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If you have sold or otherwise transferred all of your ordinary shares in Haydale Graphene Industries plc, you should send this document, together with the accompanying Form of Proxy, at once to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for onward delivery to the purchaser or transferee.

HAYDALE GRAPHENE INDUSTRIES PLC

(Registered in England and Wales with Company No. 07228939)

Directors

John Knowles (*Chairman*)
Ray Gibbs (*Chief Executive Officer*)
Matt Wood (*Financial Director*)
Chris Spacie (*Chief Technical Officer*)
Tony Belisario (*Deputy Chairman*)
Graham Eves (*Non-Executive*)
Roger Humm (*Non-Executive*)
Roger Smith (*Non-Executive*)

Registered Office

Clos Fferws Parc Hendre
Capel Hendre
Ammanford
Carmarthenshire
SA18 3BL

10 November 2015

Dear Shareholder

Notice of Annual General Meeting of Haydale Graphene Industries plc

I have pleasure in sending you a formal notice (the “**Notice of AGM**”) convening the 2015 annual general meeting (the “**Annual General Meeting**” or “**AGM**”) of Haydale Graphene Industries plc (the “**Company**”). The AGM will be held on Thursday 3 December 2015 at 11.00 a.m. at the offices of Fieldfisher LLP, 9th Floor, Riverbank House, 2 Swan Lane, London EC4R 3TT. The Notice of AGM is set out on pages 4 to 5 of this document. This letter provides a short explanation of each resolution to be proposed at the AGM.

I also enclose a form of proxy (the “**Form of Proxy**”) which you should complete, sign and return if you are unable to attend the AGM but still wish to have a proxy vote on your behalf in respect of your shareholding. If your shares are held in uncertificated form, you will also be able to appoint a proxy using CREST.

Explanatory notes to the resolutions to be proposed at the AGM

An explanation of each of the resolutions contained in the Notice of AGM is set out below.

Resolutions 1 to 6 (inclusive) are proposed as ordinary resolutions. For each ordinary resolution to be passed, more than half of the votes cast must be in favour of the resolution.

Resolution 7 is proposed as a special resolution. For the special resolution to be passed, at least three-quarters of the votes cast must be in favour of the resolution.

Resolution 1: To receive and adopt the annual report and financial statements for the period 1 July 2014 to 30 June 2015

The Board asks that shareholders receive and adopt the audited financial statements for the period 1 July 2014 to 30 June 2015 together with the Directors' and Auditor's reports thereon.

Resolutions 2 to 4: Retirement and re-appointment of Directors

Last year's annual general meeting was the first general meeting of the Company and in accordance with the Company's Articles of Association all of the Company's directors (the "**Directors**") retired from office and were re-appointed.

Article 20.2 of the Company's Articles of Association requires any director who was not appointed or re-appointed at one of the preceding two annual general meetings shall retire from office. Notwithstanding the provisions in the Company's Articles of Association, three of the eight Directors (being as close as possible to a third of the directors) shall retire and offer themselves for re-election so that the Directors shall retire by rotation at this and subsequent annual general meetings. The Directors to retire and offer themselves for reappointment shall be Anthony Belisario, Graham Eves and Ray Gibbs.

Resolution 5: To approve the re-appointment of BDO LLP as auditors and authorise the Directors to determine their remuneration

The Directors propose that BDO LLP ("**BDO**") be re-appointed as auditors of the Company. BDO has indicated its willingness to act as the Company's auditor. This resolution proposes that, following normal practice, the Directors be authorised to determine the auditor's remuneration.

Resolution 6: Authority to allot shares

Under the Companies Act 2006 (the "**Act**"), the Directors may allot shares and grant rights to subscribe for or convert any securities into shares if they are authorised to do so by shareholders in a general meeting. The authority being sought will permit the Directors to allot ordinary shares or grant rights to subscribe for or convert any securities into ordinary shares up to an aggregate nominal amount equal to £101,309.64. This amount represents approximately one third of the anticipated issued ordinary share capital of the Company as at the date of the AGM, following the allotment of 239,375 new ordinary shares to Directors and connected persons and the conditional allotment of 3,510,625 new ordinary shares to certain investors and existing shareholders pursuant to a firm placing, conditional placing and open offer as more fully described in the shareholder circular issued by the Company on 2 November 2015. The allotment of the 3,510,625 new ordinary shares is conditional upon the passing of certain resolutions at a general meeting of the Company to be held on 23 November 2015 at 10.00 a.m. The authority conferred by this resolution will expire at the conclusion of the annual general meeting of the Company to be held in 2016.

Resolution 7: Disapplication of pre-emption rights

Section 561(1) of the Act requires that any shares that are proposed to be issued by the Company for cash must first be offered to existing shareholders in proportion to their existing holdings. These are known as shareholders' pre-emption rights. However, to act in the best interests of the Company, the Directors may require flexibility to allot shares for cash without regard to the provisions of Section 561(1) of the Act. Therefore this resolution, to be proposed as a special resolution, seeks authority to enable the Directors to allot equity securities for cash free of such pre-emption rights up to an aggregate nominal amount of £60,786. This amount represents approximately one fifth of the Company's anticipated entire issued share capital as at the date of the AGM (following the allotment of new ordinary shares referred to in the explanatory note above to resolution 6). The Directors are of the opinion that given the Company operates in the technology sector and in potentially high growth markets, having such authority in place will enable the Company to address any short term funding requirements or investment opportunities that may arise. This authority will expire at the conclusion of the annual general meeting of the Company to be held in 2016.

Action to be taken by shareholders

You can use your vote in respect of your shareholding by attending the meeting or by appointing a proxy to attend the meeting and vote on your behalf.

A proxy may be appointed by either:

- returning the accompanying Form of Proxy in the post; or
- using the CREST electronic proxy appointment service (for CREST members only).

In each case the notice of appointment of your proxy should reach (whether by post or by CREST) our registrar, Share Registrars Limited, by no later than 11.00 a.m. on 1 December 2015. Please refer to the notes in the Notice of AGM and the accompanying Form of Proxy for detailed instructions.

Recommendation

The board considers that the resolutions proposed are in the best interests of the Company and its shareholders as a whole. Accordingly, your Directors unanimously recommend that shareholders vote in favour of all of the resolutions, as they intend to do in respect of their own shareholdings.

Yours faithfully

John Knowles
Chairman

HAYDALE GRAPHENE INDUSTRIES PLC

(Registered in England and Wales with company number 07228939)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2015 Annual General Meeting of Haydale Graphene Industries plc (the “**Company**”) will be held on Thursday 3 December 2015 at 11.00 a.m. at the offices of Fieldfisher LLP, 9th Floor, Riverbank House 2 Swan Lane, London EC4R 3TT to consider and, if thought fit, to pass the following resolutions, of which Resolutions 1 to 6 (inclusive) will be proposed as Ordinary Resolutions and Resolution 7 will be proposed as a Special Resolution:

ORDINARY RESOLUTIONS

1. To receive and adopt the audited financial statements of the Company for the period 1 July 2014 to 30 June 2015 and the reports of the Directors and Auditors thereon.
2. To re-appoint, as a Director of the Company, Anthony Belisario, who retires and offers himself for re-appointment.
3. To re-appoint, as a Director of the Company, Graham Eves, who retires and offers himself for re-appointment.
4. To re-appoint, as a Director of the Company, Ray Gibbs, who retires and offers himself for re-appointment.
5. To re-appoint BDO LLP as Auditors of the Company and to authorise the Directors to determine their remuneration.
6. THAT the Directors be and they are hereby generally and unconditionally authorised pursuant to Section 551 of the Companies Act 2006 (the “**Act**”), in substitution for all previous powers granted to them, to exercise all the powers of the Company to allot shares in the Company or grant rights to subscribe for or convert any security into shares in the Company (“**Rights**”) up to an aggregate nominal amount of £101,309.64 and such authority shall, unless previously revoked or varied by the Company in general meeting, expire at the conclusion of the annual general meeting of the Company to be held in 2016 provided that the Company may, at any time before such expiry, make an offer or enter into an agreement which would or might require shares to be allotted or Rights to be granted after such expiry and the Directors may allot shares or grant Rights pursuant to any such offer or agreement as if the authority conferred hereby had not expired.

SPECIAL RESOLUTION

7. THAT subject to and conditional upon the passing of resolution 6 the Directors be empowered, pursuant to section 570 of the Act, to allot equity securities (within the meaning of section 560 of the Act) for cash pursuant to the authority conferred by resolution 6 and/or where the allotment constitutes an allotment of equity securities by virtue of section 560(2) of the Act, in each case:
 - (a) in connection with an offer of such securities by way of a rights issue (as defined below); and
 - (b) (otherwise than pursuant to (a) above) up to an aggregate nominal amount of £60,786,

as if section 561(1) of the Act did not apply to any such allotment, such authority to expire at the conclusion of the annual general meeting of the Company to be held in 2016 save that the Company may, before such expiry, make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such an offer or agreement as if this power had not expired.

“rights issue” means an offer to:

- (i) holders of ordinary shares in the capital of the Company in proportion (as nearly as may be practicable) to the respective number of ordinary shares held by them; and
- (ii) holders of other equity securities if this is required by the rights of those securities or, if the Directors consider it necessary, as permitted by the rights of those securities,
- (iii) to subscribe for further securities by means of the issue of a renounceable letter (or other negotiable document) which may be traded for a period before payment for the securities is due, but subject in both cases to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates or legal, regulatory or practical problems in, or under the laws of, any territory or any other matter.

BY ORDER OF THE BOARD:

**John Knowles,
Chairman**

10 November 2015

Registered Office
Clos Fferws Parc Hendre
Capel Hendre
Ammanford
Carmarthenshire
SA18 3BL

Notes to the Notice of AGM

Entitlement to attend, speak and vote

1. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 and paragraph 18 (c) The Companies Act 2006 (Consequential Amendments) (Uncertificated Securities) Order 2009, the Company has specified that only those members entered on the register of members at 11.00 a.m. on 1 December 2015 (or in the event that this meeting is adjourned, on the register of members 48 hours before the time of any adjourned meeting excluding non-business days) shall be entitled to attend, speak and vote at the meeting in respect of the number of ordinary shares in the capital of the Company held in their name at that time. Changes to the register after 11.00 a.m. on 1 December 2015 shall be disregarded in determining the rights of any person to attend, speak and vote at the meeting.

Appointment of proxies

2. Members are entitled to appoint a proxy or proxies to exercise all or any of their rights to attend, speak and vote at the meeting. A proxy need not be a shareholder of the Company. A shareholder may appoint more than one proxy in relation to the Annual General Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. Please see the instructions on the enclosed Form of Proxy.
3. The completion and return of a Form of Proxy whether in hard copy form or in CREST will not preclude a member from attending in person at the meeting and voting should they wish to do so.

Appointment of proxy using the hardcopy proxy form

4. Please indicate the proxy holder's name and the number of shares in relation to which they are authorised to act as your proxy (which, in aggregate, should not exceed the number of shares held by you) in the boxes indicated on the form. Please also indicate if the proxy instruction is one of multiple instructions being given. To appoint more than one proxy please see the instructions on the enclosed Form of Proxy. All forms must be signed and should be returned together in the same envelope.
5. To be valid, the Form of Proxy and the power of attorney or other authority (if any) under which it is signed or a certified copy of such power or authority must be lodged at the offices of the Company's registrars, Share Registrars Limited ("**Share Registrars**"), Share Registrars Limited, Suite E, First Floor, 9 Lion and Lamb Yard, Farnham, Surrey, GU9 7LL by hand, by e-mail to proxies@shareregistrars.uk.com, by fax to 01252 719232 or sent by post, so as to be received not less than 48 hours excluding non-business days before the time fixed for the holding of the meeting or any adjournment thereof (as the case may be).

Appointment of proxy through CREST

6. CREST members who wish to appoint a proxy or proxies for the Annual General Meeting, including any adjournments thereof, through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual (available via www.euroclear.com). CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
7. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "**CREST Proxy Instruction**") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instruction as described in the CREST Manual. The message, regardless of whether it relates to the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by Registrar (ID 7RA36) by not less than 48 hours before the time fixed for the holding of the meeting or any adjournment thereof (as the case may be). For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Applications Host) from which Share Registrars is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

8. CREST members and, where applicable, their CREST sponsors, or voting service provider(s) should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST Personal Member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
9. The Company may treat a CREST Proxy Instruction as invalid in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

Appointment of proxy by joint holders

10. 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 in the Company's register of members in respect of the joint holding (the first name being the most senior).

Changing proxy instructions

11. To change your proxy instructions, simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded. If you submit more than one valid proxy appointment, the appointment received last before the latest time for receipt of proxies will take precedence.

Termination of proxy appointments

12. In order to revoke a proxy appointment you must send a hard copy notice clearly stating your intention to revoke your proxy appointment to the offices of the Company's registrars, Share Registrars, Share Registrars Limited, Suite E, First Floor, 9 Lion and Lamb Yard, Farnham, Surrey, GU9 7LL by hand, by e-mail to proxies@shareregistrars.uk.com, by fax to 01252 719232 or sent by post, so as to be received not less than 48 hours before the time fixed for the holding of the meeting or any adjournment thereof (as the case may be). Appointment of a proxy does not preclude you from attending the meeting and voting in person. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.

Corporate representatives

13. A corporation which is a member can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a member provided that no more than one corporate representative exercises powers over the same share.

Issued shares and total voting rights

14. As at 6.00 p.m. on 10 November 2015, the Company's issued share capital comprised 11,446,446 ordinary shares of 2 pence each fully paid. Each ordinary share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at 6.00 p.m. on 10 November 2015 is 11,446,446. The Company does not hold any shares in treasury.
15. It is anticipated that the entire issued share capital of the Company at the date of the Annual General Meeting will be 15,196,446 ordinary shares following the allotment of 239,375 new ordinary shares to Directors and connected persons and the conditional allotment of 3,510,625 new ordinary shares to certain investors pursuant to a firm placing, conditional placing and open offer. Such allotments of new ordinary shares are expected to take place on 24 November 2015. Therefore, the total number of voting rights in the Company as at 11.00 a.m. 3 December 2015 is anticipated to be 15,196,446, conditional upon the passing of certain resolutions at a general meeting of the Company to be held on 23 November 2015 at 10.00 a.m.

Questions at the meeting

16. The Company will answer any question you ask relating to the business being dealt with at the meeting, unless:
- answering the question would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information;
 - the answer has already been given on a website in the form of an answer to a question; or
 - it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

Communication

17. Members who have general queries about the Annual General Meeting should use the following means of communication (no other methods of communication will be accepted):
- calling the Share Registrars telephone number on 01252 821390. Lines are open 9.00 a.m. to 5.30 p.m., Monday to Friday; or
 - in writing to the Company by fax to 01269 831062.

You may not use any electronic address provided either:

- in this Notice of AGM; or
- any related documents (including the Form of Proxy),

to communicate with the Company for any purposes other than those expressly stated.

Documents on display

18. The following documents will be available at the registered office of the Company on any weekday (except Saturdays, Sundays and public holidays) during normal business hours from the date of this notice until the date of the Annual General Meeting:
- a copy of the service agreements for the executive Directors;
 - a copy of the letters of appointment for the non-executive Directors; and
 - a copy of the directors' and auditor's reports and the financial statements for the period from 1 July 2014 to 30 June 2015.