

The information contained within this announcement is deemed by the Group to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 ("MAR"). Upon the publication of this announcement via a Regulatory Information Service ("RIS"), this inside information is now considered to be in the public domain.

For immediate release

15 December 2016



Haydale Graphene Industries plc

(‘Haydale’ or the ‘Group’)

AGM Statement

Directorate Change

Haydale (AIM:HAYD), the global nanomaterials group, will hold its Annual General Meeting (‘AGM’) at 2.00 p.m. today at the offices of Fieldfisher LLP, 9th Floor, Riverbank House, 2 Swan Lane, London, EC4R 3TT. At the AGM the Chief Executive of Haydale, Ray Gibbs, will make the following statement:

“Haydale continues to make good progress in what has been a transformational year for the Group, and I am pleased to provide the following update on our operations today:

Integration of Acquisitions

“The integration of Advanced Composites Materials (‘ACM’) into the Group following its acquisition in mid-October 2016 has proceeded as planned. ACM's revenue for the period under our ownership from 13 October 2016 to the end of December is expected to be approximately US\$1.0 million and the business is on track to achieve its budgeted sales for current financial year. The process of introducing ACM's silicon carbide fibres and whiskers to our customer base has already commenced, initially in South Korea, for a cookware customer who is currently evaluating an entirely new product range incorporating a novel “hybrid” graphene and silicon carbide coating. Other new customer opportunities for introducing ACM's nano-products are also advancing well, especially in enhancing abrasion and erosion resistance of traditional composite resins.

“Good progress has also been made with the acquisition of Innophene, which is based in Thailand’s largest Science Park near Bangkok. We expect our laboratories to be operational, incorporating a new HT60 functionalisation reactor, by March 2017. Furthermore, we are pleased to have been recently awarded a small funded project with the Malaysian Government on elastomers.

Products Update

“The recent joint announcement of our legally binding agreement with Huntsman Advanced Materials (‘Huntsman’), a subsidiary of NYSE-listed The Huntsman Corporation, has cemented our technical relationship in introducing graphene infused Araldite® epoxy resin to targeted customers. The customer sampling process is now expected to last 6-12 months, slightly longer than we had originally anticipated and, if successful, would mean that commercial revenues from this exciting agreement would likely commence in the next financial year. We believe that the market size for these products is truly global and generating significant future revenues remains the key objective for both parties to the agreement. A major factor in Huntsman’s desire to commercialise their epoxy resin is our ability to enhance their thermal conductivity without affecting the processibility of the resin, which is a difficult yet crucial requirement. We will continue to invest in and develop further this important relationship with Huntsman.

“We also continue to work closely with Flowtite Technology, a world leading glass reinforced plastic (“GRP”) pipe manufacturer, to incorporate graphene into their next generation large diameter water and sewerage GRP pipes. This project is on schedule and we are set to conduct the first production trial in Q1 2017. If successful, we understand that Flowtite Technology intends to launch this new innovative product in the second half of next year.

“Following the successful launch of our graphene enhanced 3D printing PLA in September this year, we have started shipping reels for sale by distributors in the UK, Europe and New Zealand. We will update the market on product sales as we progress with widening distribution, including through our overseas subsidiaries, and in new territories such as China.

“Haydale is now working with some ‘*best in class*’ businesses around the world, putting in place the foundations for the Group to move to the next stage of our development in moving to a commercial sales organisation. We believe that Haydale is gaining the necessary credibility and standing in the market to make significant advancements in the commercialisation of not only Graphene but other product enhancing nanomaterials and we look at the future with optimism.”

Chairman Update

We announced in September that John Knowles is to retire and step down as the Group's non-executive Chairman.

We have identified a suitable individual whom the Board believe would provide a valuable contribution to the stewardship of Haydale over the coming years. We and our advisers are currently undertaking the necessary checks but are optimistic of making an announcement in the New Year.

Directorate Change

Following the conclusion of today's AGM, Tony Belisario, a non-executive Director of Haydale will resign from his position on the Board with immediate effect to focus on other business opportunities.

Ray Gibbs, said: "On behalf of the Haydale Board, I would to thank Tony for his commitment and wise counsel since the Group was established. He leaves with our very best wishes for the future."

- Ends -

For further information:

Haydale Graphene Industries plc

Ray Gibbs, Chief Executive Officer

Matt Wood, Finance Director

Trevor Phillips, Head of Communications

Tel: +44 (0) 1269 842 946

www.haydale.com

Cairn Financial Advisers LLP (Nominated Adviser)

Tony Rawlinson / Emma Earl

Tel: +44 (0) 20 7213 0880

Cantor Fitzgerald Europe (Broker)

David Foreman / Will Goode (*Corporate Finance*)

David Banks / Mark Westcott (*Sales*)

Tel: +44 (0) 20 7894 7000

Media enquiries:

Buchanan

Henry Harrison-Topham / Jamie Hooper

haydale@buchanan.uk.com

Tel: +44 (0) 20 7466 5000

www.buchanan.uk.com

Notes to Editors

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.

Crucially, the Haydale plasma process does not damage the material being processed. Instead it will clean up any impurities inherent in the raw material. The technology is a low energy user and is therefore 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 best service the target applications of the end user.

Haydale has moved from being a R&D focused business towards becoming a commercial entity and having made some transformational acquisitions and partnerships in 2016, the Company has a robust supply chain, with geographic presence not only in European but in Asian and American markets.

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

For more information please visit:

www.haydale.com

Twitter: @haydalegraphene