Takeover Code and no equivalent protections were ever included in the Company's constitution; the Company was not required by BVI law to hold annual general meetings and in its recent history as a BVI entity, had not voluntarily convened an annual general meeting to give Shareholders the ability to hold the Directors to account; and, as a BVI company, Shareholders had no control over the ability of the Directors to issue further shares nor any ability to exercise pre-emptive rights.

By migrating to Guernsey and on admission of the Ordinary Shares to a Standard Listing and trading on the Main Market, the Company became subject to the Takeover Code affording Shareholders the benefit of the comprehensive protections to the right of equality of treatment. Guernsey companies are also required to hold annual general meetings which give Shareholders an opportunity to exercise their rights to hold the Directors to account. The Directors have taken steps to enshrine pre-emption rights in the Company's constitution and whilst the Directors will seek a modest authority to disapply those pre-emption rights on an annual basis, the sanction of any further disapplication in the future will be a matter for Shareholder approval.

Guernsey was not selected as a jurisdiction for migration on any tax driven basis; the Company is tax resident in the United Kingdom and not in Guernsey. Guernsey was selected on the basis that it is a jurisdiction which allows "continuation" of a BVI company (which is not possible, for example, with England and Wales) and a jurisdiction where the Takeover Code applies to listed companies.

2. Overview

The Company's goal is to develop first-in-class drug candidates that prevent inflammatory eye disease and chronic pain, instead of controlling it, through its in-house R&D program and collaboration with pioneering scientists involved in developing Chemerin and BAM-8 technology for the treatment of ophthalmic diseased such as DED, uveitis and ocular pain. Despite increased understanding of DED as an inflammatory disease, the need for efficacious, targeted therapeutics remains. In the United States it is estimated that this disorder occurs in approximately 17 per cent. of women and approximately 11.4 per cent. of men. DED prevalence is growing especially in the ageing population; it is estimated that by year 2050, 500 million people will be affected by DED.

On 21 February 2018, the Company announced that it had successfully obtained (via assignment from Panetta, a related party) a license from On Target Therapeutics LLC and a sub-license from Tufts Medical Center, Inc. to support the Company's ophthalmic disease drug programs. These licenses gave the Company the right to exploit the intellectual property estate which covers composition-of-matter and methodology claims for treating ocular inflammation, DED with Chemerin or lipid-linked Chemerin analogues, and a separate intellectual property estate for treating symptoms of ocular neuropathic pain, uveitis associated pain and neuropathic chronic pain (OK-201).

On 6 August 2019, the Company also signed a collaborative agreement with Tufts Medical Center, Inc. on a research program focused on ocular neuropathic pain.

On 7 January 2021, the Company announced the appointment of Mr. Gabriele Cerrone as non-executive chairman and Director, and Gary S. Jacob, Ph.D. as Chief Executive Officer and Director. The addition of these two individuals highlights a careful realignment of the strategic focus of the Company's research and development program, with the aim of facilitating advancement of both of its preclinical programs. We believe the realignment will allow us to file IND applications on its drug candidates with the FDA in the shortest time possible.

In addition, on 19 January 2021, the Company announced to the market via an RIS that it had submitted a patent application for the potential use of Chemerin and Chemerin analogues for prophylaxis against and treatment of symptoms associated with, or resulting from, infection with SARS-CoV-2 virus, including

inflammation due to the cytokine storm caused by COVID-19 disease, and acute respiratory distress syndrome ("**ARDS**"). The Company's plan to advance Chemerin and its associated analogues for the treatment of patients with SARS-CoV-2 virus and ARDS will be led by Dr. Napoleone Ferrara, the Company's Scientific Consultant.

3. The Company's Product Candidates

3.1. OK-101

OK-101, the Company's lead product candidate, is focused on DED. DED is a multifactorial disease caused by an underlying inflammation resulting in the lack of lubrication and moisture in the surface of the eye. DED, also referred to as "*Keratoconjunctivitis Sicca*", is one of the most common ophthalmic conditions encountered in clinical practice. Symptoms of DED include constant discomfort and irritation accompanied by inflammation of the ocular surface, visual impairment and potential damage to the ocular surface. The disease affects over 35 per cent. of the population aged over 50, with women representing approximately two-thirds of those affected. Prevalence of DED is anticipated to increase substantially in the next 10-20 years due to aging populations in the U.S., Europe, Japan and China and use of contact lenses in the younger population. This increase in prevalence of dry eye syndrome represents a major expanding economic burden to public healthcare.

OK-101 is designed to target a chemokine-like receptor 1 ("**CMKLR1**") which is a GPCR expressed on macrophages, monocytes, plasmacytoid/myeloid dendritic cells, natural killer cells and nonhemopoietic cell types, such as endothelial and epithelial cells. Activation of CMKLR1 by its endogenous peptide ligand Chemerin is known to modulate inflammation, but natural ligands for CMKLR1 have short half-lives due to rapid inactivation. Discovery of OK-101, a stable, high potency CMKLR1 agonist, by On Target Therapeutics provided an important step toward the development of a new class of anti-inflammatory therapeutics that can be applied to the treatment of ophthalmic diseases including DED, uveitis and ocular pain.

OK-101 was shown to have a low nanomolar EC50 potency in a cell-based receptor binding assay utilising a cell line expressing the CMKLR1 receptor.

To further characterize the potential efficacy of OK-101 to treat DED, OK-101 was tested in a mouse model of acute dry eye disease. Animals were divided into five separate cohorts that included: (1) non-stressed control animals untreated throughout the study; (2) animals treated with scopolamine to induce acute DED; (3) animals treated with scopolamine to induce acute DED and treated with 0.1 per cent cyclosporine as a positive control; (4) animals treated with scopolamine to induce acute DED and treated with phosphate buffer solution (the vehicle used for OK-101 delivery); and (5) animals treated with scopolamine to induce acute DED and treated with OK-101 in phosphate buffered solution.

Animals in cohorts (1) and (2) were left untreated with test agents throughout the five-day period, whereas animals in cohorts (3), (4) and (5) were treated with either cyclosporine, vehicle or OK-101, respectively, twice a day during the five-day period via bilateral topical administration of the respective agents. On the fifth day, all of the animals were assessed for efficacy by evaluating corneal permeability, a measure of dry-eye effectiveness, in live animals, as well as by exploring the impact of respective treatments on immune response.

Figure 1 below shows the results from this animal study. Animals induced with scopolamine to generate acute DED showed a dramatic, statistically significant increase in corneal permeability relative to naïve non-stressed animals. The addition of cyclosporine to scopolamine-induced DED animals showed a statistically significant reduction of permeability ($p \leq 0.001$). Notably, OK-101 demonstrated a dramatic reduction of DED-induced corneal permeability as well ($p \leq 0.001$). OK-101's effect in reducing DED-induced corneal permeability was virtually identical to that of the cyclosporine positive control and close to the baseline corneal permeability observed in non-stressed control animals.

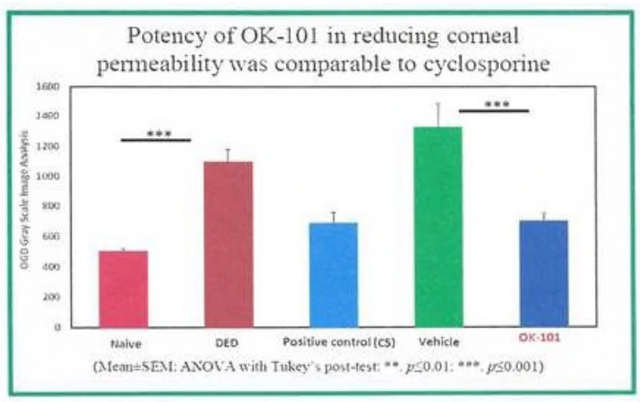

Figure 1. Effect of various treatments on mouse corneal permeability. Corneal permeability was measured using Oregon Green Dextran (OGD) staining followed by imaging.

Following the in-life portion of the study, immunohistochemistry was performed on frozen sections of enucleated mouse eyes to measure CD4+ T-cell infiltration into the conjunctival epithelium of the eye (Figure 2 below). Animals induced to develop acute DED and not treated with drug (vehicle animals) showed significant infiltration of CD4+ T cells within the conjunctival epithelium, whereas OK-101 demonstrated a statistically significant ($p \leq 0.01$) reduction in dry-eye-induced enhancement of CD4+ T-cells. In fact, the level of CD4+ T cells observed in OK-101 treated animals was equivalent to the CD4+ T cell levels observed in naïve untreated animals.

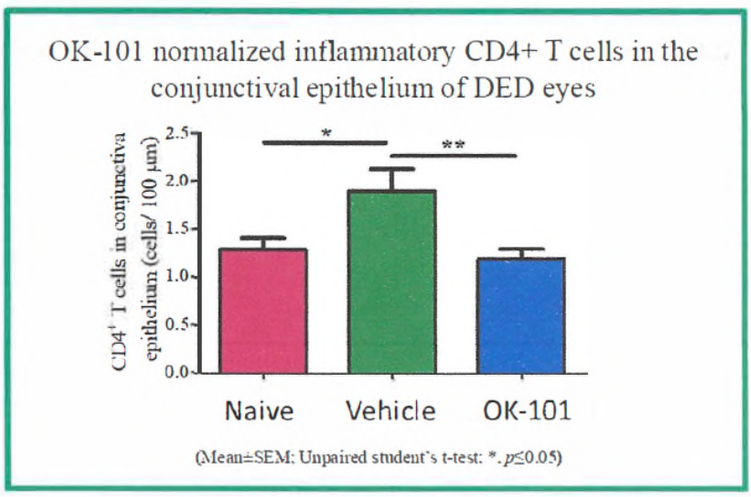

Figure 2. CD4+ T cells in the conjunctival epithelium after acute DED induction.

Immunohistochemistry was also performed on enucleated intact conjunctiva of mouse eyes fixed in 10 per cent. formalin, embedded in paraffin, and sectioned and stained. DED typically leads to a loss of goblet cell density as was observed following induction of DED in the mice administered Vehicle (Figure 3). Whereas, administration of OK-101 significantly rescued the DED-induced loss of Goblet Cells.

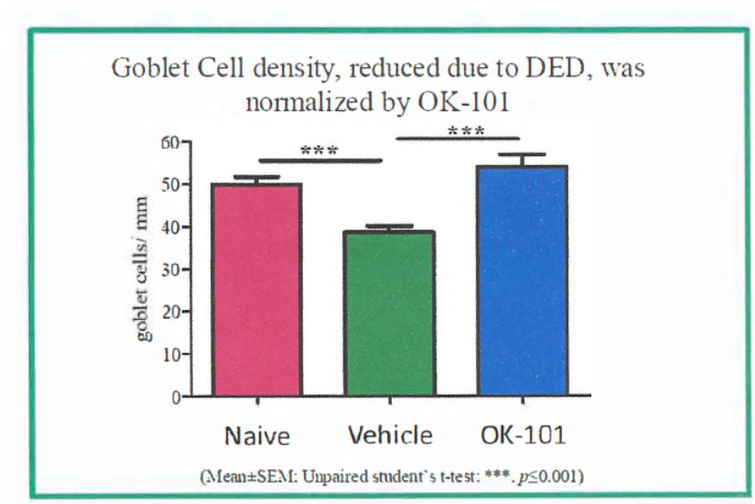

Figure 3. Goblet Cell density following acute DED induction.

A separate series of experiments were also performed to evaluate ocular tolerance of OK-101 in rabbits via repeated ocular instillation followed by clinical ophthalmic observations. Rabbit ocular tolerance tests on OK-101 showed no adverse signs such as inflammation, chemosis or hyperemia and no signs of local irritation.

Based on the results from the DED animal model and ocular tolerance studies, the Company is moving forward with filing an IND on OK-101 to treat DED, and hopes to file the IND sometime in the first quarter of 2022.

3.2. Additional Applicable Disease Indications for OK-101

A second related ophthalmic disease indication that is the target of the Company's Chemerin-based technology is uveitis. Uveitis is the third leading cause of blindness worldwide. The most common type of uveitis is an inflammation of the iris called iritis (anterior uveitis). Uveitis can damage vital eye tissue, leading to permanent vision loss. Uveitis is currently treated with corticosteroid eyedrops and injections that reduce inflammation, however, the long-term use of corticosteroids causes risk of cataract and glaucoma, requiring close monitoring for their potential side effects.

As the Company develops OK-101, it also plans to explore the potential of its lipidated-Chemerin analogues to suppress the inflammation associated with uveitis. The Company will explore the use of Chemerin analogues to determine their potential efficacy to diminish ocular redness, the most common symptom of allergic conjunctivitis.

In addition, on 19 January 2021, the Company announced to the market via an RIS that it had submitted a patent application for the potential use of Chemerin and Chemerin analogues for prophylaxis against and treatment of symptoms associated with, or resulting from, infection with SARS-CoV-2 virus, including inflammation due to the cytokine storm caused by COVID-19 disease, and ARDS. The Company's plan to advance Chemerin and its associated analogues for the treatment of patients with SARS-CoV-2 virus and ARDS will be led by Dr. Napoleone Ferrara, the Company's Scientific Consultant.

3.3. Structure of the Chemerin Acquisition

The Directors are very mindful that investing in opportunities in the life sciences and biotechnology sector carries a very high degree of risk and that this is accentuated in the case of opportunities which have not

yet reached the stage of clinical trials in humans. In assessing the Chemerin Acquisition, the Board reviewed the available research on the Chemerin Project and took advice on the strength of the intellectual property protection relating to it, and concluded that the opportunity met the criteria which the Board established and against which potential opportunities would be considered and evaluated.

The terms under which the rights to the Chemerin Project were acquired were accordingly structured so that a significant element of the consideration is deferred and made conditional upon clinical and financial milestones. The Chemerin Project was acquired from Panetta and certain persons involved in the scientific development of the Chemerin Project (together, the "**Vendors**"). The terms of the acquisition agreement (the "**Chemerin Acquisition Agreement**") provided for the payment of US$450,000 in cash to Panetta to reimburse Panetta for its cash outlay in discharging costs and expenses of conducting the research program and in fees relating to patent applications prior to the acquisition.

In addition to the cash consideration, Panetta received 135,000,000 Ordinary Shares credited as fully paid (the "**Consideration Shares**").

The underlying scientific founders of the Chemerin Project, who are continuing in the development of the Chemerin Project, received warrants as consideration (the "**Scientific Warrants**"). The 35,000,000 Scientific Warrants are exercisable at a price of 4.5 pence each and are split into four distinct tranches and each tranche becomes exercisable upon satisfaction of a specific developmental milestone. The Scientific Warrants are freely transferable. The milestones for the Scientific Warrants are as follows:

(a) 5,000,000 Scientific Warrants shall become exercisable on the completion of a successful Phase I clinical study of the Chemerin Project demonstrating safety and tolerance with regard to toxicity;

(b) 5,000,000 Scientific Warrants shall become exercisable on the establishment of proof-of- concept in either a Phase II or pre-Phase II clinical trial of the Chemerin Project (regardless of the inclusion of dose escalation);

(c) a further 10,000,000 Scientific Warrants shall become exercisable on a Phase II human clinical trial of the Chemerin Project demonstrating safety and statistical efficacy in the indication of DED; and

(d) the final 15,000,000 Scientific Warrants shall become exercisable upon approval of a new drug application with the FDA ("**NDA**") for the use of the Chemerin Project in the treatment of DED.

The Directors structured the Chemerin Acquisition in this way to ensure that the Company's obligation to deliver consideration was also dependent upon the clinical and financial success of the Chemerin Project and to align the financial interests of the Shareholders with those involved in the scientific development of the Chemerin Project. Accordingly, the scientific team behind the Chemerin Project will only derive value from the Chemerin Project if Shareholders also see similar incremental increases in value.

3.4. OK-201

The Company's current focus is to develop first-in-class drug candidates as non-opioid analgesics for ocular pain management without side effects and the potential abuse associated with opioid medications. Ocular pain occurs in several ophthalmic conditions including DED, uveitis, diabetic retinopathy (DR), accidental trauma, surgery, and is typically treated with topical steroids. Damage to the ocular surface (nociceptive pain in response to inflammation) or to the somatosensory nervous system (chronic neuropathic pain) due to the underlying pathogenesis of eye disease is the main cause of pain.

On 6 August 2019, the Company signed a collaborative agreement with Tufts Medical Center, Boston, MA and Pedram Hamrah, MD, Professor of Ophthalmology at Tufts University School of Medicine, Boston, MA as Principal Investigator to evaluate the Company's proprietary lead compounds as non-opioid analgesics to suppress corneal neuropathic pain using a mouse ocular pain model recently developed in Dr. Hamrah's laboratory. A lipidated cyclised BAM analogue (OK-201), a promising candidate for the treatment of neuropathic and inflammatory pain, was licensed from Tuffs University on 1 May 2018. The Company's goal is to further develop this lipidated peptide, as well as explore additional analogues, for their potential use in treating ocular pain, and for potentially treating long-term chronic pain.

OK-201 is designed to activate a human MRGPR as a promising analgesic target. This receptor is expressed mainly in sensory neurons and is involved in the perception of pain. Activation of MRGPR by BAM peptide inhibits pain by modulating Ca2+ influx. Since acquiring the rights to OK-201, the Company has also synthesised a small library of lapidated BAM analogues. The potencies of these analogues were determined using a cell-based assay, and a small number of these analogues were evaluated for their analgesic properties in the neuropathic pain model developed by Dr. Hamrah's laboratory at Tufts Medical Center. These collaborative studies have provided additional 'proof-of-concept' results for the BAM analogues as potential non-opioid analgesics.

During the next year, the Company plans to utilise the capabilities assembled to advance OK-201 to an IND filing. A supplemental study characterizing corneal permeability of the Company's class of analogues is also needed for the development of future topical formulations.

4. Clinical Research into Chemerin

The Chemerin receptor is a chemokine-like GPCR found on certain cells including inflammatory mediators, epithelial cells as well as neurons and glial cells in the dorsal root ganglion, and spinal cord. In laboratory studies carried out at the Molecular Pharmacology Research Centre, and the Molecular Cardiology Research Institute, Tufts Medical Center in Boston conducted on the CMKLR1 Chemerin receptor, a lipidated Chemerin analogue was originally identified which activates the CMKLR1 orthologs with high potency. The studies demonstrated that this stable Chemerin receptor agonist had potent *in vivo* efficacy in mouse models of allergic airway inflammation and neuropathic pain.

As an initial step, an assay for assessing signalling of Chemerin receptor induced by chemerin peptides was developed by these researchers. Comparison of full-length soluble human chemerin (s-Chem(21-157)) for both the mouse and human receptors revealed similar potencies. The high potency of human s-Chem(21-157) on the mouse receptor could not have been fully anticipated given that the sequence identity between these full-length orthologs was only 63 per cent. However, the mouse and human receptors were found to be 88 per cent. homologous. Together these results supported the premise that modified CMKLR1 ligands could be developed that would effectively target the human receptor and would be amenable to testing by using *in vivo* mouse models (i.e. agonists show similar potency on both receptors). This was further supported by the presence of six identical amino acids at the C terminus of both mouse and human chemerin, a circumstance that is critical for efficacy.

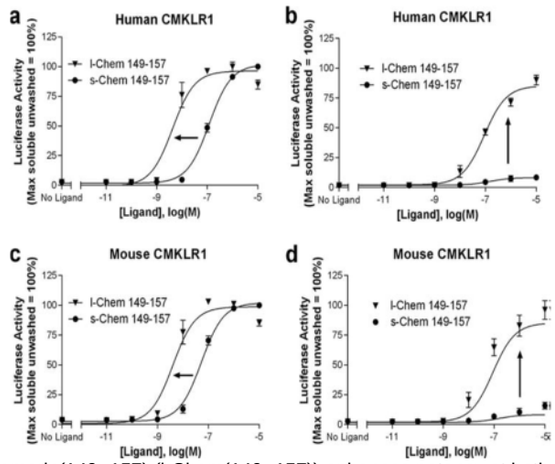

FIGURE 1. Lipidation of Chemerin(149 -157) (l-Chem(149 -157)) enhances potency at both the human (a) and mouse (c) receptors. Activity of this analogue remains following serial washes versus activity of the soluble peptide (s-Chem(149 -157)) at both the human (b) and mouse (d) receptors. Structures of s-Chem(149 -157) and l-Chem(149 -157) are shown in Table 1. HEK293 cells were transiently transfected with cDNAs encoding: (i) human or mouse CMKLR1, (ii) a SRE5x-Luc-PEST reporter gene, (iii) a Gaq5i66V chimera, and (iv) a 13-galactosidase control. Twenty-four hours after transfection, cells were stimulated with increasing concentrations of the indicated ligands for 15 min. Selected wells were then washed three times with serum-free media and plates were further incubated for 4 h. Luciferase activity, determined as described under "Experimental Procedures," was normalised relative to the maximal value observed using saturating concentrations of s-Chem(149 -157) in cells that were unwashed (=100%). Data points represent the mean + S.E. from at least three independent experiments, each performed in triplicate.

Investigation of the pharmacological properties of membrane-anchored Chemerin commenced with the generation of recombinant membrane-tethered ligands ("**MTLs**") incorporating selected human Chemerin fragments into the construct. Previous published reports had already highlighted the C-terminal end of chemerin as the critical activity determinant. Therefore, a type II MTL that enabled the C-terminal end to freely extend into the extracellular space and activate the receptor was selected for further study. Comparison of the full-length (Chem(21-157)) and short Chemerin fragments as soluble ligands revealed that Chem(21-157) was the most potent peptide. In contrast, as a tethered ligand, t-Chem(149-157) was more active than the corresponding full-length peptide. The enhanced activity of the nine C-terminal amino acids of Chemerin is unique to the human receptor; activities of both tethered peptides were comparable at the mouse receptor. The importance of C-terminal processing of Chemerin from the pre-prohormone (Chem(1-163)) into the active form (Chem(21-157)) was illustrated; the tethered pre-prohormone did not activate the human or mouse receptor. These data supported the proposition that Chem(1-163), when recombinantly expressed in human embryonic kidney 293 ("**HEK293**") cells, is not processed into the active form (i.e. Chem(21-157)). These data also highlighted the utility of MTLs as tools to investigate inactive versus active isoforms of a peptide in addition to discerning the domains (e.g. C terminus) that mediate activity of a peptide at its cognate GPCR.

The laboratory investigations also illustrated the utility of MTLs as tools to efficiently generate and characterise functionally altered peptide ligands. In light of the observed increase in signaling of the 9 C-terminal amino acids of Chemerin (relative to Chem(21-157)) at the human receptor, further exploration was initiated to determine whether amino acid substitutions within tethered Chem(149-157) would further enhance activity. To this end, a variety of peptide sequences were screened that were modified at amino acid positions 156 and 157. These residues were selected because of their known functional importance in Chemerin-mediated activation of CMKLR1. Modification with certain amino acids resulted in partial agonists, whereas substitution with other amino acids abolished ligand induced signaling. Assessment of the variant Chem(149-157) MTLs on the human versus the mouse receptors revealed similar functional profiles with the exception of the GP analogue. This MTL illustrated the potential of even minor alterations in a ligand to result in marked activity differences even when compared at conserved GPCR orthologs.

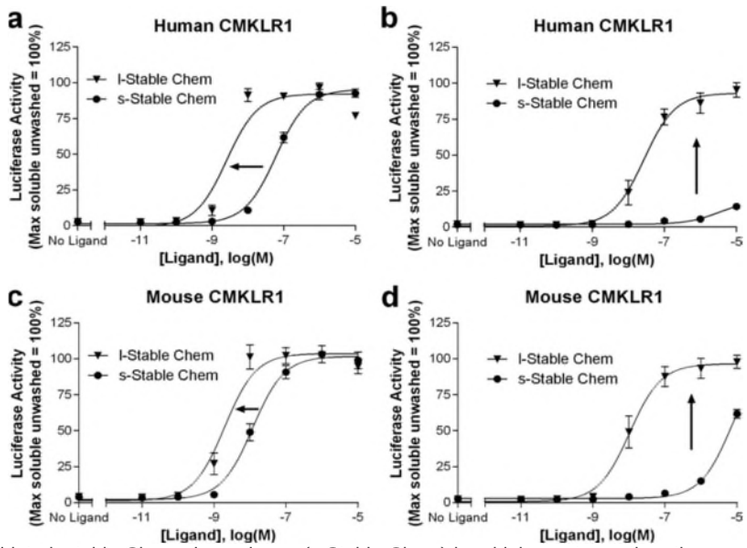

FIGURE 2. A lipidated, stable Chemerin analogue (s-Stable Chem) has higher potency than the corresponding soluble peptide. Activities were compared at both the human (a) and mouse (c) receptors. Signaling of this analogue persists despite serial washes, whereas activity of the soluble counterpart (s-Stable Chem) is markedly diminished at both the human (b) and mouse (d) receptors. Structures of s-Stable Chem and l-Stable Chem are shown in Table 1. HEK293 cells were transiently transfected with cDNAs encoding: (i) human or mouse CMKLR1, (ii) a SRE5x-Luc-PEST reporter gene, (iii) a Gaq5i66V chimera, and (iv) a 13-galactosidase control. Twenty-four hours after transfection, cells were stimulated with increasing concentrations of the indicated ligands for 15 min. Selected wells were then washed three times with serum-free media and plates were further incubated for 4 h. Luciferase activity, determined as described under "Experimental Procedures," was normalised relative to the maximal value observed using saturating concentrations of s-Stable Chem in cells that were unwashed (=100%). Data points represent the mean + S.E. from at least three independent experiments, each performed in triplicate.

In addition to examining the effects of recombinant membrane tethering, peptides with a synthetic lipid membrane anchor were generated and pharmacologically characterised. Given the difficulties inherent in delivering recombinant constructs as therapeutics, it was important to explore alternative forms of membrane tethering that would enable delivery of an anchored therapeutic. In light of the enhanced activity of tethered Chem(149-157) at the human receptor (relative to Chem(21-157)), this peptide fragment was selected for further study as a lipidated construct. Synthetic chemistry was utilised to generate a 9-amino acid lipidated peptide (human Chem(149-157)) linked to palmitic acid via a PEG8 linker (i.e. l-Chem(149-157)). Importantly, the corresponding membrane-anchored ligand showed enhanced potency and wash resistance in comparison to its soluble counterpart. As was illustrated in experiments involving Chem(149-57), lipidation offers a potential means to enhance potency and/or prolong activity of the ligand via anchoring of the compound into the membrane.

In addition to lipidation, modification of the peptide sequence to confer protease resistance offers a complementary approach to augmenting agonist function *in vivo*. In particular, enhanced peptide stability by addition of D-amino acids has been previously demonstrated for a number of peptides that are important mediators of immune-based disorders and neuropathic pain. The strategy in the research performed by the Company was to combine lipidation with alteration of targeted amino acids to confer protease resistance. This strategy offers a platform for generating compounds that are long acting and stable *in vivo*. This paradigm was illustrated by incorporating a protease-resistant peptide sequence in place of Chem(149-157) within the lipidated ligand. This lipidated stable chemerin analogue showed high potency against both the human and mouse CMKLR1, and due to it being anchored in the membrane, also exhibited wash resistance.

5. Research and Development

	H1 2021	H2 2021	H1 2022	H2 2022	H1 2023
API (manufacturing and optimisation)					
Irritation studies					
Systemic toxicology					
IND preparation					

6. Intellectual Property

6.1. Chemerin

The Company entered into an assignment of the license and sublicense agreement with Panetta on 1 May 2018 relating to intellectual property licenced from On Target Therapeutics and sub-licenced from Tufts Medical Center, Inc., dated 22 May 2017. Under the terms of the Chemerin Acquisition Agreement, the Company has exclusive rights to certain patent applications that describe and claim lipidated Chemerin peptides and their uses in DED. Specifically, the Company has the benefit of the exclusive worldwide rights to a U.S. patent application (which if issued would expire in 2034). In addition, the Company has exclusive worldwide rights to a Patent Cooperation Treaty ("**PCT**") patent which has a National Phase entry date of

July 2018, and if issued in the various countries that it is contemplated to be filed (e.g., US, European Patent Office, Japan, Australia and Canada), it would expire in 2037.

The Directors believe that the Company has novel composition-of-matter coverage on the lipidated Chemerin peptide lead analogues and novel method-of-use claims in treating DED and other ophthalmic diseases. Each patent office has different patentability requirements but the Directors believe that the license patent applications 14/783,489 (U.S. patent application entitled "Methods and systems for designing and/or characterising soluble lipidated ligand agents"; applicant: Tufts Medical Centre / Trustees of Tufts College) and PCT/US2017/014605 (U.S. patent application entitled "Compounds and methods for treating inflammation"; applicant Tufts Medical Centre / Trustees of Tufts College) contain patentable subject matter. The process for issuance of a patent involves a correspondence with each local patent office in the jurisdictions in which the patent application is filed. That process, patent prosecution, involves a discussion of any relevant prior art and typically a discussion of the scope of the claims. The patent prosecution process can take several years depending on the jurisdiction and is not in the control of the patent owner, but in the control of the local patent office.

The licence is subject to certain development milestone payments being:

1. US$300,000 on first patient enrolled in a Phase I clinical trial;
2. US$600,000 on first patient enrolled on a Phase II clinical trial;
3. US$1,500,000 on first patient enrolled in a Phase III clinical trial; and
4. US$2,500,000 on first commercial sale of a licensed product.

The licence is also subject to the payment of sales milestones as follows:

1. US$2m on first achievement of annual net sales of U.S. $50,000,000;
2. US$4m on first achievement of annual net sales of U.S. $100,000,000;
3. US$6m on first achievement of annual net sales of U.S. $250,000,000;
4. US$10m on first achievement of annual net sales of U.S. $500,000,000; and
5. US$15m on first achievement of annual net sales of U.S. $1,000,000,000.

The above payments equate to low and declining single digit percentage royalties on net sales.

6.2. BAM-8

The Company entered into a licence agreement with Tufts Medical Center, Inc. on 1 May 2018 relating to intellectual property and proprietary technology for the use of certain lipidated BAM peptides in the treatment of neuropathic pain. Under the terms of the licence agreement, the Company has acquired an exclusive licence to all patents (pending and issued), inventions (including future patent filings on lipidated BAM-8 molecules, know-how and proprietary information controlled by Tufts Medical Center, Inc.). The licence agreement required an upfront licence fee of US$15,000 (£11,000), which has been paid by the Company and annual maintenance fees of US$15,000 (£11,000) commencing on the first anniversary of the licence agreement. The licence agreement also provides for further development and sales milestone payments and royalties, which are described in more detail in paragraph 18.4 of *Part XIII – Additional Information* of this Prospectus.

On 23 February 2021, the Company announced that patent No. 10,899,796 entitled "Compounds and Methods for Treating Pain" was issued by the United States Patent and Trademark Office on 26 January 2021. The patent covers a class of BAM peptides linked to specific lipids that demonstrate potential for treating symptoms of neuropathic pain, ocular pain, ocular inflammation and/or DED. The work recited in this patent lays out the potential of this class of lipidated BAM analogues as non-opioid analgesics for ocular pain management without the side effects and potential abuse associated with opioid medications.

7. Financing the business strategy

The Directors have carefully reviewed the Company's working capital requirements with respect to cash resources on hand and committed and anticipated expenditure with respect to the Chemerin Acquisition and the BAM-8 Acquisition.

As set out in detail in *Part IX – Selected Financial Information on the Company* in this Prospectus, the Company has raised £6,069,700 in additional finance during and subsequent to the financial period to 31 March 2020.

8. Recent Developments and Trends

8.1. Regulatory changes

Since 31 March 2020 (being the date to which the Company's last published audited financial information was made up), there have been no material changes in the regulatory environment in which the Group operates. As noted below under "Brexit impact on the Group", Brexit could materially impact the regulatory regime with respect to the development, manufacture, importation, approval and commercialisation of the Group's product candidates in the UK or the EU.

8.2. Material investments

Since 30 September 2020 (being the date to which the Company's last published financial information was made up), the Group has not made any maternal investments, nor has it entered into any firm commitments to do so.

8.3. Trends

COVID-19 impact on the Group

Since 31 March 2020 (being the date to which the latest published audited financial information for the Company has been made up), the impact of COVID-19 has had a minimal effect on the business of the Group. The Group is allowing for extended delivery times for some supplies, and for slower progress with collaboration partners. The Board and the Senior Manager continue to operate remotely. At present the Company believes that there should be no significant material disruption to its work, but the Board continues to monitor these risks and the Group's business continuity plans.

Brexit impact on the Group

The UK formally exited the EU on 31 January 2020. On 30 December 2020, the UK and EU signed the Trade and Cooperation Agreement, which includes an agreement on free trade between the two parties.

There is considerable uncertainty resulting from a lack of precedent and the complexity of the UK and EU's intertwined legal regimes as to how Brexit (following the Transition Period) will impact the medical devices industry in Europe. Since a significant proportion of the regulatory framework in the UK applicable to the Group's business and product candidates is derived from EU directives and regulations, Brexit could materially impact the regulatory regime with respect to the development, manufacture, importation, approval and commercialisation of the Company's product candidates in the UK or the EU. The impact will largely depend on the model and means by which the UK's relationship with the EU is governed post-Brexit and the extent to which the UK chooses to diverge from the EU regulatory framework. For example, following the Transition Period, the UK will no longer be covered by the centralised procedures for obtaining EU-wide marketing authorisations and the Company's product candidates will therefore require a separate marketing authorisation for such products to be marketed in the UK. It is also unclear as to whether the relevant authorities in the EU and the UK are adequately prepared for the additional administrative burden caused by Brexit. Any delay in obtaining, or an inability to obtain, any marketing approvals, as a result of Brexit or otherwise, would prevent the Company from, or delay commercialisation of, product candidates in the UK and/or the EEA and restrict the Company's ability to generate revenue and achieve and sustain profitability.

If any of these outcomes occur, the Company may be forced to restrict or delay efforts to seek regulatory approval in the UK for its product candidates, which could significantly and materially harm our business. There is a degree of uncertainty regarding the overall impact that Brexit will have on process to obtain regulatory approval in the UK for product candidates.

Further, the UK's withdrawal from the EU has resulted in the relocation of the EMA from the UK to the Netherlands. This relocation has caused, and may continue to cause, disruption in the administrative and medical scientific links between the EMA and the MHRA, including delays in granting clinical trial authorisation or marketing authorisation, disruption of importation and export of medical devices, active substance and other components of new drug formulations, and disruption of the supply chain for clinical trial product and final authorised formulations. The cumulative effects of the disruption to the regulatory framework may add considerably to the development lead time to marketing authorisation and commercialisation of product candidates in the EU and/or the UK. Brexit may also result in a reduction of funding to the EMA once the UK no longer makes financial contributions to EU institutions, such as the EMA. If funding to the EMA is so reduced, it could create delays in the EMA issuing regulatory approvals for the Company's product candidates and, accordingly, have a material adverse effect on our business, financial condition, results of operations or prospects.

Industry trends

The Directors believe that the key strategic priorities for the biopharmaceutical industry, of which the Company is a part, are global market growth, strengthening R&D, and transformation of functions using digital and information technologies.

In the Deloitte Insights Survey (source: *Deloitte Insights – Deloitte Center for Health Solutions – Biopharma leaders prioritize R&D, technological transformation and global market presence – August 2020* (the "**Deloitte Insights Survey**"), which surveys expected trends in the biopharmaceutical industry and global market, 63 per cent. of respondents rated R&D as one of the top strategic priorities for the next five years compared to only 43 per cent. of respondents who consider R&D as a current top priority. R&D is and will continue to be a key strategic priority for the Company in the coming years. More than half of the respondents (52 per cent.) selected transforming business functions. M&A, leveraging digital (including AI) for transforming business, refocusing on therapeutic area strategy, and balancing new opportunity with risk are also considered by industry participants to be important in the next five years.

According to the Deloitte Insights Survey, biopharmaceutical companies believe that transforming functions using digital technologies will be of high strategic priority in the next five years. Their survey responses indicate that the focus of digital investments for biopharmaceutical companies will remain on gaining insights into the execution of business strategies - inclusive of understanding and adapting to changes in customer behavior (28 per cent.), improving the efficiency of the R&D process (25 per cent.), and fast-tracking products to market (15 per cent.).

Global market presence continues to be a top focus area for biopharmaceutical companies, with close to 60 per cent. of respondents in the Deloitte Insights Survey rating it as a high priority. For example, many multinational players who formerly regarded China primarily as a source of raw materials or research are now viewing China as a key market. Others who have previously entered the market through joint ventures with Chinese companies and research institutes are now ready to ramp up their growth in China through drug licensing and acquisitions. But China is not the only source of innovation and growth; many companies are focusing on growth in the EU region and other parts of the global economy, sometimes through direct market entry, or out-licensing.

According to the Deloitte Insights Survey, respondents identified five areas that, according to them, will have the biggest impact on the biopharmaceutical industry in the next 10 years. These are:

- Curative therapies: Treatments that cure disease could reduce or eliminate the demand for some prescription medicines. Developing, marketing, and pricing curative treatments could require biopharma companies to adopt new capabilities.
- Customised treatments: Personalisation in medicine - driven by data-powered insights – could effectively match patients with customised drugs, or design therapies that would work for just a few people, or even a person. Biopharma companies are increasingly working on customised disease management programs.
- Digital therapeutics: Effective and scalable nonpharmaceutical (digital) interventions, often centered on behavior modification, can reduce the need for pharmaceutical intervention and eliminate or temper demand for medications.
- Prevention and early detection: Vaccines and improvements in wellness could help prevent disease, making treatment for some diseases no longer necessary. Advances in early detection will likely enable interventions that can halt diseases at the onset.
- Nonpharmacological interventions: Coupled with more accurate and precise imaging technologies, precision interventions that utilise robotics, nanotechnology, or tissue engineering could provide alternatives to pharmaceutical intervention.

In general, respondents to the Deloitte Insights Survey rated customised treatments and nonpharmacological interventions as having the biggest impact on the life sciences industry in the next 10 years.

The Directors consider that the key industries trends identified by the Deloitte Insights Survey are likely to affect the Company and the development and potential marketing of its product candidates in the coming years.

Part IX

SELECTED FINANCIAL INFORMATION ON THE COMPANY

The unaudited historical information of the Company for the six month period ended 30 September 2020 and the audited historical financial information of the Company for the 12 month period ended 31 March 2020, is incorporated by reference in *Part XVI – Documents Incorporated by Reference* of this Prospectus.

During the six month financial period to 30 September 2020, the Company reported a total comprehensive loss of £0.92 million (30 September 2019: £1.33 million). Expenditure on research and development was £29,000 (30 September 2019: £0.28 million). The Company's cash balance at 30 September 2020 stood at £5.8 million (31 March 2020: £0.2 million).

Set out below are details of the significant changes in the financial position and financial performance of the Group during, and subsequent to, the six month period ended 30 September 2020.

Completed fundraising

On 28 May 2020, the Company announced that it had placed a further 36,269,253 new Ordinary Shares with Panetta at a placing price of 0.5 pence each to raise £181,346 (before expenses). The shares were issued with warrants attached on a one-for-one basis, exercisable at a price of 0.55 pence for a period of five years from the date of issue.

Between 29 May 2020 and 8 September 2020, the Company has raised £5,877,104 through the issue of CLNs.

On 1 March 2021, the Company announced that it had issued 250,000 Ordinary Shares, credited as fully paid, at a price of 4.5 pence per share on the exercise of 250,000 options, raising £11,250.

Part X

SHARE CAPITAL

Share capital

The Company was incorporated in the British Virgin Islands as a BVIBC on 4 July 2007 under the BVI Business Companies Act with company number 1415559 under the name Jellon Enterprises, Inc. The legal and commercial name of the Company was changed to Minor Metals & Mining, Inc. on 24 October 2007, to Emerging Metals Limited on 28 November 2007, to West African Minerals Corporation on 9 December 2011, and to OKYO Pharma Corporation on 10 January 2018. On 3 July 2018, the Company was registered under the Guernsey Companies Law under the name OKYO Pharma Limited, as a company with limited liability and with an indefinite life. On 17 July 2018 the Ordinary Shares were admitted to listing on the Official List of the FCA and admitted to trading on the Main Market of the London Stock Exchange. The Company is subject to the Takeover Code.

Details of the share capital of the Company are set out in paragraph 3 of *Part XIII – Additional Information* of this Prospectus. As at the Latest Practicable Date, there are 672,816,302 issued Ordinary Shares of no par value, all of which are fully paid up.

All of the issued Ordinary Shares are in registered form, and capable of being held in certificated or uncertificated form. The Registrar is responsible for maintaining the share register. Temporary documents of title will not be issued. The ISIN of the Ordinary Shares is GG00BD3FV870. The SEDOL code of the Ordinary Shares is BD3FV87.

The following table sets out the Existing Share Capital and the Enlarged Share Capital as at the Latest Practicable Date and following the conversion of all CLNs and the exercise of the CLN Warrants and all other warrants and options after Admission:

	As at the Latest Practicable Date	*Following conversion of all CLNs and Admission (1)*	*Percentage of Enlarged Share Capital (1)*	*Percentage of Fully Diluted Share Capital (2)*
Existing Ordinary Shares	672,816,302	672,816,302	69.31%	58.54%
Existing Warrants, CLN Warrants and Existing Options	250,022,726	178,659,090	18.41%	15.54%
New Ordinary Shares	–	297,869,806	30.69%	25.92%

(1) This assumes that £5,992,660 CLNs are converted and no CLN Warrants or other existing warrants or options are exercised, save for those 39,605,760 CLN Warrants for which notice of exercise has been given and the 108,363,636 Existing Warrants for which notice of exercise has been given.

(2) This assumes that the maximum number of New Ordinary Shares are issued and that all other rights to subscribe for Ordinary Shares are exercised in full.

On the basis set out above, following the conversion of £5,992,660 CLNs and the exercise of those 39,605,760 CLN Warrants for which notice of exercise has been given and the 108,363,636Existing Warrants for which notice of exercise has been given, the Enlarged Share Capital will be 970,686,108 Ordinary Shares, with a total of 37,000,000 CLN Warrants and 141,659,090 warrants and options outstanding. If all the CLN Warrants, warrants and options were to be exercised the Company would receive approximately £6,761,250 in cash and the CLN Warrants, options and warrants would represent 15.54 per cent. of the Fully Diluted Share Capital.

CLNs

£466,400 in principal amount of the CLNs are convertible into New Ordinary Shares at a price of 0.4 pence per Ordinary Share. CLN Warrants are exercisable at a price of 0.4 pence per Ordinary Share on a one-for -one basis with the New Ordinary Shares issued on the conversion of the £466,400 in principal amount of CLNs. The remaining CLNs, with a principal amount of £5,877,104, are convertible into New Ordinary Shares at a price of 8.5 pence per Ordinary Share. The CLNs and CLN Warrants have a maximum term of 4 years.

A summary of the terms and conditions of the CLNs and the CLN Warrants is set out in paragraphs 9 and 10 of *Part XIII – Additional Information* of this Prospectus.

Existing Warrants

The Company has 184,272,726 warrants outstanding, excluding the CLN Warrants. The existing warrants are comprised of the following:

Scientific Warrants

(a) In connection to the acquisition of the Chemerin Project, the Board issued 35,000,000 warrants to the underlying scientific founders who will continue to be involved in the development of the Chemerin Project as consideration (the "**Scientific Warrants**"). The Scientific Warrants are exercisable at a price of 4.5 pence each and are split into four tranches each of which becomes exercisable upon satisfaction of a specific developmental milestones. The Scientific Warrants are exercisable until 17 July 2023.

Investor Warrants

(b) In May 2019, the Board issued warrants over 36,363,636 shares at an exercise price of 1.35 pence per share in connection with a private placement. The warrants are exercisable until 19 May 2024.

(c) In March 2020, the Board issued warrants over 40,000,000 shares at an exercise price of 0.55 pence per share in connection with a private placement. The warrants are exercisable until 23 March 2025. Notice of exercise of these warrants has been given, conditional only on Admission.

(d) In March 2020, the Board issued warrants over 35,825,130 shares at an exercise price of 0.55 pence per share in connection with a private placement. The warrants are exercisable until 28 May 2025. Notice of exercise of these warrants has been given, conditional only on Admission.

(e) In April 2020, the Board issued warrants over 36,174,870 shares at an exercise price of 0.55 pence per share in connection with a private placement (together with the warrants described in sub-paragraphs (b) to (d) above, the "**Investor Warrants**"). The warrants are exercisable until 28 May 2025. Notice of exercise of these warrants has been given, conditional only on Admission.

Broker Warrants

(f) On 20 May 2020, the Company appointed a new Broker and issued warrants over 909,090 shares at an exercise price of 0.0275 pence per share in connection with the appointment (the "**Broker Warrants**", and together with the Scientific Warrants and the Investor Warrants, the "**Existing Warrants**"). The warrants are exercisable until 20 May 2023 and have performance related vesting conditions attached.

Details of the Existing Warrants are set out in the table below and a summary of the terms and conditions are set out in paragraph 8 of *Part XIII – Additional Information* of this Prospectus.

	Warrants held as at the Latest Practicable Date	*As a percentage of the Existing Share Capital (on a fully diluted basis)*	*If fully exercised as a percentage of the Fully Diluted Share Capital*
Scientific Warrants	35,000,000	5.2%	3.05%
Investor Warrants	148,363,636	22.06%	12.91%
Broker Warrants	909,090	0.14%	0.08%

Financial position

During the six month financial period to 30 September 2020, the Company reported a total comprehensive loss of £0.92 million (30 September 2019: £1.33 million).

Part XI

TAXATION

UK Taxation

The following summary is intended only as a general guide and relates solely to UK tax. It is based on current UK law and published practice of H.M. Revenue & Customs as at the date of this Prospectus, each of which may be subject to change, possibly with retrospective effect.

The following paragraphs are not intended to be exhaustive and relate only to certain limited aspects of the UK taxation consequences of acquiring, holding and disposing of the Ordinary Shares and do not constitute legal or tax advice. Except to the extent expressly stated, they apply only to holders of Ordinary Shares who are resident, and in the case of individuals, domiciled, solely in the United Kingdom for UK tax purposes, and who are the absolute beneficial owners of their Ordinary Shares and who do not hold their Ordinary Shares through an individual savings account or a self-invested personal pension ("**UK Holders**"). The information may not apply to certain classes of UK Holders such as tax exempt entities, collective investment schemes, pension schemes, insurance companies, financial institutions, dealers, professional investors, persons who hold Ordinary Shares in connection with a trade, profession or vocation, persons connected with the company and persons who have acquired (or been deemed to have acquired) their Ordinary Shares by reason of their (or another person's) office or employment, to whom special rules may apply.

IT IS RECOMMENDED THAT ALL PROSPECTIVE HOLDERS OF ORDINARY SHARES OBTAIN ADVICE AS TO THE CONSEQUENCES OF THE ACQUISITION, OWNERSHIP AND DISPOSAL OF THE ORDINARY SHARES IN THEIR OWN SPECIFIC CIRCUMSTANCES FROM THEIR OWN TAX ADVISORS. IN PARTICULAR, PROSPECTIVE SHAREHOLDERS WHO MAY BE SUBJECT TO TAX IN A JURISDICTION OTHER THAN THE UNITED KINGDOM ARE ADVISED TO CONSIDER THE POTENTIAL IMPACT OF ANY RELEVANT DOUBLE TAXATION AGREEMENTS.

Dividends

Withholding Tax

Dividends paid by the Company should not be subject to any withholding or deduction for or on account of UK tax, irrespective of the residence or particular circumstances of the holders of Ordinary Shares.

Income Tax

An individual UK Holder may, depending on his or her particular circumstances, be subject to UK tax on dividends received from the company.

All dividends received by an individual UK Holder from the company (or from other sources, except to the extent within an individual savings account, self-invested pension plan or other regime which exempts dividends from tax) will form part of that UK Holder's total income for income tax purposes and will constitute the top slice of that income. A nil rate of income tax will apply to the first £2,000 of taxable dividend income received by the individual UK Holder in a tax year. Income within this nil-rate band will be taken into account in determining whether income in excess of the £2,000 nil-rate band falls within the basic rate, higher rate or additional rate tax bands. Dividend income in excess of the nil-rate band will (subject to the availability of any income tax personal allowance) be taxed at 7.5 per cent. to the extent that the excess amount falls within the basic rate tax band, 32.5 per cent. to the extent that the excess amount falls within the higher rate tax band and 38.1 per cent. to the extent that the excess amount falls within the additional rate tax band.

An individual holder of Ordinary Shares who is not resident for tax purposes in the United Kingdom should not be chargeable to UK income tax on dividends received from the company unless he or she carries on (whether solely or in partnership) a trade, profession or vocation in the United Kingdom through a branch or agency to which the Ordinary Shares are attributable. There are certain exceptions for trading in the United Kingdom through independent agents, such as some brokers and investment managers.

Corporation Tax

Corporate UK Holders should not be subject to UK corporation tax on any dividend received from the company so long as the dividends qualify for exemption, which should generally be the case, provided certain conditions (including under anti-avoidance rules) are met. If the conditions for the exemption are not satisfied, or such UK Holder elects for an otherwise exempt dividend to be taxable, UK corporation tax will be chargeable on the amount of any dividends (currently at the rate of 19 per cent.).

A corporate holder of Ordinary Shares who is not resident for tax purposes in the United Kingdom should not be within the scope of UK corporation tax in respect of dividends received from the company unless it carries on (whether solely or in partnership) a trade in the United Kingdom through a permanent establishment to which the Ordinary Shares are attributable.

Chargeable Gains

If a UK Holder disposes (or is treated as disposing) of some or all of its Ordinary Shares, a liability to tax on chargeable gains may arise, depending on the UK Holder's circumstances and any exemptions or reliefs which may be available.

Individual UK Holders

For an individual UK Holder, a disposal (or deemed disposal) of Ordinary Shares may give rise to a chargeable gain or allowable loss for the purposes of UK capital gains tax. For an individual UK Holder who

is subject to UK income tax at either the higher or the additional rate, the current applicable rate of capital gains tax is 20 per cent. For an individual UK Holder who is subject to UK income tax at the basic rate, the current applicable rate would be 10 per cent., save to the extent that any capital gains when aggregated with the UK Holder's other taxable income and gains in the relevant tax year exceed the unused basic rate tax band. In that case, the rate currently applicable to the excess would be 20 per cent. An individual UK Holder is entitled to realise an annual exempt amount of gains (£12,300 for the year to 5 April 2021) without being liable to UK capital gains tax.

Corporate UK Holders

For a UK Holder within the charge to UK corporation tax, a disposal (or deemed disposal) of Ordinary Shares may give rise to a chargeable gain or to an allowable loss for the purposes of UK corporation tax. The current rate of UK corporation tax is 19 per cent.

Shareholders who are not UK Resident

A holder of Ordinary Shares who is not resident for tax purposes in the United Kingdom should not normally be liable to UK capital gains tax or UK corporation tax on chargeable gains on a disposal (or deemed disposal) of Ordinary Shares unless (i) the person is carrying on (whether solely or in partnership) a trade, profession or vocation in the United Kingdom through a branch or agency (or, in the case of a corporate holder of Ordinary Shares, through a permanent establishment) to which the Ordinary Shares are attributable or (ii) in respect of disposals made on or after 6 April 2019, the company directly or indirectly derives 75 per cent. or more of its qualifying asset value from UK land, in which case a holder may, depending on its circumstances, be liable for non-resident capital gains tax. However, an individual holder of Ordinary Shares who has ceased to be resident for tax purposes in the United Kingdom (including where an individual is treated as resident outside the United Kingdom for the purposes of a double tax treaty) for a period of five years or less and who disposes of Ordinary Shares during that period may be liable on his or her return to the United Kingdom to UK tax on any capital gain realised (subject to any available exemption or relief).

Stamp Duty and Stamp Duty Reserve Tax

No UK stamp duty or stamp duty reserve tax is payable on the issue of the Ordinary Shares.

In practice, UK stamp duty should generally not need to be paid on an instrument transferring the Ordinary Shares, provided that all instruments effecting or evidencing the transfer (or matters or things to be done in relation to the transfer) are executed and retained outside of the UK. However, a holder of Ordinary Shares should be aware that, even where an instrument of transfer is in principle liable to stamp duty, stamp duty is not directly enforceable as a tax and, in practice, does not normally need to be paid on the transfer of shares in non-UK incorporated companies unless it is necessary to rely on the instrument of transfer in the UK for legal purposes (for example, to register a change of ownership by updating a share register held in the UK or in the event of civil litigation in the UK).

Stamp duty reserve tax ("**SDRT**") is generally deducted automatically by CREST and paid to UK tax authorities. However, as the Company is incorporated in Guernsey and for so long as it maintains its share register outside of the UK and that the Ordinary Shares are not paired with shares issued by a company (or any other body corporate) incorporated in the United Kingdom, no UK SDRT will be payable in respect of any agreement to transfer Ordinary Shares. The statements in this paragraph summarise the current position on stamp duty and SDRT and are intended as a general guide only. They assume that the Ordinary Shares will not be registered in a register kept in the UK by or on behalf of the Company. The Company has confirmed it does not intend to keep such a register in the UK.

Accordingly, specific professional advice should be sought before incurring a 1.5 per cent. stamp duty or stamp duty reserve tax charge in any circumstances.

Inheritance tax

The Ordinary Shares will be assets situated in the UK for the purposes of UK 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 UK inheritance tax even if the holder is neither domiciled in the UK nor deemed to be domiciled there under certain rules relating to long residence or previous domicile. 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 Ordinary Shares, bringing them within the charge to inheritance tax. Shareholders should consult an appropriate tax adviser if they make a gift or transfer at less than market value or intend to hold any Ordinary Shares through trust arrangements. They should also seek professional advice in a situation where there is potential for a double charge to UK inheritance tax and an equivalent tax in another country or if they are in any doubt about their UK inheritance tax position.

Part XII

CONSEQUENCES OF A STANDARD LISTING

The Company intends to comply with the Listing Principles set out in Chapter 7 of the Listing Rules at Listing Rule 7.2.1 which apply to all companies with their securities admitted to the Official List. Premium Listing Principles 1 to 6 as set out in Listing Rule 7.2.1AR of the Listing Rules do not apply to the Company.

However, while the Company has a Standard Listing, it is not required to comply with the provisions of, *inter alia*:

- 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 Admission;
- Chapter 9 of the Listing Rules relating to the ongoing obligations for companies admitted to the Premium List and therefore does not apply to the Company.
- Chapter 10 of the Listing Rules relating to significant transactions. It should be noted therefore that an acquisition (such as the Chemerin Acquisition) will not require Shareholder consent, even if Ordinary Shares are being issued as consideration for such acquisition;
- Chapter 11 of the Listing Rules regarding related party transactions. Nevertheless, the Company will not enter into any transaction which would constitute a 'related party transaction' as defined in Chapter 11 of the Listing Rules without the specific prior approval of the Directors;
- Chapter 12 of the Listing Rules regarding purchases by the Company of its Ordinary Shares. In particular, the Company has not adopted a policy consistent with the provisions of Listing Rules 12.4.1 and 12.4.2; 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 FCA 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. However, the FCA would be able to impose sanctions for non-compliance where the statements regarding compliance in this Prospectus are themselves misleading, false or deceptive.

Part XIII

ADDITIONAL INFORMATION

1. Responsibility

The Directors, whose names appear in *Part V – Directors, Agents and Advisers* of this Prospectus, and the Company accept responsibility for the information contained in this Prospectus. To the best of the knowledge of the Directors and the Company, the information contained in this Prospectus is in accordance with the facts and this Prospectus makes no omission likely to affect its import.

2. The Company

2.1 The Company was incorporated in the BVIs as a BVIBC on 4 July 2007 under the BVI Business Companies Act with company number 1415559 under the name Jellon Enterprises, Inc. The legal and commercial name of the Company was changed to Minor Metals & Mining, Inc. on 24 October 2007; to Emerging Metals Limited on 28 November 2007; and to West Africa Minerals Corporation on 9 December 2011. On 10 January 2018 the legal and commercial name of the Company was changed to OKYO Pharma Corporation. Upon Migration on 3 July 2018, the Company was registered under the Guernsey Companies Law under the name OKYO Pharma Limited, as a Guernsey company with limited liability and an indefinite life. The liability of the Shareholders is and will be limited under applicable law.

2.2 The principal legislation under which the Company operates and its securities are governed by the Guernsey Companies Law. The Company operates in conformity with its constitution.

2.3 On 1 July 2008, the Ordinary Shares were admitted to trading on AIM.

2.4 On 17 July 2019 the Company's Ordinary Shares were admitted to a Standard Listing and to trading on the Main Market of the London Stock Exchange.

2.5 The Company is not regulated by the FCA or any financial services or other regulator. The Company is subject to the Listing Rules and the Disclosure Guidance and Transparency Rules (and the resulting jurisdiction of the FCA), to the extent such rules apply to companies with a Standard Listing pursuant to Chapter 14 of the Listing Rules.

2.6 The Company has one wholly-owned subsidiary: OKYO Pharma US, Inc., a company duly incorporated and registered in the USA.

2.7 The principal legislation under which the Company operates, and its securities are governed by, is the Guernsey Company Law. The Company operates in conformity with its constitution.

2.8 The Company’s registered office is at Martello Court, Admiral Park, St. Peter Port, Guernsey GY1 3HB.

2.9 The principal operating address of the Company is 55 Park Lane, London W1K 1NA and its telephone number is 020 7495 2379.

3. Share Capital

3.1 The following table shows the allotted, issued and fully paid Ordinary Shares as at the Latest Practicable Date:

Class	*Number*	*Nominal Value*
Ordinary Shares of no par value	672,816,302	Nil

3.2 Following the issue of the New Ordinary Shares on conversion of the CLNs, the exercise of the Existing Warrants and CLN Warrants at Admission (and assuming no further shares are issued by the Company prior to such date), the issued and fully paid shares of the Company is expected to be:

Class	*Number*	*Nominal Value*
Ordinary Shares of no par value	970,686,108	Nil

3.3 The Articles do not contain any limit on the number of Ordinary Shares which the Company may issue.

3.4 The Directors are generally and unconditionally authorised pursuant to Article 4 of the Articles to exercise all the powers of the Company to issue an unlimited number of shares for an unlimited duration.

3.5 The Company remains subject to the continuing obligations of the Listing Rules with regard to the issue of securities for cash and the shareholder authorities set out in in paragraphs 3.6 and 3.7 in relation to the issue of the New Ordinary Shares were passed on 25 September 2020 at the 2020 AGM.

3.6 At the 2020 AGM, the directors were specifically authorised to allot unissued shares in the Company and to grant rights to subscribe for or to convert any security into shares in the Company in accordance with article 4 of the Articles up to an aggregate number of 224,188,767 Ordinary Shares. This authority shall expire (unless previously renewed, varied or revoked by the Company in a general meeting) at the conclusion of the next general meeting of the Company or, if earlier, at the close of business on 30 December 2021.

3.7 At the 2020 AGM, subject to the passing of the resolution described in paragraph 3.6, the directors were empowered, pursuant to the Articles, to allot shares and to grant rights to subscribe for or to convert security into shares in the Company for cash, pursuant to the specific authority conferred by the resolution described in paragraph 3.6 as if there were no restrictions on the Company's ability to allot shares and to grant rights to subscribe for or to convert security into shares in the Company. This power:

(a) expires (unless previously renewed, varied or revoked by the Company in a general meeting) at the conclusion of the next general meeting of the Company or, if earlier, at the close of business on 30 December 2021; and

(b) shall be limited to the allotment of equity securities in the Company for cash up to an aggregate number of 224,188,767 Ordinary Shares.

3.8 At the 2020 AGM, in addition to the authority described in paragraph 3.6, the directors were specifically authorised to allot unissued shares in the Company and to grant rights to subscribe for or to convert any security into shares in the Company in accordance with article 4 of the Articles up to an aggregate number of 315,000,000 Ordinary Shares. This authority shall expire (unless previously renewed, varied or revoked by the Company in a general meeting) at the close of business on 25 September 2025.

3.9 At the 2020 AGM, subject to the passing of the resolution described in paragraph 3.8, the directors were empowered, pursuant to the Articles, to allot shares and to grant rights to subscribe for or to convert security into shares in the Company for cash, pursuant to the specific authority conferred by the resolution described in paragraph 3.6 as if there were no restrictions on the Company's ability to allot shares and to grant rights to subscribe for or to convert security into shares in the Company. This power:

(a) expires (unless previously renewed, varied or revoked by the Company in a general meeting) at the conclusion of the next general meeting of the Company or, if earlier, at the close of business on 25 September 2025; and

(b) shall be limited to the allotment of equity securities in the Company for cash up to an aggregate number of 315,000,000 Ordinary Shares.

3.10 The Ordinary Shares to be issued pursuant to the exercise of the Scientific Warrants and the Investor Warrants will, on issue, be credited as fully paid and will rank *pari passu* in all respects with the existing Ordinary Shares, including the right to receive all dividends and other distributions declared, made or paid after the date of issue.

3.11 Save as disclosed in this Prospectus, no commission, discounts, brokerages or other specific terms have been granted by the Company in connection with the issue or sale of any its share or loan capital.

3.12 During the period between the incorporation of the Company and Admission, more than 10 per cent. of the Company's issued share capital, has been paid for by assets other than cash.

3.13 The Company does not have in issue any shares not representing share capital.

3.14 None of the share capital of the Company is held by or on behalf of the Company or by any subsidiary of the Company.

3.15 Save as disclosed in this Prospectus:

(a) no Ordinary 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 Ordinary Shares in the Company;

(c) no Ordinary Share or loan capital of the Company is unconditionally to be put under option;

(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;

3.16 Save as set out below, the Company does not have any convertible securities, exchangeable securities or securities with warrants currently in issue.

(a) In connection to the acquisition of the Chemerin Project, the Board issued 35,000,000 Scientific Warrants to the underlying scientific founders who will continue to be involved in the development of the Chemerin Project as consideration. The Scientific Warrants are exercisable at a price of 4.5 pence each and are split into four tranches each of which becomes exercisable upon satisfaction of a specific developmental milestones. The Scientific Warrants are exercisable until 17 July 2023.

(b) In May 2019, warrants were granted over 36,363,636 shares at an exercise price of 1.35 pence per share in connection with a private placement. The warrants are exercisable until 19 May 2024.

(c) In March 2020, warrants were granted over 40,000,000 shares at an exercise price of 0.55 pence per share in connection with a private placement. The warrants are exercisable until 23 March 2025 and notice of exercise has been received conditional only upon Admission.

(d) In March 2020, warrants were granted over 35,825,130 shares at an exercise price of 0.55 pence per share in connection with a private placement. The warrants are exercisable until

28 May 2025. Notice of exercise of these warrants has been received, conditional only on Admission.

(e) In April 2020, warrants were granted over 36,174,870 shares at an exercise price of 0.55 pence per share in connection with a private placement. The warrants are exercisable until 28 May 2025. Notice of exercise of these warrants has been received, conditional only on Admission.

(f) In May 2020, the Company appointed a new Broker and issued warrants over 909,090 shares at an exercise price of 0.0275 pence per share in connection with the appointment. The warrants are exercisable until 20 May 2023 and have performance related vesting conditions attached.

(g) On 29 May 2020, the Company issued £466,400 in principal amount of CLNs which convert into Ordinary Shares at a price of 0.4 pence per share and bear interest at a rate of 20 per cent. per annum, together with warrants exercisable on a one for one basis with the Ordinary Shares resulting from the conversion of such CLNs at a price of 0.4 pence per share, each with a maximum term of 4 years. Conversion of the CLNs occurs automatically at the end of the term.

(h) On 28 July 2020, the Company issued £3,762,500 in principal amount of CLNs which convert into Ordinary Shares at a price of 8.5 pence per share and bear interest at a rate of 2.15 per cent. per annum. These are convertible at any time from 28 February 2021 at the option of the noteholder, and convert automatically on 28 July 2024.

(i) On 18 August, the Company issued £1,544,887 in principal amount of CLNs which convert into Ordinary Shares at a price of 8.5 pence per share and bear interest at a rate of 2.15 per cent. per annum. These are convertible at any time from 31 March 2021 at the option of the noteholder, and convert automatically on 18 August 2024.

(j) On 8 September 2020, the Company issued £537,500 in principal amount of CLNs which convert into Ordinary Shares at a price of 8.5 pence per share and bear interest at a rate of 2.15 per cent. per annum. These are convertible at any time from 15 May 2021 at the option of the noteholder, and convert automatically on 8 September 2024.

(k) A total of 65,750,000 share options are outstanding under the Share Option Plan.

3.17 All Ordinary Shares in the capital of the Company are in registered form.

3.18 The New Ordinary Shares will be admitted to a Standard Listing on the Official List and traded on the Main Market for listed securities of the London Stock Exchange. The New Ordinary Shares are not listed or traded on any other stock exchange or securities market. On 18 August 2020 the Company announced that it intended to progress a dual listing of its Ordinary Shares on Nasdaq, subject to the required regulatory approvals.

3.19 The Company has only Ordinary Shares in issue and no shares which do not represent capital.

3.20 No Ordinary Shares are held by or on behalf of the Company or by any subsidiary of the Company.

4. Articles of Incorporation of the Company

The Articles adopted on 25 September 2020 contain provisions, among others, to the following effect:

4.1 ***Voting rights***

Subject to any rights or restrictions attached to any shares, on a show of hands every Shareholder who is present in person or by proxy at a general meeting shall have one vote. On a poll, every Shareholder present in person or by proxy at a general meeting shall have one vote for every Ordinary Share held by him. A proxy need not be a Shareholder of the Company.

A Shareholder shall not be entitled, in respect of any shares held by him, to vote (either personally or by proxy) at any general meeting of the Company unless all amounts payable by him in respect of that share in the Company have been paid or credited as having been paid, or where such shareholder is in default of the provisions in the Articles requiring disclosure of ownership of shares and the Company has served a direction notice on such shareholder advising him that such shares may not be voted.

4.2 ***Variation of rights***

All or any of the rights, privileges or conditions attached to any class of shares in issue may only be varied with the consent in writing of the holders of 75 per cent. in value of the issued shares of that class (excluding treasury shares) or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class. A quorum for the separate class meeting is two persons (in person or by proxy) holding one-third of the voting rights of the shares of that class or group.

4.3 ***Alteration of capital***

The Company may by ordinary resolution:

(a) consolidate and divide all or any of its share capital into shares of a larger amount than its existing shares;

(b) sub-divide all or any of its shares into shares of a smaller amount than is fixed by the Company's memorandum or articles of incorporation or by ordinary resolution;

(c) cancel any shares which, at the date of passing the resolution have not been taken up or agreed to be taken up;

(d) convert the whole, or any particular class, of its shares into redeemable shares;

(e) redesignate the whole, or any particular class, of its shares into shares of another class;

(f) covert all or any of its shares into shares of a nominal amount of a different currency, at the exchange rate; and

(g) where its shares were expressed in a particular currency, denominate or redenominate it.

4.4 ***Transfer of shares***

A Shareholder may transfer all or any of his shares (i) in the case of certificated shares by transfer in writing in any usual or common form or in any other form acceptable to the Directors; and (ii) in the case of uncertificated shares, in the manner provided for in the rules and procedures of the operator of the relevant system and in accordance with and subject to the CREST Regulations.

The instrument of transfer of a certified share shall be signed by or on behalf of the transferor and, if the share is not fully paid, by or on behalf of the transferee.

The Board may, in its absolute discretion and without assigning any reason, decline to register any transfer of certificated share or uncertified shares unless it is:

(a) in respect of a share which is fully paid up;

(b) in respect of a share in which the Company has no lien;

(c) in respect of only one class of share;

(d) in favour of a single transferee or not more than four joint transferees; and

(e) in relation to a certificated share, delivered for registration to the registered office of the Company (or such other place as the Board may from time to time determine) accompanied by the relevant share certificate(s) and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer.

The Board shall not refuse to register any transfer or renunciation of partly paid shares which are listed on the Main Market of the London Stock Exchange on the grounds that they are partly paid shares in circumstances where that refusal would prevent dealings in any such shares from taking place on an open and proper basis.

4.5 ***Dividends and Distributions***

(a) Subject to the Guernsey Companies Law, the Directors may authorise dividends and distributions to be paid to Shareholders. If any share is issued on terms providing that it shall rank for dividend or distribution as from a particular date, such share shall rank for dividend or distribution accordingly.

(b) The Directors may direct that any dividend or distribution shall be satisfied wholly or partly by the distribution of assets, and in particular of paid up shares, debentures, or other securities of any other company.

(c) No dividend or distribution payable shall bear interest against the Company.

(d) A transfer of shares shall not pass the right to any dividend or distribution declared thereon before the registration of the transfer.

(e) Unless otherwise directed, any dividend or distribution may be paid by way of electronic transfer in such manner as agreed between the Shareholder and the Company or by cheque or warrant sent through the post to the registered address of the Shareholder entitled thereto, or in the case of joint holders to that one whose name stands first on the register of members of the Company in respect of the joint holding.

(f) All dividends or distribution unclaimed for a period of one year from the date on which such dividend or distribution was declared may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed.

(g) All dividends or distribution unclaimed for a period of six years from the date on which such dividend or distribution was declared shall, if the Directors so resolve, be forfeited and shall revert to the Company.

(h) Subject to the Guernsey Companies Law or in the terms of issue of any share in the Company, for the purposes of making any distribution or paying any dividend, the Directors may determine that those persons who are entered on the register of members at the close of business on a day determined by the Directors shall be the persons who are entitled to receive such dividends or distributions.

4.6 ***Disclosure of Ownership***

The Directors may by notice in writing require a Shareholder to disclose to the Company the identity of any person other than the Shareholder who has, or has had at any time during the three years

immediately preceding the date on which the notice is issued, any interest (whether direct or indirect) in the shares held by the Shareholder.

If a Shareholder, or any other person appearing to be interested in shares held by that Shareholder, has been issued with such a notice and has failed in relation to any shares (the "**Default Interests**") to give the Company the information thereby required within the prescribed period from the service of the notice, the Directors may in their discretion serve a direction notice on such Shareholder which may direct that:

(a) the Shareholder shall not be entitled in respect of the Default Interests to be present or to vote (either in person or by proxy) at any general meeting or at any separate meeting of the holders of any class of shares or on any poll or to exercise any other right conferred by membership in relation to any such meeting or poll; and

(b) where the Default Interests represent at least 0.25 per cent. of the number of shares in issue of the class concerned:

(i) any dividend, distribution or other money payable in respect of the shares shall be withheld by the Company, which shall not have any obligation to pay interest on it; and

(ii) no transfer of the Default Interests held by the Shareholder shall be registered unless: (i) the Shareholder is not himself in default as regards supplying the information requested; and (ii) the Shareholder proves to the satisfaction of the Directors that no person in default as regards supplying such information is interested in any of the shares the subject of the transfer.

4.7 ***Requirement to disclose interests***

Each Shareholder shall be under an obligation to comply with the disclosure and notification requirements set out in Chapter 5 of the DTRs. If the Company determines that a Shareholder (the "**Defaulting Member**") has not complied with the provisions of Chapter 5 of the DTRs with respect to some or all of such shares held by such Shareholder (the "**Default Shares**"), the Company shall have the right by delivery of notice to the Defaulting Member (a "**Default Notice**") to:

(a) suspend the right of such Defaulting Member to vote on the Default Shares in person or by proxy at any meeting of the Company; and/or

(b) (i) withhold, without any obligation to pay interest thereon, any dividend or other amount payable with respect to the Default Shares, (ii) render ineffective any election to receive shares of the Company instead of cash in respect of any dividend or part thereof, and/or (iii) prohibit the transfer of any shares of the Company held by the Defaulting Member except with the consent of the Company.

4.8 ***Winding up***

Subject to any preferred, deferred or other special rights, or subject to such conditions or restrictions to which any shares in the capital of the Company may be issued, on a winding- up or other return of capital, the holders of Ordinary Shares are entitled to share in any surplus assets *pro rata* to their holdings of Ordinary Shares. A liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Guernsey Companies Law, divide amongst the Shareholders *in specie* or in kind the whole or any part of the assets of the Company (whether or not the assets shall consist of property of one kind or shall consist of property of different kinds), those assets to be set at such value as he deems fair. A liquidator may also vest the whole or any part of the assets of the Company in trustees on trusts for the benefit of the Shareholders as the liquidator shall think fit.

Where the Company is proposed to be or is in the course of being wound up and the whole or part of its business or property is proposed to be transferred or sold to another company the liquidator may, with the sanction of an ordinary resolution, receive in compensation for the transfer or sale, shares, policies or other like interests in such other Company for distribution among the Shareholders or may enter into any other arrangement whereby the Shareholders may, in lieu of receiving cash, shares, policies or other like interests, or in addition thereto, participate in the profits of or receive any other benefits from such company.

4.9 ***Issue of shares and share rights***

The Directors may exercise the power of the company for an unlimited duration to issue an unlimited number of shares or grant rights to subscribe for, or convert any security into shares

The Company may issue shares which: (i) are redeemable shares; (ii) confer preferential rights to distribution of capital or income; (iii) do not entitle the holder to voting rights; and (iv) entitle the holder to restricted voting rights. The Directors may issue shares which have a nominal or par value, no par value, in any number they see fit and in fractions of a share. Subject to paragraph 4.2 above, the Company may convert all or any classes of the Company's shares into redeemable shares.

The Directors may make arrangements on the issue of shares to distinguish between Shareholders as to the amounts and the times of payments of calls on their shares and issue shares that provide for the payment of dividends and distributions in differing proportions.

4.10 ***Acquisition of own shares***

Subject to the provisions of the Guernsey Companies Law and the rights of holders of any class of shares, the Company may purchase its own shares, including redeemable shares.

4.11 ***Pre-emption rights***

Shares issued wholly for cash by the Company must first be offered to existing shareholders, except in limited circumstances set out in the articles of incorporation or unless a special resolution permits otherwise, in proportion to their respective holdings of Ordinary Shares.

4.12 ***General meetings***

An annual general meeting of the Company shall be held in each calendar year (provided that no more than fifteen months may elapse between one annual general meeting and the next) at such time and place as may be determined by the Directors.

The Directors may convene a general meeting whenever they think fit. General meetings shall also been convened on a requisition of the Shareholders of the Company as provided for by the Guernsey Companies Law or, if the Directors fail to convene a general meeting within twenty one days from the date of such requisition, a meeting may be convened by such requisitionists as provided by the Guernsey Companies Law.

Unless special notice is required in accordance with the Guernsey Companies Law, ten clear days' notice in respect of all general meeting shall be given to all Shareholders (other than those who, under the provisions of the articles of incorporation or otherwise, are not entitled to receive notices from the Company).

Every notice shall specify the place, the date and the time of the meeting and the general nature of the business of the meeting. Any general meeting may be held in Guernsey, or elsewhere, as the Directors may from time to time determine.

For the purpose of determining which persons are entitled to attend and vote at any general meeting and how many votes such persons may cast, the Company may specify in the relevant notice of general meeting a time, not more than forty eight hours (excluding any days which are not business days) before the time fixed for the meeting, by which a person must be entered on the register of members in order to have the right to attend and vote at the meeting.

No business shall be transacted unless the requisite quorum is present when the meeting proceeds to business. Two Shareholders present in person or by proxy and entitled to vote shall be a quorum, save where the Company has only one Shareholder.

If within half an hour from the time appointed for the general meeting a quorum is not present, if convened on the requisition of the Shareholders the meeting shall be dissolved. In any other case the meeting shall be adjourned to the same day in the next week at the same time and place and no notice of such adjournment need be given. At any such adjourned meeting, those Shareholders present in person or by proxy shall be a quorum. If no Shareholders are present at the adjourned meeting, the meeting shall be dissolved.

Every question submitted to a general meeting shall be determined in the first instance by a show of hands of the Shareholders present in person or by proxy or by attorney and entitled to vote, but a poll may be demanded by no fewer than five Shareholders having the right to vote on the resolution, or one or more of the Shareholders present in person or by proxy representing at least ten per cent. of the total voting rights of all of the Shareholders having the right to vote on the resolution.

4.13 ***Corporate representatives***

Any corporation which is a Shareholders may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or of ay class of Shareholders, and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual Shareholders.

4.14 ***Directors***

The business and affairs of the Company shall be managed by, or under the direction or supervision of the Directors who may pay all expenses incurred in promoting and registering the Company, and may exercise all such powers necessary for managing, and for directing and supervising the management of, the business and affairs of the Company as are not, by the Guernsey Companies Law or by the articles of incorporation, required to be exercised by the Company in a general meeting, subject to the memorandum and articles of incorporation, to the provisions of the Guernsey Companies Law and to such regulations as may be prescribed by the Company by special resolution provided that such regulations are not inconsistent with memorandum and articles of incorporation or the provisions of the Guernsey Companies Law.

Subject to the Articles, the Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. The quorum necessary for the transaction of the business is two unless otherwise resolved by the Directors. A meeting of the Directors at which a quorum is present shall be competent to exercise all powers and discretions for the time being exercisable by the Directors.

A director who is in any way, directly or indirectly, interested in a proposed transaction or arrangement with the Company, or in a transaction or arrangement that has been entered into by the Company, must declare the nature and extent of his interest to the Directors. The declaration

must be made at a meeting of the Board, or by written notice, or by general notice, in accordance with the Guernsey Companies Law and the Company's articles of incorporation.

The Directors shall have power at any time and from time to time to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors.

Subject to the provisions of the Guernsey Companies Law and provided the Director has disclosed his interest to the other Directors, a Director notwithstanding his office may:

(a) be a party to, or otherwise interested in, any transaction or arrangement with the Company, or in which the Company is otherwise interested;

(b) act by himself or through his firm in a professional capacity for the Company be entitled to remuneration as if he were not a director;

(c) be a Director or officer of, or employed by, or a party to any transaction or arrangement with, a shareholder of or otherwise directly or indirectly interested in, any body corporate promoted by the Company, or with which the Company has entered into any transaction with or is interested in; and

(d) not by reason of his office, be accountable to the Company for any benefit which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit.

A Director shall be counted in the quorum at any meeting in relation to any resolution in respect of which he has declared an interest and may vote thereon.

The Directors shall have power at any time and from time to time to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors.

Unless otherwise determined by ordinary resolution, the number of Directors shall not be subject to a maximum and the minimum shall be one. A person must not be appointed as a Director unless he has consented in writing and submitted his declaration that he is not ineligible to act as a Director under the Guernsey Companies Law. A Director need not be a Shareholder but shall be entitled to receive notice of and attend all general meetings of the Company.

No person shall, unless recommended by the Directors, be eligible for election to the office of Director at any general meeting unless not less than three nor more than 21 days before the date appointed for the meeting there shall have been left a the Company office a notice in writing signed by a Shareholder, his intention to propose such a person for election (this must be accompanied by that persons willingness to be elected and their signed declaration).

The Directors of the Company shall be paid such remuneration (by way of fee) for their services as may be determined by the Directors in their absolute discretion. The Directors shall also be entitled to be repaid all travelling, hotel and other expenses of travelling to and from board meetings, committee meetings, general meetings, or otherwise incurred while engaged on the business of the Company.

Subject to the provisions of the Guernsey Companies Law every Director shall have the power to purchase and maintain insurance for or for the benefit of any persons who are or were at any time Directors, officers or employees of the Company (including any other company which is its holding company or in which the Company has any direct or indirect interest in) against any liability incurred by such persons in respect of any act or omission in the actual or purported execution and /or discharge of their duties or exercise or purported exercise of their powers in relation to or in connection with their duties, powers or offices in relation to the Company or any other such company or subsidiary.

Any Director may at any time by writing appoint any person to be his alternate Director any may in like manner at any time terminate such appointment.

The office of Director shall, *ipso facto*, be vacated if:

(a) he resigns his office by writing under his hand and it is deposited at the Company's office and the Company may agree to accept this at a later date than specified;

(b) he shall have absented himself from meetings of the Directors for six months in succession and all the other Directors have resolved that he should vacate his office;

(c) he becomes bankrupt, suspends payment or compounds with his creditors, or is adjudged insolvent or has his affairs declared *en de´sastre*;

(d) he dies;

(e) he becomes ineligible to act as a Director under the Guernsey Companies Law;

(f) if he is removed by resolution of the Directors in writing signed by all his co-Directors (being not less than two in number); or

(g) if the Company shall be ordinary resolution declare that he shall cease to be a Director.

4.15 ***Indemnity***

The Directors (including any alternate Director), secretary and other officer or employee for the time being of the Company shall be indemnified out of the assets of the Company to the fullest extent permitted by the Guernsey Companies Law from and against all actions, costs, charges,

losses, damages and expenses in respect of which they may lawfully be indemnified which they or any of them shall or may incur or sustain by reason of any contract entered into or any act done, concurred in, or omitted, in or about the execution of their duty or supposed duty or in relation thereto.

5. Other Relevant Laws and Regulations

5.1 *Mandatory Bid*

(a) The Takeover Code applies to the Company. Under the Takeover Code, where:

(i) any person acquires, whether by a series of transactions over a period of time or not, an interest 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; or

(ii) any person who, together with persons acting in concert with him, is interested in shares which in the aggregate carry not less than 30 per cent. of the voting rights of a company but does not hold shares carrying more than 50 per cent. of such voting rights and such person, or any person acting in concert with him, acquires an interest in any other shares which increases the percentage of shares carrying voting rights in which he is interested;

such person shall, except in limited circumstances, be obliged to extend offers, on the basis set out in Rules 9.3, 9.4 and 9.5 of the Takeover Code, to the holders of any class of equity share capital whether voting or non-voting and also to the holders of any other class of transferable securities carrying voting rights. Offers for different classes of equity share capital must be comparable; the Takeover Panel should be consulted in advance in such cases.

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

(c) Under the Takeover Code, a 'concert party' arises where persons acting together pursuant to an agreement or understanding (whether formal or informal and whether or not in writing) actively co-operate, through the acquisition by them of an interest in shares in a company, to obtain or consolidate control of the company. 'Control' means holding, or aggregate holdings, of an interest in shares carrying 30 per cent. or more of the voting rights of the company, irrespective of whether the holding or holdings give de facto control.

5.2 *Shareholder notification and disclosure requirements*

(a) Shareholders are obliged to comply with the shareholding notification and disclosure requirements set out in Chapter 5 of the DTRs. As the Company is classified as a "non-UK issuer" for the purposes of the DTRs, a Shareholder is required pursuant to Rule 5 of the DTRs to notify the Company if, as a result of an acquisition or disposal of shares or financial instruments, the Shareholder's percentage of voting rights of the Company reaches, exceeds or falls below, 5 per cent., 10 per cent., 15 per cent., 20 per cent., 25 per cent., 30 per cent., 50 per cent. and 75 per cent.

(b) The DTRs can be accessed and downloaded from the FCA's website at https://www.handbook.fca.org.uk/handbook/DTR/.

(c) Shareholders are urged to consider their notification and disclosure obligations carefully as a failure to make a required disclosure to the Company may result in disenfranchisement.

5.3 *Shareholder rights under Guernsey Law*

The following is a summary of the rights of Shareholders under the Companies Law and other applicable laws in Guernsey. Prospective shareholders are advised that this is not a complete statement of the rights of Shareholders under applicable law in Guernsey or under the Articles.

(a) *Company alterations*

Under the Guernsey Companies Law, it is possible for a Guernsey company to merge with another Guernsey company or an overseas company with the approval by a special resolution of members, provided that there is a short form amalgamation process for amalgamations between a company and its wholly-owned subsidiary or between two or more wholly-owned subsidiaries of the same company which does not require a special resolution of the members of each company.

Under the Guernsey Companies Law, a compromise or arrangement is permitted between the company and its creditors or shareholders, or any class thereof, whether for the purpose of facilitating the company's reconstruction or its merger with another company, or otherwise. An application must be made to court which court will then order a meeting of the company's creditors or shareholders. It is necessary for 75 per cent. in value of the creditors or 75 per cent. of the voting rights of the shareholders, or class thereof, as the case may be, to agree to the compromise or arrangement and if such compromise or arrangement is sanctioned by the court, it will be binding on the creditors or shareholders, or class thereof, as appropriate.

The Guernsey Companies Law also requires the approval of the shareholders by special resolution for the removal of a company from the Guernsey Register of Companies for the purpose of becoming registered as a company under the law of a district, territory or place outside Guernsey.

Under the Guernsey Companies Law, amendments to a company's articles of incorporation so permitted may be authorised by way of a special resolution of the company's shareholders (provided that certain provisions within a company's articles can be embedded with a higher voting threshold required for change).

(b) *Rights of dissent and appraisal*

The Guernsey Companies Law contains rights of dissent (the granting of which is discretionary on the part of the court), which are applicable where the company resolves to:

(i) amalgamate with another corporation (other than vertical or horizontal short form amalgamations);

(ii) transfer of registration of a corporation into a jurisdiction; or

(iii) carry out a takeover transaction.

(c) *Oppression remedy*

Under the Guernsey Companies Law, a shareholder can apply to the court for an order providing relief on the ground that the company's affairs are being or have been conducted in a manner which is unfairly prejudicial to any of its members.

(d) *Shareholder derivative actions*

The laws of Guernsey permit derivative actions to be brought by a shareholder, or such person as the court directs who, in the discretion of the court, is a proper person to make an application to court to bring a derivative action. Under the laws of Guernsey, the complainant must obtain permission of the court to commence a derivative action.

(e) *Sale of undertaking*

The Companies Law does not contain provisions in relation to shareholder authority for the sale of a company's undertaking and, accordingly, the sale, lease or exchange of all or substantially all the property of the company will be governed by the articles of incorporation of a company.

(f) *Unfair prejudice*

A member of a company may apply to the court on the ground that the affairs of the company are conducted in a manner that is unfairly prejudicial to the interests of members generally or of some part of its members (including at least himself), or an actual or proposed act or omission of the company is or would be so prejudicial.

If the court is satisfied that an application is well founded it may make such orders as it sees fit, which may include without limitation: (a) requiring the company to refrain from doing or continuing to do an act, or require it to do any act which the applicant has complained it has omitted to do; or (b) providing for the purchase of shares of any member of the company by other members of the company or by the company itself (and the reduction of the company's capital accordingly).

6. Directors' and the Senior Manager's other interests

6.1 Immediately following Admission, the Directors and the Senior Manager will have the following interests in the shares of the Company:

Name	*No. of Ordinary Shares on the Latest Practicable Date*	*No. of Ordinary Shares following Admission*
Gabriele Cerrone [(1)]	364,184,821	542,981,215
Dr. Kunwar Shailubhai	-	-
Willy Simon	307,100	307,100
John Brancaccio	-	-
Keeren Shah	-	-

[(1)] Gabriele Cerrone, Non-Executive Chairman, has a beneficial interest in Panetta and Planwise Group Limited.

6.2 The Directors and the Senior Manager have not held any directorships of any company (other than the Company and its subsidiaries) or partnerships within the last five years, except as set forth below:

Gary S. Jacob

Current	*Past*
Hepion Pharmaceuticals, Inc.	Synergy Pharmaceuticals, Inc.
Cardiff Oncology, Inc.	Immuron, Inc.
	Callisto Pharmaceuticals, Inc.

Gabriele Cerrone

Current	*Past*
Tiziana Life Sciences plc	N/A

Gensignia IP Limited	
11 Chelsea Embankment Management Company Limited	
Panetta Partners Limited	
Accustem Sciences Limited	

Willy Simon

Current	*Past*
Tiziana Life Sciences plc	Frasia Holdings S.A.
African Metals Limited	
Bever Holding N.V.	
Ducat Commodities B.V.	
Rasna Therapeutics, Inc.	
Accustem Sciences Limited	

Dr. Kunwar Shailubhai

Current	*Past*
Tiziana Life Sciences plc.	N/A
Rasna Therapeutics, Inc.	
Accustem Sciences Limited	

John Brancaccio

Current	*Past*
Cardiff Oncology, Inc.	N/A
Rasna Therapeutics, Inc.	
Tiziana Life Sciences plc	
Hepion Pharmaceuticals, Inc.	
Accustem Sciences Limited	

Keeren Shah

Current	*Past*
N/A	N/A

6.3 Save as disclosed at the date of this Prospectus none of the Directors:

(a) has any convictions in relation to fraudulent offences for at least the previous five years;

(b) as 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

(c) 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.

6.4 None of the Directors has any potential conflicts of interest between their duties carried out on behalf of the Company and their private interests or other duties they may also have.

6.5 Save as set out below, the Directors are not aware of any person who, directly or indirectly, had an interest in 5 per cent. or more of the voting rights of the Company as at the date of publication of this Prospectus and immediately following the issue and Admission of the maximum number of New Ordinary Shares:

	On the Latest Practicable Date		*Following Admission*	
Shareholder	*No. of Ordinary Shares*	*Percentage of Existing*	*No. of Ordinary Shares*	*Percentage of Enlarged Share Capital*

		Share Capital		
Panetta Partners Limited	350,762,726	52.13%	510,966,362	52.64%
Veneto Seed Ventuers Ltd	40,000,000	5.95%	40,000,000	4.12%

6.6 As at the date of this Prospectus, the ultimate parent and controlling entity of the Company is Panetta, incorporated in the British Virgin Islands.

6.7 Save as disclosed in paragraph 6.6 above, as at the date of this Prospectus, 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.

6.8 Those interested, directly or indirectly, in 5 per cent. or more of the Existing Ordinary Shares of the Company (as set out in paragraph 6.5 above) do not now, and, on Admission of the New Ordinary Shares, will not, have different voting rights from other holders of Ordinary Shares.

7. Unapproved Share Option Plan

The main features of the Unapproved Share Option Plan are summarised below.

7.1 ***Eligibility***

All executive directors and employees of the Company and any of its subsidiaries are eligible to participate in the Unapproved Share Option Plan. The Company's remuneration committee (the "**Remuneration Committee**") selects the individuals to whom share options are to be granted from time to time.

7.2 ***Grant of options***

Options may be granted at such time or times as the Remuneration Committee (or the Board, excluding any interested Director, until a Remuneration Committee is formally established) determines.

7.3 ***Exercise price and adjustments to options***

While the Ordinary Shares are admitted to trading on the Official List, the exercise price per Ordinary Share may not be less than the average of the middle market quotations for an Ordinary Share for the five dealing days immediately prior to the date of grant. While the Ordinary Shares are not admitted to trading on AIM, the exercise price will be the amount specified by the Remuneration Committee. If the Ordinary Shares are newly issued the exercise price may not, in any event, be less than the nominal value of an Ordinary Share. In the event of any variation in the share capital of the Company the exercise price and/or the number of Ordinary Shares comprised in each option may be adjusted as the Remuneration Committee determines. No adjustment may be made which will reduce the exercise price below the nominal value of an Ordinary Share.

7.4 ***Rights and restrictions***

An option granted under the Unapproved Share Option Plan is not transferable. The option certificate will specify when the option will lapse and such date may not be later than the tenth anniversary of its date of grant. Except in the circumstances referred to below, an option will only be exercisable on or after the date which is three years after the date of grant.

If the participant ceases to be employed by the Company by reason of injury, disability, ill-health or redundancy; or because the business or company that employs him is transferred out of the ultimate ownership of the Company, his option may be exercised within six months after such cessation or transfer provided that this limit may be further extended by the Remuneration Committee in the event that any exercise of the options would trigger any requirement upon the holder to make a general offer to shareholders under Rule 9 of the Takeover Code. In the event of the death of a participant, the personal representatives of a participant may exercise his option within six months after the date of death. The extent to which an option may be exercised in these circumstances will be determined by reference to any exercise conditions and time vesting provisions set out in the option certificate unless the Remuneration Committee decides otherwise and is satisfied that any waiver of such provisions does not constitute a reward for failure.

On cessation of employment for any other reason (or when a participant serves or has been served with, notice of termination of such employment), the option will lapse unless the Remuneration Committee exercises its discretion to allow the exercise of the option for a period not exceeding 6 months from the date of such cessation or notice. In such circumstances and where exercise is permitted, the extent to which an option may be exercised will be determined by reference to any exercise conditions and time vesting provisions set out in the option certificate unless the Remuneration Committee decides otherwise and is satisfied that any waiver of such provisions does not constitute a reward for failure.

7.5 ***Corporate events***

Options, to the extent not already exercisable, will become exercisable immediately prior to a change in control of the Company, in the event of a takeover of the Company, in the event that an offeror becomes entitled or bound to acquire Ordinary Shares or in the event that the court sanctions a compromise or arrangement for the reconstruction of the Company or its amalgamation with any other company. In such event, all share options may be exercised for a limited period and will lapse to the extent not exercised. Options, to the extent not already exercisable, will become

exercisable in the event that the Company is proposed to be voluntarily wound up and all share options may be exercised within a limited period in connection with the winding up, failing which they will lapse. In such circumstances and where exercise is permitted, the extent to which an option may be exercised will be determined by reference to any exercise conditions set out in the option certificate unless the Remuneration Committee decides otherwise and is satisfied that any waiver of such provisions does not constitute a reward for failure.

7.6 ***Performance conditions***

The exercise of share options may be subject to the satisfaction of such performance conditions, if any, as may be specified and subsequently varied and/or waived by the Remuneration Committee.

7.7 ***Issuance of Ordinary Shares***

The Ordinary Shares issued upon the exercise of share options granted under the Unapproved Share Option Plan will rank *pari passu* with the Company's issued Ordinary Shares on the date of exercise, save as regards any rights arising by reference to a record date prior to the date of such exercise.

7.8 ***Plan limit***

Options may not be granted under the Unapproved Share Option Plan if such grant would result in the total number of "Dilutive Shares" exceeding 15 per cent. of the Company's issued share capital from time to time. "Dilutive Shares" means, on any date, all shares of the Company which (a) have been issued, or transferred out of treasury, on the exercise of share options granted, or in satisfaction of any other awards made, under any share incentive scheme (including the Unapproved Share Option Plan) in the shorter of the five years ending on (and including) that date and the period since Admission; and (b) remain capable of issue, or transfer out of treasury, under any subsisting share options granted by the Company.

7.9 ***Alternative settlement on exercise***

Instead of delivering the number of Ordinary Shares specified in the exercise notice, the Remuneration Committee may make a cash payment with the option holder’s consent or deliver Ordinary Shares equal to the value of the Ordinary Shares over which the option is exercised less the relevant exercise price, or may deliver a combination of the two.

7.10 ***Alteration***

The Remuneration Committee may alter the Unapproved Share Option Plan except that (apart from minor amendments to benefit the administration of the Share Option Plan, to correct typographical or other errors, to take account of a change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for participants or the Company) no alteration to the advantage of participants or to the Unapproved Share Option Plan limit described above can be made without the prior approval of Shareholders in general meeting.

No amendment may have a materially adverse effect on share options granted before the amendment without the relevant optionholder’s consent.

7.11 ***Termination and Plan period***

The Remuneration Committee may terminate or suspend the operation of the Unapproved Share Option Plan at any time, whereupon no further share options shall be granted but in all other respects the provisions of the Unapproved Share Option Plan shall remain in force. In any event, no share options may be granted after the date which is five years after the date the Unapproved Share Option Plan is adopted.

8. Terms and Conditions of the Existing Warrants

8.1 ***The Scientific Warrants***

As part of the acquisition of the Chemerin project, the underlying scientific founders of the Chemerin Project, who will continue to be involved in the development of the Chemerin Project, received 35,000,000 warrants as consideration. The warrants are exercisable at a price of 4.5 pence each and are split into four distinct tranches and each tranche becomes exercisable upon satisfaction of a specific developmental milestone. The warrants are exercisable until 17 July 2023.

8.2 ***The Investor Warrants***

In May 2019, warrants were granted over 36,363,636 Ordinary Shares at an exercise price of 1.35 pence per share in connection with a private placement. The warrants are exercisable until 19 May 2024.

In March 2020, warrants were granted over 40,000,000 Ordinary Shares at an exercise price of 0.55 pence per share in connection with a private placement. The warrants are exercisable until 23 March 2025. Notice of exercise of these warrants has been received, conditional only on Admission.

In March 2020, warrants were granted over 35,825,130 Ordinary Shares at an exercise price of 0.55 pence per share in connection with a private placement. The warrants are exercisable until 28 May 2025. Notice of exercise of these warrants has been received, conditional only on Admission.

In April 2020, warrants were granted and 36,174,870 shares at an exercise price of 0.55 pence per share in connection with a private placement. The Warrants are exercisable until 28 May 2025. Notice of exercise of these warrants has been received, conditional only on Admission.

8.3 ***The Broker Warrants***

On 20 May 2020, the Company appointed a new Broker and issued warrants over 909,090 Ordinary Shares at an exercise price of 0.0275 pence per share in connection with the appointment. The warrants are exercisable until 20 May 2023 and have performance related vesting conditions attached.

8.4 ***Summary of the terms of the Scientific Warrants***

The Scientific Warrants were constituted by, and were issued subject to and with the benefit of, the Scientific Warrant Instrument. Holders of Scientific Warrants are bound by all the terms and conditions set out in the Scientific Warrant Instrument. The following is a summary of the terms and conditions attached to the Scientific Warrants.

(a) *Definitions*

In this paragraph 8.4, unless the context requires otherwise, each of the following expressions has the following meanings:

Articles	the articles of association or articles of incorporation of the Company in force from time to time.
Business Day	any day (other than a Saturday or Sunday) or an English bank or public holiday.
Certificate	in relation to a Scientific Warrant, a certificate evidencing a Warrantholder's entitlement to Scientific Warrants.
Conditions	the conditions to exercise of the Scientific Warrants are as follows: (i) 5,000,000 Scientific Warrants shall become exercisable on the completion of a successful Phase I clinical study of the Chemerin Project demonstrating safety and tolerance with regard to toxicity; (ii) 5,000,000 Scientific Warrants shall become exercisable on the establishment of proof-of-concept in either a Phase II or pre-Phase II clinical trial of the Chemerin Project (regardless of the inclusion of dose escalation); (iii) a further 10,000,000 Scientific Warrants shall become exercisable on a Phase II human clinical trial of the Chemerin Project demonstrating safety and statistical efficacy in the indication of DED; (iv) the final 15,000,000 Scientific Warrants shall become exercisable upon approval of NDA for the use of the Chemerin Project in the treatment of DED;
CREST Regulations	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755).
Exercise Date	(i) in relation to an Scientific Warrant which is in certificated form, the date of delivery to the registered office of the Company of the items specified in the Scientific Warrant Instrument (and the date of such delivery shall be the date on which such items are received at the Company's registered office) or if not a Business Day then the immediately following Business Day; and (ii) in relation to a Scientific Warrant which is in uncertificated form, the date of receipt of the properly authenticated dematerialised instruction and/or other instruction or notification.
Final Subscription Date	17 July 2023, provided that if any exercise of the Scientific Warrants would trigger any obligation on the Warrantholder to make a general offer under Rule 9 of the Takeover Code, on the Final Subscription Date, the Final Subscription Date shall be extended by one year, and by consecutive periods of one year thereafter under the issued share capital of the Company or any issues of concertedness between the Warrantholders and other parties would no longer give rise to such an obligation under the Takeover Code.
Notice of Exercise	in relation to a Scientific Warrant, the duly completed notice of exercise in the form, or substantially in the form, contained in the certificate for such holder.

Register	the register of holders of Warrants to be maintained by the Registrar.
Stock account	an account within a member account in CREST to which a holding of a particular share or other security in CREST is credited.
Special Resolution	a resolution of the Warrantholders holding not less than 75 per cent. of the outstanding Scientific Warrants.
Subscription Price	subject to the provisions of the Scientific Warrant Instrument, 4.5 pence per Ordinary Share (as may be adjusted from time to time).
Subscription Rights	the rights of the Warrantholders to subscribe for Ordinary Shares pursuant to the Warrants on the terms and subject to the conditions of the Scientific Warrant Instrument.
Warrantholder(s)	the person(s) in whose name(s) a Scientific Warrant is registered in the Register from time to time.

(b) Subscription Rights

Warrantholders are entitled in respect of every one Scientific Warrant held to subscribe for one Ordinary Share in the Company at a price of 4.5 pence per share. The Scientific Warrants registered in a Warrantholder's name will be evidenced by a Certificate issued by the Company.

Each Scientific Warrant may be exercised by Warrantholders at any time after the date on which the Warrants are issued and before the Final Subscription Date subject to the Conditions with respect to the exercise of the relevant Scientific Warrants having been satisfied.

In order to exercise the whole or any part of its holding of Scientific Warrants held in certificated form, a Warrantholder must deliver to the Company before the Final Subscription Date a Notice of Exercise together with the relevant Certificate and the remittance in cleared funds of an amount equal to the Subscription Price multiplied by the number of Ordinary Shares to be allotted and issued to the Warrantholder as a result of the exercise of the Scientific Warrants which are being exercised.

In order to exercise the whole or any part of its holding of Scientific Warrants in uncertificated form, a Warrantholder must deliver to the Company before the Final Subscription Date a properly authenticated dematerialised instruction and/or other instruction or notification together with the payment transfer for the aggregate amount equal to the Subscription Price multiplied by the number of Ordinary Shares to be allotted and issued to the Warrantholder as a result of the exercise of the Subscription Rights.

Once delivered to the Company in accordance with the above paragraphs above, a Notice of Exercise shall (save with the consent of the Company) be irrevocable.

To the extent that Ordinary Shares to be allotted and issued on the exercise of Scientific Warrants held in certificated form, the Company shall deliver a share certificate for the Ordinary Shares so allotted to the relevant Warrantholder by no later than 28 days after such Notice of Exercise was delivered to the Company in accordance with the above paragraphs.

To the extent that Ordinary Shares to be allotted and issued on the exercise of Scientific Warrants held in uncertificated form through CREST, the Company shall procure that Euroclear is instructed to credit to the stock account of the relevant Warrantholder entitlements to such Ordinary Shares.

Ordinary Shares allotted pursuant to the exercise of Scientific Warrants shall be allotted and issued credited as fully paid, shall have the rights set out in the New Articles, shall be entitled in full to all dividends and distributions declared or paid on any date, or by reference to any date, on or after the date on which the relevant Notice of Exercise was delivered to the Company in accordance with the paragraphs above and shall otherwise rank *pari passu* in all respects from the date of allotment with the Ordinary Shares of the Company then in issue.

Scientific Warrants shall be deemed to be exercised on the Exercise Date.

(c) Adjustment of Subscription Rights

Upon the occurrence of a reorganisation or reclassification of the share capital of the Company, or an issue of new shares, capitalisation issue or offer by way of rights by the Company, or a sub-division, reduction or consolidation of the capital of the Company, or a merger or consolidation of the Company with or into another company or demerger, or the modification of rights attaching to the Ordinary Shares or a dividend in kind declared and/or made by the Company (each, an "**Adjustment Event**") after the date on which any Scientific Warrants are granted, the number of Ordinary Shares which are the subject of the Warrants and the Subscription Price payable on the exercise of Warrants shall be adjusted either in such manner as the Company agree in writing is appropriate or, failing agreement, in such manner as the auditors of the Company shall certify is appropriate.

The Company shall not implement an Adjustment Event if it would otherwise result in the Subscription Price payable per Ordinary Share on the exercise of the Scientific Warrants being less than the nominal value of an Ordinary Share.

No exercise of Scientific Warrants shall result in the issue of a fraction of an Ordinary Share. Any fractional entitlements to Ordinary Shares arising as a result of an adjustment shall be rounded down to the nearest whole Ordinary Share.

(d) Winding-up of the Company

If, at any time when any Subscription Rights are exercisable, an order is made or an effective resolution is passed for the winding-up or dissolution of the Company or if any other dissolution of the Company by operation of law is to be effected then:

(i) if such winding-up or dissolution is for the purpose of a reconstruction or amalgamation pursuant to a scheme of arrangement to which any Warrantholder has consented in writing, the terms of such scheme of arrangement will be binding on such Warrantholder; or

(ii) in any other case, the Company shall forthwith notify the Warrantholder stating that such an order has been made or resolution has been passed or other dissolution is to be effected and the Warrantholder shall be entitled to receive out of the assets which would otherwise be available in the liquidation to the holders of Ordinary Shares, such a sum, if any, as it would have received had it been the holder of and paid for the Ordinary Shares to which it would have become entitled by virtue of such exercise, after deducting from such sum an amount equal to the amount which would have been payable by it in respect of such Ordinary Shares if it had exercised all its Scientific Warrants, but nothing contained in this paragraph shall have the effect of requiring the Warrantholder to make any actual payment to the Company.

Subject to compliance with this paragraph, the Scientific Warrants shall lapse on a dissolution or winding-up of the Company.

(e) Undertakings

Unless otherwise authorised in writing by the Warrantholder(s) holding the majority of the outstanding Scientific Warrants from time to time:

(i) the Company shall maintain all necessary authorisations pursuant to the Guernsey Companies Law to enable it to lawfully and fully perform its obligations under the Warrant Instrument to allot and issue Ordinary Shares upon the exercise of all Warrants remaining exercisable from time to time;

(ii) if at any time an offer is made to all holders of Ordinary Shares (or all such holders other than the offeror and/or any company controlled by the offeror and/or persons acting in concert with the offeror) to acquire the whole or any part of the Ordinary Share capital of the Company, the Company will as soon as possible give notice of such offer to the Warrantholders and use its best endeavours to procure that a full and adequate opportunity is given to the Warrantholders to exercise the Scientific Warrants and that a like offer, being one *pari passu* with the best terms offered to holders of Ordinary Shares, is extended in respect of any Ordinary Shares issued upon exercise of the Warrants. The publication of a scheme of arrangement providing for the acquisition by any person of the whole or any part of the Ordinary Share capital of the Company shall be deemed to be the making of an offer for the purposes of this paragraph and references herein to such an offer shall be read and construed accordingly;

(iii) if at any time an offer or invitation is made by the Company to the holders of Ordinary Shares for the purchase by the Company of any of the Ordinary Shares, the Company shall simultaneously give notice thereof to the Warrantholders who shall be entitled, at any time while such offer or invitation is open for acceptance, to exercise their Scientific Warrants on the terms (subject to any adjustments pursuant to paragraph 8.4(c) above) on which the same could have been exercised and as if the same had been exercised on the day immediately preceding the record date for such offer or invitation; and

(iv) the Company shall supply to the Warrantholders copies of all notices of meetings, annual reports and accounts and all Prospectuses required by law to be annexed thereto and all statements, circulars and other communications to its shareholders at the same time as they are despatched to its shareholders.

(f) Modification of Rights

All or any of the rights for the time being attached to the Scientific Warrants may from time to time (whether or not the Company is being wound up) be altered, amended or abrogated only with the prior sanction of a Special Resolution of the Warrantholders and the agreement of the Company and shall be effected by an instrument by way of deed executed by the Company and expressed to be supplemental to the Scientific Warrant Instrument.

All the provisions of the Articles for the time being of the Company relating to general meetings shall apply *mutatis mutandis* as though the Scientific Warrants were a class of shares forming part of the capital of the Company except that:

(i) the necessary quorum shall be Warrantholders present (in person or by proxy) entitled to subscribe for 10 per cent. in nominal amount of the Ordinary Shares attributable to the outstanding Scientific Warrants;

(ii) every Warrantholder present in person at any such meeting shall be entitled on a show of hands to one vote and every Warrantholder present in person or by proxy shall be entitled

on a poll to one vote for every Ordinary Share for which he is entitled to subscribe pursuant to the Scientific Warrants held by him; and

(iii) any Warrantholder present (in person or by proxy) may demand or join in demanding a poll.

(g) Transfer

The Scientific Warrants shall be in registered form and shall be transferable by instrument in writing in the usual common form (or in such other form as the Directors may reasonably approve). A Warrantholder's holding of Scientific Warrants may be transferred in whole or in part, but no transfer of a right to subscribe for a fraction of an Ordinary Share shall be affected.

(h) Purchase

The Company and its subsidiaries shall have the right to purchase Scientific Warrants in the market, by tender or by private treaty or otherwise.

All Scientific Warrants purchased or surrendered pursuant to this paragraph shall be cancelled and shall not be available for reissue or resale.

(i) Governing Law and Jurisdiction

The provisions of the Scientific Warrant Instrument and the Scientific Warrants shall be subject to and governed by English law and each of the parties irrevocably agree that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Scientific Warrant Instrument.

8.5 ***Summary of the terms of the Investor Warrants and the Broker Warrants***

The Investor Warrants were constituted by, and were issued subject to and with the benefit of, the Investor Warrant Instruments and the Broker Warrants were constituted by, and were issued subject to and with the benefit of the Broker Warrant Instrument. Holders of Investor Warrants and the Broker Warrants are bound by all the terms and conditions set out in the Investor Warrant Instruments and the Broker Warrant Instrument respectively. The following is a summary of the terms and conditions attached to the Investor Warrants and the Broker Warrants, which were issued on materially the same terms.

(a) Definitions

In this paragraph 8.5, unless the context requires otherwise, each of the following expressions has the following meanings:

Articles	the articles of association or articles of incorporation of the Company in force from time to time.
Business Day	any day (other than a Saturday or Sunday) on which banks are generally open for business in the City of London.
Certificate	in relation to a Warrant, a certificate evidencing a Warrantholder's entitlement to Investor Warrants, substantially in the form set out in Schedule 1 to the Investor Warrant Instruments.
CREST Regulations	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755).
Exercise Notice	a notice of exercise of the Warrant(s) substantially in the form set out in the relevant Warrant Instrument.
Exercise Period	the period commencing on the date of the issue of the relevant Warrant and ending on (a) 23 March 2025 in respect of the Investor Warrants and (b) 20 May 2023 in respect of the Broker Warrants, unless shortened in accordance with the relevant Warrant Instrument.
Register	the register of holders of Warrants to be maintained by the Company.
Special Resolution	a resolution of the Warrantholders holding not less than 75 per cent. of the outstanding relevant Warrants.
Subscription Price	subject to the provisions of the relevant Warrant Instrument, (a) in respect of the Investor Warrants issued in May 2019, 1.35 pence per Ordinary Share, (b) in respect of remaining Investor Warrants, 0.55 pence per Ordinary Share or (c) in respect of the Broker Warrants, 0.0275 pence per Ordinary Share (each as may be adjusted from time to time).
Subscription Rights	the rights of the Warrantholders to subscribe for Ordinary Shares pursuant to the Warrants on the terms and subject to the conditions of the Warrant Instrument.

Warrant Instrument	the Investor Warrant Instrument or the Broker Warrant Instrument (as applicable).
Warrants	the Investor Warrants and the Broker Warrants (as applicable).
Warrantholder(s)	the person(s) in whose name(s) a Warrant is registered in the Register from time to time.

(b) Subscription Rights

Warrantholders are entitled in respect of every one Warrant held to subscribe for one Ordinary Share in the Company at the relevant Subscription Price. The Warrants registered in a Warrantholder's name will be evidenced by a Certificate issued by the Company.

Each Warrant may be exercised by Warrantholders at any time and on any one or more occasions during the Exercise Period by the Warrantholder giving the Company not less than 10 Business Days' notice in writing and completing an Exercise Notice. On or before completion of the exercise of the Warrant, the Warrantholder shall lodge with the Company at its registered office the Warrantholder's Certificate together with a remittance for the aggregate Subscription Price payable in respect of the Investor Warrants being exercised.

The Company shall give the Warrantholders not less than 20 Business Days' advance notice in writing of the last possible exercise date within the Exercise Period by the making of a regulatory news announcement.

The Company undertakes that, subject to receipt of the Subscription Price for the exercise of the Investor Warrants, it shall (a) allot and issue to the Warrantholder the resultant Ordinary Shares free from all Encumbrances, (b) enter the name of the Warrantholder in the register of members of the Company in respect of the number of Ordinary Shares issued to it, and (c) deliver to the Warrantholder a share certificate in respect of such Ordinary Shares on the date of issue or credit the CREST account of the Warrantholder with the Ordinary Shares.

The Ordinary Shares issued on exercise of Subscription Rights shall rank *pari passu* with the other Ordinary Shares so issued (and shall benefit from all of the same rights attached to those Ordinary Shares including, but without limitation, as to any liquidation preference) except that the Ordinary Shares so allotted will not rank for any dividend or other distribution which has previously been announced or declared if the record date for such dividend or other distribution is prior to the issue date of the relevant Ordinary Shares.

Any Exercise Notice or other notice given by a Warrantholder to the Company in relation to the exercise of Subscription Rights may be withdrawn by a Warrantholder provided that no such notice may be withdrawn after the issue of Ordinary Shares resulting from the exercise of the Subscription Rights.

(c) Adjustment of Subscription Rights

Upon the occurrence of an issue of shares in the Company at a price less than the Subscription Price, a reorganisation or reclassification of the share capital of the Company, a reduction of the Company's share capital, share premium account or capital redemption reserve, the entering into a scheme of arrangement, the purchase or the redemption of any share capital or the cancellation of any unissued shares, the consolidation, subdivision or reduction of capital or other reconstruction or adjustment relating to the equity share capital and any amalgamation or reconstruction affecting the equity share capital (or any shares, stocks or securities derived from them) of the Company or any other equity-like instrument such as exploding loans or other synthetic instruments designed to disenfranchise or otherwise give participating investors a preferential return (each, an "**Adjustment Event**") prior to the exercise of the Investor Warrant, then all the Ordinary Shares which shall derive (whether directly or indirectly) from the Investor Warrants shall be deemed to be subject to such Adjustment Event (assuming for the purposes of calculating the adjustment to be made that the warrant had been exercised in full immediately prior to such Adjustment Event) so that references in the Investor Warrant Instruments to the Warrant Shares and the Subscription Price shall be appropriately adjusted to take account of such Adjustment Event.

Any dispute as to the Adjustment Event and the adjustment to the Ordinary Shares and the Subscription Price (if any) shall be referred to the auditors of the Company without delay by the Company (and at the Company's cost), who shall act as experts and not as arbitrators and their certificate as to the Adjustment Event, Ordinary Shares and the Subscription Price (if any) shall be final and binding on the parties.

(d) Winding-up of the Company

If during the Exercise Period a Winding-Up occurs, each Warrantholder shall, in respect of its unexercised Subscription Rights, be treated as if it had fully exercised its outstanding Subscription Rights on the day immediately preceding the happening of the Winding-Up and shall receive out of the surplus assets of the Company available in the liquidation such sum as it would have received if it had been registered as the holder of the number of fully paid Ordinary Shares for which it is entitled to subscribe after the deduction from such sum of a sum equal to the Subscription Price in respect of those Ordinary Shares.

In this paragraph 8.5(d), "**Winding-Up**" means any of the following events to have commenced: (i) if an order is made or an effective resolution passed for the voluntary or involuntary winding up or dissolution of any Group Company (other than a winding up for the purposes of amalgamation or

reconstruction); or (ii) if an encumbrancer takes possession or an administrator, receiver or administrative receiver is appointed over the whole or a material part of the assets or undertaking of any Group Company (i.e. a part of the assets or undertaking the value of which exceeds 10 per cent. of the value of the gross assets of the Group as determined by reference to the latest published consolidated audited accounts of the Company subject to any adjustments necessitated by the Company's auditors); or (iii) if the Company stops payment of its debts or ceases or threatens to cease to carry on its business or the greater part of its business; or (iv) if the Company is unable to pay its debts within the meaning of section 122 of the UK Insolvency Act 1986 any statutory modification or re-enactment thereof or certifies that it is unable to pay its debts as and when they fall due; or (v) the passing of a resolution for a solvent winding-up of the Company.

(e) Undertakings

Unless otherwise authorised by a Special Resolution, until the earlier of completion of the exercise of the Investor Warrants in full and the expiry of the Exercise Period, the Company will:

(i) procure that at all times its directors have all necessary authority pursuant to the Guernsey Companies Law and otherwise to allot and issue sufficient share capital as may be required to satisfy in full all Subscription Rights remaining exercisable;

(ii) procure that at all times its directors have all necessary authority to allot and issue sufficient share capital as may be required to satisfy in full all Subscription Rights remaining exercisable without first having to offer the same to any existing members, whether pursuant to the Company's articles of association or otherwise;

(iii) give immediate notice in writing, with copies of all relevant documentation, of all communications generally with, and resolutions of, the members or creditors of the Company as a whole (or any class of creditors), including without limitation notices convening and minutes of meetings and circulars; and

(iv) upon or as soon as possible after the issue of Ordinary Shares on the exercise of Subscription Rights apply to the relevant stock exchange upon which the Ordinary Shares are admitted, on behalf of the Warrantholder for permission to deal in or for admission or quotation for such Ordinary Shares and shall use its reasonable endeavours to secure such permission, admission or quotation not later than 30 Business Days after the relevant subscription date.

If any offer or invitation is made to any holders of any class of shares in the Company to acquire any of their shares by way of purchase or pursuant to a scheme of arrangement or if any proposal or arrangement is put to any holders of any class of shares while the Investor Warrants remain to be exercised in full, the Company shall use its reasonable endeavours to procure that such offer, invitation, proposal or arrangement is made or put (as the case may be) to the Warrantholders and shall notify the Warrantholders in writing in sufficient time (being not less than 10 Business Days' notice of the happening of such event) to enable each Warrantholders to fully exercise its Subscription Rights and to enable each Warrantholders, at its discretion, to accept such offer or invitation or participate in such proposal or arrangement. The Warrantholders shall be entitled to exercise the Subscription Rights conditionally following receipt by them of any such offer, invitation, proposal or arrangement or following receipt by such Warrantholders of such notice of sale or transfer by delivering a notice to the Company specifying the number of Ordinary Shares in respect of which the Subscription Rights may be exercised to be allotted and indicating that such election to exercise is conditional.

If, on a date (or by reference to a record date) on or before the expiry of the Exercise Period, the Company makes any offer or invitation by way of a rights issue or other pre-emptive offer to the holders of the Company's shares, or if any offer or invitation is made to such holders otherwise than by the Company, then the Company shall notify the Warrantholders in writing in sufficient time (being not less than 10 Business Days' notice of the happening of such event) to enable the Warrantholders to fully exercise their Subscription Rights and to enable the Warrantholders, at their discretion, to participate in such offer or invitation. Each Warrantholder shall be entitled to exercise the Subscription Rights conditionally following receipt by it of any such offer, invitation, proposal or arrangement or following receipt by such Warrantholder of the aforesaid notice of sale or transfer by delivering a notice to the Company specifying the number of Warrant Shares in respect of which the Subscription Rights may be exercised to be allotted and indicating that such election to exercise is conditional.

(f) Modification of Rights

The provisions of the Investor Warrant Instruments, the conditions therein and the rights of the Warrantholders will be subject to modifications, abrogation or compromise in any respect with the sanction of a Special Resolution and with the written consent of the Company. The Company may, without such sanction, make any amendment to the provisions of the Investor Warrants, which in the opinion of the Company's auditors, is not prejudicial to the interests of Warrantholders that is of a formal, minor or technical nature or to correct a manifest error.

(g) Transfer

The Investor Warrants and the Subscription Rights are freely transferrable.

(h) Governing Law and Jurisdiction

The provisions of the Investor Warrant Instruments and the Investor Warrants shall be subject to and governed by English law and the courts of England and Wales shall have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Investor Warrant Instruments.

9. Terms and Conditions of the CLN Warrants

The CLN Warrants are constituted by, and issued subject to and with the benefit of, the CLN Warrant Instrument. Holders of CLN Warrants are bound by all the terms and conditions set out in the CLN Warrant Instrument. The following is a summary of the terms and conditions attached to the CLN Warrants.

(a) Definitions

In this paragraph 9, unless the context requires otherwise, each of the following expressions has the following meanings:

Adjustment Event	any issue of Ordinary Shares at a price less than 0.4 pence per share, any reduction of the Company's share capital, share premium account or capital redemption reserve involving the repayment of money to shareholders of the Company, or the entering into any scheme of arrangement requiring the consent of the court or the purchase or the redemption of any share capital or the reduction of any uncalled liability in respect thereof or the cancellation of any unissued shares and every issue by way of capitalisation of profits or reserves and every rights issue, and the consolidation, subdivision or reduction of capital or other reconstruction or adjustment relating to the equity share capital and any amalgamation or reconstruction affecting the equity share capital (or any shares, stocks or securities derived from them) of the Company or any other equity-like instrument such as exploding loans or other synthetic instruments designed to disenfranchise or otherwise give participating investors a preferential return ahead of non-participating equity investors and which adversely impacts the value of the equity shares in the Company.
Articles	the articles of association or articles of incorporation of the Company in force from time to time.
Business Day	any day (other than a Saturday or Sunday) or an English bank or public holiday.
Exercise Notice	the duly completed notice of exercise in the form, or substantially in the form, contained in the CLN Warrant Instrument.
Exercise Period	the period commencing on the date of issue of the convertible notes which give rise, on conversion, to the issue of the CLN Warrants and ending on the fifth anniversary of the same.
Subscription Price	subject to the provisions of the CLN Warrant Instrument, 0.4 pence per Ordinary Share (as may be adjusted from time to time).
Subscription Rights	the rights of the Warrantholders to subscribe for Ordinary Shares pursuant to the CLN Warrants on the terms and subject to the conditions of the CLN Warrant Instrument.
Warrantholder(s)	the person(s) in whose name(s) a CLN Warrant is registered in the register from time to time.
Winding-up	an order made or resolution passed for the winding-up or dissolution of the Company or any other dissolution of the Company by operation of law

(b) Subscription Rights

The CLN Warrants confer the right to subscribe for Ordinary Shares at a price of 0.4 pence per Ordinary Share on a one for one basis with the New Ordinary Shares issued on the conversion of the £466,400 in principal amount of CLNs issued on 29 May 2020.

Each CLN Warrant may be exercised by Warrantholders at any time during the Exercise Period. A holder of CLN Warrants may only exercise his CLN Warrants in full, by giving the Company not less than 10 Business Days' written notice by completing the Exercise Notice and submitting such notice to the Company before the end of the Exercise Period, together with the aggregate monies to satisfy the aggregate Subscription Price.

Subject to receipt of the Subscription Price, the Company shall allot and issue the New Warrant Shares constituted by such CLN Warrants free from all encumbrances, and shall enter the name of the holder of the CLN Warrants in the register of members of the Company in respect of the New

Warrant Shares issued to it, and deliver to the holder a certificate in respect of such New Warrant Shares or credit the CREST account of the holder with the New Warrant Shares.

(c) Adjustment of Subscription Rights

If an Adjustment Event shall take place prior to the exercise of a CLN Warrant, then all the New Warrant Shares which shall derive (whether directly or indirectly) from the CLN Warrant shall be deemed to be subject to such Adjustment Event (assuming for the purposes of calculating the adjustment to be made that the warrant had been exercised in full immediately prior to such Adjustment Event) so that the number of New Warrant Shares which are the subject of the CLN Warrants and the Subscription Price payable on the exercise of CLN Warrants shall be adjusted appropriately or, in the event of a dispute, in such manner as the auditors of the Company shall certify is appropriate.

(d) Winding-up of the Company

If during the Exercise Period a Winding-up occurs, each Warrantholder shall, in respect of its unexercised CLN Warrants, be treated as if it had fully exercised its outstanding CLN Warrants on the day immediately preceding the happening of the Winding-up and shall receive out of the surplus assets of the Company available in the liquidation such sum as it would have received if it had been registered as the holder of the number of fully paid New Warrant Shares for which it is entitled to subscribe after the deduction from such sum of a sum equal to the Subscription Price in respect of those New Warrant Shares.

(e) Undertakings

Save with the consent of the holders of not less than 75 per cent. of the outstanding CLN Warrants, the Company agrees and undertakes to each Warrantholder to procure (so far as it is legally able) that until the earlier of completion of the exercise of the CLN Warrants in full and the expiry of the Exercise Period, it will:

(i) procure that at all times its directors have all necessary authority pursuant to the Guernsey Company Law and otherwise to allot and issue sufficient share capital as may be required to satisfy in full all CLN Warrants remaining exercisable;

(ii) procure that at all times its directors have all necessary authority to allot and issue sufficient share capital as may be required to satisfy in full all CLN Warrants remaining exercisable without first having to offer the same to any existing members, whether pursuant to the Articles or otherwise;

(iii) give immediate notice in writing, with copies of all relevant documentation, of all communications generally with, and resolutions of, the members or creditors of the Company as a whole (or any class of creditors), including without limitation notices convening and minutes of meetings and circulars; and

(iv) upon or as soon as possible after the issue of New Warrant Shares, apply to the relevant Recognised Stock Exchange (within the meaning of section 285 of FSMA) upon which the New Warrant Shares are admitted, on behalf of the Warrantholder for permission to deal in or for admission or quotation for such New Warrant Shares or any of the shares into which the New Warrant Shares are convertible (as the case may be) and shall use its reasonable endeavours to secure such permission, admission or quotation not later than 30 Business Days after the relevant subscription date.

If any offer or invitation is made to any Shareholders to acquire any of their Ordinary Shares by way of purchase or pursuant to a scheme of arrangement or if any proposal or arrangement is put to any Shareholders while the CLN Warrants remain to be exercised in full, the Company shall use its reasonable endeavours to procure that such offer, invitation, proposal or arrangement is made or put (as the case may be) to and shall notify the holders of CLN Warrants in writing in sufficient time (being not less than 10 Business Days' notice of the happening of such event) to enable each Warrantholder to fully exercise its CLN Warrants and to enable each holder, at its discretion, to accept such offer or invitation or participate in such proposal or arrangement.

The Warrantholders shall be entitled to exercise the CLN Warrants conditionally following receipt by them of any offer, invitation, proposal or arrangement made pursuant to the paragraph above or following receipt by such Warrantholders of the notice of sale or transfer referred to in the paragraph above by delivering a notice (the "**Conditional Warrant Notice**") to the Company specifying the number of New Warrant Shares in respect of which the CLN Warrants may be exercised to be allotted and indicating that such election to exercise is conditional.

If, on a date (or by reference to a record date) on or before the expiry of the Exercise Period, the Company makes any offer or invitation by way of a rights issue or other pre-emptive offer to the Shareholders, or if any offer or invitation is made to such Shareholders otherwise than by the Company, then the Company shall notify the holders of the CLN Warrants in writing in sufficient time (being not less than 10 Business Days' notice of the happening of such event) to enable the holders to fully exercise the CLN Warrants and to enable the holders, at their discretion, to participate in such offer or invitation.

Each Warrantholder shall be entitled to exercise the CLN Warrants conditionally following receipt by it of any offer, invitation, proposal or arrangement made pursuant to the paragraph above or following receipt by such Warrantholder of the aforesaid notice of sale or transfer referred to in the paragraph above by delivering a notice (the "**Conditional Rights Issue Notice**") to the Company

specifying the number of New Warrant Shares in respect of which the CLN Warrants may be exercised to be allotted and indicating that such election to exercise is conditional.

Completion (if it occurs) shall then take place on or prior to the actual date of sale or transfer provided that if the sale or transfer (as the case may be) does not occur within 60 days of the date of the Conditional Warrant Notice or Conditional Rights Issue Notice (as the case may be), it shall be deemed to be withdrawn and the CLN Warrants shall remain in force and shall be available for subsequent exercise by the Warrantholder at any time during the Exercise Period.

(f) Transfer

The CLN Warrants shall be freely transferable and the benefit of the CLN Warrants shall enure for the benefit of the successors in title and personal representatives of the holders of the CLN Warrants.

(g) Governing Law and Jurisdiction

The provisions of the CLN Warrant Instrument and the CLN Warrants shall be subject to and governed by English law and the courts of England shall have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the CLN Warrant Instrument.

10. Terms and Conditions of the CLNs

10.1 ***May CLN Instrument***

On 29 May 2020, the Company issued £466,400 in principal amount of CLNs which convert into Ordinary Shares at a price of 0.4 pence per share and bear interest at a rate of 20 per cent. per annum together with the CLN Warrants exercisable on a one for one basis with the Ordinary Shares resulting from the conversion of such CLNs at a price of 0.4 pence per share, each with a maximum term of 4 years. The terms and condition of the CLN Warrants are described at paragraph 9 above. Conversion of the CLNs occurs automatically at the end of the term. The Company may not pre-pay the CLNs prior to an event of default.

On the making of a takeover offer for the Company, a conversion notice may be given conditionally on such takeover offer being declared, or becoming unconditional.

The nominal amount of each CLN is £1.00 and the aggregate maximum principal amount of all the notes is £466,400. All the CLNs shall rank *pari passu*, equally and ratably, without discrimination or preference and as unsecured obligations of the Company under the May CLN Instrument.

The CLNs are convertible at the noteholders' election by providing written notice to the Company at least 5 Business Days prior to the proposed date for conversion.

On conversion of the CLNs, the Directors shall convert the principal amount of the CLNs and any accrued but unpaid interest, into such number of new fully paid New Ordinary Shares at the conversion price, subject to any adjustment. Conversion of the CLNs shall be effected by the Company redeeming the relevant CLNs on the date for conversion. Each noteholder whose CLNs are being converted shall be deemed to irrevocably authorise and instruct the Company to apply the redemption monies payable to that noteholder in subscribing for New Ordinary Shares at the conversion price on conversion of the CLNs.

On conversion, the Company shall issue to the noteholder a warrant to subscribe for a number of New Ordinary Shares equal to the number of New Ordinary Shares issued to it on conversion on the CLNs, exercisable for a period of 3 years.

The entitlement of each noteholder to a fraction of a New Ordinary Shares on a conversion under the Instrument shall be rounded down to the nearest whole number of Ordinary Shares which result from the conversion of the CLNs.

Following any sub-division or consolidation of Equity Securities (as defined in section 560(1) of the Companies Act) by the Company at any time, or by reference to any record date, while the CLNs remain in issue (an "**Adjustment Event**"), unless holders who hold in aggregate more than 75 per cent. of the outstanding CLNs (a "**Noteholder Majority"**) confirm to the Company that such certification is not required in the circumstances, an independent third party accountancy firm of international standing jointly appointed by the Noteholder Majority and the Company shall certify to the Company in writing the adjustments to the number and nominal value of the New Ordinary Shares to be converted which they consider to be necessary so that, after such adjustment and on conversion, the noteholders shall be entitled to receive the same percentage of the issued share capital of the Company carrying the same proportion of votes exercisable at a general meeting of shareholders and the same entitlement to participate in distributions of the Company, in each case as nearly as practicable, as would have been the case had no Adjustment Event occurred (and making such reduction or increase as is necessary to the premium arising on the issue and allotment of the New Ordinary Shares on conversion of the CLNs). The Company shall then notify the noteholders in writing of the necessary adjustment as determined by the accountancy firm.

The Company may, with the prior written consent in writing of a Noteholder Majority, make any amendment, modification, change or addition to the May CLN Instrument. The Company may without the consent or sanction of the holders of CLNs make any modification to the May CLN Instrument (including any minor or technical changes to correct a manifest error or to facilitate title to the CLNs being evidenced otherwise than by certificate or to facilitate the transfer of CLNs) which in the reasonable opinion of the Company would not be materially and adversely prejudicial to the interests of any holder of CLNs. Any such modification (or terms or conditions to such modification)

which would impose any new obligation on a holder of CLNs, vary an express contractual right of a holder of CLNs or increase any existing obligation, the consent of the holder of the CLN shall be required.

The CLNs are transferable by instrument in writing (signed by the transferor and the transferee) in amounts of and integral multiples of £1,000.

The provisions of the May CLN Instrument and the CLNs shall be subject to and governed by English law and the courts of England shall have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the May CLN Instrument.

10.2 ***July CLN Instrument***

On 28 July 2020, the Company issued £3,762,500 in principal amount of CLNs which convert into Ordinary Shares at a price of 8.5 pence per share and bear interest at a rate of 2.15 per cent. per annum. These are convertible at any time from 28 February 2021 at the option of the noteholder, and convert automatically on 28 July 2024. The Company may not pre-pay the CLNs prior to an event of default.

The conversion price shall be 8.5 pence per share provided that if there is a further issue of Ordinary Shares in the following 18 months which are admitted to trading on a recognised stock exchange or a takeover offer (as defined in the Takeover Code) at a lower price, the conversion price shall be lowered to match that price.

On the making of a takeover offer for the Company, a conversion notice may be given conditionally on such takeover offer being declared, or becoming unconditional.

The nominal amount of each CLN is £1.00 and the aggregate maximum principal amount of all the notes is £3,762,500. All the CLNs shall rank *pari passu*, equally and ratably, without discrimination or preference and as unsecured obligations of the Company under the July CLN Instrument.

The CLNs are convertible at the noteholders' election by providing written notice to the Company at least 5 Business Days prior to the proposed date for conversion, provided that such notice may not be delivered prior to 28 February 2021.

On conversion of the CLNs, the Directors shall convert the principal amount of the CLNs and any accrued but unpaid interest, into such number of new fully paid New Ordinary Shares at the conversion price, subject to any adjustment. Conversion of the CLNs shall be effected by the Company redeeming the relevant CLNs on the date for conversion. Each noteholder whose CLNs are being converted shall be deemed to irrevocably authorise and instruct the Company to apply the redemption monies payable to that noteholder in subscribing for New Ordinary Shares at the conversion price on conversion of the CLNs.

The entitlement of each noteholder to a fraction of a New Ordinary Shares on a conversion under the Instrument shall be rounded down to the nearest whole number of Ordinary Shares which result from the conversion of the CLNs.

Following any sub-division or consolidation of Equity Securities (as defined in section 560(1) of the Companies Act) by the Company at any time, or by reference to any record date, while the CLNs remain in issue (an "**Adjustment Event**"), unless holders who hold in aggregate more than 75 per cent. of the outstanding CLNs (a "**Noteholder Majority"**) confirm to the Company that such certification is not required in the circumstances, an independent third party accountancy firm of international standing jointly appointed by the Noteholder Majority and the Company shall certify to the Company in writing the adjustments to the number and nominal value of the New Ordinary Shares to be converted which they consider to be necessary so that, after such adjustment and on conversion, the noteholders shall be entitled to receive the same percentage of the issued share capital of the Company carrying the same proportion of votes exercisable at a general meeting of shareholders and the same entitlement to participate in distributions of the Company, in each case as nearly as practicable, as would have been the case had no Adjustment Event occurred (and making such reduction or increase as is necessary to the premium arising on the issue and allotment of the New Ordinary Shares on conversion of the CLNs). The Company shall then notify the noteholders in writing of the necessary adjustment as determined by the accountancy firm.

The Company may, with the prior written consent in writing of a Noteholder Majority, make any amendment, modification, change or addition to the July CLN Instrument. The Company may without the consent or sanction of the holders of CLNs make any modification to the July CLN Instrument (including any minor or technical changes to correct a manifest error or to facilitate title to the CLNs being evidenced otherwise than by certificate or to facilitate the transfer of CLNs) which in the reasonable opinion of the Company would not be materially and adversely prejudicial to the interests of any holder of CLNs. Any such modification (or terms or conditions to such modification) which would impose any new obligation on a holder of CLNs, vary an express contractual right of a holder of CLNs or increase any existing obligation, the consent of the holder of the CLN shall be required.

The CLNs are transferable by instrument in writing (signed by the transferor and the transferee) in amounts of and integral multiples of £1,000.

The provisions of the July CLN Instrument and the CLNs shall be subject to and governed by English law and the courts of England shall have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the July CLN Instrument.

10.3 ***August CLN Instrument***

On 17 August 2020, the Company issued £1,544,887 in principal amount of CLNs which convert into Ordinary Shares at a price of 8.5 pence per share and bear interest at a rate of 2.15 per cent. per annum. These are convertible at any time from 31 March 2021 at the option of the noteholder, and convert automatically on 18 August 2024. The Company may not pre-pay the CLNs prior to an event of default.

The conversion price shall be 8.5 pence per share provided that if there is a further issue of Ordinary Shares in the following 18 months which are admitted to trading on a recognised stock exchange or a takeover offer (as defined in the Takeover Code) at a lower price, the conversion price shall be lowered to match that price.

On the making of a takeover offer for the Company, a conversion notice may be given conditionally on such takeover offer being declared, or becoming unconditional.

The nominal amount of each CLN is £1.00 and the aggregate maximum principal amount of all the notes is £1,544,887. All the CLNs shall rank *pari passu*, equally and ratably, without discrimination or preference and as unsecured obligations of the Company under the August CLN Instrument.

The CLNs are convertible at the noteholders' election by providing written notice to the Company at least 5 Business Days prior to the proposed date for conversion, provided that such notice may not be delivered prior to 31 March 2021.

On conversion of the CLNs, the Directors shall convert the principal amount of the CLNs and any accrued but unpaid interest, into such number of new fully paid New Ordinary Shares at the conversion price, subject to any adjustment. Conversion of the CLNs shall be effected by the Company redeeming the relevant CLNs on the date for conversion. Each noteholder whose CLNs are being converted shall be deemed to irrevocably authorise and instruct the Company to apply the redemption monies payable to that noteholder in subscribing for New Ordinary Shares at the conversion price on conversion of the CLNs.

The entitlement of each noteholder to a fraction of a New Ordinary Shares on a conversion under the Instrument shall be rounded down to the nearest whole number of Ordinary Shares which result from the conversion of the CLNs.

Following any sub-division or consolidation of Equity Securities (as defined in section 560(1) of the Companies Act) by the Company at any time, or by reference to any record date, while the CLNs remain in issue (an "**Adjustment Event**"), unless holders who hold in aggregate more than 75 per cent. of the outstanding CLNs (a "**Noteholder Majority"**) confirm to the Company that such certification is not required in the circumstances, an independent third party accountancy firm of international standing jointly appointed by the Noteholder Majority and the Company shall certify to the Company in writing the adjustments to the number and nominal value of the New Ordinary Shares to be converted which they consider to be necessary so that, after such adjustment and on conversion, the noteholders shall be entitled to receive the same percentage of the issued share capital of the Company carrying the same proportion of votes exercisable at a general meeting of shareholders and the same entitlement to participate in distributions of the Company, in each case as nearly as practicable, as would have been the case had no Adjustment Event occurred (and making such reduction or increase as is necessary to the premium arising on the issue and allotment of the New Ordinary Shares on conversion of the CLNs). The Company shall then notify the noteholders in writing of the necessary adjustment as determined by the accountancy firm.

The Company may, with the prior written consent in writing of a Noteholder Majority, make any amendment, modification, change or addition to the August CLN Instrument. The Company may without the consent or sanction of the holders of CLNs make any modification to the August CLN Instrument (including any minor or technical changes to correct a manifest error or to facilitate title to the CLNs being evidenced otherwise than by certificate or to facilitate the transfer of CLNs) which in the reasonable opinion of the Company would not be materially and adversely prejudicial to the interests of any holder of CLNs. Any such modification (or terms or conditions to such modification) which would impose any new obligation on a holder of CLNs, vary an express contractual right of a holder of CLNs or increase any existing obligation, the consent of the holder of the CLN shall be required.

The CLNs are transferable by instrument in writing (signed by the transferor and the transferee) in amounts of and integral multiples of £1,000.

The provisions of the August CLN Instrument and the CLNs shall be subject to and governed by English law and the courts of England shall have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the August CLN Instrument.

10.4 ***September CLN Instrument***

On 8 September 2020, the Company issued £537,500 in principal amount of CLNs which convert into Ordinary Shares at a price of 8.5 pence per share and bear interest at a rate of 2.15 per cent. per annum. These are convertible at any time from 15 May 2021 at the option of the noteholder, and convert automatically on 8 September 2024. The Company may not pre-pay the CLNs prior to an event of default.

The conversion price shall be 8.5 pence per share provided that if there is a further issue of Ordinary Shares in the following 18 months which are admitted to trading on a recognised stock exchange or a takeover offer (as defined in the Takeover Code) at a lower price, the conversion price shall be lowered to match that price.

On the making of a takeover offer for the Company, a conversion notice may be given conditionally on such takeover offer being declared, or becoming unconditional.

The nominal amount of each CLN is £1.00 and the aggregate maximum principal amount of all the notes is £500,000. All the CLNs shall rank *pari passu*, equally and ratably, without discrimination or preference and as unsecured obligations of the Company under the September CLN Instrument.

The CLNs are convertible at the noteholders' election by providing written notice to the Company at least 5 Business Days prior to the proposed date for conversion, provided that such notice may not be delivered prior to 15 May 2021.

On conversion of the CLNs, the Directors shall convert the principal amount of the CLNs and any accrued but unpaid interest, into such number of new fully paid New Ordinary Shares at the conversion price, subject to any adjustment. Conversion of the CLNs shall be effected by the Company redeeming the relevant CLNs on the date for conversion. Each noteholder whose CLNs are being converted shall be deemed to irrevocably authorise and instruct the Company to apply the redemption monies payable to that noteholder in subscribing for New Ordinary Shares at the conversion price on conversion of the CLNs.

The entitlement of each noteholder to a fraction of a New Ordinary Shares on a conversion under the Instrument shall be rounded down to the nearest whole number of Ordinary Shares which result from the conversion of the CLNs.

Following any sub-division or consolidation of Equity Securities (as defined in section 560(1) of the Companies Act) by the Company at any time, or by reference to any record date, while the CLNs remain in issue (an "**Adjustment Event**"), unless holders who hold in aggregate more than 75 per cent. of the outstanding CLNs (a "**Noteholder Majority"**) confirm to the Company that such certification is not required in the circumstances, an independent third party accountancy firm of international standing jointly appointed by the Noteholder Majority and the Company shall certify to the Company in writing the adjustments to the number and nominal value of the New Ordinary Shares to be converted which they consider to be necessary so that, after such adjustment and on conversion, the noteholders shall be entitled to receive the same percentage of the issued share capital of the Company carrying the same proportion of votes exercisable at a general meeting of shareholders and the same entitlement to participate in distributions of the Company, in each case as nearly as practicable, as would have been the case had no Adjustment Event occurred (and making such reduction or increase as is necessary to the premium arising on the issue and allotment of the New Ordinary Shares on conversion of the CLNs). The Company shall then notify the noteholders in writing of the necessary adjustment as determined by the accountancy firm.

The Company may, with the prior written consent in writing of a Noteholder Majority, make any amendment, modification, change or addition to the September CLN Instrument. The Company may without the consent or sanction of the holders of CLNs make any modification to the September CLN Instrument (including any minor or technical changes to correct a manifest error or to facilitate title to the CLNs being evidenced otherwise than by certificate or to facilitate the transfer of CLNs) which in the reasonable opinion of the Company would not be materially and adversely prejudicial to the interests of any holder of CLNs. Any such modification (or terms or conditions to such modification) which would impose any new obligation on a holder of CLNs, vary an express contractual right of a holder of CLNs or increase any existing obligation, the consent of the holder of the CLN shall be required.

The CLNs are transferable by instrument in writing (signed by the transferor and the transferee) in amounts of and integral multiples of £1,000.

The provisions of the September CLN Instrument and the CLNs shall be subject to and governed by English law and the courts of England shall have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the September CLN Instrument.

11. Working Capital

In the opinion of the Company, the working capital available to the Group is sufficient for the Group's present requirements, that is, for at least 12 months from the date of this Prospectus.

12. Capitalisation and Indebtedness

The following table shows the Company's capitalisation as at 4 May 2021:

Capitalisation	**As at 4 May 2021**
Ordinary Shares	672,816,302
Legal reserves	–
Other reserves [(1)]	£1,792,602

[(1)] Share options reserve (£68,233); Warrants reserve (£1,721,625); Foreign current translation reserve (£2,744).

The following table shows the Company's indebtedness as at 4 May 2021:

Indebtedness	**As at 4 May 2021**
Total Current Debt	**£7,197,173**
Guaranteed	£0
Secured	£0

Unguaranteed/Unsecured	£0
Total Non-Current Debt	**£0**
Guaranteed	£0
Secured	£0
Unguaranteed/Unsecured	£0

13. Significant Change

There has been no significant change in the financial position and the financial performance of the Group since 30 September 2020 (being the end date of the period covered by the latest published unaudited historical financial information of the Company).

14. Current Investments

The Company currently has an investment in the Chemerin Project and the BAM-8 Project.

15. Investments in Progress

The Company has no investments in progress.

16. Regulatory Disclosure

The Company regularly arranges the publication of announcements through an RIS and the Company's website. Below is a summary of the information disclosed in accordance with the Company's obligations under UK MAR over the last 12 months relevant as at the date of this Prospectus:

16.1 ***Inside information***

On 2 March 2020, the Company announced the results of its annual general meeting held on 2 March 2020.

On 19 March 2020, the Company announced that it had conditionally placed 112,000,000 new Ordinary Shares at a placing price of 0.5 pence each raising £560,000 (before expenses). The shares were issued with warrants attached on a one-for-one basis, exercisable at a price of 0.55 pence for a period of five years from the date of issue.

On 23 March 2020, and further to the Company's announcement regarding a placing of shares on 19 March 2020, the Company announced that it would immediately seek admission of 75,825,130 new Ordinary Shares at a placing price of 0.5 pence each and make further applications to the FCA and to the London Stock Exchange for admission of the balance of 36,174,870 new Ordinary Shares at a placing price of 0.5 pence each for admission on or about 25 May 2020.

On 28 May 2020, the Company announced that it had placed a further 36,269,253 new Ordinary Shares with Panetta at a placing price of 0.5 pence each to raise £181,346 (before expenses). The shares were issued with warrants attached on a one-for-one basis, exercisable at a price of 0.55 pence for a period of five years from the date of issue.

On 29 May 2020, the Company announced that it had raised £440,000 through the issue of CLNs with a warrant attached at an exercise price of 0.4 pence per share.

On 28 July 2020, the Company announced that it had raised £3,500,000 through the issue of CLNs.

On 17 August 2020, the Company announced its final audited results for the year ended 31 March 2020.

On 18 August 2020, the Company announced that it had raised an additional £1,437,104 through the issue of CLNS. The Company also announced that it intended to progress a dual listing of its existing equity share capital on Nasdaq.

On 21 August 2020, the Company announced that the Board had decided to award: (a) 300,000 options over Ordinary Shares with an exercise price of 15.5 pence per share to Keeren Shah; and (b) 450,000 options over Ordinary Shares with an exercise price of 15.5 pence per share to John Brancaccio

On 8 September 2020, the Company announced that it had raised a further £500,000 through the issue of CLNs.

On 25 September 2020, the Company announced the results of the 2020 AGM.

On 30 November 2020, the Company announced its interim results for the six months ended 30 September 2020.

On 19 January 2021, the Company announced that it had submitted a patent application for the potential use of Chemerin and Chemerin analogues for prophylaxis against and treatment of

symptoms associated with, or resulting from, infection with SARS-CoV-2 virus, including inflammation due to the cytokine storm caused by COVID-19 and ARDS.

On 28 April 2021, the Company announced positive results of OK-201 delivered topically in a mouse neuropathic corneal pain model, demonstrating the potential of OK-201 to treat acute and chronic ocular pain.

16.2 ***Deals by persons discharging managerial responsibilities and their persons closely associated***

On 7 January 2021, the Company announced that Gabriele Cerrone had been appointed as Non-Executive Chairman of the Company and Dr Gary S. Jacob had been appointed as Chief Executive Officer and Director of the Company, both with immediate effect. The Company also announced that the Remuneration Committee had agreed to grant 40,000,000 options over Ordinary Shares to Dr. Jacob. The options vest over a four-year period in equal tranches and have an exercise price of 5 pence per share.

17. Legal and Arbitration Proceedings

There are currently no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware), during a period covering at least the previous 12 months which may have, or have had in the recent past significant effects on the Company's and/or the Group's financial position or profitability.

18. Material Contracts

The following contracts, not being contracts entered into in the ordinary course of business, have been entered into by the Company since incorporation and are or may be material:

18.1 ***The Existing Warrants, the CLN Warrants and the CLNs***

The terms of the Scientific Warrants, the Investor Warrants and the Broker Warrants are set out in paragraph 8 above.

The terms of the CLNs are set out in paragraph 10 above.

The terms of the CLN Warrants are set out in paragraph 9 above

18.2 ***Relationship Agreement***

The Company has entered into a relationship agreement with Panetta dated 6 July 2018 (the "**Relationship Agreement**"). The purpose of the Relationship Agreement is to ensure that the Company operates independently of Panetta. The Relationship Agreement provides that all transactions and dealings between the Company and Panetta will take place on arm's length commercial terms and shall be subject to the approval of the Independent Directors. Panetta agrees that the Board shall comprise at least two Independent Directors at all times and Panetta will not exercise its voting rights to remove or replace any Independent Director. Panetta also undertakes that it will not take any action which would have the effect of preventing the Company from complying with its obligations under the Listing Rules or the Disclosure Guidance and Transparency Rules nor propose any Shareholder resolution that might be intended to circumvent the proper application of the Listing Rules.

18.3 ***Chemerin Acquisition Agreement***

The Company and Panetta entered into the Chemerin Acquisition Agreement on 1 May 2018.

The terms of the Chemerin Acquisition Agreement provide for the assignment by Panetta to the Company of a licence from On Target Therapeutics and a sub-licence from Tufts Medical Center, Inc. of the right to exploit all of the intellectual property relating to rights claimed on patent WO2017014605, being claims in composition of matter and methodology for treating, inter alia, ocular inflammation, DED and ocular neuropathic pain with Chemerin or a fragment of analogue thereof and a lipid entity linked to the Chemerin or fragment or analogue thereof. The terms of the assigned licence and sub-licence give the Company full control over the preparation, filing and prosecution of all patent applications and full control over the research, development and commercialisation of the licensed intellectual property.

The licence is subject to certain development milestone payments being:

1. US$300,000 on first patient enrolled in a Phase I clinical trial;
2. US$600,000 on first patient enrolled on a Phase II clinical trial;
3. US$1,500,000 on first patient enrolled in a Phase III clinical trial; and
4. US$2,500,000 on first commercial sale of a licensed product.

The licence is also subject to the payment of sales milestones as follows:

1. US$2m on first achievement of annual net sales of US$50,000,000;
2. US$4m on first achievement of annual net sales of US$100,000,000;
3. US$6m on first achievement of annual net sales of US$250,000,000;
4. US$10m on first achievement of annual net sales of US$500,000,000; and

5. US$15m on first achievement of annual net sales of US$1,000,000,000.

The above payments equate to low and declining single digit percentage royalties on net sales.

The licence was also subject to a US$375,000 upfront fees which has been paid by Panetta (and forms part of the US$450,000 paid to Panetta as consideration to discharge Panetta's costs to date in pursuing the project).

The consideration for the assignment of the licence is the payment of US$450,000 to Panetta (to reimburse the costs of Panetta in developing the project to date), the issue of 135,000,00 Ordinary Shares to Panetta credited as fully paid and the issue of the Scientific Warrants to Inukshuk. The Acquisition Agreement contains customary warranties as to the validity of the intellectual property in favour of the Company and further assurance provisions to ensure that the Company becomes the full beneficiary of all the assigned rights.

18.4 ***BAM-8 Licence Agreement***

On 1 May 2018, the Company entered into a licence agreement with Tufts Medical Center, Inc. relating to intellectual property and proprietary technology for the use of lipidated BAM peptides in the treatment of neuropathic pain. The licence comprises an exclusive licence to all patents (pending and issued), inventions (including future patent filings on lipidated BAM molecules, know-how and proprietary information controlled by Tufts Medical Center, Inc. The licence requires an upfront licence fee of US$15,000 (£11,000), which has been paid by the Company and annual maintenance fees of US$15,000 (£11,000) commencing on the first anniversary of the agreement.

The BAM-8 agreement also provides for further development and sales milestones as follows:

(a) *Development milestone payments*

1. US$75,000 on enrolment of first patient in a Phase I human clinical trial;

2. US$25,000 on enrolment of first patient in a Phase II human clinical trial;

3. US$250,000 on enrolment of first patient in a Phase III human clinical trial; and

4. US$1,000,000 on first commercial sale of a licenced product.

(b) *Sales milestone payments*

1. US$1,000,000 on first achievement of US$50,000,00;

2. US$2,000,000 on first achievement of US$100,000,000 in annual net sales;

3. US$3,000,000 on first achievement of US$250,000,000 in annual net sales;

4. US$5,000,000 on first achievement of US$500,000,000 in annual net sales; and

5. US$7,500,000 on first achievement of US$1,000,000,000 in annual net sales.

The Company also agrees to pay On Target Therapeutics a royalty of 2 per cent. on annual net sales of any licenced product and 12.5 per cent. of non-royalty sub-licence revenues for the life of any underlying patents prosecuted pursuant to the licence agreement.

18.5 ***Working Capital Loan Agreement***

The Company entered into a working capital loan agreement with West African Minerals Limited (formerly Ferrum Resources Limited) on 9 March 2018 (the "**Working Capital Loan Agreement**"). This agreement provided that the Company would advance a new working capital facility of up to US$400,000 to West African Minerals Limited (formerly a wholly-owned subsidiary of the Company) to cover its interim working capital needs. The agreement also provided that US$3,600,000, being the written down balance of all historic loans made by the Company in West African Minerals Limited (and not previously written off under the deed of release described in paragraph 18.6), together with the new working capital facility, would become immediately repayable on written demand should West African Minerals Limited become subject to a charge of control transaction, dispose of any significant asset or raise new capital in a sum of not less than US$6m.

18.6 ***Deed of Release***

The Company entered into a deed of release with West African Minerals Limited (formerly Ferrum Keia Resources Limited and formerly a wholly-owned subsidiary of the Company on 9 March 2018 (the "**Deed of Release**"). The terms of the Deed of Release provided that all existing inter-company loans between the two entities be written off, save for the sum of US$3,600,000 owing from West African Minerals Limited to the Company, the repayment terms of which are to be governed by the working Capital Loan Agreement.

18.7 ***Deed of Guarantee***

The Company, CMC Guernsey Limited ("**CMC**") and Compagnie Miniere du Cameroun SA ("**CMDC**") entered into a deed of guarantee dated 9 March 2018 (the "**Deed of Guarantee**"). Pursuant to the terms of the Deed of Guarantee. CMC and CMDC guaranteed all the obligations of West African Minerals Limited to the Company under the Working Capital Loan Agreement.

18.8 ***Broker Engagement Letter***

On 21 May 2018, the Company entered into an engagement letter (the "**Broker Engagement Letter**") with the Broker pursuant to which the Broker agreed to act as corporate broker to the Company.

The agreement provides for the Broker to receive a corporate finance fee of £50,000, of which £2,500 was satisfied through the issue to the Broker of 200,000 Ordinary Shares credited as fully paid.

The Broker receives a retainer fee of £40,000 per annum under the Broker Engagement Letter, increasing annually in line with the retail price index. The Broker Engagement Letter can be terminated by either party on 90 days" notice in writing after the first anniversary of Admission.

The Broker Engagement Letter contains a customary indemnity in favour of the Broker.

19. Related Party Transactions

Save as set out in paragraph 19 of this *Part XIII – Additional Information* of this Prospectus or as referred to in the financial statements referenced in *Part XVII – Historical Financial Information on the Company* of this Prospectus, there are no related party transactions that were entered into by the Company during the period covered by the financial information referenced in *Part XVII – Historical Financial Information on the Company* of this Prospectus and up to the date of this Prospectus.

19.1 Director and Senior Manager options

The following table summarises the options granted over shares in the Company under the terms of the Unapproved Share Option Plan:

Holder	Date of grant	Number of options	Exercise price	Vesting conditions
Willy Simon	6 July 2018	2,000,000	£0.045	25 per cent. will vest on each anniversary of appointment
Kunwar Shailubhai	6 July 2018	16,500,000	£0.045	25 per cent. will vest on each anniversary of appointment
John Brancaccio	20 August 2020	450,000	£0.155	25 per cent. will vest on each anniversary of appointment
Keeren Shah	20 August 2020	300,000	£0.155	25 per cent. will vest on each anniversary of appointment
Gary S. Jacob	6 January 2020	40,000,000	£0.05	25 per cent. will vest on each anniversary of appointment

20. Accounts

The Company's annual report and accounts are made up to 31 March in each year. 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 has also prepared and published its unaudited historical information for the six months ended 30 September 2020.

21. General

21.1 Mazars LLP, a member of the Institute of Chartered Accountants of England and Wales, is the auditor of the Company.

21.2 Mazars LLP has given and not withdrawn its consent to the inclusion in this Prospectus of the references herein to its name in the form and context in which it appears.

21.3 Optiva, as sole broker, has given and not withdrawn its written consent to the issue of this Prospectus with the inclusion of the references herein to its name in the form and context in which they appear.

21.4 The number of employees, including Directors, employed by the Group is 2. The Company does not own any premises.

21.5 The total expenses incurred (or to be incurred) by the Company in connection with the issue and conversion of the CLNs and CLN Warrants and Admission are approximately £150,000.

21.6 Save as set out in this Prospectus, the Company is not dependent on patents, industrial, commercial or financial contracts or new manufacturing processes which are material to the Company's business or profitability.

21.7 In accordance with the Prospectus Regulation Rules, the Company will file with the FCA, and make available for inspection by the public, details of the number of New Ordinary Shares issued under this Prospectus. The Company will also announce the issue of the New Ordinary Shares through an RIS.

21.8 The publication or delivery of this Prospectus shall not under any circumstances imply that the information contained in this Prospectus is correct as at any time subsequent to the date of this Prospectus or that there has not been any change in the affairs of the Company since that date.

22. Third Party Sources

The Company confirms that information sourced from third parties has been accurately reproduced and, as far as the Company is aware and is able to ascertain from information published by those third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading.

23. No Incorporation of Websites

The contents of the Company's website (https://www.okyopharma.com) unless specifically incorporated by reference, any website mentioned in this Prospectus or any website directly linked to these websites have not been verified and do not form part of this Prospectus, and prospective investors should not rely upon them.

24. Availability of Documents

24.1 Copies of the following documents may be inspected at the offices of Orrick, Herrington & Sutcliffe (UK) LLP at 107 Cheapside, London EC2V 6DN during usual business hours on any Business Day, unless the registered office has been closed as a result of the circumstances surrounding the COVID-19 pandemic, from the date of this Prospectus until Admission:

(a) the Articles;

(b) this Prospectus; and

(c) the documents incorporated by reference in *Part XVI – Documents Incorporated by Reference.*

24.2 In addition, this Prospectus and the other documents referred to in paragraph 24.1 above will be published in electronic form and be available on the Company's website at https://www.okyopharma.com.

Date: 5 May 2021

Part XIV

DEFINITIONS

The following definitions apply throughout this Prospectus (unless the context requires otherwise):

2020 AGM	the annual general meeting of the Company which occurred on 25 September 2020.
Admission	the admission(s) of the New Ordinary Shares to the standard listing segment of the Official List and to trading on the main market for listed securities of the London Stock Exchange.
AIM	AIM, the market operated by the London Stock Exchange.
Articles	articles of incorporation of the Company in force from time to time.
August CLN Instrument	the loan note instrument constituting up to £1,544,887 unsecured convertible loan notes August 2020, constituted by the Company on 17 August 2020.
BAM-8 Acquisition	the acquisition of the BAM-8 Project by the Company.
BAM-8 Acquisition Agreement	the agreement dated 1 May 2018 between the Company and Tufts Medical Centre, Inc. for an exclusive licence of the intellectual property relating to the BAM-8 Project.
BAM-8 Project	the development of the intellectual property relating to BAM-8 as acquired pursuant to the BAM-8 Acquisition Agreement.
Broker	Optiva Securities Limited.
Broker Warrants	909,090 warrants issued to the Broker entitling the holder to subscribe for one Ordinary Share at an exercise price of 0.0275 pence per Ordinary Share, the terms of which are set out in *Part XIII – Additional Information* of this Prospectus.
Broker Warrant Instrument	the instrument dated 20 May 2020 pursuant to which the Broker Warrants were constituted, and issued subject to, further details of which are set out in *Part XIII – Additional Information* of this Prospectus.
Business Day	any day on which the London Stock Exchange is open for business and banks are open for business in London (excluding Saturdays and Sundays).
BVI Business Companies Act	BVI Business Companies Act 2004.
BVIBC	British Virgin Islands Business Company.
certificated or **in certificated form**	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 (i.e., not in CREST).
Chemerin Acquisition	the acquisition of the Chemerin Project by the Company.
Chemerin Acquisition Agreement	the agreement between the Company and Panetta for the acquisition of the Chemerin Project, dated 1 May 2018.
Chemerin Project	a licence and sub-licence from On Target Therapeutics of the exclusive right to exploit all of the intellectual property relating to rights claimed on patent WO2017014605, being claims in composition of matter and methodology for treating, *inter alia*, ocular inflammation, DED and ocular neuropathic pain with Chemerin or a fragment of analogue thereof and a lipid entity linked to the Chemerin or fragment or analogue thereof.
CLNs	the £466,400 in principal amount of loan notes constituted and issued by the Company on 29 May 2020 which are convertible into Ordinary Shares at a price of 0.4 pence per Ordinary Share, and the £5,877,104 in principal amount of loan notes constituted and issued by the Company on 27 July 2020, 17 August 2020 and 8 September 2020 which are convertible into Ordinary Shares at a price of 8.5 pence per Ordinary Share.
CLN Warrants	the warrants to subscribe for Ordinary Shares granted to the subscribers for CLNs issued on 29 May 2020 at a price of 0.4 pence per Ordinary Share.
Company	OKYO Pharma Limited, a company registered and incorporated in Guernsey with company number 65220.

CLN Warrant Instrument	the document pursuant to which the CLN Warrants were constituted, and issued subject to, further details of which are set out in *Part XIII – Additional Information* of this Prospectus.
Confidential Information	the Company's trade secrets, know-how or other proprietary information.
Consideration Shares	135,000,000 Ordinary Shares provided by the Company to Panetta, in addition to cash consideration, in connection with the Chemerin Acquisition.
control	(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), but excluding in the case of each of (i) and (ii) above any such power or holding that arises as a result of the issue of Ordinary Shares by the Company in connection with further acquisitions.
CREST or **CREST System**	the system for the paperless settlement of trades in securities and the holding of uncertificated securities operated by Euroclear in the system for the paperless settlement of trades in securities and the holding of uncertificated securities operated by Euroclear in accordance with the CREST Regulations.
CREST Regulations	Uncertificated Securities Regulations 2001 (*SI 2001 No.3755*).
Directors or **Board**	the directors of the Company, whose names appear in *Part VII – The Board of Directors* of this Prospectus, or the board of directors from time to time of the Company, as the context requires, and "Director" shall be construed accordingly.
Disclosure Guidance and Transparency Rules or **DTRs**	disclosure guidance and transparency rules of the FCA made in accordance with section 73A(3) of FSMA.
EEA	European Economic Area, comprising the EU, Iceland, Norway and Liechtenstein.
EMA	European Medicines Agency.
Enlarged Share Capital	the issued share capital of the Company following the Admission and the conversion of the CLNs and exercise of the CLN Warrants.
Existing Share Capital	the fully diluted share capital of the Company as at the time of this Prospectus.
Existing Ordinary Shares	672,816,302 Ordinary Shares of no par value each in the capital of the Company in issue as at the date of this Prospectus
EU	European Union.
Euroclear	Euroclear UK & Ireland Limited, a company incorporated in England and Wales with company number 02878738, being the operator of CREST.
EUWA	European Union (Withdrawal) Act 2018.
Existing Warrants	the Scientific Warrants, the Investor Warrants and the Broker Warrants.
FCA	the UK Financial Conduct Authority or any successor thereof, being the single UK statutory regulator under FSMA.
FDA	the US Food and Drug Administration.
FSMA	Financial Services and Markets Act 2000.
Fully Diluted Share Capital	the share capital of the Company assuming the issue of the maximum number of New Ordinary Shares and the exercise in full of all other warrants, options and other rights to subscribe for shares in the capital of the Company.
general meeting	a meeting of the Shareholders or a class of Shareholders (as the context requires).
Group	the Company and OKYO Pharma, Inc.

Guernsey Companies Law	Companies (Guernsey) Law 2008.
IFRS	International Financial Reporting Standards, as adopted in the EU.
ISIN	International Securities Identification Number.
Investor Warrants	148,363,636 warrants issued to investors entitling the holder to subscribe for one Ordinary Share at an exercise price between 0.55 pence and 1.35 pence per Ordinary Share, the terms of which are set out in *Part XIII – Additional Information* of this Prospectus.
Investor Warrant Instruments	the instruments dated 23 May 2019 and 24 March 2020 constituted by the Company pursuant to which the Investor Warrants were constituted, and issued subject to, further details of which are set out in *Part XIII – Additional Information* of this Prospectus.
July CLN Instrument	the loan note instrument constituting up to £3,762,500 unsecured convertible loan notes July 2020, constituted by the Company on 27 July 2020.
Latest Practicable Date	4 May 2021, being the latest practicable date prior to the publication of this Prospectus.
Listing Rules	listing rules made by the FCA under section 73A of FSMA.
London Stock Exchange	London Stock Exchange plc, a company registered in England and Wales with company number 2075721.
Main Market	main market for listed securities of the London Stock Exchange.
May CLN Instrument	the loan note instrument constituting up to £466,400 unsecured convertible loan notes 2020, constituted by the Company on 29 May 2020.
MHRA	UK Medicines and Healthcare products Regulatory Agency.
Migration	the continuation of the Company out of the British Virgin Islands and migration of the Company into Guernsey which occurred on 3 July 2018.
Nasdaq	Nasdaq Global Market operated by NASDAQ, Inc.
New Ordinary Shares	the new Ordinary Shares to be issued by the Company pursuant to the exercise of the conversion rights attached to the CLNs and the CLN Warrants.
New Warrant Shares	an Ordinary Share to be issued on exercise of a CLN Warrant, in accordance with the terms of the CLN Warrant Instrument.
Official List	Official List of the FCA pursuant to Part VI of FSMA.
On Target Therapeutics	On Target Therapeutics LLC.
Order	the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005.
Ordinary Shares	ordinary shares of no par value each in the capital of the Company.
Overseas Shareholders	Shareholders residing in, or subject to, any jurisdiction outside the United Kingdom.
Panetta	Panetta Partners Limited.
Premium Listing	a premium listing under Chapter 6 of the Listing Rules.
Prospectus	this document.
Prospectus Regulation	Regulation (EU) 2017/1129 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC.
Prospectus Regulation Rules	the prospectus regulation rules of the FCA made in accordance with section 73A of FSMA.
Qualified Investor	"qualified investors" within the meaning of Article 2I of the Prospectus Regulation.
Registrar	Computershare Investor Services (Guernsey) Limited.
Regulation S	Regulation S under the Securities Act.
Relevant Persons	if in the UK, "qualified investors" within the meaning of the UK Prospectus Regulation who are: (i) persons having professional experience in matters relating to investments who fall within the definition of "investment professionals" in Article 19(5) of the

	Order; or (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Order; or are other persons to whom it may otherwise lawfully be communicated.
Relevant State	a member state of the EEA.
Relationship Agreement	the relationship agreement between the Company and Panetta; further details of which are set out in paragraph 18.2 of *Part XIII – Additional Information* of this Prospectus.
RIS	a regulatory information service, as defined the FCA's handbook of rules and guidance as amended from time to time.
Scientific Consultant	Professor Napoleone Ferrara, MD.
Scientific Warrants	35,000,000 warrants issued in connection with the Chemerin Project each entitling the holder to subscribe for one Ordinary Share at an exercise price of 4.5 pence per Ordinary Share subject to the satisfaction of certain clinical milestones, the terms of which are set out in *Part XIII – Additional Information* of this Prospectus.
Scientific Warrant Instrument	the instrument pursuant to which the Scientific Warrants were constituted, and issued subject to, further details of which are set out in *Part XIII – Additional Information* of this Prospectus.
SEC	US Securities and Exchange Commission.
Securities Act	the U.S. Securities Act of 1933, as amended.
SEDOL	Stock Exchange Daily Official List, a list of security identifiers used in the United Kingdom and Ireland for clearing purposes.
Senior Manager	Keeren Shah, Finance Director of the Company.
September CLN Instrument	the loan note instrument constituting up to £500,000 unsecured convertible loan notes September 2020, constituted by the Company on 8 September 2020.
Shareholder	a person who is registered as a holder of Ordinary Shares from time to time.
Standard Listing	a standard listing under Chapter 14 of the Listing Rules.
Takeover Code	City Code on Takeovers and Mergers.
Takeover Panel	United Kingdom Panel on Takeovers and Mergers.
TIDM	Tradeable Instrument Display Mnemonic.
Tiziana	Tiziana Life Sciences plc (Nasdaq: TLSA / AIM: TILS), a public limited company incorporated in England and Wales with company number 03508592.
UK or **United Kingdom**	United Kingdom of Great Britain and Northern Ireland.
UK MAR	the UK version of EU Regulation No 596/2014, which forms part of retained law by virtue of the EUWA.
UK Prospectus Regulation	the UK version of the Prospectus Regulation, which forms part of retained law by virtue of the EUWA.
Unapproved Share Option Plan	the Company's unapproved share option plan, further details of which are set out in *Part XIV – Additional Information* of this Prospectus.
uncertificated or uncertificated form	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 (i.e. in CREST) and title to which may be transferred by using CREST.
US or **United States**	United States of America.

References to a "**company**" in this Prospectus shall be construed so as to include any company, corporation and/or other body corporate, wherever and however incorporated or established.

Any reference to any provision of any legislation shall include any amendment, modification, re-enactment or extension thereof. Words importing the singular shall include the plural and vice versa, and words importing the masculine gender shall include the feminine or neutral gender.

All references to legislation or regulation in this Prospectus are to the legislation of Guernsey unless the contrary is indicated. Any reference to any provision of any legislation or regulation shall include any amendment, modification, supplement, re-enactment or extension thereof. Words importing the singular shall include the plural and vice versa, and words importing the masculine gender shall include the feminine or neutral gender.

For the purpose of this Prospectus, "**subsidiary**" has the meaning given by the Guernsey Companies Law.

In this Prospectus any reference to any EU directive, EU regulation, EU decision, EU tertiary legislation or provision of the EEA agreement (an "**EU Matter**") which forms part of domestic law by application of the EUWA shall be read as a reference to that EU Matter as it forms (by virtue of the EUWA) part of retained EU law and as modified by domestic law from time to time. For the purposes of this paragraph, (i) "domestic law" shall have the meaning given in the EUWA; and (ii) any other words and expressions shall, unless the context otherwise provides, have the meanings given in the EUWA.

Part XV

GLOSSARY

The following table provides an explanation of certain technical terms and abbreviations used in this Prospectus. The terms and their assigned meanings may not correspond to standard industry meaning or usage of these terms.

adverse event	any untoward medical occurrence associated with the use of a drug in humans whether or not considered drug related.
API	active pharmaceutical ingredient.
ARDS	acute respiratory distress syndrome.
BAM	Bovine Adrenal Medulla.
BAM-8	an endogenous BAM.
Chemerin	a chemoattractant protein that acts as a ligand for the G protein-coupled receptor CMKLR1 (also known as ChemR23).
chemokine	small cytokines secreted by cells.
CMKLR1	Chemerin chemokine-like receptor 1.
COVID-19	the disease caused by SARS-CoV-2.
drug product	a finished form of therapeutic agent.
dry eye disease or **DED**	the condition of having dry eyes, *Keratoconjunctivitis Sicca*, commonly known as dry eye disease
GCP	good clinical practice, an international ethical and scientific standard for the design, conduct and record of research involving humans.
GI	gastrointestinal.
GMP	good manufacturing practice in conformity with the relevant regulatory guidelines for the manufacturing of pharmaceuticals.
GPCR	G protein-coupled receptors.
HEK293	human embryonic kidney 293.
HPLC	high performance liquid chromatography.
in vivo	within the living (typically used when referring testing on whole living organisms or cells).
IND	Investigational new drug application.
Keratoconjunctivitis Sicca	dry eye disease.
lipidation	the addition of hydrophobic molecules to a protein or chemical compound.
MRGPR	MAS-Related G Protein-Coupled Receptor.
MTL	membrane-tethered ligand.
NDA	new drug application with the FDA.
natural killer cells	a type of lymphocyte and component of innate immune system.
ocular	of or connected with the eyes or vision.
PCT	Patent Cooperation Treaty.
pharmacovigilance	the pharmacological science relating to the collection, detection, assessment, monitoring, and prevention of adverse effects with pharmaceutical products.
Phase I/Phase 1 study	first stage of clinical testing in healthy volunteers.
Phase II/Phase 2 study	clinical trials in a small number of patients (usually 20-30) to determine safety and efficacy of a new medicine.
Phase III/Phase 3 study	the final stage of clinical trials prior to seeking regulatory approval, to determine efficacy and safety in a large number of patients (usually several hundred).
Phase IV/Phase 4 study	clinical trials conducted after a drug or device has been approved for consumer sale.
R&D	research and development.
RP-HPLC	reverse phase – high performance liquid chromatography.

RvE1	resolvin E1, a trihydroxy eicosapentaenoic acid.

Part XVI

DOCUMENTS INCORPORATED BY REFERENCE

The Company's annual report and accounts for the period ended 31 March 2020 and interim financial information for the six months ended 30 September 2020 contain information which is relevant to Admission. This Prospectus is available on the Company's website at https://www.okyopharma.com.

The table below sets out the various sections of the documents which are incorporated by reference into this Prospectus so as to provide the information required under the Prospectus Regulation Rules and to ensure that shareholders and others are aware of all information which, according to the particular nature of Company and of the Ordinary Shares, is necessary to enable shareholders and others to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Company.

Any non-incorporated parts of the documents are either not relevant for the purposes of Admission or the relevant information is included elsewhere in this Prospectus. Any documents themselves incorporated by reference or referred or cross-referred to in the documents referred to below shall not form part of this Prospectus.

Document	*Section*	*Page numbers*	*Section in this Prospectus*
Annual Report for the period ended 31 March 2020	Management and administration	2	*Part XVII – Historical Financial Information of the Company*
	Strategic Report	3-8	
	Directors' Report	9-14	
	Directors' Remuneration Report	15-21	
	Statement of Directors' Responsibilities	22	
	Independent Auditors' Report	23-28	
	Consolidated statement of comprehensive income	29	
	Consolidated statement of financial position	30	
	Company statement of financial position	31	
	Consolidated statement of changes in equity	32	
	Company statement of changes in equity	33	
	Consolidated statement of cash flows	34	
	Company statement of cash flows	35	
	Notes to the financial statements	36-55	
Interim historical financial information for the six months ended 30 September 2020	Highlights during the period	1-2	*Part XVII – Historical Financial Information of the Company*
	Chairman's statement	3-4	
	Consolidated statement of comprehensive income	5	
	Consolidated statement of financial position	6	
	Consolidated statement of changes in equity	7-8	
	Consolidated statement of cash flows	9	
	Notes to financial statements	10-21	

Part XVII

HISTORICAL FINANCIAL INFORMATION ON THE COMPANY

The audited financial statements relating to the Company for the financial year ended 31 March 2020 are incorporated by reference into this Prospectus as described in *Part XVI – Documents Incorporated by Reference* of this Prospectus.

The unaudited interim financial statements relating to the Company for the six months ended 30 September 2020 are incorporated by reference into this Prospectus as described in *Part XVI – Documents Incorporated by Reference* of this Prospectus.