

BILBY PLC

NOTICE OF ANNUAL GENERAL MEETING

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to what action you should take, you are recommended to seek your own financial advice from your stockbroker or other independent adviser authorised under the Financial Services and Markets Act 2000.

Bilby plc (the **Company**), incorporated in England and Wales (registered number 09095860), gives notice that its annual general meeting (the **Meeting**) will be held at the offices of Hudson Sandler Limited, 29 Cloth Fair, London, EC1A 7NN on Wednesday 14 September 2016 at 9:30 a.m. to consider and if thought fit, to pass the resolutions (set out below), of which resolutions 1 to 5 are proposed as ordinary resolutions and resolution 6 is proposed as a special resolution.

If you have recently sold or transferred all of your shares in the Company, please forward this document, together with the accompanying documents, as soon as possible either to the purchaser or transferee or to the person who arranged the sale or transfer so they can pass these documents to the person who now holds the shares.

ORDINARY RESOLUTIONS

1. To receive and adopt the Annual Report and Accounts of the Company for the financial year ended 31 March 2016 together with the Directors' Report and Auditors Report on those accounts.
2. To declare a final dividend for the financial year ended 31 March 2016 of 2 pence per ordinary share.
3. To reappoint Katie O'Reilly as a director of the Company, who has been appointed by the board since the last annual general meeting and retires by rotation in accordance with the Company's articles of association.
4. To appoint RSM UK Audit LLP (formerly Baker Tilly UK Audit LLP) as auditors of the Company to hold office from the conclusion of the Meeting until the conclusion of the next annual general meeting of the Company at which the accounts are laid.
5. The directors be generally and unconditionally authorised pursuant to and in accordance with Section 551 of the Companies Act 2006 (the **Act**) to exercise all powers of the Company to allot shares or grant rights to subscribe for or to convert any security into shares up to a nominal amount of £1,324,975 such authority to expire at the end of the next Annual General Meeting or on 26 November 2017, whichever is the earlier but, in each case, so that the Company may make offers and enter into agreements during the relevant period which would, or might, require shares to be allotted or rights to subscribe for or to convert any security into shares to be granted after the authority ends.

This resolution revokes and replaces all unexercised authorities previously granted to the directors in accordance with section 551 of the Act to allot shares or grant rights to subscribe for or to convert any security into shares but without prejudice to any allotment of shares or grant of rights already made, offered or agreed to be made pursuant to such authorities.

SPECIAL RESOLUTION

6. That subject to the passing of Resolution 5 above, the Directors be generally empowered to allot equity securities wholly for cash pursuant to the authority given by Resolution 5 above, or where the allotment constitutes an allotment of equity securities by virtue of Section 560(3) of the 2006 Act, in each case:
 - a. in connection with a pre-emptive offer; and
 - b. otherwise than in connection with a pre-emptive offer, up to an aggregate nominal amount of £1,324,975; and

as if Section 561(1) of the 2006 Act did not apply to any such allotment, such power to expire at the end of the next Annual General Meeting or on 26 November 2017, whichever is the earlier but so that the Company may make offers and enter into agreements during this period which would, or might, require equity securities to be allotted after the power ends.

Explanation of Resolutions

1. *The Company is required to present the accounts for the year ended 31 March 2016 and the reports of the Directors and Auditors to the Annual General Meeting for approval. These are contained in the Company's Annual Report and Accounts for the year ended 31 March 2016. Shareholders have the opportunity to put forward questions on the Annual Report and Accounts.*
2. *The directors are recommending a final dividend of 2 pence per ordinary share in respect of the year ended 31 March 2016, which if approved, will be payable on 16 September 2016 to shareholders on the register of members as at close of business on 29 July 2016.*
3. *At each general meeting any director who has been appointed by the board since the last annual general meeting is required to retire and may be reappointed. Resolution 3 seeks shareholder approval to reappoint Katie O'Reilly as director of the Company.*
4. *The Company is required to appoint auditors at each general meeting at which the accounts are presented to shareholders to hold office until the conclusion of the next such meeting. Resolution 4 seeks shareholder approval to reappoint RSM UK Audit LLP (formerly Baker Tilly Audit UK LLP) as auditor to hold office from the conclusion of the Meeting until the conclusion of the next annual general meeting of the Company at which the accounts are laid.*
5. *The directors are prevented, subject to certain exceptions, from allotting shares in the Company or granting rights to subscribe for, or convert any security into, shares in the Company without the authority of the shareholders. The authority to allot granted on 2 March 2016 expires at the end of the Meeting and therefore the directors are seeking to renew the authority to allot up to a maximum of £1,324,975. The directors authority granted in Resolution 5 will expire at the next annual general meeting or on 26 November 2017, whichever is the earlier.*
6. *Subject to certain exceptions, when new shares are allotted, they must be first offered to existing shareholders pro rata to their holdings. This Resolution 6 would give the directors the authority to allot ordinary shares in the Company without first having to offer such securities to existing shareholders in proportion to their existing shareholdings. The authority would be limited to allotments or sales in connection with (a) a pre-emptive offer and (b) up to an aggregate nominal amount of £1,324,975. The directors authority granted in Resolution 6 will expire at the next annual general meeting or on 26 November 2017, whichever is the earlier.*

By order of the Board

Katie O'Reilly
Company secretary

6-8 Powerscroft Road
Sidcup
Kent
DA14 5DT

22 August 2016

Entitlement to attend and vote

1. Only those shareholders registered in the Company's register of members at:
 - 6.00 p.m. on 12 September 2016; or,
 - if this meeting is adjourned, at 6.00 pm on the day two days prior to the adjourned meeting, shall be entitled to attend and vote at the meeting. Changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.

Website giving information regarding the meeting

2. Information regarding the meeting, including the information required by section 311A of the Companies Act 2006, can be found at <http://bilbyplc.com/>.

Appointment of proxies

3. If you are a shareholder who is entitled to attend and vote at the meeting, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the meeting and you should have received a proxy form with this notice of meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.
4. A proxy does not need to be a shareholder of the Company but must attend the meeting to represent you. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, please contact the Company's registrar: Neville Registrars Limited (**Neville Registrars**), Neville House, 18 Laurel Lane, Halesowen, B63 3DA.
5. Shareholders can:
 - Appoint a proxy and give proxy instructions by returning the enclosed proxy form by post (see note 7).
 - If a CREST member, register their proxy appointment by utilising the CREST electronic proxy appointment service (see note 8).

Appointment of a proxy does not preclude you from attending the meeting and voting in person. If you have appointed a proxy and attend the meeting and vote in person, your proxy appointment will automatically be terminated.

6. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the meeting.

Appointment of proxy by post

7. The notes to the proxy form explain how to direct your proxy how to vote on each resolution or withhold their vote.

To appoint a proxy using the proxy form, the form must be:

- completed and signed;
- sent or delivered to Neville Registrars at Neville House, 18 Laurel Lane, Halesowen, B63 3DA; and
- received by Neville Registrars no later than 9:30 a.m. on 12 September 2016.

In the case of a shareholder which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.

Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.

If you have not received a proxy form and believe that you should have one, or if you require additional proxy forms, please contact Neville Registrars by email info@nevilleregistrars.co.uk or by telephone on 0121 585 1131.

Appointment of proxies through CREST

8. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) of it by using the procedures described in the CREST Manual (available via www.euroclear.com). CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment made using the CREST service to be valid, the appropriate CREST message (a **CREST Proxy Instruction**) must be properly authenticated in accordance with Euroclear UK & Ireland Limited's (**EUI**) specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the Company's agent (ID 7RA11) no later than 9:30 a.m. on 12 September 2016 or, in the event of an adjournment of the meeting, 48 hours before the adjourned meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular message. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member, or has appointed a voting service provider(s), to procure that his/her CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

Changing proxy instructions

9. Shareholders may change proxy instructions by submitting a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.

Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact Neville Registrars by email info@nevilleregistrars.co.uk or by telephone on 0121 585 1131.

If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

Termination of proxy appointments

10. A shareholder may change a proxy instruction but to do so you will need to inform the Company in writing by either:
 - Sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands, B63 3DA. In the case of a shareholder which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.
 - Sending an e-mail to info@nevilleregistrars.co.uk.

In either case, the revocation notice must be received by Neville Registrars no later than 9:30 a.m. on 12 September 2016.

Corporate representatives

11. A corporation which is a shareholder can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a member provided that no more than one corporate representative exercises powers over the same share.

Communication

12. Except as provided above, shareholders who have general queries about the meeting should use the following means of communication (no other methods of communication will be accepted):
 - contact Neville Registrars by email info@nevilleregistrars.co.uk or by telephone on 0121 585 1131; or
 - contact the Company Secretary in writing at the Company's registered office.

You may not use any electronic address provided either:

- in this notice of annual general meeting; or
- any related documents (including the chairman's letter and proxy form),

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