

The Directors
Midatech Pharma Plc
65 Innovation Drive
Milton Park, Milton
Abingdon
OX14 4RQ

-and-

Panmure Gordon (UK) Limited
One New Change
London
EC4M 9AF

-and-

Stifel Nicolaus Europe Limited
150 Cheapside
London
EC2V 6ET

(Panmure Gordon (UK) Limited and Stifel Nicolaus Europe Limited together as the Joint Bookrunners)

5 February 2019

Dear Sirs

Irrevocable undertaking to vote in favour of resolutions - Capital Raising and Admission

I/We refer to (i) capital raising comprising of (i) a subscription for units (consisting of one ordinary share of £0.00005 each in the capital of the Company ("**Ordinary Share**") and one warrant to subscribe for one Ordinary Share, (a "**Unit**")), (ii) a placing of Units with institutional investors and (iii) an open offer to the existing shareholders of the Company, (together the "**Capital Raising**"), details of which are set out in the circular proposed to be sent by the Company to its shareholders and also including a notice to convene a general meeting of the Company (the "**Circular**").

Unless expressly stated otherwise, terms defined in the Circular shall have the same meaning when used in this letter.

I/We understand that the Company intends to implement the Capital Raising and for an application to be made to the London Stock Exchange plc (the "**Exchange**") for the new Ordinary Shares being issued pursuant to the Capital Raising to be admitted to trading on AIM, a market operated by the Exchange ("**AIM**") ("**Admission**").

I/We refer to the resolutions (the "**Resolutions**") to be proposed at a general meeting of the Company to be held on or about 25 February 2019 (the "**General Meeting**"), in connection with the Capital Raising and Admission, in the form set out in the notice of the General Meeting included in the Circular, the latest draft of which is attached to this letter.

1 Representations, warranties and undertakings

I/We represent, warrant and undertake to the Company and the Joint Bookrunners that:

- 1.1 I/we are the beneficial owner and/or (or my nominee is) the registered holder of the number of Ordinary Shares of £0.00005 each in the Company set out in Part 1 of the Schedule to this letter (the "**Shares**"); and

- 1.2 I/we have all relevant authority to enter into this undertaking and to perform the obligations under it in respect of the Shares;
- 1.3 I/we hold the Shares free from all liens, charges, options, equities, encumbrances and third party rights of any nature and together with all rights attaching to them;
- 1.4 other than as may be set out in the schedule to this letter, I/we do not have any other interests in any relevant securities of the Company or any rights to subscribe for, purchase or otherwise acquire any such securities; and
- 1.5 I/we are entitled to cast the votes attaching to the Shares (or procure how they are cast) and will remain entitled to cast (or procure the casting of) such votes until and including the conclusion of the General Meeting.

2 Further undertakings

- 2.1 I/We irrevocably and unconditionally undertake to vote in person or by proxy and to cast or procure that all the votes attaching to the Shares are cast:
 - 2.1.1 against any resolution or proposal to adjourn the General Meeting (unless the Company consents);
 - 2.1.2 against any resolution or proposal to amend the Resolutions (other than to rectify any minor irregularity or unless the Company otherwise requires);
 - 2.1.3 in favour of the Resolutions; and
 - 2.1.4 against any resolution or proposal at such General Meeting requiring that a poll be taken other than for Resolution 5.
- 2.2 I/We irrevocably and unconditionally further undertake that:
 - 2.2.1 I/We shall execute Forms of Proxy in respect of the Shares appointing any person nominated by me to attend and vote at the General Meeting in respect of the Resolutions and any related matters, and shall ensure that any such executed Forms of Proxy are received by the Company's Registrar not later than 48 hours before the meetings; and
 - 2.2.2 I/We shall not revoke the terms of any Forms of Proxy submitted by me/us in accordance with the paragraph 2.2.1, provided that this shall not prevent me/us from attending the General Meeting (or otherwise any adjourned meeting thereof) and voting thereat in accordance with paragraph 2.1.
- 2.3 Unless and until this undertaking lapses or until such time as the General Meeting is concluded, I/we will not (and, if I/we are not the registered holder of the Shares, I/we will procure that the registered holder of the Shares will not):
 - 2.3.1 sell, transfer, charge, pledge or grant any option over or otherwise dispose of, or permit or procure the sale, transfer or disposal of any of the Shares or any interest in any of the Shares; or
 - 2.3.2 withdraw or permit the withdrawal of my vote in respect of any of the Shares; or
 - 2.3.3 enter into any agreement or arrangement with any person, whether conditionally or otherwise, to do all or any of the acts referred to in this paragraph 2.2 or which would prevent me/us from complying in full with my/our obligations contained in this letter or which could otherwise result in the disposal or encumbering of the Shares or any of them or any interest therein or which would or might restrict their disposal or conflict with this undertaking.
- 2.4 From the date hereof until such time as this undertaking lapses, I/we shall exercise the voting rights attached to the Shares on a Relevant Resolution only in accordance with paragraph 2.1.
- 2.5 A "**Relevant Resolution**" means:
 - 2.5.1 any of the Resolutions or other resolution (whether or not amended) proposed at the General Meeting or at any adjournment of any such General Meeting, or any

other general or class meeting of the Company, or at an adjourned meeting, in favour of matters relating to the Capital Raising and/or Admission;

2.5.2 a resolution to adjourn the General Meeting, or any other general or class meeting of the Company whose business includes the consideration of a resolution falling within paragraph 2.4.1; and

2.5.3 a resolution to amend a resolution falling within paragraphs 2.5.1 to 2.5.2 inclusive.

2.6 Unless and until this undertaking lapses or is withdrawn in accordance with paragraph 3 below, or until the Capital Raising completes and/or Admission becomes effective I/we shall not, and shall procure that no other person (being the registered holder of any of the Shares in which I/we am/are beneficially interested, or any other person acting on my/our behalf), shall either exercise the voting rights attaching to the Shares in any manner which would frustrate the Capital Raising or Admission or prevent the Capital Raising from reaching completion.

2.7 To the extent that any of the Shares are not registered in my name, I/we will procure the registered holder(s) to act in accordance with the terms of this undertaking.

2.8 Between the date of this undertaking and the public announcement of the Capital Raising, I/we undertake to keep all details of the Capital Raising confidential, including the fact that discussions are taking place concerning the Capital Raising and undertake and consent to be treated as an insider for the purposes of the Criminal Justice Act 1993, the Financial Services and Markets Act 2000, the Market Abuse Regulation 2014 and the Market Abuse Regulation Instrument 2016 or other applicable enactments and therefore acknowledge that I/we am/are restricted from dealing in the Company's shares until I/we am/are deemed to no longer be in the possession of such inside information.

3 Conditions

All the obligations under this undertaking will lapse if the Company announces that it does not intend to proceed with the Capital Raising and/or Admission and no new, revised or replacement proposal is announced at the same time.

4 Provision of information

I/We shall promptly give you all information and any assistance as you may reasonably require for the preparation of the Circular and all related and ancillary documents in order to comply with the requirements of the Financial Conduct Authority and the Exchange, the AIM Rules for Companies and the City Code on Takeovers and Mergers (the "Code") and any other legal or regulatory requirement or body. I/We shall immediately notify you in writing of any material change in the accuracy or impact of any information previously given to you.

5 Consent

I/We consent to:

5.1 the inclusion of references to me/us and this undertaking in the Circular and any announcement of the Capital Raising and/or Admission to the press;

5.2 particulars of this undertaking and my/our holdings of, and dealings in, relevant securities of the Company being included in the Circular and any other related or ancillary document as required by the Code; and

5.3 this undertaking being available for inspection until the Capital Raising completes.

6 General

6.1 The following additional provisions apply to this undertaking:

6.1.1 I/We acknowledge that nothing in this undertaking obliges the Company to make the Capital Raising and if the Capital Raising does not proceed I/we shall have no claim against the Company under this undertaking.

6.1.2 I/We acknowledge that, if I/we fail to comply with any of my/our undertakings in paragraphs 1 and 2 or should otherwise be in breach of any of my obligations under this undertaking, damages alone may not be an adequate remedy.

6.2 I/We represent, warrant and undertake that:-

6.2.1 this undertaking constitutes a binding obligation on me, that I/we have all relevant rights, powers and authorities to enter into and perform this undertaking and that compliance with the terms of this undertaking does not and will not conflict with or constitute a default under any provision of any agreement or instrument to which I/we am/are a party; or any lien, lease, order, judgement, award, injunction, decree, ordinance or regulation or any other restriction of any kind or character by which I/we am/are bound; and

6.2.2 no further consent, approval, licence or authorisation of any governmental agency or other person is required by me/us for the entry into and the performance of any obligations under this undertaking.

6.3 Any time, date or period mentioned in this undertaking may be extended by mutual agreement between the parties but as regards any time, date or period originally fixed or so extended time shall be of the essence.

6.4 I/We accept, acknowledge and confirm that I/we have been given adequate opportunity to consider whether or not to enter into this undertaking and to obtain independent advice.

6.5 No amendment or variation shall be made to this undertaking unless signed in writing by the parties. If there is any conflict between the terms of this undertaking and the terms of the Forms of Proxy, it is agreed that the terms of this undertaking shall prevail.

6.6 Any notice, demand or other communication given or made under or in connection with the matters contemplated by this undertaking shall be in writing and shall be delivered personally or sent by prepaid first class post (or air mail if posted to or from a place outside the United Kingdom). All notices to me shall be sent as set out below in Part 2 of the Schedule to this undertaking.

All notices to the Company shall be sent to:

Address: 65 Innovation Drive, Milton Park, Abingdon, OX14 4RQ

Attention: Nick Robbins-Cherry

6.7 Service of any notice pursuant to paragraph 7.6 above shall be:

6.7.1 if personally delivered, upon delivery at the address of the relevant party;

6.7.2 if sent by first class post, two business days after the date of posting; and

6.7.3 if sent by air mail, three business days after the date of posting.

7 Governing law and jurisdiction

This undertaking and any dispute or claim arising out of, or in connection with, it, its subject matter or formation (including non-contractual disputes or claims) shall be governed by, and construed in accordance with, the laws of England and Wales. I/We submit to the exclusive jurisdiction of the English courts for all purposes in relation to this undertaking.

Delivered and executed as a deed on the date of this letter.


Yours faithfully

Executed as a deed by
John Johnston


.....

SIGNATURE OF WITNESS

NAME


.....
N. Robbins-Cherry

ADDRESS AND OCCUPATION OF
WITNESS

.....
Accountant

.....
18 Tynant

.....
Rd. 1

.....
R54 RR

THE SCHEDULE

PART 1

| Registered Holder | Number of ordinary shares in total |
|--------------------------|---|
| John Johnston | 54,981 |

PART 2

Contact Details

Address:

Email:

Fax: