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If you have sold or otherwise transferred all of your ordinary shares in Strat Aero plc ("Strat" or the "Company"), please forward this document and the accompanying form of proxy as soon as possible to the purchaser or transferee or to the stockbroker, bank manager or other agent through whom the sale or transfer was effected, for onward transmission to the purchaser or transferee. If you have sold or otherwise transferred only part of your holding of ordinary shares, you should retain the documents and consult the stockbroker, bank manager or other agent through whom the sale or transfer was effected.

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(Incorporated in England and Wales as a public limited company under number 9109008)

NOTICE OF 2018 ANNUAL GENERAL MEETING

Notice of the Annual General Meeting of the Company to be held at the offices of Peterhouse Capital Limited, 3rd Floor, New Liverpool House, 15 Eldon Street, London, EC2M 7LD on 29 June 2018 at 10.30am (the "AGM") is set out on pages at the end of this document. A form of proxy is also attached at the end of this document for use in connection with the AGM. Forms of proxy should be completed and returned to the Company's Registrars, Share Registrars Limited, The Courtyard, 17 West Street, Farnham, Surrey GU9 7DR as soon as possible and in any event so as to be received by 10.30am on 27 June 2018.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

2018

Dispatch of this Document	6 June
Latest time and date for receipt of Proxy Forms for GM	27 June
Record Date for Share Consolidation and final day of trading for the Existing Ordinary Shares	29 June
Admission of New Ordinary Shares to AIM	2 July
New share certificates issued and dispatched	9 July

SHARE CONSOLIDATION STATISTICS

Number of Existing Ordinary Shares in issue	6,173,527,709
Additional Existing Ordinary Shares to be issued	11
Consolidation ratio	1 New Ordinary Share for every 20 Existing Ordinary Shares
Number of New Ordinary Shares following the Consolidation	308,676,386
ISIN number for the New Ordinary Shares	GB00BFX0ZN92

LETTER FROM THE CHAIRMAN OF STRAT AERO PLC

6 June 2018

To Shareholders and, for information only, to Option Holders Notice of Annual General Meeting

Dear Shareholder,

I am writing to give you details of the resolutions to be proposed at the Company's Annual General Meeting which is to be held at 10.30am on 29 June 2018 at the offices of the offices of Peterhouse Capital Limited, 3rd Floor, New Liverpool House, 15 Eldon Street, London, EC2M 7LD (the "AGM"). The resolutions are set out in the Notice of Annual General Meeting on pages 5 to 7 of this document.

Ordinary business at the AGM

Resolution 1: Company's annual accounts

The Board presents for receipt and adoption the Company's annual accounts for the financial year ended 31 December 2017, together with the Directors' Report and Auditors' Report on those accounts.

Resolution 2: Re-appointment of Director

The Board recommends the re-appointment of **Trevor Edward Brown** in accordance with the Company's Articles of Association ("Articles") and, being eligible, he offers himself for re-election as an executive director.

Resolution 3: Re-appointment of Director

The Board recommends the re-appointment of **Nigel John Burton** in accordance with the Company's Articles of Association ("Articles") and, being eligible, he offers himself for re-election as an executive director.

Resolution 4: Re-appointment of Director

The Board recommends the re-election by rotation of **Paul Benedict Ryan** in accordance with the Company's Articles of Association ("Articles") and, being eligible, he offers himself for re-election as an executive director.

Resolution 5: Auditors' reappointment and remuneration

This resolution relating to the auditors' re-appointment and remuneration constitutes usual business for the AGM.

Special business at the AGM

Resolution 6: Section 551 authority

This is an ordinary resolution authorising the Directors to allot relevant securities up to an aggregate nominal amount of £2,000,000. Such authority, unless previously revoked or varied by the Company in a General Meeting, will expire at the commencement of the Company's next Annual General Meeting following this meeting or 30 June 2019, whichever is the earlier.

Resolution 7: Section 570 authority and dis-application of Section 561(1)

This is a special resolution authorising the Directors to issue equity securities wholly for cash on a non-pre-emptive basis pursuant to the authority conferred by resolution number 6 above. This will allow the Board to allot shares without recourse to the Company's shareholders so that it can move quickly from time to time as

it deems appropriate. Such authority, unless previously revoked or varied by the Company in a General Meeting, will expire at the commencement of the next Annual General Meeting following this meeting or 30 June 2019, whichever is the earlier.

Resolution 8: 1:20 share consolidation

This is an ordinary resolution authorising the consolidation of every 20 ordinary shares of 0.01p each in the issued share capital of the Company into one ordinary share of 0.2p each, such shares having the same rights and being subject to the same restrictions (save as to nominal value) as the ordinary shares of 0.01p each in the capital of the Company as set out in the Company's articles of association for the time being; and that (as no shareholder is entitled to a fraction of a share) the Directors be and are hereby authorised to arrange for the aggregation and sale of such fractional entitlements at the best price reasonably obtainable and to distribute the net proceeds to such shareholders (subject to a minimum entitlement of £3) and to retain the balance of the net proceeds of sale for the benefit of the Company.

Consolidation of share capital

1. Introduction

The Directors recognise that having over 5 billion shares in issue might create market stability issues and have, consequently, decided to seek shareholders authority to consolidate every 20 existing ordinary shares of 0.01p ("Existing Ordinary Shares") into one New Ordinary Share with a nominal value of 0.2p each ("the Consolidation"). Resolution 8 described above seeks approval for such Consolidation and further explanation of which is set out below including some examples of the effect of Consolidation and a timetable.

2. Consolidation of share capital

The Company's issued ordinary share capital currently consists of 6,173,527,709 Existing Ordinary Shares of 0.01p each in the capital of the Company ("Existing Ordinary Shares"). It is proposed that every 20 Existing Ordinary Shares be consolidated into one New Ordinary Share of 0.2p ("New Ordinary Share").

To effect the Consolidation, it will be necessary to issue a further 11 ordinary shares of 0.01p, prior to the Consolidation, to increase the number of Existing Ordinary Shares in issue to 6,173,527,720, a number which is exactly divisible by 20.

The table below gives some examples of the effect of the Consolidation on specific shareholdings of Existing Ordinary Shares:

Number of Existing Ordinary Shares	New Ordinary Shares issued
9	0
19	0
39	1
999	49
1,000	50
4,999	249
5,000	250
10,000	500
99,999	4,999
100,000	5,000

Following the Consolidation, there will be 308,676,386 New Ordinary Shares in issue. Holders of Existing Ordinary Shares ("Existing Shareholders") should note that while the numbers of shares held by them will change, the proportion of the issued ordinary shareholdings in the Company held by each Existing Shareholder immediately before and after the Consolidation will, except for fractional entitlements, be unchanged.

Any Existing Shareholders holding fewer than 19 Existing Ordinary Shares at 6.00 p.m. on 29 June 2018 (or such later date as the Directors may determine and communicate to Shareholders by an appropriate announcement to a Regulatory Information Service) ("the Record Date") will cease to be a Shareholder of the Company. The value of 19 Existing Ordinary Shares at the closing mid-market price on 5 June 2018 (the last practical date before the posting of this Circular) is 1.2 pence.

Existing Shareholders with a holding of more than 20 Existing Ordinary Shares, but which is not exactly divisible by 20, will have their holding rounded down to the nearest whole number of New Ordinary Shares. Fractional entitlements to a New Ordinary Share will be aggregated and sold in the market, for the best price reasonably obtainable on behalf of those Shareholders entitled to the fractions. As the net proceeds of sale will amount to less than £3 for any entitled Shareholder, they will (in accordance with usual market practice) be retained by the Company.

As a result of the Share Consolidation, the Company's new ISIN will be GB00BFX0ZN92.

Share certificates

New share certificates in relation to the New Ordinary Shares will be despatched to Shareholders who hold their New Ordinary Shares in certificated form by the Company's registrars, Share Registrars Limited. The new share certificates will be sent by first-class post, at the risk of the holders of relevant New Ordinary Shares, to the registered address of that holder or, in the case of joint holders, to the one whose name appears first in the register of members. On receipt of the new share certificates all Ordinary Share certificates previously issued will no longer be valid and should be destroyed. Until a holder of certificated Ordinary Shares receives a new share certificate, transfers of certificated Ordinary Shares will be certified against the register of members.

Shareholders whose holdings are held in uncertificated form through CREST will have their CREST accounts adjusted to reflect their entitlements to New Ordinary Shares.

4. Action to be taken

Shareholders will find a form of proxy enclosed for use at the General Meeting. Whether or not you intend to be present at the 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, forms of proxy must be received by the Company's Registrars, Share Registrars Limited, The Courtyard, 17 West Street, Farnham, Surrey GU9 7DR, not later than two business days before the time appointed for holding the General Meeting.

You are entitled to appoint a proxy to attend and to exercise all or any of your rights to vote and to speak at the meetings instead of you. Completion of the forms of proxy will not preclude you from attending and voting at the meetings in person if you so wish. Your attention is drawn to the notes to the forms of proxy.

Form of Proxy

A Form of Proxy for use at the AGM is enclosed. Please complete and sign the Form of Proxy and return it to the Company's Registrars at the address set out on page 1 above, so as to arrive no later than 48 hours excluding non-business days before the time fixed for the AGM (being by 10.30am on 27 June 2018). The return of the Form of Proxy will not, however, prevent you from attending the AGM and voting in person should you wish to do so.

Board Recommendation

The Board considers that each of the Resolutions to be proposed at the AGM are in the best interests of the Company and its shareholders as a whole and it unanimously recommends that shareholders vote in favour of each of them as the Board intend to do so in respect of the Ordinary Shares held by them. Undertakings to vote in favour of the resolution at the meetings have been received from Shareholders holding 2,101,696,341 Ordinary Shares representing approximately 33% of the current issued ordinary share capital.

Yours faithfully

Nigel Burton
Chairman and Non-Executive Director

STRAT AERO PLC

Incorporated in England and Wales as a public limited company under number 9109008

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the members of Strat Aero plc (“the Company”) will be held at 10.30am on 29 June 2018 at the offices of Peterhouse Capital Limited, 3rd Floor, New Liverpool House, 15 Eldon Street, London, EC2M 7LD (the “AGM”) for the following purposes:

Ordinary Business

To consider and, if thought fit, to pass the following resolutions which shall be proposed as ordinary resolutions:

1. To receive and adopt the Company’s annual accounts for the financial year ended 31 December 2017, together with the Directors’ Report and Auditors’ Report on those accounts.
2. To re-appoint Trevor Edward Brown, as a Director of the Company, in accordance with the Company’s Articles of Association (“Articles”) and, being eligible, offers himself for re-election as an executive director.
3. To re-appoint Nigel John Burton, as a Director of the Company, in accordance with the Company’s Articles of Association (“Articles”) and, being eligible, offers himself for re-election as an executive director.
4. To re-elect by rotation Paul Benedict Ryan, as a Director of the Company, in accordance with the Company’s Articles of Association (“Articles”) and, being eligible, offers himself for re-election as an executive director.
5. To re-appoint PKF Littlejohn LLP as auditors of the Company, to hold office until the commencement of the Company’s next Annual General Meeting and to authorise the Directors to determine their remuneration.

Special Business

To consider and, if thought fit, to pass the following resolutions, of which resolutions 6 and 8 will be proposed as an Ordinary Resolution and resolution 7 will be proposed as a Special Resolution:

6. THAT, the Directors be and are hereby generally and unconditionally authorised for the purposes of Section 551 of the Companies Act 2006 (the “Act”) to exercise all the powers of the Company to allot equity securities (as defined in Section 560 of the Act) up to an aggregate nominal amount of £2,000,000 to such persons and at such times and conditions as the Directors think proper, provided that such authority, unless previously revoked or varied by the Company in a General Meeting, shall expire at the commencement of the Annual General Meeting next held after the passing of this resolution or 30 June 2019 (whichever is the earlier to occur) save that the Company may pursuant to the authority make an offer or agreement or other arrangement before the expiry of the authority which would or might require relevant securities to be allotted after such expiry, and the Directors may allot relevant securities in pursuance of such an offer or agreement or other arrangement as if the power conferred hereby had not expired. This authority is in substitution for all previous authorities conferred upon the Directors pursuant to Section 551 of the Act, but without prejudice to the allotment of any relevant securities already made or to be made pursuant to such authorities.
7. THAT (subject to and conditional upon the passing of Resolution 6 above), the Directors be and are hereby empowered pursuant to Section 570 of the Act to allot equity securities (within the meaning of Section 560 of the Act) wholly for cash pursuant to the general authority conferred by Resolution 6 as if Section 561(1) of the Act did not apply to any such allotment, provided that this power shall be limited to allotments of equity securities:

- (i) in connection with or pursuant to an offer by way of rights, open offer or other pre-emptive offer to the holders of shares in the Company and other persons entitled to participate therein in proportion (as nearly as practicable) to their respective holdings, subject to such exclusions or other arrangements as the Directors may consider necessary or expedient to deal with fractional entitlements or legal or practical problems under the laws of any territory or the regulations or requirements of any regulatory authority or any stock exchange in any territory; and
- (ii) otherwise than pursuant to sub-paragraph (i) above, up to an aggregate nominal amount of £2,000,000;

and such power, unless previously revoked or varied by the Company at a General Meeting, shall expire at the commencement of the Annual General Meeting next held after the passing of this resolution or 30 June 2019 (whichever is the earlier to occur) but so that the Company may before such expiry make an offer or agreement or other arrangement which would or might require equity securities to be allotted or treasury shares to be sold after such expiry, and the Directors may allot equity securities or sell treasury shares in pursuance of any such offer or agreement or other arrangement as if the power conferred by this resolution had not expired. The power hereby conferred shall operate in substitution for and to the exclusion of any previous power given to the Directors pursuant to Section 570 of the Act.

8. THAT, every 20 ordinary shares of 0.01p each in the issued share capital of the Company be consolidated into one ordinary share of 0.2p each, such shares having the same rights and being subject to the same restrictions (save as to nominal value) as the ordinary shares of 0.01p each in the capital of the Company as set out in the Company's articles of association for the time being; and that (as no shareholder is entitled to a fraction of a share) the Directors be and are hereby authorised to arrange for the aggregation and sale of such fractional entitlements at the best price reasonably obtainable and to distribute the net proceeds to such shareholders (subject to a minimum entitlement of £3) and to retain the balance of the net proceeds of sale for the benefit of the Company.

BY ORDER OF THE BOARD

CARGIL MANAGEMENT SERVICES LIMITED

Company Secretary

6 June 2018

Registered Office: Tintagel House
London Road
Kelvedon
Colchester
CO5 9BP

NOTES:

1. A member entitled to attend, speak and vote at the AGM is entitled to appoint a proxy to attend, speak and vote on his/her behalf. A proxy need not be a member of the Company but must attend the AGM to represent you.
2. Forms of proxy, together with any power of attorney or other authority under which it is executed or a notarially certified copy thereof, must be completed and, to be valid, must reach the Company's Registrars at Share Registrars Limited, The Courtyard, 17 West Street, Farnham, Surrey GU9 7DR not less than 48 hours not including non-business days before the time appointed for the holding of the meeting.
3. If the appointer is a corporation, the form of proxy must be under its common seal or under the hand of an officer or attorney duly authorised.
4. The appointment of a proxy does not preclude a member from attending and voting at the meeting.
5. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the vote of the other registered holder(s) and for this purpose seniority shall be determined by the order in which the names stand in the register of members.
6. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 (SI 2001/3755) Reg. 41(1) and (2) and paragraph 18 (c) The Companies Act 2006 (Consequential Amendments) (Uncertificated Securities) Order 2009, only those shareholders on the Register of Members at 48 hours not including non-business days before the time appointed for the holding of the

meeting shall be entitled to attend and vote at the meeting in respect of the number of shares registered in their names at that time. If the meeting is adjourned by more than 48 hours, then to be so entitled, a shareholder must be entered on the Company's Register of Members at the time which is 48 hours excluding non-business days before the time appointed for holding the adjourned meeting or, if the Company gives notice of the adjourned meeting, at the time specified in that notice.

7. To appoint more than one proxy, you may photocopy the form of proxy. Please indicate the proxy holder's name and the number of shares in relation to which they are authorised to act as your proxy (which in aggregate shall not exceed the number of shares held by you). Please also indicate if the proxy is part of a multiple set of instructions being given. All forms must be signed and should be returned together in the same envelope. A failure to specify the number of shares each proxy appointment relates to or specifying a number in excess of those held by you, may result in the appointment being invalid. If you do not have a proxy form and believe that you should have one, or if you require additional forms, please contact the Company's registrar.
8. As at the close of business on 5 June 2018, the Company's issued share capital comprised 6,173,527,709 ordinary shares of 0.01p each. Each ordinary share carries the right to one vote at a general meeting of the Company, and therefore the total number of voting rights in the Company as at the time and date given above is 6,173,527,709.