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This document does not constitute a prospectus for the purposes of the Prospectus Rules nor does it comprise an admission document prepared in accordance with the AIM Rules. Accordingly, this document has not been approved by or filed with the FCA. This document does not constitute or form part of any offer or invitation to sell or issue or a solicitation of any offer to acquire, purchase or subscribe for shares in any jurisdiction.

Application will be made for the New Ordinary Shares to be admitted to trading on AIM. It is expected that Admission will become effective and that dealings in the New Ordinary Shares will commence on AIM on 28 August 2015.

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# CORERO NETWORK SECURITY PLC

*(incorporated and registered in England and Wales with registered no: 02662978)*

## Subscription of up to 50,000,000 New Ordinary Shares at 10 pence per New Ordinary Share

### Notice of General Meeting

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**This document should be read as a whole. Your attention is drawn to the letter from the Chairman of Corero Network Security plc set out in this document which includes a recommendation that you vote in favour of the Special Resolution to be proposed at the General Meeting referred to below.**

Notice of a General Meeting of Corero Network Security plc, to be held at the offices of finnCap at 60 New Broad Street, London, EC2M 1JJ at 9.30 a.m. on 27 August 2015, is set out at the end of this document. The Form of Proxy for use at the General Meeting accompanies this document and, to be valid, should be completed and returned in accordance with the instructions set out thereon as soon as possible but in any event so as to reach the Company’s registrars, Capita Asset Services, PXS, 34 Beckenham Road, Beckenham, BR3 4TU, not later than 9.30 a.m. on 25 August 2015. Completion of a Form of Proxy will not prevent a Shareholder from attending the meeting and voting in person.

No person has been authorised to give any information or to make any representation other than those contained in this document in connection with the Subscription and, if given or made, such information or representation must not be relied upon as having been authorised by or on behalf of the Company, or finnCap or their respective directors.

This document is being supplied to you solely for your information and may not be reproduced, re-distributed or passed to any other person or published in whole or in part for any purpose.

This document does not constitute an offer to buy or subscribe for, or the solicitation of an offer to buy or subscribe for, New Ordinary Shares in any jurisdiction in which such offer or solicitation is unlawful. In no event will the information contained in this document constitute an offer to sell or a solicitation of any offer to buy any share or other securities of

the Company in the United States. The New Ordinary Shares have not been, and will not be, registered under the United States Securities Act of 1933 (as amended) or under the securities laws of any state of the United States nor do they qualify for distribution under any of the relevant securities laws of Canada, Australia, the Republic of South Africa or Japan. Accordingly, subject to certain exceptions, the New Ordinary Shares may not, directly or indirectly, be offered, sold or taken up, delivered or transferred in or into the United States, Canada, Australia, the Republic of South Africa or Japan. The distribution of this document outside the United Kingdom may be restricted by law and therefore persons outside the United Kingdom into whose possession this document has come should inform themselves and observe any restrictions as to the Subscription or the distribution of this document.

### **Forward-Looking Statements**

This document contains (or may contain) certain forward-looking statements with respect to certain of the Company's plans and its current goals and expectations relating to its future financial condition and performance and which involve a number of risks and uncertainties. The Company cautions readers that no forward-looking statement is a guarantee of future performance and that actual results could differ materially from those contained in the forward-looking statements. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements sometimes use words such as "aim", "anticipate", "target", "expect", "estimate", "intend", "plan", "goal", "believe", "predict" or other words of similar meaning. Examples of forward-looking statements include, amongst others, statements regarding or which make assumptions in respect of the planned use of the proceeds for the Subscription, the Group's liquidity position, the future performance of the Company and/or its subsidiary undertakings, future foreign exchange rates, interest rates and currency controls, the Group's future financial position, plans and objectives for future operations and any other statements that are not historical fact. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances, including, but not limited to, economic and business conditions, the effects of continued volatility in credit markets, market-related risks such as changes in interest rates and foreign exchange rates, the policies and actions of governmental and regulatory authorities, changes in legislation, the further development of standards and interpretations under IFRS applicable to past, current and future periods, evolving practices with regard to the interpretation and application of standards under IFRS, the outcome of pending and future litigation or regulatory investigations, the success of future acquisitions and other strategic transactions and the impact of competition. A number of these factors are beyond the Company's control. As a result, the Company's actual future results may differ materially from the plans, goals, and expectations set forth in the Company's forward-looking statements. Any forward-looking statements made in this document by or on behalf of the Company speak only as of the date they are made. These forward-looking statements reflect the Company's judgement at the date of this document and are not intended to give any assurance as to future results. Except as required by the FCA, the London Stock Exchange, the AIM Rules or applicable law, the Company expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained in this document to reflect any changes in the Company's expectations with regard thereto or any changes in events, conditions or circumstances on which any such statement is based.

## CONTENTS

	<i>Page</i>
<b>Subscription Statistics</b>	<b>4</b>
<b>Expected Timetable of Principal Events</b>	<b>4</b>
<b>Definitions</b>	<b>5</b>
<b>Letter from the Chairman</b>	<b>7</b>
<b>Notice of General Meeting</b>	<b>12</b>

## SUBSCRIPTION STATISTICS

Existing Shares	115,637,416
Number of New Ordinary Shares to be issued pursuant to the Subscription	50,000,000
Enlarged Issued Share Capital*	165,637,416**
Issue Price	10 pence
Estimated net proceeds of the Subscription receivable by the Company**	£4.9 million
Number of New Ordinary Shares as a percentage of the Enlarged Issued Share Capital*	30.2 per cent.**
Market capitalisation of the Company at Admission at the Issue Price*	£16.6 million**

\*Assumes no further Ordinary Shares are issued following the date of this document and assumes that the Subscription is fully subscribed.

\*\*Assumes that the Subscription is fully subscribed.

## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Date of this document	7 August 2015
Latest time and date for receipt of Forms of Proxy for the General Meeting	9.30 a.m. on 25 August 2015
Date and time of General Meeting	9.30 a.m. on 27 August 2015
Admission and commencement of dealings in New Ordinary Shares	8.00 a.m. on 28 August 2015
CREST accounts credited with New Ordinary Shares (CREST shareholders only)	28 August 2015
Despatch of definitive share certificates for New Ordinary Shares (non-CREST shareholders only)	By 11 September 2015

1. *Each of the times and dates in the above timetable is subject to change. If any of the above times and/or dates change, the revised times and/or dates will be notified to holders of Ordinary Shares by announcement on a Regulatory Information Service.*
2. *All of the above times refer to London time unless otherwise stated.*
3. *Admission and dealings in the New Ordinary Shares are conditional on the passing of the Special Resolution at the General Meeting.*

## DEFINITIONS

The following definitions apply throughout this document unless the context requires otherwise:

<b>“Act”</b>	the Companies Act 2006;
<b>“Admission”</b>	the admission of the New Ordinary Shares to trading on AIM becoming effective in accordance with the AIM Rules;
<b>“Advance Agreement”</b>	the share subscription advance by way of loan agreement entered into between the Company and Jens Montanana dated 30 July 2015;
<b>“AIM”</b>	the AIM market operated by the London Stock Exchange;
<b>“AIM Rules”</b>	the AIM Rules for Companies published by the London Stock Exchange from time to time;
<b>“Board” or “Directors”</b>	the board of directors of the Company whose names appear on page 9 of this document;
<b>“certificated” or “in certificated form”</b>	the description of a share or security which is not in uncertificated form (that is, not in CREST);
<b>“Code”</b>	the City Code on Takeovers and Mergers;
<b>“Company”</b>	Corero Network Security plc, a company incorporated in England and Wales with registered number 02662978;
<b>“Corero Network Security”</b>	Corero Network Security, Inc., a Subsidiary of the Company;
<b>“CREST”</b>	the relevant systems for the paperless settlement of trades in securities and the holding of uncertificated securities operated by Euroclear UK & Ireland Limited in accordance with the CREST Regulations;
<b>“CREST Regulations”</b>	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755), including (i) any enactment or subordinate legislation which amends or supersedes those regulations and (ii) any applicable rules made under those regulations for the time being in force;
<b>“Enlarged Issued Share Capital”</b>	the issued ordinary share capital of the Company as it will be immediately following the Subscription (assuming the Subscription is fully subscribed);
<b>“Existing Shares”</b>	the 115,637,416 Ordinary Shares in issue at the date of this document, all of which are admitted to trading on AIM;
<b>“FCA”</b>	the UK Financial Conduct Authority;
<b>“finnCap”</b>	finnCap Ltd, the Company’s nominated adviser and broker which is incorporated in England and Wales with the registered number 06198898;
<b>“Form of Proxy”</b>	the form of proxy for use by Shareholders in connection with the General Meeting, which is enclosed with this document;
<b>“General Meeting”</b>	the general meeting of the Company convened for 9.30 a.m. on 27 August 2015, notice of which is set out at the end of this document;

<b>“Group”</b>	the Company and its Subsidiaries;
<b>“IFRS”</b>	International Financial Reporting Standards;
<b>“Independent Directors”</b>	Andrew Lloyd and Ashley Stephenson being the directors of the Company who are not participating in the Subscription;
<b>“Independent Shareholders”</b>	the Shareholders excluding those who are participating in the Subscription;
<b>“Issue Price”</b>	10 pence per New Ordinary Share;
<b>“London Stock Exchange”</b>	London Stock Exchange plc;
<b>“New Ordinary Shares”</b>	up to 50,000,000 new Ordinary Shares to be issued pursuant to the Subscription;
<b>“Notice of General Meeting”</b>	the notice of General Meeting set out at the end of this document;
<b>“Ordinary Shares”</b>	ordinary shares of 1 pence each in the capital of the Company;
<b>“Prospectus Rules”</b>	the Prospectus Rules published by the FCA;
<b>“Shareholder”</b>	a holder of Existing Shares;
<b>“Special Resolution”</b>	the special resolution to be proposed at the General Meeting to grant the Directors authority to allot the New Ordinary Shares on a non-pre-emptive basis, as set out in the Notice of General Meeting;
<b>“Subscribers”</b>	Jens Montanana, Richard Last, Andrew Miller, Dyna Capital SA, Peter Gain, Herald Investment Management Ltd, Illovo Limited, Richard Koch, John McCartney Revocable Trust, Sabvest Capital Holdings Limited and Tende Limited;
<b>“Subscription”</b>	the subscription of the New Ordinary Shares by the Subscribers at the Issue Price pursuant to the Subscription Agreements;
<b>“Subscription Agreements”</b>	the conditional agreements, dated 30 July 2015, between the Company and each of the Subscribers relating to the Subscription, further details of which are set out in paragraph 5 of this document;
<b>“Subsidiary”</b>	has the meaning given to it in section 1159 of the Act;
<b>“UK” and “United Kingdom”</b>	the United Kingdom of Great Britain and Northern Ireland; and
<b>“US” or “United States”</b>	the United States of America, its territories and possessions, any state of the United States of America, the District of Columbia and all other areas subject to its jurisdiction.

## LETTER FROM THE CHAIRMAN

# CORERO NETWORK SECURITY PLC

*(incorporated in England and Wales with registered no: 02662978)*

### *Directors:*

Jens Montanana	<i>(Non-executive Chairman)</i>
Ashley Stephenson	<i>(Executive Director)</i>
Andrew Miller	<i>(Executive Director)</i>
Richard Last	<i>(Non-executive Director)</i>
Andrew Lloyd	<i>(Non-executive Director)</i>

Regus House  
Highbridge  
Oxford Road  
Uxbridge  
UB8 1HR

7 August 2015

*To Shareholders and for information only to holders of options over Ordinary Shares*

Dear Shareholder

### **Proposed Subscription of up to 50,000,000 New Ordinary Shares at 10 pence per New Ordinary Share and Notice of General Meeting**

#### **1. Introduction**

The Company announced on 30 July 2015 that it proposes to raise up to £5.0 million (before expenses) by way of a Subscription of up to 50,000,000 New Ordinary Shares with certain Directors, including Jens Montanana, existing Shareholders and certain other investors at a price of 10 pence per New Ordinary Share.

The Subscription is being undertaken to fund the Company's ongoing development and sales and marketing activities.

The Subscription is conditional upon, *inter alia*, the passing (without amendment) of the Special Resolution to be proposed at the General Meeting to provide the Directors with authority to allot and issue the New Ordinary Shares and disapply pre-emption rights in relation to the issue of the New Ordinary Shares.

Accordingly, the Company is convening the General Meeting. The Special Resolution to be proposed at the General Meeting is set out in the Notice of General Meeting.

The purpose of this letter is to outline the reasons for the Subscription and explain why the Board considers the Subscription to be in the best interests of the Company and the Shareholders as a whole and why the Board recommends that you vote in favour of the Special Resolution.

#### **2. Background to and reasons for the Subscription**

As outlined in more detail in the update on trading by the Company on 30 July 2015, the Directors maintain a positive outlook on the future for the Company. A copy of the trading update is available on the Company's website at [www.corero.com](http://www.corero.com).

The Subscription is being undertaken to support the execution of the Company's business plan focused on the target market for its SmartWall Threat Defense System ("**SmartWall TDS**") product, namely service providers including telecommunication ISPs, data centre hosting providers, multiple service operators and mobile operators, and on-line enterprises.

The Company is continuing to see a shift in enterprises looking to their service providers for delivery of protection against distributed denial of service attacks (“**DDoS**”). The Company’s SmartWall TDS products enable it to address the growing service provider market demand for DDoS protection solutions. The Board believes that the SmartWall TDS has several competitive differentiators to its peers.

The Company is currently in trials with a number of large service providers to test its SmartWall TDS product. The Directors are highly encouraged by this progress and the opportunity this presents for the Company.

The Directors, who hold approximately 41.06 per cent. of the Existing Shares of the Company, support the Subscription. Furthermore, Shareholders who hold approximately 35.57 per cent. of the Existing Shares of the Company are also participating in the Subscription and have entered into conditional Subscription Agreements with the Company dated 30 July 2015. Together this represents a significant majority of the Company’s Shareholders who are committed to the support of the Company’s strategy. If the Special Resolution is not approved by the requisite number of Shareholders or the Subscription does not proceed for any other reason, the Company will be required to secure alternative financing for the purposes set out above from alternative sources.

### **3. Advance Agreement**

Jens Montanana has lent the Company the total principal sum of £0.5 million pursuant to the Advance Agreement. This loan is repayable on the earlier of (i) the day immediately following the date that the Special Resolution is passed at the General Meeting and (ii) 31 July 2016. The Company may have to repay the loan early if it commits an event of default. Interest is payable on the loan at the end of each three month period at a percentage rate per annum equivalent to the Bank of England’s published base rate from time to time plus 5.0 per cent. However, no interest shall be payable and accrue on the loan if it is repaid or prepaid by the Company during the period of 60 days commencing on the date the loan is made.

If the Special Resolution is passed at the General Meeting, part of the subscription monies owed by Jens Montanana pursuant to his Subscription Agreement in respect of the New Ordinary Shares which he will subscribe for will be satisfied by the release of the Company of its obligation to repay the liquidated sum which the Company will owe Jens Montanana pursuant to the Advance Agreement.

If the Subscription does not proceed, the Company will continue to owe the principal sum plus accrued interest under the Advance Agreement to Jens Montanana in accordance with its terms and a security interest will be granted at that time to Jens Montanana over the Company’s shares in its Subsidiary, Corero Network Security. This loan will then be repayable on 31 July 2016.

### **4. Use of proceeds**

The net proceeds of the Subscription will be deployed to support SmartWall TDS sales and marketing activities in the US and Europe, and the further development of the SmartWall TDS product. It is anticipated that the Subscription will enable the Company to achieve positive cash flows from trading in the second half of 2016.

Should the Subscription not proceed, the Company will be required to secure financing for the purposes set out above from alternative sources.

### **5. Details of the Subscription**

Each Subscriber has entered into a separate Subscription Agreement with the Company pursuant to which each Subscriber has conditionally agreed to subscribe for a specified number of New Ordinary Shares set out in that Subscriber’s Subscription Agreement. None of the Subscription Agreements are conditional on any of the other Subscription Agreements but each Subscription Agreement is subject to the same conditions.

The Subscription is conditional upon the passing (without amendment) of the Special Resolution at the General Meeting and Admission.

The Subscription is not being underwritten. Application will be made for the New Ordinary Shares to be admitted to trading on AIM. It is expected that Admission will become effective and dealings in the New Ordinary Shares will commence on 28 August 2015.

Subject to the Special Resolution being passed at the General Meeting, the New Ordinary Shares will be credited as fully paid and will rank *pari passu* with the existing Ordinary Shares of the Company if and when issued.

Following Admission, the Enlarged Issued Share Capital will be 165,637,416. Shareholders should use the figure of 165,637,416 Ordinary Shares in the Company, as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change in their interest in, the share capital of the Company under the FCA's Disclosure and Transparency Rules.

## 6. Directors' participation in the Subscription

Under the terms of the Subscription Agreements, Jens Montanana, Andrew Miller and Richard Last, each a director of the Company, have conditionally agreed to subscribe for New Ordinary Shares as part of the Subscription. The interests of the Directors on 6 August 2015 (being the last practicable date prior to publication of this document) are, and immediately following Admission of the New Ordinary Shares will be, as follows:

<i>Director</i>	<i>Number of Ordinary Shares held on 6 August 2015 (being the last practicable date prior to publication of this document)</i>	<i>Percentage of Ordinary Shares held at the date of this document</i>	<i>Number of New Ordinary Shares subscribed for in the Subscription</i>	<i>Resulting number of Ordinary Shares held immediately following Admission*</i>	<i>Resulting holding as a percentage of the Enlarged Issued Share Capital**</i>
Jens Montanana	45,690,354***	39.51%	19,750,000	65,440,354	39.51%
Ashley Stephenson	38,000	0.03%	–	38,000	0.02%
Andrew Miller	723,255	0.63%	100,000	823,255	0.50%
Richard Last	1,066,667	0.92%	250,000	1,316,667	0.79%
Andrew Lloyd	–	–	–	–	–
<b>Total</b>	<b>47,518,276</b>	<b>41.09%</b>	<b>20,100,000</b>	<b>67,618,276</b>	<b>40.82%</b>

\* if the Subscription is fully subscribed and no further Ordinary Shares are issued following the date of this document.

\*\* "Enlarged Issued Share Capital" means the 165,637,416 Ordinary Shares of the Company as it will be immediately following the Subscription (assuming the Subscription is fully subscribed and assuming that no further Ordinary Shares are issued following the date of this document).

\*\*\* held in the name of Jens Montanana and entities in which Jens Montanana has a beneficial interest.

Pursuant to the Code, there is no requirement to obtain Independent Shareholder approval in respect of the participation by Jens Montanana and Andrew Miller in the Subscription because, although Jens Montanana and Andrew Miller are acquiring New Ordinary Shares pursuant to the Subscription, Jens Montanana will only be acquiring such number of New Ordinary Shares as is required in order to maintain his percentage shareholding at the same level as that which he currently holds (as set out above) and the acquisition by Andrew Miller of New Ordinary Shares will result in his percentage shareholding being lower than his current percentage shareholding in the Company (as set out above).

Due to certain restrictions under the Code, if the Subscription becomes unconditional then, in the unlikely event that any other Subscriber defaults under his or its Subscription Agreement and does not subscribe for some or all of the New Ordinary Shares specified therein, Jens Montanana and, if applicable, Andrew Miller shall reduce the number of New Ordinary Shares which each will subscribe for in the Subscription to such numbers so as to ensure that, on Admission, Jens Montanana will only hold such number of Ordinary Shares as will represent 39.51 per cent. of the Company's issued share capital at that date and Andrew

Miller will only hold such number of Ordinary Shares as will not exceed 0.63 per cent. of the Company's issued share capital at that date (and may hold a smaller percentage).

## **7. Related Party Transactions**

The participation in the Subscription by Jens Montanana, Andrew Miller and Richard Last as directors of the Company constitutes a related party transaction pursuant to Rule 13 of the AIM Rules. The Independent Directors consider, having consulted with finnCap, the Company's nominated adviser, that the participation in the Subscription by these individuals, as set out above, is fair and reasonable insofar as the Shareholders are concerned.

Additionally, the provision of the loan by Jens Montanana under the Advance Agreement, as outlined above, constitutes a related party transaction pursuant to Rule 13 of the AIM Rules. The Independent Directors consider, having consulted with finnCap, the Company's nominated adviser, that the entering into of the Advance Agreement is fair and reasonable insofar as the Shareholders are concerned.

Finally, Richard Koch is a substantial Shareholder in the Company, holding in aggregate 13,891,000 Ordinary Shares of the Company, representing 12.01 per cent. of the voting rights and, consequently, Richard Koch is considered to be a related party of the Company pursuant to Rule 13 of the AIM Rules.

Richard Koch is subscribing for 9,700,000 New Ordinary Shares at the Issue Price, representing 19.40 per cent. of the Subscription. This subscription by Richard Koch also constitutes a related party transaction for the purposes of the AIM Rules.

The Independent Directors consider, having consulted with finnCap, the Company's nominated adviser, that the participation in the Subscription by Richard Koch, as set out above, is fair and reasonable insofar as the Shareholders are concerned.

## **8. General Meeting**

A notice convening the General Meeting, to be held at the offices of finnCap at 60 New Broad Street, London EC2M 1JJ at 9.30 a.m. on 27 August 2015, is set out at the end of this document at which the following resolution will be proposed as a special resolution:

- a special resolution to authorise the Directors, pursuant to section 551 of the Act, to allot relevant securities up to a maximum aggregate nominal value of £500,000.00 pursuant to the Subscription, which will be in addition to all existing authorities under section 551 of the Act and to disapply the pre-emption rights conferred by the Act in connection with the allotment of New Ordinary Shares pursuant to the Subscription up to £500,000.00, which will be in addition to the existing authority.

Subject to the passing of the Special Resolution and following completion of the Subscription, the Directors will have authority to allot up to 35,545,805 Ordinary Shares, representing approximately 23.27 per cent. of the Enlarged Issued Share Capital of which 11,563,742 Ordinary Shares are capable of being allotted on a non-pre-emptive basis. These authorities were approved and given at the last annual general meeting of the Company on 17 June 2015 but their percentage of the Enlarged Issued Share Capital will be smaller following completion of the Subscription.

## **9. Action to be taken**

Shareholders will find a Form of Proxy enclosed with this document for use at the General Meeting. Whether or not you intend to be present at the General Meeting, you are requested to complete and return the Form of Proxy in accordance with the instructions printed thereon as soon as possible. To be valid, completed Forms of Proxy must be received by the Company's Registrars, Capita Asset Services, PXS, 34 Beckenham Road, Beckenham BR3 4TU, not later than 9.30 a.m. on 25 August 2015, being 48 hours before the time appointed for holding the General Meeting. Completion of the Form of Proxy will not preclude you from attending the meeting and voting in person if you so wish.

## **10. Recommendation**

The Board considers the Subscription to be in the best interests of the Company and the Shareholders as a whole and recommends that you vote in favour of the Special Resolution to be proposed at the General Meeting, as they intend to do in respect of their own holdings of Ordinary Shares, totalling 47,518,276 Ordinary Shares, being approximately 41.06 per cent. of the Existing Shares.

Yours faithfully,

**Jens Montanana**

*Chairman*

# CORERO NETWORK SECURITY PLC

*(incorporated and registered in England and Wales with registered no: 02662978)*

NOTICE IS HEREBY GIVEN that a GENERAL MEETING of Corero Network Security plc (the "**Company**") will be held at the offices of finnCap Limited at 60 New Broad Street, London EC2M 1JJ on 27 August 2015 at 9.30 a.m. to consider and, if thought fit, pass the following resolution as a special resolution:

## **SPECIAL RESOLUTION**

1 THAT:

- (a) the directors be and are generally and unconditionally authorised in accordance with section 551 of the Companies Act 2006 (the "**Act**") (and so that expressions used in this sub-paragraph (a) shall bear the same meanings as in section 551 of the Act) to exercise all powers of the Company to allot shares in the Company and to grant such subscription and conversion rights as are contemplated by sections 551(1)(a) and (b) of the Act respectively up to a maximum aggregate nominal amount of £500,000, provided that (unless previously revoked, varied or renewed) this authority shall expire at the conclusion of the next annual general meeting of the Company after the passing of this resolution or on 30 June 2016 (whichever is the earlier), save that the Company may make an offer or agreement before this authority expires which would or might require shares to be allotted or rights to subscribe for or to convert any security into shares to be granted after this authority expires and the directors may allot shares or grant such rights pursuant to any such offer or agreement as if this authority had not expired. This authority is in addition to all existing authorities under section 551 of the Act; and
  
- (b) pursuant to section 570 of the Act, the directors be and are generally empowered to allot equity securities (within the meaning of section 560 of the Act) for cash pursuant to the authority granted by sub-paragraph (a) above as if section 561(1) and sub-sections (1) to (6) of section 562 of the Act did not apply to any such allotment, provided that this power shall be limited to the allotment of equity securities for cash of up to 50,000,000 New Ordinary Shares pursuant to the Subscription (each as defined in the Company's circular to its shareholders of which this notice forms part) and (unless previously revoked, varied or renewed) this power shall expire at the conclusion of the next annual general meeting of the Company after the passing of this resolution or on 30 June 2016 (whichever is the earlier), save that the Company may make an offer or agreement before this power expires which would or might require equity securities to be allotted for cash after this power expires and the directors may allot equity securities for cash pursuant to any such offer or agreement as if this power had not expired. This power is in addition to all existing powers under section 570 of the Act.

By order of the Board

**Duncan Swallow**

*Company Secretary*

*Registered Office:*

Regus House  
Highbridge  
Oxford Road  
Uxbridge  
UB8 1HR

*Registered in England and Wales No. 2662978*

Notes:

1. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 (as amended), only those members registered in the register of members of the Company at 6.00 p.m. on 25 August 2015 (or if the General Meeting is adjourned, on the day which is two business days before the time fixed for the adjourned General Meeting) shall be entitled to attend and vote at the General Meeting in respect of the number of shares registered in their name at that time. Any changes to the register of members after such time shall be disregarded in determining the rights of any person to attend or vote at the General Meeting.
2. 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 9.30 a.m. on 27 August 2015 and any adjournment(s) thereof by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider 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. The message must be transmitted so as to be received by the Company’s agent, Capita Asset Services (CREST Participant ID: RA1 0), no later than 9.30 a.m. on 25 August 2015. 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.

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, to procure that his CREST sponsor or voting service provider takes) 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.

3. If you wish to attend the General Meeting in person, you should make sure that you arrive at the venue for the General Meeting in good time before the commencement of the meeting. You may be asked to prove your identity in order to gain admission.
4. A member who is entitled to attend, speak and vote at the General Meeting may appoint a proxy to attend, speak and vote instead of him. A member may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares (so a member must have more than one share to be able to appoint more than one proxy). A proxy need not be a member of the Company but must attend the General Meeting in order to represent you. A proxy must vote in accordance with any instructions given by the member by whom the proxy is appointed. Appointing a proxy will not prevent a member from attending in person and voting at the General Meeting (although voting in person at the General Meeting will terminate the proxy appointment). A proxy form is enclosed. The notes to the proxy form include instructions on how to appoint the Chairman of the General Meeting or another person as a proxy. You can only appoint a proxy using the procedures set out in these Notes and in the notes to the proxy form.
5. To be valid, a proxy form, and the original or duly certified copy of the power of attorney or other authority (if any) under which it is signed or authenticated, should reach the Company’s registrar, Capita Asset Services, PXS, 34 Beckenham Road, Beckenham BR3 4TU, by no later than 9.30 a.m. on 25 August 2015.
6. In the case of joint holders of shares, the vote of the first named in the register of members who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of other joint holders.
7. A member that is a company or other organisation not having a physical presence cannot attend in person but can appoint someone to represent it. This can be done in one of two ways: either by the appointment of a proxy (described in Notes 2 and 4 to 6 above) or of a corporate representative. Members considering the appointment of a corporate representative should check their own legal position, the Company’s articles of association and the relevant provision of the Companies Act 2006.

