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Capitalised terms have the meaning ascribed to them in the Definitions section of this Document.

If you have sold or otherwise transferred all of your existing holding of Ordinary Shares in Redx Pharma plc, please forward this Document and the enclosed Form of Proxy 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. If you have sold or otherwise transferred only part of your holding of Ordinary Shares, please retain this Document and the Form of Proxy and consult the stockbroker, bank or other agent through whom the sale or transfer was effected as to the action you should take.

This Document does not constitute an offer of transferable securities to the public within the meaning of Section 102B of FSMA. This Document does not constitute a prospectus for the purpose of the Prospectus Regulation Rules of the UK Financial Conduct Authority or an admission document for the purpose of the AIM Rules. Accordingly, this Document has not been, and will not be, reviewed or approved by the UK Financial Conduct Authority (in its capacity as UK Listing Authority or otherwise) pursuant to sections 85 and 87 of FSMA, the London Stock Exchange or any other authority or regulatory body and has not been approved for the purposes of Section 21 of FSMA. This Document is being sent to Shareholders in connection with the General Meeting only.

Copies of this Document can be downloaded free of charge from the Company’s website at <https://www.redxpharma.com/investors/investor-centre/> from the date of this Document up to and including the date of the General Meeting.

You should read this Document in its entirety, together with the Form of Proxy. Your attention is drawn to the letter from the Chairman of the Company which is set out in Part I of this Document and which recommends that you vote in favour of the Resolutions at the General Meeting.

REDX PHARMA PLC

(incorporated and registered in England and Wales with registered number 7368089)

Proposed Increase in Borrowing Powers

Convertible Loan Notes

Share Subscription

and

Notice of General Meeting

Spark Advisory Partners Limited
Nominated Adviser

WG Partners LLP
Broker and Financial Adviser

WG Partners LLP (“**WG Partners**”), which is authorised and regulated in the United Kingdom by the FCA and is a member of the London Stock Exchange, is the Company’s Broker for the purposes of the AIM Rules. WG Partners is acting for the Company and for no-one else in connection with the matters described in this Document and will not be responsible to anyone other than the Company for providing the protections afforded to its clients nor for providing advice in relation to the matters referred to herein. WG Partners has not authorised the contents of this Document for any purpose and no liability whatsoever is accepted by WG Partners nor does it make any representation or warranty, express or implied, as to the accuracy of any information or opinion contained in this Document or for the omission of any information. WG Partners expressly disclaims all and any responsibility or liability whether arising in tort, contract or otherwise which it might otherwise have in respect of this Document.

Spark Advisory Partners Limited (“**Spark**”), which is authorised and regulated in the United Kingdom by the FCA, is the Company’s Nominated Adviser for the purposes of the AIM Rules. Spark is acting for the Company and for no one else in connection with the matters described in this Document and will not be responsible to anyone other than the Company for providing the protections afforded to its clients nor for providing advice in relation to the matters referred to herein. Spark has not authorised the contents of this Document for any purpose and no liability whatsoever is accepted by Spark nor does it make any representation or warranty, express or implied, as to the accuracy of any information or opinion contained in this Document or for the omission of any information. Spark expressly disclaims all and any responsibility or liability whether arising in tort, contract or otherwise which it might otherwise have in respect of this Document.

Notice of a General Meeting of Redx Pharma plc to be held at Block 33, Mereside, Alderley Park, Macclesfield, England, SK10 4TG, at 11.00 a.m. on 20 July 2020 is set out at the end of this Document. Shareholders will find accompanying this Document a Form of Proxy for use at the General Meeting. The Form of Proxy for use at the General Meeting is enclosed with this Document and should be completed and returned to the Company's registrars, by post or by hand (during normal business hours) to Equiniti Limited at Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA, in accordance with the instructions printed on it as soon as possible and, in any event, so as to be received no later than 11.00 a.m. on 16 July 2020.

Shareholders will not be allowed to attend the General Meeting in light of the Covid-19 situation and the Stay at Home measures that have been implemented by the UK Government. Consequently, anyone seeking to attend the General Meeting will be refused entry. The General Meeting will take place with the minimum necessary quorum of two shareholders which will be facilitated by the Company in line with the Government's social distancing advice. Shareholders are encouraged to complete and submit a Form of Proxy appointing the chairman of the General Meeting as their proxy with their voting instructions.

The distribution of this Document and/or the Form of Proxy in jurisdictions other than the UK may be restricted by law and therefore persons into whose possession this Document and/or the Form of Proxy come should inform themselves about and observe any such restrictions. Any failure to comply with any such restrictions may constitute a violation of the securities laws or regulations of such jurisdictions.

This Document does not constitute an offer to sell or an invitation to subscribe for, or solicitation of an offer to subscribe or buy, Ordinary Shares to any person in any Restricted Jurisdiction. In particular, this Document is not for distribution in or into the United States of America, Canada, Australia, New Zealand, the Republic of South Africa or Japan. Accordingly, the Ordinary Shares may not, subject to certain exceptions, be offered directly or indirectly in or into the United States of America, Canada, Australia, New Zealand, the Republic of South Africa or Japan. The Ordinary Shares have not been and will not be registered under the United States Securities Act of 1933 (as amended) or under the securities legislation of any state of the United States of America, Canada, Australia, New Zealand, the Republic of South Africa or Japan and they may not be offered or sold directly or indirectly within those Restricted Jurisdictions or to or for the account or benefit of any national, citizen or resident of such jurisdictions.

Forward-looking statements:

This Document contains statements about Redx Pharma plc that are or may be "forward-looking statements". All statements, other than statements of historical facts, included in this Document may be forward-looking statements and are subject to, *inter alia*, known and unknown risks, uncertainties and other factors. Without limitation, any statements preceded or followed by, or that include, the words "targets", "plans", "believes", "expects", "aims", "intends", "will", "may", "should", "anticipates", "estimates", "projects", "would", "could", "continue" or words or terms of similar substance or the negative thereof, are forward-looking statements. Forward-looking statements include statements relating to the following: managements' strategic vision, aims and objectives; the conduct of clinical trials; the filing dates for product licence applications; the Company's ability to find partners for the development and commercialisation of its products; the effect of competition; trends in results of operations; margins; the overall pharmaceutical market; and exchange rates. These forward-looking statements are not guarantees of future performance and have not been reviewed by the auditors of Redx Pharma plc. These forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of any such person, or industry results, to be materially different from any results, performance or achievements expressed or implied by such forward-looking statements. These forward-looking statements are based on numerous assumptions regarding the present and future business strategies of such persons and the environment in which each will operate in the future. Investors should not place undue reliance on such forward-looking statements and, save as is required by law or regulation (including to meet the requirements of the AIM Rules and/or FSMA), Redx Pharma plc does not undertake any obligation to update publicly or revise any forward-looking statements (including to reflect any change in expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based). All subsequent oral or written forward-looking statements attributed to Redx Pharma plc or any persons acting on its behalf are expressly qualified in their entirety by the cautionary statement above. All forward-looking statements contained in this Document are based on information available to the Directors of Redx Pharma plc at the date of this Document, unless some other time is specified in relation to them, and the posting or receipt of this Document shall not give rise to any implication that there has been no change in the facts set forth herein since such date.

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DIRECTORS, SECRETARY AND ADVISERS

Directors	Iain Ross (<i>Non-Executive Chairman</i>) Lisa Anson (<i>Chief Executive Officer</i>) Dr. James Mead (<i>Chief Financial Officer</i>) Dr. Bernhard Kirschbaum (<i>Non-Executive Director</i>) Peter Presland (<i>Non-Executive Director</i>)
Company Secretary	Andrew Booth
Registered Office	Block 33, Mereside Alderley Park Macclesfield SK10 4TG
Broker and Financial Adviser to the Company	WG Partners LLP 85 Gresham Street London EC2V 7NQ
Nominated Adviser to the Company	Spark Advisory Partners Limited 5 St John's Lane London EC1M 4BH
Legal Advisers to the Company	Covington & Burling LLP 265 Strand London WC2R 1BH
Registrars	Equiniti Limited Aspect House Spencer Road Lancing West Sussex BN99 6DA

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Posting of this Document and Form of Proxy	30 June 2020
Latest time and date for receipt of Forms of Proxy	11.00 a.m. on 16 July 2020
General Meeting	11.00 a.m. on 20 July 2020
Results of General Meeting announced through RIS	20 July 2020
Admission of the Subscription Shares	21 July 2020

Notes:

- (1) References to times in this Document are to London time (unless otherwise stated).
- (2) The dates and timing of the events in the above timetable and in the rest of this Document are indicative only and may be subject to change.
- (3) If any of the above times or dates should change, the revised times and/or dates will be notified by an announcement through an RIS.

KEY STATISTICS

Gross proceeds of the Subscription	£812,000.05
Gross proceeds of the issue of the Loan Notes ¹	£23,548,000
Number of Existing Ordinary Shares in issue at the date of this Document	190,008,703
Subscription Price per new Ordinary Share	15.5 pence
Conversion Price per new Ordinary Share	15.5 pence
Number of new Ordinary Shares to be issued on completion of the Subscription	5,238,710
Number of new Ordinary Shares in issue immediately following completion of the Subscription ²	195,247,413
Percentage of Company's issued share capital held by Sofinnova immediately following completion of the Subscription ^{2,3}	2.68 per cent.
Number of new Ordinary Shares to be issued on full conversion of the Loan Notes ^{1,4}	151,922,579
Number of Ordinary Shares in issue immediately following full conversion of the Loan Notes ^{1,2,4}	347,169,992
Conversion Shares as a percentage of the Enlarged Share Capital ^{1,2,4}	43.76 per cent.
Percentage of the Enlarged Share Capital held by Redmile following full conversion of the Loan Notes ^{1,2,3,4}	79.03 per cent.
Percentage of the Enlarged Share Capital held by Sofinnova following full conversion of the Loan Notes ^{1,2,3,4}	16.60 per cent.

Notes:

- (1) Assuming an exchange rate of \$1 to £0.812.
- (2) Assuming no further issue of Ordinary Shares (including on the exercise of options under the Redx share option schemes) except pursuant to the Subscription and conversion of the Loan Notes.
- (3) Assuming no other acquisition or disposal of Ordinary Shares by Redmile or Sofinnova except pursuant to the Subscription and on conversion of the Loan Notes.
- (4) Assuming the principal amount of the Loan Notes is converted in full.

DEFINITIONS

The following definitions apply throughout this Document and in the accompanying Form of Proxy unless the context requires otherwise:

“Act”	the Companies Act 2006, as amended;
“Admission”	the admission of the Subscription Shares and/or the Conversion Shares, as the case may be, to trading on AIM and such admission becoming effective in accordance with the AIM Rules;
“AIM”	the market of that name operated by the London Stock Exchange;
“AIM Rules”	together the AIM rules for Companies and the AIM Rules for Nominated Advisers;
“Applicable Exchange Rate”	the Dollar to Sterling exchange rate as published by Bloomberg on the Business Day prior to the issue of the Loan Notes;
“Articles”	the articles of association of the Company in force at the date of this Document;
“Board” or “Directors”	the directors of the Company, as at the date of this Document, whose names are set out on page 11 of this Document;
“Business Day”	a day (other than a Saturday or Sunday) on which commercial banks are open for general business in London, England;
“Conversion”	the allotment and issue of new Ordinary Shares at a price per Ordinary Share of 15.5 pence on conversion of the Loan Notes;
“Conversion Price”	15.5 pence per Ordinary Share;
“Conversion Shares”	the new Ordinary Shares to be issued on completion of the Conversion;
“certificated form”	not in an uncertificated form;
“Company” or “Redx”	Redx Pharma plc;
“CREST”	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the Operator (as defined in the CREST Regulations);
“CREST Manual”	the compendium of documents entitled CREST Manual issued by Euroclear from time to time and comprising the CREST Reference Manual, the CREST Central Counterparty Service Manual, the CREST International Manual and the CREST Glossary of Terms;
“CREST Member”	a person who has been admitted to Euroclear as a system-member (as defined in the CREST Regulations);
“CREST Participant”	a person who is, in relation to CREST, a system-participant (as defined in the CREST Regulations);
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001/3755) (as amended);

“CREST Sponsor”	a CREST participant admitted to CREST as a CREST Sponsor;
“CREST Sponsored Member”	a CREST Member admitted to CREST as a sponsored member;
“Document”	this document, posted to shareholders on 30 June 2020;
“Dollar” or “\$” or “cent”	the lawful currency of the United States;
Enlarged Share Capital”	the issued Ordinary Share capital of Redx immediately following completion of the Conversion and Admission of the Conversion Shares (and assuming that (a) the principal amount of the Loan Notes is converted in full, (b) the Subscription Shares have been issued and (c) no further issue of Ordinary Shares, including on the exercise of options under the Redx share option schemes);
“Euroclear”	Euroclear UK & Ireland Limited, the operator of CREST;
“Existing Ordinary Shares”	each Ordinary Share in issue as at the date of this Document;
“FCA”	the UK Financial Conduct Authority;
“Form of Proxy”	the form of proxy enclosed with this Document for use by Shareholders in connection with the General Meeting;
“FSMA”	the Financial Services and Markets Act 2000 (as amended);
“General Meeting”	the general meeting of Redx convened by the notice set out in this Document to be held at 11.00 a.m. on 20 July 2020 at Block 33, Mereside, Alderley Park, Macclesfield, England, SK10 4TG;
“Group”	the Company and its subsidiaries;
“Initial Maturity Date”	the third anniversary of the date on which Loan Notes are first issued, being the date when the Loan Notes are repayable;
“Loan”	the Sterling amount into which \$29 million converts at the Applicable Exchange Rate, being the aggregate principal amount of the Loan Notes;
“Loan Notes”	the loan notes in the aggregate principal amount of the Loan to be issued by the Company to Redmile and Sofinnova pursuant to the Note Purchase Agreement;
“London Stock Exchange”	London Stock Exchange plc;
“Noteholders”	holders of the Loan Notes;
“Noteholders Representative”	Global Loan Agency Services Limited acting as representative of the Noteholders;
“Note Purchase Agreement”	the agreement dated 29 June 2020 between the Company, Redx Oncology Limited, Redx Immunology Limited, Redx Anti-Infectives Limited, Redmile, Sofinnova, the Noteholders Representative and the Security Agent pursuant to which Redmile and Sofinnova have agreed to purchase Loan Notes in the aggregate principal amount equal to the Loan conditional upon, <i>inter alia</i> , the passing of the Resolutions at the General Meeting;

“Notice of General Meeting”	the notice of the General Meeting, which is set out at the end of this Document;
“Ordinary Shares”	the ordinary shares of 1 pence each in the capital of the Company, having the rights and being subject to the restrictions contained in the Articles;
“Overseas Shareholders”	Shareholders with registered addresses in, or who are citizens, residents or nationals of, jurisdictions outside the UK;
“Prospectus Regulation Rules”	the Prospectus Regulation Rules made in accordance with EU Regulation 2017/1129;
“Redmile”	RM Special Holdings 3, LLC;
“Resolutions”	the resolutions to be proposed at the General Meeting, as set out in the notice of General Meeting included in this Document;
“Restricted Jurisdictions”	the United States, Australia, Canada, Japan, New Zealand and the Republic of South Africa and any other jurisdiction where the distribution of this Document would breach any applicable law;
“RIS”	a service approved by the London Stock Exchange for the distribution to the public of AIM announcements and included within the list on the website of the London Stock Exchange;
“Security Agent”	GLAS Trust Corporation Limited acting as the security agent;
“Security Agreement”	the security agreement to be entered into between GLAS Trust Corporation Limited (as Security Agent) and each of the Company, Redx Oncology Limited, Redx Immunology Limited and Redx Anti-Infectives Limited (together the “Redx Charging Companies”) pursuant to which each of the Redx Charging Companies will grant security for the Loan Notes in the form of fixed and floating charges over substantially all of their business and assets;
“Shareholders”	holders of Ordinary Shares whose names appear on the register of members of Redx;
“Sofinnova”	Sofinnova Crossover I SLP;
“Spark”	Spark Advisory Partners Limited, the Company’s Nominated Adviser;
“Sterling” or “£” or “Pence”	the lawful currency of the United Kingdom;
“Subscription”	the allotment and issue to Sofinnova of 5,238,710 new Ordinary Shares at the Subscription Price;
“Subscription Agreement”	the letter agreement dated 29 June 2020 between Sofinnova and the Company pursuant to which the Company will, conditional upon the passing of the Resolutions at the General Meeting and Admission of the Subscription Shares, allot and issue the Subscription Shares at the Subscription Price to Sofinnova;
“Subscription Price”	15.5 pence per Ordinary Share;

“Subscription Shares”	the 5,238,710 new Ordinary Shares to be allotted and issued to Sofinnova on completion of the Subscription;
“Takeover Code”	the City Code on Takeovers and Mergers issued by the Panel on Takeovers and Mergers;
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland;
“UK Listing Authority”	the UK Listing Authority, being the FCA acting as competent authority for the purposes of Part V of FSMA;
“uncertificated form”	Ordinary Shares recorded on the share register as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred within the CREST settlement system; and
“US” or “United States”	the United States of America;
“WG Partners”	WG Partners LLP, the Company's Broker and Financial Adviser.

GLOSSARY

AACR	American Association for Cancer Research
ABPI	the Association of the British Pharmaceutical Industry
BIS	the Department for Business, Innovation and Skills
CRC	colorectal cancer
dysgeusia	distortion of taste
ERS	European Respiratory Society
ESMO	European Society for Medical Oncology
IBD	inflammatory bowel disease
ICI	immune checkpoint inhibitor
IPF	idiopathic pulmonary fibrosis
MHRA	UK's Medicines and Healthcare Products Regulatory Agency
NASH	non-alcoholic Steatohepatitis
Porcupine	a target in the Wnt signalling pathway
Wnt signalling pathway	group of signal transduction pathways, made of proteins that pass signals from outside of a cell through cell surface receptors to the inside of the cell

PART I

LETTER FROM THE CHAIRMAN OF REDX PHARMA PLC

(Incorporated and registered in England and Wales with registered number 7368089)

Directors:

Iain Ross, *(Non-Executive Chairman)*
Lisa Anson, *(Chief Executive Officer)*
Dr. James Mead, *(Chief Financial Officer)*
Dr. Bernhard Kirschbaum, *(Non-Executive Director)*
Peter Presland, *(Non-Executive Director)*

Registered Office:

Block 33, Mereside
Alderley Park
Macclesfield
SK10 4TG

30 June 2020

To Shareholders, and, for information purposes only, to the holders of options over Ordinary Shares

Dear Shareholder,

Proposed Increase in Borrowing Powers, Share Subscription, Convertible Loan Notes and Notice of General Meeting

1. Introduction

Redmile announced on 13 March 2020 that it had agreed to acquire 74,998,896 Ordinary Shares representing approximately 39.5 per cent. of the Company's issued share capital from Moulton Goodies Limited at a price of 15.5 pence per Ordinary Share (the "**Acquisition**"). Following completion of the Acquisition, Redmile held 86,498,896 Ordinary Shares representing approximately 45.5 per cent. of the Company's issued share capital. As a result of the Acquisition under Rule 9 of the Takeover Code, Redmile was required to make a mandatory cash offer for the Ordinary Shares not already held or agreed to be acquired by Redmile at a price of 15.5 pence per Ordinary Share (the "**Offer**"). Redmile's announcement on 13 March 2020 was made in accordance with Rule 2.7 of the Takeover Code and set out the terms and conditions of the Offer which was recommended by the Board.

The Company announced on 30 March 2020 that it had entered into a £5 million short term loan with Redmile and that the loan was secured by fixed and floating charges over all assets of the Company and its subsidiaries, with the exception of RXC006 and GI-Targeted Rock research programmes. Interest is payable on the short term loan at 10 per cent. per annum (which, following an amendment to the loan agreement, increases to 20 per cent. per annum on 31 July 2020) and is repayable in full on 31 August 2020. The short term loan was drawn down in full by the Company and extended the Company's cash runway into the third quarter of 2020.

On 9 April 2020, Redmile announced that it then owned 109,809,326 Ordinary Shares representing approximately 57.79 per cent. of the Company's issued ordinary share capital and that, consequently, the Offer would be wholly unconditional when made. Also on 9 April 2020, Redmile posted an offer document and form of acceptance to the Company's shareholders formally making the Rule 9 mandatory recommended cash offer. On 1 May 2020, Redmile announced that the deadline for acceptance of the Offer (being 1.00 p.m. London time on 30 April 2020 as set out in the offer document) had passed and the Offer was now closed to acceptances. In the same announcement, Redmile confirmed that as at 1.00 p.m. London time on 30 April 2020, valid acceptances of the Offer had been received by or on behalf of Redmile in respect of Ordinary Shares representing approximately 33.51 per cent. of the existing issued share capital of the Company, and consequently that Redmile either owned or had received valid acceptances of the Offer in respect of a total of 174,363,597 Ordinary Shares representing approximately 91.77 per cent. of the Company's issued share capital.

As at the date of this Document Redmile owns 174,837,998 Ordinary Shares. It is the intention of both the Company and Redmile to maintain the admission of the Ordinary Shares to trading on AIM.

In order to finance the Company's ongoing operations, Sofinnova has agreed to subscribe for the Subscription Shares on the terms of the Subscription Agreement and Redmile and Sofinnova have agreed

to make the Loan to the Company by purchasing the Loan Notes on the terms of the Note Purchase Agreement and the Security Agreement. The Subscription and the issue of the Loan Notes are conditional upon the passing by Shareholders of the Resolutions at the General Meeting.

The Board's strategy for the Company will continue to require significant funding for the assets in the Company's R&D pipeline to realise their full potential. This factor was key in the Board's decision to recommend the offer from Redmile. The Board is pleased that through the Loan and Subscription Redmile, and now Sofinnova, are both committed funding partners of the Company. It is the Board's current expectation that both Redmile and Sofinnova will commit further funds to the Company in future funding rounds. Furthermore, it is the Board's current expectation that an opportunity will be provided for other shareholders and new potential investors to participate in future funding rounds.

In addition to providing you with information about the proposed increase in borrowing powers, the Subscription and the Loan, this letter explains why the Board believes that the proposed increase in borrowing powers, the Subscription and the issue of the Loan Notes are in the best interests of the Company and the Shareholders as a whole and unanimously recommends that you vote in favour of the Resolutions to be proposed at the General Meeting to be held at 11.00 a.m. on 20 July 2020.

The increase in borrowing powers, the Subscription and the issue of the Loan Notes are conditional, *inter alia*, on the passing by Shareholders of the Resolutions at the General Meeting, which is being convened for 11.00 a.m. on 20 July 2020.

The Directors recommend that Shareholders vote in favour of the Resolutions to be proposed at the General Meeting, notice of which is set out at the end of this Document.

2. Details of the Subscription, the Loan Notes, the proposed increase in Borrowing Powers, Use of Proceeds and appointment of Director

2.1 The Subscription

Pursuant to the Subscription Agreement, Sofinnova will subscribe a total amount of £812,000.05 for the Subscription Shares at the Subscription Price. The Subscription is conditional on Shareholders passing all of the Resolutions at the General Meeting.

2.2 The Loan Notes

The aggregate principal amount of the Loan Notes is the aggregate Sterling amount into which \$29 million converts at the Applicable Exchange Rate. The Company intends to issue the Loan Notes in full. Redmile will purchase in Sterling a principal amount of the Loan Notes equal to \$19 million converted into Sterling at the Applicable Exchange Rate. Sofinnova will purchase in Sterling a principal amount of the Loan Notes equal to \$10 million converted into Sterling at the Applicable Exchange Rate. The Loan Notes are repayable on the Initial Maturity Date. The Loan Notes will be issued on the terms of the Note Purchase Agreement and the Security Agreement. The principal amount of the Loan Notes will be convertible in whole or part into Ordinary Shares at any time at the Conversion Price at the option of Redmile and/or Sofinnova.

In accordance with the terms of the Security Agreement, the Loan Notes will be secured by fixed and floating charges over substantially all of the business and assets of the Group, with the exception of certain research programmes, including, but not limited to, RXC006 and GI-Targeted Rock research programmes. No interest is payable on the Loan Notes during the period from the date of issue of the Loan Notes to and including the Initial Maturity Date. If any part of the Loan Notes remain outstanding after the Initial Maturity Date, interest will be payable on the outstanding amount at a rate of interest per annum as determined by Redmile and notified to the Company, provided that the interest rate shall not exceed the US prime rate at the date of such determination, until the Loan Notes are fully repaid or converted into new Ordinary Shares. The Note Purchase Agreement and the issue of the Loan Notes is conditional, *inter alia*, on Shareholders passing all of the Resolutions at the General Meeting. Further details on the Loan Notes (including the provisions relating to conversion) are set out in Part II of this Document.

2.3 **Proposed increase in Borrowing Powers**

Article 22.2 of the Articles currently limits the total borrowings of the Group to the greater of £10,000,000 or a sum equal to 2.5 times adjusted capital and reserves unless an ordinary resolution of the Company is passed at a general meeting increasing the borrowing limit. Consequently, to drawdown the Loan in full and issue the Loan Notes, the Company needs to increase its borrowing limit. Resolution 3 in the Notice of Meeting is an ordinary resolution to increase the Company's borrowing limit to the greater of £40 million and 2.5 times adjusted capital and reserves.

2.4 **Use of Proceeds**

Redx intends to use the proceeds from the Subscription and the issue of the Loan Notes to repay the £5 million short-term loan entered into with Redmile on 27 March 2020, complete the ongoing RXC004 Phase 1 monotherapy clinical trial and undertake a Phase 1 trial of RXC004 in combination with immunotherapy to obtain patient safety data in these two settings, complete preclinical studies on RXC007 with a view to making it clinic-ready, and further support the augmentation and progression of the Company's oncology and fibrosis research pipeline. Monies received will also allow commencement of Phase 2 proof of concept studies for RXC004, a Phase 1 study for RXC007 and ongoing lead optimisation work for the research portfolio, as well as provide general working capital into the third quarter of 2021.

As the Company executes its business plan, the Board and management will continue to ensure that resources are allocated to allow progression of the project portfolio in the most efficient way. In addition, the Board and management will continue to assess options on an on-going basis to ensure that Redx extracts maximum value from its intellectual property.

2.5 **Appointment of Director**

Pursuant to the Subscription Agreement, the Company has agreed with Sofinnova that, as soon as reasonably practicable following the issue of the Loan Notes, the Company will appoint a person to be nominated by Sofinnova to the board as a non-executive director. For so long as Sofinnova holds Ordinary Shares and Loan Notes equal to not less than 12% of the Company's fully diluted share capital (but ignoring for this purpose employee share options and options granted to consultants to the Company), the Company has agreed to use all reasonable endeavours to maintain the board appointment of Sofinnova's nominee (or a replacement for such person nominated by Sofinnova from time to time).

3. **Background to and reasons for the Subscription and the Loan**

At the time of exiting administration in November 2017, the Company had approximately £13 million of cash.

Redx has since needed to attract significant further investment to fund its priority programmes through to clinical proof of concept or meaningful value inflection points. As such, the Board has explored several options for raising additional funds, including conventional equity funding as well as debt funding. Early in 2019, the Company attempted a fundraise focused mainly on existing shareholders and other institutional public company investors. Unfortunately, there was not sufficient demand in the public markets at that time to deliver a successful transaction of the quantum required.

Due to the pressing need for additional working capital, the Company announced on 10 June 2019 that it had signed an agreement with its then largest shareholder, Moulton Goodies Limited, for a fixed rate secured loan note facility of up to £2.5 million in order to further extend the Company's cash runway. The loan from Moulton Goodies Limited was capitalised into Ordinary Shares on 22 January 2020.

Thereafter, Redx entered a further period of uncertainty when it became subject to a third party approach, which was concluded on 28 February 2020 when Redx announced that Redmile would provide Redx with £5 million of short term debt funding, based on the outline terms agreed in principle with Redmile, and that Redmile had also subscribed for 11,500,000 Ordinary Shares which were admitted to AIM on 4 March 2020. The subscription proceeds of £1.3 million served to extend the Company's cash runway until the end of April 2020.

Set against the backdrop of a declining cash balance in the short term, the Board had also considered alternative options for securing the significant working capital necessary to fund the ongoing development of Redx's portfolio of research and early development assets. Chiefly, the Board evaluated the funding that would become available if certain assets in Redx's portfolio were monetised. Whilst such funds could meet short-term working capital needs for the Group, the Board determined that they would not be sufficient to provide the additional capital required to progress the portfolio through the increasingly capital-intensive development phases required to reach points where significant value inflection may be achieved and there would remain a need for a potential equity fundraising within the next 12 months.

Redx, therefore, concluded that the Offer from Redmile, coupled with the associated proposed provision of the short term loan, which was entered into on 27 March 2020, and Redmile's stated intention to provide further funding to Redx provided the best solution to address Redx's capital requirements and place its business on a more secure basis.

Accordingly, the Board unanimously recommended the Offer to shareholders. Following completion of the Offer, as at the date of this Document Redmile now owns 174,837,998 Ordinary Shares representing approximately 92.02 per cent. of Redx's current issued share capital. Redmile is committed to the long-term funding of Redx's research and development programmes by providing funds itself and sourcing additional investors, and Redmile and Sofinnova have therefore agreed to provide the Loan to Redx by purchasing the Loan Notes and Sofinnova has agreed to make the Subscription.

4. Information on Redx

Redx is a clinical stage biotechnology business founded in 2010 and whose shares have traded on AIM since 2015. The Company is focused on creating and developing first, or potentially best in class, drugs in specific areas of cancer and fibrosis that address significant unmet medical need. Redx's lead product, RXC004, is currently in a Phase I clinical study.

In November 2017, the Company successfully exited administration. The Company has effectively been relaunched since administration having appointed a new, very experienced management team led by Lisa Anson, a high profile and experienced industry executive and former President of AstraZeneca UK and the ABPI. The Company has restructured its Board and strengthened its focus on governance and financial control as first outlined in the 2018 Annual Report. Redx also undertook a significant cost management programme which resulted in a £5.2 million year-on-year reduction in operating costs in the financial year to 30 September 2018, a level which was maintained in the financial year to 30 September 2019.

The new management team has pursued a clear focused strategy aimed at driving shareholder value. Redx's ambition is to become a leading biotech company focused on the development of targeted medicines in cancer and fibrotic diseases by progressing prioritised programmes to deliver clinical proof of concept. Redx's core strength of medicinal chemistry expertise and proven ability to design molecules against a validated target will continue to be leveraged to discover the next generation of differentiated drug candidates. There has been significant delivery against this strategy with the following notable achievements:

- re-initiation of the RXC004 trial and successful completion of two cohorts (0.5mg and 1mg) which have shown the drug to be well-tolerated, with no Dose Limiting Toxicities ("DLTs") reported to date. A third patient cohort was initiated at 1.5mg in 2019 and is ongoing. Despite a recruitment pause resulting from Covid-19, Redx still anticipates that full safety and tolerability results from this Phase 1 study will be available in 2020, with the initiation of Phase 2 studies being targeted in early 2021. RXC004 is the Company's lead oncology asset, and the Company remains confident that this programme can unlock the potential of the Wnt signalling pathway as a means to tackle unmet need in a number of cancers;
- reaching, in January 2020, an important milestone in the Company's fibrosis portfolio with the nomination of an exciting new Development Compound, RXC007. RXC007, is a selective inhibitor of Rho associated protein Kinase 2 (ROCK2), aiming to enter clinical development in 2021 as a treatment for life-threatening idiopathic pulmonary fibrosis (IPF) and then more broadly for systemic fibrotic conditions such as liver fibrosis (NASH). Developing a selective ROCK2 inhibitor is technically challenging as evidenced by the lack of competitor programmes behind Kadmon's ROCK2 inhibitor (KD025), which leads the field. Redx's lead compounds, including the selected development candidate, have demonstrated good pharmacokinetic and pharmacodynamic profiles in preclinical models as well as strong proof of concept data in a range of fibrosis disease models;

- further progressing RXC006, a porcupine inhibitor, and Redx's second fibrosis programme, through preclinical manufacturing and safety studies but which was delayed due to the Company's earlier funding constraints and priorities. The Company is looking at options to progress this programme, with the aim of entering clinical trials in 2021; and
- in July 2019 the Company announced the decision to partner with Jazz Pharmaceuticals Plc the Company's pan-RAF inhibitor programme, for the potential treatment of RAF and RAS mutant tumours, in a deal worth up to \$203 million in deferred development, regulatory and commercial milestone payments with \$3.5 million paid in cash upfront on signing of the agreement. The associated collaboration, under which Redx performs research and preclinical development services with the goal of completing IND-enabling studies, continues to progress well, and has resulted in significant new revenue generation for the Company beyond the upfront payment.

During 2020, the following key events have occurred:

- in accordance with the terms of its loan to the Company, Moulton Goodies Limited requested that Redx capitalise the entire loan (including, *inter alia*, all unpaid interest) into new Ordinary Shares. On 21 January 2020, Redx held a general meeting requesting shareholders to vote in favour of the capitalisation of the loan from Moulton Goodies Limited into Ordinary Shares. Redx believed the short-term funding solution would provide the time to secure necessary longer-term funding and enable the Company to advance its pipeline. Redx announced that its shareholders had voted in favour of the resolutions at the general meeting and, as a consequence, 52,030,789 new Ordinary Shares were issued and allotted to Moulton Goodies Limited on 22 January 2020;
- on 4 March 2020, 11,500,000 new Ordinary Shares were issued and allotted to Redmile at a price of 11.2 pence per share;
- on 27 March 2020, the Company entered into a £5 million short-term loan with Redmile which extended the Company's cash runway into the third quarter of 2020;
- following the successful completion of the Offer, as at the date of this Document Redmile now owns 174,837,998 Ordinary Shares comprising approximately 92.02 per cent. of the Company's current issued share capital; and
- on 18 May 2020, the Company announced that Sarah Gordon Wild would join the board of the Company as an independent non-executive director with effect from 1 July 2020.

5. Current Trading and Prospects

Redx announced its interim results for the six months ended 31 March 2020 on 30 June 2020. Financial highlights for the period included net cash at 31 March 2020 of £1.9 million (HY 2019: £3.3 million); a loss for the period of £4.0 million (HY 2019: £2.3 million loss) and total operating expenditure of £5.2 million (HY 2019: £5.0 million). Throughout the period Redx continued to manage its costs carefully to ensure optimal resource allocation in line with the Company's strategy, thereby maintaining the integrity of the Company throughout an uncertain period. Furthermore, the Company was able to strengthen its balance sheet by fully capitalising a fixed rate £2.5 million short-term loan provided in June 2019 by its then largest shareholder, Moulton Goodies Limited, following shareholder approval at a General Meeting held on 21 January 2020. Thereafter, the Company entered a further period of uncertainty when it became the subject of a third-party approach. This matter was concluded on 28 February 2020 when the Company announced that Redmile would provide funding to the Company, comprising an initial equity investment of £1.3 million on 4 March 2020, followed by £5 million of short-term debt funding on 27 March 2020. These monies served to extend the Company's cash runway into the third quarter of 2020. Should the Resolutions be passed, the funds received from the Subscription and the issue of the Loan Notes will support the current business plan into the third quarter of 2021.

6. Related Party

As Redmile holds 92.02 per cent. of the Company's issued Ordinary Shares, Redmile is a related party of the Company pursuant to the AIM Rules. Consequently, the Loan from, and the issue of Loan Notes (including the right to convert into Ordinary Shares) to, Redmile constitutes a related party transaction for the purposes of AIM Rule 13. The Directors consider, having consulted with Spark, the Company's nominated adviser, that the terms of the Loan from, and the issue of the Loan Notes to, Redmile are fair and reasonable in so far as its Shareholders are concerned.

7. Resolutions

The Resolutions to be proposed at the General Meeting are, in summary, as follows:

- (1) an ordinary resolution, to grant the Directors authority to allot and issue the Subscription Shares and to issue the Loan Notes;
- (2) a special resolution, to disapply pre-emption rights granted under the Act, in respect of the allotment and issue of the Subscription Shares and the issue of the Loan Notes; and
- (3) an ordinary resolution to increase the Company's borrowing limit.

The authorities set out in Resolutions 1 and 2 are in addition to the existing authorities conferred on the Directors by Shareholders at the Company's Annual General Meeting held on 23 April 2020. Resolutions 1 and 3 are ordinary resolutions and require a simple majority of those voting in person or by proxy to vote in favour of the Resolutions. Resolution 2 is a special resolution and will require approval by not less than 75 per cent. of the votes cast by Shareholders voting in person or by proxy.

As the aggregate Sterling denominated principal amount of the Loan Notes will not be known until the Business Day prior to the issue of the Loan Notes, the authorisation amounts included in the Resolutions have been set at a level which is expected to fully cover the total principal amount of the Loan Notes and the Subscription Shares (in the case of Resolutions 1 and 2) and the Loan Notes plus the Company's reasonably anticipated other borrowings (in the case of Resolution 3).

8. Action to be taken

A notice convening the General Meeting to be held at Block 33, Mereside, Alderley Park, Macclesfield, England, SK10 4TG at 11.00 a.m. on 20 July 2020 is set out at the end of this Document. A Form of Proxy for use by Shareholders in connection with the General Meeting is also enclosed with this Document.

You are requested to complete the Form of Proxy in accordance with the instructions printed on it and to return it to the Company's registrars, by post or by hand (during normal business hours only) to Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA, as soon as possible and in any event so as to arrive no later than 11.00 a.m. on 16 July 2020.

Shareholders will not be allowed to attend the General Meeting in light of the Covid-19 situation and the Stay at Home measures that have been implemented by the UK Government. Consequently, anyone seeking to attend the General Meeting will be refused entry. The General Meeting will take place with the minimum necessary quorum of two shareholders which will be facilitated by the Company in compliance with the Government's social distancing advice. Shareholders are encouraged to complete and submit a Form of Proxy appointing the chairman of the General Meeting as their proxy with their voting instructions.

9. Overseas Shareholders

The distribution of this Document and the Form of Proxy in jurisdictions other than the UK may be restricted by law and therefore persons into whose possession this Document and/or accompanying documents come, should inform themselves about and observe any such restrictions. Any failure to comply with any such restrictions may constitute a violation of the securities laws or regulations of such jurisdictions.

10. Recommendation

The Directors unanimously recommend that Shareholders vote in favour of the Resolutions to be proposed at the General Meeting.

11. Documents available for inspection

Copies of the following documents will be available for inspection on the Company's website at <https://www.redxpharma.com/investors/investor-centre/> from the date of this Document up to and including the date of the General Meeting:

11.1 the Articles; and

11.2 this Document and the Form of Proxy.

Yours faithfully

Iain Ross

Chairman

PART II

TERMS AND CONDITIONS OF THE NOTE PURCHASE AGREEMENT AND THE LOAN NOTES

1. Background

- 1.1 The Company, Redmile and Sofinnova entered into the Note Purchase Agreement on 29 June 2020. Pursuant to the Note Purchase Agreement, each of Redmile and Sofinnova agreed, conditional, *inter alia*, upon the passing of the Resolutions at the General Meeting, to purchase in Sterling the following principal amounts of Loan Notes:
- Redmile: the Sterling equivalent of \$19 million converted into Sterling at the Applicable Exchange Rate; and
 - Sofinnova: the Sterling equivalent of \$10 million converted into Sterling at the Applicable Exchange Rate.

2. Security

Pursuant to the Security Agreement, the Loan Notes will be secured by fixed and floating charges over substantially all of the business and assets of the Company, Redx Oncology Limited, Redx Immunology Limited and Redx Anti-Infectives Limited, with the exception of certain research programmes, including, but not limited to, RXC006 and GI-Targeted Rock research programmes.

3. Repayment

- 3.1 The Loan Notes are repayable in full on the Initial Maturity Date. If on the Initial Maturity Date, the Loan Notes have not been converted in full into new Ordinary Shares, the Noteholders shall be entitled by giving written notice to the Company to extend the maturity date with respect to the outstanding Loan Notes to the fourth anniversary of the date of issue of the Loan Notes. On the fourth anniversary of the date of issue of the Loan Notes, and on each subsequent anniversary, if the Loan Notes have not been converted in full into new Ordinary Shares, the Noteholders may extend the maturity date with respect to the outstanding Loan Notes by giving written notice to the Company such that it falls on the immediately following anniversary of the date of issue of the Loan Notes. Any extension of the maturity date of the Loan Notes beyond the tenth anniversary of the date of issue of the Loan Notes requires the prior written consent of the Company.
- 3.2 The Company does not have the right to repay the Loan Notes prior to the Initial Maturity Date (or any extended maturity date). Any part of the Loan Notes which are repaid cannot be reissued.
- 3.3 If there is a Change of Control, a Noteholder can elect to have the whole or part of the principal amount of its Loan Notes repaid (plus all accrued interest, if any) unless, and to the extent that, the Noteholder elects to have its Loan Notes converted into Ordinary Shares. A "Change of Control" means:
- 3.3.1 any transaction which is not approved by the Noteholders Representative (acting on the instructions of the holders of more than two thirds of the Loan Notes) (including an offer or scheme of arrangement) which results in a party or one or more parties acting in concert (other than the Noteholders and/or any party acting in concert with the Noteholders), acquiring:
- (a) all or substantially all of the assets of the Company or the Group (taken as a whole); or
 - (b) more than 50 per cent. of the Company's outstanding issued shares; and
- 3.3.2 any merger or similar reorganisation of the Company, which is not approved by the Noteholders Representative (acting on the instructions of the holders of more than two thirds of the Loan Notes), as a result of which the shareholders of the Company immediately prior to the time when such transaction becomes effective will hold less than 50 per cent. of the voting rights in the surviving or acquiring entity immediately after such transaction becomes effective,

where acting in concert means a group of persons who, pursuant to an agreement or understanding (whether formal or informal), actively co-operate, through the acquisition and/or ownership of voting shares in the Company, to obtain or consolidate control (directly or indirectly) of the Company, provided

that persons voting in the same or consistent manner at a general meeting of the Company will not be considered to be acting in concert by virtue only of exercising their votes in such manner.

- 3.4 The Loan Notes held by a Noteholder are also repayable if it becomes unlawful for that Noteholder to perform any of its obligations as contemplated by the Note Purchase Agreement or to fund or maintain its participation in the Loan Notes.
- 3.5 The Loan Notes are also repayable on demand in whole or part at the option of the Noteholders Representative in the event of certain standard events of default (“Default Events”) occurring, including:
 - 3.5.1 any member of the Group being insolvent or entering into insolvency, administration or similar proceedings;
 - 3.5.2 any member of the Group suspending or threatening to suspend making payments on any of its debts or by reason of actual or anticipated financial difficulties commencing negotiations with one or more of its creditors (excluding the Noteholders) with a view to rescheduling any of its indebtedness;
 - 3.5.3 any member of the Group failing to make any payment when due pursuant to the Note Purchase Agreement or Security Agreement;
 - 3.5.4 any member of the Group ceasing to carry on all or a material part of its business;
 - 3.5.5 any member of the Group failing to comply with certain provisions of the Note Purchase Agreement or Security Agreement;
 - 3.5.6 any event or circumstance occurring which the Noteholders Representative (acting on the instructions of the holders of a majority of the Loan Notes) reasonably believes has or is reasonably likely to have a material adverse effect, *inter alia*, on the business, operations, assets, financial condition or prospects of the Group taken as a whole; or
 - 3.5.7 if any other borrowing of any member of the Group above a certain threshold is not paid when due or is declared, or becomes capable of being declared, to be due and payable prior to its specified maturity.

4. Interest

- 4.1 No interest is payable on the Loan Notes during the period from the date of issue of the Loan Notes to and including the Initial Maturity Date. If any part of the Loan Notes remain outstanding after the Initial Maturity Date, interest will be payable on the outstanding amount at a rate of interest per annum as determined by the Noteholders and notified to the Company, provided that the interest rate shall not exceed the US prime rate at the date of such determination, until the Loan Notes are fully repaid or converted into new Ordinary Shares. Interest will not convert into new Ordinary Shares, and any interest which has accrued becomes due and payable on:
 - 4.1.1 any conversion of the principal amount of the Loan Notes on which it has accrued; or
 - 4.1.2 any repayment of the principal amount of the Loan Notes on which it has accrued.

5. Conversion

- 5.1 The Loan Notes are convertible into Ordinary Shares at the Conversion Price at any time. Each Noteholder is entitled, on or prior to the Initial Maturity Date (and after such date if any of the Loan Notes remain outstanding after such date), to require the Company to convert all or part (at the relevant Noteholder’s discretion) of the principal amount of the Loan Notes held by it (but excluding accrued interest, if any) into new Ordinary Shares ranking *pari passu* with the Company’s existing Ordinary Shares at the time of conversion. To exercise this conversion right, the relevant Noteholder must give the Company and all other Noteholders at least 30 days’ prior written notice specifying the principal amount of its Loan Notes to be converted and the date of conversion.
- 5.2 Immediately prior to a Change of Control, a Noteholder can elect to convert some or all of its Loan Notes into new Ordinary Shares at the Conversion Price. The Company must give Noteholders prompt notice (and in any event within 2 Business Days) upon becoming aware of any proposed Change of Control (or as soon thereafter as possible in accordance with applicable law or regulations including compliance with applicable procedures in relation to the provision of inside information).

6. Information Rights

- 6.1 The Noteholders have the right to be provided with certain information by the Company for so long as any of the Loan Notes are outstanding, including:
 - 6.1.1 any documents or information disclosed by the Company or any other member of the Group to the public in accordance with applicable rules and regulations (including any preliminary statement of annual results); and
 - 6.1.2 any circulars sent to shareholders.
- 6.2 The Company has agreed that it will not, at any time, provide to a Noteholder any “inside information” as defined in Article 7 of the Market Abuse Regulation (EU 596/2014) other than:
 - 6.2.1 at the time such information is publicly announced; or
 - 6.2.2 where a lender consents in writing to receiving such “inside information” prior to being provided with it.

7. Covenants by the Company

- 7.1 For so long as any of the Loan Notes are outstanding, the Company and the Group are subject to certain standard positive and negative covenants. Such positive covenants include:
 - 7.1.1 complying with all laws to which the Group is subject;
 - 7.1.2 obtaining and maintaining all authorisations required to carry on the Group’s business;
 - 7.1.3 maintaining in good working order and condition (ordinary wear and tear excepted) all the assets necessary to conduct the Group’s business;
 - 7.1.4 maintaining appropriate insurance in relation to the Group’s business and assets;
 - 7.1.5 preserving and maintaining the intellectual property necessary for the business of the Group; and
 - 7.1.6 notifying the lenders in advance of any proposed Change of Control.
- 7.2 The negative covenants include, *inter alia*, not to:
 - 7.2.1 make any substantial change to the general nature of the business of the Group;
 - 7.2.2 enter into any amalgamation, demerger, merger, consolidation or corporate reconstruction, except with the prior written consent of the Noteholders Representative (acting on the instructions of the holders of more than two thirds of the Loan Notes);
 - 7.2.3 acquire another company or any shares or securities or a business or undertaking or incorporate a company, subject to certain exceptions;
 - 7.2.4 enter into, invest in or acquire (or agree to acquire) any shares, stocks, securities or other interests in a joint venture;
 - 7.2.5 create, or allow to subsist, any security over any of its assets, subject to certain exceptions;
 - 7.2.6 incur any debt, subject to certain exceptions;
 - 7.2.7 sell, lease, transfer or dispose of any assets, except for certain research programmes including, but not limited to, RXC006 and GI-Targeted Rock research programmes;
 - 7.2.8 pay any dividends or redeem any share capital, subject to certain exceptions; and
 - 7.2.9 issue any shares or grant any options, warrants or other rights to subscribe for, acquire or convert into shares, except:
 - (a) pursuant to the Subscription or on Conversion of any part of the Loan Notes;
 - (b) pursuant to any options, warrants, or other rights to subscribe for, acquire or convert into shares in the Company outstanding prior to, and existing on, 29 May 2020;
 - (c) the grant of options pursuant to the Company’s employee share schemes from time to time (or to any consultant of a Group company who benefits from a similar scheme) and issue of shares on the exercise of such options;

- (d) with the prior written consent of the Noteholders Representative (acting on the instructions of the holders of more than two thirds of the Loan Notes); or
- (e) pursuant to any authorities to issue shares approved by Shareholders in a general meeting (including an annual general meeting).

8. Transfers

8.1 The Loan Notes are transferable (in whole or in part) by a Noteholder:

8.1.1 which is a fund, to a fund:

- (a) managed or advised by the same investment manager or investment adviser as the Noteholder; or
- (b) managed by a different investment manager or investment adviser, where such manager or adviser is an affiliate of the investment manager or investment adviser of the Noteholder;

8.1.2 to another Noteholder or its affiliates;

8.1.3 at any time while a Default Event is continuing; and

8.1.4 otherwise with the consent of the Company.

9 Representations and Warranties

9.1 The Company and each other member of the Group which is a party to the Note Purchase Agreement give customary representations and warranties in the Note Purchase Agreement as at the date of the Note Purchase Agreement and as at the date of issue of the Loan Notes. Certain of the representations and warranties will be repeated on the last day of each calendar month for so long as any part of the Loan Notes are outstanding.

10. Amendments and Waivers

10.1 Amendments to, and waivers of, the terms and conditions of the Note Purchase Agreement or the Security Agreement require the consent of the Company and all the Noteholders.

11. Governing Law and Jurisdiction

The Note Purchase Agreement is governed by the laws of England and the courts of England and Wales have exclusive jurisdiction in relation to disputes.

NOTICE OF GENERAL MEETING

REDX PHARMA PLC

(Incorporated and registered in England and Wales with registered number 7368089)

NOTICE IS HEREBY GIVEN that a General Meeting of Redx Pharma plc (the “**Company**”) will be held at Block 33, Mereside, Alderley Park, Macclesfield, England, SK10 4TG at 11.00 a.m. on 20 July 2020 for the purpose of considering and, if thought fit, passing the following Resolutions, of which Resolutions 1 and 3 will be proposed as ordinary resolutions and Resolution 2 will be proposed as a special resolution.

In this Notice words and defined terms shall have the same meanings as words and defined terms in the Document to which this Notice is attached.

ORDINARY RESOLUTION

1. THAT, the Directors be and are hereby generally and unconditionally authorised pursuant to section 551 of the Act (in addition to all existing authorities conferred upon the Directors pursuant to section 551 of the Act, which shall continue in full force and effect), to exercise all the powers of the Company to allot shares in the capital of the Company and to grant rights to subscribe for or convert any security into such shares (all of which transactions are hereafter referred to as an allotment of “Relevant Securities”) up to an aggregate nominal value of £30 million in connection with the Subscription and the issue of the Loan Notes, provided that such authority shall expire (unless previously renewed, varied or revoked by the Company in general meeting) at 11.59 p.m. (UK time) on 31 August 2023, but the Company may before such expiry, revocation or variation make an offer or agreement which would or might require Relevant Securities to be allotted after such expiry, revocation or variation and the Directors may allot Relevant Securities in pursuance of such offer or agreement as if the authority hereby conferred had not expired or been revoked or varied.

SPECIAL RESOLUTION

2. THAT, subject to and conditional only on the passing of Resolution 1 above, (and in addition to all existing unexercised powers of the Directors under sections 570 and 571 of the Act, which shall continue in full force and effect) the Directors be and are hereby empowered pursuant to section 570 of the Act to allot equity securities (as defined in section 560 of the Act) for cash pursuant to the authority conferred by Resolution 1 above as if section 561 of the Act did not apply to any such allotment provided that such power shall:
 - (a) be limited to the allotment of equity securities up to an aggregate of £30 million in nominal value in connection with the Subscription and the issue of the Loan Notes; and
 - (b) subject to the continuance of the authority conferred by Resolution 1 above, expire (unless previously renewed, varied or revoked by the Company in general meeting) at 11.59 p.m. (UK time) on 31 August 2023 save that the Company may before such expiry, revocation or variation make an offer or agreement which would or might require equity securities to be allotted after such expiry, revocation or variation and the Directors may allot equity securities in pursuance of such offer or agreement as if such power hereby conferred had not expired or been revoked or varied.

ORDINARY RESOLUTION

3. THAT, in accordance with Article 22.2 of the Articles, the Company's aggregate borrowing limit be and is hereby increased to the greater of (i) £40 million and (ii) a sum equal to 2.5 times the aggregate of the amount calculated in accordance with paragraphs (a) to (e) inclusive of Article 22.2.

BY ORDER OF THE BOARD

Andrew Booth
Company Secretary

Registered office:
Block 33, Mereside
Alderley Park
Macclesfield
SK10 4TG

Dated: 30 June 2020

Notes

1. A form of proxy is enclosed for your use.
2. A member of the Company entitled to attend and vote at the General Meeting may appoint one or more proxies to exercise all or any of his rights to attend, to speak and to vote on his/her behalf. A proxy need not be a member of the Company. A member may appoint more than one proxy in relation to the meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him or her. Each such proxy will have the right to vote on a poll in respect of the number of votes attaching to the number of shares in respect of which the proxy has been appointed. Where more than one joint member purports to appoint a proxy in respect of the same shares, only the appointment by the most senior member will be accepted, as determined by the order in which their names appear in the Company's register of members. If you wish your proxy to speak at the meeting, you should appoint a proxy other than the chairman of the meeting and give your instructions to that proxy. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a duly certified copy of that power or other authority (if any), must be completed, signed and deposited with the Company's registrars, Equiniti Limited, in the envelope provided to Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA, by no later than 11.00 a.m. on 16 July 2020 (or not less than 48 hours before the time of any adjourned meeting), or, in the case of a poll taken more than 48 hours after the date of the meeting (or adjourned meeting), not less than 24 hours before the time appointed for the taking of the poll. Members who intend to appoint more than one proxy can obtain additional forms of proxy from Equiniti Limited. Alternatively, the form provided may be photocopied prior to completion. The forms of proxy should be returned in the same envelope and each should indicate that it is one of more than one appointments being made. If you are a CREST member, see note 6 below.
3. An abstention option has been included on the form of proxy. The legal effect of choosing the abstention option on any resolution is that the member concerned will be treated as not having voted on the relevant resolution. The number of votes in respect of which there are abstentions will however be counted and recorded, but disregarded in calculating the number of votes for or against each resolution.
4. Completion of a form of proxy or any CREST Proxy Instruction (as defined below) will not preclude a member from attending and voting in person at the meeting or any adjournment thereof should he/she wish to do so.
5. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that only those Shareholders registered in the register of members of the Company as at 6.30 p.m. on 16 July 2020 or, in the event that the meeting is adjourned, in the register of members of the Company not less than 48 hours before the time of the adjourned meeting, shall be entitled to attend and vote (whether in person or by proxy) at the General Meeting in respect of the number of shares registered in their name at the relevant time. Subsequent changes to entries in the register of members will be disregarded in determining the rights of any person to attend or vote at the meeting or any adjourned meeting (as the case may be).
6. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the General Meeting to be held at 11.00 a.m. on 20 July 2020 at Block 33, Mereside, Alderley Park, Macclesfield, England, SK10 4TG and any adjournment(s) thereof 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 sponsors or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a 'CREST Proxy Instruction') must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual available via www.euroclear.com. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy, must be transmitted so as to be received by the Company's agent, Equiniti Limited (CREST Participant ID: RA19), no later than 48 hours before the time appointed for the meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which the Company'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 sponsor or voting service provider should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. 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 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 sponsor or voting service provider 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.

7. Any corporation that is a member can appoint one or more corporate representatives who have one vote each on a show of hands and otherwise may exercise on its behalf all of its powers as a member provided that they do not do so in different ways in relation to the same shares.
8. Members, proxies and authorised representatives will be required to provide their names and addresses for verification against the register of members and proxy appointments received by the Company before entering the meeting. Each authorised representative must produce proof of his or her appointment, in the form of the actual appointment or a certified copy. Other than this, there are no procedures with which any such persons must comply in order to attend and vote at the meeting.
9. Members, proxies and authorised representatives may raise questions at the meeting concerning the business being dealt with at the meeting and will receive answers, except that a question need not be answered where it would interfere unduly with the conduct of the meeting, would involve the disclosure of confidential information, where the answer has already been given on a website in the form of an answer to a question or where it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

Communication

10. You may not use any electronic address (within the meaning of Section 333(4) of the Act) provided in this Notice of Meeting (or in any related documents including the form of proxy) to communicate with the Company for any purposes other than those expressly stated.