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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 Financial Conduct Authority. 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 9 December 2014.

finnCap, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority and is a member of the London Stock Exchange, is the Company's nominated adviser and broker for the purposes of the AIM Rules. finnCap is acting exclusively for the Company and will not be responsible to any other person for providing the protections afforded to its customers nor for providing advice in relation to the contents of this document or any other matter referred to herein. finnCap has not authorised the contents of this document for any purpose and, without limiting the statutory rights of any person to whom this document is issued, no representation or warranty, express or implied, is made by finnCap as to any of the contents or the completeness of this document.

CORERO NETWORK SECURITY PLC

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

Placing and Subscription of up to 30,000,000 New Ordinary Shares at 15 pence per Ordinary Share

Notice of General Meeting

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 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 8 December 2014, 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 4 December 2014. 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 Fundraising 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. 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, 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 Fundraising 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 Fundraising, 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 exchanges 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.

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FUNDRAISING STATISTICS

Number of Existing Shares	85,637,416
Number of Placing Shares to be issued pursuant to the Placing**	18,253,333
Number of Subscription Shares to be issued pursuant to the Subscription	11,746,667
Number of New Ordinary Shares to be issued pursuant to the Fundraising	30,000,000
Number of Ordinary Shares in issue immediately following Admission*	115,637,416
Issue Price in respect of the New Ordinary Shares	15 pence
Estimated net proceeds of the Fundraising receivable by the Company**	£4.4 million
Number of New Ordinary Shares as a percentage of the Enlarged Issued Share Capital*	25.9 per cent.
Market capitalisation of the Company at Admission at the Issue Price*	£17.4 million

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

** Assumes that the Fundraising is fully subscribed.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Date of this document	20 November 2014
Latest time and date for receipt of Forms of Proxy for the General Meeting	9.30 a.m. on 4 December 2014
Date and time of General Meeting	9.30 a.m. on 8 December 2014
Admission and commencement of dealings in New Ordinary Shares	8.00 a.m. on 9 December 2014
CREST accounts credited with New Ordinary Shares (CREST shareholders only)	9 December 2014
Despatch of definitive share certificates for New Ordinary Shares (non-CREST shareholders only)	23 December 2014

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 Resolution at the General Meeting.*

DEFINITIONS

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

“Act”	the Companies Act 2006
“Admission”	the admission of the New Ordinary Shares to trading on AIM becoming effective in accordance with the AIM Rules
“AIM”	the AIM market operated by the London Stock Exchange
“AIM Rules”	the AIM Rules for Companies published by the London Stock Exchange from time to time
“Board” or “Directors”	the board of directors of the Company whose names appear on page 7 of this document
“Business Day”	a day (other than a Saturday or Sunday) when banks are usually open for business in London
“certificated” or “in certificated form”	the description of a share or security which is not in uncertificated form (that is, not in CREST)
“Code”	the City Code on Takeovers and Mergers
“Company”	Corero Network Security plc, a company incorporated in England and Wales with registered number 02662978
“CREST”	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
“CREST Regulations”	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
“Enlarged Issued Share Capital”	the issued ordinary share capital of the Company as it will be immediately following the Fundraising (assuming that the Fundraising is fully subscribed)
“Existing Shares”	the 85,637,416 Ordinary Shares in issue at the date of this document, all of which are admitted to trading on AIM
“FCA”	the UK Financial Conduct Authority
“finnCap”	finnCap Ltd, the Company’s nominated adviser and broker which is incorporated in England and Wales with the registered number 06198898
“Form of Proxy”	the form of proxy for use by Shareholders in connection with the General Meeting, which is enclosed with this document
“Fundraising”	the Placing and Subscription
“General Meeting”	the general meeting of the Company convened for 9.30 a.m. on 8 December 2014, notice of which is set out at the end of this document

“Group”	the Company and its Subsidiaries
“IFRS”	International Financial Reporting Standards
“Independent Directors”	Andrew Lloyd, Richard Last, Ashley Stephenson and Andrew Miller, being the directors of the Company who are not participating in the Fundraising as outlined in this document
“Issue Price”	15 pence per New Ordinary Share
“Loan Agreement”	the share subscription advance by way of loan agreement entered into between the Company and Jens Montanana dated 20 November 2014
“London Stock Exchange”	London Stock Exchange plc
“New Ordinary Shares”	the Placing Shares and Subscription Shares
“Notice of General Meeting”	the notice of General Meeting set out at the end of this document
“Ordinary Shares”	ordinary shares of 1 pence each in the capital of the Company
“Placing”	the placing to certain institutional and other investors of the Placing Shares at the Issue Price pursuant to the Placing Agreement
“Placing Agreement”	the conditional agreement, dated 20 November 2014, between the Company and finnCap relating to the Placing further details of which are set out in Section 5 of the Letter from the Chairman contained in this document
“Placing Shares”	up to 18,253,333 new Ordinary Shares to be issued pursuant to the Placing
“Prospectus Rules”	the Prospectus Rules published by the Financial Conduct Authority
“Resolution”	the resolution to be proposed at the General Meeting and set out in the Notice of General Meeting at the end of this document
“Shareholder”	a holder of Existing Shares
“Subscription”	the subscription of the Subscription Shares by Jens Montanana at the Issue Price pursuant to the Subscription Agreement
“Subscription Agreement”	the conditional agreement, dated 20 November 2014, between the Company and Jens Montanana relating to the Subscription further details of which are set out in Section 5 of the Letter from the Chairman contained in this document
“Subscription Shares”	up to 11,746,667 new Ordinary Shares to be issued pursuant to the Subscription
“Subsidiary”	has the meaning given to it in section 1159 of the Companies Act 2006
“UK” and “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, 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 (Non-executive Chairman)
Ashley Stephenson (Executive Director)
Andrew Miller (Executive Director)
Richard Last (Non-executive Director)
Andrew Lloyd (Non-executive Director)

Regus House
Highbridge
Oxford Road
Uxbridge
UB8 1HR

20 November 2014

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

Dear Shareholder

**Proposed Placing of up to 18,253,333 New Ordinary Shares and
Subscription of 11,746,667 New Ordinary Shares at 15 pence per Ordinary Share
and
Notice of General Meeting**

1. Introduction

The Company announced on 20 November 2014 that it proposes to raise up to £4.5 million (before expenses) by way of a Placing and Subscription of up to 30,000,000 New Ordinary Shares with certain institutional investors and other investors at a price of 15 pence per New Ordinary Share.

The Fundraising has been undertaken to fund the Company's ongoing product development and sales and marketing activities.

The Fundraising consists of a conditional Placing with new and existing shareholders of up to 18,253,333 New Ordinary Shares and a conditional Subscription of up to 11,746,667 New Ordinary Shares by Jens Montanana, non-executive chairman of the Company, as set out below.

This Fundraising is conditional upon, *inter alia*, the passing of the Resolution to be proposed at the General Meeting. By way of the Resolution, the Company is seeking the authority of Shareholders to provide the Directors with authority to allot and issue the New Ordinary Shares and to disapply pre-emption rights in relation to the issue of the New Ordinary Shares.

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

The purpose of this letter is to outline the reasons for the Fundraising and to explain why the Board considers the Fundraising 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 Resolution.

2. Background to and Reasons for the Fundraising

Further to the trading update by the Company on 6 November 2014, 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.

Corero is seeing an acceleration in the shift for enterprises looking to their internet service providers and cloud data centre providers for delivery of protection against distributed denial of service attacks ("DDoS"). In the first half of 2014, and following a two year investment plan, the Company launched its new family of

SmartWall Threat Defense System (“SmartWall”) products to enable it to address the growing service provider market demand for DDoS solutions. The Board believes that SmartWall has several competitive differentiators to its peers, particularly that it is the only DDoS product, of which the Directors are aware, that has specifically been designed to be deployed in-line.

The Company intends that the core target market for SmartWall will initially be the substantial number of opportunities amongst hosting and data centre providers and service providers such as internet service and telecommunication providers in North America and Europe, where deals are potentially more lucrative than in the Company’s traditional enterprise customer orientated market.

As highlighted in the trading update, Corero secured a flagship SmartWall order in October this year by an on-line gaming company (the Company’s largest DDoS defence deployment to date), alongside multiple other SmartWall orders in recent months and a growing number of SmartWall proof of concept customer trials are in progress. The Directors are highly encouraged by this and the validation that it provides of SmartWall.

2014 was planned to be a year of transition for Corero with the second half of 2014 focused on the commercialisation, marketing and sales of SmartWall. The Directors now believe that the requisite key individuals and resources are in place and aligned to implement this strategy. Looking forward, therefore, the Directors intend in 2015 to:

- establish SmartWall as the leading solution for DDoS protection through raising Corero’s profile, increasing its base of reference customers, and participating in independent market testing and thought leadership initiatives;
- continue improvement of the DDoS protection product suite, with incremental added functionality and forensic and analytical capabilities, a Cloud enabled software model, and additional attack protections; and
- refine its ‘go to market’ proposition by prioritising markets by geography and market segment, broadening available routes to market to include selling through ‘bundled’ offerings with partners such as systems integrator and original equipment manufacturers, and enhancing and scaling its post-sales customer support offering.

The Company is pleased that the market dynamics are shifting in its favour, but the shift away from the previous generation product is occurring faster than expected, and therefore the Company intends to undertake the Fundraising to provide the requisite funding to continue aligning its sales and marketing activities and product development, on its strategy centred upon SmartWall.

With the Fundraising, the Directors are confident in the outlook with the Company focusing its development efforts on market driven features and SmartWall sales in priority target geographies and markets so as to deliver a step change in its revenues. The Directors, who hold approximately 41.8 per cent of the Existing Shares support the Fundraising and, furthermore, Shareholders who hold approximately 24.9 per cent of the Existing Shares are also participating in the Fundraising. If the Resolution is not approved by the requisite number of Shareholders or the Fundraising does not proceed for any other reason, the Company will be required to secure financing for the purposes set out above from alternative sources.

3. Loan Agreement

Pursuant to the Loan Agreement, Jens Montanana has lent the Company the total principal sum of £450,000. This loan is unsecured and repayable on the earlier of (i) the day immediately following the date that the Resolution is passed at the General Meeting and (ii) 31 December 2015. 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 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.

The intention is for part of the subscription monies owed by Jens Montanana pursuant to his Subscription Agreement to 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 Loan Agreement if the Resolution is passed at the General Meeting.

If the Fundraising does not proceed the Company will continue to owe the principal sum plus accrued interest under the Loan Agreement to Jens Montanana in accordance with its terms.

The loan by Jens Montanana under the Loan Agreement constitutes a related party transaction pursuant to the AIM Rules. The Directors (excluding Jens Montanana) consider, having consulted with finnCap, the Company's nominated adviser, that the entering into of the Loan Agreement is fair and reasonable insofar as the Shareholders are concerned.

4. Use of Proceeds

The net proceeds of the Fundraising will be deployed to fund the further development of SmartWall, and targeted SmartWall sales and marketing activities in the US and Europe, and the funding gap arising from lower than expected revenue from the previous generation product, in order to deliver its plan to provide funding to the point of achieving sustainable positive cash flows from trading after the year ended 31 December 2015.

5. Details of the Fundraising

The Subscription is conditional upon Admission and the Placing is conditional upon, *inter alia*, the following:

- the passing (without amendment) of the Resolution as a special resolution at the General Meeting to authorise the Directors, pursuant to section 551 of the Act, to allot relevant securities up to a maximum aggregate nominal value of £300,000.00 pursuant to the Fundraising and to disapply the pre-emption rights conferred by the Act in connection with the allotment of Ordinary Shares pursuant to the Fundraising up to 30,000,000 New Ordinary Shares;
- the Subscription Agreement remaining in full force and effect and having become unconditional and the Company having received the subscription monies from Jens Montanana in respect of the Subscription Shares, less the amount which is owed by the Company under the Loan Agreement by no later than 5.00 p.m. on the Business Day prior to Admission; and
- Admission.

The Placing Agreement contains customary warranties given by the Company to finnCap as to matters relating to the Company and its business and a customary indemnity given by the Company to finnCap in respect of liabilities arising out of or in connection to the Placing. finnCap is entitled to terminate the Placing Agreement in certain circumstances prior to Admission including, *inter alia*, in circumstances where any of the warranties are found not to be true or accurate or were misleading in any material respect or on the occurrence of certain force majeure events.

Neither the Placing nor the Subscription is being underwritten by finnCap. 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 including the right to receive all future distributions, declared, paid or made in respect of the Ordinary Shares from the date of Admission. The Placing Shares represent approximately 15.8 per cent. of the Enlarged Issued Share Capital and the Subscription Shares represent approximately 10.2 per cent. of the Enlarged Issued Share Capital.

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 9 December 2014.

It is expected that CREST accounts of the placees and subscribers who hold their Ordinary Shares in CREST will be credited with their New Ordinary Shares on 9 December 2014. In the case of placees and subscribers holding Ordinary Shares in certificated form it is expected that certificates will be despatched by 23 December 2014.

6. Directors' Participation in the Fundraising and Related Party Transaction

Under the terms of the Subscription Agreement, Jens Montanana, a Director of the Company, has conditionally agreed to subscribe for Subscription Shares as part of the Subscription. The interests of the Directors on 20 November 2014 (being the last practicable date prior to publication of this document) are, and immediately following Admission will be, as follows:

<i>Director</i>	<i>Number of Ordinary Shares held as 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	33,943,687*	11,746,667	45,690,354	39.5
Andrew Miller	723,255		723,255	0.6
Richard Last	1,066,667		1,066,667	0.9
Andrew Lloyd	–		–	–
Ashley Stephenson	38,000		38,000	0.0
Total	<u>35,771,609</u>	<u>11,746,667</u>	<u>47,518,276</u>	<u>41.0</u>

*held in the name of Jens Montanana and beneficial entities.

The participation in the Fundraising by Jens Montanana, as a Director of the Company, constitutes a related party transaction pursuant to the AIM Rules. The Independent Directors, being the Directors who will not participate in the Fundraising, consider, having consulted with finnCap, the Company's nominated adviser, that the participation in the Fundraising by Jens Montanana, as set out above, is fair and reasonable insofar as the Shareholders are concerned.

Pursuant to the terms of the Code, there is no requirement to obtain independent Shareholder approval in respect of the participation by Jens Montanana in the Fundraising because, although Jens Montanana is acquiring New Ordinary Shares pursuant to the Subscription, he is only 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 is demonstrated in the table set out above in this Section 6).

7. 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 8 December 2014 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 £300,000.00 pursuant to the Fundraising, 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 Ordinary Shares pursuant to the Fundraising up to 30,000,000 New Ordinary Shares, which will be in addition to the existing authority.

Subject to the passing of the Resolution and following completion of the Fundraising, the Directors will have authority to allot up to 28,545,805 Ordinary Shares, representing approximately 24.7 per cent. of the Enlarged Issued Share Capital of which 8,563,742 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 18 June 2014.

8. 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, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU not later than 9.30 a.m. on 4 December 2014, being two Business Days 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.

9. Recommendation

The Board considers the Fundraising to be in the best interests of the Company and the Shareholders as a whole and the Directors recommend that you vote in favour of the Resolution to be proposed at the General Meeting, as they intend to do in respect of their own holdings of Ordinary Shares, totalling 35,771,609 Ordinary Shares, being approximately 41.8 per cent. of the Existing Shares.

Yours faithfully,

Jens Montanana
Chairman

CORERO NETWORK SECURITY PLC

(the 'Company')

(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 8 December 2014 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 ("**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 £300,000.00, 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 15 June 2015 (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 30,000,000 New Ordinary Shares pursuant to the Fundraising (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 15 June 2015 (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. 02662978

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 4 December 2014 (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 8 December 2014 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: RA10), no later than 9.30 a.m. on 4 December 2014. 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 4 December 2014.
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. In the case of a corporation, the form of proxy must be executed under its common seal or signed on its behalf by a duly authorised attorney or duly authorised representative of the corporation.

