

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 March 2017



Haydale Graphene Industries plc

(‘Haydale’ or the ‘Group’)

Four-year supply agreement with global industrial manufacturer

Haydale Graphene Industries plc (AIM: HAYD), the global nanomaterials group, is pleased to announce that its subsidiary, Advanced Composite Materials LLC, (“ACM”), has entered into a four-year agreement (“the Agreement”) to supply Silicon Carbide (“SiC”) micro-fibre to a global industrial manufacturer of tooling and wear-resistant solutions (“the Customer”). This sole supply Agreement has a potential sales value of over US\$2.6 million over the initial four year term with first orders to be delivered in the final quarter of this financial year. The Agreement has a minimum annual order quantity which the Board expects will equate to an average annual revenue of approximately US\$600,000 (subject to the terms and conditions of the Agreement being met).

Following a period of stringent testing, the Haydale SiC fibre has been approved for use in the production of SiC whisker reinforced (hard edged) cutting tools. There is considerable demand for SiC whisker reinforced cutting tools which are used extensively across a range of industries and more specifically, for the production, of land based turbines and jet engine fan blades. This Agreement marks a significant step forward for ACM, which is also now proactively selling Haydale’s range of graphene enhanced composites, 3D printing filaments and additives into the North American market. ACM was acquired by Haydale in September 2016.

Commenting on the agreement, Ray Gibbs, CEO of Haydale, said: *“We took the decision last year to invest in the USA through Haydale Technologies’ acquisition of a speciality materials business, ACM. We are delighted with the integration of ACM within the Group and especially the volume of samples of graphene, silicon carbide and a hybrid combination of both we have shipped to major US companies*

as well as certain targets in the Far East. Feedback has been very encouraging and positive. Our focus is to support the co-development of new materials with these companies and bring them to market.”

Commenting on the Agreement, Trevor Rudderham, CEO of Haydale Technologies, Inc. said: *“We have made great progress over the past four months since our acquisition of ACM. We have solidified existing contracts and have now started winning new sales accounts such as this one asking for deliveries in the next quarter. This demonstrates our focus on building long term business partnerships with best in class corporations. As we continue to integrate all of the products and services Haydale offers into the US, we are confident of achieving continued success.”*

Further terms of the Agreement

The Agreement contains customary termination provisions including in the event that the customer ceases production of whisker reinforced ceramics, the customer shall have the right to terminate the Agreement and 50 per cent. of the agreed price for the annual minimum order quantity for the remainder of the four year initial term would remain payable to ACM. The Agreement may also be renewed for an additional two year period subsequent to expiry of the initial four year term.

- Ends –

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Notes to Editors

Haydale is a global technologies and materials group that facilitates the integration of nanomaterials into the next generation of commercial technologies and industrial materials. With expertise in graphene, silicon carbide and other nanomaterials, Haydale is able to deliver improvements in electrical, thermal and mechanical properties, as well as toughness. Haydale has granted patents for its technologies in Europe, USA and China and operates from four facilities in the UK, USA and the Far East.

For more information, please visit:

www.haydale.com

Twitter: @haydalegraphene

Caution regarding forward looking statements

Certain statements in this announcement, are, or may be deemed to be, forward looking statements. Forward looking statements are identified by their use of terms and phrases such as "believe", "could", "should" "envisage", "estimate", "intend", "may", "plan", "potentially", "will" or the negative of those, variations or comparable expressions, including references to assumptions. These forward looking statements are not based on historical facts but rather on the Directors' current expectations and assumptions regarding the Company's future growth, results of operations, performance, future capital and other expenditures (including the amount, nature and sources of funding thereof), competitive advantages, business prospects and opportunities. Such forward looking statements reflect the Directors' current beliefs and assumptions and are based on information currently available to the Directors.

A number of factors could cause actual results to differ materially from the results discussed in the forward looking statements including risks associated with vulnerability to general economic and business conditions, competition, environmental and other regulatory changes, actions by governmental authorities, the availability of capital markets, reliance on key personnel, uninsured and underinsured losses and other factors, many of which are beyond the control of the Company. Although any forward looking statements contained in this announcement are based upon what the Directors believe to be reasonable assumptions, the Company cannot assure investors that actual results will be consistent with such forward looking statements. Accordingly, readers are cautioned not to place undue reliance on forward looking statements. Subject to any continuing obligations under applicable law or any relevant AIM Rule requirements, in providing this information the Company does not undertake any obligation

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