

24 October 2013

**Petards Group plc
("Petards" or "the Company")**

Issue of Equity

Petards, the AIM quoted developer of advanced security and surveillance systems, announces that it has made an application to the London Stock Exchange for 96,322 new ordinary shares to be admitted to trading on AIM. It is expected that such Admission will become effective and that dealings will commence at 8.00 a.m. on 25 October 2013.

Of the new ordinary shares 43,885 are being issued in part settlement for the consideration due in relation to Petards' offer for Water Hall Group plc which was declared wholly unconditional on 30 August 2013. The number of new ordinary shares being issued, together with new ordinary shares already issued as consideration, corresponds to valid acceptances received in respect of a total of 80,750,003 Water Hall Shares (representing approximately 92.14% of the existing ordinary share capital of Water Hall).

The other 52,437 new ordinary shares are being issued pursuant to the conversion of convertible loan notes.

In accordance with the provisions of the Disclosure and Transparency Rules of the Financial Conduct Authority, the Company confirms that, following this issue, its issued share capital will comprise 21,012,353 Ordinary Shares of 1p each. All of the Ordinary Shares have equal voting rights. The 3,259,933 Ordinary Shares formerly held by Water Hall Group plc are now held in Treasury. The total number of voting rights in the Company is therefore 17,752,420.

This figure may be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the share capital of the Company under the Disclosure and Transparency Rules.

For further information:

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