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Itaconix plc

("Itaconix" or the "Company" or the "Group")

LAUNCH OF FUNDRAISE

Proposed Fundraising of a minimum of £1.12 million (\$1.4 million) by way of a Placing, Subscription and US Additional Subscription

Itaconix, a leading innovator in sustainable specialty polymers, today announces its intention to issue new ordinary shares to raise a minimum of £1.12 million (\$1.4 million) by way of a placing via an accelerated bookbuild, a subscription and a US additional subscription (together the "Fundraising") to fund the commercial development of the Company's portfolio of core products and for general working capital purposes as further outlined below. The Fundraising is being conducted at a price of 1.1 pence per new Ordinary Share (the "Issue Price").

Highlights

- Proposed Placing of new Ordinary Shares (the "Placing Shares"), with certain existing and new institutional and other investors and a Subscription of new Ordinary Shares (the "Subscription Shares"), with certain US investors, at the Issue Price of 1.1 pence per share, the Placing and the Subscription raising in aggregate a minimum of approximately £1.12 million (\$1.4 million)
- The Company also intends (acting in its absolute discretion) to make an invitation to certain US Eligible Participants to participate, pursuant to applicable exemptions to the US Securities Act, in a further issue of new equity in the Company by way of the US Additional Subscription of new Ordinary Shares at the Issue Price
- The Issue Price of 1.1 pence represents a 15 per cent. discount to the Closing Price of 1.3 pence on 23 June 2020, being the latest practicable date prior to the announcement of the Fundraising. Participants in the US Subscription and US Additional Subscription are being invited to invest in the Fundraising in US dollar amounts, at an equivalent share price of \$0.01375 which, at a deemed \$/£ exchange rate of 1.25, represents a price of 1.1 pence per Ordinary Share.
- The Net Proceeds of the Placing and the Subscription are intended to be used
 - (i) to fund Itaconix's anticipated operational costs associated with the commercial development of the Company's portfolio of core products at least until the third Quarter of the financial year ending 31 December 2021; and
 - (ii) for general working capital purposes as it seeks to continue growing revenues

- Books are open with immediate effect. The Company reserves the right to increase the overall size of the Fundraise subject to levels of demand
- The Group has continued to make commercial progress. Revenue for the first five months of 2020 were \$0.9m, representing a 91 per cent. increase over the same period in 2019
- The Placing is being conducted in two tranches. The Company intends to issue approximately 12,270,000 First Placing Shares raising gross proceeds of approximately £135,000 (\$168,750) to certain participants in the Placing under the existing authorities to allot equity securities granted at the Company's annual general meeting in 2019. The First Placing Shares are expected to be admitted to trading on AIM on or around 8 July 2020. The Company intends to issue a minimum of 89,500,000 Second Admission Shares raising a minimum of gross proceeds of £985,000 (\$1,231,250). The Second Admission Shares (along with the US Additional Subscription Shares) are expected to be admitted to trading on AIM on or around 15 July 2020
- The US Additional Subscription will be for up to 3,640,000 new Ordinary Shares in aggregate at the Issue Price. Assuming full take-up by US Eligible Participants under the US Additional Subscription, the issue of the Additional Subscription Shares will raise further gross proceeds of up to £40,000 (\$50,000) for the Company
- Admission of the First Placing Shares is conditional, inter alia, upon the Placing Agreement not having been terminated and becoming unconditional in respect of those shares. Admission of the Second Placing Shares, the Subscription Shares and the US Additional Subscription Shares is also conditional, inter alia, upon the approval of Shareholders at the General Meeting
- A circular, which will provide further details of the Fundraising and include a notice convening the General Meeting (the "Circular") will be sent to Shareholders shortly and a further announcement will be made in due course

Certain of the Directors intend to participate in the Second Placing. Further details of the Fundraising and confirmation of participation by such Directors will be set out in the announcement to be made on the closing of the Placing which is expected to be made tomorrow.

It is likely that, if Shareholder approval for the Fundraising at the General Meeting is not received, this would ultimately lead to the Company entering into administration or some other form of insolvency procedure, assuming that alternative funding would not be available. Accordingly, it is very important that Shareholders vote in favour of the relevant Resolutions at the General Meeting in order that all of the full Fundraising (and not just the First Placing) can proceed.

By choosing to participate in the Placing and by making an oral and legally binding offer to acquire Placing Shares, investors will be deemed to have read and understood this announcement in its entirety (including the Appendix), and to be making such offer on the terms and subject to the conditions of the Placing contained herein, and to be providing the representations, warranties and acknowledgements contained in the Appendix.

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Expected Timetable of Principal Events

Announcement of the results of the Placing	24 June 2020
Circulation of the Circular, Notice of General Meeting and Form of Proxy	26 June 2020
First Admission of the First Placing Shares to trading on AIM and commencement of dealings	8:00a.m. on 8 July 2020
CREST accounts to be credited for First Placing Shares to be held in uncertificated form	8:00am on 8 July 2020
Latest time and date for receipt of Forms of Proxy	10 July 2020
General Meeting	14 July 2020
Results of the General Meeting	14 July 2020
Second Admission of the Second Placing Shares, Subscription Shares and Additional Subscription Shares to trading on AIM and commencement of dealings	8:00a.m. on 15 July 2020
CREST accounts to be credited for Second Placing Shares to be held in uncertificated form	8:00a.m. on 15 July 2020
Dispatch of definitive share certificates for Second Placing Shares, Subscription Shares and Additional Subscription Shares to be held in certificated form	by 31 July 2020

FURTHER INFORMATION

1. Introduction

The Company announces proposals to raise a minimum of £1.12 million (\$1.4 million) before fees and expenses by a Placing of a minimum of 101,770,000 Placing Shares, with certain existing and new institutional and other investors, and Subscription Shares, by a Subscription with certain existing US investors, at the Issue Price of 1.1 pence per share. The Issue Price of 1.1 pence represents a 15 per cent. discount to the Closing Price of 1.3 pence on 23 June 2020, being the latest practicable date prior to the announcement of the Fundraising. The Placing and Subscription comprises the First Placing of approximately 12,270,000 First Placing Shares which is not conditional on Shareholder approval and the Second Placing and Subscription of a minimum of 89,500,000 Second Placing Shares which will require Shareholder approval.

The Company also intends (acting in its absolute discretion) to make an invitation to certain US Eligible Participants to participate, pursuant to applicable exemptions to the US Securities Act, in a further issue of new equity in the Company by way of the US Additional Subscription of new Ordinary Shares at the Issue Price.

The US Additional Subscription will be for up to 3,640,000 new Ordinary Shares in aggregate at the Issue Price. Assuming full take-up by US Eligible Participants under the US Additional Subscription, the issue of the Additional Subscription Shares will raise further gross proceeds of up to £40,000 (\$50,000) for the Company.

The net proceeds of the Fundraising are intended to be used to fund the commercial development of the Company's portfolio of core products and for general working capital purposes, further details of which are set out in paragraph 3 below.

Completion of the Second Placing, Subscription and US Additional Subscription is conditional, *inter alia*, upon Shareholder approval at the General Meeting to be held on 14 July 2020. The First Placing does not require Shareholder approval as the First Placing Shares will be issued pursuant to the Shareholder authorities granted at the Company's 2019 annual general meeting. A Circular convening the General Meeting will be sent to Shareholders shortly and a further announcement made in due course.

Itaconix is loss making and further funding is required in order for the Company to continue trading, as highlighted in previous announcements. It is likely that, if Shareholder approval for the Fundraising at the General Meeting is not received, this would ultimately lead to the Company entering into administration or some other form of insolvency procedure, assuming that alternative funding would not be available. Accordingly, it is very important that Shareholders vote in favour of Resolutions 1 and 2 to be proposed at the General Meeting in order that all of the full Fundraising (and not just the First Placing) can proceed.

2. Background to and reasons for the Fundraising

2.1 Itaconix's business

Itaconix is a leading innovator in bio-based functional ingredients for improving the safety and performance of everyday homecare, personal care, and industrial products. Its proprietary polymer technology generates a growing range of new ingredients with unique functionalities that meet increasing customer demands for performance, value, human and environmental safety, and sustainability. The commercial potential for these ingredients stems from the unique functionalities available through the chemical structure of itaconic acid and its derived polymers, and from the bio-based production of itaconic acid through fermentation using renewable sugar sources.

Market research estimates the bio-based chemicals market was a \$59 billion market in 2018 and will see projected growth of 10.5 per cent per annum over the next five years to 2023. Of the bio-based chemicals market, Itaconix operates within the bio-based organic acids segment, which currently represents approximately \$13.5 billion of the overall market, with projected growth of 11.8 per cent per annum over the same period. The Directors estimate that, with Itaconix's current ingredients offerings, the future revenue potential to Itaconix of this market could be approximately \$300 million per annum. The Directors also estimate that, in the next five to ten years, Itaconix has the potential to capture annual revenues of \$75 million of this future potential market.

The Company has a growing portfolio of bio-based functional ingredients for use in a range of consumer products, including non-phosphate detergents, odour neutralisation products, and hair styling products, all of which address unmet needs and offer enhanced product performance at a competitive price to its customers. The Company develops its products with the intention that they will match or exceed the performance of traditional ingredients. Reformulation of existing products and formulation of new products are key to capitalising on the trends in the markets that the Company operates in. These long-term trends are being driven by:

- consumers' changing behaviour and increasing expectations;
- reducing the cost of products through new channels;
- regulatory changes; and
- growing concerns for human and environmental safety.

These trends represent key drivers for major consumer product companies seeking to improve product performance whilst replacing traditional ingredients with sustainable alternatives. This trend is widespread, with notable examples being Unilever, Procter & Gamble, Reckitt Benckiser, L'Oreal and Clorox.

Itaconix is focused on building a high gross margin, capital efficient, specialty chemicals business. The Directors believe that Itaconix is strategically well aligned with the long-term trends in the Group's markets, as the Company's ingredients enable consumer product manufacturers to make the major claims needed to capitalise on emerging buying behaviour. Itaconix's products are well-positioned to play a significant role in the

reformulation to improve both the performance, safety and sustainability of consumer and industrial products in a cost-effective manner, thereby providing a strong base of recurring use from which to accelerate the Company's revenue growth.

2.2 Main products

Itaconix's target markets have common themes that act as drivers of change and product reformulation in consumer product companies. These companies have active efforts to develop next generation products that meet regulatory requirements and sustainability mandates, reduce end-product costs, enable new product claims as well as having green production processes, ease of formulation and overall better performance. Itaconix's products can address many of the desires that formulators have for ingredients in next generations products.

(a) Non-phosphate detergent ingredients

Tightening regulations continue to drive the phasing out of ingredients which are unsafe for humans and/or the environment and offer opportunities for replacement products. A particular area of focus for Itaconix is the replacement of phosphates in laundry and ADW (automatic dishwasher) detergent applications.

Phosphates are already banned in North America, Europe and Australia and the Company expects that limits are also likely to extend to other countries, particularly in Asia. The removal of phosphates, which were a key ingredient in detergents, created a major reformulation need and the Directors believe that the ADW detergent market is still seeking comparable products.

Phosphates are multi-functional, combining both chelation (management of water hardness) and scale inhibition (preventing the deposition of calcium salts on surfaces such as glasses and fabrics). There have been several reformulations as the detergent industry has moved away from phosphates. Initially there was a reduction in phosphate use by combining with conventional acrylate polymer scale inhibitors. When the phosphate bans came into force, phosphates were replaced by citrates and amino polycarboxylates together with acrylate polymers.

Itaconix has developed various products to address these growing unmet needs; DSP, CHT, and TSI. These products offer real advantages in the ADW and laundry detergent markets:

- DSP 2K, a 100 per cent bio-based polymer, is a key ingredient that has been used in these formulations since 2009;
- CHT 122, a co-polymer, offers enhanced water conditioning properties; and
- TSI 322, a newly developed co-polymer, offers further enhanced water conditioning properties in ADW detergent applications. Commercially launched in January 2020, TSI has the ability to deliver high levels of performance while simultaneously reducing costs by replacing multiple ingredients. Third party testing on a formulation developed by Itaconix shows comparable performance to the current market leading non-phosphate ADW detergents.

The ADW detergent tablet and pod market is highly competitive, with public performance comparisons driving constant change with major, private-label and specialty brands at risk of losing market share if their formulae do not perform. Itaconix has been actively working in the ADW detergent market for some years and has a strong pipeline of active customer projects in Europe and North America. In 2019, Itaconix achieved significant growth in polymer sales to the ADW detergent market. In February 2020, Itaconix announced that it had extended its commercial relationship with New Wave Global Services Inc, a leading North American detergent supplier, with a licensing agreement for a new ADW detergent formulation and a supply agreement to support the growth in the Company's polymer volumes used in New Wave products. The supply agreement provides New Wave with certainty on the pricing and supply of up to 1,000,000 lbs. of the Company's detergent polymers over the next two years as New Wave volumes are expected to ramp-up from both existing and new customers. The

Company's revenues for the first five months of 2020 were \$0.9 million, representing an increase of 91 per cent. over the same period in 2019. The strong growth was primarily from the continued commercial progress and success of the Company's detergent polymers. Itaconix has active projects with major, specialty and private label brands in North America and Europe with an aggregate annual revenue potential of \$20 million.

(b) Malodour neutralisation

Malodour control continues to be a growing area as products with less fragrances become more desirable as a new product performance claim. This market trend is present in a wide range of segments including carpet cleaners, air fresheners, fabric care, surface cleaners, personal care and pet care. VELAFRESH™ and ZINADOR are bio-based polymeric zinc complexes that neutralise malodour molecules from being detected by the human nose and reduce the need for fragrances to mask malodours.

Formulators have long used zinc-based products to neutralise malodour molecules. Zinc compounds that are known to neutralise odours (such as zinc ricinoleate) can be difficult and expensive to formulate into water-based products. The Company's polymeric zinc complexes can offer formulation and cost advantages over current zinc-based products.

In October 2019, Itaconix and Croda announced the expansion of their 2017 supply agreement of the ZINADOR product line with ZINADOR 35L. The new ZINADOR 35L is a more concentrated version of the polymeric zinc complex, which delivers significant performance and cost advantages. Under the terms of the agreement, Itaconix is manufacturing for Croda, which is marketing and selling ZINADOR in household, municipal, animal and industrial applications. On 7 January 2020, the Company announced the delivery of the first order of its new sustainable odour control polymer, ZINADOR 35L, to Croda.

Also in October 2019, Itaconix launched VELAFRESH™ for personal care. While there are many applications in personal care for odour control, there has been a growing trend in aluminium-free deodorants. VELAFRESH™ can offer formulation and cost advantages of existing odour control ingredients.

(c) Hair styling ingredient

Increasing concerns over the disclosure and the origin of ingredients in consumer products are reflected in a strong trend towards bio-based products in personal care. Itaconix generated initial demand for its polymers as water-soluble hair styling ingredients based on their performance and bio-based content. The personal care market is a highly fragmented market, however, with a very large number of companies that often only reformulate one SKU at a time. Therefore, in February 2019, Itaconix signed an exclusive global supply agreement with Nouryon for its bio-based polymers used in hair care, skin care, body wash, sun care, and cosmetics. Under the terms of the agreement, Itaconix produces and supplies its proprietary polymers for Nouryon to market to its customers under the brand Amaze SP. The partnership with Nouryon is expected to enable faster market penetration on a global scale. The Directors estimate that Itaconix's polymers can potentially access a \$117 million market with this partnership. Current sales are focused in North America and Europe whilst the Asian and South American markets offer substantial growth potential.

2.3 Other commercial developments

On 29 May 2019, Itaconix announced that it had completed the divestment of its nicotine gum business by selling its remaining equity holdings in Alkalon A/S, a privately-held Danish company. The sale of Itaconix's equity holdings and receipt of proceeds from settlement of a shareholder loan relieved the Company of significant contingent liabilities associated with Alkalon's business. The Company also received proceeds of £0.24 million.

On 8 January 2020, the Company announced that it had been granted a new patent for the composition of ADW detergents containing Itaconix's novel bio-based polymers. The patent provides further protection and support to the Company's developing pipeline of non-phosphate ADW detergents.

On 10 February 2020, the Company announced the introduction of BIO*Asterix™, a line of functional additives based on a new range of bio-based chemistries. These additives have a wide range of potential applications, ranging from biodegradable plastics to decorative paints. Further to this development of the BIO*Asterix™ line, on 4 March 2020, Itaconix announced that the Company had signed its first joint development agreement with a leading innovator in biodegradable packaging to collaboratively evaluate BIO*Asterix™ additives as key ingredients in a range of biodegradable packaging solutions.

2.4 Proprietary production process

Itaconix has a proprietary process to produce polymers of itaconic acid that is protected by multiple patents covering both processes, compositions and applications of finished goods materials. The facility in New Hampshire, USA is the first and only known commercial production facility of polymers with greater than 80 per cent. itaconic acid. The patented production process has low operating costs and capital expenditure requirements. The Company estimates that the capacity of the facility can support more than \$15 million of annual revenues.

2.5 Operational progress in 2019 and early 2020

Itaconix made significant commercial progress in 2019, recording approximately 60 percent revenue growth over the prior year. Supply agreements with Croda for odour control and Nouryon in hair styling have further developed those application areas, both geographically and in terms of market penetration. Itaconix has also developed a strong pipeline of active customer projects in Europe and North America. The Directors estimate that the Group can, in the long-term, access approximately \$300 million in annual revenues with its current product offerings from a circa \$700 million addressable market.

Also in 2019, the Group benefitted from the first full year effect of the restructuring completed in 2018. The Directors estimate that Itaconix's operating expenses have been reduced by £2.5 million from the cost structure that existed in 2017 (the last full financial year when the Group operated in two locations). This restructuring was undertaken to focus on commercial growth of Itaconix's core products.

Itaconix continued to make commercial progress in the first five months of 2020, with revenue for the first five months totalling \$0.9 million representing approximately 91 per cent. revenue growth over the same period in 2019. However, as announced in March 2020 the Group took measures to conserve cash resources during the market volatility and uncertainty caused by the COVID-19 pandemic. On 19 May 2020, the Group announced that it had received loan and grant funding for \$0.2 million under the US Small Business Administration's Paycheck Protection Program which will assist with staffing levels to support growth in customer volumes.

3. Funding requirement and use of proceeds from the Fundraising

As a business at the early stages of its development, Itaconix is loss-making, cash consumptive and will require further capital to continue executing its growth plans. The Company is therefore proposing to raise minimum gross proceeds of £1.12 million (\$1.4 million) from the Fundraising, with the net proceeds (after deducting the costs and expenses of the Fundraising) intended to be used (i) to fund Itaconix's anticipated operational costs associated with the commercial development of the Company's portfolio of core products at least until Quarter 3 of the financial year ending 31 December 2021; and (ii) for general working capital purposes as it seeks to continue growing revenues.

Taking into account minimum gross proceeds of £1.12 million (\$1.4 million) from the Fundraising, the Directors believe that it is possible that the Company may need to raise further equity or debt funding within twelve months from the date of receipt of the net proceeds from the Fundraising. Subject to successful completion of the Fundraising, the Directors are, however, confident that Itaconix can continue to make significant progress over the coming months as part of a medium-term plan to achieve break-even profitability and begin funding the Company from operating cash flow.

4. Rationale for the Proposals

The Shareholder authorities to be sought in Resolutions 1 and 2 which are to be proposed at the General Meeting are required to complete all of the Fundraising and to provide immediate working capital needed to fund the continued growth of the Company. It is likely that failure to pass these Resolutions would ultimately lead to the Company entering into administration or some other form of insolvency procedure, assuming that alternative funding would not be made available.

The Directors received authorities at the 2019 annual general meeting to allot equity securities totalling up to 10 per cent. of the Company's issued ordinary share capital for cash free of statutory pre-emption rights without further Shareholder approval at any time until the earlier of fifteen months or the next annual general meeting. Resolution 3 to be proposed at the General Meeting would, if approved, authorise the Directors to allot shares representing 15 per cent. of the Company's issued share capital for cash on a non pre-emptive basis without requiring further Shareholder approval at any time until the earlier of fifteen months or the next annual general meeting.

The Articles currently include a provision at article 108 that limits the Directors' borrowing powers. Resolution 4 to be proposed at the General Meeting would, if approved, eliminate this provision in its entirety from the Articles. The Directors believe that the existing limit on borrowing was initially incorporated in relation to the initial public offering of the Company, in the context of its status as an early-stage research and development company. As the Group has progressed to become an operating business with products, customers and a production facility, the provision limits the Group from accessing common funding sources for an operating company, including revolving credit lines for working capital and equipment financing for capital spending. In addition, the provision at article 108 of the Articles places a potential limit on available funding from business relief programmes for the COVID-19 pandemic.

The authorisation of the Directors to issue shares for cash free of pre-emption rights without further Shareholder approval in accordance with Resolution 3 and the removal of the restriction on the Directors' borrowing powers in Resolution 4 are proposed to increase the Group's ability to react faster to funding opportunities and market volatility for its working capital needs to fund continued growth. The Directors expect the Group to benefit from greater flexibility in accessing funding sources during the market uncertainty caused by the COVID-19 pandemic.

5. Current trading and prospects

On 17 March 2020, the Company provided a trading update in respect of the Company's funding, reproduced in full without material amendment as below:

"On 9 January 2020, Itaconix announced a trading update for the year to 31 December 2019. Since that announcement, the Company has continued to trade in line with the Board's expectations and has a strong order book for its ingredients used in consumer detergent and cleaning products which has not been materially impacted by COVID-19.

The Company commenced a process in early March to raise equity funding to support this order book and fund working capital needs to continue advancing revenues of the Company's growing portfolio of bio-based ingredients for consumer products. Due to current market turbulence, discussions in the UK and the US to procure funding continue. There can be no assurance at this time, however, of additional funding nor of the terms and price of such funding.

In response to the market volatility and uncertainty caused by COVID-19, the Company is undertaking operational efforts to extend the Company's runway with its current balance of £0.3 million in cash whilst it continues its efforts to procure additional funding, including:

- *maintaining production capabilities to assure fulfilment of new purchase orders from customers;*
- *reducing short-term operating costs;*

- *negotiating new payment terms with key customers and suppliers to reduce working capital needs;*
- *assessing the sale of assets; and*
- *reviewing the benefits and costs associated with the Company's shares continuing to trade on AIM.*

The Board believes that, with these actions and without any further funding, the Company has sufficient working capital to operate to at least the end of May 2020."

On 5 May 2020, the Company provided a trading update in respect of the Company's revenues and funding, reproduced in full without material amendment as below:

"Itaconix announces that the Company has made significant progress in its operational efforts to extend the Company's cash runway, with operating expenses reduced and new payments terms with key customers and suppliers negotiated.

Whilst ensuring that the Company maintains production capabilities, several actions have also been taken to reduce costs and maintain liquidity, including:

- *John R. Shaw, CEO, agreeing to a voluntary 65 per cent. deferral in cash compensation until at least the end of August;*
- *other executives agreeing to a voluntary 50 per cent. deferral in cash compensation until at least the end of August;*
- *the Non-executive Directors agreeing to a voluntary 75 per cent. deferral in cash compensation until at least the end of the September; and*
- *the curtailment of all non-essential discretionary spending.*

In addition to cost savings, the Company has applied for COVID-19 US government relief programs available for its US operations. To date, the Company has received a \$10,000 grant from the US government and continues to seek additional funds from this source. Cash at 30 April was \$0.3 million.

The Board believes that, with these actions and without any further funding (including any further funding received from COVID-19 US Government relief programs being applied for), the Company now has sufficient working capital to operate until at least the end of August 2020. The Company is continuing to develop and evaluate additional equity and debt funding proposals.

The Board also announces that revenues for the first four months of 2020 were \$0.6m, representing an increase of 42 per cent. over the same period in 2019. The strong growth is primarily from the continued commercial progress and success of the Company's detergent polymers including:

- *receipt of first purchase order for Itaconix® TSI™322 to support the launch of a new dishwashing detergent under a major brand in North America by New Wave. The new detergent product is expected to be in retail stores across the United States in the coming weeks;*
- *total volumes under the New Wave supply agreement are ahead of plan;*
- *order volumes increased from existing customers in response to high demand for dishwashing detergents related to stay-at-home orders issued by governments to contain the spread of COVID-19.*

The Board expects continued revenue growth for the Company's detergent polymers."

On 19 May 2020, the Company provided a trading update in respect of the Company's funding, reproduced in full without material amendment as below:

"Itaconix announces that it has received \$0.2 million in new funding from a loan under the US Small Business Administration's Paycheck Protection Program.

The Company received the maximum amount allowed under the program based on its payroll and may qualify for partial forgiveness under the terms of the loan if certain payroll conditions are met. If these conditions are not met or the Board chooses not to seek forgiveness, the loan is repayable in equal instalments over eighteen months commencing in December 2020.

Further details on the loan program are available at <https://www.sba.gov/funding-programs/loans/coronavirus-relief-options/paycheck-protection-program>.

John R. Shaw, CEO of Itaconix, stated: "As we continue to experience increasing demand for our detergent polymers, this funding will assist us with staffing levels to support growth in customer volumes. I am pleased that Itaconix can help working families and contribute to the US Small Business Administration's efforts to maintain employment during the current pandemic."

Since the announcement on 19 May 2020, the Group has continued to make commercial progress. Revenues for the first five months of 2020 were \$0.9 million, representing a 91 per cent. increase over the same period in 2019. Cash at 31 May 2020 was \$0.5 million.

6. Update on the Company's 2019 Annual Report

Due to the COVID-19 pandemic, the Company will be unable to post its 2019 Annual Report to shareholders by the 30 June 2020 deadline pursuant to Rule 19 of the AIM Rules.

Further to the guidance provided by AIM Regulation in "Inside Aim" on 26 March 2020, the Company requested an additional period of up to three months to publish its 2019 Annual Report. AIM Regulation has granted the extension, and therefore the Company will publish its 2019 Annual Report by 30 September 2020. The Company has also applied for and been granted an extension by Companies House to delay the filing of its 2019 Annual Report until 30 September 2020.

Further updates will be given in due course as to the timing of the publication of the 2019 Annual Report.

7. Participation in the Fundraising by the Directors

Certain of the Directors, and senior management, intend to subscribe for an aggregate of 18,259,090 Second Placing Shares.

8. Terms of the Placing and the Subscription

The Company announces its intention to issue new ordinary shares to raise a minimum of £1.12 million (\$1.4 million) pursuant to the Placing and the Subscription. The Issue Price represents a discount of approximately 15 per cent. to the Closing Price on 23 June 2020, being the latest practicable date prior to the announcement of the Placing and the Subscription.

Subject to the satisfaction of the conditions under the First Placing, the Company will issue approximately 12,270,000 new Ordinary Shares in aggregate at the Issue Price, thereby raising approximately £135,000 (\$168,750) million before expenses.

Subject to the satisfaction of the conditions under the Second Placing and the Subscription including, inter alia, the passing of Resolutions 1 and 2 to be proposed at the General Meeting, the Company will issue a minimum

of 89,500,000 new Ordinary Shares in aggregate at the Issue Price, thereby raising approximately £985,000 (\$1,231,250), before expenses. The Placing and Subscription will raise in total approximately £1.12 million (\$1.4 million), before expenses.

The Joint Brokers as agents for the Company, have each agreed to use their respective reasonable endeavours to procure Placees for the Placing Shares at the Issue Price. The Company has entered into conditional subscription agreements with certain existing US Shareholders for the issue of the Subscription Shares.

Neither the Placing nor the Subscription has been underwritten by the Joint Brokers nor by anyone else. The Company has agreed to pay each of the Joint Brokers certain fees and commissions in connection with their respective appointments and the Placing. No fees or commissions are payable by the Company in connection with the Subscription.

The First Placing is conditional, inter alia, upon:

- each of the warranties provided by the Company to the Joint Brokers in the Placing Agreement being and remaining accurate and not misleading on First Admission;
- the Company having complied in all material respects with its obligations and having satisfied the conditions under the Placing Agreement which are to be performed or satisfied prior to First Admission;
- the Placing Agreement having become unconditional in all respects (save for the condition relating to First Admission) and not having been terminated by either of the Joint Brokers in accordance with its terms; and
- First Admission of the First Placing Shares taking place by no later than 8.00 a.m. on or around 8 July 2020 (or such later date as the Company may agree with the Joint Brokers).

The Second Placing and the Subscription are conditional, inter alia, upon:

- Resolutions 1 and 2 being passed (without amendment) at the General Meeting or any adjournment thereof;
- each of the warranties provided by the Company to the Joint Brokers in the Placing Agreement being and remaining accurate and not misleading on First Admission and Second Admission;
- the Company having complied in all material respects with its obligations and having satisfied the conditions under the Placing Agreement which are to be performed or satisfied prior to Second Admission;
- the Placing Agreement having become unconditional in all respects (save for the condition relating to Second Admission) and not having been terminated by either of the Joint Brokers in accordance with its terms; and
- Second Admission of the Second Placing Shares, the Subscription Shares, and the Additional Subscription Shares taking place by no later than 8.00 a.m. on or around 15 July 2020 (or such later date as the Company may agree with the Joint Brokers).

If any of the relevant conditions are not satisfied, the First Placing Shares and/or the Second Placing Shares and the Subscription Shares (as the case may be) will not be issued and any monies received from the placees and subscribers will be returned to them (at the placees' and subscribers' risk and without interest) as soon as possible thereafter.

The Placing Agreement contains customary warranties given by the Company to the Joint Brokers as to matters relating to the Company and its business and as to matters relevant to the Company and an indemnity to the Joint Brokers in respect of liabilities arising out of or in connection with the Placing. The Placing Agreement also contains customary rights of termination which could enable N+1 Singer and/or Allenby Capital to terminate the Placing in certain limited circumstances.

Application will be made to the London Stock Exchange for the Placing Shares, the Subscription Shares and the Additional Subscription Shares to be admitted to trading on AIM. It is expected that First Admission will become effective and that dealings in the First Placing Shares will commence on or around 8 July 2020. Subject to the passing of Resolutions 1 and 2 to be proposed at the General Meeting, it is expected that Second Admission will become effective and that dealings in the Second Placing Shares and the Subscription Shares will commence on or around 15 July 2020. The Placing Shares and the Subscription Shares will, when issued, be credited as fully paid and will rank equally in all respects with the Existing Ordinary Shares already in issue, including the right to receive all dividends and other distributions declared, made or paid in respect of such shares after the date of issue of the Placing Shares and the Subscription Shares. The Subscription Shares will be subject to a minimum hold period of twelve months from their date of issue.

9. The US Additional Subscription

The Board wishes to provide an opportunity for certain US Persons who fall within applicable exemptions to the US Securities Act to participate in a further issue of new Ordinary Shares at the Issue Price by way of the US Additional Subscription. The US Additional Subscription is being made so as to enable certain US Eligible Participants to subscribe pursuant to applicable exemptions under the US Securities Act for new Ordinary Shares at the Issue Price.

The Company will undertake the US Additional Subscription by offering certain US Persons who are US Eligible Participants and who may accept the US Additional Subscription under applicable exemptions from the US Securities Act.

The US Additional Subscription is conditional on the Second Placing and the Subscription being approved by Shareholders at the General Meeting. The aggregate gross proceeds that will be raised by the Company pursuant to the US Additional Subscription will be no more than £40,000 (\$50,000). To the extent further funds are raised via the US Additional Subscription (which will not be underwritten), they will be used to provide additional support for the Company's operational cost and working capital requirements as it executes its growth plan. The Additional Subscription Shares will be subject to a minimum hold period of twelve months from their date of issue.

Important Notice

The information contained in this announcement is for information purposes only and does not purport to be full or complete. No reliance may be placed for any purpose on the information contained in this announcement or its accuracy, fairness or completeness.

This announcement, including the Appendix, is not for publication or distribution, directly or indirectly, in or into the United States of America. This announcement, including the Appendix, is not an offer of securities for sale in the United States. The securities referred to herein have not been and will not be registered under the U.S. Securities act of 1933, as amended, and may not be offered or sold in the United States, except pursuant to an applicable exemption from registration. No public offering of securities is being made in the United States.

This announcement, including the Appendix, and the information contained herein is not for release, publication or distribution, directly or indirectly, in whole or in part, in, into or within Australia, Canada, New Zealand, the Republic of Ireland, Japan, the Republic of South Africa or any other jurisdiction where to do so might constitute a violation of the relevant laws or regulations of such jurisdiction.

This announcement, including the Appendix, is for information purposes only and is not intended to and does not contain or constitute or form part of any offer or any solicitation to purchase or subscribe for securities in Australia, Canada, New Zealand, the Republic of Ireland, Japan, the Republic of South Africa or any other state or jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. Any failure to comply with these restrictions may constitute a violation of the securities laws of such jurisdictions.

This announcement does not constitute a prospectus or offering memorandum or an offer in respect of any securities and is not intended to provide the basis for any decision in respect of the Company or other evaluation of any securities of the Company or any other entity and should not be considered as a recommendation that any investor should subscribe for or purchase any such securities.

This announcement has been issued by, and is the sole responsibility of, the Company. No undertaking, representation, warranty or other assurance, express or implied, is made or given by or on behalf of the Company or any member of the Company's group or N+1 Singer or Allenby Capital or any of their respective directors, officers, partners, employees, agents or advisers or any other person as to the accuracy or completeness of the information or opinions contained in this announcement and no responsibility or liability is accepted by any of them for any such information or opinions or for any errors, omissions or misstatements, negligence or otherwise in this announcement.

N+1 Singer is authorised and regulated by the Financial Conduct Authority ("**FCA**") in the United Kingdom and is acting exclusively for the Company and no one else in connection with the Placing, and N+1 Singer will not be responsible to anyone (including any person who is invited to and who chooses to participate in the Placing (a "**Placee**")) other than the Company for providing the protections afforded to its clients or for providing advice in relation to the Placing or any other matters referred to in this announcement.

Allenby Capital is authorised and regulated by the FCA in the United Kingdom and is acting exclusively for the Company and no one else in connection with the Placing, and Allenby Capital will not be responsible to anyone (including any Placees) other than the Company for providing the protections afforded to its clients or for providing advice in relation to the Placing or any other matters referred to in this announcement.

No representation or warranty, express or implied, is or will be made as to, or in relation to, and no responsibility or liability is or will be accepted by N+1 Singer or Allenby Capital or by any of its Affiliates or agents as to, or in relation to, the accuracy or completeness of this announcement or any other written or oral information made available to or publicly available to any interested party or its advisers, and any liability therefore is expressly disclaimed.

No statement in this announcement is intended to be a profit forecast or estimate, and no statement in this announcement should be interpreted to mean that earnings per share of the Company for the current or future financial years would necessarily match or exceed the historical published earnings per share of the Company.

This announcement contains (or may contain) certain forward-looking statements with respect to certain of the Company's current expectations and projections about future events and the Company's future financial condition and performance. These statements, which sometimes use words such as "aim", "anticipate", "believe", "may", "will", "should", "intend", "plan", "assume", "estimate", "expect" (or the negative thereof) and words of similar meaning, reflect the Directors' current beliefs and expectations and involve known and unknown risks, uncertainties and assumptions, many of which are outside the Company's control and difficult to predict, that could cause actual results and performance to differ materially from any expected future results or performance expressed or implied by the forward-looking statement. Any forward-looking statements made in this announcement by or on behalf of the Company speak only as of the date they are made. These forward-looking statements reflect the Company's judgment at the date of this announcement and are not intended to give any assurance as to future results. Except as required by the FCA, the London Stock Exchange, the AIM Rules or applicable law, the Company expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained in this announcement to reflect any changes in the Company's expectations with regard thereto or any changes in events, conditions or circumstances on which any such statement is based.

Information to Distributors

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("MiFID II"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "Product Governance Requirements"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the Product Governance Requirements) may otherwise have with respect thereto, the Placing Shares have been subject to a product approval process, which has determined that the Placing Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "Target Market Assessment"). Notwithstanding the Target Market Assessment, investors should note that: the price of the Placing Shares may decline and investors could lose all or part of their investment; Placing Shares offer no guaranteed income and no capital protection; and an investment in the Placing Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Placing. Furthermore, it is noted that, notwithstanding the Target Market Assessment, only investors who have met the criteria of professional clients and eligible counterparties have been procured. For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Placing Shares.

APPENDIX – TERMS AND CONDITIONS OF THE PLACING

IMPORTANT INFORMATION FOR INVITED PLACEEES ONLY REGARDING THE PLACING.

THIS ANNOUNCEMENT, INCLUDING THIS APPENDIX AND THE INFORMATION CONTAINED HEREIN (TOGETHER THIS "ANNOUNCEMENT") IS RESTRICTED AND IS NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN OR INTO OR FROM THE UNITED STATES, THE REPUBLIC OF IRELAND, AUSTRALIA, CANADA, JAPAN, THE REPUBLIC OF SOUTH AFRICA OR ANY OTHER JURISDICTION IN WHICH SUCH RELEASE, PUBLICATION OR DISTRIBUTION WOULD BE UNLAWFUL. THIS ANNOUNCEMENT HAS NOT BEEN APPROVED BY THE LONDON STOCK EXCHANGE, NOR IS IT INTENDED THAT IT WILL BE SO APPROVED.

MEMBERS OF THE PUBLIC ARE NOT ELIGIBLE TO TAKE PART IN THE PLACING. THIS ANNOUNCEMENT IS FOR INFORMATION PURPOSES ONLY AND IS DIRECTED ONLY AT: (A) PERSONS IN MEMBER STATES OF THE EUROPEAN ECONOMIC AREA ("EEA") WHO ARE QUALIFIED INVESTORS AS DEFINED IN SECTION 86(7) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000, AS AMENDED ("QUALIFIED INVESTORS"), BEING PERSONS FALLING WITHIN THE MEANING OF ARTICLE 2(E) OF PROSPECTUS REGULATION (EU) 2017/1129 AND TO THE EXTENT IMPLEMENTED IN THE RELEVANT MEMBER STATE (THE "PROSPECTUS DIRECTIVE"); AND (B) IN THE UNITED KINGDOM, QUALIFIED INVESTORS WHO ARE PERSONS WHO (I) HAVE PROFESSIONAL EXPERIENCE IN MATTERS RELATING TO INVESTMENTS FALLING WITHIN ARTICLE 19(5) (INVESTMENT PROFESSIONALS) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005, AS AMENDED (THE "ORDER"); (II) ARE PERSONS FALLING WITHIN ARTICLE 49(2)(A) TO (D) (HIGH NET WORTH COMPANIES, UNINCORPORATED ASSOCIATIONS, ETC.) OF THE ORDER; OR (III) ARE PERSONS TO WHOM IT MAY OTHERWISE BE LAWFULLY COMMUNICATED (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS "RELEVANT PERSONS").

THIS ANNOUNCEMENT AND THE INFORMATION IN IT MUST NOT BE ACTED ON OR RELIED ON BY PERSONS WHO ARE NOT RELEVANT PERSONS. PERSONS DISTRIBUTING THIS ANNOUNCEMENT MUST SATISFY THEMSELVES THAT IT IS LAWFUL TO DO SO. ANY INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THIS ANNOUNCEMENT RELATES IS AVAILABLE ONLY TO RELEVANT PERSONS AND WILL BE ENGAGED IN ONLY WITH RELEVANT PERSONS. THIS ANNOUNCEMENT DOES NOT ITSELF CONSTITUTE AN OFFER FOR SALE OR SUBSCRIPTION OF ANY SECURITIES IN ITACONIX.

THIS ANNOUNCEMENT IS NOT AN OFFER OF SECURITIES FOR SALE INTO THE UNITED STATES. THE PLACING SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT 1933, AS AMENDED (THE "SECURITIES ACT") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR JURISDICTION OF THE UNITED STATES, AND MAY NOT BE OFFERED, SOLD OR TRANSFERRED, DIRECTLY OR INDIRECTLY, IN THE UNITED STATES EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN COMPLIANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. SUBJECT TO CERTAIN EXCEPTIONS AND AT THE SOLE DISCRETION OF THE COMPANY, THE PLACING SHARES ARE BEING OFFERED AND SOLD ONLY OUTSIDE THE UNITED STATES IN "OFFSHORE TRANSACTIONS" WITHIN THE MEANING OF, AND IN ACCORDANCE WITH, REGULATION S UNDER THE SECURITIES ACT AND OTHERWISE IN ACCORDANCE WITH APPLICABLE LAWS. NO PUBLIC OFFERING OF THE PLACING SHARES IS BEING MADE IN THE UNITED STATES, THE UNITED KINGDOM OR ELSEWHERE. NO MONEY, SECURITIES OR OTHER CONSIDERATION FROM ANY PERSON INSIDE THE UNITED STATES IS BEING SOLICITED AND, IF SENT IN RESPONSE TO THE INFORMATION CONTAINED IN THIS ANNOUNCEMENT, WILL NOT BE ACCEPTED.

EACH PLACEE SHOULD CONSULT WITH ITS ADVISERS AS TO LEGAL, TAX, BUSINESS AND RELATED ASPECTS OF AN INVESTMENT IN THE PLACING SHARES. THE DISTRIBUTION OF THIS ANNOUNCEMENT, ANY PART OF IT OR ANY INFORMATION CONTAINED IN IT MAY BE RESTRICTED BY LAW IN CERTAIN JURISDICTIONS, AND ANY PERSON INTO WHOSE POSSESSION THIS ANNOUNCEMENT, ANY PART OF IT OR ANY INFORMATION CONTAINED IN IT COMES SHOULD INFORM THEMSELVES ABOUT, AND OBSERVE, SUCH RESTRICTIONS.

No action has been taken by the Company, Nplus1 Singer Advisory LLP ("**N+1 Singer**"), Allenby Capital Limited ("**Allenby Capital**") or any of their respective affiliates, agents, directors, officers or employees that would permit an offer of the Placing Shares or possession or distribution of this announcement or any other offering or publicity material relating to such Placing Shares in any jurisdiction where action for that purpose is required.

This announcement or any part of it does not constitute or form part of any offer to issue or sell, or the solicitation of an offer to acquire, purchase or subscribe for, any securities in the United States (including its territories and possessions, any state of the United States and the District of Columbia), Canada, the Republic of Ireland, Australia, the Republic of South Africa, Japan or any other jurisdiction in which the same would be unlawful. No public offering of the Placing Shares is being made in any such jurisdiction.

All offers of the Placing Shares will be made pursuant to an exemption under the Prospectus Regulation from the requirement to produce a prospectus. In the United Kingdom, this announcement is being directed solely at persons in circumstances in which section 21(1) of the Financial Services and Markets Act 2000 (as amended) (the "**FSMA**") does not apply.

The Placing Shares have not been approved or disapproved by the US Securities and Exchange Commission, any state securities commission or other regulatory authority in the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of the Placing or the accuracy or adequacy of this announcement. Any representation to the contrary is a criminal offence in the United States. The relevant clearances have not been, nor will they be, obtained from the securities commission of any province or territory of Canada, no prospectus has been lodged with, or registered by, the Australian Securities and Investments Commission or the Japanese Ministry of Finance; the relevant clearances have not been, and will not be, obtained for the South Africa Reserve Bank or any other applicable body in the Republic of South Africa in relation to the Placing Shares and the Placing Shares have not been, nor will they be, registered under or offered in compliance with the securities laws of any state, province or territory of Australia, Canada, Japan or the Republic of South Africa. Accordingly, the Placing Shares may not (unless an exemption under the relevant securities laws is applicable) be offered, sold, resold or delivered, directly or indirectly, in or into Australia, Canada, Japan or the Republic of South Africa or any other jurisdiction outside the United Kingdom.

Persons (including, without limitation, nominees and trustees) who have a contractual right or other legal obligations to forward a copy of this announcement should seek appropriate advice before taking any action. This announcement should be read in its entirety. In particular, you should read and understand the information provided in this "Important Information" section of this announcement.

By participating in the Placing, each Placee will be deemed to have read and understood this announcement in its entirety, to be participating, making an offer and acquiring Placing Shares on the terms and conditions contained herein and to be providing the representations, warranties, indemnities, acknowledgements and undertakings contained in this Appendix.

In particular, each such Placee represents, warrants, undertakes, agrees and acknowledges (amongst other things) that:

1 it is a Relevant Person and undertakes that it will acquire, hold, manage or dispose of any Placing Shares that are allocated to it for the purposes of its business;

2 in the case of a Relevant Person in a member state of the EEA which has implemented the Prospectus Regulation (each, a "**Relevant Member State**") who acquires any Placing Shares pursuant to the Placing:

2.1 it is a Qualified Investor within the meaning of Article 2(e) of the Prospectus Regulation;

2.2 in the case of any Placing Shares acquired by it as a financial intermediary, as that term is used in Article 53(1) of the Prospectus Regulation:

2.2.1 the Placing Shares acquired by it in the Placing have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State other than Qualified Investors or in circumstances in which the prior consent of the Joint Brokers has been given to the offer or resale; or

2.2.2 where Placing Shares have been acquired by it on behalf of persons in any member state of the EEA other than Qualified Investors, the offer of those Placing Shares to it is not treated under the Prospectus Regulation as having been made to such persons;

3 it is acquiring the Placing Shares for its own account or is acquiring the Placing Shares for an account with respect to which it exercises sole investment discretion and has the authority to make and does make the representations, warranties, indemnities, acknowledgements, undertakings and agreements contained in this announcement;

4 it understands (or if acting for the account of another person, such person has confirmed that such person understands) the resale and transfer restrictions set out in this Appendix; and

5 except as otherwise permitted by the Company and subject to any available exemptions from applicable securities laws, it (and any account referred to in paragraph 3 above) is outside the United States acquiring the Placing Shares in offshore transactions as defined in and in accordance with Regulation S under the Securities Act.

No prospectus

No prospectus or other offering document has been or will be submitted to be approved by the FCA in relation to the Placing or the Placing Shares and Placees' commitments will be made solely on the basis of the information contained in this announcement and any information publicly announced through a Regulatory Information Service by or on behalf of the Company on or prior to the date of this announcement (the "**Publicly Available Information**") and subject to any further terms set forth in the form of confirmation to be sent to individual Placees.

Each Placee, by participating in the Placing, agrees that the content of this announcement is exclusively the responsibility of the Company and confirms that it has neither received nor relied on any information (other than the Publicly Available Information), representation, warranty or statement made by or on behalf of N+1 Singer, Allenby Capital, the Company or any other person and none of N+1 Singer, Allenby Capital or the Company or any other person acting on such person's behalf nor any of their respective affiliates has or shall have any liability for any Placee's decision to participate in the Placing based on any other information, representation, warranty or statement. Each Placee acknowledges and agrees that it has relied on its own investigation of the business, financial or other position of the Company in accepting a participation in the Placing. Nothing in this paragraph shall exclude the liability of any person for fraudulent misrepresentation.

Details of the Placing Agreement and the Placing Shares

N+1 Singer (acting as Nominated Adviser and joint broker to the Company) and Allenby Capital (acting as joint broker to the Company, for the purposes of the Placing) have today entered into the Placing Agreement with the Company under which, on the terms and subject to the conditions set out in the Placing Agreement, each of N+1 Singer and Allenby Capital, as agents for and on behalf of the Company, have each agreed to use their respective reasonable endeavours to procure Placees for the Placing Shares at the Issue Price. The Placing is not being underwritten by N+1 Singer, Allenby Capital or any other person.

The Placing Shares will, when issued, be subject to the Articles and credited as fully paid and will rank *pari passu* in all respects with the Existing Ordinary Shares in the capital of the Company, including the right to receive all dividends and other distributions declared, made or paid in respect of such Ordinary Shares after the date of issue of the Placing Shares.

Application for admission to trading

Application will be made to the London Stock Exchange for admission of the First Placing Shares) and the Second Admission Shares to trading on AIM.

It is expected that First Admission will take place no later than 8:00 a.m. on 8 July 2020 and that dealings in the First Placing Shares on AIM will commence at the same time.

It is expected that Second Admission will take place no later than 8:00 a.m. on 15 July 2020 and that dealings in the Second Placing Shares which constitute Second Admission Shares on AIM will commence at the same time.

Principal terms of the Placing

1 N+1 Singer is acting as nominated adviser, financial adviser and joint broker to the Placing, as agent for and on behalf of the Company. N+1 Singer is authorised and regulated in the United Kingdom by the FCA and is acting exclusively for the Company and no one else in connection with the matters referred to in this announcement and will not be responsible to anyone other than the Company for providing the protections afforded to the customers of N+1 Singer or for providing advice in relation to the matters described in this announcement.

2 Allenby Capital is acting as joint broker to the Placing, as agent for and on behalf of the Company. Allenby Capital is authorised and regulated in the United Kingdom by the FCA and is acting exclusively for the Company and no one else in connection with the matters referred to in this announcement and will not be responsible to anyone other than the Company for providing the protections afforded to the customers of Allenby Capital or for providing advice in relation to the matters described in this announcement.

3 Participation in the Placing will only be available to persons who may lawfully be, and are, invited by N+1 Singer or Allenby Capital to participate. N+1 Singer and Allenby Capital and any of their respective affiliates are entitled to participate in the Placing as principal.

4 The price per Placing Share (the “**Issue Price**”) is fixed at 1.1 pence and is payable to N+1 Singer or Allenby Capital (as applicable) by all Placees (as agent of the Company in each case).

5 Each Placee's allocation is determined by N+1 Singer and Allenby Capital in their discretion following consultation with the Company and has been or will be confirmed orally by N+1 Singer or Allenby Capital and a form of confirmation will be dispatched as soon as possible thereafter. That oral confirmation will give rise to an irrevocable, legally binding commitment by that person (who at that point becomes a Placee), in favour of the Company and N+1 Singer or Allenby Capital (as applicable), under which it agrees to acquire the number of Placing Shares allocated to the Placee at the Issue Price and otherwise on the terms and subject to the conditions set out in this Appendix and in accordance with the Articles. Except with N+1 Singer's or Allenby Capital's (as applicable) written consent, such commitment will not be capable of variation or revocation at the time at which it is submitted.

6 Each Placee's allocation and commitment will be evidenced by a form of confirmation issued to such Placee by N+1 Singer or Allenby Capital (as applicable). The terms of this Appendix will be deemed incorporated in that form of confirmation.

7 Each Placee will have an immediate, separate, irrevocable and binding obligation, owed to N+1 Singer or Allenby Capital (as applicable, as agent for the Company in either case), to pay to it (or as it may direct) in cleared funds an amount equal to the product of the Issue Price and the number of Placing Shares such Placee has agreed to acquire and the Company has agreed to allot and issue to that Placee.

8 Irrespective of the time at which a Placee's allocation(s) pursuant to the Placing is/are confirmed, settlement for all Placing Shares to be acquired pursuant to the Placing will be required to be made at the same time, on the basis explained below under “**Registration and Settlement**”.

9 All obligations of N+1 Singer and/or Allenby Capital under the Placing will be subject to fulfilment of the conditions referred to below under “Conditions of the Placing” and to the Placing not being terminated on the basis referred to below under “Termination of the Placing”.

10 By participating in the Placing, each Placee will agree that its rights and obligations in respect of the Placing will terminate only in the circumstances described below and will not be capable of rescission or termination by the Placee.

11 To the fullest extent permissible by law and applicable FCA rules, none of (a) N+1 Singer, (b) Allenby Capital, (c) any of N+1 Singer's or Allenby Capital's respective affiliates, agents, directors, officers, consultants, (d) to the extent not contained within (a) to (c), any person connected with N+1 Singer or Allenby Capital as defined in FSMA ((c) and (d) being together “**affiliates**” and individually an “**affiliate**” of N+1 Singer or Allenby Capital as applicable), (e) any person acting on behalf of N+1 Singer or Allenby Capital, shall have any liability (including to the extent permissible by law, any fiduciary duties) to Placees or to any other person whether acting on behalf of a Placee or otherwise. In particular, none of N+1 Singer or Allenby Capital nor any of their respective affiliates shall have any liability (including, to the extent permissible by law, any fiduciary duties) in respect of their conduct of the Placing or of such alternative method of effecting the Placing as N+1 Singer, Allenby Capital and the Company may agree.

Registration and settlement

If Placees are allocated any Placing Shares in the Placing they will be sent a form of confirmation or electronic confirmation by N+1 Singer or Allenby Capital, as soon as reasonably possible after the closing of the bookbuilding process which will confirm the number of Placing Shares allocated to them (including whether such Placing Shares are First Placing Shares or Second Placing Shares), the Issue Price, the aggregate amount owed by them to N+1 Singer or Allenby Capital (as applicable) and settlement instructions.

Each Placee will be deemed to agree that it will do all things necessary to ensure that delivery and payment is completed as directed by N+1 Singer or Allenby Capital (as applicable) in accordance with either the standing CREST or certificated settlement instructions which they have in place with N+1 Singer or Allenby Capital (as applicable).

Settlement of transactions in the Placing Shares (ISIN: GB00B84LVH87) which are First Placing Shares following First Admission, and in the Placing Shares (ISIN: GB00B84LVH87) which are second Admission Shares will take place within the CREST system, subject to certain exceptions. Settlement through CREST is expected to take place in respect of First Placing Shares on 8 July 2020 unless otherwise notified by N+1 Singer or Allenby Capital (as applicable) and First Admission is expected to occur no later than 8:00 a.m. on 8 July 2020, and in respect of Second Admission Shares on 15 July 2020 unless otherwise notified by N+1 Singer or Allenby Capital (as applicable) and Second Admission is expected to occur no later than 8:00 a.m. on 15 July 2020 unless otherwise notified by N+1 Singer or Allenby Capital (as applicable). First Admission and/or Second Admission and Settlement may occur at an earlier date, which if achievable, will be set out in the Circular. Settlement will be on a delivery versus payment basis. However, in the event of any difficulties or delays in the admission of the Placing Shares to CREST or the use of CREST in relation to the Placing, the Company and N+1 Singer and/or Allenby Capital may agree that the Placing Shares should be issued in certificated form. N+1 Singer and Allenby Capital reserve the right to require settlement for the Placing Shares, and to deliver the Placing Shares to Placees, by such other means as they deem necessary if delivery or settlement to Placees is not practicable within the CREST system or would not be consistent with regulatory requirements in a Placee's jurisdiction.

Interest is chargeable daily on payments not received from Placees on the due date in accordance with the arrangements set out above, in respect of either CREST or certificated deliveries, at the rate of 2 percentage points above prevailing LIBOR as determined by N+1 Singer or Allenby Capital (as applicable).

Each Placee agrees that, if it does not comply with these obligations, N+1 Singer or Allenby Capital (as applicable) may sell, charge by way of security (to any funder of N+1 Singer or Allenby Capital (as applicable)) or otherwise deal with any or all of their Placing Shares on their behalf and retain from the proceeds, for N+1 Singer's or Allenby Capital's (as applicable) own account and benefit, an amount equal to the aggregate amount owed by the Placee plus any interest due and any costs and expenses properly incurred by N+1 Singer or Allenby Capital (as applicable) as a result of the Placee's failure to comply with its obligations. The relevant Placee will, however, remain liable for any shortfall below the amount owed by it and for any stamp duty or stamp duty reserve tax (together with any interest or penalties) which may arise upon the sale of their Placing Shares on their behalf. Legal and/or beneficial title in and to any Placing Shares shall not pass to the relevant Placee until such time as it has fully complied with its obligations hereunder.

If Placing Shares are to be delivered to a custodian or settlement agent, Placees must ensure that, upon receipt, the conditional form of confirmation is copied and delivered immediately to the relevant person within that organisation. Insofar as Placing Shares are registered in a Placee's name or that of its nominee or in the name of any person for whom a Placee is contracting as agent or that of a nominee for such person, such Placing Shares should, subject as provided below, be so registered free from any liability to United Kingdom stamp duty or stamp duty reserve tax. Placees will not be entitled to receive any fee or commission in connection with the Placing.

Conditions of the Placing

The Placing is conditional upon the Placing Agreement becoming unconditional and not having been terminated in accordance with its terms.

The obligations of N+1 Singer and Allenby Capital under the Placing Agreement are, and the Placing is, conditional upon, inter alia:

- (a) insofar as the Placing relates to Second Placing Shares (but not, for the avoidance of doubt, First Placing Shares) the passing of the Resolutions to approve the Placing (without any amendment which has not been previously approved by N+1 Singer and Allenby Capital) at the General Meeting (or any adjournment thereof);

(b) each of the warranties contained in the Placing Agreement being and remaining true, accurate and not misleading until Admission;

(c) the Company having complied in all material respects with its obligations and having satisfied the conditions under the Placing Agreement which fall to be performed or satisfied prior to First Admission and/or Second Admission;

(d) the Placing Agreement not having been terminated by N+1 Singer or Allenby Capital in accordance with its terms;

(e) First Admission occurring by not later than 8.00 a.m. on 8 July 2020 and Second Admission occurring by not later than 8.00 a.m. on 15 July 2020 (or in each case such later date as the Company, N+1 Singer and Allenby Capital may agree in writing, in any event being not later than the Long Stop Date),

(all conditions to the obligations of N+1 Singer and Allenby Capital included in the Placing Agreement being together, the "**conditions**").

If any of the conditions set out in the Placing Agreement are not fulfilled or, where permitted, waived in accordance with the Placing Agreement within the stated time periods (or such later time and/or date as the Company, N+1 Singer and Allenby Capital may agree, provided that the time for satisfaction of the condition set out in (e) above shall not be extended beyond 8:00 a.m. on 31 July 2020), or the Placing Agreement is terminated in accordance with its terms, the Placing will lapse and the Placee's rights and obligations shall cease and terminate at such time and each Placee agrees that no claim can be made by or on behalf of the Placee (or any person on whose behalf the Placee is acting) in respect thereof.

By participating in the Placing, each Placee agrees that its rights and obligations cease and terminate only in the circumstances described above and under "Termination of the Placing" below and will not be capable of rescission or termination by it.

Certain conditions may be waived in whole or in part by N+1 Singer and Allenby Capital (acting together), in their absolute discretion by notice in writing to the Company, N+1 Singer and Allenby Capital may also agree in writing with the Company to extend the time for satisfaction of any condition. Any such extension or waiver will not affect Placees' commitments as set out in this announcement.

N+1 Singer or Allenby Capital may terminate the Placing Agreement in certain circumstances, details of which are set out below.

None of N+1 Singer, Allenby Capital or the Company nor any of their respective affiliates, agents, directors, officers, employees shall have any liability to any Placee (or to any other person whether acting on behalf of a Placee or otherwise) in respect of any decision any of them may make as to whether or not to waive or to extend the time and/or date for the satisfaction of any condition to the Placing nor for any decision any of them may make as to the satisfaction of any condition or in respect of the Placing generally and by participating in the Placing each Placee agrees that any such decision is within the absolute discretion of N+1 Singer and/or Allenby Capital

On the assumption that the conditions set out in the Placing Agreement are satisfied (or waived) and that the Placing Agreement does not lapse and is not terminated in accordance with its terms, each Placee will be required to pay to N+1 Singer or Allenby Capital (as applicable), on the Company's behalf in either case, the Issue Price for each Placing Share agreed to be acquired by it under the Placing in accordance with the terms set out herein.

Each Placee's obligation to acquire and pay for Placing Shares under the Placing will be owed to the Company and either N+1 Singer and/or Allenby Capital. Each Placee has an immediate, separate, irrevocable and binding obligation, owed to N+1 Singer or to Allenby Capital (as applicable), to pay to it (or as it may direct) in cleared funds an amount equal to the product of the Issue Price and the number of Placing Shares that such Placee has agreed to subscribe.

Termination of the Placing

N+1 Singer or Allenby Capital may terminate the Placing Agreement, in accordance with its terms, at any time prior to Admission if, *inter alia*:

- 1 any of the warranties and undertakings in the Placing Agreement were untrue or inaccurate in any material respect; or
- 2 the Company fails to comply with its obligations under the Placing Agreement or the terms of the Placing, which N+1 Singer or Allenby Capital considers (acting reasonably) to be material in the context of the Placing; or
- 3 any statement contained in the Issue Documents is or has become untrue, inaccurate or misleading in any material respect or any matter has arisen which would constitute a material omission from the Issue Document; or
- 4 any material adverse change has occurred in the condition, earnings, business affairs or business prospects of the Company and its subsidiary undertakings (taken as whole).

If the Placing Agreement is terminated in accordance with its terms, the rights and obligations of each Placee in respect of the Placing as described in this announcement shall cease and terminate at such time and no claim can be made by any Placee in respect thereof, save to the extent that a Placee has received First Placing Shares and First Admission has occurred, in which case the rights and obligations of the Placee shall survive such termination.

By participating in the Placing, each Placee agrees with the Company, N+1 Singer and Allenby Capital that the exercise by the Company, N+1 Singer or Allenby Capital of any right of termination or any other right or other discretion under the Placing Agreement shall be within the absolute discretion of the Company, N+1 Singer or Allenby Capital and that none of the Company, N+1 Singer or Allenby Capital need make any reference to such Placee and that none of N+1 Singer, Allenby Capital or the Company, nor any of their respective affiliates, agents, directors, officers or employees shall have any liability to such Placee (or to any other person whether acting on behalf of a Placee or otherwise) whatsoever in connection with any such exercise.

By participating in the Placing, each Placee agrees that its rights and obligations terminate only in the circumstances described above and under the "Conditions of the Placing" section above and will not be capable of rescission or termination by it after the issue by N+1 Singer or Allenby Capital (as applicable) of a form of confirmation confirming each Placee's allocation and commitment in the Placing.

Representations, warranties and further terms

By participating in the Placing, each Placee (and any person acting on such Placee's behalf) irrevocably represents, warrants, acknowledges, undertakes and agrees (for itself and for any such prospective Placee) that in each case as a fundamental term of such Placee's application for Placing Shares (save where N+1 Singer and Allenby Capital expressly agree in writing to the contrary):

- 1 it has read and understood this announcement in its entirety (including the Appendix) and that its acquisition of the Placing Shares is subject to and based upon all the terms, conditions, representations, warranties, indemnities, acknowledgements, agreements and undertakings and other information contained herein and that it has not relied on, and will not rely on, any information given or any representations, warranties or statements made at any time by any person in connection with First Admission, Second Admission, the Placing, the Company, the Placing Shares or otherwise, other than the information contained in this announcement and the Publicly Available Information;

2 its obligations are irrevocable and legally binding and shall not be capable of rescission or termination by it in any circumstances;

3 it has not received a prospectus or other offering document in connection with the Placing and acknowledges that no prospectus or other offering document: (a) is required under the Prospectus Regulation; and (b) has been or will be prepared in connection with the Placing;

4 the Ordinary Shares are admitted to trading on AIM, and that the Company is therefore required to publish certain business and financial information in accordance with the AIM Rules, which includes a description of the nature of the Company's business and the Company's most recent balance sheet and profit and loss account and that it is able to obtain or access such information without undue difficulty, and is able to obtain access to such information or comparable information concerning any other publicly traded company, without undue difficulty;

5 it has made its own assessment of the Placing Shares and has relied on its own investigation of the business, financial or other position of the Company in accepting a participation in the Placing and none of N+1 Singer, Allenby Capital or the Company or any of their respective affiliates, agents, directors, officers or employees or any person acting on behalf of any of them has provided, and will not provide, it with any material regarding the Placing Shares or the Company or any other person other than the information in this announcement, or the Publicly Available Information; nor has it requested of any of N+1 Singer, Allenby Capital, the Company or any of their respective affiliates, agents, directors, officers or employees or any person acting on behalf of any of them to provide it with any such information;

6 none of N+1 Singer or Allenby Capital or any person acting on behalf of either of them or any of their respective affiliates, agents, directors, officers or employees has or shall have any liability for any Publicly Available Information, or any representation relating to the Company, provided that nothing in this paragraph excludes the liability of any person for fraudulent misrepresentation made by that person;

7 the only information on which it is entitled to rely on and on which it has relied in committing to subscribe for the Placing Shares is contained in the Publicly Available Information, such information being all that it deems necessary to make an investment decision in respect of the Placing Shares and it has made its own assessment of the Company, the Placing Shares and the terms of the Placing based on Publicly Available Information; (b) none of N+1 Singer, Allenby Capital or the Company or any of their respective affiliates, agents, directors, officers or employees has made any representation or warranty to it, express or implied, with respect to the Company, the Placing or the Placing Shares or the accuracy, completeness or adequacy of the Publicly Available Information; (c) it has conducted its own investigation of the Company, the Placing and the Placing Shares, satisfied itself that the information is still current and relied on that investigation for the purposes of its decision to participate in the Placing; and (d) has not relied on any investigation that N+1 Singer or Allenby Capital or any person acting on behalf of either of them may have conducted with respect to the Company, the Placing or the Placing Shares;

8 the content of this announcement and the Publicly Available Information has been prepared by and is exclusively the responsibility of the Company and that neither N+1 Singer nor Allenby Capital nor any persons acting on behalf of either of them is responsible for or has or shall have any liability for any information, representation, warranty or statement relating to the Company contained in this announcement or the Publicly Available Information nor will they be liable for any Placee's decision to participate in the Placing based on any information, representation, warranty or statement contained in this announcement, the Publicly Available Information or otherwise. Nothing in this Appendix shall exclude any liability of any person for fraudulent misrepresentation;

9 the Placing Shares have not been registered or otherwise qualified, and will not be registered or otherwise qualified, for offer and sale nor will a prospectus be cleared or approved in respect of any of the Placing Shares under the securities laws of the United States, or any state or other jurisdiction of the United States, the Republic of Ireland, Australia, Canada, Republic of South Africa or Japan and, subject to certain exceptions, may not be offered, sold, taken up, renounced or delivered or transferred, directly or indirectly, within the United States, the Republic of Ireland, Australia, Canada, South Africa or Japan or in any country or jurisdiction where any such action for that purpose is required;

10 it and/or each person on whose behalf it is participating:

10.1 is entitled to acquire Placing Shares pursuant to the Placing under the laws and regulations of all relevant jurisdictions;

10.2 has fully observed such laws and regulations;

10.3 has capacity and authority and is entitled to enter into and perform its obligations as an acquirer of Placing Shares and will honour such obligations;

10.4 has obtained all necessary consents and authorities (including, without limitation, in the case of a person acting on behalf of a Placee, all necessary consents and authorities to agree to the terms set out or referred to in this Appendix) under those laws or otherwise and complied with all necessary formalities to enable it to enter into the transactions contemplated hereby and to perform its obligations in relation thereto and, in particular, if it is a pension fund or investment company it is aware of and acknowledges it is required to comply with all applicable laws and regulations with respect to its subscription for Placing Shares; and

10.5 has not taken any action which will or may result in the Company, N+1 Singer or Allenby Capital or any of their respective directors, officers, employees or agents acting in breach of any regulatory or legal requirements of any territory in connection with the Placing or its acceptance of Placing Shares;

11 it was not located in the United States at the time the buy order was originated and it represents that no directed selling efforts (as defined in Regulation S under the Securities Act) were made in connection with the Placing;

12 it is not, and any person who it is acting on behalf of is not, and at the time the Placing Shares are subscribed will not be, a resident of, or with an address in, or subject to the laws of, Australia, Canada, Japan, the Republic of Ireland, the Republic of South Africa or any state or other jurisdiction of the United States, and it acknowledges and agrees that the Placing Shares have not been and will not be registered or otherwise qualified under the securities legislation of Australia, Canada, Japan, the Republic of Ireland, the Republic of South Africa or any state or other jurisdiction of the United States and may not be offered, sold, or acquired, directly or indirectly, within those jurisdictions;

13 the Placing Shares have not been, and will not be, registered under the Securities Act and may not be offered, sold or resold in or into or from the United States except pursuant to an effective registration under the Securities Act, or pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in accordance with applicable state securities laws; and no representation is being made as to the availability of any exemption under the Securities Act for the reoffer, resale, pledge or transfer of the Placing Shares;

14 it and the beneficial owner of the Placing Shares is, and at the time the Placing Shares are acquired will be, outside the United States and acquiring the Placing Shares in an "offshore transaction" as defined in, and in accordance with, Regulation S under the Securities Act;

15 it (and any account for which it is purchasing) is not acquiring the Placing Shares with a view to any offer, sale or distribution thereof within the meaning of the Securities Act;

16 it will not distribute, forward, transfer or otherwise transmit this announcement or any part of it, or any other presentational or other materials concerning the Placing in or into or from the United States (including electronic copies thereof) to any person, and it has not distributed, forwarded, transferred or otherwise transmitted any such materials to any person;

17 if required by applicable securities laws or as otherwise reasonably requested by the Company, the Placee will execute, deliver and file and otherwise assist the Company in filing reports, questionnaires, undertakings and other documents with respect to the issue of the Placing Shares;

18 none of N+1 Singer or Allenby Capital or their respective affiliates, agents, directors, officers or employees or any person acting on behalf of any of them is making any recommendations to it, advising it regarding the suitability of any transactions it may enter into in connection with the Placing and that participation in the Placing is on the basis that it is not and will not be a client of N+1 Singer or Allenby Capital and neither N+1 Singer nor Allenby Capital has any duties or responsibilities to it for providing the protections afforded to their respective clients or for providing advice in relation to the Placing nor in respect of any representations, warranties, undertakings or indemnities contained in the Placing Agreement nor for the exercise or performance of any of its rights and obligations thereunder including any rights to waive or vary any conditions or exercise any termination right;

19 it has the funds available to pay for the Placing Shares for which it has agreed to subscribe and acknowledges and agrees that it will make payment to N+1 Singer or Allenby Capital (as applicable) for the Placing Shares allocated to it in accordance with the terms and conditions of this announcement on the due times and dates set out in this announcement, failing which the relevant Placing Shares may be placed with others on such terms as N+1 Singer or Allenby Capital (as applicable) may, in either case, in their absolute discretion determine without liability to the Placee and it will remain liable for any shortfall below the net proceeds of such sale and the placing proceeds of such Placing Shares and may be required to bear any stamp duty or stamp duty reserve tax (together with any interest or penalties due pursuant to the terms set out or referred to in this announcement) which may arise upon the sale of such Placee's Placing Shares on its behalf;

20 no action has been or will be taken by any of the Company, N+1 Singer, Allenby Capital or any person acting on their behalf that would, or is intended to, permit a public offer of the Placing Shares in the United States or in any country or jurisdiction where any such action for that purpose is required;

21 the person who it specifies for registration as holder of the Placing Shares will be: (a) the Placee; or (b) a nominee of the Placee, as the case may be. None of N+1 Singer, Allenby Capital or the Company will be responsible for any liability to stamp duty or stamp duty reserve tax resulting from a failure to observe this requirement. Each Placee and any person acting on behalf of such Placee agrees to acquire Placing Shares pursuant to the Placing and agrees to pay the Company and either N+1 Singer or Allenby Capital (as applicable) in respect of the same (including any interest or penalties) on the basis that the Placing Shares will be allotted to a CREST stock account of N+1 Singer or Allenby Capital (as applicable) or transferred to a CREST stock account of N+1 Singer or Allenby Capital (as applicable) who will hold them as nominee on behalf of the Placee until settlement in accordance with its standing settlement instructions with it;

22 it is acting as principal only in respect of the Placing or, if it is acting for any other person, (a) it is duly authorised to do so and has full power to make the acknowledgments, representations and agreements herein on behalf of each such person and (b) it is and will remain liable to the Company and either N+1 Singer or Allenby Capital (as applicable) for the performance of all its obligations as a Placee in respect of the Placing (regardless of the fact that it is acting for another person);

23 the allocation, allotment, issue and delivery to it, or the person specified by it for registration as holder, of Placing Shares will not give rise to a stamp duty or stamp duty reserve tax liability under (or at a rate determined under) any of sections 67, 70, 93 or 96 of the Finance Act 1986 (depository receipts and clearance services) and that it is not participating in the Placing as nominee or agent for any person or persons to whom the allocation, allotment, issue or delivery of Placing Shares would give rise to such a liability;

24 it and any person acting on its behalf (if within the United Kingdom) falls within Article 19(5) and/or 49(2) of the Order and undertakes that it will acquire, hold, manage and (if applicable) dispose of any Placing Shares that are allocated to it for the purposes of its business only;

25 it will not make an offer to the public of the Placing Shares and it has not offered or sold and will not offer or sell any Placing Shares to persons in the United Kingdom or elsewhere in the EEA except to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their business or otherwise than in circumstances which have not resulted and which will not result in an offer to the public in the United Kingdom within the meaning of section 85(1) of the FSMA or an offer to the public in any other member state of the EEA within the meaning of the Prospectus Regulation;

26 it is a person of a kind described in: (a) Article 19(5) (Investment Professionals) and/or 49(2) (High net worth companies etc.) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended, and/or an authorised person as defined in section 31 of FSMA; and (b) section 86(7) of FSMA ("**Qualified Investor**"), being a person falling within Article 2(e) the Prospectus Regulation. For such purposes, it undertakes that it will acquire, hold, manage and (if applicable) dispose of any Placing Shares that are allocated to it for the purposes of its business only;

27 it has only communicated or caused to be communicated and it will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) relating to Placing Shares in circumstances in which section 21(1) of the FSMA does not require approval of the communication by an authorised person and it acknowledges that this announcement is not being issued by N+1 Singer or Allenby Capital as an authorised person under section 21 of FSMA and therefore is not subject to the same controls applicable to a financial promotion made by an authorised person;

28 it has complied and it will comply with all applicable laws with respect to anything done by it or on its behalf in relation to the Placing Shares (including all relevant provisions of the FSMA in respect of anything done in, from or otherwise involving the United Kingdom);

29 if it is a financial intermediary, as that term is used in Article 5(1) of the Prospectus Regulation (including any relevant implementing measure in any member state), the Placing Shares acquired by it in the Placing will not be acquired on a non-discretionary basis on behalf of, nor will they be acquired with a view to their offer or resale to, persons in a member state of the EEA which has implemented the Prospectus Regulation other than Qualified Investors, or in circumstances in which the express prior written consent of N+1 Singer or Allenby Capital (as applicable) has been given to the offer or resale;

30 it has neither received nor relied on any confidential price sensitive information about the Company in accepting this invitation to participate in the Placing;

31 if it has received any confidential price sensitive information about the Company in advance of the Placing, it has not (i) dealt in the securities of the Company, (ii) encouraged or required another person to deal in the securities of the Company, or (iii) disclosed such information to any person, prior to the information being made publicly available;

32 neither N+1 Singer nor Allenby Capital, nor any of their respective affiliates, agents, directors, officers or employees or any person acting on behalf of any of them has or shall have any liability for any information, representation or statement contained in this announcement or for any information previously published by or on behalf of the Company or any other written or oral information made available to or publicly available or filed information or any representation, warranty or undertaking relating to the Company, and will not be liable for its decision to participate in the Placing based on any information, representation, warranty or statement contained in this announcement or elsewhere, provided that nothing in this paragraph shall exclude any liability of any person for fraud;

33 none of N+1 Singer, Allenby Capital or the Company, or any of their respective affiliates, agents, directors, officers or employees or any person acting on behalf of N+1 Singer, Allenby Capital, the Company or their respective affiliates, agents, directors, officers or employees is making any recommendations to it, advising it regarding the suitability of any transactions it may enter into in connection with the Placing nor providing advice in relation to the Placing nor in respect of any representations, warranties, acknowledgements, agreements, undertakings, or indemnities contained in the Placing Agreement nor the exercise or performance of N+1 Singer's and/or Allenby Capital's rights and obligations thereunder including any rights to waive or vary any conditions or exercise any termination right;

34 acknowledges and accepts that N+1 Singer and/or Allenby Capital may, in accordance with applicable legal and regulatory provisions, engage in transactions in relation to the Placing Shares and/or related instruments for their own account for the purpose of hedging their underwriting exposure or otherwise and, except as required by applicable law or regulation, neither N+1 Singer nor Allenby Capital will make any public disclosure in relation to such transactions;

35 N+1 Singer and/or Allenby Capital and each of their respective affiliates, each acting as an investor for its or their own account(s), may bid or subscribe for and/or purchase Placing Shares and, in that capacity, may retain, purchase, offer to sell or otherwise deal for its or their own account(s) in the Placing Shares, any other securities of the Company or other related investments in connection with the Placing or otherwise. Accordingly, references in this announcement to the Placing Shares being offered, subscribed, acquired or otherwise dealt with should be read as including any offer to, or subscription, acquisition or dealing by N+1 Singer or Allenby Capital and/or any of their respective affiliates, acting as an investor for its or their own account(s). None of N+1 Singer, Allenby Capital or the Company intend to disclose the extent of any such investment or transaction otherwise than in accordance with any legal or regulatory obligation to do so;

36 it has complied with its obligations in connection with money laundering and terrorist financing under the Proceeds of Crime Act 2002, the Terrorism Act 2000, the Terrorism Act 2006 and the Money Laundering Regulations 2017 (together, the "**Regulations**") and, if making payment on behalf of a third party, that satisfactory evidence has been obtained and recorded by it to verify the identity of the third party as required by the Regulations;

37 it is aware of the obligations regarding insider dealing in the Criminal Justice Act 1993, FSMA, the EU Market Abuse Regulation No. 596 of 2014 and the Proceeds of Crime Act 2002 and confirms that it has and will continue to comply with those obligations;

38 in order to ensure compliance with the Money Laundering Regulations 2017, N+1 Singer and/or Allenby Capital (in either case for themselves and as agents on behalf of the Company) or the Company's registrars may, in their absolute discretion, require verification of its identity. Pending the provision to N+1 Singer, Allenby Capital or the Company's registrars, as applicable, of evidence of identity, definitive certificates in respect of the Placing Shares may be retained at N+1 Singer's or Allenby Capital's (as applicable) absolute discretion or, where appropriate, delivery of the Placing Shares to it in uncertificated form may be delayed at N+1 Singer's, Allenby Capital's or the Company's registrars', as the case may be, absolute discretion. If within a reasonable time after

a request for verification of identity N+1 Singer and/or Allenby Capital (in either case for themselves and as agent on behalf of the Company) or the Company's registrars have not received evidence satisfactory to them, N+1 Singer and/or Allenby Capital and/or the Company may, at their absolute discretion, terminate its commitment in respect of the Placing, in which event the monies payable on acceptance of allotment will, if already paid, be returned without interest to the account of the drawee's bank from which they were originally debited;

39 acknowledges that its commitment to acquire Placing Shares on the terms set out in this announcement and in the form of confirmation will continue notwithstanding any amendment that may in future be made to the terms and conditions of the Placing and that Placees will have no right to be consulted or require that their consent be obtained with respect to the Company's, N+1 Singer's or Allenby Capital's conduct of the Placing;

40 it has knowledge and experience in financial, business and international investment matters as is required to evaluate the merits and risks of subscribing for the Placing Shares. It further acknowledges that it is experienced in investing in securities of this nature and is aware that it may be required to bear, and is able to bear, the economic risk of, and is able to sustain, a complete loss in connection with the Placing. It has relied upon its own examination and due diligence of the Company and its affiliates taken as a whole, and the terms of the Placing, including the merits and risks involved;

41 it irrevocably appoints any duly authorised officer of N+1 Singer or Allenby Capital (as applicable) as its agent for the purpose of executing and delivering to the Company and/or its registrars any documents on its behalf necessary to enable it to be registered as the holder of any of the Placing Shares for which it agrees to subscribe or purchase upon the terms of this announcement;

42 the Company, N+1 Singer, Allenby Capital and others (including each of their respective affiliates, agents, directors, officers or employees) will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and agreements, which are given to each of N+1 Singer and Allenby Capital, on their own behalf and on behalf of the Company and are irrevocable;

43 if it is acquiring the Placing Shares as a fiduciary or agent for one or more investor accounts, it has full power and authority to make, and does make, the foregoing representations, warranties, acknowledgements, agreements and undertakings on behalf of each such accounts;

44 time is of the essence as regards its obligations under this Appendix;

45 any document that is to be sent to it in connection with the Placing will be sent at its risk and may be sent to it at any address provided by it to N+1 Singer or Allenby Capital;

46 the Placing Shares will be issued subject to the terms and conditions of this Appendix;

47 acknowledges that the basis of allocation will be determined by N+1 Singer and Allenby Capital (after consultation with the Company) at their absolute discretion. The right is reserved to reject in whole or in part and/or scale back any participation in the Placing; and

48 these terms and conditions in this Appendix and all documents into which this Appendix is incorporated by reference or otherwise validly forms a part and/or any agreements entered into pursuant to these terms and conditions and all agreements to acquire shares pursuant to the Placing will be governed by and construed in accordance with English law and it submits to the exclusive jurisdiction of the English courts in relation to any claim, dispute or matter arising out of any such contract, except that enforcement proceedings in respect of the obligation to make payment for the Placing Shares (together with any interest chargeable thereon) may be taken by the Company, N+1 Singer or Allenby Capital in any jurisdiction in which the relevant Placee is incorporated or in which any of its securities have a quotation on a recognised stock exchange.

By participating in the Placing, each Placee (and any person acting on such Placee's behalf) agrees to indemnify and hold the Company, N+1 Singer, Allenby Capital and each of their respective affiliates, agents, directors, officers and employees harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of the representations, warranties, acknowledgements, agreements and undertakings given by the Placee (and any person acting on such Placee's behalf) in this Appendix or incurred by N+1 Singer, Allenby Capital or the Company or each of their respective affiliates, agents, directors, officers or employees arising from the performance of the Placee's obligations as set out in this announcement, and further agrees that the provisions of this Appendix shall survive after the completion of the Placing.

The agreement to allot and issue Placing Shares to Placees (or the persons for whom Placees are contracting as agent) free of stamp duty and stamp duty reserve tax in the United Kingdom relates only to their allotment and issue to Placees, or such persons as they nominate as their agents, direct by the Company. Such agreement assumes that the Placing Shares are not being acquired in connection with arrangements to issue depository receipts or to transfer the Placing Shares into a clearance service. If there are any such arrangements, or the settlement related to any other dealings in the Placing Shares, stamp duty or stamp duty reserve tax may be payable. In that event, the Placee agrees that it shall be responsible for such stamp duty or stamp duty reserve tax and none of the Company, N+1 Singer or Allenby Capital shall be responsible for such stamp duty or stamp duty reserve tax. If this is the case, each Placee should seek its own advice and they should notify N+1 Singer or Allenby Capital (as applicable) accordingly. In addition, Placees should note that they will be liable for any capital duty, stamp duty and all other stamp, issue, securities, transfer, registration, documentary or other duties or taxes (including any interest, fines or penalties relating thereto) payable outside the United Kingdom by them or any other person on the acquisition by them of any Placing Shares or the agreement by them to acquire any Placing Shares and each Placee, or the Placee's nominee, in respect of whom (or in respect of the person for whom it is participating in the Placing as an agent or nominee) the allocation, allotment, issue or delivery of Placing Shares has given rise to such non-United Kingdom stamp, registration, documentary, transfer or similar taxes or duties undertakes to pay such taxes and duties, including any interest and penalties (if applicable), forthwith and to indemnify on an after-tax basis and to hold harmless the Company, N+1 Singer and Allenby Capital in the event that either the Company and/or N+1 Singer and/or Allenby Capital has incurred any such liability to such taxes or duties.

The representations, warranties, acknowledgements and undertakings contained in this Appendix are given to N+1 Singer and to Allenby Capital in either case for itself and on behalf of the Company and are irrevocable.

Each Placee and any person acting on behalf of the Placee acknowledges that neither N+1 Singer nor Allenby Capital owes any fiduciary or other duties to any Placee in respect of any representations, warranties, undertakings, acknowledgements, agreements or indemnities in the Placing Agreement.

Each Placee and any person acting on behalf of the Placee acknowledges and agrees that N+1 Singer and/or Allenby Capital may (in either case at their absolute discretion) satisfy their obligations to procure Placees by itself agreeing to become a Placee in respect of some or all of the Placing Shares or by nominating any connected or associated person to do so.

When a Placee or any person acting on behalf of the Placee is dealing with N+1 Singer or Allenby Capital, any money held in an account with N+1 Singer or Allenby Capital on behalf of the Placee and/or any person acting on behalf of the Placee will not be treated as client money within the meaning of the relevant rules and regulations of the FCA made under FSMA. Each Placee acknowledges that the money will not be subject to the protections conferred by the client money rules: as a consequence this money will not be segregated from N+1 Singer's money or Allenby Capital's money (as applicable) in accordance with the client money rules and will be held by it under a banking relationship and not as trustee.

References to time in this announcement are to London time, unless otherwise stated.

All times and dates in this announcement may be subject to amendment.

No statement in this announcement is intended to be a profit forecast, and no statement in this announcement should be interpreted to mean that earnings per share of the Company for the current or

future financial years would necessarily match or exceed the historical published earnings per share of the Company.

The price of shares and any income expected from them may go down as well as up and investors may not get back the full amount invested upon disposal of the shares. Past performance is no guide to future performance, and persons needing advice should consult an independent financial adviser.

The Placing Shares to be issued or sold pursuant to the Placing will not be admitted to trading on any stock exchange other than the London Stock Exchange.

Neither the content of the Company's website nor any website accessible by hyperlinks on the Company's website is incorporated in, or forms part of, this announcement.

DEFINITIONS USED IN THIS ANNOUNCEMENT

"Additional Subscription Shares"	the new Ordinary Shares to be issued pursuant to the US Additional Subscription which will be up to 9,820,000 Ordinary Shares
"ADW"	automatic dishwash
"AIM"	the market of that name operated by the London Stock Exchange
"AIM Rules"	the AIM Rules for Companies, as published by the London Stock Exchange, as amended from time to time
"Allenby Capital"	Allenby Capital Limited, (registered in England and Wales with registered number 06706681) acting as the Company's joint broker in relation to the Placing;
"Amaze SP"	Amaze™ SP, a bio-based hair styling polymer produced by the Company and distributed by Nouryon under a Nouryon tradename
"Articles"	the articles of association of the Company
"Board"	the board of directors of the Company
"CHT"	Itaconix® CHT™, polymer product produced by the Company for use as an additive in non-phosphate detergents and cleaners for water conditioning
"certificated" or "in certificated form"	an Ordinary Share which is not in uncertificated form (that is, not in CREST)
"Circular"	the circular to be sent to Shareholders enclosing the Notice
"Closing Price"	the closing middle market quotation of an Ordinary Share
"Company" or "Itaconix"	Itaconix plc, a public limited company (incorporated and registered in England and Wales with registered number 08024489) whose registered office is at c/o Fieldfisher LLP, Riverbank House, 2 Swan Lane, London EC4R 3TT
"Companies Act"	the Companies Act 2006 as amended
"CREST"	the computerised settlement system operated by Euroclear which facilitates the transferring of title to shares in uncertificated form
"CREST Regulations"	the Uncertificated Securities Regulations 2001 (SI 2001 No. 2001/3755), as amended
"Directors"	the directors of the Company whose names are set out in this announcement

"DSP 2K"	Itaconix® DSP 2K™, a polymer produced by the Company for use as an additive in consumer and industrial products for water conditioning
"Enlarged Share Capital"	the Ordinary Shares in issue on Second Admission, including the Placing Shares, the Subscription Shares and the Additional Subscription Shares (assuming take-up in full of the US Additional Subscription by US Eligible Participants)
"Euroclear"	Euroclear UK & Ireland Limited
"Existing Ordinary Shares"	the 269,130,071 Ordinary Shares in issue as at the date of this announcement
"FCA"	the Financial Conduct Authority
"First Admission"	the admission of the First Placing Shares to trading on AIM becoming effective in accordance with the AIM Rules
"First Placing"	the conditional placing of the First Placing Shares at the Issue Price pursuant to the Placing Agreement
"First Placing Shares"	minimum of 12,270,000 new Ordinary Shares to be issued in connection with the First Placing
"Form of Proxy"	the form of proxy for use at the General Meeting and which will be enclosed with the Circular
"FSMA"	the Financial Services and Markets Act 2000, as amended
"Fundraising"	the Placing, the Subscription and the US Additional Subscription
"General Meeting"	the general meeting of the Company to be convened by the Notice at 8:00 a.m. on 14 July 2020, or any adjournment thereof
"Group"	the Company and its subsidiary undertakings (as defined in the Companies Act)
"Issue Price"	1.1 pence, or \$0.01375, per Placing Share, Subscription Share or Additional Subscription Share (as the case may be)
"Joint Brokers"	together, for the purposes of the Placing, Allenby Capital and N+1 Singer
"London Stock Exchange"	London Stock Exchange plc
"MAR"	the Market Abuse Regulation (EU/596/2014)
"Notice"	the notice of General Meeting to be set out in the Circular
"N+1 Singer"	Nplus1 Singer Capital Markets Limited (registered in England and Wales with registered number 05792780) whose registered office is at One Bartholomew Lane, London EC2N 2AX, the Company's joint broker
"Ordinary Shares"	the ordinary shares of 1 pence each in the capital of the Company
"Placee"	a person who is invited to and who chooses to participate in the Placing
"Placing"	the First Placing and the Second Placing
"Placing Agreement"	the conditional agreement dated 23 June 2020 between the Company, N+1 Singer and Allenby Capital relating to the Placing
"Placing Shares"	the First Placing Shares and the Second Placing Shares
"Regulatory Information Service"	a service approved by the FCA for the distribution to the public of regulatory announcements and included within the list maintained on the FCA's website, http://www.fca.org.uk/

"Resolutions"	the resolutions to be proposed at the General Meeting as will be set out in the Notice
"Second Admission"	the admission of the Second Placing Shares, the Subscription Shares and the Additional Subscription Shares to trading on AIM becoming effective in accordance with the AIM Rules
"Second Admission Shares"	minimum of 89,500,000 Placing Shares, the Subscription Shares and up to the Additional Subscription Shares;
"Second Placing"	the conditional placing of the Second Placing Shares at the Issue Price pursuant to the Placing Agreement
"Second Placing Shares"	new Ordinary Shares to be issued in connection with the Second Placing
"Shareholders"	holders from time to time of Ordinary Shares
"SKU"	Stock Keeping Unit, a unique product distinguished from other products in the same product line by, for example, size or formulation
"Subscription"	the conditional subscription of the Subscription Shares at the Issue Price by certain US Shareholders
"Subscription Shares"	new Ordinary Shares to be issued on connection with the Subscription
"TSI"	Itaconix® TSI™, a polymer produced by the Company for use as an additive in non-phosphate detergents and cleaners for water conditioning
"uncertificated" or "in uncertificated form"	recorded on a register of securities maintained by Euroclear in accordance with the CREST Regulations as being in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST
"United Kingdom" or "UK"	the United Kingdom of Great Britain and Northern Ireland
"United States" or "US"	the United States of America, its territories, or possessions, and any state of the United States of America, the District of Columbia and all areas subject to its jurisdiction, or any political subdivision thereof
"US Eligible Participant"	a US Shareholder who is approached by the Company to participate in the US Additional Subscription and who is permitted to subscribe for Additional Subscription Shares pursuant to applicable exemptions to the US Securities Act
"US Person"	has the meaning ascribed to that term in Regulation S under the US Securities Act
"US Additional Subscription"	the invitation to be made by the Company (acting in its absolute discretion) to certain US Eligible Participants to subscribe for Additional Subscription Shares
"US Securities Act"	the US Securities Act of 1933, as amended
"ZINADOR"	Itaconix® ZINADOR™, an odour neutraliser produced by the Company