

Copies of this document are being sent to shareholders holding ordinary shares ("**Ordinary Shares**") of 0.5p each in the capital of Teathers Financial Plc ("**Teathers**" or the "**Company**"). This document and the accompanying form of proxy ("**Form of Proxy**") are to be used in connection with the forthcoming annual general meeting of the Company ("**AGM**" or "**Meeting**").

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This document does not constitute any offer to issue or sell or a solicitation of any offer to subscribe for or buy Ordinary Shares.

Teathers Financial Plc

(Registered in England and Wales with company number 00092343)

Notice of Annual General Meeting

11th February 2017

Notice of the Meeting, to be held at 11 a.m. at the offices of Ashfords LLP at 1 New Fetter Lane, London, EC4A 1AN on 11th February 2017, is set out at the end of this document.

A Form of Proxy is enclosed with this document for use in connection with the Meeting. To be valid the Form of Proxy for use in connection with the Meeting should be completed, signed and returned to reach the Company Secretary, Teathers Financial Plc, 83 Ducie Street Manchester M1 2JQ by no later than 11 a.m. on Wednesday 8th February 2017, or alternatively, via email to shareholders@teathers.com by no later than 11 a.m. on Wednesday 8th February 2017. The completion and return of the Form of Proxy will not preclude you from attending and voting in person at the Meeting should you wish. For full details on proxy appointments, see the notes to the Notice of AGM and the Form of Proxy.

Teathers Financial Plc

11th January 2017

Dear Shareholder,

I am writing to inform you that this year's annual general meeting of Teathers Financial Plc will be held on Saturday 11th February 2017 at 11 a.m. at the offices of Ashfords LLP at 1 New Fetter Lane, London, EC4A 1AN. Details of the business to be considered are set out in the notice of meeting ("**Notice**"), which follows this letter. I should like to make some comments on a number of the matters to be dealt with at the AGM.

Resolutions 3 & 4 - Re-election of Directors

These resolutions concern the re-election of **Matthew Benjamin Turney** and **Stuart Langelaan**, who are retiring at the Meeting by rotation in accordance with Article 82 1(a) of the Company's Articles of Association. The Board of Directors of Teathers Financial Plc ("**Board**" or "**Directors**"), following its evaluation of the performance of the Directors offering themselves for re-election, confirms that each of the Directors is performing effectively and demonstrates commitment to their role.

David Glyn Kipling is retiring and is not seeking re-election. I would like to take this opportunity on behalf of the Board to express our thanks to David for his vital contribution to the Company since he joined. David has played a crucial role in taking Teathers forward and we are disappointed he has to leave. We wish him the very best and continued success.

Resolution 7 - Directors' power to allot shares

Section 549 of the Companies Act 2006 (the "**Act**") stipulates that directors cannot allot shares or rights to subscribe for shares in a company (other than the shares allotted in accordance with an employees' share scheme) unless they are authorised to do so by its shareholders in general meeting. The Directors' current authority to allot shares was granted at the last annual general meeting and expired on 31st July 2016. Resolution 7 seeks new authority from shareholders for the Directors to allot relevant securities up to an aggregate nominal value £250,000 (equating to 50,000,000 ordinary shares of 0.5p each in the share capital of the Company). Unless renewed, revoked, varied or extended, this authority will expire at the conclusion of the next annual general meeting of the Company.

Resolution 8 & 9 - Directors' remuneration

Article 93 of the Company's Articles of Association states that "*Directors shall be entitled to receive by way of fees for their services as Directors such sum as the Board may from time to time determine (not exceeding £200,000 per annum in aggregate or such other sum as the Company in general meeting shall from time to time determine)*".

Notwithstanding this existing authority, your Board is seeking formal shareholder approval to pay existing accrued fees to Matthew Benjamin Turney and Stuart Langelaan and to set their future remuneration as set out in Resolution 8 & 9. Your Board is mindful of the constrained working capital of the Company and the need to align the Board with the needs of shareholders. Your Board is also mindful of the commitment by Directors Turney and Langelaan not to charge their time for producing a report into the state of the Company at the point they took over as Directors. As such, fees only began accruing from 01 August 2016 and are subject to shareholder approval. Turney and Langelaan have not billed for time they spent working in the company in June and July 2016.

Going forward, your Board is proposing that each Director receive remuneration at the level of £300 per day, to be paid two thirds in cash and one third in shares, those shares to be awarded only upon re-listing of the Company on a recognised investment exchange, with the number of shares to be determined by the price set at re-listing. This award of shares shall lapse on the fifth anniversary of this General Meeting.

Resolution 10 - Directors' power to allot shares for cash

This Resolution authorises the Directors in certain circumstances to allot equity securities for cash other than in accordance with statutory pre-emption rights (which require a company to offer all allotments for cash first to existing shareholders in proportion to their holdings). The relevant circumstances are either where (i) the allotment takes place in connection with a rights issue or (ii) the allotment is limited to a maximum nominal amount of £250,000 (equating to 50,000,000 new ordinary shares of 0.5p each in the share capital of the Company). Unless renewed, revoked, varied or extended, this authority will expire at the conclusion of the next annual general meeting of the Company.

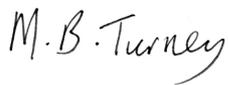
Action to be taken

Whether or not you intend to come to the AGM, please complete and return the accompanying Form of Proxy by post to the Company Secretary at 83 Ducie Street Manchester M1 2JQ, **or alternatively electronically by email to shareholders@teathers.com**, so as to be received no later than **11 a.m. on 8th February 2017**. By doing so, you will not preclude yourself from attending and voting in person at the Meeting.

Recommendation

Your Board considers each of the proposed resolutions to be in the best interests of the Company and its shareholders as a whole. Accordingly, your Directors unanimously recommend that you vote in favour of the resolutions as they intend to do in respect of their own beneficial shareholdings amounting to 831,236 Ordinary Shares representing approximately 1.29 per cent. of the issued share capital of the Company.

Yours faithfully



M. Benjamin Turney

Chief Executive Officer

Teathers Financial Plc

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting (the "**AGM**" or "**Meeting**") of Teathers Financial Plc (the "**Company**") will be held at the offices of Ashfords LLP at 1 New Fetter Lane, London, EC4A 1AN on 11th February 2017 at 11 a.m. for the following purposes:

Ordinary Resolutions

To consider and, if thought fit, pass the following resolutions, which will be proposed as ordinary resolutions:

1. **Report and accounts for the year ended 31st October 2015**
To receive the audited annual accounts of the Company for the year ended 31st October 2015, together with the directors' report and the auditor's report on those annual accounts.
2. **Report and accounts for the year ended 31st October 2016**
To receive the audited annual accounts of the Company for the year ended 31st October 2016, together with the directors' report and the auditor's report on those annual accounts.
3. **Re-election of Director**
To re-elect **Matthew Benjamin Turney**, who retires by rotation in accordance with the Company's articles of association.
4. **Re-election of Director**
To re-elect **Stuart Langelaan** who retires by rotation in accordance with the Company's articles of association.
5. **Re-appointment of auditors**
To appoint Welbeck Associates Limited as auditors of the Company to hold office from the conclusion of this Meeting until the conclusion of the next general meeting at which accounts are laid before the Company.
6. **Auditors' remuneration**
To authorise the directors to determine the remuneration of the auditors.
7. **Directors' authority to allot shares**
That, in substitution for any equivalent authorities and powers granted to the directors prior to the passing of this resolution, the directors be and they are generally and unconditionally authorised pursuant to Section 551 of the Companies Act 2006 (the "**Act**") to exercise all powers of the Company to allot shares in the Company, and grant rights to subscribe for or to convert any security into shares of the Company (such shares, and rights to subscribe for or to convert any security into shares of the Company being "**relevant securities**") up to an aggregate nominal amount of £250,000 provided that, unless previously revoked, varied or extended, this authority shall expire on the conclusion of the annual general meeting of the Company to be held in 2018 except that the Company may at any time before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the Directors may allot relevant securities in pursuance of such an offer or agreement as if this authority had not expired.
8. **Directors' remuneration - accrued fees**
To authorise the payment of £6,800 to Matthew Benjamin Turney and £3,000 to Stuart Langelaan, and to award £3,400 in shares in the Company to Matthew Benjamin Turney and £1,500 in shares in the Company to Stuart Langelaan in recognition of accrued Director's fees, such shares to be awarded upon the successful application and admission of all or any of the shares in the capital of the Company, or any parent company of the Company, or securities representing such shares, to any recognised investment exchange (as defined in section 285 of the Financial Services and Markets Act 2000 (as amended)), and the number of

such shares to be determined by the price set at such admission. This award of shares shall lapse on the fifth anniversary of this general meeting.

9. Directors' remuneration - daily rate

To authorise Directors' remuneration at the rate of £300 per day, to be paid two thirds in cash and one third in shares, those shares to be awarded upon the successful application and admission of all or any of the shares in the capital of the Company, or any parent company of the Company, or securities representing such shares, to any recognised investment exchange (as defined in section 285 of the Financial Services and Markets Act 2000 (as amended)), and the number of such shares to be determined by the price set at such admission. This award of shares shall lapse on the fifth anniversary of this General Meeting. Unless previously revoked, varied or extended, this authority shall expire on the conclusion of the next Company Annual General Meeting.

Special Resolutions

To consider and, if thought fit, pass the following resolutions which will be proposed as special resolutions.

10. Directors' power to allot shares for cash

That the Directors be and they are empowered pursuant to Section 570(1) of the Act to allot equity securities (as defined in Section 560(1) of the Act) of the Company wholly for cash pursuant to the authority of the directors under Section 551 of the Act conferred by resolution 10 above and/or by way of a sale of treasury shares (by virtue of Section 573 of the Act), in each case as if Section 561(1) of the Act did not apply to such allotment, provided that:

- (a) the power conferred by this resolution shall be limited to:
 - (i) the allotment of equity securities in connection with an offer of equity securities to the holders of ordinary shares in the capital of the Company in proportion as nearly as practicable to their respective holdings of such shares, but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or legal or practical problems under the laws of, or the requirements of any regulatory body or any stock exchange;
 - (ii) the allotment, otherwise than pursuant to sub-paragraph (i) above, of equity securities up to an aggregate nominal amount of £250,000; and
- (b) unless previously revoked, varied or extended, this power shall expire on the conclusion of the annual general meeting of the Company to be held in 2018 except that the Company may before the expiry of this power make an offer or agreement which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities in pursuance of such an offer or agreement as if this power had not expired.

Dated: 11th January 2017

By order of the Board

Registered Office:

83 Ducie Street Manchester M1 2JQ

Company Secretary

Notes:

1. A member who is entitled to attend, speak and vote may appoint a proxy to attend, speak and vote instead of him. A proxy need not also be a member of the Company but must attend the AGM in order to represent you. A member may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares (so a member must have more than one share to be able to appoint more than one proxy). A form of proxy is enclosed. The notes to the form of proxy include instructions on how to appoint the Chairman of the AGM or another person as proxy. To be effective the form must reach the Company Secretary, Teathers Financial Plc, 83 Ducie Street Manchester M1 2JQ by no later than 11 am on 8th February 2017 if sent via post or if sent electronically to shareholders@teathers.com.
2. If you wish to attend the AGM in person, you should make sure that you arrive at the venue for the AGM in good time before the commencement of the meeting. You may be asked to provide proof of your identity in order to gain admission.
3. As at 10th January 2017 (being the latest practicable date prior to publication of this document) the Company's issued share capital consists of 64,541,810 ordinary shares, carrying one vote each. Therefore, the total voting rights in the Company as at 11 January 2017 are 64,541,810.
4. Completion and return of a form of proxy does not preclude a member from attending and voting at the AGM or at any adjournment thereof in person.
5. In the case of joint holders, the signature of only one of the joint holders is required on the form of proxy but the vote of the first named on the register of members will be accepted to the exclusion of the other joint holders.
6. A member that is a company or other organisation not having a physical presence cannot attend in person but can appoint someone to represent it. This can be done in one of two ways: either by the appointment of a proxy (described in Note 1 above) or of a corporate representative. Members considering the appointment of a corporate representative should check their own legal position, the Company's articles of association and the relevant provisions of the Companies Act 2006.