THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document and/or the action that you should take, you should immediately seek your own financial advice from your stockbroker, bank manager, solicitor or other independent professional adviser authorised under the Financial Services and Markets Act 2000 (as amended) if you are in the United Kingdom or, if not, another appropriately authorised independent financial adviser.

If you have sold or otherwise transferred all of your registered holding of Common Shares, please forward this document and the enclosed form of proxy 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 transferee. If you have sold or otherwise transferred part of your holding of Common Shares, please consult the stockbroker, bank or other agent through whom the sale or transfer was effected.

Copies of this document will be available free of charge during normal business hours on any weekday (except Saturdays, Sundays and public holidays) at AquaBounty Technologies, Inc., 935 Main St, Waltham MA 02451, USA from the date of this document until the General Meeting and on the Company's website. Application will be made to the London Stock Exchange for the Subscription Shares to be admitted to trading on the AIM market of the London Stock Exchange and dealings are expected to commence on 2 November 2010.

AquaBounty Technologies, Inc.

(incorporated and registered in the State of Delaware, USA under number 2282110)

Approval of waiver of mandatory offer obligation under the Certificate of Incorporation

Proposed Subscription of 17,666,666 New Common Shares of 0.1 cents each at 18 pence per New Common Share to raise approximately £3.18 million (approx $5.0 million),

and

Notice of General Meeting

Nomura Code Securities Limited

Nominated Adviser and Broker

The Subscription Shares have not been and will not be registered under the United States Securities Act of 1933 (as amended) (the "Securities Act") nor under the securities laws of any state or other jurisdiction in the United States and are being offered and sold outside the United States in compliance with Regulation S of the Securities Act. In addition, the Subscription Shares do not qualify for distribution under any of the relevant securities laws of Canada, Australia, the Republic of South Africa or Japan. Shareholders outside the UK and any person (including, without limitation, custodians, nominees and trustees) who has a contractual or other legal obligations to forward this document to a jurisdiction outside the UK should seek appropriate advice before taking any action.

The Subscription Shares to be issued will, following their issue, rank *pari passu* with the Existing Common Shares and will rank in full for all dividends and other distributions thereafter declared, made or paid on the Existing Common Shares.

This document should be read in its entirety. Your attention is drawn to the letter from the Chairman of the Company which is set out in Part I of this document and which includes a recommendation that you vote in favour of the Resolutions to be proposed at the General Meeting referred to below.

This document does not constitute an offer of securities and is accordingly not an approved prospectus for the purposes of, and as defined in, section 85 of the UK Financial Services and Markets Act 2000 (as amended) and has not been prepared in accordance with the Prospectus Rules, nor has it been approved by the FSA or by any other authority which could be a competent authority for the purposes of the Prospectus Rules. In addition, this document does not constitute an admission document drawn up in accordance with the AIM Rules.

Notice of a General Meeting of AquaBounty Technologies, Inc. to be held at AquaBounty Technologies, Inc., 935 Main St, Waltham MA 02451, USA at 10.00 a.m., Eastern Daylight Time, on 29 October 2010 is set out at the end of this document. Shareholders will find enclosed a Form of Proxy for use at the General Meeting. The Form of Proxy should be completed and returned to Capita Registrars, Proxy Department, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU not less than 48 hours before the time of the General Meeting. Completion and return of the Form of Proxy will not preclude Shareholders from attending and voting in person at the General Meeting should they so wish.

Nomura Code Securities Limited, which is authorised and regulated in the United Kingdom by the FSA, is acting exclusively for AquaBounty Technologies, Inc. in relation to the transaction referred to herein. Nomura Code Securities Limited is not acting for, and will not be responsible to, any person other than AquaBounty Technologies, Inc. for providing the protections afforded to customers of Nomura Code Securities Limited or for advising any other person on the contents of this document or any transaction or arrangement referred to herein.

Forward-looking statements

This document contains (or may contain) certain forward-looking statements with respect to the Company and certain of its current goals and expectations relating to its future financial condition and performance and which involve a number of risks and uncertainties. The Company cautions readers that no forward-looking statement is a guarantee of future performance and that actual results could differ materially from those contained in the forward-looking statements. These forward-looking statements sometimes use words such as “aim”, “anticipate”, “target”, “expect”, “estimate”, “intend”, “plan”, “goal”, “believe”, or other words of similar meaning. Examples of forward-looking statements include statements regarding or which make assumptions in respect of the working capital which will be needed by the Group to fund its operations for the next 12 months. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances, including, but not limited to, economic and business conditions, the effects of continued volatility in credit markets, market-related risks such as changes in the price of oil or changes in interest rates and foreign exchange rates, the policies and actions of governmental and regulatory authorities, changes in legislation, the further development of standards and interpretations under U.S. Generally Accepted Accounting Principles applicable to past, current and future periods, evolving practices with regard to the interpretation and application of standards under U.S. Generally Accepted Accounting Principles, the outcome of pending and future litigation or regulatory investigations, the success of future regulatory applications, acquisitions and other strategic transactions and the impact of competition. A number of these factors are beyond the Company’s control. As a result, the Company’s actual future results may differ materially from the plans, goals and expectations set forth in the Company’s forward-looking statements. Any forward-looking statements made in this document by or on behalf of the Company speak only as at the date they are made. Except as required by the Financial Services Authority, the London Stock Exchange plc or applicable law, the Company expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained in this document to reflect any changes in the Company’s expectations with regard thereto or any changes in events, conditions or circumstances on which such statement is based.

CONTENTS

DEFINITIONS AND GLOSSARY

The following definitions apply throughout this document, unless the context requires otherwise:

"Admission"	the admission of the Subscription Shares to trading on AIM becoming effective pursuant to paragraph 6 of the AIM Rules
"AIM"	the AIM market operated by the London Stock Exchange
"AIM Rules"	the "AIM Rules for Companies" published by the London Stock Exchange governing admission to, and the operation of, AIM
"AquAdvantage™ Salmon" or "AAS"	Atlantic Salmon that have been bred with an all fish gene construct that causes the fish to grow faster but still not exceeding the normal size of a mature farmed Atlantic Salmon
"Board"	the Board of Directors of the Company
"Capita Registrars"	Capita Registrars Limited, registrars and receiving agents to the Company
"Certificate of Incorporation"	the amended and restated certificate of incorporation of the Company dated 17 March 2006
"Common Shares"	the Common Shares of 0.1 cents each in issue and fully paid at the date of this document
"Company" or "AquaBounty"	AquaBounty Technologies, Inc. (incorporated and registered in the State of Delaware, USA under number 2282110) whose registered office address is 935 Main St., Waltham, MA 02451, USA
"Consultancy Agreement"	the proposed agreement between the Company and Linnaeus pursuant to which Linnaeus will provide consulting services to the Company
"DGCL"	Delaware General Corporation Law
"Enlarged Share Capital"	the issued common share capital of the Company as enlarged following the Subscription
"Existing Common Shares"	the 50,445,443 Common Shares currently in issue as at the date of this document
"Form of Proxy"	the form of proxy for use in connection with the General Meeting accompanying this document
"FDA"	the US Food and Drug Administration
"FSA"	the Financial Services Authority
"General Meeting"	the general meeting of AquaBounty to be held at AquaBounty Technologies, Inc., 935 Main St, Waltham MA 02451, USA at 10 a.m., Eastern Daylight Time, on 29 October 2010, notice of which is set out at the end of this document
"Group"	the Company and its subsidiaries

"Linnaeus"	Linnaeus Capital Partners B.V. whose registered address is Haaksbergweg 39, 1101BP Amsterdam Zuidoost, The Netherlands
"London Stock Exchange"	London Stock Exchange plc
"Nomura Code"	Nomura Code Securities Limited
"Options"	the options under the 2006 Equity Incentive Plan and the pre-existing options over Common Shares
"Proposed Director"	Anita Hamilton
"Prospectus Rules"	the Prospectus Rules published by the FSA
"RAS"	Recirculating aquaculture systems
"Relationship Agreement"	the agreement between the Company and Linnaeus relating to the current and future basis of Linnaeus's relationship with the Company, further details of which are set out in Part II of this document
"Resolutions"	the resolutions set out in the notice of the General Meeting at the end of this document
"Section 7 Waiver"	the waiver of the obligation which would otherwise be imposed on Linnaeus under Section 7 (b) of the Certificate of Incorporation to make a general offer to Shareholders of the Company as a result of the Subscription
"Shareholders"	holders of Common Shares
"Subscription"	the subscription by Linnaeus for the Subscription Shares at the Subscription Price pursuant to the Subscription Agreement
"Subscription Agreement"	the conditional agreement made between the Company and Linnaeus, further details of which are set out in Part II of this document
"Subscription Price"	18 pence per new Common Share
"Subscription Shares"	the 17,666,666 new Common Shares to be issued to Linnaeus at the Subscription Price pursuant to the Subscription Agreement
"US", "USA" or the "United States of America"	the United States of America, each state thereof, its territories, possessions, and all areas subject to its jurisdiction
"UK" or the "United Kingdom"	the United Kingdom of England, Scotland, Wales and Northern Ireland
"VMAC"	Veterinary Medicine Advisory Committee
"Warrants"	the existing warrants over Common Shares
"£", "p" and "pence"	the lawful currency of the United Kingdom
"$", "c" and "cents"	the lawful currency of the United States

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Date of posting of this document and the Form of Proxy	5 October 2010
Latest time and date for receipt of completed Form of Proxy	10.00 a.m. on 27 October 2010†
General Meeting	**10.00 a.m. on 29 October 2010†**
The results of the General Meeting announced by way of a Regulatory Information Service	29 October 2010
Admission of and commencement of dealings in the Subscription Shares	2 November 2010

†Eastern Daylight Time, United States

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 on a Regulatory Information Service. References to time in this document are to London time except where stated.

SUBSCRIPTION STATISTICS

Subscription Price	18 p
Number of Existing Common Shares	50,445,443 shares
Number of Subscription Shares	17,666,666 shares
Enlarged Issued Share Capital	68,112,109 shares
Gross proceeds of the Subscription	£3.18 million
Estimated net proceeds of the Subscription	£3.02 million
Linnaeus's current interest in the Existing Common Shares	29.95 per cent.
Linnaeus's interest in the Enlarged Share Capital	48.12 per cent.

All £/US$ calculations are based on an exchange rate of £/US$ 1.5840 (derived from WM/Reuters at 4.00 p.m. (London time) on 4 October 2010 and published on FT.com

If you have any questions on how to complete the Form of Proxy, please contact Capita Registrars on telephone number 0871 664 0321 (+44 208 639 3399 from outside the UK). This helpline is open from 9.00 a.m. to 5.00 p.m. on business days (i.e. Monday to Friday and excluding public holidays).

Please note that calls to the helpline cost 10 pence per minute (including VAT) plus your service provider's network extras. Calls to the helpline from outside of the UK will be charged at applicable international rates. Different charges may apply to calls from mobile telephones. Please note that calls to the helpline may be monitored or recorded and that the helpline is not able to advise on the merits of the matters set out in this document or provide any personal legal, financial or taxation advice.

The Company's SEDOL code is B0YBXS7 and ISIN code is USU0387J1089.

DIRECTORS, SECRETARY AND ADVISERS

Directors	Richard J. Clothier *(Non-Executive Chairman)* Ronald L. Stotish, PhD *(Chief Executive Officer)* Elliot Z. Entis *(Non-Executive Director)* Richard L. Huber *(Non-Executive Director)* William M. Marcus *(Non-Executive Director)* Eric I. Steiner, MD, MBA *(Non-Executive Director)* David R. Stevens, DVM, PhD *(Non-Executive Director)*
Proposed Director	Anita Hamilton *(Non-Executive Director)*
Company secretary	David A. Frank
Registered office	935 Main St. Waltham MA 02451 USA
Nominated adviser and broker	Nomura Code Securities Limited 1 Carey Lane London EC2V 8AE
Legal advisers to the Company	Jones Day 21 Tudor Street London, EC4Y 0DJ United Kingdom
Auditors	Ernst and Young, LLP 139 Water Street, 7th Floor St. John's, NL A1C 1B2 Canada
Registrars	Capita Registrars The Registry, 34 Beckenham Road Beckenham, Kent BR3 4TU United Kingdom

PART I

Letter from the Chairman

AquaBounty Technologies, Inc

(incorporated and registered in the State of Delaware, USA under number 2282110)

Directors:	*Registered Office:*
Richard J. Clothier *(Non-Executive Chairman)*	935 Main St.
Ronald L. Stotish, PhD *(Chief Executive Officer)*	Waltham
Elliot Z. Entis *(Non-Executive Director)*	MA 02451
Richard L. Huber *(Non-Executive Director)*	USA
William M. Marcus *(Non-Executive Director)*	
Eric I. Steiner, MD, MBA *(Non-Executive Director)*	
David R. Stevens, DVM, PhD *(Non-Executive Director)*	

Proposed Director:

Anita Hamilton *(Non-Executive Director)*

5 October 2010

To Shareholders and, for information purposes only, to the holders of Warrants and Options

Dear Shareholders

Approval of the waiver of a mandatory offer obligation, proposed subscription of up to 17,666,666 new Common Shares at 18 pence per new Common Share to raise approximately £3.18 million (approximately $5.0 million) and Notice of General Meeting

1. Introduction

The Board announced today that the Company is proposing to raise approximately £3.18 million (approximately $5.0 million) before expenses by means of a subscription of new Common Shares by Linnaeus Capital Partners B.V. I am writing to provide further details of the Subscription.

The Subscription is conditional on the Company obtaining appropriate shareholder authorities at the General Meeting to issue the Subscription Shares and to waive the requirement for Linnaeus to make a mandatory offer for the Common Shares not otherwise owned by it under Sections 7 and 4(c) of the Company's Certificate of Incorporation.

Shareholders should be aware that, if the Resolutions are not passed at the General Meeting, the Subscription will not complete and the Company will not receive the funds from Linnaeus. In these circumstances, the Company will need to raise a similar sum from a different source, failing which, the Company may not have sufficient working capital to continue to trade beyond the second quarter of 2011.

Following the recent meeting of the Advisory Committee of the Center for Veterinary Medicine (VMAC) of the FDA, the Directors believe that final approval for the Company's New Animal Drug Application for AquAdvantage® Salmon will be forthcoming although currently there is no certainty of this. On receipt of this anticipated approval, the Company intends to start the commercialisation of this technology by seeking approvals in additional territories for trials by commercial fish producers. This will require applications to the relevant authorities, some of which have been initiated, and an expansion of AAS egg production capacity.

In order to achieve this, the Board has been looking to raise capital in a difficult financial market and has pursued a number of fundraising options, the most attractive of which was to arrange a subscription by the Company's major shareholder, Linnaeus. The background to the Subscription is set out at paragraph 4 below and a description of Linnaeus is set out at paragraph 6 below and in Part III of this document.

2. Terms of the Subscription

Linnaeus has conditionally agreed to invest £3.18 million (approximately $5.0 million) in the Company by way of a subscription for 17,666,666 new Common Shares at a price of 18 pence per share. The Subscription Price represents a 52.6 per cent. premium to the volume weighted average share price of the Company for the 90 days ending on the last business day prior to the announcement of the Subscription and a discount of 2.7 per cent. to the price on the last business day prior to the announcement of the Subscription. The Subscription is conditional on Shareholder approval of the Resolutions to be sought at the General Meeting.

Linnaeus has made it a condition of its subscription that it be entitled to appoint one of the Company's non-executive directors. To secure the offer of finance, the Board of AquaBounty has agreed to these terms, subject to approval of Shareholders.

As at today's date, Linnaeus owns 15,107,740 Common Shares, representing 29.95 per cent. of the Existing Common Shares. Following the Subscription, Linnaeus will hold 32,774,406 Common Shares, representing 48.12 per cent. of the Enlarged Issued Share Capital. Linnaeus has confirmed that it wishes to see the Company retain its quotation on the AIM market.

Shareholders should note that the effect of the Resolutions will principally be to allow Linnaeus to acquire a shareholding in the Company in excess of 30 per cent. and to do so without the need to make an offer to Shareholders for the remaining issued Common Shares and those under option or subject to a warrant. The Resolutions will also authorise the Board to issue the Subscription Shares to Linnaeus without first offering them to all Shareholders pre-emptively on the terms set out in the Certificate of Incorporation.

The Subscription Shares to be issued to Linnaeus are to be credited as fully paid and are to rank *pari passu* in all respects with the Existing Common Shares.

Shareholders should note that Linnaeus can terminate the Subscription Agreement in certain circumstances, including in the event of an economic, political or other crisis, the introduction of any governmental regulation adversely affecting the Company, or if the Company has given inaccurate warranties or fails to perform its obligations under the Subscription Agreement. A summary of the principal terms of the Subscription Agreement is set out in Part II of this document.

Pursuant to the Subscription Agreement, the Company and Linnaeus will also enter into the Relationship Agreement and the Consultancy Agreement before Admission. The Relationship Agreement seeks to ensure, amongst other things, that the Company carries on business independently of, and at arm's length to, Linnaeus. Pursuant to the Consultancy Agreement, Linnaeus has agreed to provide certain business services to the Company, including assisting the Company with reviewing its strategy, the evaluation of business plans and expansion opportunities and financial or operating reporting procedures.

A summary of the principal terms of the Relationship Agreement and the Consultancy Agreement are set out in Part II of this document

3. Business update

FDA Approval

The focus of the Company's efforts during the last 24 months has been to secure approval from the FDA for AAS. By June 2009, all remaining technical submissions had been completed and AquaBounty's facilities, including the trial production unit, had been inspected by the authorities and passed fit for its purpose. Since that time, the Company has been responding to questions raised by the FDA in its review.

On 25 August 2010, the Company was informed by the Centre for Veterinary Medicine of the FDA of its intention to discuss the approval of the pending application for AAS at a meeting of the Veterinary Medicine Advisory Committee on 19 and 20 September 2010 in Maryland. The VMAC advises the Commissioner of the FDA in discharging its responsibilities as they relate to assuring safe and effective products over which the agency has regulatory responsibility.

The VMAC duly reviewed and evaluated the available data concerning the safety and effectiveness of the product and made its comments to the FDA. The FDA will now consider the VMAC's input, along with comments from the general public.

The VMAC meeting was followed by a public hearing on 21 September 2010 on the labelling of food made from AAS. The FDA concluded that, if the agency approves the product, a decision will be made on labelling requirements.

No further steps remain to be completed before the Commissioner makes her decision. The Company is confident of a successful outcome in the near future which will allow the AAS eggs from the spawning in the fourth quarter of 2010 to be available for trials and for sale in early 2011.

Update on commercial market test

The 20,000 fish in the commercial market test unit have performed in accordance with expectations. The AquAdvantage® Salmon have grown at twice the rate of the control group. At 365 days, the AAS weighed 1340 grams compared to 663 grams for the traditional salmon and they should reach a weight of 4 kilos in 698 days, which would be 1.4 years before the control group. The fish thrive in the contained, fresh water system. In addition, a trial to test less expensive types of feed has shown that further economies in production are possible.

Relationships have been developed with producers and authorities in several countries who have appropriate production resources and are interested in testing the product once it has FDA approval. Plans have been put in place to expand capacity for the production of eggs. At the same time, research and development work continues to prepare the next generation of the product.

4. The background to the Subscription

Since the Company's initial public offering in July 2006, the Company has regularly monitored its capital positions and cash balance and the Board has regularly reviewed and evaluated the Company's business strategy and strategic alternatives with the goal of enhancing stockholder value. At the meeting of the Board on 13 January 2010, as part of its periodic review of the Company's financial position, the Board considered the Company's business model, budget and current valuation. At that meeting, the Board determined that the Company should consider various fund-raising options and it approved a preliminary plan to target a fund-raising in the third quarter of the 2010 fiscal year.

On 3 March 2010, members of the Company's management met with the Company's largest shareholder, Linnaeus, to discuss Linnaeus's interest in investing further in the Company. Later that month, on 18 March 2010, the Board met with the Company's nominated adviser, Nomura Code, to discuss fund-raising alternatives, including a possible Linnaeus investment. The Board concluded that, considering current capital market conditions and the financial position of the Company, an investment by Linnaeus could provide a potential benefit to the Company, its business and its shareholders. While continuing to consider all fund-raising alternatives, in April 2010, representatives of Linnaeus, the Company and the parties' financial advisors met to discuss potential terms of an investment by Linnaeus in the Company.

On 14 July 2010, Nomura Code published a research paper on the Company, which calculated the Company's valuation, based on expected future cash flows, to be 14.2 pence per Common Share. This valuation fell within, but near the top of, the Board's January 2010 internal valuation of the Company and provided a useful barometer to the Board as it considered various fund-raising alternatives.

Negotiations between the Company and Linnaeus regarding the terms of an investment by Linnaeus and the Company, including the price per share to be paid, continued throughout the Spring and Summer of 2010. In addition, the Board met at various times between May and July 2010 to discuss, among other matters, the terms of a proposed Linnaeus investment. On 9 September 2010, the Company, based on input from certain Board members, informed Linnaeus that the price per share at which Linnaeus proposed to acquire shares of the Company was inadequate given the rise in the share price and the developments in the regulatory approval process. On 14 September 2010, Linnaeus agreed to raise its offer price to 18 pence per share, which represents a 2.7 per cent. discount to the price of the Common Shares on 4 October, 2010 and a premium over the valuations set forth in Nomura Code's June 2010 research paper and the Board's January 2010 internal valuation.

The Board reviewed the 14 September 2010 proposal with Nomura Code and concluded that, based on all the relevant circumstances, the proposal was in the best interest of the Company and its existing shareholders. The Company and Linnaeus then agreed to proceed with negotiation of definitive agreements relating to an investment at that price. At that time, the Company also considered conducting a wider offering of its shares to its existing shareholders at the same price per share. Ultimately, based on internal and advisors' research and discussions with other major shareholders, the Board determined that such a transaction would be too costly and was unlikely to result in significant participation by the Company's shareholders.

The interim results of the Company announced on 15 September reiterated the requirement of the Company to raise working capital.

5. Outlook

Given the unique nature of AquAdvantage® Salmon and the fact that it is expected to be the first transgenic species approved for human consumption, a sales and marketing programme has been initiated to assist prospective salmon producer customers and to provide the necessary information to the sectors of the food industry that they supply. The Company has also begun to assist selected prospective customers in several countries to prepare for commercial trials and to plan the required increase in commercial egg production. Limited development of the next generation product is underway and this will be accelerated after the first approval is granted.

The funds raised by the Subscription will allow the Company to progress these activities and provide working capital for at least the next 12 months. However, given the time required for producers to trial the product, the Company does not expect significant sales until the 2012 season and anticipates a need to raise further money before that time.

6. Introduction to Linnaeus

History of Linnaeus

Linnaeus Capital Partners B.V. was founded by Mr Kakha Bendukidze in 2009 and is an Amsterdam based independent and partner owned private equity fund. Linnaeus and its affiliated parent group members have $240 million of capital under management and committed funds. Linnaeus was set up to provide growth capital. Linnaeus has existing investments in aquaculture (both land based RAS and sea cage operations), fibre optics technology, manufacturing of optical material for LCD film production, nicotine replacement products and a prototype design company.

Linnaeus also has an investment pipeline that includes modified atmospheric packaging and aviation.

Management

Linnaeus is managed by Anita Hamilton (Partner and Managing Director) and Olga Novikova (Director) with active participation from the fund's principal, Kakha Bendukidze.

Investment Policy

Linnaeus is providing development capital across a range of growth sectors focusing largely on food and technology driven areas and is a medium to long term investor with a hold horizon of five to seven years. Its area of interest is small to medium sized companies where Linnaeus believes unique and high growth potential exists.

Linnaeus has a wide range of investment expertise and does not restrict its interests to any particular sector. When evaluating investments Linnaeus looks for experienced and driven management teams, sustainable technology (established proof of concept and strong intellectual property) and a straightforward business plan that has the potential for significant growth.

Linnaeus believes that that AquaBounty fits into its investment strategy in the aquaculture sector.

Areas of Operation

Linnaeus is based in Amsterdam, Holland. It operates globally but with an initial focus in Europe; other investments to date have originated in Australia and Japan.

Funds Under Management

Linnaeus and its affilliated parent group members have assets under management and funds committed to date of approximately $240 million and have plans to invest up to $75 million in equity in 2010. Its investment funds are a mixture of cash and existing assets, some of which will be liquidated as part of planned portfolio recycling.

Previous Successful Investments

The Linnaeus team's legacy projects include:

- The foundation and successful sale by Mr Bendukidze of United Heavy Machinery Corporation (OMZ), one of the largest heavy engineering companies in Russia. OMZ was among the first Russian companies to be admitted to the US ADR market and the Main Market of the LSE when it was listed in 2003.
- Friede & Goldman, a leading US based offshore engineering oil/gas rig designer which was recently sold.

The Source of Funds

The proposed subscription would be funded from Linnaeus's existing cash resources and will be paid to the Company subject to the satisfaction of the passing of the Resolutions at the General Meeting, the adoption of new bylaws by the Board and admission of the new Common Shares to trading on AIM.

Strategy Concerning Aquaculture Investments

The partners of Linnaeus believe strongly in the underlying fundamentals of the aquaculture sector which they believe is underpinned by decreasing global wild fish stocks and increasing retail demand. Linnaeus's intention is to develop a global aquaculture platform which focuses on the production and processing of several "industrial" species. As such, it has been investing globally in the sector in both sea cage and RAS systems and it expects the salmon, barramundi and Mediterranean species (such as sea bass and sea bream) to play an important role in aquaculture.

To date, Linnaeus has complimentary investments in:

Cell Aquaculture Limited ("Cell") www.cellaqua.com

Cell is an international aquaculture company, publicly listed on the Australian Securities Exchange (ASX), which supplies a full range of environmentally sustainable, vertically integrated seafood production services – encompassing everything from 'Hatch to Dispatch'. Linnaeus currently owns approximately 12 per cent. of the share capital.

Dias Aquaculture S.A. ("Dias") www.diassa.gr

Dias is one of Greece's largest aquaculture operators specialising in sea bass and sea bream production. In 2009, its volumes were 20,000 tonnes. Linnaeus currently holds approximately 12 per cent. of the share capital but also holds a convertible bond which, if converted, would give Linnaeus a holding in excess of 30 per cent. of the company's share capital.

Linnaeus's Intentions Concerning Aqua Bounty

Linnaeus is optimistic about the future of the Company and it is their intention to maintain the Company's listing on AIM. As well as the existing salmon R&D, Linnaeus is eager to develop the Company's other R&D projects which have been delayed pending receipt of sufficient funds.

7. Proposed Board Appointments

The Board is pleased to appoint, conditional upon Admission, Anita Hamilton as a Non-Executive Directors of the Company. Ms Hamilton is a director of Linnaeus. The appointment will be made subject to approval of the relevant Resolutions at the General Meeting. Further details of the Proposed Director are set out in Part III of this document.

8. Strategy and Use of Funds

Following a strategic review in early 2008, the Company has been focussed on the development and expected commercialisation of AAS. For the time being, this remains the case although it is expected that work on the next generation of products will be increased. The funds therefore will be largely used to maintain the Company on its present course; there will be some change in the allocation of expenses, for example an increase in regulatory applications in prospective producer countries will be offset by a reduction in such expenditure in USA. Technical resources will be diverted more to next generation products that have had less attention during the AAS approval process. There will be an increase in expenditure on sales support to assist prospective customers in trial projects.

9. Working Capital

As at 30 June 2010, the Company had cash and cash equivalents and marketable securities of $3.59 million.

The Board believes, based on current forecasts that, following Admission, the Company will have sufficient cash to fund its activities for at least the next 12 months.

10. Share Capital

The ordinary share capital of the Company as at the date of this document and following the Subscription is as follows:

	As at the date of this document	**Immediately following Admission**
Share capital	*Number of Common Shares*	*Number of Common Shares*
	50,445,443	68,112,109

Directors and interests in shares

As at the date of this document, the interests of the Directors and the Proposed Director and their immediate families (all of which are beneficial) in the issued share capital of the Company and, so far as is known to the Directors and/or the Proposed Director or could with reasonable diligence be ascertained by them, persons connected with them which, if the connected person were a Director, would otherwise be disclosed pursuant to this paragraph are, or are expected to be, as follows:

	As at the date of this document		**Immediately following Admission**	
Director	*Number of Common Shares*	*Percentage of Existing Common Shares*	*Number of Common Shares*	*Percentage of Enlarged Share Capital*
R. Clothier	252,906	0.5%	252,906	0.4%
Ron Stotish	0	0.0%	0	0.0%
E. Entis	1,090,706	2.2%	1,090,706	1.6%
R. Huber	639,321	1.3%	639,321	0.9%
W. Marcus (1)	2,535,802	5.0%	2,535,802	3.7%
Dr. E. Steiner	0	0.0%	0	0.0%
Dr. D. Stevens	0	0.0%	0	0.0%
Total	**4,518,735**	**9.0%**	**4,518,735**	**6.6%**

[1] Percentage includes shares held by various family partnerships and other direct relatives.

As at the date of this document, and save for the interests of the Directors disclosed above, the Company is aware of the following persons who are or will hold, directly or indirectly, voting rights representing 3 per cent. or more of the issued share capital of the Company to which voting rights are attached:

	As at the date of this document		**Immediately following Admission**	
Major Shareholders	*Number of Common Shares*	*Percentage of Existing Common Shares*	*Number of Common Shares*	*Percentage of Enlarged Share Capital*
Linnaeus Capital Partners	15,107,740	30.0%	32,774,406	48.1%
Alejandro Weinstein (2)	3,536,669	7.0%	3,536,669	5.2%
Fairchild Corporation	2,934,750	5.8%	2,934,750	4.3%
Lou Barnett (3)	2,601,533	5.2%	2,601,533	3.8%
Total	**24,180,692**	**48.0%**	**41,847,358**	**61.4%**

[2] Percentage includes shares held by Western Pharmaceuticals and Minijen Limited. Mr. Weinstein is a controlling shareholder of both companies.

[3] Percentage includes shares held by various family partnerships and trusts including the Barnett Family Partnerships I, II, and IV, Barnett Limited Partnership and BGC Initial Partnership. Mr. Barnett retired as a director of AquaBounty in July 2007.

11. Related party transaction

Linnaeus currently holds 15,107,740 Common Shares representing 29.95 per cent. of the Company's Existing Common Shares. Under the terms of the Subscription Agreement, Linnaeus has agreed to subscribe for 17,666,666 new Common Shares. As Linnaeus is a "substantial shareholder" of the Company, the Subscription constitutes a "related party transaction" under the AIM Rules. The Directors consider, having consulted with the Company's nominated adviser, Nomura Code, that the terms on which Linnaeus is subscribing for new Common Shares are fair and reasonable insofar as the Company's Shareholders are concerned.

12. General Meeting

The Subscription is subject, *inter alia*, to the approval of Shareholders at the General Meeting of the Company.

Set out at the end of this document is the notice convening the General Meeting to be held on 29 October 2010 at 10.00 a.m. EDT at AquaBounty Technologies, Inc., 935 Main St, Waltham MA 02451, USA. at which the following resolutions will be proposed:

Resolution 1 to approve the Section 7 Waiver

The Board recognizes that the provisions of Section 7 of the Certificate of Incorporation would apply to the proposed issuance of the Subscription Shares to Linnaeus pursuant to the Subscription Agreement. Section 7 requires a person acquiring a 30 per cent. or greater voting interest in the Company to make an offer to the Company's shareholders to purchase or otherwise acquire their stock in the Company. As the Subscription is conditional on this resolution being passed, the Board has determined that the application of Section 7 of the Certificate of Incorporation in relation to the Subscription is not in the best interests of the Company or its shareholders.

In accordance with Section 7(n) of the Certificate of Incorporation, this vote is only for independent shareholders not affiliated or acting in concert with Linnaeus Capital Partners B.V. and requires the affirmative vote of a majority of such shareholders.

The Board of Directors recommends a vote "FOR" the approval of Resolution 1.

Resolution 2 to dis-apply pre-emption rights

The Board recognises that the provisions of Section 4(c) of the Certificate of Incorporation would apply to the proposed issuance of the Subscription Shares to Linnaeus pursuant to the Subscription Agreement. Section 4(c) requires the Company, before selling Common Shares to a person for cash, to offer to its Shareholders the right to purchase a proportional amount of Common Shares on terms that are at least as favorable as those for which said person would purchase the Common Shares. As the Subscription is conditional on this resolution being passed, the Board has determined that the application of Section 4(c) of the Certificate of Incorporation in relation to the Subscription is not in the best interests of the Company or its Shareholders.

In accordance with Section 4(c) of the Certificate of Incorporation, this resolution will be passed with the affirmative vote of 75 per cent. of those Shareholders present in person or represented by proxy.

The Board of Directors recommends a vote "FOR" the approval of Resolution 2.

Resolution 3 authorising the Company to amend its Certificate of Incorporation

As part of the agreement with Linnaeus, the Board has agreed to seek changes to the Certificate of Incorporation to, *inter alia*:

(i) restrict the ability of the Company to issue, redeem, or repurchase any Common Shares, save for the issue of Common Shares pursuant to the Company's share option or incentive plans, without first obtaining (a) the affirmative vote of the holders of 65 per cent. of the Common

Shares represented at a meeting of the Shareholders duly called and held, or (b) the written consent of the holders of 65 per cent. of the Common Shares;

(ii) restrict the ability of the Board to declare or pay a dividend or other distribution upon the Common Shares without first obtaining (a) the affirmative vote of the holders of 65 per cent. of the Common Shares represented at a meeting of the Shareholders duly called and held, or (b) the written consent of the holders of 65 per cent. of the Common Shares.

(iii) restrict the ability of the Company to incur debt, other than debt incurred solely to provide working capital for the Company's use in the ordinary course of business, without first obtaining (a) the affirmative vote of the holders of 65 per cent. of the Common Shares represented at a meeting of the Shareholders duly called and held, or (b) the written consent of the holders of 65 per cent. of the Common Shares.

In accordance with the Certificate of Incorporation, this resolution will be passed with the affirmative vote of a majority of those Shareholders present in person or represented by proxy.

The Board of Directors recommends a vote "FOR" the approval of Resolution 3.

Resolution 4 appoints Anita Hamilton as a director of the Company.

Under the Relationship Agreement, the Company has agreed to the appointment of one director nominated by Linnaeus.

In accordance with the Certificate of Incorporation, this resolution will be passed with the affirmative vote of a majority of those Shareholders present in person or represented by proxy.

The Board of Directors recommends a vote "FOR" the approval of Resolution 4.

Actions to be taken

A Form of Proxy for use at the General Meeting accompanies this document. Whether or not you intend to be present at the meetings, you are asked to complete the Form of Proxy in accordance with the instructions thereon and to return it by post to Capita Registrars, Proxy Department, The Registry, 34 Beckenham Road, Beckenham Kent BR3 4TU, so as to be received as soon as possible and, in any event, not later than 10.00 a.m. EDT. on 27 October 2010.

You may revoke your proxy by notifying Capita Registrars in writing at the above address no later than 10.00 a.m. EDT on 27 October 2010, that you have revoked your proxy or voting in person at the meeting.

Proxies solicited by the Board will be voted "FOR" the proposal, unless a different vote is specified. A quorum of shareholders is necessary to hold a valid meeting. The presence, in person or represented by proxy, at the meeting of holders of shares representing a majority of the votes of the Common Shares entitled to vote constitutes a quorum.

Importance of vote

As the Subscription is conditional, *inter alia*, upon the approval by Shareholders of the Resolutions at the General Meeting, Shareholders should be aware that, if the Resolutions are not passed and the Subscription does not take place, funds will not be received by the Company. In this event, the Company will require additional working capital before the second quarter of 2011.

It is also important to note that if the Resolutions are passed, Linnaeus will acquire a controlling interest in the Company.

Recommendation

Following the positive VMAC meeting, I am hopeful that the Company will receive final approval for AAS from the U.S. Food and Drug Administration and I believe that we will soon be in a position to execute our business plan by moving forward into the commercialisation phase of development of this unique product. We have made it plain for some time that additional funding will be required to carry out the necessary work, however, we believe that there is potential for significant sales and value to Shareholders.

The Directors consider the Subscription and the Section 7 Waiver to be fair and reasonable and in the interests of the Company and its Shareholders as a whole. The Board recommends that you vote in favour of the Resolutions to be proposed at the General Meeting, as those Directors who are also Shareholders, intend to do in respect of their own beneficial holdings of Common Shares which amount, in aggregate, to 4,518,735 Common Shares, representing approximately 9.0 per cent. of the Existing Common Shares.

Yours faithfully,

Richard Clothier
Chairman

PART II

Details of the Subscription

The Subscription Agreement

The Company has entered into the Subscription Agreement with Linnaeus today pursuant to which Linnaeus has conditionally agreed to invest £3.18 million ($5 million) in the Company by way of a subscription for 17,666,666 new Common Shares at a price of 18 pence per share. The Subscription Price represents a 52.6 per cent. premium to the volume weighted average share price of the Company for the 90 days ending on the last business day prior to the announcement of the Subscription. The Subscription is conditional on Shareholder approval of the Resolutions to be sought at the General Meeting.

As at today's date, Linnaeus currently owns 15,107,740 Common Shares, representing 29.95 per cent. of the Existing Common Shares. Following the Subscription, Linnaeus will hold 32,774,406 Common Shares, representing 48.12 per cent. of the Enlarged Issued Share Capital.

Linnaeus can terminate the Subscription Agreement in certain circumstances, including in the event of an economic, political or other crisis, the introduction of any governmental regulation adversely affecting the Company, or if the Company has given inaccurate warranties or fails to perform its obligations under the Subscription Agreement.

The Subscription Shares will be allotted and issued fully paid and will, on issue, rank *pari passu* with the Existing Common 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 Subscription Shares to be admitted to trading on AIM.

The Relationship Agreement

Prior to Admission, the Company and Linnaeus propose to enter into the Relationship Agreement which seeks to ensure, amongst other things, that the Company carries on business independently of, and at arm's length to, Linnaeus. Under the Relationship Agreement, Linnaeus will be entitled to send a representative to attend and speak, but not vote, at all Board meetings when no director is appointed by Linnaeus. Linnaeus further undertakes that it will endeavour to ensure that the Company's management remains independent from Linnaeus, and that it will not attempt to solicit senior employees away from the Company.

The Relationship Agreement also includes an obligation on the Company to increase the Board to eight and appoint Anita Hamilton to the Board and, for so long as the Relationship Agreement remains effective, to ensure that a representative of Linnaeus remains on the Board.

The Relationship Agreement will remain in force for as long as Linnaeus holds at least 25 per cent. of the Company's shares or until the Company's shares cease to be traded on AIM.

The Consultancy Agreement

Prior to Admission, the Company and Linnaeus propose to enter into the Consultancy Agreement. Under this agreement, Linnaeus will provide certain business services to the Company, including assisting the Company with reviewing its strategy, the evaluation of business plans and expansion opportunities and financial or operating reporting procedures.

The Company has agreed to reimburse Linnaeus all reasonable expenses incurred in the provision of these services with the prior written approval of the Company. The Consultancy Agreement can be terminated by either party by giving one month's notice.

Documents on Display

Copies of the above documents will be available for viewing at the Company's offices at 935 Main St, Waltham MA 02451 during normal business hours on any weekday (except Saturdays, Sundays and Public holidays).

PART III

Information on Linnaeus Capital Partners and the Proposed Director

Information on Linnaeus

Linnaeus Capital Partners B.V. was incorporated in December 2009 in the Netherlands as an investment vehicle.

Linnaeus is wholly-owned by Industrial Investments Limited, a holding company incorporated in Cyprus. Kakha Bendukidze holds 73.3 per cent. of the shares in Industrial Investments Limited with the balance of 26.7 per cent. being held by the remaining partners.

Proposed Director and principal partner of Linnaeus

Anita Hamilton – Partner and Managing Director

Ms Hamilton, 45, is currently a partner and managing director of the Amsterdam based independent and partner owned private equity fund, Linnaeus Capital Partners, having joined in 2009. Linnaeus has investments in fibre optics technology and manufacturing, manufacturing of optical material for LCD film production, a prototype design company, nicotine replacement product development and aquaculture (both land based RAS and sea cage operations).

Prior to joining Linnaeus, Ms Hamilton was employed by Carlyle Limited and was a director of Cairn BD Limited (trading as Greenbrook) between February 2007 and July 2009. Greenbrook is a management and investment services company that provides support to its parent group. It is active in the renewable energy sector and has assessed bio diesel and bio ethanol projects in Europe and North America. It advised upon the acquisition of a UK manufacturer of dye sensitized solar cells in 2008, Dutch wind turbine manufacturer in 2008 and a forestry asset management company which trades carbon in 2007. In 2009 Greenbrook advised upon the establishment of a renewable energy fund based in Luxembourg (SICAR) in which Ms Hamilton was a director of the General Partner. The fund reached a First Close in April 2009 with €133m.

Between 1991 and 2005, Ms Hamilton was head of Business Development at Hutchison Westports Limited, the port operating and investment division of the Hong Kong based Hutchison Whampoa Group, one of the largest quoted companies on the HKSE. The group is the largest private investor, developer and operator of container ports in the world.

Hutchison Westports Limited is a wholly owned subsidiary of the Hutchison Whampoa Group and is responsible for port operations and investment activities outside of Asia.

Ms Hamilton was also Group Management Accountant at Furness Withy Terminals Limited between 1990 to 1991

Kakha Bendukidze – Principal partner

Mr Bendukidze, 54, is currently the principal partner of Linnaeus and its majority owner. He is also Chairman of the Board of Trustees for the Free University of Tbilisi, Georgia.

Prior to setting up Linnaeus, Mr Bendukidze held a number of posts in the Georgian government including Head of State Chancellery (February 2008 to February 2009), State Minister for Reform Coordination (December 2004 to January 2008) and Minister for Economics (June 2004 to December 2004).

Between October 1996 and March 2004, Mr Bendukidze was CEO and Chairman of OMZ (Uralmash-Izhora Group) one of Russia's largest heavy engineering companies. OMZ plays a leading role in the engineering and production of equipment for the nuclear power industry, oil and gas sectors, special steels industry and mining equipment sectors and since 2003 has been listed on the Main Market of the London Stock Exchange.

Mr Bendukidze was a co-founder of NIPEK, an investment company that specialised in small and mid-cap companies in the chemical and industrial sectors in Russia.

Mr Bendukidze was a co-founder of Bioprocess, a biotechnology company and withdrew from this company to focus on the heavy engineering sector.

Prior directorships of the Proposed Director and Kakha Bendukidze

The Proposed Directors and Kakha Bendukidze are, or have been, in the five years immediately preceding the date of this document, directors of the following companies or partners in the following partnerships:

Current directorships and partnerships	*Past directorships and partnerships within the last five years*
Anita Hamilton	
Linnaeus Capital Partners B.V.	Cairn BD Limited
Linnaeus Capital Limited	Willbrook Limited
M2FX Plc	Sustainable Forestry Management Limited
Minima Limited	4rae Renewable and Alternative Energy Sarl
91-99 Pentonville Road (Freehold) Limited	My Things Limited
	My Things Inc
Kakha Bendukidze	
None	None

A receiver was appointed by the secured creditors in relation to Sustainable Forestry Management Limited (a Bermuda company) on 16 February 2010. Ms Hamilton was not a director at the time, having resigned in July 2009.

Further Disclosure

Save as set out above, neither the Proposed Director nor Kakha Bendukidze have, in the previous five years:

1 received any convictions in relation to fraudulent offences;

2 been declared bankrupt or entered into an individual voluntary arrangement;

3 been a director of any company at the time of or within 12 months preceding any receivership, compulsory liquidation, creditors voluntary liquidation, administration, company voluntary arrangement or any composition or arrangement with that company's creditors generally or with any class of its creditors;

4 been a partner in a partnership at the time of, or within twelve months preceding, any compulsory liquidation, administration or partnership voluntary arrangement of any such partnership;

5 had his assets the subject of any receivership or has been a partner of a partnership at the time of or within the 12 months preceding, any assets thereof being the subject of a receivership; or

6 been subject to any public incrimination and/or sanction by any regulatory authority (including any recognised professional body) or has ever been disqualified by a court from acting as a director or member of administrative management or supervisory bodies of a company or from acting in the management or conduct of the affairs of any company.

Part IV

Risk Factors

If any of the following risks actually occurs, the Group's business, financial condition, trading performance and prospects could be substantially adversely affected in the medium to long term and the future business success and/or achievement of strategic objectives could be endangered. In such case, the trading price of the Common Shares could decline and investors may lose all or part of their investment. As a result, the risk factors contained in this Part IV should not be viewed as an exhaustive list. Additional risks and uncertainties not presently known to the Group or that it currently deems immaterial could have a substantial adverse effect in the medium to long term on the Group's business, financial condition, trading performance and prospects.

Uncertainty of achieving the business plan, future revenue and operating results

As soon as the required regulatory approvals are granted, the Group plans to develop its business by establishing its new product in markets for which little historical trading information exists. As a consequence, the Group's future revenue is difficult to forecast. If the Group does not achieve its expected revenue and/or does not manage to contain expenses at reasonable levels, the Group's results of operations may fall below expectations. As a result of the rapidly evolving nature of the Group's business together with the Group's limited operating history, the Directors believe that any period to period comparisons of financial results are not necessarily meaningful and should not be relied upon as an indication of future performance. The Group's results may fluctuate from period to period as a result of a variety of factors including the possible delay in establishing producer customers as a result of regulatory obstacles in their respective countries. If the Group's expenses increase more than it expects, the Group may take longer to reach profitability. The Group does not expect to pay dividends for the foreseeable future. The Group's results of operations may not meet the future expectations of public market analysts or investors and the market price of the Common Shares could be substantially adversely affected.

Risk of market acceptance of Advanced Hybrid fish

While there are genetically modified plant products currently in use in the food chain worldwide, to date there are no such animal products commercially available. There is no guarantee of consumer acceptance of the Company's AquAdvantage™ fish products.

Need to raise capital

The amount and timing of the expenditures needed to achieve the Group's development and commercialisation programmes will depend on numerous factors, some of which are outside the Company's control. Changes could result in the need for additional funds. There can be no assurance that additional funds will be available on a timely basis, on favourable terms, or at all, or that such funds, if raised, would be sufficient to enable the Group to continue to implement its business strategy.

Limited operating history and track record of operating losses

Although AquaBounty was established in 1993, it did not start to develop its current product portfolio until it was spun off as an independent entity in 2000. In the period since incorporation to 30 September 2010, the Group has incurred net losses of approximately $63 million. These losses reflect its personnel, research and development as well as marketing costs. There can be no guarantee that AquaBounty will achieve profitability in the future.

Early stage of development of the Group's product portfolio

There can be no assurance that any of the Group's future product candidates will be successfully developed. The Group may encounter delays and incur additional research and development as well as production costs and expenses, over and above those expected by the Directors, in order to produce products sufficient for commercial distribution. Furthermore, there can be no assurance that any of the Group's developed products will meet the regulatory and production requirements necessary for commercial distribution.

Ability to manage growth

The Group is currently facing a period of rapid growth which will place, significant pressure on its management, sales, operational and financial resources. The Group's execution of its business plan and its future success will depend, in part, on the Group's ability to manage current and planned expansion and on continuing to implement and improve its operational management . Any failure to manage the Group's current and planned growth may have a substantial adverse effect on the Group's business, financial condition, trading performance and prospects.

Technological change

While the Directors believe the Company has advantages in its products, the markets that it is addressing are significant and other groups have an interest in developing products in this market place. Therefore the Directors cannot guarantee the Company's products will not be superseded by products developed through new technologies.

Product testing and regulatory approval

The evaluation, manufacture and marketing of the Group's products are subject to regulation by government and regulatory agencies in all countries. Failure to secure the required regulatory permissions could preclude the sale and distribution of the Company's products in its target markets.

Animal rights activists

The Company's activities involve genetic modification (engineering) in animals. These types of activities have been the subject of controversy and adverse publicity. Animal rights groups and various other organisations and individuals have attempted to stop genetic engineering activities by pressing for legislation and regulation in these areas. To the extent the activities of such groups are successful; the Company's business may be adversely affected.

Health of AquAdvantage® broodstock

The Company's AAS intellectual property resides in the fish themselves; destruction of these stocks by whatever means would result in the loss of the commercial technology. Live animals are subject to disease which may in some cases prevent or cause delay in the export of fish or eggs to customers. Disease organisms may be present undetected and transferred inadvertently. Such events may cause loss of revenue.

Exchange rate fluctuation

As a consequence of the international nature of its business, the Group is exposed to risks associated with changes in foreign currency exchange rates. The proceeds of the Group's fundraising are expected to be in pounds sterling. The Group is based in the US and presents its financial statements in US dollars and the majority of the Group's cash resources are held in US dollars or in Canadian dollars. Some of the Group's future expenses and revenues are expected to be denominated in currencies other than in US dollars. Therefore, movements in exchange rates to translate to foreign currencies may have an impact on the Group's reported results of operations, financial position and cash flows.

Protection of patents and proprietary rights

The Group's ability to compete effectively with other companies depends, *inter alia*, on its exploitation of technology. However, there can be no assurance that competitors have not developed or will not develop substantially equivalent products or techniques or otherwise gain access to the Group's technology. There can be no assurance that patents will be issued in connection with any of the Group's applications now pending or which may be applied for in the future nor that the Group will develop products which are patentable or that patents will be sufficiently broad in their scope to provide protection against third parties.

Legislative and regulatory changes

The markets in which the Group presently operates and intends to expand into are subject to regulatory and legislative changes. There is no assurance that changes in the legislative and regulatory requirements in the markets in which the Group operates will not affect the viability of the Group's business and prospects.

Securities traded on AIM

The Common Shares are traded on AIM rather than the Official List. An investment in shares traded on AIM may carry a higher risk than those listed on the Official List. The market price of the Common Shares may be subject to wide fluctuations in response to many factors, including variations in the operating results of the Group, divergence in financial results from analysts' expectations, changes in earnings estimates by stock market analysts, general economic conditions, overall market or sector sentiment, legislative changes in the Group's sector and other events and factors outside of the Group's control. Stock markets have from time to time experienced severe price and volume fluctuations, which, if recurring, could adversely affect the market price for the Common Shares. Admission to AIM should not be taken as implying that there will be a liquid market for the Common Shares. It may be more difficult for an investor to realise his investment on AIM than to realise an investment in a company whose shares are quoted on the Official List.

Share price volatility and liquidity

The share price of publicly traded emerging companies can be highly volatile. The price at which the Common Shares will be quoted and the price which investors may realise for their Common Shares will be influenced by a large number of factors, some specific to the Group and its operations and some which may affect the quoted biotechnology sector, or quoted companies generally. These factors could include the performance of the Group's research and development programmes, large purchases or sales of the shares, currency fluctuations, legislative changes in the GM environment and general economic conditions.

Dependence on key personnel

The Company's future success is substantially dependent on its key personnel, including Ron Stotish. Although they are under contract to the Company, the loss of any of these key personnel may have a material adverse effect on the future of the Company's business.

Notice of General Meeting

Notice is hereby given that a General Meeting of Shareholders of AquaBounty Technologies, Inc. (the "Company") will be held on 29 October 2010, at 10:00 a.m., Eastern Daylight Time, at the Company's headquarters, 935 Main Street, Waltham, Massachusetts for the following purposes:

(1) That the shareholders of the Company hereby waive the application of Section 7 of the Certificate of Incorporation of the Company in respect of the Subscription (as defined in the circular to Shareholders dated 5 October 2010) and authorize and approve the Company's entry into the Subscription Agreement (as defined in the circular to Shareholders dated 5 October 2010) and any other agreements deemed necessary and advisable by the Board of Directors or any officer of the Company to effect the transactions contemplated by the Subscription Agreement;

(2) That the shareholders of the Company hereby waive the application of Section 4(c) of the Certificate of Incorporation of the Company and waive any pre-emption rights available to the shareholders in accordance with the Certificate of Incorporation of the Company in respect of the Subscription;

(3) That the Certificate of Incorporation of the Company hereby be amended as set out in the Amendment to the Amended and Restated Certificate of Incorporation of the Company; and

(4) That Anita Hamilton be appointed as a Director of the Company with effect from Admission (as defined in the circular to Shareholders dated 5 October 2010)

The Board of Directors has fixed the close of business on 4 October 2010, as the record date for the determination of shareholders entitled to notice of the meeting. Entitlement to attend and vote at the meeting will be determined by reference to the register of members of the Company at 6 p.m. on 27 October 2010.

Please note that voting on resolution (1) above shall, in accordance with Section 7(n) of the Certificate of Incorporation of the Company, be open only to independent shareholders not affiliated or acting in concert with Linnaeus Capital Partners B.V.

The meeting is open to Shareholders and those guests invited by the Company. We encourage you to vote on the issues included in this proxy statement as soon as possible. You can vote in following ways:

(1) By Internet: go to www.capitashareportal.com and log in and select the 'Proxy Voting' link. If you have not previously registered for electronic communications, you will first be asked to register as a new user, for which you will require your investor code (which can be found on the enclosed proxy form, your share certificate and tax voucher), family name and post code (if resident in the UK).

(2) By mail: mark, sign, date and promptly return your proxy card. UK shareholders should fold the proxy card as directed so that the postage-paid return address is visible. Shareholders outside the UK should use the overseas postage-paid envelope provided.

(3) At the meeting: attend the meeting and vote in person.

If you have any questions regarding your proxy card, you can contact Capita Registrars. UK shareholders can call 0871 664 0300 (calls cost 10p per minute plus network extras). Shareholders outside of the UK can call 44-208-639-3399.

By order of the Board of Directors,

David A. Frank
Chief Financial Officer and Secretary

Notes

(1) A form of proxy is enclosed for use by shareholders and, if appropriate, must be deposited with the Company's registrars, Capita Registrars, Proxy Department, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU not less than 48 hours before the time of the General Meeting ("GM"). Appointment of a proxy does not preclude a shareholder from attending the GM and voting in person.

(2) A member entitled to attend and vote at the GM may appoint one or more proxies (who need not be a member of the Company) to attend and to speak and to vote on his or her behalf whether by show of hands or on a poll. A member can appoint more than one proxy in relation to the meeting, provided that each proxy is appointed to exercise the rights attaching to different shares held by him.

To appoint more than one proxy you may photocopy the proxy form. Please indicate the proxy holder's name and the number of shares in relation to which they are authorised to act as your proxy (which, in aggregate, should not exceed the number of shares held by you). Please also indicate if the proxy instruction is one of multiple instructions being given. All forms must be signed and should be returned together in the same envelope.

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