

Haydale Graphene Industries plc

("Haydale" or the "Group")

Correction Re. Joint Development and Supply Agreement for the Production of screen printable ink aimed at the sensor market.

The previous announcement should have stated that Dowton's annual production capacity is 180,000kgs of pastes per annum. The correction is included in the full text of the replacement announcement, below.

Haydale Graphene Industries plc (AIM: HAYD), the Group focused on enabling technology for the commercialisation of graphene and other nano materials, is pleased to announce an agreement with Taiwan based Dowton Electronic Materials Co., Ltd., ("Dowton") for the development, production, sales and marketing of a Haydale-branded graphene enhanced screen printable ink which will be aimed initially at the biomedical market ("the Agreement").

The Agreement

Haydale has worked with Dowton to create a range of graphene enhanced screen printable inks and pastes that can be rapidly altered to precisely suit customer needs. In the Agreement, Haydale will retain the exclusive rights to sell the developed inks into Europe, the Americas, Korea and Southeast Asia, whilst Dowton will have exclusive rights to sell the developed inks in their home market of The Republic of China (Taiwan) and also market the ink to existing customers in Japan and other territories. Dowton has existing customer demand for conductive inks incorporating both carbon and metals (such as Palladium, Silver Copper, and Nickel), and will continue to sell existing products under its own Dowton brand.

The Agreement is for an initial term of 5 years with automatic renewal thereafter subject to a 6 months termination clause. Production quantities for commercial applications are anticipated in 2016 with leads already under evaluation.

Commenting, Ray Gibbs Haydale CEO said:

"Working with Dowton has been enlightening in that they get things completed quickly with minimum fuss. Their technical expertise is outstanding along with production facilities and equipment. They have helped us to, quickly, produce an excellent base conductive ink (or as they describe it a paste) that has been built on our existing product. The developed paste is specifically designed for the screen printing of bio medical sensors, which is a substantial market, especially in the Far East. Even after 15 years of industry experience Dowton has expressed to us how surprised they were with the superior performance of our graphene based paste and have stated they have customers ready to trial the product. We therefore anticipate revenues from this Agreement during 2016.

Mr Hsu Shen-An, the Dowton CEO added:

"Working with Haydale has been surprisingly easy and the quality of the graphene pastes we have tested are simply some of the best performing we have seen, especially for conductivity and stability of

performance, which is crucial for repeat sales. We are very excited by Haydale’s graphene paste and have expectations of strong interest from our existing customer in the bio medical sensor market.”

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About Haydale

Haydale has developed a patented scalable plasma process to functionalise graphene and other nanomaterials. This enabling technology can provide Haydale with a rapid and highly cost-efficient method of supplying tailored solutions to enhance applications for both raw material suppliers and product manufacturers.

Functionalisation is carried out through a patented low-pressure plasma process that treats both mined, organic fine powder and other synthetically produced nanomaterial powders, producing high-quality few layered graphenes and graphene nanoplatelets. The process can functionalise with a range of chemical groups, with the level of functionalisation tailored to the customer’s needs. Good dispersion improves the properties and performance of the host material and ensures the final product performs as specified.

The Haydale plasma process does not use wet chemistry, nor does it damage the material being processed; rather, it can clean up any impurities inherent in the raw material. The technology is a low energy user and most importantly environmentally friendly. The Haydale process is a patented enabling technology, allowing the Group to work with a raw material producer who seeks to add value to the base product and tailor the outputs to meet the target applications of the end user.

Haydale, based in South Wales and housed in a purpose-built facility for processing and handling nanomaterials, is facilitating the application of graphenes and other nanomaterials in fields such as inks, sensors, energy storage, composites, paints and coatings.

www.haydale.com Twitter: @haydalegraphene

About Dowton

Dowton was established in 2000 and is based in Kaohsiung, Taiwan. Its main business is as a material supplier to the billion dollar Multi-Layer Chip Capacitor (“MLCC”) market for Taiwanese and tier 1 manufacturers in the world. They offer high quality ink/paste products and total flexibility enabling rapid supply of customized products and a

fully functioning customer support centre. Their product lines include special printable materials for MLCC, touch panel, thick film, thermal materials and biosensor markets. Dowton have ISO9001 accreditation through the BSI in 2008 and a 1,000 level clean room with temperature, humidity and positive pressure controls. Other ink and paste making facilities include state of the art dispersion equipment. In addition Dowton has a nano ceramics additive capability.

The speciality pastes sold by Dowton include Palladium, Silver, Copper and Nickel.

Their overall production capacity is 180,000kgs of pastes per annum.