

## NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2019 Annual General Meeting of Haydale Graphene Industries plc (the “**Company**”) will be held on 19 December 2019 at 2.00 p.m. at the Company’s offices at Quod One, Harwell Science and Innovation Campus, Becquerel Avenue, Harwell, Didcot, Oxon OX11 0RA 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 BUSINESS

1. To receive the audited accounts of the Company for the financial year ended 30 June 2019 and the reports of the Directors and Auditors thereon.
2. To elect, as a Director of the Company, Jonathan Mark Chapman, who was appointed to the Board since the last AGM.
3. To re-elect, as a Director of the Company, David Doidge Richard Banks, who retires and offers himself for re-election.
4. To re-elect, as a Director of the Company, Roger James Humm, who retires and offers himself for re-election.
5. To re-appoint BDO LLP as Auditors of the Company and to authorise the Directors to determine their remuneration.

### SPECIAL BUSINESS

6. **THAT** in substitution for all previous powers granted to them to the extent unused, the Directors be and they are hereby generally and unconditionally authorised pursuant to Section 551 of the Companies Act 2006 (the “**Act**”), 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 £3,402,238 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 2020 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.
7. **THAT** subject to and conditional upon the passing of resolution 6 and in substitution for all previous powers granted to them to the extent unused, 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 £1,701,119,

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 2019 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:**

**David Banks,  
Chairman**

26 November 2019

*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 2.00 p.m. on 17 December 2019 (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 2.00 p.m. on 17 December 2019 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, The Courtyard, 17 West Street, Farnham, Surrey, GU9 7DR by hand, by e-mail to [voting@shareregistrars.uk.com](mailto:voting@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](http://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 excluding non-business days 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, The Courtyard, 17 West Street, Farnham, Surrey, GU9 7DR by hand, by e-mail to [voting@shareregistrars.uk.com](mailto:voting@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 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 25 November 2019, the Company's issued share capital comprised 317,723,848 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 25 November 2019 is 317,723,848. The Company does not hold any shares in treasury.

### *Questions at the meeting*

15. 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*

16. 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 from 9.00 a.m. to 5.30 p.m., Monday to Friday.

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*

17. 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 2018 to 30 June 2019.

## **Explanatory notes to the Special Business to be proposed at the AGM**

### **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 £3,402,238. This amount represents approximately one half of the nominal value of the issued ordinary share capital of the Company as it is expected to be on 18 December 2019, being the day before date of the Annual General Meeting. The Directors consider it desirable that the specified amount of unissued share capital is available for issue so that they can more readily take advantage of possible opportunities in the future. The authority conferred by this resolution will expire at the conclusion of the annual general meeting of the Company to be held in 2020.

### **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 £1,701,119. This amount represents approximately one quarter of the nominal value of the issued ordinary share capital of the Company as it is expected to be on 18 December 2019, being the day before the date of the Annual General Meeting. The Directors consider that the power proposed to be granted by resolution 7 is necessary to retain flexibility in relation to the management of the Company’s share capital. This authority will expire at the conclusion of the annual general meeting of the Company to be held in 2020.