

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.

If you have recently sold or transferred all of your ordinary shares in Genedrive plc, please forward this document, together with the accompanying proxy card, 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 ordinary shares.

GENEDRIVE PLC

Incorporated in England and Wales under the Companies Acts
with registered number 06108621

Proposed Disposal of the Group's Services Divisions to a company
in which Dr. Catherine Booth (a director of the Company) has a
material interest

Notice of General Meeting

Monday 4 June 2018 at 12.30 pm

This document should be read as a whole. Your attention is drawn to the letter to Shareholders from the Chairman of genedrive plc ("**Genedrive**" or the "**Company**"). This document contains a recommendation that you vote in favour of the resolution to be proposed at the General Meeting referred to below.

Notice of a general meeting of Genedrive to be held at The Innovation Centre, 48 Grafton Street, Manchester M13 9XX on Monday 4 June 2018 at 12.30 pm (UK time) (the "**General Meeting**") is set out at the end of this document (the "**Notice of General Meeting**"). A form of proxy to be used in connection with the General Meeting is enclosed ("**Form of Proxy**") and, to be valid, should be completed, signed and returned following the procedures described in Note 1 of the Notice of General Meeting so as to be received by the Company's registrars as soon as possible but, in any event, so as to arrive no later than 12.30pm (UK time) on Thursday 31 May 2018 (or, in the case of an adjourned meeting, at least 48 hours before the time appointed for holding the adjourned meeting). Completion and return of a Form of Proxy will not prevent Shareholders from attending and voting in person should they wish to do so.

[Insert genedrive plc letterhead and Full List of Directors]

Dear Shareholder

15 May 2018

Introduction

On 15 May 2018, the Company announced that it had entered into a conditional agreement to sell the Group's contract research and pharmacogenomics divisions for an aggregate cash consideration of up to £1,900,000 (the "**Disposal**"). The Disposal is to Epistem 2 Limited (the "**Buyer**"), a company in which Dr Catherine Booth, a Director of the Company, is also a director and material shareholder. Accordingly the Disposal needs to be approved by shareholders under section 190 of the Companies Act 2006 (the "**Act**"). The Disposal is also a related party transaction under AIM Rule 13 and further details relating to this are set out in the paragraph headed "Related Party Transaction and Recommendation" below.

You will find enclosed with this letter, a notice convening a General Meeting of the Company (the "**General Meeting**") to be held at The Innovation Centre, 48 Grafton Street, Manchester, M13 9XX on Monday 4 June 2018 at 12.30pm to consider, and if thought fit, approve a resolution authorising the Disposal for the purposes of section 190 of the Act (the "**Resolution**").

The purpose of this document is to provide you with further details about the Disposal and to explain why the board of directors of Genedrive (the "**Board**") believes it is in the best interests of the Company and shareholders as a whole. The Board recommends that you vote in favour of the Resolution as set out in the paragraph headed "Related Party Transaction and Recommendation" below. Having declared her interest in this matter, Dr Booth has not taken part in the Board's consideration of the Disposal or in the recommendation to vote in favour of the Resolution.

Background to the Proposed Disposal

In March 2016, as part of the interim results announcement for the six months ended 31 December 2015, the Company notified shareholders of its intention to undertake a review of the strategic options for its operations in pharmacogenomics, contract research services and novel therapies in order to focus the Company's increased resources on Genedrive® which the Board believes is best placed to deliver superior returns for shareholders. In June 2016 it was announced that advisers had been appointed to complete a strategic review for the purposes of evaluating the potential options for these businesses, together comprising the services business of the Group. In 2017, the Board determined that best value for the Group would be to divest the contract research and pharmacogenomics businesses (the "**Services Business**") and that it was working to secure a disposal on attractive terms. In the 2017 Annual Report and Accounts, the Directors reaffirmed their belief that divestment of the Services Business continued to be its strategic aim and that discussions were ongoing with a view to achieving this and thereby securing additional capital investment for Genedrive. In the interim report to 31 December 2017, the Company confirmed that it was in a period of exclusivity with a prospective buyer with an expectation to update the market on the outcome before the end of the current financial year.

The Services Business generated revenue of £3,166,000 in the 12 months to 30 June 2017 and delivered an EBITDA, including R&D tax credits of £260,000. The gross assets attributable to the Services Business at 30 June 2017 was £1,597,000 and the gross liabilities were £831,000. In the six months to 31 December 2017, revenues of the Services Business declined 23.5% to £1,346,000 and it made a modest contribution to the Group. At 31 December 2017, the gross assets of the Services Business declined to £1,054,000 with the decline being mostly within the trade debtor balances and gross liabilities of £401,000.

Since the announcement in March 2016, the Company has continued to invest in the development of the core diagnostics business and Genedrive® has made significant progress towards commercialisation of its diagnostics offering. The Genedrive® HCV ID Kit received CE marking in September 2017. The Company

announced distribution agreements with Sysmex Europe GmbH and Sysmex Asia Pacific Pte Ltd in October 2017 and November 2017. In November 2017 and January 2018 the Company secured grant funding across two awards of approximately £1,600,000 to further support development of both HCV test and the mTB test. A distribution partner for India, Arkray Inc, was announced in March 2018, the same month as the first commercial revenues of the Genedrive® HCV ID Kit to the Sysmex distributors was recognised.

Key Terms of the Disposal

The sale is to Epistem 2 Limited (the "**Buyer**"), a company in which Dr Booth is a director and a shareholder. Dr Booth is a director and co-founder of the Company (and Epistem Limited) and has a holding of 5.2% of the ordinary share capital in the Company and has managed the Group's contract research services division since 2007. The Buyer is being funded by investment provided by the Foresight Group, one of the largest venture capital trust managers in the UK.

As a result of its size, the sale constitutes a substantial property transaction involving a director of the Company under section 190 of the Act and therefore requires approval by a resolution of members of the Company. Completion of the Disposal is therefore conditional on obtaining this approval. The Resolution, which seeks this approval, is set out in the Notice of General Meeting. Completion of the Disposal is also conditional on the Buyer entering into new leases of the areas of operation of the Services Business in place of Epistem Limited.

The sale is for an aggregate cash consideration of up to £1,900,000. Of this, £1,150,000 will be paid in cash on completion of the sale and the balance of up to £750,000 of deferred consideration is payable subject to the Buyer making successful claims for R&D Tax Credits up to this amount, in the 36 months following completion. The sale will include the transfer of the Epistem name and the Company will arrange for the name of Epistem Limited to be changed at completion.

The Group has granted various undertakings to the Buyer in relation to the conduct of the business in the period between signing the Agreement and completion. The Buyer and the Seller each have certain rights to terminate the Agreement, including if the conditions are not satisfied by the longstop date of 14 June 2018, there is a material adverse change in the Services Business or in the event of a material breach of the warranties or undertakings given by the Seller under the Agreement.

Dr Booth will resign as a director of the Company and Epistem Limited at completion of the Disposal and will enter into a lock-in agreement in relation to her holding of 980,000 ordinary shares in the Company, representing 5.2% of the Company's issued share capital, and in respect of the 30,029 ordinary shares to be released to her from the Group's Share Incentive Plan. The lock-in requires that for the first six months following completion, Dr Booth will not sell any ordinary shares in the Company (subject to standard exceptions). For a further period of six months Dr Booth has agreed not to sell more than £200,000 worth of ordinary shares in the Company by way of an orderly marketing arrangement.

The Disposal fulfils the Directors' stated strategic aim of divesting divisions which are non-core to the primary diagnostics activities of the Company. The initial proceeds of £1,150,000 of the Disposal, net of advisors costs of approximately £150,000, will provide additional cash resources for the Company which will be used for the purposes of further advancing the molecular diagnostics business, with further payments as outlined above to be received over the next three years, subject to successful R&D Tax Credit claims by the Buyer. As at 30 April 2018, the Company had unaudited cash balances of some £3,449,000.

Risks Relating to the Disposal

If the Resolution is not approved by Genedrive shareholders and the Disposal does not proceed, there is a risk that the Company may not find an alternative buyer for the Services Business and the Board would need to consider alternative options for the business which may include an alternative transaction potentially on worse terms or the closure of the Services Business in order that the Group's resources can be exclusively focused on its diagnostics operations.

General Meeting

As explained above, the Disposal constitutes a transaction by the Company's subsidiary with a director of the Company which requires to be approved by Shareholders in accordance with section 190 the Act, and is therefore subject to such approval.

You will find set out at the end of this document a Notice of General Meeting of the Company to be held on Monday 4 June 2018 at 12.30pm (UK time) at The Innovation Centre, 48 Grafton Street, Manchester M13 9XX. This General Meeting is being held for the purpose of considering and, if thought fit, passing the Resolution to approve the Disposal. The Resolution is set out in full in the Notice of General Meeting. The Resolution is proposed as an ordinary resolution which, in order to be passed, must be approved by Shareholders representing a simple majority of the total voting rights attaching to the Company's ordinary shares who, being entitled to vote, do so in person or by proxy at the General Meeting.

Action to be Taken

Whether or not Shareholders propose to attend the General Meeting, it is important that they complete, sign and return a Form of Proxy or vote electronically as set out below. The completion and return of a Form of Proxy in hard copy or voting electronically will not prevent you from attending and voting at the General Meeting in person if you wish.

To be valid, the Form of Proxy must be lodged with the Company's registrars by not later than 12.30pm (UK time) on 31 May 2018.

Shareholders receiving hard copies of this document or a postal alert will also have received a Form of Proxy for voting at the General Meeting.

Shareholders should return the Form of Proxy to the reply-paid address shown on the Form of Proxy or, for personal delivery, to Neville House, 18 Laurel Lane, Halesowen B63 3DA. If their shares are held in CREST, they may if preferred give instructions electronically via CREST as detailed in the notes to the Notice of General Meeting.

Related Party Transaction and Recommendation

The Disposal constitutes a transaction with a related party under Rule 13 of the AIM Rules for Companies. The Directors of the Company (with the exception of Catherine Booth who has abstained from the relevant discussions as she is a related party) consider, having consulted with Peel Hunt LLP (the Company's Nominated Adviser), that the terms of the Disposal are fair and reasonable in so far as the shareholders of the Company are concerned.

The Directors (other than Dr Booth, who has not taken part in the Board's consideration of the Disposal) unanimously recommend that you vote in favour of the Resolution as they intend to do in respect of their own beneficial holdings amounting, in aggregate to 183,814 ordinary shares representing approximately 1% of the issued ordinary share capital of the Company.

Yours sincerely

Dr Ian Gilham
Chairman

PUBLIC COMPANY LIMITED BY SHARES

NOTICE OF GENERAL MEETING

OF

GENEDRIVE PLC (THE "COMPANY")

(Registered in England and Wales under company number 06108621)

NOTICE IS HEREBY GIVEN that a General Meeting of the Company will be held at The Innovation Centre, 48 Grafton Street, Manchester M13 9XX on Monday 4 June 2018 at 12.30 pm for the purpose of considering and, if thought fit, passing the following resolution as an ordinary resolution.

APPROVAL OF SUBSTANTIAL PROPERTY TRANSACTION – PROPOSED SALE OF SERVICES BUSINESS

THAT the sale by Epistem Limited (a wholly owned subsidiary of the Company) and acquisition by Epistem 2 Limited, a person connected with Dr Catherine Booth, a director of the Company and of Epistem Limited, of the business and related assets of the contract research services division and the pharmacogenomics division of Epistem Limited, for an aggregate total consideration of up to £1,900,000 comprising:

- i. £1,150,000 in cash at completion; and
- ii. deferred consideration of up to £750,000 in cash in the 36 months following completion, subject to successful claims for R&D Tax Credits by Epistem 2 Limited,

and otherwise on the terms summarised in the letter to Shareholders dated 15 May 2018 (to which this notice is attached) (the "**Sale**") be approved for the purposes of and in accordance with section 190 of the Companies Act 2006 and that the directors of the Company be and are hereby authorised to do all acts and things which they, in their absolute discretion, consider to be necessary or desirable to implement and give effect to, or otherwise in connection with, the Sale.

By order of the Board

.....
Matthew Fowler
Company Secretary
Date: 15 May 2018

genedrive plc
Registered office:
The Incubator Building
Grafton Street
Manchester
M13 9XX

NOTES

Entitlement to attend and vote

1. Only those shareholders registered in the Company's register of members at:

- 6 pm on 31 May 2018; or,
- if this meeting is adjourned, at 6 pm on the day two days prior to the adjourned meeting,

shall be entitled to attend, speak 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, can be found at <http://www.genedriveplc.com/>.

Appointment of proxies

3. If you are a shareholder entitled to attend and vote at the General Meeting, you are entitled to appoint one or more proxies to exercise all or any of your rights to attend, speak and vote at the General Meeting instead of you. You should have received a proxy form with this notice of meeting. A proxy does not need to be a member of the Company but must attend the meeting to represent you. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.
4. You may appoint more than one proxy provided each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. To appoint more than one proxy, please contact our registrar, Neville Registrars Limited, on 0121 585 1131 or at Neville House, 18 Laurel Lane, Halesowen B63 3DA. You will need to state clearly on each proxy form the number of shares in relation to which the proxy is appointed. Failure to specify the number of shares to which each proxy appointment relates or specifying a number in excess of those held by the shareholder will result in the proxy appointment being invalid. If you wish your proxy to speak on your behalf at the meeting you will need to appoint your own choice of proxy (not the chairman) and give your instructions directly to them.
5. Appointment of a proxy will not preclude a shareholder from attending and voting in person at the General Meeting.
6. Shareholders can:
 - Appoint a proxy or proxies and give proxy instructions by returning the enclosed proxy form by post (see note 8).
 - If a CREST member, register their proxy appointment by utilising the CREST electronic proxy appointment service (see note 9).
 - You may not use any electronic address provided either in this Notice of Meeting or any related documents to communicate with the Company for any purpose other than as expressly stated.
7. 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

8. To be effective, the completed and signed proxy form, and any power of attorney or other authority under which it is executed (or a duly certified copy of any such Power of Attorney) must be deposited at the office of the Company's Registrars, Neville Registrars Limited at Neville House, 18 Laurel Lane,

Halesowen, B63 3DA not less than 48 hours (excluding weekends and bank holidays) before the time for holding the meeting (i.e. by 12.30 pm on 31 May 2018) and if not so deposited shall be invalid;

Appointment of proxies through CREST

9. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the general 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.
10. For a proxy appointment or instructions 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 (**Euroclear**) 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 Neville Registrars Limited (ID 7RA11) no later than 12.30 pm on 31 May 2018, or, in the event of an adjournment of the meeting, 48 hours (excluding weekends and bank holidays) 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.
11. CREST members and, where applicable, their CREST sponsors or voting service provider(s) should note that Euroclear 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 provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
12. 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.

Appointment of proxy by joint members

13. In the case of joint holders, where more than one of the joint holders completes a proxy appointment, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).

Changing proxy instructions

14. 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 also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.
15. 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 on 0121 585 1131 or at Neville House, 18 Laurel Lane, Halesowen, B63 3DA.
16. 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 appointment

17. 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 intention to revoke your proxy appointment to Neville Registrars Limited at Neville House, 18 Laurel Lane, Halesowen, 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.
18. The revocation notice must be received by Neville Registrars Limited no later than 12.30 pm on 31 May 2018.
19. If you attempt to revoke your proxy appointment but the revocation is received after the time specified, your original proxy appointment will remain valid unless you attend the meeting and vote in person.
20. 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 in person, your proxy appointment will automatically be terminated.

Corporate representatives

21. A corporation which is a shareholder can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a shareholder provided that no more than one corporate representative exercises powers over the same share.
22. In order to facilitate voting by corporate representatives at the meeting, arrangements will be put in place at the meeting so that: (i) if a corporate shareholder has appointed the chairman of the meeting as its corporate representative to vote on a poll in accordance with the directions of all of the other corporate representatives for that shareholder at the meeting, then on a poll those corporate representatives will give voting directions to the chairman and the chairman will vote (or withhold a vote) as corporate representative in accordance with those directions; and (ii) if more than one corporate representative for the same corporate shareholder attends the meeting but the corporate shareholder has not appointed the chairman of the meeting as its corporate representative, a designated corporate representative will be nominated, from those corporate representatives who attend, who will vote on a poll and the other corporate representatives will give voting directions to that designated corporate representative. Corporate shareholders are referred to the guidance issued by the Institute of Chartered Secretaries and Administrators on proxies and corporate representatives (www.icsa.org.uk) for further details of this procedure. The guidance includes a sample form of appointment letter if the chairman is being appointed as described in (i) above.

Issued shares and total voting rights

23. As at 14 May 2018 (being the latest practicable date prior to publication of this notice), the Company's issued share capital comprised 18,689,446 ordinary shares of £0.015 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 share capital of the Company as at 14 May 2018 is 18,689,446.

Entitlement to attend and Vote

24. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, to be entitled to attend and vote at the meeting (and for the purpose of the determination by the Company of the votes they may cast) shareholders must be registered in the register of members of the Company at 6 pm (UK time) on 31 May 2018 (or, in the event of any adjournment 6 pm (UK time) on the date which is two

days (excluding weekends and bank holidays) before the date of the adjourned 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.

25. As soon as practicable following the meeting, the results of the voting will be announced via a regulatory information service and also placed on the Company's website.

Communication

26. Except as provided above, shareholders who have general queries about the meeting or need additional proxy forms should use the following means of communication (no other methods of communication will be accepted):

- By post to the Company's registered office, details of which are below:

The Company Secretary
Genedrive plc
The Incubator Building
Grafton Street
Manchester
M13 9XX

27. A shareholder 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 purpose other than those expressly stated.

**Explanatory Notes to the Notice of
General Meeting
of
Genedrive plc**

General

The below notes give an explanation of the proposed resolution. The Resolution is proposed as an ordinary resolution. This means that for the resolution to be passed, more than half of the votes cast must be in favour of the resolution.

Resolution – Approval of Substantial Property Transaction – Proposed Sale of Services Division

Shareholders are asked to approve the sale of (i) the contract research services division and (ii) the pharmacogenomics division operated by Epistem Limited to Epistem 2 Limited, a company in which Dr. Catherine Booth is a director and shareholder.

The Directors of the Company determined that the services business of the Company, comprising its pharmacogenomics, contract research services and novel therapies divisions were largely unrelated to the primary diagnostics activities of the Company and the strategy of transforming the Company into a focussed molecular diagnostics company.

Following the appointment of advisers, a strategic review and sales process for the Services Division, a conditional agreement has been entered into for the sale of the contract research services and pharmacogenomics divisions to a company connected with Dr Catherine Booth, a director of the Company and Epistem Limited. As the sale constitutes a substantial property transaction involving a director of the Company under section 190 of the Companies Act 2006, it requires to be approved by ordinary resolution of the shareholders of the Company. The resolution set out in the notice convening the General Meeting is the resolution seeking this approval.