

AFC Energy plc

Registered in England and Wales No. 05668788

Notice of Annual General Meeting

Notice of Annual General Meeting

Registered in England and Wales No. 05668788

Notice is hereby given to all members that the ANNUAL GENERAL MEETING of the above-named Company will be held in the Millennium Suite at Chelsea Football Club, Stamford Bridge, London, SW6 1HS at 12pm on Thursday 28 April 2016 for the following purposes:

ORDINARY BUSINESS

To consider and if thought fit, adopt the following resolutions as ordinary resolutions:

1. To receive and approve the financial statements for the year ended 31 October 2015 together with the reports of the Directors and Auditors thereon.
2. To re-appoint Grant Thornton LLP as Auditors to hold office from the conclusion of the meeting to the conclusion of the next meeting at which Financial Statements are laid before the Company.
3. To authorise the Directors to set the Remuneration of the Auditors.
4. To re-elect Adam Bond as Director, who retires by rotation in accordance with article 105 of the Company's articles of association.
5. To re-elect Eugene Shvidler as Director, who retires by rotation in accordance with article 105 of the Company's articles of association.
6. To re-elect Eugene Tenenbaum as Director, who retires by rotation in accordance with article 105 of the Company's articles of association.

SPECIAL BUSINESS

To consider and if thought fit, adopt the following resolutions which will be proposed as to resolution 7 as an ordinary resolution and as to resolution 8 as a special resolution:

7. That, in substitution for all existing authorities, to the extent unused, the Directors shall have general and unconditional authority for the purpose of section 551 of the Companies Act 2006 (as amended) (the Act) to exercise all powers of the Company to allot shares in the Company and to grant rights to subscribe for or to convert any security into shares in the Company up to a maximum nominal amount of £46,000 provided that such authority shall expire on the conclusion of the next Annual General Meeting of the Company to be held in 2017 or 15 July 2017, whichever is the earlier, unless previously renewed, varied or revoked by the Company in General Meeting and the Directors shall be entitled under the authority hereby conferred or under any renewal thereof to make at any time prior to the expiry of such authority any offer or agreement, which would or might require such shares to be allotted or rights to subscribe for or convert securities into shares to be granted after such expiry, and the Board may allot shares and grant rights to subscribe or convert securities into shares in pursuance of such offer or agreement as if the authority conferred by this resolution had not expired.
8. That, subject to and conditional upon the passing of resolution 7, the Directors shall be and are hereby empowered pursuant to section 570 of the Companies Act 2006 (the Act) to allot equity securities (within the meaning of section 560 of the said Act) for cash pursuant to the general authority conferred by resolution 7 above and be empowered pursuant to section 573 of the said Act to sell ordinary shares (as defined in section 560 of the said Act) held by the Company as treasury shares (as defined in section 724 of the said Act) for cash, as if section 561(1) of the said Act did not apply to such allotment or sale, provided that this power shall be limited to allotments of equity securities and the sale of treasury shares:
 - i) in connection with or pursuant to an offer by way of rights, open offer or other pre-emptive offer to the holders of shares in the Company and other persons entitled to participate therein in proportion (as nearly as practicable) to their respective holdings, subject to such exclusions or other arrangements as the Directors may consider necessary or expedient to deal with fractional entitlements or legal or practical problems under the laws of any territory or the regulations or requirements of any regulatory authority or any stock exchange in any territory;
 - ii) otherwise than pursuant to sub-paragraph (i) above, up to an aggregate nominal amount of £46,000,

and such powers shall expire on the conclusion of the next Annual General Meeting of the Company to be held in 2017 or 15 July 2017, whichever is earlier, but so that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted or treasury shares to be sold after such expiry, and the Directors may allot equity securities or sell treasury shares in pursuance of such offer or agreement as if the power conferred by this resolution had not expired.

By Order of the Board



Christopher Tawney

23 March 2016

Notice of Annual General Meeting continued

Registered in England and Wales No. 05668788

Notes to the Notice of Annual General Meeting (“AGM”):

1. Any member entitled to attend and vote at the AGM is entitled to appoint one or more proxies (who need not be a member of the Company) to attend and, on a poll, to vote instead of the member. Completion and return of a form of proxy will not preclude a member from attending and voting at the meeting in person, should he subsequently decide to do so.
2. In order to be valid, any form of proxy and power of attorney or other authority under which it is signed, or a notarially certified or office copy of such power or authority, must reach the Company’s Registrars, Computershare Limited, PO Box 1075, The Pavilions, Bridgewater Road, Bristol BS99 7NH, not less than 48 hours before the time of the meeting or of any adjournment of the meeting.
3. The right of members to vote at the AGM is determined by reference to the register of members. As permitted by Regulation 41 of the Uncertificated Securities Regulations 2001, shareholders (including those who hold shares in uncertificated form) must be entered on the Company’s share register at 12pm on 27 April 2016 in order to be entitled to attend and vote at the AGM. Such shareholders may only cast votes in respect of shares held at such time. Changes to entries on the relevant register after that time shall be disregarded in determining the rights of any person to attend or vote at the meeting.
4. Copies of the following documents will be available for inspection at the registered office of the Company during usual business hours on any weekday (Saturdays and public holidays excluded) and at the place of the AGM from at least 15 minutes prior to and until the conclusion of the Annual General Meeting:
 - copies of the Executive Directors’ service contracts; and
 - copies of the letters of appointment of the Non-Executive Directors.

Notice of Annual General Meeting continued

Registered in England and Wales No. 05668788

EXPLANATORY NOTES TO THE NOTICE OF ANNUAL GENERAL MEETING

The notes below give an explanation of the proposed resolutions.

Resolutions 1 to 7 are proposed as ordinary resolutions. This means that for each of those resolutions to be passed, more than half of the votes cast must be in favour of the resolution. Resolution 8 is proposed as a special resolution. This means that for this resolution to be passed, at least three-quarters of the votes cast must be in favour of the resolution.

Explanation of Special Business

Resolution 7: Authority to allot new shares

The Companies Act 2006 provides that Directors shall only allot shares with the authority of shareholders in general meeting. The authority given to the Directors at the last Annual General Meeting to allot (or issue) shares pursuant to section 551 of the Companies Act 2006 expires on the date of this year's Annual General Meeting.

Resolution 7 will be proposed as an ordinary resolution for the renewal of the Directors' general authority to issue shares in the Company and to grant rights to subscribe for or to convert any security into shares in the Company up to an aggregate nominal amount of £46,000, representing approximately 15 per cent of the current issued share capital of the Company. The Directors have no present intention of exercising this authority.

The Company held no shares in treasury as at 23 March 2016 being the last practicable date prior to publication of this document.

Resolution 8: Disapplication of pre-emption rights

The Companies Act 2006 also provides that any allotment of new shares for cash must be made pro rata to individual shareholders' holdings, unless such provisions are disapplied under section 570 of the Companies Act 2006. The authority given to the Directors at the last Annual General Meeting to allot shares for cash pursuant to section 570 of the Companies Act 2006 expires on the date of this year's Annual General Meeting.

Resolution 8 will be proposed as a special resolution for the renewal of the Directors' authority to allot equity securities for cash, without first offering them to shareholders pro rata to their holdings. This authority facilitates issues made by way of rights to shareholders which are not strictly in accordance with section 561(1) of the Companies Act 2006, and authorises other allotments of up to a maximum aggregate nominal amount of £46,000 of shares, representing approximately 15 per cent of the current issued ordinary share capital of the Company. This authority also allows the Directors, within the same aggregate limit, to sell for cash shares that may be held by the Company in treasury.