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If you sell or have sold or otherwise transferred all of your Ordinary Shares, please send this document and the accompanying Form of Proxy as soon as possible to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for delivery to the purchaser or transferee. However, this document and the accompanying Form of Proxy should not be sent or transmitted in, or into, any jurisdiction where to do so might constitute a violation of local securities law or regulations, including, but not limited to, the United States, Canada, the Republic of South Africa, New Zealand, Australia and Japan.

Application will be made to the London Stock Exchange for the Placing Shares and the Initial Consideration Shares to be admitted to trading on AIM. It is expected that admission of the Placing Shares and the Initial Consideration Shares to trading on AIM will become effective at 8.00 a.m. on 12 April 2016.

The Directors of the Company accept individual and collective responsibility for the information contained in this document including individual and collective responsibility for compliance with the AIM Rules. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and this document makes no omission likely to affect the import of such information.

This document should be read as a whole. Your attention is drawn to the letter from the Chairman of the Company which is set out in this document, which includes the recommendation from the Board that you vote in favour of the Resolutions to be proposed at the General Meeting referred to below.

Bilby plc

(Incorporated in England and Wales with registered number 9095860)

Acquisition of DCB

Acquisition of Spokemead

Placing of 4,237,288 new Ordinary Shares at the Placing Price of 118 pence per share

Notice of General Meeting

Panmure Gordon (UK) Limited

Nominated Adviser and Broker

Notice of a General Meeting of the Company to be held at 11.00 a.m. on 11 April 2016 at the offices of Hudson Sandler Limited, 29 Cloth Fair, London, EC1A 7NN is set out at the end of this document. The Form of Proxy should be completed and returned by post or (during normal business hours only) by hand to the Company's registrars, Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA as soon as possible, and, to be valid, must arrive by not later than 11.00 a.m. on 7 April 2016. Return of a Form of Proxy will not preclude the Shareholder who has lodged such Form of Proxy from attending and voting in person at the General Meeting should he so wish.

Panmure Gordon, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting as nominated adviser and broker for the Company and no one else in relation to the proposals outlined in this document and will not be responsible to any person other than the Company for providing the protection afforded to customers of Panmure Gordon or for advising any other person on the contents of this document or any transaction or arrangement referred to herein. No action has been taken or will be taken in any jurisdiction outside the United Kingdom by either the Company or Panmure Gordon that would permit a public offer of Ordinary Shares in any such jurisdiction where action for that purpose is required, nor has any such action been taken with respect to the possession or distribution of this document. Persons into whose possession this document comes are required by the Company and Panmure Gordon to inform themselves about and to observe any restriction as to the Placing and the distribution of this document.

This document does not constitute an offer for sale or an invitation to subscribe for, or the solicitation of an offer to buy or subscribe for, Placing Shares in any jurisdiction where such an offer or solicitation is unlawful and, subject to certain exceptions is not for distribution in or into the United States, Canada, the Republic of South Africa, New Zealand, Australia, or Japan. The Placing Shares will not be registered under the United States Securities Act of 1933 (as amended) or under the securities laws of any state of the United States or qualify for distribution under any of the relevant securities laws of Canada, Republic of South Africa, New Zealand, Australia or Japan, nor has any prospectus in relation to the Placing Shares been lodged with or registered by the Australian Securities and Investments Commission or the Japanese Ministry of Finance. Overseas Shareholders and any person (including, without limitation, custodians, nominees and trustees) who has a contractual or other legal obligation to forward this document to a jurisdiction outside the United Kingdom should seek appropriate advice before taking any action. The Placing Shares 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 on the Existing Ordinary Shares on or after Admission.

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EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Date of this document	24 March 2016
Latest time and date for receipt of Form of Proxy	11.00 a.m. on 7 April 2016
General Meeting	11.00 a.m. on 11 April 2016
Admission of the Placing Shares and the Initial Consideration Shares to trading on AIM	8.00 a.m. on 12 April 2016
CREST accounts to be credited in respect of the Placing Shares in uncertificated form	12 April 2016
Completion of the Acquisitions	on or around 12 April 2016
Dispatch of share certificates in respect of Placing Shares to be issued in certificated form	Within 14 days of Admission

Note:

Each of the times and dates above are subject to change. **References to time in this document are to London time unless otherwise stated.** If any of the above times and/or dates change, the revised time(s) and/or date(s) will be notified to shareholders by announcement through a Regulatory Information Service.

PLACING STATISTICS

Placing Price	118 pence
Number of Existing Ordinary Shares	34,247,845
Number of Placing Shares	4,237,288
Number of Initial Consideration Shares	847,458
Gross proceeds of the Placing	£5.0 million
Number of Ordinary Shares in issue immediately following Admission of the Placing Shares and the Initial Consideration Shares	39,332,591
Aggregate number of Placing Shares and Initial Consideration Shares as a percentage of the issued share capital on Admission	12.9 per cent.

DEFINITIONS

The following definitions and rules of interpretation apply throughout this document unless the context requires otherwise:

“Acquisitions”	the proposed acquisition of the entire issued share capital of DCB and Spokemead and “Acquisition” shall be construed accordingly;
“Act”	the Companies Act 2006 (as amended);
“Additional Consideration Shares”	the new Ordinary Shares (if any) to be allotted fully paid to the DCB Vendors and/or the Spokemead Vendors on satisfaction of certain performance targets;
“Admission”	the admission of the Placing Shares and the Initial Consideration Shares to trading on AIM becoming effective in accordance with the AIM Rules;
“AIM”	the AIM market operated by the London Stock Exchange;
“AIM Rules”	the AIM Rules for Companies published by the London Stock Exchange, as in force at the date of this document;
“Company” or “Bilby”	Bilby plc;
“Completion”	completion of the Acquisitions in accordance with their terms;
“CREST”	the electronic system for the paperless settlement of share transfers and the holding of shares in uncertified form administered and operated by Euroclear;
“DCB”	DCB (Kent) Limited;
“DCB Acquisition Agreement”	the sale and purchase agreement dated 24 March 2016 entered into between the DCB Vendors and the Company relating to the acquisition of DCB;
“DCB Vendors”	Caroline Webster and Christopher Webster;
“Directors” or the “Board”	the board of directors of the Company;
“Enlarged Group” or “Bilby Group”	the Group as enlarged by the Acquisitions;
“Euroclear”	Euroclear UK & Ireland Limited, the operator of CREST;
“Existing Ordinary Shares”	34,247,845 existing Ordinary Shares in issue at the date of this document;
“Form of Proxy”	the form of proxy enclosed with this document;
“General Meeting”	the general meeting of the Company convened for 11.00 a.m. on 11 April 2016 (or any reconvened meeting following any adjournment thereof), notice of which is set out at the end of this document;
“Group”	the Company and its subsidiary undertakings;

“Initial Consideration Shares”	the 847,458 new Ordinary Shares to be allotted fully paid to the DCB Vendors and the Spokemead Vendors on Completion;
“London Stock Exchange”	London Stock Exchange plc;
“Notice of General Meeting”	the notice convening the General Meeting set out at the end of this document;
“Ordinary Shares”	ordinary shares of 10 pence each in the Company;
“Panmure Gordon”	Panmure Gordon (UK) Limited;
“Placees”	the subscribers for Placing Shares pursuant to the Placing;
“Placing”	the proposed conditional placing of the Placing Shares by Panmure Gordon as agent for and on behalf of the Company at the Placing Price on the terms of the Placing Agreement;
“Placing Agreement”	the conditional agreement dated 24 March 2016 entered into between the Company and Panmure Gordon in connection with the Placing;
“Placing Price”	118 pence per Placing Share;
“Placing Shares”	the 4,237,288 new Ordinary Shares to be conditionally placed for cash pursuant to the Placing Agreement;
“Resolutions”	the resolutions proposed to be passed at the General Meeting as set out in the Notice of General Meeting;
“Shareholders”	holders of Ordinary Shares
“Spokemead”	Spokemead Maintenance Limited;
“Spokemead Acquisition Agreement”	the sale and purchase agreement dated 24 March 2016 entered into between the Spokemead Vendors and the Company relating to the acquisition of Spokemead;
“Spokemead Vendors”	Deborah Rooney and Neil Rooney;
“Trading Day”	any day on which Ordinary Shares are traded on AIM;
“United States”	the United States of America, each state thereof, its territories and possessions, and all areas subject to its jurisdiction; and
“Vendors”	together the DCB Vendors and Spokemead Vendors.

All references in this document to "£" or "p" are to the lawful currency of the United Kingdom.

Words in the singular shall include the plural and in the plural shall include the singular.

LETTER FROM THE CHAIRMAN

BILBY PLC

(incorporated in England and Wales with registered number 9095860)

Directors:

Sangita Shah (*Non-executive Chairman*)
Philip Copolo (*Executive Deputy Chairman*)
David Ellingham (*Managing and Business Development Director*)
Katherine O'Reilly (*Finance Director*)
David Johnson (*Non-executive Director*)

Registered Office:

6-8 Powerscroft Road
Sidcup
Kent
DA14 5DT

24 March 2016

Dear Shareholder

ACQUISITION OF DCB (KENT) LIMITED

ACQUISITION OF SPOKEMEAD MAINTENANCE LIMITED

PLACING OF 4,237,288 NEW ORDINARY SHARES AT 118 PENCE PER SHARE

AND

NOTICE OF GENERAL MEETING

1. Introduction

Bilby was established to provide a platform for strategic acquisitions in the gas heating, electrical and building services industries. Bilby remains focused on acquiring complementary businesses that expand the range of services it offers and that broaden its customer base and geographical reach in London and South East England.

As announced earlier today, the Group has conditionally acquired the entire issued share capital of DCB (Kent) Limited ("DCB") and Spokemead Maintenance Limited ("Spokemead"). Both acquisitions represent a further step in Bilby's growth strategy.

DCB specialises in new build residential infill schemes, kitchen and bathroom refurbishment programmes, disabled adaptations and refurbishment and conversion of occupied premises for housing associations and local authorities. The maximum aggregate consideration payable for DCB is £4.0 million. Spokemead specialises in electrical installation, repairs and maintenance and has been the principal contractor for a major London borough for some 25 years. The maximum aggregate consideration payable for Spokemead is £8.7 million.

The cash consideration for the Acquisitions is being financed by a placing of new Ordinary Shares to new and existing institutional investors to raise £5.0 million (before expenses) and debt funding by way of an extension of existing debt facilities provided by HSBC Bank plc.

The Placing and the Acquisitions are conditional, *inter alia*, on the Directors being granted the necessary share capital authorities by Shareholders to allot and issue the Placing Shares and the General Meeting has therefore been convened (notice of which is set out at the end of this document) for such purposes.

This document explains the background to, and reasons for, the Acquisitions and the Placing, why the Directors consider the Acquisitions and the Placing to be in the best interests of the Company and its Shareholders as a whole and why the Directors recommend that you vote in favour of the Resolutions to be proposed at the General Meeting.

2. Background to and reasons for the Acquisitions and the Placing

Bilby, the holding company for P&R and Purdy, was established to provide a platform for strategic acquisitions in the gas heating, electrical and building services industries. All potential acquisition targets must meet focused acquisition criteria based around service synergies, revenue size, geographic focus, management team, margins, cash flows and forward order book.

Bilby's first acquisition was P&R in March 2015, an established and award-winning provider of gas heating appliance installation and maintenance services. Purdy was acquired in July 2015 and provides gas maintenance installation and building maintenance services to housing associations predominantly within South East London.

The acquisitions of DCB and Spokemead are a significant further step in Bilby's growth strategy, as the Group continues to expand through targeted complementary acquisitions. DCB and Spokemead will expand the range of services that Bilby offers, as well as broadening its customer base and geographical reach in London and the South East. DCB and Spokemead will continue to operate under their respective brands and will also benefit from the increased purchasing power and strong financial position of the Enlarged Group. The Proposed Acquisitions will also create further opportunities for collaboration and selling of a wider and more comprehensive range of services to Bilby's local authority and housing association customers.

Both of the Proposed Acquisitions are immediately earnings enhancing. This statement is not intended to be a profit forecast and should not be interpreted to mean that the earnings per Ordinary Share for the current or future financial periods will necessarily be greater than those for the relevant preceding financial period.

3. Information on DCB and Spokemead

DCB (Kent) Limited

DCB was founded in 1998 and has grown revenues significantly in recent years to become one of the leading independent contractors in the South East, employing approximately 100 directly employed staff. DCB has three office locations in Kent and East Sussex.

DCB provides high quality building, refurbishment and maintenance services to housing associations and local authorities throughout Kent, Sussex, Essex and London. DCB also provides disabled adaptations to occupied homes and public buildings through a specialist division, Living Solutions, which was founded in 2001.

DCB provides services to housing associations and local authorities such as AmicusHorizon, London Borough of Bexley, Canterbury City Council, Tunbridge Wells Borough Council, Oxleas NHS Foundation Trust, The Guinness Partnership and Eldon Housing Association. Additionally, DCB has recently been re-awarded the AmicusHorizon kitchens and bathrooms refurbishment contract for a further 5 years with the potential for a further 5 year extension at the client's option and, as part of a tendering process through the South East Consortium, were also nominated as the preferred contractor for East Kent Housing (for both Canterbury City Council and Thanet District Council) for a 6 year term with the potential for a further 5 year extension at the council's option. The current management team will continue to manage and operate DCB within the Bilby Group.

DCB reported revenues for the year ended 31 March 2015 of £18.45 million (2014: £12.17 million) and adjusted¹ profit before taxation of £339,356 (2014: £525,512). DCB had net assets at 31 March 2015 of £557,691 (2014: £522,258).

(1) adjusted for non-recurring costs of £173,820 (2014: £147,000) which will not be incurred post acquisition

Spokemead Maintenance Limited

The business which now comprises Spokemead has been established for over 35 years with offices in St. Albans and South London and has access to a skilled workforce of 30 fully qualified electricians. Spokemead provides electrical installation, repairs and maintenance services to

local authority owned housing stock and has been the principal contractor for a major London borough for the electrical installation, repairs and maintenance for some 25 years winning three successive five year contracts. The current management team will continue to manage and operate Spokemead within the Bilby Group.

Spokemead reported revenues for the year ended 30 June 2015 of £4.84 million (2014: £3.74 million) and profit before taxation of £1.94 million (2014: £1.49 million). Spokemead had net assets at 31 June 2015 of £2.28 million.

4. Terms of the Acquisitions

The Company has entered into separate acquisition agreements in relation to the sale and purchase of the entire issued share capital of DCB and Spokemead as set out below.

DCB (Kent) Limited

Under the terms of the DCB Acquisition Agreement, Bilby has agreed to acquire the entire issued share capital of DCB (Kent) Limited for an aggregate maximum consideration of £4.0 million.

The consideration payable on Completion will be satisfied by the payment by Bilby of £1.5 million in cash and the issue of 423,729 Initial Consideration Shares (with a value of £500,000 at the Placing Price). Application will be made to the London Stock Exchange for the Initial Consideration Shares to be admitted to trading on AIM. It is expected that admission of the Initial Consideration Shares, which will rank *pari passu* in all respects with the Existing Ordinary Shares, will occur at 8.00 a.m. on 12 April 2016. The Initial Consideration Shares are subject to a lock-in agreement until 13 April 2017.

Further consideration of up to £2.0 million shall be paid subject to DCB achieving the performance targets over the three years ending 31 March 2018 as detailed below:

- In respect of the year ending 31 March 2016, subject to DCB achieving a minimum adjusted profit before taxation of at least £650,000, Bilby will pay an additional consideration of £1.0 million, of which £500,000 will be paid in cash and £500,000 through the issue of Additional Consideration Shares. If DCB does not achieve a minimum adjusted profit before taxation of at least £650,000 in the year ending 31 March 2016, then the aggregate consideration above shall be subject to a reduction of £1 for every £0.50 that the adjusted profit before taxation is less than £650,000;
- In respect of the year ending 31 March 2017, Bilby will pay an additional consideration of an amount (if any) equal to 25 per cent. of the amount by which DCB's turnover for the year ending 31 March 2017 exceeds £20 million (subject to a maximum of £22 million). Such payment (if any) shall be made 75 per cent. in cash and 25 per cent. in Additional Consideration Shares;
- In respect of the year ending 31 March 2018, Bilby will pay an additional consideration of an amount (if any) equal to 25 per cent. of the amount by which DCB's turnover for the year ending 31 March 2018 exceeds £21 million (subject to a maximum of £23 million). Such payment (if any) shall be made 75 per cent. in cash and 25 per cent. in Additional Consideration Shares;
- Any Additional Consideration Shares to be issued shall be valued at the average closing mid-market quotation for an Ordinary Share on AIM for the 20 Trading Days immediately preceding the date of their issue;
- Any Additional Consideration Shares are subject to a lock-in agreement for 6 months from date of issue; and
- Bilby reserves the right to satisfy all or part of the Additional Consideration Shares in cash.

Completion is conditional upon (i) the Resolutions being passed, (ii) the Placing Agreement (a) having become unconditional in all respects save as to the conditions relating to Admission, and (b) not having been terminated prior to Admission, and (iii) Admission.

Restrictive covenants preventing the DCB Vendors from competing with DCB's business and customary warranties have been provided by the DCB Vendors in the DCB Acquisition Agreement.

Spokemead Maintenance Limited

Under the terms of the Spokemead Acquisition Agreement, Bilby has agreed to acquire the entire issued share capital of Spokemead Maintenance Limited for a maximum consideration of £8.7 million.

The consideration payable will be satisfied on Completion by the payment by Bilby of an initial cash consideration of £5.7 million and the issue of 423,729 Initial Consideration Shares (with a value of £500,000 at the Placing Price). The Initial Consideration Shares are subject to a lock-in agreement until 13 April 2017. £2.7 million of the consideration is dependent on Spokemead having minimum net assets of £2.7 million at Completion.

Further conditional deferred consideration of up to £2.5 million shall be paid subject to Spokemead achieving the following performance targets as detailed below:

- Up to £1.0 million in cash subject to Spokemead achieving a minimum adjusted profit before taxation of £1.1 million for the year ending 30 June 2016. To the extent the adjusted profits are less than £1.1 million, the deferred cash consideration shall be reduced on a pound for pound basis by an amount to equal to any such shortfall;
- Up to £1.0 million in Additional Consideration Shares subject to Spokemead achieving a minimum adjusted profit before taxation of £1.6 million for the year ending 30 June 2017. To the extent the adjusted profits are less than £1.6 million, the value of the Additional Consideration Shares issued shall be reduced on a pound for pound basis by an amount to equal to any such shortfall;
- A further cash payment of £500,000 to be paid on the renewal or continuation of certain of Spokemead's key contractual arrangements in 2018/2019;
- Any Additional Consideration Shares to be issued shall be valued at the average closing mid-market quotation for an Ordinary Share on AIM for 20 Trading Days immediately preceding the date of their issue;
- Any Additional Consideration Shares are subject to a lock-in agreement for 6 months from date of issue; and
- Bilby reserves the right to satisfy all or part of the Additional Consideration Shares in cash.

Completion is conditional upon (i) the Resolutions being passed, (ii) the Placing Agreement (a) having become unconditional in all respects save as to the conditions relating to Admission, and (b) not having been terminated prior to Admission, and (iii) Admission.

Restrictive covenants preventing the Spokemead Vendors from competing with Spokemead's business and customary warranties have been provided by the Spokemead Vendors in the Spokemead Acquisition Agreement.

5. Details of the Placing

Panmure Gordon has placed 4,237,288 Placing Shares at the Placing Price with certain institutional and other shareholders as agent for the Company, raising gross proceeds of £5.0 million. The Placing Price of 118 pence per share represents a discount of approximately 2.9 per cent. to the closing middle market price of 121.5 pence per Ordinary Share on 23 March 2016, being the last practicable date prior to the publication of this document. The Placing Shares will represent approximately 10.8 per cent. of the enlarged issued share capital of the Company on Admission.

The Placing is conditional upon, *inter alia*, the Resolutions being passed at the General Meeting and Admission becoming effective on or before 8.00 a.m. on 12 April 2016 (or such later time

and/or date as the Company and Panmure Gordon may agree, but in any event no later than 8.00 a.m. on 26 April 2016).

Panmure Gordon may terminate the Placing Agreement in specified circumstances, including for material breach of warranty at any time prior to Admission, in the event of force majeure at any time prior to Admission or on the material breach of certain other obligations under the Placing Agreement.

Miton Asset Management ("Miton") is a related party of the Company as defined by the AIM Rules for Companies by virtue of its status as a substantial shareholder. Miton has agreed to subscribe for 2,300,000 Placing Shares as part of the Placing, conditional on Admission. The Directors consider, having consulted with the Company's nominated adviser, Panmure Gordon, that the terms of the Placing are fair and reasonable insofar as the Company's shareholders are concerned.

6. Settlement and dealings

Application will be made to the London Stock Exchange for the Placing Shares and the Initial Consideration Shares to be admitted to trading on AIM. It is expected that Admission of the Placing Shares and the Initial Consideration Shares will occur at 8.00 a.m. on 12 April 2016. The Placing Shares and the Initial Consideration Shares will rank *pari passu* in all respects with the Existing Ordinary Shares.

7. Current trading and prospects

Since 30 September 2015, both P&R and Purdy have continued to strengthen their trading bases. This has included significant contract wins with London Borough of Hackney, Royal Borough of Greenwich, Hyde Housing Association and London Borough of Camden as well as contract extensions with existing long term clients such as Hexagon Housing Association and Central & Cecil Housing Trust.

In November 2015 P&R achieved first place on a significant framework tender process for gas support work for the South East Consortium ("SEC"), a consortium of housing associations responsible for giving access to over 140,000 properties in South East England. The framework period is four years, with members awarding contracts to their chosen providers starting in 2016 and which are able to run for a period of up to seven years. Additionally, Purdy was awarded second supplier of choice by SEC for electrical services.

Bilby has submitted a proposal, as part of the procurement process, for a framework agreement with Fusion21, a social enterprise that provides leading procurement and regeneration services to public sector organisations, large scale organisations and the third sector, with a view to qualifying for Fusion21's framework. A decision regarding the framework agreement is expected shortly.

The Directors expect that the results for Bilby for the year ending 31 March 2016 will be in line with market expectations.

8. General Meeting

A notice convening the General Meeting to be held at the offices of Hudson Sandler Limited, 29 Cloth Fair, London, EC1A 7NN at 11.00 a.m. on 11 April 2016 is set out at the end of this document. At the General Meeting, the Resolutions will be proposed in order to effect the Placing and allotment of the Initial Consideration Shares.

9. Action to be taken in respect of the General Meeting

Shareholders will find a Form of Proxy enclosed for use at the General Meeting. Whether or not you intend to be present at the General Meeting, you are requested to complete and return the

Form of Proxy in accordance with the instructions printed thereon as soon as possible. To be valid, completed Forms of Proxy must be received by the Company's Registrars, Neville Registrars Limited, not later than 11.00 a.m. on 7 April 2016, being 48 hours (excluding weekends) before the time appointed for holding the General Meeting.

Completion of the Form of Proxy will not preclude you from attending the meeting and voting in person if you so wish.

10. Documents available

Copies of this document will be available to the public free of charge from the registered office of the Company at 6-8 Powerscroft Road, Sidcup, Kent, DA14 5DT, during normal office hours, (Saturdays, Sundays and Bank Holidays excepted) from the date of this document until the date which is one month following Completion and on the Company's website, at www.Bilbyplc.com.

11. Recommendation

The Directors consider that the Acquisitions and the Placing are in the best interests of the Company and its Shareholders as a whole. Accordingly, the Directors unanimously recommend that you vote in favour of the Resolutions as each member of the Board has irrevocably undertaken to do in respect of their beneficial holdings and those of their connected parties amounting, in aggregate, to 18,072,758 Ordinary Shares, representing approximately 52.8 per cent. of the Existing Ordinary Shares of the Company.

Yours faithfully

Sangita Shah
Non-executive Chairman

BILBY PLC

(Incorporated and registered in England and Wales with registered number 9095860)

NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN that a General Meeting of Bilby plc (the "Company") will be held at the offices of Hudson Sandler Limited, 29 Cloth Fair, London, EC1A 7NN at 11.00 a.m. on 11 April 2016 for the purposes of considering and, if thought fit, passing the following resolutions, of which resolutions 1 and 3 will be proposed as special resolutions and resolution 2 will be proposed as an ordinary resolution:

Resolution 1

That:

- (a) the Directors be and are hereby generally and unconditionally authorised in accordance with section 551 of the Companies Act 2006 ("the "Act") to exercise all the powers of the Company to allot shares in the Company up to an aggregate nominal amount of £508,475 in connection with a Placing and issue of Initial Consideration Shares as described in a circular to shareholders dated 24 March 2016 (the "Circular") provided that this authority shall expire at the end of the next annual general meeting of the Company to be held after the date of the passing of this resolution save that the Company may before such expiry make offers or agreements which would or might require shares to be allotted after such expiry and the Directors may allot shares in pursuance of any such offers or agreements as if the authority conferred hereby had not expired and such authority is without prejudice to any unexercised authorities previously granted to the Directors of the Company to allot shares; and
- (b) the Directors be and are hereby empowered in accordance with section 570 and section 573 of the Act to allot equity securities (within the meaning of section 560 of the Act) for cash as if section 561(1) of the Act did not apply to any such allotment, provided that this power shall be limited to the allotment of shares in the Company up to an aggregate nominal amount of £508,475 in connection with the Placing and issue of Initial Consideration Shares as described in the Circular, provided that this authority shall expire at the end of the next annual general meeting of the Company to be held after the date of the passing of this resolution save that the Company may before such expiry make offers or agreements which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of any such offers or agreements as if the power conferred hereby had not expired and such authority is without prejudice to any unexercised authorities previously granted to the Directors of the Company to grant shares.

Resolution 2

That:

The Directors be generally and unconditionally authorised pursuant to and in accordance with Section 551 of 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 £1,066,741 such authority to expire at the end of the next Annual General Meeting or on 31 March 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. Other than in respect of the authorities granted under Resolution 1, 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.

Resolution 3

That:

That, subject to the passing of Resolution 2 above, the Directors be generally empowered to allot equity securities wholly for cash pursuant to the authority given by Resolution 2 above, or where the allotment constitutes an allotment of equity securities by virtue of Section 560(3) of the Act, in each case:

- (a) in connection with a pre-emptive offer; and otherwise than in connection with a pre-emptive offer, up to an aggregate nominal amount of £1,066,741 ; and
- (b) as if Section 561(1) of the Act did not apply to any such allotment, such power to expire at the end of the next Annual General Meeting or on 31 March 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. *Resolution 1 relates to the Placing and the Initial Consideration Shares only. Resolutions 2 and 3 have general application.*
2. *The Directors are prevented, subject to certain exceptions, from allotting shares in the Company or granting rights to subscribe for, or convert security into, shares in the Company without the authority of the Shareholders. The authority to allot granted on 23 July 2015 at the last annual general meeting of the Company (the "Annual General Meeting") is still valid, however further authority is required to allot and issue the shares in connection with the Placing and the Initial Consideration Shares. The authority given at this General Meeting will be instead of, rather than as well as, any authorities given at the Annual General Meeting which remain unexercised. These unexercised authorities will be revoked and replaced by the authority granted under these Resolutions (but without prejudice to any allotment of shares or grant of rights already made, offered or agreed to be made pursuant to such authorities). The Directors authority granted in Resolution 2 and 3 will expire at the next annual general meeting or on 31 March 2017, whichever is the earlier.*
3. *Subject to certain exceptions, when new shares are allotted, they must first be offered to existing shareholders pro rata to their holdings. Resolutions 1(b) and 3 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 granted under Resolution 1(b) would be limited to allotments or sales up to an aggregate nominal amount of £508,475 in connection with the Placing and issue of Initial Consideration Shares as described in the Circular, and the authority granted under Resolution 3 would be limited to allotments or sales in connection with (i) a pre-emptive offer, and (ii) otherwise that in connection with a pre-emptive offer, up to an aggregate nominal amount of £1,066,741. The Directors' authority granted in Resolutions 1(b) and 3 will expire at the next annual general meeting or on 31 March 2017, whichever is the earlier.*

Dated: 24 March 2016

By order of the Board
Katherine O'Reilly
Finance Director

Registered Office:
6-8 Powerscroft Road
Sidcup
Kent
DA14 5DT

Notes

Entitlement to attend and vote

1. Only those shareholders registered in the Company's register of members at:
 - 6.00 pm on 7 April 2016; or,
 - if this meeting is adjourned, at 6.00 pm on the day two days (excluding weekends) 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.

Appointment of proxies

2. 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.
3. 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, West Midlands B63 3DA.
4. Shareholders can:
 - appoint a proxy and give proxy instructions by returning the enclosed proxy form by post (see note 6).
 - if a CREST member, register their proxy appointment by utilising the CREST electronic proxy appointment service (see note 7).

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.

5. 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

6. 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 Limited at Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA; and
- received by Neville Registrars Limited no later than 11 am on 7 April 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 Limited by email info@nevilleregistrars.co.uk or by telephone on 0121 585 1131.

Appointment of proxies through CREST

7. 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 11 am on 7 April 2016 or, in the event of an adjournment of the meeting, 48 hours (excluding weekends) 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

8. 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 Limited 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

9. A shareholder may change a proxy instruction but to do so you will need to inform the Company in writing by sending a signed hard copy notice clearly stating your revocation of 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.

The revocation notice must be received by Neville Registrars Limited no later than 11 am on 7 April 2016.

Corporate representatives

10. 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

11. 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 Limited 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 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.