

9 November 2018

**PipeHawk plc**

("PipeHawk" or the "Company")

**Further re. Convertible Unsecured Loan Notes**

The Board of Pipehawk provides the following update in respect of the £1 million Convertible Unsecured Loan Notes (the "CULS") that were issued on 13 August 2010, to Gordon Watt, Chairman of the Company. On 13 November 2014, the Company and Gordon Watt entered into an agreement to extend the repayment date of the CULS from 13 August 2014 to 13 November 2018 and to change the conversion price from 7p to 5p per share.

The Company announces that it has today entered into a letter of amendment to extend the repayment date of the CULS to 13 August 2022. Gordon Watt may elect to convert the CULS into ordinary shares, at any time prior to 13 August 2022. Interest remains payable at a rate of 10 per cent. per annum on the principal amount outstanding until converted, prepaid or repaid, calculated and compounded on each anniversary of the issue of the CULS. The conversion price of the CULS remains at 5 pence per share. On conversion of any CULS, any unpaid interest shall be paid within 20 days of such conversion.

Gordon Watt is the Executive Chairman of the Company and is therefore a related party under the AIM Rules. Accordingly, the entering into the letter of amendment is a related party transaction under the AIM Rules.

The independent directors, being Soumitra Padmanathan and Randal MacDonnell, having consulted with the Company's nominated adviser, Allenby Capital Limited, consider the terms of the letter of amendment to be fair and reasonable insofar as the Company's shareholders are concerned.

Enquiries:

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