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If you sell, have sold or otherwise transferred all your Ordinary Shares you should send this document together with the Application Form as soon as possible to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for delivery to the purchaser or the transferee. However, the distribution of this document and the Application Form into certain jurisdictions other than the United Kingdom may be restricted by law. Therefore, persons into whose possession this document and any accompanying documents come should inform themselves about, and observe, any such restrictions. If you sell or have sold or transferred only part of your holding of Ordinary Shares you should retain these documents and consult the stockbroker, bank or other agent through whom the sale or transfer was effected.

This document does not constitute a prospectus for the purposes of the Prospectus Rules and has not been, and will not be, approved by or filed with the Financial Conduct Authority. In issuing this document, InfraStrata plc is relying on the exemption from issuing a prospectus in section 86 and paragraph 9 of Schedule 11A of the Financial Services and Markets Act 2000 (as amended) and on article 43 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended). Details of this exemption are set out in Part II of this document. Applications in respect of the Offer from persons not falling within such exemption will be rejected and the Offer contained in this document is not capable of acceptance by such persons.

The Ordinary Shares are admitted to trading on AIM. Application will be made to the London Stock Exchange for the Fundraise Shares to be admitted to trading on AIM. Conditional upon completion of the Fundraise, it is expected that admission to trading on AIM of, and dealings in, the Fundraise Shares will commence on or around 11 December 2019.

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 of the FCA. 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. The London Stock Exchange has not itself examined or approved the contents of this document. A prospective investor should consider carefully whether an investment in the Company is suitable for him in the light of his personal circumstances and the financial resources available to him.

InfraStrata plc

(incorporated in England and Wales under the Companies Act 2006 with registered number 06400712)

Fundraise of up to £1 million by way of an Offer to Qualifying Participants and a PrimaryBid Offer

Allenby Capital Limited, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting as nominated adviser and joint broker to the Company and for no one else in connection with the matters described in this document and accordingly will not be responsible to any person other than Company for providing the protections afforded to customers of Allenby Capital Limited, or for providing advice in relation to such matters. Allenby Capital Limited's responsibilities as the Company's nominated adviser under the AIM Rules are owed solely to the London Stock Exchange and are not owed to the Company or to any director of the Company (existing or proposed) or to any other person.

Arden Partners plc, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting as joint broker to the Company and for no one else in connection with the matters described in this document and accordingly will not be responsible to any person other than Company for providing the protections afforded to customers of Arden Partners plc, or for providing advice in relation to such matters.

This document should be read in its entirety and, in particular, your attention is drawn to the section headed “Risk Factors” in Part III of this document. The Fundraise Shares have not been nor will they be registered under the US Securities Act of 1933, as amended (the “Securities Act”) and, subject to certain exceptions, may not be offered or sold or subscribed, directly or indirectly, within the United States, Canada, Japan, South Africa or Australia or to or by any US Person (as such term is defined in Regulation S promulgated under the Securities Act) or any national, resident or citizen of Canada, Japan, South Africa or Australia or any corporation, partnership or other entity created or organised under the laws thereof.

Neither the content of any website referred to in this document, nor any hyperlinks on such website, is incorporated in, or forms part of, this document.

Copies of this document will be available on the Company’s website, <https://www.infrastratapl.com/> and will be available free of charge during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) at the offices of Fieldfisher LLP, Riverbank House, 2 Swan Lane, London EC4R 3TT from the date of this document to the date of admission of the Fundraise Shares to trading on AIM.

Forward Looking Statements

This document includes “forward-looking statements” which include all statements other than statements of historical facts, including, without limitation, those regarding the Group’s financial position, business strategy, plans and objectives of management for future operations, or any statements preceded by, followed by or that include the words “targets”, “believes”, “expects”, “aims”, “intends”, “will”, “may”, “anticipates”, “would”, “could” or “similar” expressions or negatives thereof. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond the Company’s control that could cause the actual results, performance or achievements of the Group to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Group’s present and future business strategies and the environment in which the Group will operate in the future. These forward looking statements speak only as at the date of this document. The Company expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements contained herein to reflect any change in the Company’s expectations with regard thereto or any change in events, conditions or circumstances on which any such statements are based unless required to do so by applicable law or the AIM Rules.

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DIRECTORS, SECRETARY AND ADVISERS

Directors	John Wood, <i>Interim Chairman & Chief Executive Officer</i> Arun Raman, <i>Chief Finance Officer</i> Malcolm Groat, <i>Non-executive Director</i>
Company Secretary	Fieldfisher Secretaries Limited
Registered Office	Riverbank House 2 Swan Lane London EC4R 3TT
Nominated Adviser and Joint Broker to the Company	Allenby Capital Limited 5 St Helen's Place London EC3A 6AB
Joint Broker to the Company	Arden Partners plc 5 George Road Edgbaston Birmingham B15 1NP
Solicitors to the Company	Fieldfisher LLP Riverbank House 2 Swan Lane London EC4R 3TT
Registrar and receiving agent	Link Asset Services The Registry 34 Beckenham Road Beckenham Kent BR3 4TU

FUNDRAISE STATISTICS

Number of Ordinary Shares in issue as at the date of this document	1,518,330,295
Maximum number of Fundraise Shares being offered pursuant to the Fundraise ⁽¹⁾⁽²⁾	333,333,333
Issue Price	0.3p
Enlarged Issued Share Capital	3,888,000,787 ⁽¹⁾⁽²⁾
Number of Fundraise Shares as a percentage of the Enlarged Issued Share Capital	8.57 per cent. ⁽¹⁾⁽²⁾
Gross proceeds from the Fundraise	£1 million ⁽¹⁾⁽²⁾
Estimated proceeds from the Fundraise, net of expenses	£0.9 million ⁽¹⁾⁽²⁾

⁽¹⁾ Assuming the Fundraise Maximum of £1 million is taken up.

⁽²⁾ Subject to the right of the Company to increase the size of the Fundraise Maximum to gross proceeds of £2 million.

The Company's SEDOL code is B28YMP6 and ISIN code is GB00B28YMP66.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Offer Record Date	6.00 p.m. on 18 November 2019
Announcement of the Fundraise and publication of this document and the Application Form	20 November 2019
General Meeting	11.00 a.m. on 29 November 2019
Target completion date of Placing	2 December 2019
Target completion date of Acquisition	5 December 2019
Latest time and date for receipt of completed Application Forms and payment in full under the Offer	1.00 p.m. on 4 December 2019
Announcement of the result of the Fundraise	6 December 2019
Admission of the Fundraise Shares to AIM*	11 December 2019
CREST accounts expected to be credited for the Fundraise Shares in uncertificated form	11 December 2019
Expected date for posting of share certificates for the Fundraise Shares in certificated form	27 December 2019
Long Stop Date (for completion of the Fundraise, Placing and Acquisition)	7 January 2020

* Admission is subject, *inter alia*, to satisfaction of the conditions of the Acquisition as set out in paragraph 3 of Part I of this document and completion of the Placing, the terms of which are set out in paragraph 6 of Part I of this document.

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 Shareholders by announcement through a Regulatory Information Service.

References to time in this document are to UK time.

DEFINITIONS

Except where the context otherwise requires, the following definitions shall apply throughout this document:

“Acquisition”	the acquisition by the Company of the principal assets of Harland & Wolff pursuant to the terms and conditions set out in the Acquisition Agreement
“Acquisition Agreement”	the agreement relating to the Acquisition dated 8 November 2019 between the Company, Harland and Wolff Belfast, Harland and Wolff Heavy Industries Limited, Harland and Wolff Group plc and the Administrators
“Act”	the Companies Act 2006 (as amended from time to time)
“Administrators”	Michael Jennings and Brian Murphy, both licensed insolvency practitioners of BDO Northern Ireland, 10 Callender Street, Belfast BT1 5BN, in their respective capacities as joint administrators and agents of Harland & Wolff
“Admission”	admission of the Fundraise Shares to trading on AIM becoming effective in accordance with Rule 6 of the AIM Rules
“AIM”	the market of that name operated by London Stock Exchange
“AIM Rules”	the rules for companies with a class of securities admitted to AIM governing the admission to and operation of AIM as published by London Stock Exchange from time to time
“AML documents”	the relevant anti-money laundering (“ AML ”) documents that the Receiving Agent may request and require to be provided for certain Offer applications, of which further information can be found in the Application Form provided to Qualifying Participants
“Application Form(s)”	the application form(s) accompanying this document on which Qualifying Participants may apply for Fundraise Shares under the Offer
“Arden”	Arden Partners plc, a public limited company incorporated in England & Wales under the registered number 04427253 and having its registered office at 5 George Road, Edgbaston, Birmingham B15 1NP, the Company’s joint broker
“Assets”	the assets the subject of the Acquisition including the Properties
“Board” or “Directors”	the directors of the Company whose names are set out on page 4 of this document, or any duly authorised committee thereof
“Bridging Loan” or “Bridge Loan”	the loan facility provided pursuant to the investment agreement dated 30 September 2019 between the Company and the Lenders and as amended on 13 November 2019, further details of which are set out in paragraph 7 (ii) of Part V of this document
“Business Day”	a day not being a Saturday or a Sunday or a bank or public holiday in England on which clearing banks are open for business in the City of London
“Company” or “InfraStrata”	InfraStrata plc, a company incorporated in England and Wales under the Companies Act 2006 with registered number 06409712

“Conditions”	the conditions of the Placing as set out in paragraph 6 of Part I of this document
“certificated” or “in certificated form”	where an Ordinary Share is not in uncertificated form (i.e. not in CREST)
“Completion”	completion of the Acquisition which is scheduled for 5 December 2019 (or no later than the Long Stop Date)
“CREST”	the Relevant System (as defined by the CREST Regulations) for the paperless settlement of share transfers and the holding of shares in uncertificated form in respect of which Euroclear is the Operator (as defined by the CREST Regulations)
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (as amended) (SI 2001/3755)
“Enlarged Issued Share Capital”	the Ordinary Shares in issue immediately following Admission, including the Placing Shares and assuming the Fundraise Maximum is taken up
“Existing Ordinary Shares”	1,518,330,295 Ordinary Shares, being the Ordinary Shares in issue at the date of this document
“Euroclear”	Euroclear UK & Ireland Limited, the operator of CREST
“FCA”	the Financial Conduct Authority
“Financial Promotion Order”	the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, (as amended)
“FSMA”	the Financial Services and Markets Act 2000 (as amended)
“FSRU Project”	the Company’s proposed floating gas storage and regasification unit project offshore Barrow-in-Furness, Cumbria
“Fundraise Maximum”	the aggregate maximum subscription under the Fundraise (before expenses) of £1 million (subject to the right of the Company to increase the maximum subscription amount (before expenses) to £2 million)
“Fundraise Shares”	up to 333,333,333 new Ordinary Shares to be issued and allotted conditional on Admission to Qualifying Participants pursuant to the Offer and/or to investors pursuant to the PrimaryBid Offer (subject to the right of the Company to increase the maximum number of shares to be issued pursuant to the Fundraise to up to 666,666,666 new Ordinary Shares)
“Fundraise”	the Offer and the PrimaryBid Offer
“General Meeting” or “GM”	the general meeting of the Company convened for 11.00 a.m. on 29 November 2019, notice of which has been sent separately to Shareholders
“Group”	the Company, its subsidiaries and its subsidiary undertakings
“Harland & Wolff”	Harland and Wolff Heavy Industries Limited, a private limited company incorporated in Northern Ireland under registered number NIO38867 and Harland and Wolff Group plc, a public limited company incorporated in Northern Ireland under registered number NIO38422, each having its registered office at C/O BDO NI Lindsay House 10, Callender Street, Belfast, BT1 5BN

“Harland and Wolff Belfast”	Harland and Wolff (Belfast) Limited (previously InfraStrata Heavy Industries (NI) Limited), a company incorporated and registered in Northern Ireland (company no. NI664860), which is a wholly-owned subsidiary of the Company
“Islandmagee Gas Storage Project”	the Company’s project for the development of an underground gas storage facility at Islandmagee, Northern Ireland
“Issue Price”	0.3 pence per Ordinary Share
“Lenders”	YA II PN Ltd and Riverfort Global Opportunities PCC Limited
“London Stock Exchange”	London Stock Exchange plc
“Long Stop Date”	7 January 2020
“Offer”	the offer to Qualifying Participants of the Fundraise Shares at the Issue Price on the terms and conditions set out in Part IV of this document and the Application Form accompanying this document
“Official List”	the Official List of the FCA
“Offer Record Date”	the record date in relation to the Offer, being 6.00 p.m. on 18 November 2019
“Ordinary Shares”	the ordinary shares of 0.01p each in the capital of the Company
“Overseas Shareholders”	all Shareholders resident in a Restricted Jurisdiction
“Placing”	the conditional placing by the Company of the Placing Shares at 0.3 pence per Ordinary Share pursuant to the Placing Agreement
“Placing Agreement”	the conditional agreement dated 8 November 2019 between Arden and the Company relating to the Placing, further details of which can be found in paragraph 7(i) of Part V of this document
“Placing Shares”	the 1,999,999,950 new Ordinary Shares proposed to be issued pursuant to the Placing
“PrimaryBid Offer”	the offer of Fundraising Shares at the Issue Price to be made to private investors through the PrimaryBid platform
“Projects”	the Company’s Islandmagee Gas Storage Project and proposed FSRU Project
“Properties”	the real property demised to Harland and Wolff Heavy Industries pursuant to certain lease agreements relating to the Belfast dry dock and Harland & Wolff shipyard which are to be assigned to Harland and Wolff Belfast pursuant to the Acquisition
“Prospectus Rules”	the Prospectus Rules published by the FCA
“Qualifying Participants”	Shareholders on the register of members of the Company on the Offer Record Date who are in any jurisdiction in which an offer to sell or an invitation to subscribe for the Offer Shares is not unlawful and does not require the Offer or Fundraise Shares to be approved by, or registered with, any regulatory body

“Registrar” and “Receiving Agent”	Link Market Services Limited (trading as Link Asset Services), a public limited company incorporated in England & Wales under the registered number 2605568 and having its registered office at The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU
“Regulatory Information Service”	a service approved by the FCA for the distribution to the public of regulatory announcements and included within the list maintained on the FCA’s website, https://www.fca.org.uk/
“Restricted Jurisdictions”	the United States, Canada, Japan, South Africa or Australia
“Shareholders”	holders of Existing Ordinary Shares
“Source of Funds”	a copy of a Bank statement or letter from an applicant’s Bank under the Offer, showing payment leaving the applicant’s Bank in favour of Link Asset Services, for those applicants that have made payment by CHAPS under the Offer
“subsidiaries” and “subsidiary undertakings”	have the meaning set out in section 1162 of the Act
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland
“U.S.”	the United States of America, each state thereof, its territories and possessions, and all areas subject to its jurisdiction
“£” and “p”	pounds and pence sterling, respectively, the lawful currency of the United Kingdom

PART I

LETTER FROM THE INTERIM CHAIRMAN

InfraStrata plc

(incorporated in England and Wales under the Companies Act 2006 with registered number 06400712)

Directors:

John Wood, *Interim Chairman & Chief Executive Officer*
Arun Raman, *Chief Finance Officer*
Malcolm Groat, *Non-executive Director*

Registered office:

Riverbank House,
2 Swan Lane
London EC4R 3TT

20 November 2019

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

Dear Shareholders

Fundraise of up to £1 million by way of an Offer to Qualifying Participants and a Primary Bid Offer

1. INTRODUCTION

As announced on 11 November 2019, InfraStrata and its wholly owned subsidiary, Harland and Wolff Belfast, entered into the Acquisition Agreement pursuant to which it has agreed to acquire the principal assets of Harland & Wolff for an aggregate cash consideration of £5.25 million. Of this amount, £500,000 has already been paid by the Company as a non-refundable deposit.

The Company also announced on 11 November 2019 that it has conditionally raised £6 million before expenses through a placing of 1,999,999,950 new Ordinary Shares at 0.3 pence per Ordinary Share. The Company currently has limited authority to issue new Ordinary Shares for cash on a non-pre-emptive basis. Accordingly, the General Meeting has been convened to propose resolutions to enable, *inter alia*, completion of the proposed Placing and the issue and allotment of the Fundraise Shares. Completion of the proposed Placing is also subject to, *inter alia*, satisfaction of the conditions of the Acquisition.

The Board considers it important to allow existing Shareholders to participate on the same terms as investors who participated under the Placing and to that end, the Board is providing Qualifying Participants with the opportunity to subscribe for Fundraise Shares at the Issue Price via the Offer. The aggregate gross proceeds of the Fundraise is limited to £1 million but may be increased, at the Board's sole discretion, to up to £2 million. The Company will make an announcement in due course once the total number of Fundraise Shares subscribed for is known. Application will be made for such Fundraise Shares to be admitted to trading on AIM which is expected to occur at 8.00 a.m. on 11 December 2019 or at such later date as the board may determine up to 7 January 2020, conditional on satisfaction of the Conditions. Completion of the Fundraise is subject to, *inter alia*, completion of the Placing.

Information about the Offer, the Company's business and the risks of investing in the Company are set out in this document, which you are encouraged to read carefully.

More information about the Company, including regulatory announcements and financial reports, is available at the Company's website, <https://www.infrastratapl.com/>.

2. BACKGROUND TO THE COMPANY

InfraStrata is focused on strategic infrastructure projects and physical asset life-cycle management. The Company was incorporated on 25 October 2007 and its shares were admitted to trading on AIM on 17 January 2008.

The Company has been focussed on its Islandmagee Gas Storage Project which is expected to move into the construction phase during 2020, but this is dependent on the Company concluding its negotiations with equity and debt partners with the aim of taking Final Investment Decision (“**FID**”) by the end of 2019. Alongside this and to facilitate discussions, the Company is working towards obtaining a full marine licence from the Northern Ireland Environment Agency and the Department of Agriculture, Environment and Rural Affairs for the gas storage facility; and seeking to enter into a final Gas Storage Agreement with Vitol SA, as announced on 11 June 2019, to coincide with FID.

The Company’s wider strategy is to diversify its activities in the energy industry and strategic infrastructure generally. The Directors’ aim is to transform the Company from a sole project company into a company with multiple projects across various project life cycles.

It is planned that income will be generated at the InfraStrata plc level from these new projects, as is similarly expected from the Islandmagee Gas Storage Project, from a number of sources after equity has been sold down to incoming investors at project level, including from construction management, operational management and return on retained equity in projects.

The Directors are focussed on working with potential partners and asset owners to seek to deliver new projects meeting any of the following criteria:

- UK mainland gas storage projects to complement the Islandmagee Gas Storage Project;
- Floating Storage and Regasification Unit (“**FSRU**”) projects to facilitate the importation and regasification of Liquefied Natural Gas (“**LNG**”) into the UK; and
- existing operational and revenue generating gas storage facilities within the EU.

The Company has entered into an exclusivity agreement in respect of its proposed FSRU Project with the exclusivity period running until 8 January 2020. Following the end of this exclusivity period, the Company will take a comprehensive view on the project and determine next steps, including whether to move to a binding agreement to develop and acquire the FSRU Project. Key to any project that the Company decides to add to its portfolio is the ability to monetise it as soon as possible and underpin the project’s economics with baseload revenues. To that extent, the Company has had discussions with leading global trading houses who have expressed interest in entering into long term capacity offtake agreements with a view to monetising their growing LNG portfolio in the highly liquid UK wholesale gas market.

In pursuit of its strategy, InfraStrata has agreed to acquire the principal assets of Harland & Wolff. Further information on Harland & Wolff and the proposed Acquisition can be found in paragraphs 3 and 4 below.

3. INFORMATION ON HARLAND & WOLFF AND TERMS OF THE ACQUISITION

Founded in 1861 and historically employing a large number of the city’s skilled workforce, Harland & Wolff was a focal point of Belfast’s industry and famed for its iconic yellow cranes, nicknamed Samson and Goliath, as well as building the Titanic and its excellence in the maritime and energy sectors. Spread across two nearby sites in the port of Belfast, it includes one of the largest deepwater docks in the UK, the sixth largest dry dock in the world and 30,000 square metres of fabrication halls. In recent years the facility has been used by the previous occupant to undertake conversion of floating production storage and offloading vessels (FPSOs) including the mechanical process plant.

Details of the assets being acquired

The Assets to be acquired by InfraStrata include all plant, machinery, equipment and industrial and intellectual property, as well as the Properties and 70 personnel who are highly skilled in the business of fabricating equipment for the energy infrastructure industry. This will enable InfraStrata to bring in-house a large part of the fabrication requirements for the Company’s Islandmagee Gas Storage Project and proposed FSRU Project. The Assets include:

1. Gantry cranes
2. Material handling equipment
3. Plasma cutters
4. Welding and joining equipment

5. Forklifts
6. Surface carriers to move large pieces of equipment
7. Stock of materials and supplies
8. IT equipment
9. Modular office buildings
10. Miscellaneous assets utilised in the fabrication of equipment

Terms of the Acquisition

The Acquisition Agreement sets out the terms on which Harland and Wolff Belfast will acquire the Assets. Completion of the Acquisition is subject, *inter alia*, to the satisfaction of certain conditions, including: (i) the transfer or assignment of the Properties to Harland and Wolff Belfast and the variation of the terms of leases of the Properties; (ii) the satisfaction (or waiver) of all conditions precedent set out in the Placing Agreement (save for any conditions relating to the Acquisition Agreement); and (iii) the passing of the Resolution numbered 1 at the GM. The parties to the Acquisition Agreement have agreed to use all reasonable endeavours to satisfy the conditions by the target completion date, being 5 December 2019 or, failing which, the long stop date of 7 January 2020. The Company has agreed to guarantee the obligations of Harland and Wolff Belfast pursuant to the Acquisition Agreement.

The total consideration for the Acquisition of the Assets is £5.25 million, of which a non-refundable deposit of £500,000 was paid on 2 October 2019. The payment of the balance of the Consideration has been phased and is payable as follows:

- £3.3 million on Completion; and
- £1.45 million will be payable by 30 April 2020 (with secondary security on the Company's assets until payment).

The Company has agreed to pay the maintenance costs of the Assets for November by making a cash payment of £400,000 (plus VAT) on or before 14 November 2019 and a further £100,000 (plus VAT) by 29 November 2019. If Completion is not expected to occur by 5 December 2019, the Company may elect to extend the Completion date to 7 January 2020 by paying the sum of £600,000 (plus VAT) to fund the maintenance costs of the Assets for the period of 1 December 2019 until the Long Stop Date. The Company intends for a portion of the EU grant reclaim expected to be received shortly to fund this payment for December.

The Consideration is a substantial discount on the valuation of the Assets of around £11 million. For the year to 31 December 2018, the business carried on by the Assets reported an unaudited loss of £4.868 million. For the avoidance of doubt, the Company will not be buying the business of Harland and Wolff, rather just certain assets of Harland and Wolff. Consequently, Harland and Wolff Belfast will not be taking on any business liabilities of Harland and Wolff, save for such liabilities as it will assume as assignee under various leases of the Belfast yard and dock site being acquired, but subject to such variations as will be agreed with the Belfast Harbour including in respect of levels and review of rent, and sharing of the costs of remediation (if required) of certain historic environmental liabilities with the Belfast Harbour Commissioners on a 50/50 basis.

4. REASONS FOR THE ACQUISITION, PLACING AND FUNDRAISE

Reasons for the Acquisition and strategy

The acquisition of the Assets offers significant commercial benefits to the Company. As an organisation that is focussed on strategic infrastructure projects, the Acquisition offers the Company a substantial degree of flexibility in how it manages its and third-party projects and assets. Management has consistently laid out its strategy of transforming the Company into one that is engaged in multiple projects across their respective life-cycles. The acquisition of the Assets, as a mature asset, provides stability to the Company's asset base and should enable revenue generation in the short term whilst other Company projects evolve through their respective life-cycles before ultimately becoming revenue generating.

Key to this Acquisition are the potential cost savings that the Company can benefit from by bringing fabrication work on its Islandmagee Gas Storage Project and FSRU Project in-house. Additionally, the

Company will benefit commercially from in-house fabrication and control by potentially bringing forward the commercialisation dates of its Projects, whilst positioning itself to be better placed to partner in further energy infrastructure project developments.

The Acquisition will have the following benefits for the Company's Islandmagee Gas Storage Project, which, when fully operational, is expected to provide 25 per cent. of the UK's natural gas storage capacity:

- the construction timeline will be reduced, bringing first revenue from offtake partners forwards; and
- the capex is anticipated to be materially reduced and the Directors anticipate that the costs savings will be greater than the Acquisition price.

The Acquisition provides InfraStrata's management the resources, tools and flexibility to not only further the Company's projects, but to also attract other third-party businesses that wish to utilise the skills, assets and expertise available at the Harland & Wolff facility as opportunities present themselves. The Assets are by their very nature capable of being utilised for a number of activities ranging from design, construction, fabrication, commissioning, operating and, finally, to decommissioning of energy and marine infrastructure assets, including but not limited to, wind farms, Floating Production Storage and Offloading vessels (FPSOs), sub-sea oil and gas structures and other sea-going vessels including cruise vessels, ferries and defence carriers. Whilst the Board's key focus is on delivering internal projects, specifically the Islandmagee Gas Storage Project initially, it will also seek to capitalise on the versatility of the Assets as opportunities present themselves over time, and expand the Company's span of projects to keep in line with the overall strategy of creating a portfolio of revenue generating infrastructure assets within the Company. In addition, the Board recognises the need for the Company to start generating revenues as soon as possible. With that in mind, the acquisition of the Assets lends itself to near term revenues from servicing of third-party physical assets whilst preparatory work commences for the formal construction of the Islandmagee Gas Storage Project and to support working capital requirements. The Board has previously had direct related experience of operating facilities similar to the Harland & Wolff facility. Additionally, a separate management team that has been involved for a large number of years in operating such facilities is proposed to be deployed in the next few months.

Invest NI has advised the Company of numerous forms of support by way of loans and grants that are potentially available for the Assets post Acquisition and the Board will look to take advantage of these in the future. While the Directors anticipate that these grants could be for a significant amount there can be no guarantee that any such funds will be available to the Company.

Reasons for the Placing, Fundraise and use of proceeds

The Company has undertaken the Placing to finance the Acquisition, repay and/or restructure any outstanding amounts pursuant to the Bridging Loan as on the date of Completion, progress the Islandmagee Gas Storage Project and provide the Company with additional working capital.

As noted above, the Offer is being undertaken as the Board considers it important to allow existing Shareholders to participate on the same terms as investors who participated under the Placing. The net proceeds of the Fundraise will provide the Company with additional working capital.

5. CURRENT TRADING AND WORKING CAPITAL

The Company announced on 1 November 2019 an update on the Islandmagee Gas Storage Project, which confirmed completion of the October 2019 milestones. With these milestones complete, the Company is working closely with the Northern Ireland Environment Agency and the Department of Agriculture, Environment and Rural Affairs to finalise the timelines for the final activities related to the full marine licence. Once this process has been completed, the Board will release the revised construction tender documents to ensure that they include the most up to date information.

In addition, the Board continues to make progress in its negotiations with equity and debt partners with the aim of taking FID for the Islandmagee Gas Storage Project by the end of the year. In addition, the Board remains confident that the final grant reclaim for EUR1.6 million that is due to be paid to InfraStrata from the EU will be paid in Q4 this year. The Company continues to progress preparation of the Gas Storage Agreement with Vitol SA, and to coincide with FID.

Assuming the Placing completes, the Company's business plan and working capital requirement make certain assumptions as to the short term timing of:

- the EU grant payment of EUR1.6 million;
- an additional grant from InvestNI;
- the Company reaching FID on the Islandmagee Gas Storage Project by the end of the year, the payment of back costs associated with FID and revenue generation associated with fabrication of the Islandmagee Gas Storage Project; and
- ad hoc revenue utilising the Assets on third party projects.

If the timing of any of these is delayed or takes longer than currently expected, then it is likely that the Company will require additional finance during the first half of 2020.

The Company's most recent audited results for the year ended 31 July 2018 were announced on 7 January 2019 and its unaudited interim results for the six months ended 31 January 2019 were announced on 17 April 2019. Since then the Company has raised £700,000 in a placing of new Ordinary Shares for additional working capital and drawn down on the Bridging Loan.

6. DETAILS OF THE PLACING

The Company has conditionally raised approximately £6 million before expenses through the proposed issue of the Placing Shares at a price of 0.3 pence per share (being the same price as the Issue Price). The Issue Price represents a discount of approximately 11.7 per cent. to the closing mid-market price on 8 November 2019, being the latest practicable date before announcement of the Placing.

Conditions of the Placing

The Company currently has limited authority to issue new Ordinary Shares for cash on a non-pre-emptive basis. Accordingly, the Placing is conditional upon, *inter alia*, the passing of the Resolution numbered 1 at the General Meeting to grant the Directors authority to issue and allot new Ordinary Shares on a non-pre-emptive basis. The Placing is also conditional, *inter alia*, upon:

- (a) the Acquisition Agreement becoming unconditional in all respects (save in respect of any inter-conditionality with the Placing Agreement and admission of the Placing Shares to trading on AIM) and, in particular, the transfer or assignment of the Properties to Harland and Wolff Belfast and the variation of the terms of the leases of the Properties;
- (b) at least £6.0 million being raised in the Placing;
- (c) the Placing Agreement becoming unconditional in all respects (other than admission of the Placing Shares to trading on AIM) and not having been terminated in accordance with its terms; and
- (d) admission of the Placing Shares occurring by not later than 2 December 2019 (or such later time and/or date as the Company and Arden may agree, being not later than 7 January 2020).

Accordingly, if the conditions to which the Placing is subject are not satisfied or, if applicable, waived the Placing will not proceed and the Placing will lapse. The Placing has not been underwritten.

Whilst the parties to the Acquisition Agreement and Placing Agreement have agreed to use all reasonable endeavours to satisfy the conditions respectively set out in those agreements by the target Completion date or, failing which, the long stop date of 7 January 2020, there is no guarantee that the Conditions can or will be met and therefore no guarantee that the Acquisition or the Placing will ultimately proceed. The Acquisition and the Placing are inter-conditional as set out in paragraph 3 above and earlier in this paragraph 6.

7. DETAILS OF THE FUNDRAISE

The Board considers it important that Qualifying Participants have an opportunity to participate on the same terms as investors in the recently announced Placing via the Offer. Qualifying Participants can subscribe for, in aggregate, up to £1 million pursuant to the Offer, being the Fundraise Maximum, at the Issue Price. The Directors may use their absolute discretion to scale back applications under the Fundraise as they see fit. The Board may also, at its sole discretion, increase the aggregate gross proceeds to be raised under the Fundraise to up to £2 million.

In connection with the Fundraise the Company will issue and allot (conditional on Shareholder approval at the General Meeting, completion of the Placing and Admission) the Fundraise Shares at the Issue Price. The Company will make an announcement in due course once the total number of Fundraise Shares subscribed for is known. Application will be made for such Fundraise Shares to be admitted to trading on AIM which is expected to occur at 8.00 a.m. on 11 December 2019 or at such later date as the Board may determine up to 7 January 2020, conditional on satisfaction of the Conditions.

Completion of the Fundraise is subject to Shareholder approval at the General Meeting of resolutions necessary to authorise the issue of the Fundraise Shares, completion of the Placing and Admission.

Qualifying Participants may participate in the Fundraise via the Offer or via the PrimaryBid Offer.

The Offer

For further information on the Offer, your attention is drawn to Parts II and IV of this document and the Application Form.

In order to apply for Fundraise Shares via the Offer, Qualifying Participants should complete the Application Form in accordance with the instructions set out in Parts II and IV of this document and on the Application Form itself and return the Application Form, together with the appropriate remittance, by post or by hand (during normal business hours only), to Link Asset Services, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU, or by hand (during normal business hours only) to Link Asset Services at that address together, in each case, with payment in full (if payment is being made by Cheque), Source of Funds (if payment is being made by electronic CHAPS transfer) and any relevant AML documents (as per details given in section 9 of the Application Form) so as to be received by not later than 1.00 p.m. on 4 December 2019.

PrimaryBid Offer

The Company values its Shareholders and is therefore pleased to provide them and other investors the opportunity to participate in the Fundraise by applying through the www.PrimaryBid.com platform and the PrimaryBid mobile app available on the Apple App Store and Google Play. PrimaryBid does not charge investors any commission for this service.

The PrimaryBid Offer, via the PrimaryBid.com platform, will be open to individual and institutional investors from 8.00 a.m. on 20 November 2019 to 1.00 p.m. on 4 December 2019. The PrimaryBid Offer may close early if the Fundraise is oversubscribed.

Subscriptions under the PrimaryBid Offer will be considered by the Company on a “first come, first served” basis, subject to conditions (which are available to view on PrimaryBid.com).

No commission is charged to investors on applications to participate in the PrimaryBid Offer made through PrimaryBid. It is vital to note that once an application for Fundraise Shares has been made and accepted via PrimaryBid, an application cannot be withdrawn.

For further information on PrimaryBid.com or the procedure for applications under the PrimaryBid Offer, visit www.PrimaryBid.com or call PrimaryBid.com on +44 (0) 20 3026 4750.

8. ACTION TO BE TAKEN

Qualifying Participants wishing to participate in the Offer should carefully read the Application Form and accompanying instructions and send their completed Application Form along with the appropriate remittance and any supporting AML documents to Link Asset Services at the address specified in the instructions so as to be received by no later than 1.00 p.m. on 4 December 2019.

Yours faithfully

John Wood

Chief Executive & Interim Chairman

PART II

DETAILS OF THE FUNDRAISE

1. The Offer

The Board considers it important to allow existing Shareholders to participate on the same terms as investors who participated under the Placing and, to that end, the Board is providing Qualifying Participants with the opportunity to subscribe for Fundraise Shares via the Offer.

The aggregate gross proceeds of the Fundraise are limited to £1 million but may be increased, at the Board's sole discretion, up to £2 million. Therefore, in connection with the Fundraise the Company will allot (conditional on Shareholder approval at the General Meeting, completion of the Placing and Admission) up to 333,333,333 Fundraise Shares, which may be increased, at the Board's discretion to up to 666,666,666 Fundraise Shares.

Qualifying Participants can apply for as many Fundraise Shares as they wish. However, the Directors reserve the right to exercise their absolute discretion in the allocation of successful applications, including, without limitation, to ensure no Fundraise Shares are issued so as to exceed the Fundraise Maximum.

The Offer is only open to Qualifying Participants and, save as set out in the preceding paragraph, there is no maximum or minimum subscription per applicant. No Qualifying Participant may subscribe for Fundraise Shares in excess of the Fundraise Maximum. Multiple applications may be submitted. Qualifying Participants who are joint Shareholders may only apply for Fundraise Shares as joint applicants.

The Fundraise is conditional on, *inter alia*, completion of the Placing and Admission of the Fundraise Shares occurring on 11 December 2019 (or such later date, being not later than 7 January 2020, as the Company may decide). If Admission of the Fundraise Shares has not occurred by such time and date, application monies are expected to be returned without interest by crossed cheque in favour of the applicant(s) (at the applicant's risk) through the post as soon as practicable. Any interest earned on the application monies will be retained for the benefit of the Company.

The Fundraise will close for acceptances at 1.00 p.m. on 4 December 2019 unless previously closed or extended by the Company. The Fundraise is not being underwritten. The Application Form and accompanying procedure for application sets out, in detail, how Qualifying Participants may participate under the Offer.

Applications must be made on the terms and conditions set out in Part IV of this document and in the Application Form and by duly completing and returning the Application Form and appropriate remittance.

2. The PrimaryBid Offer

The Company values its Shareholders and is therefore pleased to provide them and other investors the opportunity to participate in the Fundraise by applying through the www.PrimaryBid.com platform and the PrimaryBid mobile app available on the Apple App Store and Google Play. PrimaryBid does not charge investors any commission for this service.

The PrimaryBid Offer, via the PrimaryBid.com platform, will be open to individual and institutional investors from 8.00 a.m. on 20 November 2019 to 1.00 p.m. on 4 December 2019. The PrimaryBid Offer may close early if the Fundraise is oversubscribed.

Subscriptions under the PrimaryBid Offer will be considered by the Company on a "first come, first served" basis, subject to conditions (which are available to view on PrimaryBid.com).

It is vital to note that once an application for Fundraise Shares has been made and accepted via PrimaryBid, an application cannot be withdrawn.

For further information on PrimaryBid.com or the procedure for applications under the PrimaryBid Offer, visit www.PrimaryBid.com or call PrimaryBid.com on +44 (0) 20 3026 4750.

3. Dealings and Settlement on AIM

The Fundraise Shares will be allotted and issued fully paid and will, on issue, rank *pari passu* with the existing Ordinary Shares, including the right to receive, in full, all dividends and other distributions thereafter declared, made or paid after the date of issue together with all rights attaching to them and free from all liens, charges and encumbrances of any kind. Application will be made to the London Stock Exchange for the Fundraise Shares to be admitted to trading on AIM. Admission of the Fundraise Shares to trading on AIM is expected to occur at 8.00 a.m. on 11 December 2019 (or such later date, being not later than 7 January 2020, as the Company may decide).

4. Prospectus Rules and Financial Promotion Order

Since the number of Ordinary Shares to be issued under the Fundraise is limited to the Fundraise Maximum (including in the case of the Board extending the gross proceeds of the Fundraise to £2 million), the Fundraise does not constitute an offer of transferable securities to the public within the meaning of the Prospectus Rules and, as such, this document does not constitute a prospectus.

Furthermore, this document is exempt from the general restriction contained in section 21 of the FSMA relating to the communication of invitations or inducements to engage in investment activity on the grounds that it is being made available by the Company only to Qualifying Participants. Accordingly, the Offer is only capable of being accepted by Qualifying Participants. As this document relies on the exemption set out in Article 43 of the Financial Promotion Order (non real time communications by or on behalf of a body corporate to members of that body corporate), it has not been drawn up in accordance with the FCA's Handbook or its Conduct of Business Sourcebook.

5. Overseas Shareholders

Not all Shareholders will be Qualifying Participants. Overseas Shareholders who are located in, or who are citizens or residents of, or have a registered address in a Restricted Jurisdiction will not qualify to participate in the Offer.

The distribution of this document and the Application Form and the making to, or acceptance of the Offer from, persons who have registered addresses in, or who are resident or ordinarily resident in, or citizens of, or which are corporations, partnerships or other entities created or organised under the laws of countries other than the UK or to persons who are nominees of or custodians, trustees or guardians for citizens, residents in or nationals of, countries other than those jurisdictions may be affected by the laws or regulatory requirements of the relevant jurisdictions. Those persons should consult their professional advisers as to whether they require any governmental or other consents or need to observe any applicable legal requirement or other formalities to enable them to apply for Fundraise Shares under the Offer. The comments set out in this section are intended as a general guide only and any Overseas Shareholders who are in any doubt as to their position should consult their professional advisers without delay.

No action has been or will be taken by the Company or any other person, to permit a public offering or distribution of this document (or any other offering or publicity materials or Application Form(s)) in any jurisdiction where action for that purpose may be required, other than in the United Kingdom.

Application Forms will not be sent to persons with registered addresses or located in a Restricted Jurisdiction or their agent or intermediary, except where the Company is satisfied that such action would not result in the contravention of any registration or other legal requirement in any jurisdiction.

No person receiving a copy of this document and/or an Application Form in any territory other than the United Kingdom may treat the same as constituting an invitation or offer to him or her nor should he or she in any event use any such Application Form in the relevant territory unless such an invitation or offer could lawfully be made to him or her and such Application Form and could lawfully be used, and any transaction resulting from such use could be effected, without contravention of any registration or other legal or regulatory requirements. In circumstances where an invitation or offer would contravene any registration or other legal or regulatory requirements, this document and/or the Application Form must be treated as sent for information only and should not be copied or redistributed.

It is the responsibility of any person (including, without limitation, custodians, agents, nominees and trustees) outside the United Kingdom wishing to apply for Fundraise Shares under the Offer to satisfy himself or herself as to the full observance of the laws of any relevant territory in connection therewith, including obtaining any governmental or other consents that may be required, observing any other formalities required to be observed in such territory and paying any issue, transfer or other taxes due in such territory. Neither the Company nor any of its representatives is making any representation to any offeree or purchaser of the Fundraise Shares regarding the legality of an investment in the Fundraise Shares by such offeree or purchaser under the laws applicable to such offeree or purchaser.

Persons (including, without limitation, custodians, agents, nominees and trustees) receiving a copy of this document and/or an Application Form in connection with the Offer or otherwise, should not distribute or send either of those documents in or into any jurisdiction where to do so would or might contravene local securities laws or regulations. If a copy of this document and/or an Application Form is received by any person in any such territory, or by his or her custodian, agent, nominee or trustee, he or she must not seek to apply for Fundraise Shares in respect of the Offer unless the Company determines that such action would not violate applicable legal or regulatory requirements.

The Company reserves the right, but shall not be obliged, to treat as invalid any application or purported application for Fundraise Shares that appears to the Company or its agents to have been executed, effected or dispatched from a Restricted Jurisdiction or in a manner that may involve a breach of the laws or regulations of any jurisdiction or if the Company or its agents believe that the same may violate applicable legal or regulatory requirements or if it provides an address for delivery of the share certificates of Fundraise Shares to a member whose registered address would be in a Restricted Jurisdiction or any other jurisdiction outside the United Kingdom in which it would be unlawful to deliver such share certificates or make such a credit.

Notwithstanding any other provision of this document or the Application Form, the Company reserves the right to permit any person to apply for Fundraise Shares in respect of the Offer if the Company, in its sole and absolute discretion, is satisfied that the transaction in question is exempt from, or not subject to, the legislation or regulations giving rise to the restrictions in question.

The Fundraise Shares have not been and will not be registered under the relevant laws of any Restricted Jurisdiction or any state, province or territory thereof and may not be offered, sold, resold, transferred, delivered or distributed, directly or indirectly, in or into any Restricted Jurisdiction or to, or for the account or benefit of, any person with a registered address in, or who is resident or ordinarily resident in, or a citizen of, any Restricted Jurisdiction except pursuant to an applicable exemption.

No public offer of Fundraise Shares is being made by virtue of this document or the Application Form into any Restricted Jurisdiction. Receipt of this document and/or an Application Form will not constitute an invitation or offer of securities for subscription, sale or purchase in those jurisdictions in which it would be illegal to make such an invitation or offer and, in those circumstances, this document and/or the Application Form must be treated as sent for information only and should not be copied or redistributed.

PART III

RISK FACTORS

An investment in the Company involves significant risks and is only suitable for investors who are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses (which may be equal to the whole amount invested) which may result from such an investment. Prospective investors should carefully review and evaluate the risks and the other information contained in this document before making a decision to invest in the Company. If in any doubt, prospective investors should immediately seek their own personal financial advice from their independent professional adviser authorised under the Financial Services and Markets Act 2000 (as amended) who specialises in advising on the acquisition of shares and other securities or other advisers such as legal advisers and accountants.

If any of the following risks actually occur, the Group's business, financial condition, capital resources, results and/or future operations could be materially and adversely affected. In such circumstances, the trading price on AIM of the Fundraise Shares could decline and investors may lose all or part of their investment. Additional risks and uncertainties not currently known to the Board may also have an adverse effect on the Group's business and the information set out below does not purport to be an exhaustive summary of the risks affecting the Company or the Group. There can also be no guarantee that the Group's investment objectives will be achieved.

Prospective investors should be aware that the value of the Fundraise Shares and any income from them may go down as well as up and that they may not be able to realise their investment. In addition, it is possible that the market price of the Fundraise Shares in the Company, once Admission occurs, may be less than the Issue Price per Fundraise Share.

It should be noted that the Company is relying on an exemption from issuing a prospectus in section 86 and paragraph 9 of Schedule 11A of the Financial Services and Markets Act 2000 (as amended) resulting in this document not being considered to be a prospectus. Consequently, this document does not include all information that an investor would receive if it were a prospectus.

References to the Company are also deemed to include, where appropriate, each member of the Group.

1. Risks relating to the business and operations of the Group

Early stage business

The Company is not yet generating revenues. Its flagship Islandmagee Gas Storage Project is expected to move into the construction phase during 2020 but this is dependent on the Company achieving certain milestones, including:

- obtaining a full marine licence from the Northern Ireland Environment Agency and the Department of Agriculture, Environment and Rural Affairs;
- concluding its negotiations with equity and debt partners with the aim of taking Final Investment Decision ("FID") by the end of 2019; and
- entering into a final Gas Storage Agreement with Vitol SA, to coincide with FID.

The Company's proposed FSRU Project is at a very early stage and no binding contracts for its acquisition or development have been agreed.

The Assets are proposed to be acquired from the Administrators, subject to a number of conditions being satisfied. The Directors will seek to capitalise on the versatility of the Assets and to start generating revenues as soon as possible should the Acquisition proceed, but there can be no guarantees as to the level or timing of such revenues or to the Company becoming profitable in the short term or at all.

Working Capital – the ability of the Company to pursue its strategy may be adversely impacted if it does not succeed in raising additional capital

Assuming the Placing completes, the Company's business plan and working capital requirement make certain assumptions as to the short term timing of:

- the EU grant payment of EUR1.6 million;
- an additional grant from InvestNI;
- the Company reaching FID on the Islandmagee Gas Storage Project by the end of the year, the payment of back costs associated with FID and revenue generation associated with fabrication of the Islandmagee Gas Storage Project; and
- ad hoc revenue utilising the Assets on third party projects.

If the timing of any of these is delayed or takes longer than currently expected, then it is likely that the Company will require additional finance during the first half of 2020. There can be no guarantee that the Company will be able to raise the additional funds required to support its projects or the future growth of its business or that if it can raise such funds that they will be raised on commercially acceptable terms. Any material change in market liquidity, the availability or the costs of wholesale funding could adversely impact the Group's ability to source the levels of funding required. If the Company is unable to obtain financing on terms acceptable to it then it may be forced to curtail its currently contemplated strategy which could have a material adverse effect on the Group's business, financial condition and operating results.

There can be no certainty that the Group will achieve or sustain significant revenue

Although the Directors have confidence in the Group's future revenue earning potential, as the Group's business is at an early stage of development there can be no certainty that the Group will achieve or sustain significant revenue, profitability or positive cash flow from its operating activities. In addition, it is also very difficult to predict whether or when the Group will be awarded contracts or new projects as these can involve a lengthy, complex and competitive bidding and selection process, which is affected by a number of factors, such as market conditions, financing arrangements, and third party approvals. These factors could impair the Group's ability to sustain operations or secure any required funding.

The Company's ability to pursue its strategy could be impacted by changes in economic, social, political and other factors

The operations of the Group may be adversely affected by general economic conditions, by conditions within the global financial markets generally or by the particular financial condition of other parties doing business with the Group. Any economic downturn either globally or locally in any area in which the Group operates may have an adverse effect on the demand for the Group's products and services and the ability of the Directors to deliver against the Company's business plan. Further, the Company's ability to pursue its strategy may be affected by changes in social and political factors in the markets in which the Group currently operates or expects to operate. If such changes were to materialise the Directors may decide to change certain aspects of the Company's strategy. This may entail the development of alternative products and services, which could place additional strain on the Company's capital resources and may adversely impact on the revenue and profitability of the Group.

The Company's proposed gas storage facility at Islandmagee is to a degree untested, may be subject to failures or may not operate to the performance standards anticipated

The Islandmagee Gas Storage Project is currently in the design phase and therefore, there can be no assurance that it will achieve the design life targets. The facility being developed by the Group may be subject to failures and/or they may not achieve or operate to the performance standards that are anticipated by the Directors. A failure of the Islandmagee Gas Storage Project will damage the Group's reputation and will have a material adverse effect on the Group's financial condition, results of operations and prospects.

The Islandmagee Gas Storage Project may cost significantly more than anticipated due to unforeseen challenges and difficulties

The total cost of constructing the Islandmagee Gas Storage Project is estimated at approximately £265 million. However, in light of the fact that the Islandmagee Gas Storage Project is still at an early stage

and not started construction, it may cost more than expected and take longer to develop due to unforeseen challenges and difficulties.

The Islandmagee Gas Storage Project is dependent upon obtaining further sources of funding

The Company is in discussions with potential investors to reach FID. If the external sources of funding required are not forthcoming, the Islandmagee Gas Storage Project would be delayed, which could have a material adverse effect on the Company's business, financial condition, operations and prospects.

The Group's projects are at an early stage of development and therefore may never be developed

The Group's projects other than the Islandmagee Gas Storage Project are all at an early stage of development. As a result, some or all of the projects may not meet their objectives or may otherwise never be developed. A failure of the Group to bring its projects into operation would reduce the sources of revenues available to the Group which could have a material adverse effect on the Company's business, operations, financial condition and prospects.

The Group may fail to manage the expansion of its business as currently contemplated

The ability of the Group to implement its strategy requires the implementation of effective planning and management control systems. The implementation of the Group's strategy may place significant demands on its management, support functions, accounting, operational, financial, sales and marketing, personnel and other resources. If the Group is unable to manage the expansion of its business effectively, its business and financial results could suffer.

The Group's success is dependent upon the experience and talent of key personnel and on its ability to recruit and retain key personnel

To a large extent, the Group's success will depend on the experience and talent of key personnel, in particular, on the continued services and performance of its executive Directors and senior management and also on its ability to recruit and retain suitably qualified and experienced employees. The Directors cannot give assurances that members of the senior management team or other key employees or the executive Directors will continue to remain within the Group. The loss of the services of any of the Directors, members of senior management or other key employees or an inability of the Group to attract new personnel could have a material adverse effect upon the Group's business and results of operations. Finding and hiring any such replacements could be costly and might require the Company to grant significant equity awards or other incentive compensation, which could also adversely impact financial results.

The Group is subject to the risk that it may fail to obtain or maintain key licences, consents, permits or exemptions

In order to develop its projects and conduct its operations in compliance with applicable laws and regulations, the Group will need to obtain and maintain numerous licences, consents, permits or exemptions from various government authorities and agencies. There can be no assurance that the Group will be able to obtain or maintain all necessary licences, consents, permits or exemptions that may be required to carry out its operations.

Any failure by the Group to obtain or maintain necessary licences, consents, permits or exemptions could result in a breach of applicable regulatory requirements or may prevent or restrict the Group's operations either of which could adversely affect the Group's operating and financial performance.

In particular, the Group has obtained various consents and licences in relation to the development of the Islandmagee Gas Storage Project. The loss of any such licences or the inability of the Group to comply with the terms of the licences would prevent the Islandmagee Gas Storage Project from being developed, which would have a material adverse effect on the Group's business, financial condition and prospects.

Breach of Health and Safety Laws

The Group's facilities acquired through the Acquisition can place its employees and others in close proximity with large pieces of mechanised equipment, moving vehicles and heavy materials. As a result, the Group is subject to a variety of health and safety laws and regulations dealing with occupational health and safety. The Group will have employees responsible for occupational health and safety, who support the Group in

aspects of health and safety management and leadership. However, there can be no assurances that these measures will be successful in preventing accidents and injuries or violations of health and safety laws and regulations, some of which may be beyond the Group's control. Unsafe worksites also have the potential to increase employee turnover and raise the Group's operating costs. The Group's safety record can impact the Group's reputation. Any failure to maintain safe work sites could expose the Group to significant financial losses as well as civil and criminal liabilities, any of which could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

Failure to complete the Acquisition

The Placing and Fundraise are conditional, *inter alia*, on completion of the Acquisition. The Acquisition is conditional upon, among other things: (i) the approval of Shareholders of Resolution numbered 1, which is to be sought at the General Meeting; (ii) the Placing Agreement becoming unconditional in all respects, save for any condition relating to completion of the Acquisition and admission of the Placing Shares to trading on AIM; (iii) the transfer or assignment of the Properties to Harland and Wolff Belfast and the variation of the terms of leases of the Properties; and (iv) admission of the Placing Shares to trading on AIM occurring. There can be no guarantee that all of these conditions will be satisfied and therefore no guarantee that the Acquisition, Placing and Fundraise will complete.

If the Acquisition does not complete, the Company would nonetheless incur expenses, including advisory fees, in connection with the Acquisition, Placing and Fundraise.

The remedies under the Acquisition Agreement are limited

Under the terms of the Acquisition Agreement, the Company has agreed to acquire the Assets from the Administrators for a consideration of £5.25 million in cash. As is customary for an administration sale, the Sellers have not provided any warranties in relation to the Assets and the Company agrees to take such assets in the condition as and where such assets lie at completion. In addition, the Administrators' liability pursuant to the Acquisition Agreement is excluded. Whilst due diligence has been conducted on the Assets, there can be no guarantee that such investigations will prevent any loss or liability arising from any undisclosed liabilities, issues or defects that may arise in relation to the Assets. This could have a material adverse effect on the financial position and/or operations of the Group.

2. Risks relating to the Fundraise and the Ordinary Shares

Investment in AIM securities

An investment in shares traded on AIM may be less liquid and is perceived to involve a higher degree of risk than an investment in a company whose shares are listed on the Official List. Prospective investors should be aware that the value of Ordinary Shares may go down as well as up and that the market price of Ordinary Shares may not reflect the underlying value of the Group. Investors may therefore realise less than, or lose all of, their investment.

AIM Rules

The AIM Rules are less onerous than those of the Official List. Neither the FCA nor the London Stock Exchange has examined or approved the contents of this document. Shareholders and prospective investors (as appropriate) should be aware of the risks of investing in AIM quoted shares and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser.

Volatility of share price

The trading price of the Ordinary Shares may be subject to wide fluctuations in response to a number of events and factors. The following factors, in addition to other risks described in this document, may have a significant effect on the market price of Ordinary Shares, regardless of the Group's performance:

- variations in operating results;
- actual or anticipated changes in the estimates of operating results or changes in stock market analysts' financial estimates or recommendations regarding Ordinary Shares, other comparable companies or the industry generally;

- macro-economic conditions in the countries in which the Group may do business;
- market conditions in the Group's industry, the industries of customers and the economy as a whole;
- legislative or regulatory changes;
- actual or expected changes in the Group's growth rates or competitors' growth rates;
- share price performance or changes in the market valuation of similar or comparable companies;
- trading volume and liquidity of Ordinary Shares;
- sales of Ordinary Shares by Directors or other Shareholders; and
- adoption or modification of regulations, policies, procedures or programmes applicable to the Group's business.

In addition, if the stock market in general experiences loss of investor confidence, the trading price of the Ordinary Shares could decline for reasons unrelated to the Group's business, financial condition or operating results. The trading price of Ordinary Shares might also decline in reaction to events that affect other companies in the industry, even if such events do not directly affect the Group. Each of these factors, among others, could harm the value of Ordinary Shares.

Market perception

Market perception of the Company may change, potentially affecting the value of investors' holdings and the ability of the Company to raise further funds by the issue of further Ordinary Shares or otherwise.

Bridge Loan and further dilution

Conversion of amounts drawn down under the Bridge Loan by the Lenders into Ordinary shares may have a detrimental effect on the market price of the Ordinary Shares due to dilution caused and the market's perception of the conversion terms. Further details of the Bridge Loan can be found in paragraph 7(ii) of Part V of this document.

Suitability

A prospective investor should consider carefully whether an investment in the Company is suitable in the light of his or her personal circumstances and the financial resources available to him or her. An investment in the Company involves a high degree of risk and may not be suitable for all recipients of this document. Prospective investors are advised to consult a person authorised by the FCA (or, if outside the UK, another appropriate regulatory body) before making their decision.

PART IV

TERMS AND CONDITIONS OF THE OFFER

- (a) The contract created by the acceptance by the Company (at the absolute discretion of the Directors) of applications from Qualifying Participants under the Offer is conditional upon: (i) Shareholders approving the resolutions at the General Meeting necessary to authorise the issue of the Placing Shares and the Fundraise Shares; (ii) admission of the Placing Shares to trading on AIM; and (iii) Admission of the Fundraise Shares occurring on 11 December 2019 (or such later date, being not later than 7 January 2020, as the Company may decide).
- (b) The right is reserved by the Receiving Agent on behalf of the Company to present all cheques and bankers' drafts for payment on receipt and on which no interest will be payable to the applicant and to retain surplus application monies pending clearance of successful applicants' cheques. The Company also reserves the right to reject, in whole or in part, any application. If any application is not accepted in full or if any contract created by acceptance does not become unconditional, the application monies or as the case may be the balance thereof, will be returned by crossed cheque in favour of the applicant, through the post at the sole risk of the person entitled thereto (on which no interest will be payable), within 14 days of the closing of the Offer.
- (c) By completing and delivering an Application Form each Qualifying Participant who applies for Fundraise Shares:
- (i) offers to subscribe for the amount of Fundraise Shares specified in such applicant's Application Form (or such lesser amount for which such applicant's application is accepted) on the terms of, and subject to, this document, including (without limitation) these terms and conditions, the articles of association of the Company and the terms and conditions set out in the Application Form;
 - (ii) represents and agrees that, in consideration of the Company agreeing that it will not prior to the closing date of the Fundraise issue any Fundraise Shares to any person other than by means of the procedures referred to in this document, such applicant's application shall not be revoked and this paragraph shall constitute a collateral contract between such applicant and the Company which will become binding upon despatch by post to, or (in the case of delivery by hand) on receipt by, Link Asset Services of such applicant's Application Form;
 - (iii) represents and warrants that such applicant's remittance will be honoured on first presentation and agrees that, if it is not so honoured, such applicant will not be entitled to receive a share certificate for the Fundraise Shares applied for unless and until such applicant makes payment in cleared funds for such Fundraise Shares and such payment is accepted by the Company in its absolute discretion (which acceptance may be on the basis that such applicant indemnifies the Company and the Receiving Agent against all costs, damages, losses, expenses and liabilities arising out of, or in connection with, the failure of such applicant's remittance to be honoured on first presentation) and such applicant agrees that, at any time prior to the unconditional acceptance(s) by the Company, the Company may (without prejudice to any other rights(s)) avoid the agreement to issue such Fundraise Shares and may issue such Fundraise Shares to some other person, in which case such applicant will not be entitled to any payment in respect of such Fundraise Shares;
 - (iv) agrees that, in respect of those Fundraise Shares for which such applicant's application has been received and is not rejected, acceptance of such applicant's application shall be constituted, at the election of the Company by notification of acceptance thereof to Link Asset Services;
 - (v) agrees that any monies returnable to such applicant may be retained by Link Asset Services pending clearance of such applicant's remittance and the completion of any verification of identity required by the Anti-Terrorism, Crime and Security Act 2001, the Proceeds of Crime Act 2002 (as amended) and the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (as amended) (the "Regulations") and that such monies will not bear interest;
 - (vi) authorises Link Asset Services to send a share certificate in respect of the number of Fundraise Shares for which such applicant's application is accepted and/or to send a crossed cheque for

- any monies returnable, by post, at the sole risk of the person entitled thereto, to the address of the person named as the applicant in the Application Form;
- (vii) represents and warrants that, if such applicant signs an Application Form on behalf of somebody else, such applicant has due authority to do so on behalf of that other person and such person will also be bound accordingly and will be deemed also to have given the confirmations, warranties and undertakings contained herein and such applicant further undertakes to enclose such applicant's power of attorney or a copy thereof duly certified by a solicitor with the Application Form;
 - (viii) agrees that all applications, acceptances of applications and contracts resulting therefrom under the Fundraise shall be governed by and construed in accordance with English law, and that such applicant submits to the jurisdiction of the English Courts and agrees that nothing shall limit the right of the Company to bring any action, suit or proceedings arising out of or in connection with any such applications, acceptances of applications and contracts in any other manner permitted by law or in any court of competent jurisdiction;
 - (ix) confirms that, in making such application, such applicant is not relying on any information, representation and/or warranty in relation to the Company other than the information contained in this document and, accordingly, such applicant agrees that no person responsible solely or jointly for this document or any part thereof or involved in the preparation thereof shall have any liability for any such other information, representation and/or warranty;
 - (x) agrees that, having had the opportunity to read this document, such applicant shall be deemed to have had notice of all information concerning the Company contained herein including, without limitation, the Risk Factors set out in Part III of this document;
 - (xi) in the case of any Qualifying Participant who is a joint Shareholder, agrees that such joint Shareholder applicants may only apply for Fundraise Shares as joint applicants;
 - (xii) confirms, represents and warrants that such applicant has read and complied with paragraph (f) below;
 - (xiii) represents and warrants that such applicant is not a person who, by virtue of being resident in, or a citizen of, any country outside the United Kingdom, is prevented by the law of any relevant jurisdiction from lawfully applying for Offer Shares;
 - (xiv) represents and warrants that such applicant is a Qualifying Participant;
 - (xv) confirms, represents and warrants that such applicant has read the restrictions contained in paragraph (g) below and represents and warrants as provided therein;
 - (xvi) represents and warrants that such applicant is not under the age of 18;
 - (xvii) represents and warrants that such applicant is a person of the kind described in Article 43 of the Financial Promotion Order, being a Shareholder at the Offer Record Date; and
 - (xviii) agrees that all documents and cheques sent by post, by or on behalf of the Company or Link Asset Services, will be sent at the risk of the person(s) entitled thereto.
- (d) All payments must be in pounds sterling and where made by cheque or banker's draft, must be made payable to "Link Market Services Ltd RE: InfraStrata plc – OFS Cheque A/C" and crossed "A/C Payee Only". Cheques should be drawn on the personal account to which the applicant has sole or joint title to such funds. Cheques or banker's drafts must be drawn on a bank or building society or branch of a bank or building society in the United Kingdom or Channel Islands which is either a settlement member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques and banker's drafts to be cleared through the facilities provided by any of those companies or committees and must bear the appropriate sort code in the top right hand corner and must be for the full amount payable on application. Third party cheques will not be accepted with the exception of building society cheques or banker's drafts where the building society or bank has confirmed the name of the account holder by stamping and endorsing the cheque or draft to such effect. The account name should be the same as that shown on the Application Form. Post-dated cheques will not be accepted. Cheques or banker's drafts will be presented for payment upon receipt.

The Company reserves the right to instruct Link Asset Services to seek special clearance of cheques and banker's drafts to allow the Company to obtain value for remittances at the earliest opportunity. No interest will be paid on payments made before they are due. It is a term of the Offer that cheques shall be honoured on first presentation and the Company may elect to treat as invalid acceptances applications in respect of which cheques are not so honoured. All documents, cheques and banker's drafts sent through the post will be sent at the risk of the sender.

If cheques or banker's drafts are presented for payment before all of the conditions of the Offer are fulfilled, the application monies will be kept in a separate non-interest bearing bank account.

Payment can also be made by electronic CHAPS as per the details on the Application Form and if a Qualifying Participant is already a CREST holder as at close of business on 18 November 2019, he or she may choose to settle their application for Fundraise Shares on a DvP basis through CREST, as per the details on the Application Form.

If the Offer does not become unconditional, no Fundraise Shares will be issued and all monies will be returned (at the applicant's sole risk), without payment of interest, to applicants as soon as reasonably practicable following the lapse of the Fundraise.

- (e) To ensure compliance with the Regulations, Link Asset Services may require, at its absolute discretion, verification of the identity of the person by whom or on whose behalf an Application Form is lodged with payment (which requirements are referred to below as the "verification of identity requirements").

If Link Asset Services determines that the verification of identity requirements apply to any application, the relevant Fundraise Shares (notwithstanding any other term of the Fundraise) will not be issued to the relevant applicant unless and until the verification of identity requirements have been satisfied in respect of that applicant or application. Link Asset Services is entitled, in its absolute discretion, to determine whether the verification of identity requirements apply to any application and whether such requirements have been satisfied, and neither Link Asset Services nor the Company will be liable to any person for any loss or damage suffered or incurred (or alleged), directly or indirectly, as a result of the exercise of such discretion.

If the verification of identity requirements apply, failure to provide the necessary evidence of identity within a reasonable time may result in delays in the despatch of share certificates or in crediting CREST accounts. If, within a reasonable time following a request for verification of identity, Link Asset Services has not received evidence satisfactory to it as aforesaid, the Company may, in its absolute discretion, treat the relevant application as invalid, in which event the monies payable on acceptance of the Fundraise will be returned (at the applicant's risk) without interest to the account of the bank or building society on which the relevant cheque or banker's draft was drawn. Link Asset Services may also require evidence of the application in order to comply with its AML requirements under the Offer, details of which can be found on the Application Form.

- (f) No person receiving a copy of this document and/or any Application Form in any territory other than the United Kingdom may treat the same as constituting an invitation or offer to him, nor should he in any event use such Application Form unless, in the relevant territory, such an invitation or offer could lawfully be made to him or such Application Form could lawfully be used without contravention of any registration or other legal requirements. It is the responsibility of any person outside the United Kingdom wishing to make an application hereunder to satisfy himself as to full observance of the laws of any relevant territory in connection therewith, including (without limitation) obtaining any requisite governmental or other consents, observing any other formalities requiring to be observed in such territory and paying any issue, transfer or other taxes required to be paid in such territory.
- (g) The Fundraise Shares have not been and will not be approved or disapproved by the U.S. Securities and Exchange Commission, any state securities commission in the United States or any other United States regulatory authority, nor have any of the foregoing authorised, passed upon or endorsed the merit of the Fundraise or the accuracy or adequacy of this document. Any representation to the contrary is a criminal offence in the United States. The Fundraise Shares have not been and will not be registered under the United States Securities Act of 1993 (as amended) (the "**Securities Act**") or under the securities laws of any state or other jurisdiction in the United States, neither do they qualify for distribution under any of the relevant securities laws of Canada, Australia, South Africa or Japan.

Persons subscribing for Offer Shares shall be deemed and shall be required to represent and warrant to the Company that they are not a person in the United States, Canada, Australia, South Africa and/or Japan and that they are not subscribing for such Offer Shares for the account of any such person and will not offer, sell, renounce, take up, transfer or deliver, directly or indirectly, such Fundraise Shares in the United States or to any such person or into Canada, Australia, South Africa and/or Japan.

- (h) Applicants are encouraged to submit their Application Forms early. In the event that applications are received for an amount in excess of £1 million, the Directors reserve the right to increase the Fundraise Maximum to an amount not exceeding £2 million and/or to exercise their absolute discretion in the allocation of successful applications. The right is also reserved to reject in whole or in part any application or any part thereof for any reason whatsoever, including (without limitation) a breach of any of the terms, conditions, representations and/or warranties set out in this document and/or the Application Form and to treat as valid any application not in all respects completed in accordance with the instructions relating to the Application Form.
- (i) Save where the context otherwise requires, words and expressions defined in this document have the same meaning when used in the Application Form and any explanatory notes in relation thereto.

PART V

ADDITIONAL INFORMATION

1. Responsibility Statement

The Directors, whose names and positions appear in paragraph 4 below, and the Company, accept responsibility for the information contained in this document. To the best of the knowledge of the Directors and the Company (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. Share Capital

The issued share capital of the Company as at the date of this document is 1,518,330,295 Ordinary Shares.

The Ordinary Shares are admitted to trading on AIM and currently there is no intention to apply for their admission to trading on any other market or exchange. Application will be made for the Fundraise Shares to be admitted to trading on AIM.

3. Articles of Association

The Articles of Association of the Company are available on its website at <https://www.infrastratapl.com/investors/documents-circulars/>.

4. Directors and their interests in shares

The directors of the Company are as follows:

<i>Name</i>	<i>Position</i>	<i>Date of appointment as director</i>
John Wood	Interim Chairman & Chief Executive Officer	27 June 2018
Arun Raman	Chief Finance Officer	25 July 2018
Malcom Groat	Non-Executive Director	22 March 2019

The interests of the Directors (including persons connected with the Directors within the meaning of section 252 of the Act) in the issued share capital of the Company as at 19 November 2019, being the most recent practicable date prior to the publication of this document and as they are expected to be on Admission of the Fundraise Shares (assuming the Fundraise Maximum is taken up) are as follows:

	<i>As at 19 November 2019</i>		<i>On Admission (assuming Fundraise Maximum is taken up)</i>	
	<i>Number of Ordinary Shares</i>	<i>Percentage of issued share capital</i>	<i>Number of Ordinary Shares</i>	<i>Percentage of Enlarged Issued Share Capital</i>
John Wood	46,618,062	3.07	46,618,062	1.20
Arun Raman	1,954,397	0.13	8,621,057	0.22
Malcolm Groat	–	–	–	–

5. Taxation

Shareholders who are in any doubt as to their tax position or who may be subject to tax in any other jurisdiction are strongly recommended to consult their own professional advisers.

No liability to UK stamp duty or stamp duty reserve tax will arise on the issue or allotment of new Ordinary Shares by the Company pursuant to the Fundraise.

6. Litigation

No member of the Group is or has been involved in any governmental, legal or arbitration proceedings which may have, or have had during the 12 months preceding the date of this document, a significant effect on the Group's financial position or profitability and, so far as the Directors are aware, there are no such proceedings pending or threatened against any member of the Group.

7. Material Contracts

The following are contracts (not being contracts entered into in the ordinary course of business) which have been entered into within the two years prior to the date of this document by members of the Group and which are or may be material to the Group:

(i) **Placing Agreement**

On 8 November 2019 the Company entered into a placing agreement with Arden, under which Arden agreed to use its reasonable endeavours, as agent for the Company, to procure placees for the new Ordinary Shares proposed to be issued by the Company at the placing price of 0.3 pence per Ordinary Share. The agreement contains, *inter alia*, certain warranties from the Company for the benefit of Arden. In addition, the Company has agreed to indemnify Arden in relation to certain liabilities that may incur in respect of the placing of the Placing Shares. Arden has a right to terminate their obligations under the Placing Agreement in certain circumstances, in particular in the event of a breach of the warranties and in certain circumstances for force majeure. The Placing Agreement is subject to the satisfaction or waiver or certain conditions, including admission of the Placing Shares to trading on AIM becoming effective on 2 December 2019, or such later date that the Company and Arden may agree being not later than 7 January 2020.

(ii) **Bridge Loan (as amended and restated)**

On 30 September the Company entered into an investment agreement with Riverfort Global Opportunities PCC and YA II PN Ltd (the "**Lenders**") which was subsequently amended and restated on 13 November 2019 (the "**Facility**"). The Facility is conditionally available under a number of tranches for a maximum amount of up to £2.2 million. Amounts advanced under the Facility are unsecured and interest free on the first £700,000, ("**First Draw**"), which was received by the Company on 1 October 2019. The Company shall pay a fee of 6 per cent. that is deducted from the gross proceeds of each drawdown. The First Draw is repayable on 1 October 2020, being the anniversary of the date of advance. However, where the Company is in receipt of cash in excess of £100,000 from a share issue, grant or subsidy, the Lenders are entitled, in the first instance, to call upon such cash becoming available in order to repay any outstanding amounts under the Facility.

On 14 November 2019, the Company drew down the second tranche of Facility for a sum of £555,555.57 (before costs and initial interest payment) ("**Second Draw**"). A fixed sum of interest of 8 per cent. of the gross amount of the Second Draw is payable, with half of this sum deducted from the advance of the Second Draw and the balance on repayment of the outstanding principal amount. The Second Draw is repayable in full on the date that is three months from the date of draw down, namely 14 February 2020 (subject to earlier repayment in the circumstances mentioned above).

The outstanding principal and interest of the First Draw and all subsequent advances of the Facility (save for the Second Draw) are convertible into new Ordinary Shares at any time by the Lender. The conversion price for a given advance of the Facility will be the lower of: (i) 130 per cent. of the closing price of the Company's shares on the trading day immediately prior to the advance of the Facility ("**Fixed Conversion Price**") and; (ii) 90 per cent. of the lowest daily volume weighted average price ("**VWAP**") in respect of Ordinary Shares during the 10 days immediately preceding the date of any conversion notice ("**Variable Conversion Price**"). With respect to the Second Draw, the Lenders may only elect to convert the outstanding principal and interest into Ordinary Shares in the case of an event of default by the Company, following which Tranche Two may be converted at the lower of the Variable Conversion Price and 0.598 pence per share. On 4 October 2019, the Company received notice to convert £100,000 of the £700,000 First Draw of the Loan into 26,295,030 new Ordinary Shares at a price of 0.3803 pence per share. On 18 November 2019, the Company received notice to convert £100,000 of the £700,000 First Draw of the Loan into 36,337,209 new Ordinary Shares at a price of 0.2752 pence per share. As such, at the date of this document, there is £1,055,555.57 principal amount of the Facility outstanding.

For each advance of the Facility, the Lenders are entitled to be granted with warrants over Ordinary Shares. Warrants will be granted with an exercise price of 150 per cent. of the closing price of the Ordinary Shares on the trading day immediately prior to the date of an advance of the Facility and will be exercisable for a period of 24 months from the date of issue. The number of Ordinary Shares the subject of each grant is calculated by dividing 30 per cent. of the value of each advance by the closing share price on the day immediately prior to the advance. As at the date of this document, the Lenders have been granted with warrants over an aggregate of 97,735,508 Ordinary Shares. Of these, warrants over 45,652,174 Ordinary Shares have an exercise price of 0.69p per share and the balance, being over 52,083,334 Ordinary Shares, have an exercise price of 0.48p per share.

(iii) **Acquisition Agreement**

On 8 November 2019, the Company entered into a conditional contract ("**Acquisition Agreement**") to purchase (via an SPV, Harland and Wolff Belfast) the principal assets of the former Harland and Wolff Heavy Industries Limited and Harland and Wolff Group Plc (together, "**Harland & Wolff**") from administrator BDO NI (the "**Acquisition**"). The Acquisition Agreement sets out the terms on which Harland and Wolff Belfast, (formerly named InfraStrata Heavy Industries Limited) will acquire the Assets. Completion of the Acquisition is subject, *inter alia*, to the satisfaction of certain conditions, including: (i) the transfer or assignment of the Properties to Harland and Wolff Belfast and the variation of the terms of Leases of the Properties; and (ii) the satisfaction (or waiver) of all conditions precedent set out in the Placing Agreement (save for any conditions relating to the Acquisition Agreement); and (iii) the passing of the Resolution numbered 1 at the GM. The parties to the Acquisition Agreement have agreed to use all reasonable endeavours to satisfy the conditions by the target completion date, being 5 December 2019 or, failing which, the long stop date of 7 January 2020.

The total consideration for the Acquisition of the Assets is £5.25 million, of which a non-refundable deposit of £500,000 was paid on 2 October 2019. The payment of the balance of the Consideration has been phased and is payable as follows:

- £3.3 million on completion which is scheduled for 5 December 2019 (or no later than the Longstop Date) ("**Completion**"); and
- £1.45 million will be payable by 30 April 2020 (with secondary security on the Company's assets until payment).

The Company has agreed to pay the maintenance costs of the Assets for November by making a cash payment of £400,000 (plus VAT) on or before 14 November 2019 and a further £100,000 (plus VAT) by 29 November 2019. If Completion is not expected to occur by 5 December 2019, the Company may elect to extend the completion date to 7 January 2020 by paying the sum of £600,000 (plus VAT) to fund the maintenance costs of the Assets for the period of 1 December 2019 until the Longstop Date.

(iv) **Joint Broker Agreement (as amended)**

On 8 November 2019 the Company entered into a Joint Broker Agreement with the Company under which Arden agreed to act as joint broker to the Company. The Company has agreed to pay to Arden an annual corporate finance fee of £40,000. Additionally, the Company has agreed to pay all of Arden's reasonably incurred costs and expenses (including any applicable VAT) of the Placing. The Company has agreed to indemnify Arden in respect of certain liabilities that it may incur in connection with the matters set out in the agreement. Either the Company or Arden may terminate the agreement by giving not less than three months' written notice.

(v) **Binding Term Sheet for long-term storage capacity offtake at the Islandmagee Gas Storage Facility**

On 11 June 2019, the Company entered into a Binding Term Sheet ("**Term Sheet**") for long-term storage capacity offtake at the Islandmagee Gas Storage Facility ("**Facility**") with Vitol SA. Under the Term Sheet, Vitol will, on an exclusive basis and subject to conditions precedent and final agreement, enter into a 12-year Gas Storage Agreement ("**GSA**") with Islandmagee Energy Limited to utilise the capacity of all seven gas storage caverns proposed at the Facility, totalling 500mcm. Construction of the caverns is planned to commence in late 2019 (subject to funding) and first gas is then expected to be injected under the GSA in the fourth quarter of 2022, with full commercial operations planned to commence in storage year 2023-24 (which runs from 1 April each year).

The storage capacity charge that has been agreed between Vitol and InfraStrata will incorporate a multi-layer optimisation structure absorbing the intrinsic and extrinsic pricing elements of the UK gas markets that are available to a storage operator. In addition, given the high-performance characteristics of the Facility, it will be able to capture significant incremental value generated by sudden movement events (“**SUMO Events**”) as well as to help balance the overall UK gas network. SUMO Events typically occur during periods of high volatility, when the gas networks are stressed either by over- or under-supplies relative to demand.

The Term Sheet has an initial term of 12 months and thereafter can be extended for successive periods of 6 months by written agreement between both parties. The Term Sheet outlines the principal terms of the proposed GSA, which both parties will now proceed to negotiate and aim to finalise as soon as possible.

(vi) **PrimaryBid Engagement Letter**

On 14 November 2019 the Company entered into an Engagement Letter with PrimaryBid Limited in connection with the PrimaryBid Offer (the “**PrimaryBid Engagement**”). PrimaryBid host an online investment platform providing execution only services to registered individual users of PrimaryBid.com. Under the terms of the PrimaryBid Engagement, PrimaryBid will act as arranger in respect of the PrimaryBid Offer. The PrimaryBid Engagement contains an undertaking on behalf of the Company that it will not issue any further equity at a price less than the PrimaryBid Offer price for a period of two months after the completion of the PrimaryBid Offer (such provision to include loan note conversions into equity). The Company has agreed to pay PrimaryBid 5 per cent. of the sums raised under the PrimaryBid Offer as a broker fee.

(vii) **Link Receiving Agent Agreement**

On 17 November 2019, the Company entered into a Receiving Agent Agreement (the “**Receiving Agent Agreement**”) with Link Market Services Limited (“**Link**”). Under this agreement, the Company appoints Link as its Receiving Agent, in respect of the Offer for a fee of £19,500 (plus VAT and disbursements).

The Company has provided warranties to Link under the Receiving Agent Agreement to the effect that (i) it has the necessary capacity, power and consents to enable it to enter into and perform its obligations under the agreement; (ii) the agreement has been executed by a duly authorised representative with full power and authority to bind the Company and (iii) that all the responses and information provided to Link by the Company is true, complete, accurate and not misleading in any material respect. The Company has provided an indemnity for the benefit of Link in respect of any losses or damages incurred by Link and its Affiliates resulting or arising from the Company's breach of the Receiving Agent Agreement.

8. General

The costs and expenses relating to the Fundraise payable by the Company are estimated to amount to approximately £100,000 (excluding VAT) (assuming the Fundraise Maximum is taken up).

9. Copies of this document

Copies of this document are available on the Company's website, <https://www.infrastratapl.com/>, and will be available free of charge during normal business hours on any weekday (except Saturdays, Sundays and public holidays) at the offices of Fieldfisher LLP, Riverbank House, 2 Swan Lane, London EC4R 3TT, from the date of this document to the date of admission of the Fundraise Shares.