

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this circular or the action you should take, you should immediately consult your stockbroker, bank manager, solicitor, accountant or other independent professional adviser authorised for the purposes of the Financial Services and Markets Act 2000 (as amended) who specialises in advising on the acquisition of shares and other securities before taking any action.

If you have sold or transferred all of your registered holding of Ordinary Shares please forward this circular, but not the personalised Form of Proxy, as soon as possible to the purchaser or transferee, or to the stockbroker, bank or other party through whom the sale or transfer was effected, for transmission to the purchaser or transferee. If you have sold or transferred only part of your registered holding of Ordinary Shares, you are advised to consult your stockbroker, bank or other agent through whom the sale or transfer was effected.

This circular does not comprise a prospectus in accordance with the Prospectus Rules and, pursuant to section 85 of the Financial Services and Markets Act 2000 (as amended), has not been drawn up in accordance with the Prospectus Rules. This circular has not been approved by the Financial Conduct Authority or by any other authority in any jurisdiction.

The Existing Ordinary Shares are currently admitted to trading on AIM. The Ordinary Shares, including the Placing Shares, will not be dealt in, or on, any other recognised investment exchange and no other such application will be made. AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. Neither the London Stock Exchange nor the UK Listing Authority has examined or approved the contents of this circular.

TRANSENSE TECHNOLOGIES PLC

(Incorporated and registered in England and Wales with registered number 01885075)

Conditional placing of 4,258,334 new Ordinary Shares at a price of 60 pence per Ordinary Share

and

Notice of General Meeting

This circular should be read as a whole. Your attention is drawn, in particular, to the Letter from the Chairman which contains the recommendation from the Directors that Shareholders vote in favour of the resolutions to be proposed at the General Meeting referred to below.

Notice of a General Meeting of the Company to be held at the offices of finnCap Ltd at 60 New Broad Street, London EC2M 1JJ at 2.00 p.m. on 1 April 2019 is set out at the end of this circular. The Form of Proxy accompanying this circular for use in connection with the General Meeting should be completed and returned in accordance with the instructions thereon so as to be received by the Registrars at Neville Registrars Limited, Neville House, Steelpark Road, Halesowen, B62 8HD by no later than 2.00 p.m. on 29 March 2019. The recommendation of the Directors on the resolutions to be proposed at the General Meeting is set out on page 13 of this circular. Whether or not you intend to be present at the General Meeting, please complete the Form of Proxy enclosed with this circular in accordance with the instructions printed on the Form of Proxy and return it to Neville Registrars. Completion and return of a Form of Proxy will not preclude Shareholders from attending and voting in person at the General Meeting should they so wish.

finnCap, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting as nominated adviser and broker to the Company in connection with the Placing and will not be acting for any other person or otherwise be responsible to any person for providing the protections afforded to customers of finnCap or for advising any other person in respect of the Placing. finnCap's responsibilities as the Company's nominated adviser under the AIM Rules for Nominated Advisers are owed solely to the London Stock Exchange and are not owed to the Company nor to any other person. finnCap is not making any representation or warranty, express or implied, and takes no responsibility for the contents of this circular or for the General Meeting.

The release, publication or distribution of this circular in or outside the UK may be restricted by law. Persons who come into possession of this circular should inform themselves about and observe any applicable restrictions or requirements in their particular jurisdiction. Failure to comply with these restrictions may constitute a violation of the securities laws of such jurisdiction. No action has been taken by the Company or finnCap that would permit possession or distribution of this circular in any jurisdiction (including the United Kingdom) where action for that purpose is required.

This circular does not constitute an offer to sell, or the solicitation of an offer to subscribe for or buy securities to any person in any jurisdiction to whom or in which such offer or solicitation is unlawful. The Existing Ordinary Shares and the Placing 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. The relevant clearances have not been, and will not be, obtained from the Securities Commission of any province or territory of Canada; no document in relation to the Placing has been, or will be, lodged with, or registered by, the Australian Securities and Investments Commission; and no registration statement has been, or will be, filed with the Japanese Ministry of Finance in relation to the Placing. Subject to certain exceptions, the Placing Shares may not, directly or indirectly, be offered or sold within the United States or any other excluded territory or offered or sold to a person within the United States or any other excluded territory. Any failure to comply with these restrictions may constitute a violation of the securities law of any jurisdiction.

It is the responsibility of any person receiving a copy of this circular outside the United Kingdom to satisfy himself or herself as to the full observance of the laws and regulatory requirements of the relevant territory in connection therewith, including obtaining any government or other consents which may be required or observing any other formalities required to be observed in such territory and paying any other issue, transfer or other taxes due in such other territory.

The contents of this circular should not be construed as legal, business, financial or tax advice. Each Shareholder should consult his, her or its own legal adviser or tax adviser for legal, business, financial or tax advice.

Copies of this circular are available free of charge from the Company's registered office during normal business hours on weekdays (excluding Saturday, Sunday and public holidays) from the date hereof until 1 April 2019 or to download from the Company's website at www.transense.co.uk.

Cautionary note regarding forward-looking statements

This circular contains statements about Transense that are or may be deemed to be "forward-looking statements".

All statements, other than statements of historical facts, included in this circular may be forward-looking statements. 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", or words or terms of similar substance or the negative thereof, are forward-looking statements. Forward-looking statements include, without limitation, statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects, and (ii) business and management strategies and the expansion and growth of the operations of Transense.

These forward-looking statements are not guarantees of future performance. 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 for Companies, the City Code on Takeover and Mergers, the Act, and the Disclosure Guidance and Transparency Rules of the FCA), Transense 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 Transense 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 circular are based on information available to the Directors at the date of this circular, unless some other time is specified in relation to them, and the posting or receipt of this circular 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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EXPECTED TIMETABLE OF PRINCIPAL EVENTS

2019

Announcement of the Placing	13 March
Posting of this circular and the Form of Proxy	15 March
First Admission effective and dealings in the First Tranche Placing Shares expected to commence on AIM	8.00 a.m. on 19 March
Second Admission effective and dealings in the Second Tranche Placing Shares expected to commence on AIM	8.00 a.m. on 20 March
Latest time and date for receipt of Form of Proxy from Shareholders	2.00 p.m. on 29 March
General Meeting of the Company	2.00 p.m. on 1 April
Expected date of announcement of results of the General Meeting	1 April
Third Admission effective and dealings in the Third Tranche Placing Shares expected to commence on AIM	8.00 a.m. on 2 April
Fourth Admission effective and dealings in the Fourth Tranche Placing Shares expected to commence on AIM	8.00 a.m. on 2 April
Fifth Admission effective and dealings in the Fifth Tranche Placing Shares expected to commence on AIM	8.00 a.m. on 8 April
Expected date of credit of CREST stock accounts in respect of:	
the First Tranche Placing Shares	8.00 a.m. on 19 March
the Second Tranche Placing Shares	8.00 a.m. on 20 March
the Third Tranche Placing Shares	8.00 a.m. on 2 April
the Fourth Tranche Placing Shares	8.00 a.m. on 2 April
the Fifth Tranche Placing Shares	8.00 a.m. on 8 April
Expected date of dispatch of share certificates in respect of:	
the First Tranche Placing Shares	w/c 25 March
the Second Tranche Placing Shares	w/c 25 March
the Third Tranche Placing Shares	w/c 8 April
the Fourth Tranche Placing Shares	w/c 8 April
the Fifth Tranche Placing Shares	w/c 15 April

The dates set out in the Expected Timetable of Principal Events above and mentioned throughout this circular may be adjusted by the Company in which event details of the new dates will be notified by means of a Regulatory Information Service and, where appropriate, to Shareholders.

All references to time are to the time in London, England.

All enquiries in connection with the procedure for completion of the Form of Proxy or in connection with attendance at the General Meeting should be made to the Registrars on the shareholder helpline on 0121 585 1131 or if you are calling from outside the UK on +44 121 585 1131. Calls are charged at Shareholders' network providers' standard rates. Lines are open from 9 a.m. to 5 p.m. Monday to Friday (excluding Bank Holidays). Calls to the helpline from outside the UK will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. Please note the Registrars cannot provide financial, legal or tax advice on the merits of the Placing. Calls may be recorded and monitored for security and training purposes.

KEY STATISTICS

Placing Price	60 pence
Number of Existing Ordinary Shares in issue as at the date of this circular	12,048,948
Number of new Ordinary Shares to be issued pursuant to:	
the First Tranche Placing	537,622
the Second Tranche Placing	1,847,331
the Third Tranche Placing	950,049
the Fourth Tranche Placing	656,666
the Fifth Tranche Placing	266,666
Enlarged Share Capital following completion of the Placing ⁽¹⁾	16,307,282
Percentage of the Enlarged Share Capital represented by the Placing Shares ⁽¹⁾	26.11 per cent.
Gross proceeds of the Placing ⁽¹⁾	£2.555 million

Notes:

(1) Assuming all conditions to the Placing are satisfied and all Placing Shares are admitted to trading on AIM. In addition, there are 9,548,948 deferred shares of 40 pence each which do not carry voting rights.

DIRECTORS, SECRETARY AND ADVISORS

Directors	David Ford (<i>Chairman</i>) Graham Storey (<i>Chief Executive Officer</i>) Melvyn Segal (<i>Finance Director</i>) Nigel Rogers (<i>Non-Executive Deputy Chairman</i>) Rodney James Westhead (<i>Non-Executive Director</i>)
Company Secretary and Registered Office	Melvyn Segal 1 Landscape Close Weston-On-The-Green Bicester Oxfordshire OX25 3SX
Nominated Adviser and Broker	finnCap Ltd 60 New Broad Street London EC2M 1JJ
Solicitors to the Company	Charles Russell Speechlys LLP 5 Fleet Place London EC4M 7RD
Auditors	Grant Thornton UK LLP The Colmore Building 20 Colmore Circus Birmingham B4 6AT
Registrar	Neville Registrars Limited Neville House Steelpark Road Halesowen B62 8HD
Website	http://www.transense.co.uk

DEFINITIONS

The following definitions apply in this circular, unless the context otherwise requires:

“Act”	the Companies Act 2006
“AIM”	the market of that name operated by London Stock Exchange
“AIM Rules for Companies”	the AIM rules for Companies, as published and amended from time by the London Stock Exchange
“AIM Rules for Nominated Advisers”	the rules for nominated advisers to AIM companies, as published and amended from time to time by the London Stock Exchange
“Authorising Resolution”	Resolution 1 to be put to Shareholders at the General Meeting
“Board” or “Directors”	the directors of the Company
“Company” or “Transense”	Transense Technologies plc
“CREST”	the relevant system for the paperless settlement of trades and the holding of uncertificated securities operated by Euroclear in accordance with the CREST Regulations
“CREST member”	a person who has been admitted by 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) including any enactment or subordinate legislation which amends or supersedes those regulations and any applicable rules made under those regulations or any such enactment or subordinate legislation for the time being in force
“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
“Enlarged Share Capital”	16,307,282 Ordinary Shares, comprising the aggregate of the Existing Ordinary Shares and the Placing Shares
“Euroclear”	Euroclear UK & Ireland Limited
“Existing Ordinary Shares”	the 12,048,948 Ordinary Shares in issue as at the date of this circular
“FCA” or “Financial Conduct Authority”	the Financial Conduct Authority of the United Kingdom
“Fifth Admission”	admission of the Fifth Tranche Placing Shares to trading on AIM becoming effective in accordance with the AIM Rules for Companies expected to occur at 8.00 a.m. on 8 April 2019
“Fifth Tranche Placing Shares”	the 266,666 new Ordinary Shares which finnCap has conditionally agreed to place pursuant to the Placing
“Fifth Tranche”	the fifth tranche of the Placing pursuant to which the Fifth Tranche Placing Shares are to be issued by the Company
“finnCap”	finnCap Ltd, nominated adviser and broker to the Company, and any of its affiliates

“First Admission”	admission of the First Tranche Placing Shares to trading on AIM becoming effective in accordance with the AIM Rules for Companies expected to occur at 8.00 a.m. on 19 March 2019
“First Tranche”	the first tranche of the Placing pursuant to which the First Tranche Placing Shares are to be issued by the Company
“First Tranche Placing Shares”	the 537,622 new Ordinary Shares which finnCap has agreed to place pursuant to the Placing
“Form of Proxy”	the form of proxy accompanying this circular for use by Shareholders in connection with the General Meeting
“Fourth Admission”	admission of the Fourth Tranche Placing Shares to trading on AIM becoming effective in accordance with the AIM Rules for Companies expected to occur at 8.00 a.m. on 2 April 2019
“Fourth Tranche”	the fourth tranche of the Placing pursuant to which the Fourth Tranche Placing Shares are to be issued by the Company
“Fourth Tranche Placing Shares”	the 656,666 new Ordinary Shares which finnCap has conditionally agreed to place pursuant to the Placing
“General Meeting”	the general meeting of the Shareholders of the Company called pursuant to the notice of General Meeting set out at the end of this circular at which certain resolutions, including the Authorising Resolution, will be proposed
“Group”	the Company, its subsidiaries and subsidiary undertakings and each of them as the context admits and "Group Company" means any one of them;
“HMRC”	Her Majesty's Revenue & Customs
“HMRC EIS Advance Assurance”	assurance issued by HMRC that it believes it will be able to authorise the Company to issue compliance certificates under section 204(1) of the Income Tax Act (ITA) 2007
“London Stock Exchange”	London Stock Exchange plc
“Options”	options to subscribe for Ordinary Shares granted by the Company
“Ordinary Shares”	the ordinary shares of 10 pence each in the capital of the Company
“Placing”	the conditional placing of the Placing Shares at the Placing Price by finnCap in accordance with the Placing Agreement (comprising the First Tranche, the Second Tranche, the Third Tranche, the Fourth Tranche and the Fifth Tranche)
“Placing Agreement”	the conditional agreement dated 13 March 2019 between the Company and finnCap relating to the Placing
“Placing Price”	60 pence per Ordinary Share
“Placing Shares”	up to 4,258,334 new Ordinary Shares to be issued by the Company pursuant to the Placing (being the First Tranche Placing Shares, the Second Tranche Placing Shares, the Third Tranche Placing Shares, the Fourth Tranche Placing Shares and the Fifth Tranche Placing Shares)
“Prospectus Rules”	the Prospectus Rules published by the FCA, as amended or reissued from time to time

“Registrars” or “Neville Registrars”	the Company’s registrars, Neville Registrars Limited of Neville House, Steelpark Road, Halesowen, B62 8HD
“Regulatory Information Service”	has the meaning given under the AIM Rules for Companies
“Second Admission”	admission of the Second Tranche Placing Shares to trading on AIM becoming effective in accordance with the AIM Rules for Companies expected to occur at 8.00 a.m. on 20 March 2019
“Second Tranche”	the second tranche of the Placing pursuant to which the Second Tranche Placing Shares are to be issued by the Company
“Second Tranche Placing Shares”	the 1,847,331 new Ordinary Shares which finnCap has conditionally agreed to place pursuant to the Placing
“Shareholders”	the holders of Ordinary Shares from time to time
“Third Admission”	admission of the Third Tranche Placing Shares to trading on AIM becoming effective in accordance with the AIM Rules for Companies expected to occur at 8.00 a.m. on 2 April 2019
“Third Tranche”	the third tranche of the Placing pursuant to which the Third Tranche Placing Shares are to be issued by the Company
“Third Tranche Placing Shares”	the 950,049 new Ordinary Shares which finnCap has conditionally agreed to place pursuant to the Placing
“UK” or “the United Kingdom”	the United Kingdom of Great Britain and Northern Ireland
“US” or “United States”	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia

References to £, pence and p are to British pounds and pence sterling, the lawful currency of the United Kingdom.

References to times are, unless specified otherwise, references to London time.

LETTER FROM THE CHAIRMAN

TRANSENSE TECHNOLOGIES PLC

(Incorporated and registered in England and Wales with registered number 01885075)

Directors

David Ford (*Chairman*)
Graham Storey (*Chief Executive Officer*)
Melvyn Segal (*Finance Director*)
Nigel Rogers (*Non-Executive Deputy Chairman*)
Rodney Westhead (*Non-Executive Director*)

Registered Office

1 Landscape Close
Weston-On-The-Green
Bicester
Oxfordshire
OX25 3SX

15 March 2019

To the Shareholders and, for information only, to holders of Options

Dear Shareholders

Conditional placing of 4,258,334 new Ordinary Shares at a price of 60 pence per Ordinary Share

and

Notice of General Meeting

1 Introduction

On 13 March 2019, the Company announced that it had conditionally raised £2.555 million by way of placing with institutional and other investors of 4,258,334 Placing Shares at 60 pence per share. The Placing, which has been conducted by finnCap (as agent for the Company), is being effected in five tranches as follows:

- 537,622 First Tranche Placing Shares, expected to be admitted to trading on AIM on 19 March 2019;
- 1,847,331 Second Tranche Placing Shares, expected to be admitted to trading on AIM on 20 March 2019;
- 950,049 Third Tranche Placing Shares, conditional on the passing of the Authorising Resolution;
- 656,666 Fourth Tranche Placing Shares, conditional on the passing of the Authorising Resolution and Third Admission occurring; and
- 266,666 Fifth Tranche Placing Shares, conditional on the passing of the Authorising Resolution, Third Admission occurring and Fourth Admission occurring. Fifth Admission will not occur before 8 April 2019.

The Placing Price of 60 pence per new Ordinary Share represents a discount of approximately 9 per cent. to the closing mid-market price of 66 pence per Ordinary Share on 12 March 2019.

The Placing (assuming all conditions are satisfied) will give a total gross cash proceeds of £2.555 million.

The purpose of this circular is to provide you with details of the Placing, to explain the background to and the reasons for the Placing and why the Directors recommend that Shareholders vote in favour of all of the resolutions to be proposed at the General Meeting.

2 Background to, and reasons for, the Placing

The Directors believe that it is prudent for the Company to seek further capital at this time to fund the Group's trade. The use of proceeds of the Placing are set out in paragraph 3 (*Use of proceeds*) below.

The Directors believe the Placing to be the most appropriate way to provide the capital necessary to meet the Company's future requirements. As at 28 February 2019, the Company held cash and cash equivalents of approximately £0.6 million (unaudited), and had no bank borrowings.

3 Use of proceeds

The net proceeds of the Placing will provide working capital to grow and develop Transense's iTrack trade, including the funding of further research and development, which will drive the future growth in iTrack sales.

4 Details of the Placing

4.1 Placing

The Company has conditionally raised approximately £2.555 million before expenses through the Placing.

The First Tranche Placing Shares have been placed using the authority approved by the Shareholders at the most recent annual general meeting of the Company, which was held on 21 December 2018, to allot equity securities of the Company without being required to offer those equity securities to Shareholders on a pre-emptive basis pursuant to the Act. The placing of the First Tranche Placing Shares raised, in aggregate, gross proceeds of approximately £0.32 million. Application has been made to the London Stock Exchange for the First Tranche Placing Shares to be admitted to trading on AIM. It is expected that First Admission will become effective and that dealings in the First Tranche Placing Shares will commence at 8.00 a.m. on 19 March 2019.

The Second Tranche Placing Shares have also been placed using existing authorities to allot shares for cash on a non-pre-emptive basis. The placing of the Second Tranche Placing Shares raised, in aggregate, gross proceeds of approximately £1.11 million. Application has been made to the London Stock Exchange for the Second Tranche Placing Shares to be admitted to trading on AIM. It is expected that Second Admission will become effective and that dealings in the Second Tranche Placing Shares will commence at 8.00 a.m. on 20 March 2019.

As the allotment and issue of the Third Tranche Placing Shares will not be within the Company's existing authorities to allot shares for cash on a non-pre-emptive basis, a General Meeting is being convened to seek Shareholders' approval to grant new authorities to enable the Directors to issue such shares on a non-pre-emptive basis. The placing of the Third Tranche Placing Shares raised, in aggregate, gross proceeds of approximately £0.57 million and is conditional, amongst other things, upon the approval by Shareholders of the Authorising Resolution.

The Fourth Tranche Placing Shares have been placed conditionally, amongst other things, upon the passing of the Authorising Resolution, Third Admission occurring and Fourth Admission becoming effective by no later than 10 May 2019.

The Fifth Tranche Placing Shares have also been placed conditionally, amongst other things, upon the passing of the Authorising Resolution, Third Admission occurring, Fourth Admission occurring and Fifth Admission becoming effective by no earlier than 8 April 2019 and no later than 10 May 2019.

If the Authorising Resolution is not passed at the General Meeting, each of the Third Tranche Placing Shares, the Fourth Tranche Placing Shares and the Fifth Tranche Placing Shares will not be issued and the proceeds of the Placing, to the extent applicable to those Placing Shares, will not be available to the Company.

Together, the Placing Shares, in aggregate, total 4,258,334 new Ordinary Shares and represent approximately 26.11 per cent. of the Enlarged Share Capital.

4.2 Placing Agreement

Pursuant to the terms of the Placing Agreement, finnCap, as nominated adviser and broker to the Company, has conditionally agreed to use reasonable endeavours to procure places for the Placing Shares at the Placing Price. The Placing Agreement contains provisions entitling finnCap to terminate the Placing Agreement at any time prior to Fifth Admission in certain circumstances. The Placing has not been underwritten.

4.3 General

All Placing Shares will be issued credited as fully paid and will rank *pari passu* in all respects with the Ordinary Shares in issue from time to time, including the right to receive all dividends and other distributions declared on or after the date on which they are issued.

For details as to the expected date and times by which certain events are expected to happen in relation to the Placing Shares (e.g. admission to trading on AIM), please refer to the information on page entitled "Expected Timetable of Principal Events".

5 Related party transactions

Walker Crips Stockbrokers Limited (“**Walker Crips**”) and CriSeren Investments Limited (“**CriSeren**”) have agreed to subscribe for an aggregate of 840,050 Placing Shares and 266,666 Placing Shares, respectively, pursuant to the Placing. Walker Crips and CriSeren are related parties of the Company for the purposes of the AIM Rules for Companies by virtue of their status as substantial shareholders holding 10 per cent. or more of the Existing Ordinary Shares.

The Directors consider, having consulted with the Company's nominated adviser, finnCap, that the terms upon which Walker Crips and CriSeren are participating in the Placing are fair and reasonable insofar as the Shareholders are concerned.

6 HMRC EIS Advance Assurance

The Second Tranche Placing Shares, the Fourth Tranche Placing Shares and the Fifth Tranche Placing Shares have been placed with investors who are seeking tax relief under the Enterprise Investment Scheme. Accordingly, the Company applied for advance assurance from HMRC and, shortly after the Company released its announcement of the Placing on 13 March 2019, the Company received confirmation that HMRC believes that it will be able to authorise the Company to issue compliance certificates under section 204(1) of the Income Tax Act (ITA) 2007.

7 General Meeting

A notice convening the General Meeting to be held at the offices of finnCap Ltd at 60 New Broad Street, London EC2M 1JJ at 2.00 p.m. on 1 April 2019 is set out at the end of this circular.

7.1 Authorising Resolution

At the General Meeting, the Authorising Resolution will be proposed as a special resolution which will enable the Placing of each of the Third Tranche Placing Shares, the Fourth Tranche Placing Shares and the Fifth Tranche Placing Shares to proceed (subject to the satisfaction, or waiver, of all other applicable conditions). Upon approval, the Directors would be authorised to issue, or grant rights to subscribe for, up to 1,873,381 new Ordinary Shares free of pre-emptive rights.

7.2 Resolutions 2 and 3

In addition, at the General Meeting, the Directors will seek continuing authorities to allot and issue shares and to disapply the statutory rights of pre-emption as follows:

- grant authority to the Directors pursuant to section 551 of the Act to allot Ordinary Shares or to grant rights to subscribe for or convert any security into Ordinary Shares up to an aggregate nominal amount equal to £815,364. This amount represents approximately 50 per cent. of the Enlarged Share Capital; and
- to disapply the statutory rights of pre-emption contained in section 561(1) of the Act in respect of the allotment for cash of equity securities with an aggregate nominal amount of up to £326,146. This amount represents approximately 20 per cent. of the Enlarged Share Capital.

Notwithstanding the benefits of the Placing in terms of providing growth and working capital to the Company, the Board is seeking additional general authorities to enable it to issue further new Ordinary Shares in order to afford the Company greater flexibility in funding and supporting its expected growth. The authorities sought under the above mentioned resolutions will expire on the conclusion of the next annual general meeting of the Company or 15 months after the passing of the resolution (whichever is earlier).

8 Action to be taken by Shareholders

You will find enclosed with this circular the Form of Proxy (reply paid) for use by Shareholders in relation to the General Meeting. Whether or not you intend to be present at the General Meeting, you are requested to complete this form in accordance with the instructions printed on it as soon as possible.

To be valid, completed Forms of Proxy must be received by the Registrars at Neville Registrars Limited, Neville House, Steelpark Road, Halesowen, B62 8HD by no later than 2.00 p.m. on 29 March 2019. Completion and return of the Form of Proxy will not preclude you from attending and voting in person at the General Meeting if you so wish.

9 **Recommendation**

The Directors consider the Placing will promote the success of the Company for the benefit of its members as a whole. Accordingly, the Directors unanimously recommend and strongly urge Shareholders to vote in favour of the resolutions at the General Meeting as they intend to do, or procure to be done, in respect of their own beneficial shareholdings of 192,785 Ordinary Shares (in aggregate) representing approximately 1.6 per cent. of the Existing Ordinary Shares as at the last practicable date before publication of this circular.

Yours faithfully

David Ford
Chairman

NOTICE OF GENERAL MEETING

TRANSENSE TECHNOLOGIES PLC

(Incorporated and registered in England and Wales with registered number 01885075)

Notice is hereby given that a General Meeting of Transense Technologies plc (the “**Company**”) will be held at the offices of finnCap Ltd at 60 New Broad Street, London EC2M 1JJ at 2.00 p.m. on 1 April 2019. Except where otherwise defined herein, the definitions set out in the circular to which this notice of meeting is attached shall apply to this notice.

You will be asked to consider, and if thought fit, pass resolutions 1 and 3 as special resolutions, and resolution 2 as an ordinary resolution.

Resolution 1 (Special Resolution) - Authority to allot and issue shares and disapply pre-emption rights for the purposes of the Placing of each of the Third Tranche Placing Shares, the Fourth Tranche Placing Shares and the Fifth Tranche Placing Shares

THAT the Directors:

- (a) in addition to all existing authorities and in accordance with Section 551 of the Act, be and are hereby authorised to exercise all the powers of the Company to allot Ordinary Shares or grant rights to subscribe for, or convert any security into Ordinary Shares, up to an aggregate nominal value of £187,339; and
- (b) in addition to all existing authorities, be empowered to allot equity securities (within the meaning of the Act) for cash as if section 561(1) of the Act did not apply to any such allotment up to an aggregate nominal amount of £187,339,

PROVIDED that the authority and powers set out above shall be limited to the allotment and issue and the granting of rights to subscribe (or entering into any agreement to do so) shares for the purposes of the Placing and shall expire on 30 June 2019.

Resolution 2 (Ordinary Resolution) - Ongoing authority to allot and issue shares

THAT the Directors be and are hereby generally and unconditionally authorised (in substitution for all subsisting authorities, other than the authority set out in resolution 1 above, to the extent unused) in accordance with section 551 of the Act, to allot new Ordinary Shares or grant rights to subscribe for or to convert any securities into new Ordinary Shares (“**Rights**”) up to an aggregate nominal amount of £815,364 for a period expiring (unless previously renewed, varied or revoked by the Company in general meeting) at the conclusion of the next annual general meeting of the Company or 15 months after the passing of this resolution (whichever is earlier) except that the Directors may, before the expiry of such period, make an offer or agreement which would or might require new Ordinary Shares to be allotted or Rights to be granted after the expiry of such period, and the Directors may allot new Ordinary Shares or grant Rights in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired.

Resolution 3 (Special Resolution) - Ongoing disapplication of pre-emption rights

THAT the Directors be and are hereby empowered (in substitution for all subsisting authorities, other than the authority set out in resolution 1 above, to the extent unused) in accordance with section 570 of the Act, to allot equity securities (within the meaning of section 560 of the Act) pursuant to the authority conferred upon them by resolution 2 for cash as if section 561(1) of the Act did not apply to any such allotment, provided that this power shall be limited to the allotment of equity securities:

- (a) in connection with an offer of such securities by way of a Rights Issue; and
- (b) otherwise then pursuant to subparagraph (a) above, up to an aggregate nominal amount of £326,146.

In this resolution, “**Rights Issue**” means an offer of equity securities open for acceptance for a period fixed by the Directors to Shareholders on the register of the Company on a fixed record date in proportion as nearly as may be to their respective holdings, but subject to such exclusions or other arrangements as the Directors Company may deem

necessary or expedient to deal with any fractional entitlements or legal or practical difficulties under the laws of, or the requirements of any recognised regulatory body or stock exchange, in any territory.

By order of the Board

Melvyn Segal

Secretary

Registered Office: 1 Landscape Close, Weston-On-The-Green, Bicester, Oxfordshire OX25 3SX

Dated: 15 March 2019

Notes to the Notice of General Meeting:

Entitlement to attend and vote

1. Only those members registered on the Company's register of members at 6.00 p.m. on 29 March 2019 (or if this General Meeting ("GM") is adjourned, at 6.00 p.m. on the day two days prior to the adjourned meeting) shall be entitled to attend and vote at the GM.
2. To be admitted to the GM, members are asked to present proof of identity.

Website giving information regarding the GM

3. Information regarding the GM is available from www.transense.co.uk.

Appointment of proxies

4. If you are a member of the Company at the time set out in note 1 above, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the GM and you should have received a proxy form with this notice of meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.
5. A proxy does not need to be a member of the Company but must attend the GM to represent you. Details of how to appoint the Chairman of the GM or another person as your proxy using the proxy form are set out in the notes to the proxy form. If you wish your proxy to speak on your behalf at the GM you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.
6. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, please contact the Registrars of the Company.
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 you either select the "Discretionary" option or 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 GM.

Appointment of proxies by post

8. The notes to the proxy form explain how to direct your proxy how to vote on each resolution or withhold their vote. To appoint a proxy using the proxy form, the form must be:
 - (a) completed and signed;
 - (b) sent or delivered to Neville Registrars Limited, Neville House, Steelpark Road, Halesowen, B62 8HD; and
 - (c) received by Neville Registrars Limited no later than 2.00 p.m. on 29 March 2019.
9. In the case of a member which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.
10. Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.

Appointment of proxies through CREST

11. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the GM 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.
12. In order for a proxy appointment 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 ("EUI") specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID 7RA11) by 2.00 p.m. on 29 March 2019, or, in the event of an adjournment of the GM, 48 hours 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.
13. CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular message. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

14. 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 holders

15. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, 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).

Termination of proxy appointment

16. In order to revoke a proxy instruction you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to Neville Registrars Limited, Neville House, Steelpark Road, Halesowen, B62 8HD. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice. The revocation notice must be received by Neville Registrars Limited no later than 2.00 p.m. on 29 March 2019.
17. If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.
18. Appointment of a proxy does not preclude you from attending the GM and voting in person. If you have appointed a proxy and attend the GM in person, your proxy appointment will automatically be terminated.

Changing proxy instructions

19. To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.
20. 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.
21. 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.

Corporate representatives

22. A corporation which is a member can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a member provided that no more than one corporate representative exercises powers over the same share.