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Dated

6 April

2005

THE SECRETARY OF STATE FOR DEFENCE
acting through the
DEFENCE SCIENCE AND TECHNOLOGY LABORATORY

and

PLOUGHSHARE INNOVATIONS LTD

SALE AND PURCHASE AGREEMENT

WEDNESDAY



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07/02/2007
COMPANIES HOUSE

LD4

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THIS AGREEMENT is made the 6th day of APRIL 2005

BETWEEN

- (1) **THE SECRETARY OF STATE FOR DEFENCE** acting through the Defence Science and Technology Laboratory, Iveley Road, Farnborough, Hampshire GU14 0LX (the "Seller"); and
- (2) **PLOUGHSHARE INNOVATIONS LTD** (registered in England and Wales with number 04401901) whose registered office is at Room B3/114 Tetricus Science Park, Porton Down, Salisbury, Wiltshire SP4 0JQ (the "Purchaser").

RECITALS

- (A) The Purchaser is a wholly owned subsidiary company of the Seller.
- (B) In furtherance of the Purchaser's stated objective of furthering the commercialisation of the Seller's intellectual property, the Seller has agreed to sell the Shares to the Purchaser and the Purchaser has agreed to purchase the Shares on and subject to the terms and conditions of this agreement.

NOW IT IS AGREED as follows:

1. Definitions and Interpretation

1.1 In this agreement (including the Recitals):

"Acolyte" means Acolyte Biomedica Limited, a company registered in England and Wales with registered number 03863912;

"Acolyte Condition" means the amendment of the articles of association of Acolyte by the shareholders of Acolyte such that references to DSTL in such articles are changed (where appropriate) to references to the Purchaser;

"Acolyte Consideration Shares" means 10,000 ordinary shares of £1.00 each in the capital of the Purchaser;

"Acolyte Shares" means the A ordinary and ordinary shares of £0.10 each in the issued share capital of Acolyte held by the Seller as set out in the Schedule and any shares in such company issued to the Seller from the date of this agreement to the date of fulfilment of the Acolyte Condition;

"Alaska Condition" means the granting of Consent by the shareholders of Alaska;

"Alaska Consideration Shares" means 10,000 ordinary shares of £1.00 each in the capital of the Purchaser;

"Alaska Shares" means the ordinary shares of £0.02 each in the issued share capital of Alaska held by the Seller as set out in the Schedule and any shares in such company issued

to the Seller from the date of this agreement to the date of fulfilment of the Alaska Condition;

"Companies" means together Acolyte, Alaska, Enigma, Lucigen, Porton and Remo (and **"Company"** shall be interpreted accordingly);

"Completion" means completion of the sale and purchase of the Shares pursuant to clause 5;

"Condition" means together the Acolyte Condition, the Alaska Condition, the Enigma Condition, the Lucigen Condition, the Porton Condition and the Remo Condition (and **"Condition"** shall be interpreted accordingly);

"Consents" in relation to a Company (other than Acolyte) means any and all consents and authorisations required from the shareholders of such Company to authorise, permit or enable the transfer of the relevant Shares in such Company;

"Encumbrance" means any (other than by virtue of this agreement) interest or equity of any person (including any right to acquire, option or right of pre-emption or conversion) or any mortgage, charge, pledge, lien, assignment, hypothecation, security interest, title retention or any other security agreement or arrangement, or any agreement to create any of the above;

"Enigma" means Enigma Diagnostics Limited a company registered in England and Wales with registered number 5114005;

"Enigma Condition" means the granting of Consent by the shareholders of Enigma;

"Enigma Consideration Shares" means 10,000 ordinary shares of £1.00 each in the capital of the Purchaser;

"Enigma Shares" means the ordinary shares of £0.10 each in the issued share capital of Enigma held by the Seller as set out in the Schedule and any shares in such Company issued to the Seller from the date of this agreement to the date of fulfilment of the Enigma Condition;

"Lucigen" means Lucigen Limited a company registered in England and Wales with registered number 4165637;

"Lucigen Condition" means the granting of Consent by the shareholders of Lucigen;

"Lucigen Consideration Shares" means 10,000 ordinary shares of £1.00 each in the capital of the Purchaser;

"Lucigen Shares" means the B ordinary shares of £1.00 each in the issued share capital of Lucigen held by the Seller as set out in the Schedule and any shares in such Company issued to the Seller from the date of this agreement to the date of fulfilment of the Lucigen Condition;

"Parties" means the Purchaser and the Seller (and **"Party"** shall be construed accordingly);

"Porton" means Porton Plasma Innovations (P2i) Limited a company registered in England and Wales with registered number 48143501;

"Porton Condition" means the granting of Consent by the shareholders of Porton;

"Porton Consideration Shares" means 10,000 ordinary shares of £1.00 each in the capital of the Purchaser;

"Porton Shares" means the B ordinary shares of £0.10 each in issued share capital of Porton held by the Seller as set out the Schedule and any shares in such Company issued to the Seller from the date of this agreement to the date of fulfilment of the Porton Condition;

"Remo" means Remo Technologies Limited a company registered in England and Wales with registered number 4917524;

"Remo Condition" means the granting of Consent by the shareholders of Remo;

"Remo Consideration Shares" means 10,000 ordinary shares of £1.00 each in the capital of the Purchaser;

"Remo Shares" means the A ordinary and ordinary shares of £0.10 each in the issued share capital of Remo held by the Seller as set out in the Schedule and any shares in such Company issued to the Seller from the date of this agreement to the date of fulfilment of the Remo Condition; and

"Shares" means collectively the Acolyte Shares, the Alaska Shares, the Enigma Shares, the Lucigen Shares, the Porton Shares and the Remo Shares.

- 1.2 The table of contents and headings and sub-headings are for convenience only and shall not affect the construction of this agreement.
- 1.3 Unless the context otherwise requires, words denoting the singular shall include the plural and vice versa and references to any gender shall include all other genders. References to any person (which for the purposes of this agreement shall include natural persons, bodies corporate, unincorporated associations, partnerships, governments, governmental agencies and departments, statutory bodies or other entities, in each case whether or not having a separate legal personality) shall include the person's successors.
- 1.4 References to Recitals, the Schedule, clauses and sub-clauses are to (respectively) recitals to, the schedule to, and clauses and sub-clauses of, this agreement (unless otherwise specified); and references to this agreement include the Schedule.
- 1.5 Any reference to **"writing"** or **"written"** includes faxes and any legible reproduction of words delivered in permanent and tangible form (but does not include e-mail).
- 1.6 References to times of the day are (unless otherwise expressly provided) to London time and references to a day are to a period of 24 hours running from midnight on the previous day.
2. **Sale and purchase**
- 2.1 Subject to the terms of this agreement and to fulfilment of the relevant Condition as set out in clause 4 the Seller shall sell the Shares free from all Encumbrances to the Purchaser and the Purchaser shall purchase the Shares accordingly.

- 2.2 The Shares shall be sold fully paid and with the benefit of all rights attaching to them as at the date of this agreement, including the right to receive all dividends and distributions declared, paid or made by the relevant Company on or after the date of this agreement.

3. Consideration

The consideration for the sale of the Acolyte Shares, the Alaska Shares, the Enigma Shares, the Lucigen Shares, the Porton Shares and the Remo Shares shall be the issue (subject only to clause 4 below) by the Purchaser of the Acolyte Consideration Shares, the Alaska Consideration Shares, the Enigma Consideration Shares, the Lucigen Consideration Shares, the Porton Consideration Shares and the Remo Consideration Shares respectively.

4. Condition

The Seller and the Purchaser hereby agree that the sale shall be subject only to:

- 4.1 in the case of the Acolyte Shares, the Acolyte Condition;
- 4.2 in the case of the Alaska Shares, the Alaska Condition;
- 4.3 in the case of the Enigma Shares, the Enigma Condition;
- 4.4 in the case of the Lucigen Shares, the Lucigen Condition;
- 4.5 in the case of the Porton Shares and the Porton Condition; and
- 4.6 in the case of the Remo Shares, the Remo Condition.

5. Completion

- 5.1 Completion of the transfer of the Shares in each Company will take place immediately following the fulfilment of the relevant Condition as set out in clause 4.
- 5.2 On Completion, the Seller will deliver to the Purchaser a transfer of the Shares duly executed by the Seller in favour of the Purchaser together with the relevant share certificate in the name of the Seller and the Seller will also procure that a meeting of the board of directors of the relevant Company is convened and held and that at such meeting the transfer of the relevant Shares pursuant to this agreement be approved for registration (subject to their being duly stamped, which shall be at the cost of the Purchaser if stamp duty is payable).
- 5.3 On Completion, the Purchaser will (subject to the Seller complying with its obligations under clause 5.2) allot and issue to the Seller the shares set out in clause 3, will procure that all necessary resolutions have been passed to enable it to comply with this obligation and deliver to the Seller a share certificate in respect of such shares, executed by the Purchaser.
- 5.4 Following Completion (and until the relevant Shares are registered in the name of the Purchaser or its nominee), the Seller shall exercise or procure the exercise of the votes attached to such Shares in accordance with the Purchaser's instructions in respect of any resolution that may be proposed to any general meeting of the shareholders of the Company.

6. General

- 6.1 The Seller, from time to time on being required to do so by the Purchaser, and the Purchaser, from time to time being required to do so by the Seller, shall promptly and at the cost and expense of the requesting Party do or procure the doing of all such acts and/or execute or procure the execution of all such documents as are necessary for giving full effect to this agreement.
- 6.2 This agreement shall be binding upon and enure for the benefit of the personal representatives and assigns and successors in title of each of the Parties and references to the Parties shall be construed accordingly.
- 6.3 This agreement constitutes the whole and only agreement and understanding between the Parties in relation to its subject matter. Subject to any liability in respect of fraud:
- 6.4 all previous drafts, agreements, understandings, undertakings, representations, warranties, promises and arrangements of any nature whatsoever between the Parties with any bearing on the subject matter of this agreement are superseded and extinguished; and
- 6.5 all rights and liabilities arising by reason of them, whether accrued or not at the date of this agreement, are cancelled,

to the extent that they have such a bearing.

- 6.6 This agreement may be executed in any number of counterparts and by the Parties on different counterparts. Each counterpart shall constitute an original of this agreement but all the counterparts shall together constitute one and the same agreement.

7. Notices

- 7.1 Any communication to be given in connection with the matters contemplated by this agreement shall be in writing and shall either be delivered by hand to the addresses noted at the top of this agreement or sent by first class pre-paid post or facsimile transmission. Delivery by courier shall be regarded as delivery by hand.
- 7.2 In proving service of the communication, it shall be sufficient to show that delivery by hand was made or that the envelope containing the communication was properly addressed and posted as a first class pre-paid letter or that the facsimile was despatched and a confirmatory transmission report received.

8. Governing law and jurisdiction

This agreement shall be governed by and construed in accordance with English law and the Parties irrevocably agree that the courts of England shall have exclusive jurisdiction to settle any dispute which may arise out of or in connection with this agreement.

9. Third party rights

Nothing in this agreement is intended to confer on any person any right to enforce any term of this agreement which that person would not have had but for the Contracts (Rights of Third Parties) Act 1999.

AS WITNESS the hands of the Parties or their duly authorised representatives on the date first appearing at the head of this agreement.

Schedule

The Shares

<i>Company name</i>	<i>Shares</i>
Porton	10,887,500 B Ordinary shares of £0.10 each
Alaska	1,645,001 Ordinary shares of £0.02 each
Acolyte	2,035,000 A Ordinary shares of £0.10 3,875,000 Ordinary shares of £0.10
Lucigen	300,000 B Ordinary shares of £1.00 each
Enigma	40,000,000 Ordinary Shares of £0.10 each
Remo	1,000 Ordinary Shares of £0.10 each

SIGNED by MR MARTIN
EARWICKER for and on behalf of
THE SECRETARY OF STATE
FOR DEFENCE acting through the
DEFENCE SCIENCE AND
TECHNOLOGY LABORATORY

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SIGNED by DAVID OWEN
for and on behalf of
PLOUGHSHARE INNOVATIONS
LTD

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DAVID OWEN