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31 March 2015



NANOCO GROUP PLC
("Nanoco" or the "Company")

**Proposed placing, AIM cancellation, move to Main Market
and Notice of General Meeting**

Further to previous announcements, Nanoco confirms its intention to apply for admission to listing of its ordinary shares on the premium segment of the Official List of the UK Listing Authority (the “Official List”) and admission to trading on London Stock Exchange plc’s main market (“Main Market”) for listed securities (‘Admission’). Pursuant to Rule 41 of the AIM Rules for Companies, the Company hereby gives notice of the intended cancellation of trading of its shares on the AIM market of London Stock Exchange plc (“AIM”).

In conjunction with the proposed move to the Main Market, the Company is pleased to announce that, conditional upon, inter alia, shareholder approval at the Company's general meeting to be held on 22 April 2015 (the "General Meeting"), it has placed 19,047,619 new ordinary shares at a price of 105 pence each ("New Ordinary Shares") with new and existing shareholders to raise gross proceeds of £20 million in order to fund further research and development of Nanoco's CFQD® quantum dot technology (the "Placing"), which the Directors believe will enable the Group to pursue its strategy in all of the target markets identified in its Business Expansion Strategy.

The Placing price of 105 pence represents:

- a discount of 24.3% to the closing share price on 30 March 2015; and
- a premium of 0.7% to the average closing share price in the last month.

As part of the Placing, Robin Williams, a Non-executive Director of the Company, subscribed for 9,523 shares at 105 pence through his SIPP. Therefore, on Admission, Robin will be interested in 9,523 Ordinary Shares representing approximately 0.004% of the enlarged issued share capital.

The Company believes that the Official List is the most appropriate platform for the continued growth of the Group by increasing Nanoco's profile, assisting in the liquidity of the Company's shares and providing a greater range of potential investors for the Company.

It is expected that the Company will publish a prospectus in connection with Admission (the "Prospectus") on or around 31 March 2015 and that the Company's ordinary shares will be admitted to the Official List, commence trading on the Main Market and simultaneously be cancelled on AIM on or around 1 May 2015, subject to the receipt of the necessary approvals from the UK Listing Authority, the London Stock Exchange and the resolutions being passed by the Company's shareholders at the General Meeting.

Existing shareholders should consult their own tax advisers as to the tax implications of the proposed move to the Official List and the Placing.

Circular and Notice of General Meeting

In order to proceed with Admission and the Placing, a circular is expected to be posted to shareholders today (the "Circular"), the purpose of which is to allow shareholders to vote on the adoption of new articles of association, which reflect the enhanced legal and regulatory requirements of the Main Market and to grant the Directors the authorities to allot Ordinary Shares on a non-pre-emptive basis in relation to the Placing. The General Meeting is to be held at 2.00 pm on 22 April 2015 for the purpose of seeking shareholder approval to the Resolutions.

All capitalised terms in this announcement have the meaning given to them in the Circular, unless otherwise defined herein.

A further announcement will be made in due course.

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About Nanoco Group plc

Nanoco is a world leader in the development and production of cadmium-free quantum dots and other nanomaterials for use in multiple applications including LCD displays, lighting, solar cells and bio-imaging. In the display market, it has an exclusive manufacturing and marketing licensing agreement with The Dow Chemical Company.

Nanoco was founded in 2001 and is headquartered in Manchester, UK. It has production facilities in Runcorn, UK, and a US subsidiary, Nanoco Inc, based in Concord, MA. Nanoco also has business development executives in Japan, Korea and Taiwan. Its technology is protected worldwide by a large and growing patent estate.

Nanoco began trading on the AIM market of the London Stock Exchange in May 2009 under the ticker symbol NANO. For further information please visit: www.nanocotechnologies.com.

This announcement contains a number of forward looking statements relating to Nanoco and its subsidiaries (the "Group") with respect to, amongst others, the following: financial conditions; results of operations; the business of the Group; future benefits of the Placing and Admission; and management plans and objectives. The Company considers any statements that are not historical facts to be "forward looking statements". They relate to events and trends that are subject to risks, uncertainties and assumptions that could cause the actual results and financial position of the Group to differ materially from the information presented in the relevant forward looking statement. When used in this announcement, the words "estimate"; "project"; "intend"; "aim"; "anticipate"; "believe"; "expect"; "should" and similar expressions, as they relate to the Group or management of it, are intended to identify such forward looking statements. Shareholders are cautioned not to place undue reliance on these forward looking statements which speak only as at the date of this announcement. The Company does not undertake any obligation to update publicly or revise any of the forward looking statements whether as a result of new information, future events or otherwise, save in respect of any requirement under applicable laws or other regulations.

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The distribution of this announcement and other information in connection with the Placing and Admission may be restricted by law in certain jurisdictions and persons into whose possession this announcement or any other document or information referred to herein comes should inform themselves about and observe any such restriction. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

Further information on the Placing and move to the main market

1. Introduction

The Ordinary Shares were admitted to trading on AIM in 2009. Since then the Company has continued to expand its operations. The Directors consider that it would be in the best interest of the Company to transfer the admission of the Ordinary Shares from AIM to the premium segment of the Official List and to trading on the Main Market. The Directors believe that the Main Market will:

- provide a more appropriate platform for the continued growth of the Group and further raise its profile and status as a growth focused business;
- place the Company in a better position to achieve improved liquidity in its Ordinary Shares due to the higher number of institutional investors who regularly trade in shares of companies admitted to the Official List and the higher profile of such companies; and
- benefit Shareholders due to the further development of the Company's corporate governance, regulatory and reporting disciplines.

Further information regarding the proposed move to the Main Market can be found in the Prospectus which can be found on the Company's website at www.nanocotechnologies.com/investor-relations/investor-information/disclaimer.

In order to facilitate the move to the Main Market, the Company is seeking authority to adopt New Articles of Association to reflect the enhanced legal and regulatory requirements of the Main Market.

The Group also intends to issue 19,047,619 New Ordinary Shares in order to raise gross proceeds of £20m pursuant to the Placing to fund further research and development of its technology, which will enable the Company to pursue its strategy in all of its target markets identified in the Business Expansion Strategy.

The Company is seeking authority to allot Ordinary Shares on a non-pre-emptive basis for the purposes of the Placing. Accordingly, it is proposed that the following resolutions will also be proposed at the General Meeting in order that the Placing can proceed:

- to authorise the Directors to issue and allot 19,047,619 Ordinary Shares; and
- to dis-apply pre-emption rights in connection with the proposed allotment and issue of Ordinary Shares having a nominal value of £1,904,761.90.

If approved, the authorisations to allot 19,047,619 Ordinary Shares and the disapplication of pre-emption rights in relation to such allotment will expire on 31 July 2015.

2. New Articles of Association

Resolution 1

The current articles of association of the Company were adopted on 10 December 2010 and, at the time of adoption, reflected the requirements for a company whose shares were admitted to trading on AIM. In order to facilitate the move to the Main Market, it is now proposed to adopt new articles of association which reflect the enhanced legal and regulatory requirements of a company whose shares are admitted to the premium segment of the Official List and to trading on the Main Market. If passed, this resolution will, conditional on Admission, replace the existing articles of association of the Company with the New Articles of Association. A summary of the main provisions of the New Articles of Association can be found in paragraph 4 of Part XIV of the Prospectus.

Resolution 1 is being proposed as a special resolution.

3. The Placing

The Placing is being made by way of an offering of New Ordinary Shares to qualified investors in Relevant Member States, including to institutional investors in the United Kingdom and certain other institutional investors outside the United States in reliance on Regulation S, and to QIBs that are also Accredited Investors in the United States in reliance on Rule 506 of Regulation D or another exemption from, or transaction not subject to, the registration requirements of the Securities Act.

The Group intends to raise net proceeds of £18,650,000, after deduction of underwriting commissions and other fees and expenses incurred by the Group in connection with the Placing of approximately £1,350,000 (excluding VAT).

The Group intends to use the proceeds of the Placing to fund further research and development of its technology, which the Directors believe will enable the Group to pursue its strategy and commercialise its technology in all of the target markets identified in the Business Expansion Strategy.

Further information relating to the use of proceeds and the Placing can be found in the Prospectus.

Resolution 2

In relation to the Placing, Shareholders are being asked to grant the Directors a specific authority to allot shares in the Company. This resolution, if passed, gives the Directors authority to allot 19,047,619 New Ordinary Shares.

This authority will be effective until 31 July 2015.

Resolution 2 is being proposed as an ordinary resolution.

Resolution 3

This resolution supplements the Directors' authority to allot shares in the Company which may be given to them by the passing of Resolution 2. The resolution authorises the Directors to allot New Ordinary Shares, or sell treasury shares, for cash (otherwise than pro rata to existing Shareholders) equal to an aggregate nominal value of £1,904,761.90.

The authority will be effective until 31 July 2015.

Resolution 3 is being proposed as a special resolution.

4. General Meeting

The General Meeting is to be held at the offices of King & Wood Mallesons LLP, 10 Queen Street Place, London, EC4R 1BE at 2.00 pm on 22 April 2015 for the purpose of seeking Shareholders' approval to the Resolutions.

5. Recommendation

The Board considers that the Resolutions will promote the success of the Company for the benefit of the Shareholders as a whole. Accordingly, the Board unanimously recommends that Shareholders vote in favour of the Resolutions to be proposed at the General Meeting, as they intend to do in respect of their own beneficial holdings, amounting to an aggregate of 18,141,961 Ordinary Shares representing approximately 8.36 per cent. of the Company's share capital as at the date of this announcement.