

APPENDIX A

My Verona Pharma Ordinary Shares are held by my broker in CREST.

What do I need to do to convert my Ordinary Shares into Verona Pharma American Depositary Shares (ADSs) tradable on Nasdaq?

To initiate the conversion process, your broker or delivering agent should be instructed to complete the issuance instruction form (Appendix A) and send to Citibank directly at the following email address UKsettlements@citi.com.

Questions from brokers about this process should be addressed by email to the same address.

Please refer to the below issuance process:

1. Deliver Ordinary Shares to CREST ID BA01D (National City Nominees).
2. UK Stamp Duty Reserve Tax, or SDRT, will be zero if the Ordinary Shares are deposited for ADSs prior to the AIM Delisting. Thereafter, SDRT (the rate of which is currently 1.5 percent. of the market value of the Ordinary Shares converted) is expected to be payable. All delivery instructions must have the correct stamp duty flagged by your CREST Agent with the appropriate stampable consideration included.
3. The number of Ordinary Shares being delivered for deposit into the ADS programme must be a multiple of 8 as the ADS to Ordinary Share ratio is 1 ADS to 8 Ordinary Shares, and fractional ADSs cannot be issued.
4. There will be no cost of converting your Ordinary Shares into ADSs, prior to the date of the AIM Delisting. Thereafter, ADS conversion fees may be charged at the discretion of Citibank.
5. An annual depository service fee, currently US\$0.02 per ADS, is levied to ADS holders by Citibank each March. This is typically paid and charged to your account by your broker on an annual basis.
6. Email the attached issuance instruction form to: UKsettlements@citi.com
7. The CREST delivery needs to be made via Over-The-Counter ("OTC"). The issuance instruction and CREST delivery must be with present dates. Citibank will be unable to process an issuance with a past trade date.
8. Upon receipt of issuance instruction and CREST delivery are in good order, Citibank will match the delivery in CREST and advise Citibank ADR team to deliver the ADSs to the requested Depository Trust Company ("DTC") participant account.
9. All instructions and deliveries must be sent by 3.00 pm London time. If you miss the daily deadline, Citibank will require a new instruction and a new delivery in CREST.

After Citibank London receives the shares, they will notify Citibank New York via SWIFT to deliver the ADSs to the corresponding DTC account details provided by the broker. Upon receipt of valid deposit via a swift, Citibank will deliver the ADSs Free of Payment to the DTC number noted on the deposit.

Your broker will need to have an instruction in place to receive the ADSs from Citibank's DTC 953.

For further information please see the following. You should obtain your own tax advice.

www.gov.uk/guidance/stamp-duty-reserve-tax-the-basics

www.gov.uk/guidance/stamp-duty-on-shares

APPENDIX A

Issuance Instruction Form to be completed by the broker and sent to Citibank

Citibank London as Custodian requires the following form to be completed and emailed as a PDF file in a secured format to uksettlements@citi.com

Please ensure this form is on your CREST agent's headed paper.

Please fill all fields by typing and only use handwriting for the signatures at the bottom of the form.

In the email subject field, please state: UK ADR CREATION – SDRT CERTIFICATION.

Any questions should be directed to uksettlements@citi.com

Please ensure that emails are sent in as early as possible to ensure settlement.

UK ADR CREATION FORM – SDRT CERTIFICATION

1	Crest reference of the trade	
2	ISIN number	GB00BYW2KH80
3	Trade Date as in Crest	
4	Settlement Date as in Crest	
5	Ratio (e.g.: “8:1” where 8 UK shares are converted to 1 ADR)	
6	Nominal	
7	Stampable Consideration Amount - Mandatory field for Stamp Applicable ISIN’s	
8	Stock Price	
9	Name of Broker	
10	Brokers DTC Participant Account	
11	Shareholder/Client Account No. at Broker	
12	Contact Person / Number	
13	Result of Option Yes / No	
14	CREST Participant ID	
15	SDRT (please only mark one field on the right with an “X”):	
	1.5%	
	1%	
	SDRT exempt	
16	Indemnity	We shall indemnify and hold Citibank, N.A. (“the Bank”) harmless against all claims, losses, damages, costs and expenses (including reasonable legal fees and disbursements), penalties and taxes (including any interest and penalties for late payment of tax) incurred by the Bank or to which the Bank may become subject to and arising directly from the deposit of the above securities with the Bank or the failure by any person to pay (or discharge) any stamp duty, stamp duty reserve tax, or any other similar duty or tax in connection with the above securities deposited with the Bank. If and to the extent that the deposit of the securities results from the exercise of an option or options, we hereby represent and warrant that the arrangements in respect of the option or options pursuant to the exercise of which the securities are delivered, including the timing of grant and exercise, and the premium/strike ratio, are bona fide and commercial, and are not motivated primarily by or for the avoidance of UK stamp duty reserve tax.

SDRT Note: It is required that the Broker alleges in CREST GUI a declaration of SDRT if applicable: Please include the stamp status and Stampable Consideration.

Signature Signature

Name Name