

The information contained within this announcement is deemed to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014. Upon the publication of this announcement, this inside information is now considered to be in the public domain.

Windar Photonics plc

("Windar Photonics" or the "Company")

Subscription of 710,018 Ordinary Shares at a price of 67.5 pence per share to raise £479,262 and Directors' Shareholdings

Windar Photonics PLC, the technology group that has developed a cost efficient and innovative LiDAR wind sensor for use on electricity generating wind turbines, is pleased to announce that it is raising £479,262 before expenses by way of a subscription for 710,018 ordinary shares of 1 pence each (the "Subscription Shares") (the "Subscription") at 67.5 pence per share (the "Issue Price").

The net proceeds of the Subscription will be used to support the Company's strategy to capitalise on the demand for its WindEYE™ and WindVision™ LiDAR technologies and to help enable the delivery of Windar's products to its global customers.

The Issue Price represents a discount of 0.7 per cent to the mid-market closing price of 68 pence on 26 September 2016. The Subscription is not being underwritten and is conditional only on admission of the Subscription Shares to trading on AIM. The Subscription is being conducted pursuant to the existing authorities granted to the Directors of the Company at its annual general meeting on 30 June 2016 and therefore no further shareholder approval is required. The Subscription Shares represent approximately 1.8 per cent. of the Company's issued share capital as enlarged by the Subscription Shares (the "Enlarged Share Capital").

Application has been made to the London Stock Exchange for the Subscription Shares to be admitted to trading on AIM and it is expected that such Admission will occur at 8.00 a.m. on Monday 3 October 2016. The Subscription Shares will be issued credited as fully paid and will rank in full for all dividends and other distributions declared, made or paid after the admission of the Subscription Shares, respectively and will otherwise be identical to and rank on Admission *pari passu* in all respects with the existing ordinary shares of 1 pence each ("Ordinary Shares"). The Subscription Shares are not being made available to the public and are not being offered or sold in or into any jurisdiction where it would be unlawful to do so.

Following Admission, the Company will therefore have 39,761,897 Ordinary Shares in issue, none of which will be held in treasury.

Directors' Shareholdings

All of the Directors are participating in the Subscription and are subscribing for an aggregate of 148,147 Ordinary Shares following this announcement.

The Directors will together be beneficially interested in an aggregate of 9,094,371 Ordinary Shares following Admission, representing 22.87 per cent. of the Enlarged Share Capital, as set out in the table below:

	<i>Amount subscribed (£)</i>	<i>Number of Ordinary Shares held prior to the Subscription</i>	<i>Number of Ordinary Shares subscribed for</i>	<i>Number of Ordinary Shares following the Subscription</i>	<i>Percentage of Enlarged Share Capital</i>
Jørgen Korsgaard Jensen*	40,000	6,923,938	59,259	6,983,197	17.56%

John Weston	30,000	50,000	44,444	94,444	0.24%
Johan Blach Petersen**	15,000	1,947,286	22,222	1,969,508	4.95%
Simon Barrell	15,000	25,000	22,222	47,222	0.12%

*Held in the name of Pasinika S.a.r.l.

**Held in the name of J Blach Petersen BD A/S

The participation by the Directors in the Subscription constitutes a related party transaction for the purposes of the AIM Rules for Companies. In the absence of an independent director, Cantor Fitzgerald Europe, the Company's Nominated Adviser, considers that the terms of the transaction are fair and reasonable insofar as the Company's shareholders are concerned.

Jørgen Korsgaard Jensen, Interim Chief Executive Officer of Windar, commented:

"I am pleased by the continued interest for investing in Windar Photonics. As we have previously announced, we expect to be cash flow positive in the second half of 2016 and the Subscription helps to strengthen our balance sheet to support the expected growth in the remaining part of 2016 and into 2017."

For further information:

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About Windar

Windar Photonics is a technology group that develops cost-efficient and innovative Light Detection and Ranging ("LiDAR") optimization systems for use on electricity generating wind turbines. LiDAR wind sensors in general are designed to remotely measure wind speed and direction.

About WindEYE™ and WindVision™

The Group's key products are the WindEye™ and WindVision™ Sensor, which measure wind direction and wind speed by scanning a laser beam ahead of the wind turbine. The Sensors were designed for the general optimization of wind turbines.

Based on the Group's testing, it has proven possible for the Sensors to increase the power output of a wind turbine by approximately one to four per cent. and also reduce strain on vital components of the wind turbine. The Sensors have been designed to have a multi-year lifecycle with limited maintenance other than the replacement of the light source every two years. Due to the use of a semi-conductor laser, the Directors believe that the Company is able to offer the Sensors at a lower cost compared to competing products whilst still retaining an attractive margin.

The Directors believe that the Sensors can be differentiated from comparable products currently available on the market by its lower price and durability, which typically enables the Company to provide its customers with a return on investment within one to four years.

<http://investor.windarphotonics.com>