ANNUAL REPORT 2013

Company Profile

TyraTech is a life sciences company focusing on nature-derived insect and parasite control products that are as or more effective than traditional chemical options while safeguarding the environment and providing a new level of safety for people and animals. TyraTech's Nature's Technology® leverages its patented scientific platform to provide a full range of insect and parasite control solutions.

Insects and parasites are a growing nuisance, health hazard and economic burden to people, animals and agriculture. Many of the chemical pesticides that are available today have safety issues and suffer from poor performance due to increasing resistance from insects and parasites. It is our mission to utilise TyraTech's unique technology platform to develop and market innovative solutions to address these growing concerns and market needs.

Our current target market segments include personal care (head lice control, personal repellent), companion and production animal health, and internal parasite control. Our commercialisation strategy relies upon developing TyraTech-branded products and distributing them through major retailers, both in-store and online. Our strategy also includes forming strategic partnerships with market leaders such as Novartis Animal Health, Terminix®, and Mondelez® in order to facilitate expansion into multiple markets. In particular, TyraTech formed Envance Technologies, LLC, a business enterprise with AMVAC Chemical Corporation in 2012, to develop and market insect control solutions with TyraTech Nature's Technology® for consumer, commercial and agricultural use.

With target markets estimated by the Directors at approximately $10 billion per year, a proven unique technology, several commercialised and patented products, and an extensive development pipeline, the Directors believe that TyraTech is well positioned to become a key player in the global market of insect and parasite control.

2013 Performance Summary

- Completed registration of the Vamousse® Treatment mousse and Prevention shampoo in the USA and in the European Union
- Vamousse Treatment product available in more than 4,000 Walmart stores nationwide from early 2014
- Vamousse Treatment mousse and Prevention shampoo available in the USA on Amazon.com and Drugstore.com in 2014

- Worldwide distribution agreement with Novartis Animal Health leading to registration and launch of 6 new animal health products in the USA under the Natunex™ brand to be used for the control of insects and parasites in the production animal premises
- Scale up of manufacturing and logistic capabilities to handle the demand of large retailers in the USA and in Europe
- Established external salesforce, marketing, and public relations partnerships to expand retail distribution and strengthen commercialisation strategy

TOTAL REVENUE

Decreased to $1.4 million
(2012: $3.6 million) due to:

- Absence of one time 2012 collaborative revenue license fee in 2013
- The $0.3 million reduction in 2013 product sales resulted from the transfer of insect control products that generated $1.0 million in product revenue in 2013 to Envance Technologies

COST AND OPERATING EXPENSES

Reduced by 17% to $5.0 million
(2012: $6.0 million) due to:

- Reduction of payroll and stock compensation expense
- Reduction of operating expenses from back-charging Envance for TyraTech R&D and administrative support services

GROSS PROFIT

Decreased to $0.6 million
(2012: $3.1 million) due to:

- Absence of one time 2012 collaborative license fee in 2013

NET LOSS

Net loss increased to $4.9 million
(2012: $2.9 million) due to:

- Absence of one time 2012 revenue collaborative revenue license fee which more than offset the $1.0 million reduction in 2013 operating expenses

Welcome to TyraTech's 2013 Annual Report

Chairman's Comments

During 2013, TyraTech achieved significant milestones which the Directors believe will lead to a positive commercial future for the Company. In particular, by securing distribution of our Vamousse head lice products at Walmart and entering in the global product distribution agreement with Novartis for the Natunex range of animal health products, the Board believes that TyraTech will be able to achieve significant penetration of its products.

The agreement with Novartis was reached August 2013, with the first products launched in April 2014 under the Natunex brand. We are excited about the potential of this partnership, as the products fulfil an increasingly important unmet need in a market which is growing in economic significance.

The distribution of Vamousse head lice treatment at Walmart was confirmed in December 2013 and product was stocked in almost all Walmart stores across the USA in the first quarter of 2014. Walmart was the first retailer to enter the market with Vamousse. This was a particularly significant milestone as it is unusual for major retailers to be the first to commercialise new brands and also unusual for new brands to receive placement in such a large percentage of a retailer's stores in the first year. Early indications of sales are promising.

The Directors are particularly happy with the progress the Company has made in embracing and developing new competencies in both retail commercialisation and supply chain logistics. With the addition of innovative marketing skills in 2014, the Board believes that TyraTech will complete a circle of competencies that will complement its world class products and partnerships.

TyraTech's headlines have been mostly related to commercial breakthroughs, but I would certainly like our shareholders to understand that our R&D teams have been successfully enriching our patent portfolio and developing new products. For example, the head lice preventative shampoo is a product that we believe is unique in the USA and many other markets.

Outlook

The Board expects that 2014 will show substantial increases in product sales over the previous two years and we are working hard to further expand distribution channels, both in the USA and Europe. Indeed, it has recently become apparent that, due in part to the success and interest generated in the USA, we may have excellent opportunities in other markets in a much shorter timeframe than we had previously envisaged. To take full advantage of these opportunities may require some additional working capital, a position that we will keep under review in the coming months. In addition, we also know that we cannot stand still in terms of product development and must continue to bring innovative new solutions to market, while also continually improving upon existing products.

Over the past year TyraTech, as an organisation, has learned a tremendous amount; not just about the development of what we consider are world-class products, but also about what is required to take them to market. With hard work and the continued support of our employees and shareholders, we can deliver the value which we firmly believe is present in our Company.

Alan Reade
Non-Executive Chairman
June 26, 2014

Chief Executive Officer's Report and Operational Review

TyraTech's mission is to bring to the marketplace a range of safe and efficacious products which can reduce the impact of insects, insect-transmitted diseases and parasite infestations on children, families, animals and agriculture.

During the course of the last couple of years TyraTech has transitioned from a technology and R&D oriented company to an organisation capable of commercialising innovative branded products. In 2013, TyraTech focused on preparing to launch 10 new products in the first part of 2014.

First, the Vamousse range of products, comprising a mousse treatment and a preventative shampoo, was launched in the USA market in April. The mousse treatment is available in Walmart stores and superstores in the USA as well as online with Amazon.com and Drugstore.com. These major online retailers are also carrying the Vamousse preventative shampoo.

Second, the Company's Guardian™ brand range of personal mosquito and tick repellents will launch during the summer season of 2014 in the USA, first online and second with an objective to be present in selected stores specialising in outdoor activities. The main goal is to be ready to present these products during the annual category reviews conducted by the major retailers in the second half of 2014, for the 2015 mosquito and tick season.

Third, TyraTech signed a global product distribution agreement with Novartis Animal Health to market and sell TyraTech's insect control products in the production animal premises. Under the brand Natunex, six products were launched in the USA in the first part of 2014, and will be followed by a roll-out in selected European countries.

Envance Technologies, LLC ("Envance"), the business enterprise that TyraTech formed in 2012 with AMVAC Chemical Corporation ("AMVAC"), continues to expand its commercialisation of non-toxic consumer pesticide products with major USA retailers.

In addition, TyraTech prepared its future growth platform by strengthening its patent portfolio in mid-2014 with 21 granted patents and 50 pending patent applications and its product portfolio now includes more than 10 products at various stages of development.

During 2013, the Company's total revenue decreased to $1.4 million, largely due to the receipt in the prior year of a substantial one-off payment on the establishment of Envance, and also the switching of the pesticide products previously sold through TyraTech to that organisation. However, during the same timeframe, the Company reduced operating expenses by 17% to $5.0 million. In early 2014, the Company raised approximately $2.8 million in new equity (net, after expenses). As TyraTech moves into the second half of 2014 and beyond, the

Directors believe that the Company will reach sales that are commensurate with the quality of the products, the breadth of its distribution network, and will begin to reap the benefit of the time and resources invested in bringing a new brand to the market.

Bruno Jactel
Chief Executive Officer
June 26, 2014

The Vamousse solution to control head lice

The Vamousse Treatment mousse and the Vamousse Prevention shampoo provide effective control of head lice, where most pesticides are inactive due to increased head lice resistance

Head lice is the second most frequent affliction of children behind the common cold

Pediculosis humanus capitis, the infestation with human head lice, is one of the most frequent parasitic infestations of humans. An estimated $700 million is spent annually in the world on treatment and prevention related products; this estimate does not include the monetary costs of missed work/school days and health clinic visits, nor the emotional cost on frustrated parents and children dealing with their first or recurring infestations. Additionally, the prevalence of pediculosis has steadily increased in the USA and worldwide since the mid-1960s reaching an estimated hundreds of millions of infestations annually. The majority of the products currently used in the USA market to control head lice are based on pyrethroids. While this molecule provided 96-100% control from the mid-1980s to the mid-1990s, studies in the first decade of the 2000s showed that head lice have developed resistance to pyrethroids. Today, the effectiveness of the pyrethroids has dropped dramatically to 28-55% even when chemical treatments were combined with combing. Because of the failure of pyrethrin and pyrethroid treatments caused by head lice resistance, there is a critical need for new head lice treatments.

Vamousse brings to the market an innovative and effective tool to control head lice

Vamousse Treatment is scientifically proven to kill 100% of lice and eggs, even those that have developed resistance against the most common pyrethroid products, in one 15 minute treatment. Vamousse Treatment comes in a convenient mousse formulation, is non-toxic, pesticide-free and safe to use on children two years of age and older. Vamousse Prevention shampoo was specifically developed to help the consumer prevent an infestation following a potential exposure to head lice or following treatment to prevent re-infestation. When used regularly, it breaks the head lice life cycle and can protect children when there is an outbreak of head lice at school or before going to camp.

The Vamousse products distribution network is growing

In the USA, the Vamousse Treatment is nationally available in over 4,000 Walmart stores. In addition, both the Vamousse Treatment and Vamousse Prevention shampoo are available online. To complete the distribution strategy, we expect that these two products will be launched in pharmacies in the USA in 2014 before expanding into other countries.

Guardian: the new generation of mosquito and tick repellents

The Guardian range of products will provide outdoor enthusiasts, families, and other consumers with a repellent that does not contain the synthetic chemical repellent DEET but provides a level of protection of up to 8 hours against mosquitoes and up to 4 hours against ticks.

Mosquitoes and ticks are a major nuisance and pose health risks to humans because of the diseases they can transmit.

Mosquitoes and ticks are not only a nuisance but they are a real threat for human and animal health: they may carry bacteria, parasites or viruses. Mosquitoes are implicated in transmitting major diseases to 700 million people every year, among them malaria, dengue fever and West Nile virus infection. According to the Bill and Melinda Gates Foundation, they are responsible directly and indirectly for killing more than 750,000 people every year. Ticks can be carriers of Lyme disease and Rocky Mountain spotted fever.

Most of the current repellents contain the synthetic compound DEET

For over 50 years, DEET has served as the gold standard active ingredient in insect repellent products. However there is a growing public perception that these products are unsafe, especially for children. In addition DEET has other undesirable characteristics such as dissolving plastics and variable efficacy between people. Various natural products have been developed as alternatives to DEET products, but until recently have been significantly less effective than the synthetic products in controlling mosquitoes and ticks.

TyraTech's Guardian range of products are DEET-free, efficacious personal repellents

TyraTech has developed a non-toxic, non-DEET, plant-based repellent that exceeds the activity of 15% DEET products against mosquitoes. Independent third party testing demonstrated that the TyraTech personal repellent, marketed as Guardian Wilderness, provides up to 8 hours of protection against mosquitoes on human volunteers and 4 hours of protection against ticks. Additionally, two peer-reviewed research papers published in scientific journals demonstrated the efficacy of Guardian Wilderness compared to competitor products against mosquitoes and ticks.

TyraTech will market its Guardian Wilderness product to outdoor enthusiasts and consumers who are looking for long-acting repellency against mosquitoes and ticks, for example avid hikers, campers, and backpackers.

The second product in the Guardian line, Guardian Backyard, provides 4 hours protection against mosquitoes and ticks, and is intended for use by people desiring a product with a shorter duration of repellency, for casual activities such as a gardening or backyard entertaining.

The Guardian range of mosquito and tick repellents will bring innovation to a sizable market

It is estimated that the global personal insect repellent market is valued at $1.5 billion. Additionally, repellents are sold year-round to the camping, travelling and outdoor markets and seasonally for casual activities and vacations. In the USA and Europe, the distribution of these products is planned to target all three major classes of trade: Mass, Drug, and Food. Additional commercialisation will include national outdoor product retailers, regional outdoor product specialty stores, and via the internet at major e-commerce sites and outdoor activity websites. These products also have great potential for sales in emerging markets and Southern Hemisphere countries.

Envance Technologies

During 2013, Envance Technologies, LLC (Envance) expanded commercialisation of its Terminix branded insect control products to USA retailers, achieving $1.0 million in retail sales revenue. Envance continued expanding its retail customer base to 11 customers in the first half of 2014, and introduced a new product, Terminix® Ultimate Protection® Kitchen Insect Killer™, in a market that is estimated to be between $3.5 and $4.5 billion.

Envance is jointly owned by AMVAC (60%) and TyraTech (40%). The company is funded by capital contributions from TyraTech and AMVAC in proportion to their shareholdings. The parties made initial capital contributions on this basis totalling $1.0 million and AMVAC has subsequently contributed an additional $1.75 million in cash.

(photos of Terminix household and commercial products)

Natunex: products that control insects in production animal premises

The Natunex range of products, distributed by Novartis Animal Health, will help control insects and parasites in the housing of production animals

Insects and parasites represent a threat to animal health

The common house fly, *Musca domestica,* is the major pest species associated with confined livestock production. It negatively affects livestock by biting and nuisance swarming. Moreover, house flies are major mechanical vectors of pathogens. They cause up to $1 billion in production losses to the worldwide meat and dairy industry. Year-long housing of hogs in temperature-controlled environments has created an ideal environment for cockroaches. They are mechanical vectors of viruses, bacteria, and endoparasites and can disseminate antibiotic resistant bacteria from barn to barn.

Biocide products, such as Natunex, are used in livestock and production animal premises to control these insects, while simultaneously minimising the spread of infectious pathogenic agents among the animals.

Natunex products will provide a pesticide-free solution in a growing market

The global market for biocide products in food production premises is rapidly expanding with the intensification of animal protein production and the increasing threat of transmission of infectious diseases. The biocide market for animal health is expected to reach $900 million to $1 billion by 2016 growing at a compounded annual growth of close to 5%.

The Natunex product line includes six formulations that control a wide variety of insects that can carry disease or negatively impact health. These products are distributed by Novartis Animal Health in a worldwide partnership. The active ingredients in Natunex are plant-derived essential oils that have natural insecticidal properties. These patented formulations deliver efficacy that is comparable or superior to chemical-based insecticides whilst remaining safe for the environment and for use around people and animals, when used as directed. An important benefit of the products is that they do not have the resistance issues that have developed with many chemical insecticides. In addition, these products kill by contact and studies show Natunex products frequently provided a quicker kill than the leading chemical insecticides.

As a non-pesticide control solution that has been proven to be effective, Natunex represents an attractive alternative for the growing number of farm and production facility managers who want fast, convenient insect control without the safety risks and drawbacks associated with chemical-based insecticides.

Technology

TyraTech's technology platform is based on an innovative three-tiered approach. First, new active ingredients are screened using TyraTech's proprietary cell-based technology platform that was developed at Vanderbilt University. This screening methodology allows the Company to develop products that specifically target the tyramine neurotransmitter receptor, active in invertebrates but not humans or other mammals. Second, these active ingredients are combined and those exhibiting substantial synergistic activity against important insects and parasites are selected to move on to the next stage of development. In the third developmental tier, synergistic blends are enhanced significantly through formulation chemistry to deliver final products with unprecedented activity, which are simultaneously aesthetically pleasing and cosmetically refined. TyraTech is using this technology platform to develop products in the categories of personal care, animal health, home and garden and agriculture.

Each of the steps used to develop products is patented, which allows TyraTech to safeguard its proprietary active ingredient combinations and safeguard its product compositions. To date, 21 patents have been granted in the USA and internationally, and 50 patent applications are pending.

By utilising naturally-derived active and inert ingredients which are recognised as being safe by major international regulatory agencies, TyraTech is able to develop products on an accelerated timeline as the products do not require the lengthy and expensive registration pathways of products containing synthetic chemicals. Further, because these ingredients act on the tyramine receptor in insects, a site that has not been targeted by traditional pesticides, insects do not exhibit resistance to the active ingredients in TyraTech's products. The Company has confirmed the action of its products against multiple species of resistant insects including pesticide-resistant 'super lice', cockroaches, and flies.

Growth Opportunities

The Directors of TyraTech believe that its proven technology and innovative products are the foundation for sustainable growth. The achievements of 2013 highlighted above demonstrate the potential of the company's intellectual property and are key milestones to delivering cash positive trading and profitability. The company has more than 10 products in the pipeline at different stages of development in the fields of companion and production animal health, personal care, and internal parasite control. In addition, it is TyraTech's intention that the current products (head lice, personal insect repellent and production animal premises) will be progressively rolled-out in countries outside of the USA, particularly in Europe and in fast growing emerging countries.

Financial Review

Revenues

TyraTech continues to develop its products and is working to diversify revenue sources as the Company matures as a business. Overall revenues for the year were $1.4 million (2012: $3.6 million). Collaborative revenue decreased to $1.4 million (2012: $3.3 million), primarily due to a single 2012 upfront license exclusivity fee which was part of the joint enterprise transaction establishing Envance Technologies, LLC ("Envance"), along with changes in the Product Supply Agreement with Terminix and the agreement with Mondelez Global in 2012. There were no product revenues shown in the accounts of TyraTech in 2013 (2012: $0.3 million) as the insect control products were transferred to Envance. As indicated above, Envance expanded retail sales of these products to $1.0 million in 2013. TyraTech does not consolidate the revenue, cost of goods sold, or operating expenses of Envance as the results are recorded using the equity method of accounting as a non-controlled subsidiary. For 2014 and beyond, TyraTech revenues are expected to come from the new personal care range and sales of pest control products in the animal health sector via Novartis.

Cost of Sales and Gross Margin

Cost of sales for the year was $0.7 million (2012: $0.5 million). This included cost of product sold of $0, (2012: $0.2 million) and project costs for collaborative revenue projects of $0.7 million (2012: $0.2 million). Gross profits totalled $0.6 million (2012: $3.1 million) and were all attributable to collaborative revenue.

Operating Expenses and Loss for the Year

Operating expenses for the year were reduced by 17% to $5.0 million (2012: $6.0 million). The expenses for the year include non-cash stock compensation to employees and non-employees of $0.2 million (2012: $0.7 million), and depreciation and amortisation of $0.1 million (2012: $0.1 million). The decrease in overall operating expenses for 2013 was driven primarily by offsets to expenses from charging Envance and Mondelez Global for shared services, along with reductions in payroll expenses and stock compensation expenses. Net loss for the year before and after tax was $4.9 million (2012: $2.9 million) resulting primarily from the absence of the AMVAC upfront license fee in 2013 as compared to 2012.

Balance Sheet

Current assets show a decrease to $1.2 million (2012: $1.8 million). Cash and cash equivalents decreased to $0.9 million (2012: $1.5 million). Trade and other receivables were equivalent to 2012 at $0.1 million (2012: $0.1 million). Inventories increased to $62,813 (2012: $17,126). Prepaid expenses increased to $149,972 (2012: $81,202).

Non-current assets decreased by $0.5 million to $0.2 million (2012: $0.7 million) largely from the Company's decrease in the equity investment in Envance due to losses incurred in the start-up phase and reductions in fixed assets from depreciation.

Total liabilities decreased to $2.8 million (2012: $3.0 million) primarily from the effect of recognizing deferred revenue during the year, partially offset by the increase in warrant liabilities from the amendment in the AMVAC stock warrant agreement.

The Company's common stock issued increased to 168,776,305 shares as of 31 December 2013, including 1,084,413 shares of Treasury Stock issued in 2012. These issued shares increased as the combined result of a fund raise earlier in 2013. The Company issued an additional 1,152,700 common stock warrants at the time of this fund raise in payment of fees related to the fund raise. The Company's shareholders' deficit at year end increased to $1.4 million (2012: $0.6 million) before consideration of non-controlling interests.

Liquidity and Cash Flow

Net cash used in operations was $4.6 million in 2013 compared to $2.8 million for 2012, a $1.8 million increase. This increase was primarily the result of decreased cash receipts when compared against the 2012 upfront AMVAC license fee and product sales (2012: $2.5 million), partially offset by decreases in working capital employed.

Cash flow used in investing activities was significantly reduced to $17,601 (2012: $0.4 million) primarily due to the Company's $0.4 million investment in Envance in 2012, with no additional investment made in Envance in 2013.

Cash flow from financing activities in 2013 was $4.0 million, compared to $3.8 million in 2012 as a result of the $4.0 million versus the $3.9 million raised in equity financing in respective years and the effect of the treasury stock purchase ($0.1 million) in 2012.

Cash and cash equivalents were $0.9 million at the end of 2013 (2012: $1.5 million). We invest our cash resources in deposits with banks with the highest credit ratings, putting security before absolute levels of return.

Subsequent to 31 December 2013, the Company raised approximately an additional $2.8 million in capital, net of expenses, ($3.1 million gross) through the issuance of 37,391,763 common shares to fund our operations while we continue negotiations with our existing and new customers. The Company has prepared forecasts to the end of 2016 which assume additional expenditures to expand the Company's operations into the UK beginning in 2014 to take advantage of new opportunities which have arisen recently and which will require additional funding in the second half of 2014. The Company has also prepared forecasts with no new funding, and therefore delaying the planned 2014 expansion into the UK to 2015. As with the introduction of any new products, there is always uncertainty as to the rate and level of market penetration. The Company believes its forecasts are reasonable, but if it does not perform in line with the key assumptions of both of these forecasts, the Company's cash resources may be absorbed earlier than forecasted. In this case, further cost reduction initiatives may be implemented and additional capital may be required.

Currency Effects

The Company has no significant overseas currency exposures and does not use financial derivatives to manage currency risk.

R. Daniel Williams
Chief Financial Officer
June 26, 2014

Directors' Report

The Directors present their report and the audited financial statements of TyraTech, Inc. for the year ended 31 December 2013.

Results and Dividends

The net loss for the year, after taxation, was $4.9 million versus a net loss of $2.9 million in 2012. No dividends have been declared or paid.

Principal Activities

The principal activity of the Company is the development and commercialisation of personal care and proprietary insecticide and parasiticide products which incorporate unique blends of natural, plant oil derived active ingredients.

Business Review

A review of the Company's operations during the year, and the outlook for the future are given in the Chairman's Comments and Chief Executive Officer's Report.

Where the Directors' report (including the Chairman's Comments, Chief Executive Officer's Report and Financial Review) contains forward-looking statements, these are made by the Directors in good faith based on the information available to them at the time of the approval of this report. Consequently, such statements should be treated with caution due to their inherent uncertainties, including both economic and business risk factors, underlying such forward-looking statements or information.

Research and Development

The Directors believe that research and product development play a vital role in the Company's long-term success. Research and development expenditure is expensed when incurred and for the year was $1.8 million (2012: $2.4 million).

Intellectual Property

The Company owns intellectual property and has taken steps to protect this through patent applications, where, as of the date of this report, 20 patents have been issued (2012: 14 patents) and 51 patents are pending (2012: 63 patents). The Company's key intellectual property is built around the screening methods for identifying active ingredients for synergistic receptor activation and the active ingredient combinations. The Directors believe that the intellectual property is of significant value to the business.

Supplier Payment Policy

The Company's policy is to settle the terms of payment with suppliers when agreeing the terms of each transaction, or the terms of a continuing trading relationship, ensuring that suppliers are made aware of the terms of payment and to abide by these terms whenever possible. The creditor days at the year-end were 44 days (2012: 37 days) for the Company.

Equal Opportunity Employer

The Company is committed to a policy that provides all employees and potential employees with equality of opportunity for selection and development regardless of age, gender, nationality, race, creed, disability or sexual orientation. As of 31 December 2013 the Company had 18 employees (2012: 21 employees).

Policy on Employee Involvement

Briefing and consultative procedures exist throughout the Company to keep employees informed of general business issues and other matters of concern.

Safety, health and environment

The Company is committed to maintaining high standards of safety, health and environmental protection by conducting itself in a responsible manner to protect people and the environment.

Principal risks and uncertainties

The management of the business and the nature of the Company's strategy are subject to a number of risks and uncertainties. The Directors have set out below principal risks facing the business:

History of losses

The Company has experienced operating losses in each year since its inception and, as at 31 December 2013, had accumulated losses of $79.8 million. The Company may incur further losses and there can be no assurance that the Company will ever achieve significant revenues or profitability.

Working capital and significance of the Fundraisings

As of 31 December 2013, the Company had cash and short-term deposits of $0.9 million. In February 2014, the Company completed an equity fund raise totalling approximately $3.1 million, gross of cash expenses (approximately $2.8 million net of expenses) related to the fund raise. The Company has prepared forecasts to the end of 2016 which assume additional expenditure to expand the Company's operations into the UK in 2014 and which require additional funding. The Company has also prepared forecasts on the basis that this funding is not available, delaying the planned 2014 expansion into the UK and implementing various cost reduction initiatives. The Directors believe that, based on these forecasts, the Company will have sufficient cash to fund its operations for at least 12 months from the date the financial statements were signed. The achievability of these forecasts is dependent on a number of key assumptions, in particular, the market penetration through the Company's new personal care products. However, neither of these forecasts provides assurance that the sources of revenues and/or cash flows will materialize. If the Company does not perform in line with these key assumptions underlying both of these forecasts, the Company's cash resources may be absorbed earlier than forecasted and further cost reduction initiatives and additional capital may be required in either case.

Customer Concentration

The Company previously sold its products to one customer. The establishment of Envance Technologies, LLC in 2012 allows the Company and AMVAC Chemical Corporation to achieve customer diversification through the consumer market channel. The Company is seeking to expand its customer base through additional retail customers for its recently developed new products in personal care. Subsequent to the year end, the Company announced an agreement with Walmart to sell its head lice product. Diversification of its customer base will continue, but could take a lengthy period of time.

The Company's future operating results will be highly dependent on how well it manages the expansion of its operations

The Company may experience periods of rapid growth in the number of products it supplies. This, in turn, would likely necessitate an increase in the number of the Company's employees, its operating and financial systems, sub-contract manufacturers/warehouse and logistic facilities/EDI services and the geographic scope of its operations. This growth and expansion may place a significant strain on the Company's financial, management and other resources. To manage its expanded operations effectively, TyraTech will be required to continually improve its existing operational, financial and management processes and to implement new systems. TyraTech will be reliant upon distribution channels, particularly as it expands its operation and is therefore dependent on such distribution to achieve growth and expansion of its operations.

Market penetration rates

The Company's business model assumes that, over time, its products will be adopted by the market. However, it is possible that penetration rates may be slower than the Company's forecasts assume.

The failure of TyraTech's patents, trade secrets and confidentiality agreements to protect its intellectual property may adversely affect its business

TyraTech is the owner, or co-owner, of intellectual property rights, including patents, trademarks, designs, copyright, trade secrets and confidential information. While it may apply from time to time to register additional patents, trade-marks, designs and copyrights and take reasonable steps to protect its trade secrets and confidential information, TyraTech's ability to compete effectively with other companies depends, amongst other things, on the adequate protection of intellectual property rights owned by or licensed to it. There can also be no assurance that patents will be issued in connection with any of its applications now pending or which may be applied for in the future, or that the lack of any such patents will not have a material adverse effect on TyraTech's ability to develop and market its proposed products or that third parties will not misappropriate TyraTech's trade secrets and confidential information. There can be no assurance as to the ownership, validity or scope of any patents in which TyraTech has an interest or that claims relating to such patents will not be asserted by other parties or that, if challenged, such patents will not be revoked. Even if patent protection is obtained, no assurance can be given that TyraTech will successfully commercialise the product or technology prior to expiry of the patent protection. It is also not certain that extensions of patent protection (patent term extensions, supplementary protection certificates or their equivalent around the world) will be available at the end of the term of patents currently in existence so as to provide patent protection during the initial period in which products are marketed. TyraTech may be unable to adequately protect its proprietary information and know-how. In addition to its patented technology, TyraTech relies upon unpatented proprietary technology, processes and know-how. TyraTech has confidentiality agreements in place with customers, suppliers and employees who have access to its proprietary information and know-how, but such agreements may be breached and TyraTech may not have adequate remedies for such breaches. In addition, TyraTech's trade secrets may otherwise become known or be independently developed by competitors. If certain parts of TyraTech's proprietary information and know-how were to become public knowledge, then the value of TyraTech's products could be adversely affected which could have a material adverse effect on TyraTech's business, financial condition and results of operations.

TyraTech's ability to introduce certain products to market is dependent on successful completion of regulatory approval process

Insecticide, human health and parasiticide products are subject to a regulatory approval or registration process in the US, in Europe and other parts of the world. Failure to obtain or maintain regulatory approval or registration could result in the inability to market and sell such products. The time necessary to obtain regulatory approval or registration varies among products and between the US, Europe and the rest of the world and is affected by numerous factors many of which are beyond TyraTech's control. There can be no assurance that regulatory clearance for the product or, indeed, for trials at each stage and approval for TyraTech's product candidates still in development will be forthcoming without delay or at all.

Regulatory investigations and litigation may lead to fines or other penalties
There is a risk that TyraTech would face regulatory investigation if there were data errors in the submission documents or if new data came out that impacted the claims or safety profile of the product.

Charitable Donations

The Company has made charitable donations to local charities (educational institutions involved in the development of our technology) during the year of $5,279 (2012: $5,650).

Directors

The directors who served during the year were as follows:

A.J. Reade
B.M. Riley
J. Hills
K. Schultz
E. Wintemute
B. Jactel

Biographies of the Directors follow:

Alan Reade was appointed on 25 May 2007 as a Non-Executive Director. In 2010 he became the Executive Chairman and then, in June 2013, he became the Non-Executive Chairman. He is owner of Global Strategy Expression Limited, a consulting and advisory services business in the life sciences industry. From 2000 until his retirement in 2005, he served as Executive Chairman of Merial Limited, a leading animal health company and joint venture between Merck & Co. Inc. and Sanofi-Aventis. Earlier in his career he was head of global integration at Aventis, where he was in charge of merger integration. Prior to that, he was Chief Executive Officer at Rhone-Poulenc Agro Inc. and member of the Global Executive Committee. He is Chairman of the Nomination Committee and a member of the Audit Committee.

Barry Riley (Non-Executive Director) was appointed on 25 May 2007. After qualifying as a Chartered Accountant, he joined the Bowater Organization, where he had responsibility for the finance function at several operations. From there he moved to FMC Corporation, the U.S. conglomerate where he had finance and general management responsibilities for a specialty chemical operation, and also oversaw the head office finance function for all UK operations. He joined Proteus International PLC in 1995 as Finance Director and was closely involved in the merger with Therapeutic Antibodies Inc. in 1999, which became Protherics PLC where he was Finance Director until 2007. He is chairman of the Audit Committee and a member of the Remuneration Committee.

James Hills (Non-Executive Director) was appointed on 9 July 2010. Mr. Hills spent the early portion of his career with The Gillette Company and Coca Cola USA where he held senior positions in both sales and brand management. Later, he was a 50% partner and Chief Executive Officer of Weatherly Consumer Products Inc., a company which developed, branded and marketed specialty fertilizers in North America and Europe, under the Jobe's brand name. Following the sale of that business in 1996, he started Gulfstream Home and Garden, a company which marketed lawn and garden insecticides under the Sevin brand name in the U.S. He sold that business in 2005 following nearly ten years of rapid growth. Mr. Hills is chairman of the Remuneration Committee and a member of the Nomination and Audit Committees.

Kevin T. Schultz, D.V.M., Ph.D. (Non-Executive Director) was appointed to the board on 1 April 2012. Dr. Schultz served as TyraTech's Chief Scientific Officer from August 2010 through March 2012. Dr. Schultz began his corporate work as an Executive Director, at World-Wide Animal Science Research & Development at Merck & Co. Inc. He was one of the founding executives to combine the Animal Health Division of Merck with Rhone Merieux and was subsequently appointed Head of Pharmaceutical Research and Development. Following that, Dr. Schultz assumed the role of Chief Scientific Officer and Global Head of all Research and Development for Merial (pharmaceutical and biological). Dr. Schultz received his Doctor of Veterinary Medicine from Purdue University and earned a Ph.D. from the University of Florida Medical School before joining Harvard Medical School and Harvard School of Public Health as a Fellow in Cancer Biology. He was a Professor in the Department of Pathobiological Sciences at the University of Wisconsin-Madison and had his own private veterinary practice. Dr. Schultz has published more than 50 peer-reviewed papers and contributed to more than 20 books and compendiums. He is also a Venture Fellow with the Georgia Research Alliance. Dr. Schultz retired from the Company and resigned from the Board as a Non-Executive Director with effect from 1 April 2013.

Bruno Jactel, D.V.M., Ph.D. was appointed as Chief Executive Officer of TyraTech effective 10 January 2013. Dr. Jactel spent 12 years at Merial Limited, the $2.6 billion revenue generating Animal Health subsidiary of the Sanofi Group, most recently serving as combined Chief Strategy Officer and Chief Marketing Officer. As head of commercial operations in Europe, Dr. Jactel developed successful growth strategies in both OTC and professional channels. Prior to working at Merial, Dr. Jactel was Deputy Minister for Economic and Commercial Affairs at the French Embassy in Washington, D.C. He was also a recent founder and board member of Hypercell Technologies LLC, an early-stage biotech company developing therapeutic solutions to serious infectious animal disease. Dr. Jactel is a Doctor of Veterinary Medicine and has a Masters in Economic Sciences from the Sorbonne University in Paris. He graduated from the École Nationale d'Administration, Paris in 1993.

Eric Wintemute was appointed to the Board as a Non-Executive Director on 20 June 2013. Mr. Wintemute was elected to the post of AMVAC's President and American Vanguard Corporation's Chief Executive Officer in mid-1994. Mr. Wintemute had joined AMVAC in January 1994 as Executive Vice President, Chief Operating Officer, and a member of the Board of Directors following American Vanguard's acquisition of GemChem, a national and international chemical distribution company he co-founded in 1991. From 1977 to 1982, he worked for AMVAC in a variety of sales, purchasing, and production control capacities. Previously, as a Vice President and Director of R.W. Greeff & Co. from 1982 to 1991, Mr. Wintemute oversaw the national and international distribution of key AMVAC chemical products. Mr. Wintemute holds a Bachelor of Science degree from the University of California, San Diego.

Directors' Interests

At 31 December 2013 the Directors had beneficial interests in the share capital of the Company, other than with respect to options to acquire ordinary shares (which are detailed in the analysis of options included in the Directors' Remuneration Report) as follows:

	1 June 2014 (or earlier date of resignation) Common Shares of \$0.001 each	1 January 2013 (or later date of appointment) Common Shares of \$0.001 each
A.J. Reade	12,486,358	7,811,358
B.M. Riley	3,055,556	2,255,556
K. Schultz	-	-
J. Hills	1,047,900	365,500
E. Wintemute	-	-
B. Jactel	1,859,567	665,204

Directors Indemnity Insurance

The Company has taken out insurance to indemnify, against third party proceedings, the Directors of the Company whilst serving on the Board of the Company and of any subsidiary, associate or joint venture. This cover indemnifies all employees of the Company who serve on the boards of all subsidiaries. These qualifying third party indemnity policies subsisted throughout the year and remain in place at the date of this report.

Capital Structure

The capital structure of the Company comprises common shares of \$0.001 par value each.

Common shares in the capital of the Company are not registered under the US Securities Act of 1933 (Securities Act), as amended, the US Securities Exchange Act of 1934, as amended, or under any US state securities laws. As such, on issue common shares are "restricted securities" as defined in Rule 144 under the Securities Act and may not be resold in the United States absent registration under the Securities Act and any applicable securities laws of any U.S. State or pursuant to exemptions under the Securities Act and such laws. On issue common shares will be in certificated form with an appropriate form of restrictive legend and subject, in the case of shares subscribed and held by non-affiliates of the Company to a one year distribution compliance period under Regulation S under the Securities Act. During the distribution compliance period such common shares may only be traded through the delivery of physical certificates outside of the United States in offshore transactions to non-US Persons and otherwise in compliance with the Securities Act and any applicable securities laws of any state of the United States. Common shares subscribed and held by non-affiliates of the Company will be eligible to have the restrictive legend removed from their certificates representing such shares following the first anniversary of the issue of such shares and, on completion of an appropriate letter of transmittal available from the Company for migration of such shares to the Company's unrestricted line of stock. A depositary interest facility is available that permits trades in shares in the Company's unrestricted line of stock to be settled electronically through CREST rather than by delivery of physical certificates.

American Vanguard Corporation, a substantial shareholder of the Company, entered into a Relationship Agreement with the Company on 18 March 2013 pursuant to which it is subject to a 2-year orderly market lock-up period (following the expiry of a 180 day lock-up period which commenced on the date of the agreement and which has now expired). During the orderly market lock-up period American Vanguard Corporation and its associates are prohibited from transferring or otherwise disposing of any securities in the Company other than to an associate of American Vanguard Corporation to the extent permitted under the Relationship Agreement or through a sale brokered by the Company's nominated adviser in order to maintain an orderly market in the common shares.

Save as set out above, there are no specific restrictions on the transfer of shares by any shareholder. There are no significant agreements to which the Company is a party that take effect, alter or terminate upon a change in control of the Company following a takeover bid.

There are no specific restrictions on the transfer of shares by any shareholder. There are no significant agreements to which the Company is a party that take effect, alter or terminate upon a change in control of the Company following a takeover bid.

Subsequent to the year end the Company issued 37,391,763 new common shares of $0.001 each for a gross cash consideration of £1.9 million (approximately $3.1 million) being £1.7 million (approximately $2.8 million) net of cash expenses. The Company issued an additional 1,152,700 common shares as stock warrants as partial satisfaction of fees and/or commissions payable in connection with the shares sale.

Substantial Shareholdings

Prior to the publication of this document, the Company has been advised of the following shareholdings amounting to 3% or more of the ordinary share capital of the Company.

	Number	Percentage of outstanding share capital (excluding treasury shares)
American Vanguard Corporation	49,400,000	24.09%
Legal & General	24,462,232	11.93%
RobecoSAM	14,367,244	7.00%
A.J. Reade	12,486,358	6.09%
Close Asset Management	9,135,000	4.45%

Auditors

A resolution to reappoint Grant Thornton LLP, a U.S. limited liability partnership, as auditors and to authorise the Directors to determine their remuneration will be proposed at the Annual General Meeting.

Directors' Statement as to Disclosure of Information to Auditors

The Directors who were members of the Board at the time of approving this report are listed on page 13. Having made enquiries of fellow Directors and of the Company's auditors, each of these Directors confirms that:

- To the best of his knowledge and belief, there is no information relevant to the preparation of their report of which the Company's auditors are unaware; and
- Each Director has taken all the steps a Director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the Company's auditors are aware of that information.

By order of the board
Alan Reade
Non-Executive Chairman
June 26, 2014

Corporate Governance

The Board supports the principles of good corporate governance set out in the Financial Reporting Council's UK Corporate Governance Code. Although the Company is an AIM listed company and is not required to fully comply with the Corporate Governance Code, the Board is committed to a level of compliance appropriate for a smaller public company.

During the year ended 31 December 2013, the Board consisted of an Executive Director, a Non-Executive Chairman and three Non-Executive Directors.

On joining the Board, all Directors received a full induction and have the opportunity to meet with shareholders at the Annual General Meeting.

Biographies of the Board members appear on pages 13 to 14 of this report. These indicate the high level and range of experience, which enables the Company to be managed effectively.

The Board has established three committees in relation to Directors' remuneration and audit matters and nominations to the Board.

The membership of all Board Committees is set out below:

- Remuneration Committee: Mr. Hills (Chairman), Mr. Riley and Mr. Wintemute.
- Audit Committee: Mr. Riley (Chairman), Mr. Reade and Mr. Hills.
- Nomination Committee: Mr. Reade (Chairman), Dr. Jactel, Mr. Wintemute and Mr. Hills.

The Board is responsible to the shareholders for the proper management of the Company. The Board has adopted a formal schedule of matters specifically reserved for the Board's decision that covers key areas of the Company's affairs including: overall responsibility for the business and commercial strategy of the Company, policy on corporate governance issues, review of trading performance and forecasts, the approval of major transactions and the approval of the interim management and financial statements, annual report and financial statements and operating and capital expenditure budgets.

The Non-Executive Chairman leads the Board in the determination of its strategy and in the achievement of its objectives. The Non-Executive Chairman is responsible for organising the business of the Board, ensuring its effectiveness and setting its agenda. The Non-Executive Chairman facilitates the effective contribution of Non-Executive Directors and constructive relations between Executive and Non-Executive Directors, ensuring Directors receive accurate, timely and clear information. The Non-Executive Chairman provides feedback to the Board on issues raised by major shareholders

During the year ended 31 December 2013, the Board delegated the day to day responsibility for managing the Company to the Chief Executive Officer who is accountable to the Board for the financial and operational performance of the Company. Following the Executive Chairman's move to Non-Executive Chairman on 20 June 2013 these functions are now fulfilled by the Chief Executive Officer.

The Company regarded Mr. Hills and Mr. Riley as independent Non-Executive Directors during the year ended 31 December 2013. The independent Directors constructively challenge and help develop proposals on strategy, and bring strong independent judgment, knowledge and experience to the Board's deliberations. The Independent Directors are of sufficient calibre and number that their views carry significant weight in the Board's decision making. Mr. Riley is the Senior Independent Director. As Senior Independent Director, he is available to shareholders if they have concerns where contact through the normal channels of Non-Executive Chairman or Chief Executive Officer has failed to resolve matters or for which such contact would be inappropriate.

The Board has four regularly scheduled meetings annually with additional meetings to discuss strategy and other pertinent issues organised as necessary during the year.

Prior to each meeting the Board members receive copies of the management accounts and are furnished with information in a form and quality appropriate for it to discharge its duties concerning the state of the business and performance compared to plan. All directors have access to the services of the Company Secretary and may take independent professional advice at the Company's expense in the furtherance of their duties.

The Non-Executive Directors meet after each Board meeting without the Chief Executive Officer being present.

At the forthcoming Annual General Meeting, Mr. Hills will offer himself for re-election as a director for a term of three years in accordance with the provisions of the Company's Certificate of Incorporation.

Board Committees

The Remuneration Committee is responsible for establishing and monitoring appropriate levels of remuneration and individual remuneration packages for Executive Directors. No director is involved in deciding his own remuneration. The report of the Remuneration Committee is set out on pages (16 to 21).

The Remuneration Committee meets at least two times per year.

The Company has an Audit Committee, whose responsibilities include reviewing the scope of the audit and audit procedures, the format and content of the audited financial statements and interim reports, including the notes and the accounting principles applied. The Audit Committee also reviews internal control, including internal financial control, in conjunction with the Board. The Audit Committee will also review any proposed change in accounting policies and any recommendations from the Company's auditors regarding improvements to internal controls and the adequacy of resources within the Company's finance function. The Audit Committee advises the Board on the appointment of external auditors and on their remuneration both for audit and non-audit work, and discusses the nature, scope and results of the external audit with the external auditors. The Audit Committee keeps under review the cost effectiveness and the independence and objectivity of the external auditors.

All Directors may attend audit committee meetings. At least twice a year representatives of the Company's auditors have an opportunity to meet the Audit Committee at which time they also have the opportunity to discuss matters without any Executive Director being present.

The Audit Committee monitors fees paid to the auditors for non-audit work and evaluates on a case by case basis whether it should put the requirement for non-audit services out to tender. The Company's auditors, Grant Thornton LLP, have not been instructed to carry out non-audit work during the year. Other firms of advisors were employed during the year for tax compliance services.

A "whistle blowing" policy has been implemented whereby employees may contact the Chairman of the Audit Committee on a confidential basis.

The Nomination Committee is responsible for considering and making recommendations concerning the composition of the Board, including proposed appointees to the Board, and whether to fill vacancies that may arise or to change the number of Board members. The appointments during the year did not involve open advertising. The Nomination Committee meets at least two times per year.

Internal Control and Risk Management

The Directors acknowledge that they are responsible for establishing and maintaining the Company's system of internal control and reviewing its effectiveness. The Company is small and the Directors are closely involved in the management of the business. At the beginning of the financial year, we identified the key risks that the Company faces during the financial year. The Board has since reviewed these risks as part of the strategic planning exercise, considering the likelihood of the risk occurring and the potential impact on the business. The Board will continue to review and update the risk management process on an ongoing basis. No significant weaknesses or failings were identified, however, the internal controls are designed to manage rather than eliminate the risk of failure to achieve business objectives and the Board recognises that any system can only provide reasonable and not absolute assurance against material misstatement or loss.

The Company's operating procedures include a comprehensive system for reporting financial and non-financial information to the Directors.

The planning system produces a rolling three year operating plan annually. The first year of the three year plan is a proposed operating budget, phased monthly. These are approved by the Board and forecast updates are carried out quarterly. The financial projections include income statement, balance sheet and cash flows.

The Board reviews the actual financial results versus budget and forecast together with other management reports containing non-financial information.

Schedules of financial authority limits detailing management authority limits for commitments in respect of sales orders, capital and operating expenditure are circulated to relevant employees and updated at least annually.

The Board considers that there have been no weaknesses in internal financial controls that have resulted in any material losses, contingencies or uncertainties requiring disclosure in the financial statements.

The Non-Executive Chairman ensures that Directors may take independent professional advice as required at the Company's expense in appropriate circumstances and all members of the Board have access to the advice of the Company Secretary.

Going Concern

The Company has produced monthly forecasts to the end of 2016 which assume the expansion of the Company's operation into the UK in 2014 and which will require additional funding in the second half of 2014 to achieve this in the most effective manner. The Directors believe that the Company will have sufficient cash to meet its working capital needs through the next twelve months based upon: cash expected to be received through existing contracts and channels, new contracts and sales channels existing cash on hand, cash received from a share placing in 2014 and assuming availability of the additional funding. If this funding is not available, the Company has produced alternative forecasts which would enable the Company to meet its working capital need through this period by deferring UK expansion.

However, neither of these forecasts provides assurance that such new sources of revenue and/or cash flow will materialise and, as a result, the Company may need to initiate further cost reduction programs and raise additional debt and/or equity capital over the next twelve months under either forecast.

Internal Audit

The Company does not have an internal audit function. However, the Audit Committee reviews annually the need for such a function and has done so during the year. The current conclusion of the Board is that it is not necessary given the modest scale and lack of complexity of the Company's activities.

Shareholder Communication

It is the Company's policy to involve its shareholders in the affairs of the Company and to give them the opportunity at the Annual General Meeting to ask questions about the Company's activities. This process enables the views of shareholders to be communicated to the Board. In addition, any direct enquiries are dealt with by the Company Secretary and communicated as appropriate to the Board. Other than in exceptional circumstances, all Directors, including those newly appointed, attend the Annual General Meeting of the Company, and make themselves available for introductions and answering shareholders' questions. Established procedures ensure the timely release of price sensitive information and the publication of financial results and regulatory financial statements. The Company also maintains a website, www.tyratech.com, which incorporates corporate, financial, product information and news.

Directors' Remuneration Report

This report sets out the Company's policy on the remuneration of Executive and Non-Executive Directors and details Executive Directors remuneration packages and service contracts.

Remuneration Committee

The Remuneration Committee has the responsibility for determining the Company's overall policy on executive remuneration and for deciding the specific remuneration, benefits and terms of employment for Executive Directors. Fees paid to Non-Executive Directors and to the Chairman are determined by the Board as a whole and no Director is responsible for approving his own remuneration. The Remuneration Committee, in its deliberations on the remuneration policy for the Company's Directors, seeks to give appropriate consideration to the Corporate Governance Code. No external advisors were engaged to provide independent professional advice to the Remuneration Committee.

Remuneration Policy

The policies set by the Remuneration Committee are intended to attract, retain and motivate high calibre executives capable of achieving the Company's objectives, and to ensure that Executive Directors receive remuneration appropriate to their experience, responsibility, geographic location and performance. The Committee's policies aim to align business strategy and corporate objectives with executive remuneration and seek to ensure the appropriate mix between fixed and performance based elements, and between long and short-term goals and rewards.

Executive Directors' remuneration packages are comprised of a basic salary and an annual performance related bonus plan and stock appreciation rights. The Company also provides health care, disability and life insurance and 401(k) matching contribution benefits consistent with all employees of the Company. Total compensation levels for executives are designed to be at least the median level reflecting the levels of performance, experience and responsibility held by each of the External Directors.

Basic Salary

The basic salary of Executive Directors is determined by the Remuneration Committee taking into account individual performance and aims to ensure that remuneration remains competitive with similar companies in terms of size and complexity.

Annual Performance Related Bonus

Each Executive Director is eligible for a discretionary annual bonus based upon the achievement of specific performance targets for the year, determined by the Remuneration Committee. In determining the performance targets and related bonus levels, the Remuneration Committee seeks to align the interests of executives with those of shareholders. Performance related remuneration forms a significant amount of Executive Directors' total remuneration. On target bonus amounts for 2013 were set at 100% of basic salary for Dr. Jactel. Dr. Jactel was not paid a bonus for 2013.

Stock Appreciation Rights

All Executive Directors and employees are eligible for grants of stock appreciation rights. Stock appreciation rights are granted at the closing mid-market price of the Company's common shares on the day prior to grant and generally vest over either one annual, four annual increments, or 25% first year and 6.25% quarterly through the remaining three year vesting term. Currently the exercise of stock appreciation rights granted is not dependent upon performance criteria.

Pension and Other Benefits

Executive Directors' basic salaries are set at levels which are deemed to include adequate provision for 401(k) contributions. Each Executive Director is free to determine the amount of pension contribution payable from salary, given the age of the relevant director and other personal circumstances. Executive Directors are entitled to make contributions from salary into the Company's 401(k) (see Directors' Pension Arrangements below). The Company funds the provision of private medical insurance cover for Executive Directors and their immediate family and Executive Directors participate in the Company's life insurance scheme, which has a lump sum payment in the event of death in service.

Executive Directors' Service Contracts

Mr. Reade entered into an employment agreement with the Company on 16 May 2010, which was terminated by mutual agreement when Mr. Reade moved to the role of Non-Executive Chairman on 20 June 2013.

Dr. Jactel entered into an employment agreement with the Company on 1 January 2013, the principal terms of which are that if the Company terminates his employment, other than for good cause, or if he resigns with good reason, he will be eligible for, but not entitled to, a sum equal to six times his then current monthly base salary. If Dr. Jactel's employment is terminated by a change in control in the Company, Dr. Jactel will be entitled to a lump sum payment equal to 12 times his then current monthly base salary plus other benefits. Dr. Jactel will not be eligible for any kind of severance payment if he resigns from the Company.

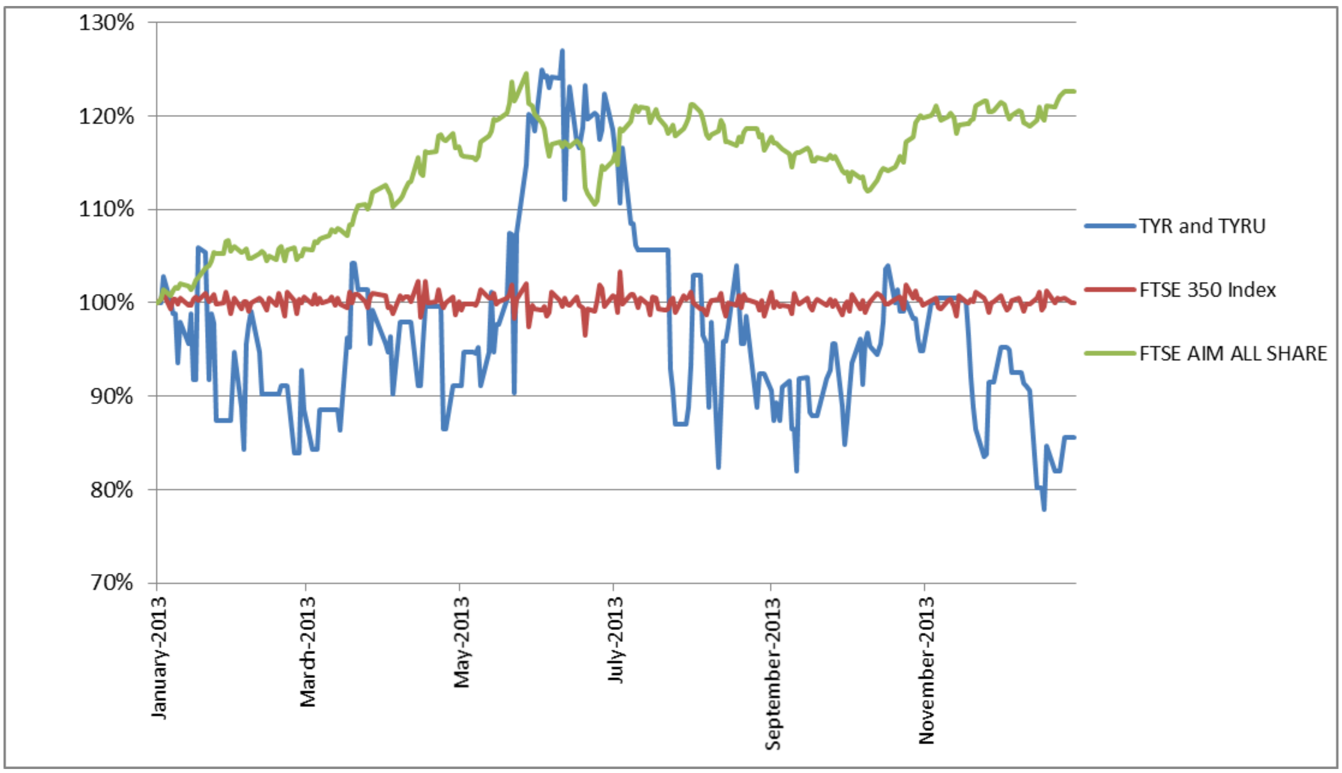
Non-Executive Directors' Letters of Appointment

Mr. Reade and Mr. Riley entered into agreements with the Company on 25 May 2007, which govern the terms and conditions of their appointment as Non-Executive Directors of the Company. Mr. Reade was entitled to fees totalling £35,000 for the year payable to Global Strategy Expression Limited of which Mr. Reade is an employee. This fee arrangement with Mr. Reade was terminated when he assumed the Executive Chairman post. Following his appointment as Non-Executive Chairman, Mr. Reade is entitled to fees totalling £70,000 per year. Mr. Riley remains entitled to fees of £35,000 for the year payable directly. Mr. Hills entered into an agreement with the Company on 9 July 2010 which governs his term and conditions of his appointment as a Non-Executive Director of the Company. This appointment was for an initial term expiring upon conclusion of the next annual general meeting of the Company which was subsequently renewed at the end of that period for a further three year period. Mr. Hills is entitled to fees totalling $55,000 per year. Mr. Wintemute, who was appointed as a Non-Executive Director 20 June 2013, received no fees during 2013. Dr. Kevin Schultz retired from the Company and resigned from the Board as a Non-Executive Director effective 1 April 2013.

In addition to fees, the Company reimburses the independent Non-Executive Directors for all reasonable out-of-pocket expenses incurred.

Performance Graph

The following graph shows the Company's performance, measured by total shareholder return, compared with the performance of the FTSE All Share Healthcare Index and the FTSE AIM Index.



The Directors consider the FTSE AIM All Share Index and FTSE All Share Healthcare Index to be an appropriate choice as the index includes the Company.

Aggregate Directors' Remuneration

Directors' Emoluments in $

	Year	Salary and fees[1]	Benefits[1]	Bonus[1]	Total
Executives:					
B. Jactel	2013	317,480	77,379	-	394,859
	2012	-	-	-	-
Non-executives:					
A.J. Reade	2013	181,356	55,043		236,399
	2012	156,069	148,354	-	304,423
B.M. Riley[3]	2013	54,626	-	-	54,626
	2012	59,775	-	-	59,775
J. Hills	2013	55,000	-	-	55,000
	2012	55,000	-	-	55,000
K. Schultz[2]	2013	-	-	-	-
	2012	-	-	-	-
E. Wintemute	2013	-	-	-	-
	2012	-	-	-	-
Total	2013	608,462	132,422	-	740,884
	2012	270,844	148,354	-	419,198

(1) Remuneration amounts are for the 2013 and 2012 period served.
(2) K. Schultz resigned as Non-Executive Director of the Company on 1 April 2013.
(3) Payments made in Pounds Sterling, at exchange rates to the US Dollar ranging 1.51 to 1.62 in 2013.

In 2012, Alan Reade opted to receive $195,700 of his annual salary in common shares of the Company. 2,453,423 common shares were issued at 5p, with 1,369,010 common shares awarded to Mr. Reade and the remaining 1,084,413 common shares issued to the Company in settlement of Mr. Reade's tax liability on the shares issued and these common shares are held in treasury. This agreement was effective 1 March 2012 with an amortisation period of 12 months. The non-cash compensation of these common shares issued to Mr. Reade are not reflected in Directors' Emoluments Table.

Benefits represent contributions to medical insurance schemes, life insurance, the 401(k) defined contribution plan and cost of living allowance payments. The share based payment charge for restricted stock grants and share options were $101,662 (2012:$340,702). These amounts have been included within administrative costs. The total Directors' total cash and non-cash compensation is $842,546 (2012: $759,900).

Directors' Pension Arrangements

The Executive Directors can participate in the Company's 401(k) plan and the Company will match any contributions into the plan up to 4% of salary not to exceed $10,000 in 2013 and 2012 with a tax deferral limit of $17,500 and additional tax deferral provisions for employees over 50 years old.

Directors' Share Options

At 31 December 2013, the Directors had options to subscribe for Ordinary Shares under the Company's share option scheme as follows:

	Options held at 1 January 2013	Options granted in the year	Options held at 31 December 2013	Strike Price	Grant Date
Directors:					
A.J. Reade	550,000	Nil	550,000	10.5p	4Feb2010
	995,125	Nil	995,125	12.0p	20Oct2010
	100,570	Nil	100,570	12.0p	6Mar2012
	1,000,000	Nil	1,000,000	6.0p	25Apr2012
K. Schultz	200,000	Nil	200,000	12.0p	20Oct2010
	100,000	Nil	100,000	6.0p	25Apr2012
J. R. Hills	200,000	Nil	200,000	12.0p	20Oct2010
	350,000	Nil	350,000	6.0p	25Apr2012
B.M. Riley	200,000	Nil	200,000	12.0p	20Oct2010
	350,000	Nil	350,000	6.0p	25Apr2012
B. Jactel	Nil	500,000	500,000	6.0p	1Jan2013
	Nil	500,000	500,000	12.0p	1Jan2013
	Nil	500,000	500,000	15.0p	1Jan2013
	4,045,695	1,500,000	5,545,695		

The aggregate fair value of the options included in the above table was $356,946 (2012: $281,196).

The market price of the shares at 31 December 2013 was £0.05 (2012 – £0.06) and the range during the year was £0.0425 to £0.065.

All share options expire 10 years after Grant Date.

Approval

The report was approved by the Board of Directors on June 26, 2014 and signed on its behalf by:

James Hills
Chairman, Remuneration Committee
June 26, 2014

Directors' Responsibilities

The Directors are responsible for preparing the Annual Report and the Company financial statements. The Directors are required to prepare Company financial statements for each financial year which present fairly the financial position of the Company and the financial performance and cash flows of the Company for that period. In preparing those Company financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable U.S. GAAP have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business;
- Present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information; and
- Provide additional disclosures to enable users to understand the impact of particular transactions, other events and conditions on the Company's financial position and financial performance.

The Directors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Company. They have a general responsibility for safeguarding the assets of the Company and taking reasonable steps for the prevention and detection of fraud and other irregularities. The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website.

Annual General Meeting

The AGM will be held at the offices of The Company at 5151 McCrimmon Parkway, Suite 275, Morrisville, NC USA 27560 on July 15, 2014 at 10:00AM EDT time. The Group will convey the results of the proxy votes cast at the AGM.

Brian Phillips
Company Secretary
June 26, 2014

Report of Independent Certified Public Accountants

The Board of Directors
TyraTech, Inc.

We have audited the accompanying consolidated financial statements of TyraTech, Inc. and subsidiaries, which comprise the consolidated balance sheets as of December 31, 2013 and 2012, and the related consolidated statements of operations, stockholders' (deficit) equity, and cash flows for the years then ended, and the related notes to the financial statements.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of a matter regarding going concern

The accompanying financial statements have been prepared assuming the Company will continue as a going concern. As discussed in Note 2 to the financial statements, the Company incurred a net loss of $4,901,702 during the year ended December 31, 2013, has recurring significant cash flow deficits from operations since its inception, and has an accumulated deficit of $79,825,177 as of December 31, 2013. These conditions, along with other matters as set forth in Note 2, raise substantial doubt about the Company's ability to continue as a going concern. Management's plans related to these matters are also described in Note 2. The financial statements do not include any adjustments that might result from the outcome of this uncertainty. Our opinion is not modified with respect to this matter.

Grant Thornton LLP
Certified Public Accountants

Charlotte, NC

TYRATECH, INC.

Consolidated Balance Sheets

31 December 2013 and 2012

	2013	2012
Assets		
Current assets		
Cash and cash equivalents	$873,413	$1,548,830
Accounts receivable	85,270	109,867
Inventory, net of allowance of $0 in 2013 and $153,783 in 2012	62,813	17,126
Prepaid expenses	149,972	81,202
Total current assets	1,171,468	1,757,025
Property and equipment, net of accumulated depreciation, ($1.4 million 2013, $1.3 million 2012)	166,690	257,517
Investment in unconsolidated subsidiary	-	358,925
Long term deposits	65,808	65,000
Total assets	$1,403,966	$2,438,467
Liabilities and Shareholders' (Deficit) Equity		
Current liabilities		
Accounts payable	$249,464	$139,554
Accrued liabilities	412,138	503,667
Liability for warrants	210,000	-
Deferred revenue	501,070	501,070
Total current liabilities	1,372,672	1,144,291
Deferred revenue and other long-term liabilities	1,381,477	1,882,548
Total liabilities	2,754,149	3,026,839
Commitments and contingencies (Note 7)		
Shareholders' deficit		
Common stock, $0.001 par, authorised 300 million; 168.8 million shares issued , 167.7 million shares outstanding (2012:108.2 million shares issued, 107.1 million shares outstanding)	167,690	107,090
Additional paid-in capital	78,421,113	74,341,822
Accumulated deficit	(79,825,177)	(74,923,475)
Treasury stock of 1.1 million (2012: 1.1 million)	(108,441)	(108,441)
Total shareholders' deficit	(1,344,815)	(583,004)
Non-controlling interest	(5,368)	(5,368)
Total shareholders' deficit	(1,350,183)	(588,372)

Total liabilities and shareholders' deficit	$1,403,966	$2,438,467

The accompanying notes are an integral part of these consolidated financial statements.

TYRATECH, INC.
Consolidated Statements of Operations
Years ended 31 December 2013 and 2012

	2013	**2012**
Revenues:		
Product sales	$ -	$322,890
Collaborative revenue	1,366,068	3,249,769
Total revenues	1,366,068	3,572,659
Costs and expenses related to product sales and collaboration revenue:		
Product costs	-	238,440
Collaborative costs and expenses	732,997	222,964
Total costs of goods sold	732,997	461,404
Gross profit	633,071	3,111,255
Costs and expenses:		
General and administrative	2,797,508	3,008,322
Business development	430,181	638,826
Research and technical development	1,753,955	2,363,770
Total cost and expenses	4,981,644	6,010,918
Loss from operations	(4,348,573)	(2,899,663)
Other income (expense):		
Interest income	842	16
Other income	14,954	5,058
Net loss (from unconsolidated subsidiary)	(358,925)	(41,075)
Change in fair value of warrant liabilities	(210,000)	-
Total other income(expense)	(553,129)	(36,001)
Loss from operations before income taxes	(4,901,702)	(2,935,664)
Income tax expense	-	-
Net loss	$(4,901,702)	$(2,935,664)
Net loss per common share		
Basic and diluted	$(0.03)	$(0.03)
Weighted average number of common shares		
Basic and diluted	152,417,371	97,258,479

The accompanying notes are an integral part of these consolidated financial statements.

TYRATECH, INC.

Consolidated Statements of Shareholders' (Deficit) Equity

Years ended 31 December 2013 and 2012

	Common Stock	Additional Paid-in Capital	Accumulated Deficit	Non-Controlling Interest	Treasury Stock	Total (Deficit) Equity
Balances as of 31 December 2011	$ 51,856	$ 69,785,077	$ (71,987,811)	$ (5,368)	$ -	$ (2,156,246)
Proceeds from issuance of common stock net of expenses	52,102	3,894,055	-	-	-	3,946,157
Stock based compensation - SARS	-	373,378	-	-	-	373,378
Stock based compensation - stock grants	3,132	289,312	-	-	-	292,444
Consolidated net loss	-	-	(2,935,664)	-	-	(2,935,664)
Purchase of Treasury stock	-	-	-	-	(108,441)	(108,441)
Balances as of 31 December 2012	$ 107,090	$ 74,341,822	$ (74,923,475)	$ (5,368)	$ (108,441)	$ (588,372)
Proceeds from issuance of common stock net of expenses	60,600	3,917,807	-	-	-	3,978,407
Stock based compensation	-	161,484	-	-	-	161,484
Consolidated net loss	-	-	(4,901,702)	-	-	(4,901,702)
Balances as of 31 December 2013	$ 167,690	$ 78,421,113	$ (79,825,177)	$ (5,368)	$ (108,441)	$ (1,350,183)

TYRATECH, INC.

Consolidated Statements of Cash Flows

Years ended 31 December 2013 and 2012

	2013	2012
Cash flows from operating activities:		
Net loss	$(4,901,702)	$(2,935,664)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortisation	108,428	134,802
Write-off of inventory	-	122,914
Net loss from unconsolidated subsidiary	358,925	41,075
Amortisation of stock based compensation	161,484	662,690
Change in fair value of warrants	210,000	-
Changes in operating assets and liabilities:		
Accounts receivable	24,597	(98,051)
Inventory	(45,687)	27,858
Prepaid expenses and long-term deposits	(69,578)	(9,159)
Accounts payable and accrued liabilities	18,381	(104,859)
Deferred revenue and other long-term liabilities	(501,071)	(626,805)
Net cash used in operating activities	(4,636,223)	(2,785,199)
Cash flows from investing activities:		
Purchase of property and equipment	(17,601)	(11,934)
Investment in unconsolidated subsidiary	-	(400,000)
Net cash used in investing activities	(17,601)	(411,934)
Cash flows from financing activities:		
Treasury stock purchased from employee	-	(108,441)
Net proceeds from sale of common stock	3,978,407	3,946,157
Net proceeds from stock grants issued for services	-	3,132
Net cash provided by financing activities	3,978,407	3,840,848
Net (decrease) increase in cash	(675,417)	643,715
Cash and cash equivalents, beginning of year	1,548,830	905,115
Cash and cash equivalents, end of year	$873,413	$1,548,830

The accompanying notes are an integral part of these consolidated financial statements.

Notes to Consolidated Financial Statements

(1) Summary of Significant Accounting Policies and Practices

(a) Description of Business

TyraTech, Inc., a Delaware corporation, (the Company) or (TyraTech) is engaged in the development, manufacture, marketing and sale of proprietary insecticide and parasiticide products, through the utilisation of a proprietary development platform that enables rapid characterisation of potent blends of plant oil derived pesticides. TyraTech is focused on developing safer natural products with plant essential oils to be used in a wide variety of pesticidal and parasitic applications. These new synergistic formulations target specific receptors unique to invertebrates.

The Company is subject to risks common to companies in the life sciences industry including, but not limited to, development by its competitors of new technological innovations, dependence on key personnel, sourcing of capital resources and its ability to protect proprietary technology.

The Company's present product sales market is personal care product sales within the United States (U.S.) through the retail market.

During the normal course of business of research, product development, and product commercialization, the Company has entered several third party agreements for licensing its intellectual property, certain products, and product market channels. These agreements have involved reimbursement of research/development and intellectual property expenses, as well as payment of licencing fees to the Company. The revenue and expenses resulting from these agreements are reflected as collaborative revenue and cost of goods sold in the Company's Consolidated Statements of Operations and, where appropriate, as deferred revenue in the Consolidated Balance sheets.

(b) Principals of consolidation

The accompanying consolidated financial statements of the Company in U.S. Dollars ($) have been prepared in accordance with accounting principles generally accepted in the United States of America (US GAAP) and include the accounts of TyraTech, Inc. and subsidiaries listed below. Non-controlling interests are accounted for based upon the value or cost attributed to their investment adjusted for the share of income or loss that relates to their percentage ownership of the entity.

Company name	Country of Incorporation	Percentage holding
TyraTech Sustainable Solutions, LLC	USA	100%
TyraChem LLC	USA	50%

All intercompany balances and transactions have been eliminated in consolidation. The Company made a $400,000 investment for a 40% share of a new enterprise (Envance Technologies, LLC or Envance) in late 2012, which is jointly owned with AMVAC Chemical Corporation (AMVAC), a wholly owned subsidiary of American Vanguard Corporation. This unconsolidated entity is accounted for under the equity method of accounting.

(c) Segment information

The Company's chief operating decision maker reviews the financial information presented on a consolidated basis for purposes of allocating resources and evaluating the Company's financial performance. Accordingly, the Company has determined that it operates in a single operating segment.

(d) Cash and Cash Equivalents

The Company considers all highly liquid securities with maturities of three months or less when acquired to be cash equivalents.

The Company maintains cash balances at financial institutions and invests in unsecured money market funds. Accounts at these institutions are insured by the Federal Deposit Insurance Corporation up to $250,000. At times during the year, balances in these accounts exceeded the federally insured limits; however, the Company has not experienced any losses in such accounts.

(e) Accounts Receivable

Accounts receivable are recorded at the invoiced amount and do not bear interest. A specific allowance is made when a receivable is not considered collectable. This determination results from an analysis of the specific creditor, the age of the receivable and payment past performance of the creditor. After evaluating its accounts receivable balances the Company determined an allowance for uncollectible accounts was not required for the years ended 31 December 2013 and 2012. Amounts collected on trade accounts receivable are included in net cash provided by operating activities in the accompanying consolidated statements of cash flows. The Company does not have any off-balance-sheet credit exposure related to its customers.

(f) Inventory

Inventory is stated at the lower of cost or market. Cost is determined using the first-in, first-out method (FIFO).

(g) Treasury Stock

Treasury stock is recorded using the cost method. Management has not made any decisions as to whether the reacquired shares will be retired, held indefinitely or reissued.

(g) Shareholders' Equity

On 27 February 2012, the company issued 52,101,460 new common shares at a price equal to £0.05 per share for total consideration of £2.4 million ($3.9 million). A further 500,000 shares were issued, 327,500 issued pursuant to a third party consultancy agreement and 172,500 new shares were subscribed directly by the same third party. Additionally, on 6 March 2012, 600,000 new common shares were issued at £0.05 per share to First Columbus in consideration of services provided under the Company's corporate broking agreement with First Columbus. On 10 April 2012, the Company issued then Executive Chairman, Alan Reade, 2,453,423 common shares at £0.05 per common share in lieu of $195,700 of his annual salary. Mr. Reade received 1,369,010 of these common shares and the remaining 1,084,413 common shares were issued to the Company as Treasury Shares to cover Mr. Reade's tax liability. Last, in 2012 665,204 common shares were issued pursuant to a third party consultancy agreement.

On 28 March 2013, the Company issued 60,000,000 new common shares at a price equal to £0.05 per share for total consideration of £2.6 million ($4.0 million). A further 600,000 shares were issued in settlement of other expenses of £30,000 ($45,588).

(h) Property and Equipment

Purchased property and equipment is recorded at cost. Depreciation and amortisation are provided on the straight-line method over the estimated useful lives of the related assets as follows:

Leasehold improvements	Initial term of the lease or life of the improvement, whichever is shorter
Furniture, fixtures and equipment	4-7 years
Computer equipment and software	5 years

Management periodically reviews long-lived assets to be held and used in operations for impairment whenever events or changes in circumstances indicate the carrying value of an asset may not be recoverable. An impairment loss is recognised when the estimated future cash flows from the asset are less than the carrying value of the assets. Assets to be disposed of are reported at the lower of their carrying amounts or fair value less costs to sell. No such impairments have been recognized for the years ended December 31, 2013 and 2012.

(i) Revenue Recognition

The Company's business strategy includes entering into collaborative license and development agreements with agricultural, insecticide and human and animal food companies for the development and commercialisation of the Company's product candidates. The terms of the agreements typically include non-refundable license fees, funding of research and development, payments based upon achievement of development milestones and royalties on product sales.

Product Sales

Revenue is recognised for product sales when persuasive evidence of an arrangement exists, delivery has occurred or services have been rendered, the risks and rewards of ownership have been transferred to the customer, the amount of revenue can be measured reliably and collection of the related receivable is reasonably assured. If product sales are subject to customer acceptance, revenues are not recognized until customer acceptance occurs. Sales/use tax, when required, is included in sales invoices but not in the reported revenue, recorded as sales tax payable, and remitted monthly to the appropriate state revenue departments.

License Fees and Multiple Element Arrangements

Non-refundable license fees are recognised as revenue when the Company has a contractual right to receive such payment, the contract price is fixed or determinable, the collection of the resulting receivable is reasonably assured and the Company has no further performance obligations under the license agreement. Multiple element arrangements, such as license and development arrangements, are analysed to determine whether the deliverables, which often include a license and performance obligations such as research and steering committee services, can be separated or whether they must be accounted for as a single unit of accounting. The Company recognises up-front license payments as revenue upon delivery of the license only if the license has stand-alone value and the fair value of the undelivered performance obligations, typically including research and/or steering committee services, can be determined. If the fair value of the undelivered performance obligations can be determined, such obligations would then be accounted for separately as performed. If the license is considered to either (i) not have stand-alone value or (ii) have stand-alone value but the fair value of any of the undelivered performance obligations cannot be determined, the arrangement would then be accounted for as a single unit of accounting and the license payments and payments for performance obligations are recognised as revenue over the estimated period of when the performance obligations are performed.

Whenever the Company determines that an arrangement should be accounted for as a single unit of accounting, it must determine the period over which the performance obligations will be performed and revenue will be recognised. Revenue will be recognised using a proportional performance method. The Company recognises revenue using the proportional performance method provided that the Company can reasonably estimate the level of effort required to complete its performance obligations under an arrangement and such performance obligations are provided on a best-efforts basis. Revenue recognised under the proportional performance method would be determined by multiplying the total payments under the contract by the ratio of level of effort incurred to date to estimated total level of effort required to complete the Company's performance obligations under the arrangement. Revenue is limited to the lesser of the cumulative amount of non-refundable payments received or the cumulative amount of revenue earned, as determined using the proportional performance method, as of each reporting period.

If the Company cannot reasonably determine the estimated level of effort required to complete its performance obligation, then revenue is deferred until the Company can reasonably estimate its level of effort or the performance obligation ceases or becomes inconsequential.

Significant management judgment is required in determining the level of effort required under an arrangement and the period over which the Company is expected to complete its performance obligations under an arrangement. In addition, if the Company is involved in a steering committee as part of a multiple element arrangement that is accounted for as a single unit of accounting, the Company assesses whether its involvement constitutes a performance obligation or a right to participate. Steering committee services that are not inconsequential or perfunctory and that are determined to be performance obligations are combined with other research services or performance obligations required under an arrangement, if any, in determining the level of effort required in an arrangement and the period over which the Company expects to complete its aggregate performance obligations.

Deferred Revenue

Amounts received prior to satisfying the above revenue recognition criteria are recorded as deferred revenue in the accompanying consolidated balance sheets. Amounts not expected to be recognised during the year ending 31 December 2014 are classified in long-term liabilities. As of 31 December 2013, the Company has short-term deferred revenue of $0.5 million, (2012: $0.5 million) and long-term deferred revenue of $1.4 million (2012: $1.9 million) related to its collaborations.

Customer Concentrations

The Company had no product sales during the year and one customer represented 99% of 2012 product sales. Further, in 2013 the company had no product sales in accounts receivable (2012: one customer represented 91% of accounts receivable).

(j) Equity Based Compensation

Subsequent to 1 January 2006 stock based compensation cost is measured at the grant date based on the fair value of the award and is recognised as an expense on a straight-line basis over the vesting period. Compensation expense is recognised only for those shares expected to vest, with forfeitures based upon future expectations.

(k) Research and Technical Development

Research and technical development costs are expensed as incurred. Research and technical development costs for the year ended 31 December 2013 amount to $1.8 million (2012: $2.4 million) after charging $0.4 million (2012: $0.1 million) to cost of sales.

(l) Income Taxes

Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are recognised for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis and operating losses and tax credit carry forwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognised in income in the period that includes the enactment date. Valuation allowances are recorded when necessary to reduce deferred tax assets to the amount expected to be realised.

The Company adopted the provisions of Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 740, *Income Taxes,* on 1 January 2009. As required by the uncertain tax position guidance of ASC 740, the Company recognises the financial statement benefit of a tax position only after determining that the relative tax authority would more-likely-than-not sustain the position following an audit. For tax positions meeting the more-likely-than-not threshold, the amount recognised in the financial statements is the largest benefit that has a greater than fifty percent likelihood of being realised upon ultimate settlement with the relevant tax authority. As of 31 December 2013 and 31 December 2012, the Company did not record any assets for unrecognised tax benefits.

(m) Use of Estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying disclosures. Significant estimates and assumptions made by management are used for but not limited to, revenue recognition, the useful lives of property and equipment, volatility used in the valuation of the Company's stock appreciation rights and warrants, accrued expenses, and valuation allowance on deferred tax assets. Although these estimates are based on management's best knowledge of current events and actions the Company may undertake in the future, actual results ultimately may differ from the estimates.

(n) Fair Value of Financial Instruments

Financial instruments, which potentially subject the Company to significant concentrations of credit risk, consist principally of cash equivalents and accounts receivable. The carrying amounts of cash and cash equivalents of accounts receivable, accounts payable and accrued expenses approximate to fair value because of the short term maturity of these items.

(o) Accounting Pronouncements Not Yet Adopted

The FASB recently issued Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers*, to replace and improve nearly all existing revenue recognition guidance. The new standard is the culmination of longstanding joint efforts by both the FASB and the IASB, which also issued IFRS 15 with the same title.

The ASU is effective for public entities for annual reporting periods beginning after December 15, 2016, including interim periods therein. Nonpublic entities are required to apply the guidance for annual periods beginning after December 15, 2017 and for interim and annual reporting periods thereafter. Early application is not permitted for public entities. Nonpublic entities may apply the guidance using the same adoption dates required for public companies, among other early adoption alternatives. Entities are permitted to apply the new revenue standard either retrospectively, subject to some practical expedients, or through an alternative transition method. The Company has not yet determined the potential impact of this recently issued pronouncement.

(2) Liquidity and Capital Resources

The accompanying consolidated financial statements contemplate continuation of the Company as a going concern. The company has incurred losses from inception ($4,901,702 in 2013, $2,935,664 in 2012), its cash used in operations in 2013 totalled $4,636,223 (2012: $2,785,199), and has accumulated losses of $79,825,177. As of 31 December 2013, the Company had $873,413 (2012: $1,548,830) in cash and cash equivalents and no indebtedness.

The Company's operations have been funded through a combination of common stock issuances, sales of the Company's products, and proceeds from technology licensing agreements. The Company most recently raised $2.8 million through a fund raise in February 2014. Neither further investor funding nor debt funding has been received to the date of this Annual Report. The Company has produced monthly forecasts to the end of 2016, which reflect an intention to incur significant sales/marketing investments to introduce products to the UK in 2014, which will require the Company to obtain additional funding in 2014 through the issuance of equity or debt. There can be no assurances that additional debt or equity funding can be obtained or that available capital would be on terms acceptable to the Company.

The Company has produced alternative operational/financial projections, deferring UK expansion, which could enable it to work within its existing cash resources, if further funding was not available on acceptable terms for the 2014 UK expansion. However, the Company has no assurances that it will achieve its projected revenues, profitability, or cash flows under either of these forecasts and as a result the Company may need to initiate further cost reduction programs and raise additional debt and/or equity capital over the next twelve months.

(3) Accounts Receivable

Accounts receivable as of 31 December 2013 and 2012 consist of:

	2013	2012
Trade receivables	$84,152	$107,208
Other receivables	1,118	2,659
	$85,270	$109,867

(4) Inventories

Inventories as of 31 December 2013 and 2012 consist of:

	2013	2012
Raw materials	$62,813	$17,126

The application of lower of cost or market to the 2013 and 2012 inventories resulted in a write-off of $0 for the year ended 31 December 2013 and $122,914 for the year ended 2012. Inventory classification is determined by the stage of the manufacturing process the specific inventory item represents.

(5) Property and Equipment

Property and equipment as of 31 December 2013 and 2012 consist of:

	2013	2012
Leasehold improvements	$785,289	$785,289
Furniture, fixtures and equipment	549,310	537,356
Computer equipment and software	247,400	241,753
	1,581,999	1,564,398
Less: Accumulated depreciation	(1,415,309)	(1,306,881)
	$166,690	$257,517

Depreciation and amortisation expense of $108,428 (2012: $134,802) is reflected in general and administrative expense in the accompanying consolidated statements of operations.

(6) Accrued liabilities

Accrued liabilities as of 31 December 2013 and 2012 consist of:

	2013	2012
Accrued compensation	$160,717	$214,398
Professional fees	65,384	199,213
Other	186,037	90,056
	$412,138	$503,667

(7) Commitments and Contingencies

Leases

On 17 February 2011, the Company signed a ten year lease on an office and laboratory facility in Morrisville, North Carolina. Leases include escalating rental payments which are recognised under the straight-line method under US GAAP.

Future minimum lease payments under non-cancellable operating leases (with initial or remaining lease terms in excess of one year) as of 31 December 2013 are as follows:

Year ending 31 December	
2014	$106,076
2015	118,974
2016	144,100
2017	147,768
2018	152,048
Thereafter	407,968

Rental expense for operating leases included in general and administrative expenses in the consolidated statement of operations during the year ended 31 December 2013 was $158,297 (2012: $143,919).

(8) Related Party Transactions

The Company established a shared services agreement to provide general and administrative, production support, and research and development services to Envance Technologies, LLC (Envance) for a monthly fee based primarily on the percentage of time Company employees devote to supporting Envance business activities and the employee's salary expense. During the year ended 31 December 2013 the Company charged Envance $ 0.7 million which was recorded in Collaborative revenue (2012: $0.1 million).

(9) Warrants

AMVAC Warrants – In connection with the license and joint venture agreements entered into with AMVAC during 2012, on November 2012 the Company agreed to issue to American Vanguard Corporation warrants to subscribe for 10 million common shares. The warrants were exercisable at a price of 10 pence per share at any time until 31 May 2013. The fair value of the warrants at the grant was immaterial. This Agreement was amended on 2 April 2013 to reduce the exercisable price from 10 pence to 6 pence and extend the expiry of the exercise period of the warrants from 31 May 2013 to 31 May 2015. Warrant expenses and liability of $0.2 million and $0 were reported at 31 December 2013 and 31 December 2012, respectively. The Company employed a pricing model to determine the fair value of the warrant liability and used significant assumptions in estimating the fair value of the warrant expense and liability including the estimated volatility, risk free interest rate, and the estimated life of the warrant. There have been no common shares issued from exercise of this warrant through 31 December 2013.

Valuation assumptions:	
Expected volatility	67%
Expected term (years)	1.4
Risk-free interest rate	0.13%

(10) Stock Based Compensation

Compensation Plan

On 23 May 2007, the Board of Directors approved the TyraTech, Inc. 2007 Equity Compensation Plan (the Plan), as amended, which authorises up to a maximum of ten percent of the issued share capital of the Company (16,877,630 shares at 31 December 2013) to be made available for granting of awards to all employees and non-employee directors. These share awards can be in the form of options to purchase capital stock, stock appreciation rights (SARs), restricted shares, and other option stock based awards the Board of Directors' Remuneration Committee shall determine. The Remuneration Committee, which is comprised of all independent Directors, determines the number of shares, the term, the frequency and date, the type, the exercise periods, any performance criteria pursuant to which awards may be granted and the restrictions and other terms of each grant of restricted shares in accordance with terms of the Plan.

Stock Appreciation Rights

During the year ended 31 December 2013, the Company granted 2,505,000 (2012: 4,189,284) SARs. SARs can be granted with an exercise price less than, equal to or greater than the stock's fair market value at the date of grant and require the Company to issue common stock to the employee upon exercise of the SAR. The SARs have ten year terms and vest and become fully exercisable over varying periods between one to four years from the date of grant.

The fair value of each SAR was estimated on the grant date using the Black-Scholes option-pricing model that used the assumptions in the following table. The fair value is amortized to compensation expense on a straight-line basis over the expected term. The Company estimated the expected term of the SARs using an approach that approximated the "simplified approach." Using this approach, the Company assigned an expected term for grants with four-year graded vesting. The expected stock price volatility was determined by examining the historical volatilities for peers and using the Company's common stock. Industry peers consist of several public companies in the biotechnology industry similar in size, stage of life cycle and financial leverage. The Company will continue to analyse the historical stock price volatility and expected term assumption as more historical data for the Company's common stock becomes available. The risk-free interest rate assumption is based on the U.S. Treasury instruments at grant date whose term was consistent with the expected term of the Company's SARs. The expected dividend assumption is based on the Company's history and expectation of dividend payouts.

	2013	2012
Valuation assumptions		
Expected dividend yield	0%	0%
Expected volatility	82%	84%
Expected term (years)	5.5 – 6.3	5.5-6.3
Risk-free interest rate	1.3%-2.2%	2.5%-2.7%

SAR activity during the period indicated as follows:

	Number of shares	Weighted average exercise price	Weighted average remaining contractual term	Aggregate Intrinsic Value	Weighted average grant-date fair value
Balance at 31 December 2011	4,497,625	$ 0.58	8.64	$447,835	$0.73
Granted	4,189,284	0.10	-	-	0.07
Exercised	-	-	-	-	-
Expired	-	-	-	-	-
Forfeited	(30,000)	-	-	-	0.06

Balance at 31 December 2012	8,656,909	$0.37	8.52	-	$0.47
Granted	2,505,000	0.15	-	-	0.05
Exercised	-	-	-	-	-
Expired	-	-	-	-	-
Forfeited	(875,000)	0.45	-	-	0.33
Balance at 31 December 2013	10,286,909	$0.31	8.28	-	$0.37
Exercisable at 31 December 2012	1,277,500	0.11	7.50	-	-
Exercisable at 31 December 2013	7,494,409	0.20	7.96	-	-

The weighted average grant date fair value of SARs granted during the year ended 31 December 2013 was $0.1 million (2012: $0.3 million). During the year ended 31 December 2013 3,716,784 (2012: 242,500) SARs vested and none were exercised (2012: 0) with a fair value of $0.3 million (2012: $0.1 million). The SARs issued through 31 December 2013 have a maximum contract term of ten years.

As of 31 December 2013, there was $0.1 million (2012: $0.6 million) of total unrecognised compensation cost related to non-vested SAR arrangements granted under the plan. That cost is expected to be recognised over a weighted average period of 2.7 years. The total fair value of shares vested during the year was $0.3 million (2012: $0.1 million). The compensation recognised in operating expenses for SARS for the year ended 31 December 2013 was $0.2 million (2012: $0.4 million). During the year ended 31 December 2013, the Company used an estimated forfeiture rate of 5% the SARs vesting in one year and a 30% for SARs vesting over a four year term. These forfeiture rates were developed based upon actual forfeiture rates for SARs forfeited between 2009 and 2012.

During 2012 the Company modified the strike price of all SARs previously issued to Company employees and Directors who chose to accept the restated strike price program. The restated strike price was $0.19/share. The program required an additional one year vesting on all fully vested grants, but no change in vesting for unvested grants or changes to the life of any of the grants. The results of this modification are reflected in the SARs activity schedule and had a material impact on the number of total shares exercisable at 31 December 2012, as 2,600,125 shares of previously vested shares were extended for the one year's additional vesting period and not reflected in the 1,277,500 shares vested on that date.

The Company plans to use authorised and un-issued shares to satisfy SAR exercises.

(11) Research and Development Collaborations

The Company has the following significant research and development collaborative agreement outstanding at 31 December 2013 and 2012:

Mondelez Global, LLC

Agreement Summary

On 5 December 2006, the Company entered into a technology sublicense agreement with Mondelez Global, LLC ("Mondelez" – formally Kraft Foods, Inc.). Pursuant to this agreement, Mondelez was granted limited exclusive sublicense to use the Company's know-how and related license and patents relating to the production of "functional foods" which treat and prevent parasites in humans through additives to foods, beverages and dietary supplements. During the years ended 31 December 2013 and 2012 Mondelez funded the joint project $66,811 and $129,864, respectively. At 31 December 2013 the Company had a liability to Mondelez for $9,803 and in

2012 the Company had a receivable from Mondelez for $19,934 for joint project funding. The project expenses in 2012 and 2013 relate primarily to expenditures for pursuing joint patent applications related to the project. During the second half of 2012 the Company and Mondelez agreed to discontinue the functional food development project and jointly pursue third party companies to monetise the project's intellectual property. The parties agreed to terminate their monetisation efforts if no monetisation agreements have been entered into within two (2) years and if Mondelez does not wish to further pursue commercialisation or sublicensing independently.

Accounting Summary

The Company considers its arrangement with Mondelez to be a revenue arrangement with multiple deliverables. The Company's deliverables under this collaboration include an exclusive license to its parasitic technologies, research and development services, and participation on a steering committee. The Company determined that the deliverables, specifically, the license, research and development services and steering committee participation, represented a single unit of accounting because the Company believes that the license, although delivered at the inception of the arrangement, does not have stand-alone value to Mondelez without the Company's research and development services and steering committee participation and because objective and reliable evidence of the fair value of the Company's research and development services and steering committee participation could not be determined. Upon execution of the revised monetization agreement, the Company extended revenue recognition of the final exclusivity payment of $750,000 to the end of the original exclusivity term of the technology sublicense agreement, ended 5 December 2016. For the year ended 31 December 2013 TyraTech recognized collaborative revenue of $0.1 million (2012: $0.2 million) and deferred revenue decreased to $0.2 million (2012: $0.3 million).

Terminix Product Development and Supply Agreement

The Company completed a new Product Development and Supply Agreement ("TMX Agreement") with Terminix in late 2010. The TMX Agreement included provisions for joint development of new insecticide products by the Company for which the Company was to receive new product completion fees and Terminix received exclusive rights to sell selected products for specific market channels within North America for seven years. An amendment to the Agreement in September 2012 discontinued the joint product development portions of the Agreement, including any further new product completion fees for the Company, as well as granting the Company the right to market/commercialize products in the consumer market channel to the extent and for the time period authorized in the TMX Agreement. Additionally, the minimum product purchases ($150 million) required by December 31, 2014 to maintain Terminix's exclusive market rights through 2017 were reduced to $11 million. For the year ended 31 December 2013 TyraTech recognized collaborative revenue from the TMX Agreement of $0.4 million (2012: $0.2 million) and deferred revenue, which is being recognized over seven years, decreased to $1.7 million (2012: $2.1 million).

American Chemical Corporation ("AMVAC")

The Company completed an Intellectual Property License Agreement ("AMVAC Agreement") with AMVAC in November, 2012. The AMVAC Agreement granted AMVAC irrevocable rights to license, sub-license, develop, manufacture commercialize, use, market and sell selected products within selected market channels related to the licensed intellectual property. The Company received and recognised $2.4 million in revenue during 2012 upon signing the AMVAC Agreement and AMVAC will pay an additional $1,320,000 in ten equal instalments of $132,000 per year beginning in November 2013. These instalments will be recognised as revenue upon receipt.

Envance Technologies, LLC

TyraTech entered a Shared Services Agreement with Envance in December, 2012 to provide general/administrative, marketing, supply chain/manufacturing, and research/development services on a cost plus basis to support Envance's business activities. The Company applies ASC 605 in determining whether it is appropriate to record the gross amount of collaborative revenues and related costs or the net amount earned. The Company records and presents revenue from these transactions on a gross basis. As described previously, for the year ended 31 December 2013 TyraTech invoiced Envance $0.7 million for these services (2012: $0.1 million).

TyraTech accounts for its investment in Envance using the equity method of accounting. In 2013, TyraTech's investment in Envance was reduced from $0.4 million to zero and the equity method was suspended. No additional losses will be recorded until either TyraTech contributes additional capital or Envance records net income equal to the share of net losses not recognized during the period in which the equity method was suspended. As of 31 December 2013, TyraTech's inception to date investment loss in Envance is ($558,424), $400,000 of which is reflected in the Company's 2012 and 2013 Consolidated Statements of Operations. If Envance subsequently reports net income, the Company will resume applying the equity method only after its share of that net income equals the share of net losses not recognized during the period the equity method was suspended. As of December 31, 2013, the Company's share of Envance net losses not recognized was $158,424. Additionally, during 2013 the Company's partner in Envance, AMVAC, made a $0.2 million Covering Capital Contribution which will be subject to preferential cash distributions prior to the Company receiving their 40% share of cash distributions from Envance.

(12) 401(k) Plan

The Company maintains a defined contribution 401(k) plan. The 401(k) plan is designed in accordance with the applicable sections of the Internal Revenue Code, and is subject to minimum 3% funding requirements as required for a safe harbor plan. The 401(k) plan covers all eligible employees of the Company and its subsidiaries upon completion of three months of service. Employees may elect to contribute up to a maximum of 60% of their salary, subject to Internal Revenue Service limitations. The Company has a matching policy in which the

Company matches 100% of the first 4% of each employee's compensation contributed to the 401(k) plan. For the years ended 31 December 2013 and 2012, the Company's contribution, including administrative expenses, amounted to $91,078 and $77,507 and are charged to general and administrative, business and development, and research and technical development expenses in the consolidated statements of operations.

(13) Income Taxes

Beginning on 24 May 2007, the Company is subject to both federal and state income taxes. For the period prior to 24 May 2007, the Company operated as a pass through entity for tax purposes and any tax liability was the responsibility of its members.

The difference between the "expected" tax benefit (computed by applying the federal corporate income tax rate to the loss before income taxes) and the actual tax benefit is primarily due to the effect of the valuation allowance described below.

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and amounts utilised for income tax purposes. The tax effects of temporary differences that give rise to significant portions of deferred taxes at 31 December 2013 and 2012 are presented below:

	2013	2012
Deferred tax assets:		
Accrued compensation	$36,970	$50,877
Accrued expenses	14,542	84,536
Provisions for bad debts and inventory reserves	-	59,304
Deferred revenue	718,482	911,769
Deferred rent	44,123	34,437
Net operating loss and charitable contribution carry forward	21,390,135	18,597,610
Basis in intangibles	2,808,159	3,141,801
Stock compensation	1,957,710	1,904,546
Total gross deferred tax assets	26,970,121	24,784,880
Less valuation allowance	(26,870,561)	(24,680,468)
Net deferred tax assets	99,560	104,412
Deferred tax liabilities		
Prepaid expenses	(48,865)	(30,023)
Property and equipment	(50,695)	(74,389)
Net deferred tax liabilities	(99,560)	(104,412)
Net deferred tax asset	$-	$ -

At 31 December 2013, the Company had federal and state net operating loss ("NOL") carry forwards of $54.1 million (2012: $47.8 million). These federal and state NOL carry forwards will expire from 2027 to 2032, if not utilised.

Management establishes a valuation allowance for those deductible temporary differences when it is more likely than not that the benefit of such deferred tax assets will not be recognised. The ultimate realisation of deferred tax assets is dependent upon the Company's ability to generate taxable income during the periods in which the temporary differences become deductible. Management considers the historical level of taxable income, projections for future taxable income, and tax planning strategies in making this assessment. Management's assessment in the near term is subject to change if estimates of future taxable income during the carry forward period are reduced or increased.

The Company is subject to the "ownership change" rules of Section 382 of the Internal Revenue Code. Under these rules, our use of NOLs could be limited in tax periods following the date of an ownership change. The Company had qualifying ownership changes during 2008 and 2011 that triggered these limitations and will have a $1.0 million limitation on NOL utilisation per year plus any unrecognised built-in gains as of the ownership change date that are recognised in the five years after the date of Section 382 ownership change.

Given the Company does not have a history of taxable income or a basis on which to assess its likelihood of the generation of future taxable income, management has determined that it is most appropriate to reflect a valuation allowance equal to its net deferred tax assets. The total valuation allowance at 31 December 2013 was $26.9 million (2012: $24.7 million). Tax years 2010, 2011, and 2012 are still subject to examination by the IRS. The Company's policy is to include interest and penalties related to unrecognised tax benefits in income tax expense. As of 31 December 2013 and 2012, the Company had no unrecognised tax benefits and accordingly, no accrued interest and penalties.

(14) Earnings Per Share

Basic earnings per common share were computed by dividing net income by the weighted average number of shares of common stock outstanding during the year.

The 2013 diluted shares outstanding do not assume the conversion of stock appreciation rights or warrants outstanding of 20,286,909 (2012: 9,536,909) common shares as it would have an anti-dilutive effect on earnings per share.

(15) Subsequent Events

Management has evaluated subsequent events through 26 June 2014, the date the consolidated financial statements were available for issuance. On 21 February 2014 the Company issued 37,391,763 of new common shares of $0.001 each for a gross cash consideration of £1.9 million (approximately $3.1 million) representing £1.7 million (approximately $2.8 million) net of cash expenses. A further 1,152,700 shares of $0.001 each were subject to issue as stock warrants in settlement of other expenses. Legal and General Investment Management Limited (UK), a substantial shareholder of the Company subscribed for 4,500,000 shares as party of the fund raise and this was considered to be a related party transaction for the purposes of the AIM Rules for Companies published by the London Stock Exchange. In conjunction with this transaction and pursuant to the Amended AMVAC Warrant Agreement, the strike price of their 10,000,000 stock warrants were reduced from 6 pence per share to 5 pence per share.

TyraTech, Inc.

(incorporated in the State of Delaware under Delaware Corporation Law)

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting (AGM) of TyraTech, Inc., (the Company) will be held at the offices of the Company at 5151 McCrimmon Parkway, Suite 275, Morrisville, NC USA 27560 on July 15, 2014 at 10:00AM EDT for the following purposes:

Ordinary Business

To consider and, if thought fit, pass the following ordinary resolutions:

1. To receive and adopt the accounts for the period ended December 31, 2013 and the reports of the Directors and auditors on them.

2. To re-elect Mr. J. Hills as a Director serving for a term of three years.

3. To re-appoint Grant Thornton LLP as auditors of the Company until the conclusion of the next annual general meeting at which accounts are laid before the Company and to authorise the Directors to determine the remuneration of the auditors.

By order of the Board

Brian Phillips
Group Secretary
June 26, 2014

Notes:

1. Attendance and Voting

The Company specifies that only those stockholders registered in the register of members of the Company as at 6.00 p.m. (BST) on 4 July 2014 (or, if the meeting is adjourned, stockholders on the register of members not less than 10 days before the time fixed for the adjourned meeting) shall be entitled to attend or vote at the above meeting in respect of the number of shares registered in their name at that time. Changes to entries on the register after 6.00 p.m. (BST) on 4 July 2014 shall be disregarded in determining the rights of any person to attend and vote at the AGM.

2. Proxies

(a) Any member entitled to attend and vote at the AGM is entitled to appoint one or more proxies (who need not be a member of the Company) to attend and, on a poll, vote instead of the member. Completion and return of a form of proxy will not preclude a member from attending and voting at the meeting in person, should he/she subsequently decide to do so.

(b) In order to be valid, any form of proxy, power of attorney or other authority under which it is signed, or notarially certified office copy of such power or authority, must reach the Company's Registrars, Proxy Department, Computershare Investor Services (Jersey) Limited at c/o The Pavilions, Bridgwater Road, Bristol BS99 6ZY or by facsimile at +44 (0)870 703 6322 or by email to externalproxyqueries@computershare.co.uk not later than 3 p.m. (BST) on 11 July 2014 or in the event of an adjournment 48 hours before the time of any adjournment of the AGM.

(c) In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear on the Company's register of stockholders in respect of the joint holding.

(d) If you hold your stock through Depositary Interests please complete a Form of Instruction. This should be completed and returned to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY in the enclosed reply paid envelope or by facsimile to +44 (0)870 703 6322 not later than 3 p.m. (BST) on 10 July 2014 or in the event of an adjournment 48 hours before the time of any adjournment of the AGM.

(e) For holders of a Depositary Interests wishing to use CREST voting please see the instructions on the Form of Instruction.

(f) Copies of the letters of appointment of each of the Directors, and the register of Directors' interest in shares of the Company will be available for inspection at the registered office of the Company during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) from the date of this notice until the date of the AGM and at the place of the AGM from at least 15 minutes prior to and until the conclusion of the AGM.

If you have any questions on how to complete the Form of Proxy or Form of Instruction please contact Computershare on telephone number 0870 707 4040. Calls are charged at local geographic rates. 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.