

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take you should seek your own personal financial advice from your stockbroker, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 (as amended) who specialises in advising on the acquisition and disposal of shares and other securities if you are resident in the United Kingdom or, if not, another appropriately authorised independent financial adviser.**

If you have sold or otherwise transferred all of your Ordinary Shares in Fox Marble Holdings plc, please forward this document, together with the accompanying Form of Proxy, as soon as possible, to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for onward transmission to the purchaser or transferee.

**This document does not constitute an offer to buy, acquire or subscribe for, or the solicitation of an offer to buy, acquire or subscribe for, Placing Shares, or an invitation to buy, acquire or subscribe for Placing Shares, nor does it constitute an admission document drawn up in accordance with the AIM Rules. This document does not constitute a prospectus and a copy has not been delivered to the Financial Conduct Authority. This document provides you with information about the Placing but does not invite you to participate in it.**

**Application will be made to the London Stock Exchange for the Placing Shares to be admitted to trading on AIM. On the assumption that, among other things, the Resolutions are passed, it is expected that Admission will become effective and that dealings in the Placing Shares will commence on or around 8.00 a.m. on 17 June 2020.**

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# Fox Marble Holdings plc

*(Incorporated and registered in England and Wales with registered number 7811256)*

## **Proposed Placing of 45,714,292 new Ordinary Shares at 1.75 pence per share**

and

## **Notice of General Meeting**

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Cairn Financial Advisers LLP, Brandon Hill Capital Limited and Allenby Capital Limited which are authorised and regulated in the United Kingdom by the Financial Conduct Authority and members of the London Stock Exchange, are acting as the Company's nominated adviser and joint brokers respectively in connection with the Placing. They are acting exclusively for the Company and no one else in connection with the matters described herein and will not be responsible to anyone other than the Company for providing the protections afforded to their respective customers or for advising any other person in respect of the proposed Placing. The responsibilities of Cairn Financial Advisers LLP, as nominated adviser under the AIM Rules, are owed solely to the London Stock Exchange and are not owed to the Company or any Director or to any other person in respect of their decision to acquire Ordinary Shares in reliance on any part of this document. No representation or warranty, express or implied, is made by Cairn Financial Advisers LLP, Brandon Hill Capital Limited or Allenby Capital Limited as to any of the contents of this document. None of Cairn Financial Advisers LLP, Brandon Hill Capital Limited or Allenby Capital Limited has authorised the contents of any part of this document for any purpose and no liability whatsoever is accepted by Cairn Financial Advisers LLP, Allenby Capital Limited or Brandon Hill Capital Limited for the accuracy of any information or opinions contained in this document. Neither the delivery of this document hereunder nor any subsequent subscription or sale made for Ordinary Shares shall, under any circumstances, create any implication that the information contained in this document is correct as at the date of this document or any time subsequent to the date of this document.

No person has been authorised to give any information or make any representations other than those contained in this document and, if given or made, such information or representations must not be relied upon as having been so authorised.

**This document should be read as a whole. Your attention is drawn to the letter from the Chairman of the Company which is set out on pages 6 to 12 of this document and in which the Directors recommend that Shareholders vote in favour of the Resolutions.**

Notice of a General Meeting to be held at the offices of CMS Cameron McKenna Nabarro Olswang LLP at 9.00 a.m. on **M o n d a y 1 5 J u n e 2020** is set out on page 13 of this document. The Form of Proxy for use at the General Meeting which accompanies this document should be returned, together with the power of attorney or other authority (if any) under which the Form of Proxy is signed or a certified copy of such power or authority, to the Company Secretary, 60 Gracechurch Street, London EC3V 0HR, by hand or by post so as to be received not less than 48 hours (excluding any part of a day that is not a working day) before the time fixed for the holding of the meeting or any adjournment of it (as the case may be). Completion and return of the Form of Proxy will not preclude Shareholders from attending and voting in person at the General Meeting should they wish to do so but please note the Covid-19 (Coronavirus) guidance below.

In light of the rapidly evolving situation and recent government guidance regarding the outbreak of Covid-19 (Coronavirus), the Company has taken the decision to alter the format of the Company's general meeting to be held at 10.00 a.m. on Monday 15 June 2020 at the offices of CMS Cameron McKenna Nabarro Olswang LLP. The safety and security of the Company's officers, shareholders, guests and service providers is of paramount importance. The formalities of the meeting shall continue, as required by the Companies Act 2006 and the Company's Articles of Association, but all shareholders are encouraged to vote by proxy, and, given the government guidance, not to attend the meeting in person. In the event that shareholders have a question for the Company, please contact the Company Secretary by email (please see the notes) or telephone, and we will arrange for a response to be provided to you.

The Placing Shares described in this document have not been, and will not be, registered under the US Securities Act of 1933, as amended (the "Securities Act") or under the securities laws of any state of the United States, and may not be offered, sold, resold, transferred or delivered, directly or indirectly, within the United States except under an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. There will be no public offer of the Placing Shares in the United States. The Placing Shares have not been approved or disapproved by the US Securities and Exchange Commission, any state securities commission in the United States or any US regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Placing Shares or the accuracy or adequacy of this document. Any representation to the contrary is a criminal offence in the United States. In addition, offers, sales or transfers of the Placing Shares in or into the United States for a period of time following completion of the Placing by a person (whether or not participating in the Placing) may violate the registration requirement of the Securities Act. Furthermore, the Placing Shares have not been and will not be registered under the applicable laws of any of Australia, Canada, the Republic of South Africa or Japan and their respective territories and, subject to certain exceptions, may not be offered or sold to any national, resident or citizen thereof.

The distribution of this document in or into jurisdictions other than the United Kingdom may be restricted by law and therefore any persons who are

subject to the laws of any jurisdiction other than the United Kingdom should inform themselves about, and observe such restrictions. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of any such jurisdiction. Subject to certain exceptions, this document is not for release, publication or distribution, directly or indirectly, in or into the United States, Australia, Canada, the Republic of South Africa, Japan and their respective territories or any jurisdiction where to do so might constitute a violation of local securities laws or regulations.

Copies of this document will be available on the Company's website: [www.foxmarble.net](http://www.foxmarble.net).

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## FORWARD-LOOKING STATEMENTS

This document includes “forward-looking statements” which includes all statements other than statements of historical fact, including, without limitation, those regarding the Group’s financial position, business strategy, plans and objectives of management for future operations, or any statements preceded by, followed by or that include the words “targets”, “believes”, “expects”, “aims”, “intends”, “will”, “may”, “anticipates”, “would”, “could” or similar expressions or negative versions of them. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond the Group’s control that could cause the actual results, performance or achievements of the Group to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements and therefore undue reliance should not be placed on such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Group’s present and future business strategies and the environment in which the Group will operate in the future. These forward-looking statements are made only as at the date of this document. The Company expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements contained in this document to reflect any change in the Group’s expectations with regard to such statements or any change in events, conditions or circumstances on which any such statements are based unless required to do so by applicable law or the AIM Rules.

## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Latest time and date for receipt of Forms of Proxy for General Meeting	10.00 a.m. on 11 June 2020
General Meeting	10.00 a.m. on 15 June 2020
Admission of and commencement of dealings in the Placing Shares expected on AIM	17 June 2020
CREST accounts credited with the Placing Shares in uncertificated form	17 June 2020
Despatch of definitive share certificates in respect of the Placing Shares to be issued in certificated form (if required)	By 25 June 2020

**Notes:**

1. Each of the times and dates refer to London time and are subject to change by the Company (with the agreement of Brandon Hill Capital and Allenby Capital Limited), in which case details of the new times and dates will be notified to the London Stock Exchange and the Company will make an appropriate announcement through a Regulatory Information Service.
2. Admission and dealings in the Placing Shares are conditional on the passing of the Resolutions at the General Meeting.

## PLACING STATISTICS

Placing Price	1.75 pence
Number of Existing Ordinary Shares	262,657,922
Number of Placing Shares	45,714,292
Number of Warrants to be issued	22,857,146
Number of Ordinary Shares in issue immediately following completion of the Placing <sup>(1)</sup>	308,372,214
Placing Shares as a percentage of the enlarged issued share capital	14.8%
Gross cash proceeds of the Placing	£0.80 million
Estimated net cash proceeds of the Placing receivable by the Company	£0.72 million
ISIN Code	GB00B7LGG306
SEDOL Code	B7LGG30

**Note:**

- (1) Assuming that no other Ordinary Shares (other than the Placing Shares) will be issued in the period between the date of this document and completion of the Placing.

## **DIRECTORS, SECRETARY AND ADVISERS**

<b>Directors</b>	Andrew Allner ( <i>Non-executive Chairman</i> ) Christopher Gilbert ( <i>Chief Executive Officer</i> ) Fiona Hadfield ( <i>Finance Director</i> ) Sir Colin Terry KBE CB DL FREng ( <i>Non-executive Director</i> ) Roy Harrison OBE ( <i>Non-executive Director</i> )
<b>Registered Office</b>	160 Camden High Street London NW1 0NE
<b>Company Secretary</b>	Ben Harber 60 Gracechurch Street London EC3V 0HR
<b>Joint Broker</b>	Brandon Hill Capital Limited 1 Tudor Street London EC4Y 0AH
<b>Joint Broker</b>	Allenby Capital Limited 5th Floor 5 St Helen's Place London EC3A 6AB
<b>Nominated Adviser</b>	Cairn Financial Advisers LLP Cheyne House Crown Court 62-63 Cheapside London EC2V 6AX
<b>Solicitors to the Company</b>	CMS Cameron McKenna Nabarro Olswang LLP Cannon Place 78 Cannon Street London EC4N 6AF
<b>Registrars</b>	Computershare Investor Services plc The Pavilions Bridgewater Road Bristol BS13 8AE

**LETTER FROM THE CHAIRMAN OF FOX MARBLE HOLDINGS  
PLC**

**Fox Marble Holdings plc**

*(Registered in England and Wales with company number 7811256)*

*Directors*

Andrew Allner (*Non-executive Chairman*)  
Christopher Gilbert (*Chief Executive Officer*)  
Fiona Hadfield (*Finance Director*)  
Sir Colin Terry KBE CDBL FREng (*Non-executive Director*)  
Roy Harrison OBE (*Non-executive Director*)

*Registered Office*

160 Camden High Street  
London  
NW1 0NE  
United Kingdom

27 May 2020

**Proposed Placing of 45,714,292 new Ordinary Shares at 1.75 pence per share  
and  
Notice of General Meeting**

Dear Shareholder,

**1. Introduction**

On 27 May 2020, the Company announced its intention to raise £0.8 million (before expenses) by the placing of 45,714,292 new Ordinary Shares at a price of 1.75 pence per share.

The Placing is conditional upon, among other things, Shareholder approval at the General Meeting, the Placing Shares being admitted to trading on AIM (“**Admission**”) and the Placing Agreement not being terminated in accordance with its terms prior to Admission. The passing by Shareholders of the Resolutions at the General Meeting will give the Directors the required authority to allot the Placing Shares. Subject to all relevant conditions being satisfied (or, if applicable, waived), it is expected that the Placing Shares will be issued and admitted to trading on AIM at 8.00 a.m. on 17 June 2020.

I am writing to set out the background to and reasons for the Placing and to give you notice of the General Meeting to be held at 10.00 a.m. on Monday 15 June 2020, formal notice of which is set out at the end of this document. The General Meeting is being convened for the purpose of proposing the Resolutions described below. The passing of the Resolutions is a condition to completion of the Placing. The Directors intend to vote (or procure a vote) in favour of all of the Resolutions in respect of their own beneficial holdings totaling 34,951,594 Ordinary Shares, representing approximately 13.31 per cent. of the Existing Ordinary Shares.

**2. Background to and reasons for the Placing**

The Group’s long-term strategy is to become a major international supplier of high-quality marble blocks and processed marble products from the Company’s own processing facility based in Lipjan, Kosovo. The Group has made significant progress in the period since admission to AIM in August 2012. The Company is carrying out the Placing to expand its sales and marketing activities and provide additional working capital thereby putting the Group on a secure footing to meet the expected demand for its products, once the worst effects of the pandemic have subsided.

**3. Current Trading**

*Sales*

Unaudited sales for the year ended 31 December 2019 were €1.4 million (2018 - €1.4 million). The fall in block sales of Illirico Selene following the closure of operations in Maleshevë was offset by increased block sales from

the Prilep quarry in Macedonia. Sales from the factory increased significantly in the final quarter of the year, outpacing the previous three quarters, following the appointment of a new factory manager and a non-board COO, and we expect this trend to continue in 2020. Sales of processed marble are expected to form an increasing proportion of sales in the future.

#### *Quarry Operations*

The quarry in Prilep in Macedonia, which produces Alexandrian White and Alexandrian Blue marble, has seen production nearly double in the 2019 financial year compared to 2018, a product of both the investment in new machinery at the start of 2019 and the new quarry team appointed at the end of 2018. Production has effectively doubled two years in a row at the quarry (2017 production – 2,285 tonnes) and further growth is expected during this financial year. Current production level is at around 10,000 tonnes per annum and the Directors believe there is potential capacity of 20,000 tonnes through redeploying equipment from the quarries in Kosovo.

The Cervenillë and Syrigane quarries in Kosovo – sources respectively of our Argento Grigio, Rosso Cait and Breccia marbles are open, with machinery on site and ready for deployment. At present quarry teams are not on site, however as the Company has a significant reserve of material in stock, the quarries can be staffed at short notice. This allows the Company to preserve working capital, whilst using existing stock reserves to provide material for sale from the factory.

Production for the year ended 31 December 2019 was 14,515 tonnes with production in Prilep of 11,547 tonnes (2018 – 5,803 tonnes).

Quarry production at the Maleshevë quarry in Kosovo was stopped in July 2019 a result of the ongoing dispute with Green Power Sh.p.k. The Company has filed civil claims in Kosovo against Green Power Sh.pk for breach of contract and damages, in addition to the wider arbitration case launched against the Government of Kosovo, as announced in September 2019. The Company is represented by its legal advisers, Stephenson Harwood LLP, as well as its Kosovan lawyers. As the Company believes the Kosovan Government to be in clear breach of its responsibilities towards the Company, which is a foreign investor in Kosovo, the Company is of the opinion that this action is in the best interests of its shareholders and employees and anticipates a fair and satisfactory resolution. The Company is in the process of obtaining litigation funding and will not fund the case from operating cash flows. The first hearing on the arbitration case is expected to take place in London within the next 12 months.

#### *Factory Operations*

The Group's processing facility is a 5,400 square metre double skinned steel factory for the cutting and processing of blocks into polished slabs and tiles which was erected on a 10-hectare site that the Company acquired in Lipjan in 2013, close to Pristina airport in Kosovo. The new factory manager Secondino de Costas, under the direction of our new COO Francisco Espinosa has implemented new processes and improved operations across the factory site.

The factory has a processing capacity of 165,000 square metres per annum with output dependent on the number of shifts applied. The Directors believe that capacity can be expanded to 247,500 square metres with an investment of c.€600,000. The Company has sufficient block stock extracted in Kosovo to supply the factory with stock for up to 24 months without any further investment in extraction in Kosovo. Processing allows access to higher margin sales.

The Group entered into three new contracts to process material for third parties at the factory. These agreements represent a new revenue stream for the Group, whereby it provides marble cutting and polishing services to other companies quarrying in the wider Balkan region. These agreements have allowed the Group to expand capacity at the factory whilst maximising operating efficiencies and continuing to process its own material for sale.

On 14 April 2020, Fox Marble announced that it has been awarded a contract to supply up to 20,000 square metres of paving to a local municipality for the town square in the town of Suhareka in Kosovo. Fox Marble has been selected to supply its material after a competitive tender process as is usual for local authority contracts. This stone is to be supplied from the Group's factory in Kosovo over the course of a year with the first 8,000 square metres to be delivered by September 2020. The stone will be processed from existing blocks of Grigio Argento, Flora and Alexandrian White already extracted and awaiting processing. Material already specified and contracted under the first two stages of the project has a total value in excess of €400,000, and once all 20,000 square metres has been supplied is the project is expected to be worth in excess of €750,000.

As a result of the lockdown in place in Kosovo due to the Coronavirus, the supply of the material will be delayed

until the local contractor installing the paving is allowed to resume work on this municipal project. However, the Company currently anticipates that work will resume on this project by the end of September 2020 which was detailed in the announcement released by the Company on 13 May 2020.

#### *Impact of Coronavirus*

As announced on 3 April 2020, the spread of Coronavirus (COVID-19) continues to have a significant impact across industries worldwide, including the marble extraction and processing market, given the international travel and working restrictions now in place in many countries.

The Board's highest priority is the continued wellbeing of its employees, customers and stakeholders both in the UK and Kosovo. Given the continued uncertainty on the potential impact and duration of the COVID-19 pandemic, the Board has taken preemptive steps not only to ensure the wellbeing of those affected, but also to best position the Group for future operations.

Under the current legislation, the Group's operations in Kosovo are permitted to continue, as it falls within a designated sector. The Group will continue to operate the factory, though it has scaled back operations to specific projects. This will allow the implementation of extra distancing procedures to protect our workforce, as well as to take into account the impact of COVID-19 on the Group's customers. Existing and committed projects are being completed, and timelines will be closely managed in co-ordination with our clients. The level of operations at the factory will be assessed every two weeks.

COVID-19 has had a significant impact on demand for block marble due to travel restrictions since January 2020 placed on China, which is the location of the principal buyers of the Group's block marble. The spread of the virus into Europe and the resulting impact on cross-border travel and trade has magnified this effect. The Group has elected to significantly scale back production at the quarry in order to keep operational cash flow neutral until the international block marble market returns to normality. The Group is well-positioned to ramp up operations as and when it is feasible to do so.

The Board continues to closely monitor the situation and working capital will continue to be tightly managed. Whilst operations are temporarily suspended, the Company will seek to eliminate all unnecessary costs. Head Office staff in London are on government furlough, as we work to retain our hard working and committed team.

In order to conserve cash, the Directors have agreed to utilise their accrued fees to subscribe for new Ordinary Shares. The Non-Executive Directors will do this for the duration of 2020 whilst the Executive Directors will do this until such point as operations affected, as a result of COVID-19, return to normal. The number of Ordinary Shares subscribed for will be calculated quarterly in arrears and with reference to the 30 day volume weighted average price at the end of the quarter. The value of fees to be applied to the subscription for Ordinary Shares, including fees accrued to date, is expected to be approximately £230,000, depending on the length of the current Covid-19 related operational slowdown. A further announcement will be made later in the year when the subscription takes place.

#### **4. Information on the Placing**

The Placing Shares will be credited as fully paid and rank equally with the existing issued Ordinary Shares if and when issued. Application will be made for the Placing Shares to be admitted to trading on AIM on or around 17 June 2020.

##### *Placing*

The Placing comprises the issue of 45,714,292 new Ordinary Shares at the Placing Price to existing and new investors to raise £0.8 million before expenses and the associated grant of the Warrants. The Placing is conditional upon, among other things, Shareholder approval of the Resolutions at the General Meeting, the Company allotting, subject only to Admission, the Placing Shares in accordance with the Placing Agreement, Admission of the Placing Shares to trading on AIM becoming effective by no later than 8.00 a.m. on 17 June 2020 (or such other time and/or date, being no later than 8.00 a.m. on 30 June 2020, as Allenby Capital, Brandon Hill Capital and the Company may agree), the conditions in the Placing Agreement relating to the Placing being satisfied or (if applicable) waived and the Placing Agreement not having been terminated in accordance with its terms prior to Admission.

The Warrants may be exercised at the Warrant Exercise Price for 18 months following the date of Admission. The Warrants shall not be admitted to trading on AIM or any other stock market and are not transferable. The issuance of the Warrants will be subject to the passing of the Resolutions and Admission.



In connection with the Placing, the Company has entered into a Placing Agreement under which Allenby Capital and Brandon Hill Capital have agreed, in accordance with its terms, to use their reasonable endeavours to procure subscribers for the Placing Shares at the Placing Price. The Placing has not been underwritten by Allenby Capital, Brandon Hill Capital or any other person.

The Placing Agreement contains a customary indemnity given by the Company to Allenby Capital and Brandon Hill Capital in respect of liabilities arising out of or in connection with the Placing. Allenby Capital and Brandon Hill Capital are entitled to terminate the Placing Agreement in certain circumstances prior to Admission.

The Placing Shares are not being made available to the public and are not being offered or sold in any jurisdiction where it would be unlawful to do so.

#### ***Related Party Transaction***

Andrew Muir, who, prior to the Placing, has an interest over 35,306,113 ordinary shares (13.44%) is a substantial shareholder in the Company and is therefore deemed to be a related party pursuant to the AIM Rules. Andrew Muir is subscribing for 3,428,572 Placing Shares at the Placing Price.

The participation of Mr Muir in the Placing is a related party transaction pursuant to AIM Rule 13 (“the Transaction”) as he is a substantial shareholder. The Directors, all of who are independent of the Transaction, consider, having consulted with the Company’s nominated adviser, that the terms of the Transaction are fair and reasonable insofar as shareholder are concerned.

#### ***Use of Proceeds***

The Company intends to use the net proceeds from the Placing to provide sufficient working capital for the medium term and to help fund the previously announced business strategy of:

- growing factory sales of processed marble within Kosovo and the greater Balkans area;
- increasing block sales to China and other large block markets;
- growing the marble reserves base and opening new quarries in Kosovo as demand increases once the worst effects of the current pandemic subside; and
- Developing the Company’s sales and marketing activities.

### **5. Variation of the Convertible Loan Notes**

The Company has reached agreement with the holders of £2.1 million of its CULNs. Under this agreement the Company will replace the eight existing series of CULNs with a new single class of CULN which will have a maturity date of 1 December 2026 and will be convertible at any date from 1 June 2020 at a conversion price of 5p per share. The interest rate of the new CULN is 2% per annum payable half yearly on 1 June and 1 December.

### **6. Annual Report and Accounts**

Due to the current COVID-19 outbreak, the Company will be unable to post its annual audited accounts to shareholders for the year to 31 December 2019 by the 30 June 2020 deadline pursuant to AIM Rule 18.

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 annual audited accounts for the year ended 31 December 2019.

AIM Regulation has granted the extension, and therefore the Company will publish its annual audited accounts to 31 December 2019 by 30 September 2020. Fox Marble has also applied for and been granted an extension to delay the filing of its audited annual accounts by Companies House until 30 September 2020.

## 7. General Meeting

A notice convening a General Meeting of the Company to be held at the offices of CMS Cameron McKenna Nabarro Olswang LLP at Cannon Place, 78 Cannon Street, London EC4N 6AF at 10.00 a.m. on Monday 15 June 2020 is set out at the end of this document. The business to be considered at the General Meeting is set out in the Notice of General Meeting. Explanatory notes relating to each Resolution are set out below. The Placing is conditional upon, among other things, the passing of the Resolutions.

The Company is closely monitoring the evolving Coronavirus (COVID-19) situation and, it may be necessary to change how the Company holds and conducts the General Meeting. In these unprecedented times the health of the Company's shareholders, as well as its employees and customers, is the Company's highest priority. The General Meeting is an important event and the Board usually welcomes the opportunity to present and answer shareholder questions, in person. However, due to the situation at the date of this Notice, in particular the current UK Government guidance on social distancing, prohibiting non-essential travel and public gatherings, the Company is asking that, if the COVID-19 situation continues, shareholders do not attend the General Meeting. Unless the guidance changes, shareholders will not be permitted entry.

The Company is required by law to hold the General Meeting. As a result, the Board currently anticipate that the General Meeting will be purely functional in format with employee shareholders attending to satisfy the quorum requirements to comply with legal requirements and, to enable shareholders to pass the necessary resolutions. This does not change shareholders' ability to vote and, the Board encourages shareholders to submit their proxy form as early as possible, to enable their vote to be counted. The Board strongly recommends that shareholders should vote by appointing the chairman of the General Meeting as their proxy (giving the chair instructions on how to vote the shareholder's shares).

The Board asks that shareholders instead please exercise their votes by completing the enclosed proxy form in accordance with the instructions printed on the form and return it to Ben Harber 60 Gracechurch Street, London EC3V 0HR by no later than 11 June 2020.

In addition, should a shareholder have a question that they would have raised at the General Meeting, the Board asks that they instead send their question in advance by email to [ben.harber@shma.co.uk](mailto:ben.harber@shma.co.uk). The Board will consider all questions received and, if appropriate will publish on their website at [www.foxmarble.net](http://www.foxmarble.net) or provide a written response.

In light of the evolving situation, it may in any case be necessary to change the arrangements for the General Meeting after the date of this Notice. The Board encourages shareholders to watch the Company's website at [www.foxmarble.net](http://www.foxmarble.net) and regulatory news for any further updates in relation to the General Meeting

At the annual general meeting of the Company held on 24 June 2019, Shareholders passed resolutions in order to: (i) grant the Directors authority to allot equity securities up to a maximum nominal value of £770,495; and (ii) disapply statutory pre-emption rights to allow the allotment by the Directors of equity securities for cash up to an aggregate nominal value of £231,148 without the requirement for such equity securities to be first offered to existing Shareholders. The issue of the Placing Shares, together with other relevant prior allotments, renders the second of these authorities insufficient to allow the placing of the Placing Shares to proceed without further Shareholder approval. Accordingly, the issue of the Placing Shares is conditional on Resolutions 1 and 2 being passed.

The Company is therefore proposing that Shareholders pass the Resolutions in order to:

- (1) grant authority to the Directors under section 551 of the Act, to allot Ordinary Shares up to a maximum aggregate nominal amount of £1,414,086.59 being the maximum required for the purposes of issuing the Placing Shares, the Warrants and the prior issue of the Convertible Loan Notes; and
- (2) empower the Directors, under section 570 of the Act, to allot, *inter alia*, the Placing Shares, the Warrants and the prior issue of the Convertible Loan Notes on a non pre-emptive basis.

Each of the authorities sought at the General Meeting will be in addition to the authorities granted at the 2019 AGM. These authorities will expire on 30 September 2020 or at the end of the AGM in 2020, whichever is earlier.

## 8. Admission, Settlement and CREST

Application will be made to the London Stock Exchange for the Placing Shares to be admitted to trading on

AIM. On the assumption that, among other things, the Resolutions are passed, it is expected that Admission of the Placing Shares will become effective and that dealings in the Placing Shares will commence at 8.00 a.m. on or around 17 June 2020.

The Articles permit the Company to issue shares in uncertificated form. CREST is a computerised paperless share transfer and settlement system which allows shares and other securities to be held in electronic rather than paper form. The Ordinary Shares are already admitted to CREST and therefore the Placing Shares will also be eligible for settlement in CREST. CREST is a voluntary system and Shareholders who wish to retain certificates will be able to do so on request. The Placing Shares due to uncertificated holders are expected to be delivered in CREST on 17 June 2020.

#### **9. Action to be taken by Shareholders in respect of the General Meeting**

Shareholders will find enclosed with this document a Form of Proxy for use at the General Meeting. You are strongly encouraged to complete, sign and return your Form of Proxy in accordance with the instructions printed on it as soon as possible, but in any event so as to be received, by post or, during normal business hours only, by hand, to Ben Harber, 60 Gracechurch Street, London EC3V 0HR on 11 June 2020 (or, in the case of an adjournment, not later than 48 hours before the time fixed for the holding of the adjourned meeting (excluding any part of a day that is not a working day). Alternatively, your form of proxy may be scanned and sent by email to [ben.harber@shma.co.uk](mailto:ben.harber@shma.co.uk) so as to be received by 10.00 a.m. on 11 June 2020.

The appointment of proxies or the giving of any instruction by the CREST system will not be accepted for the purposes of the General Meeting.

Appointing a proxy in accordance with the instructions set out above will enable your vote to be counted at the General Meeting if you are unable to attend. The completion and return of the Form of Proxy will not prevent you from attending and voting in person at the General Meeting, or any adjournment of it, should you wish to do so, subject to government guidance at the time.

#### **10. Recommendation**

The Directors believe that the Resolutions to be proposed at the General Meeting are in the best interests of the Company and Shareholders as a whole and unanimously recommend that you vote in favour of them as they intend to do (or procure to be done) in respect of their own beneficial holdings totaling 34,951,594 Ordinary Shares, representing approximately 13.31 per cent. of the Existing Ordinary Shares.

Yours faithfully

**Andrew Allner**  
*Non-executive Chairman*

## DEFINITIONS

The following definitions apply throughout this document (including the Notice of General Meeting) and the Form of Proxy unless the context requires otherwise:

<b>“Act”</b>	the Companies Act 2006
<b>“Admission”</b>	admission of the Placing Shares to trading on AIM becoming effective in accordance with Rule 6 of the AIM Rules
<b>“Allenby Capital”</b>	Allenby Capital Limited of 5 <sup>th</sup> Floor, 5 St. Helen’s Place, London EC3A6AB, the Company’s joint broker
<b>“AIM”</b>	the AIM market of the London Stock Exchange
<b>“AIM Rules”</b>	the AIM Rules for Companies published by the London Stock Exchange
<b>“Brandon Hill Capital”</b>	Brandon Hill Capital Limited of 1 Tudor Street, London EC4Y 0AH, the Company’s joint broker
<b>“Business Day”</b>	any day on which banks are generally open in England and Wales for the transaction of business, other than a Saturday, Sunday or public holiday
<b>“Company” or “Fox Marble”</b>	Fox Marble Holdings plc
<b>“CREST”</b>	a relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the Operator (as defined in the CREST Regulations)
<b>“CREST Regulations”</b>	the Uncertificated Securities Regulations 2001 (SI 2001/3755), as amended from time to time
<b>“Directors” or “Board”</b>	the existing directors of the Company whose names are set out on page 4 of this document
<b>“Euroclear”</b>	Euroclear UK & Ireland Limited
<b>“Existing Ordinary Shares”</b>	the 262,657,922 Ordinary Shares in issue at the date of this document
<b>“Form of Proxy”</b>	the form of proxy for use in connection with the General Meeting
<b>“General Meeting”</b>	the general meeting of the Company to be held at 10.00 a.m. on 15 June 2020 at the offices of CMS Cameron McKenna Nabarro Olswang LLP, Cannon Place, 78 Cannon Street, London EC4N 6AF or any adjournment thereof, notice of which is set out in the Notice of General Meeting
<b>“Group”</b>	the Company and its subsidiary undertakings
<b>“London Stock Exchange”</b>	London Stock Exchange plc
<b>“Notice of General Meeting”</b>	the notice convening the General Meeting which is set out at the end of this document
<b>“Ordinary Shares”</b>	ordinary shares of one penny each in the share capital of the Company
<b>“Placees”</b>	the persons who have conditionally agreed to subscribe for the Placing Shares
<b>“Placing”</b>	the conditional placing by Allenby Capital and Brandon Hill Capital on behalf of the Company of the Placing Shares at the Placing Price and the grant of the Warrants, under the Placing

	Agreement
<b>“Placing Agreement”</b>	the agreement between the Company, Allenby Capital and Brandon Hill Capital dated 26 May 2020 relating to the Placing
<b>“Placing Price”</b>	1.75 pence per Placing Share
<b>“Placing Shares”</b>	the 45,714,292 new Ordinary Shares conditionally placed under the Placing with investors that will be allotted following the General Meeting subject to, among other things, the passing of the Resolutions
<b>“Regulatory Information Service”</b>	the regulatory information services approved by the London Stock Exchange for the distribution of AIM announcements
<b>“Resolutions”</b>	the resolutions to be proposed at the General Meeting, details of which are set out in the Notice of General Meeting
<b>“Shareholders”</b>	the holders of Ordinary Shares from time to time
<b>“United States”</b>	United States of America and its territories
<b>“Warrants”</b>	the warrant instrument to be dated on or around 17 June 2020, granting Placees one warrant in respect of every two Placing Shares subscribed for by such Placee to subscribe for one new Ordinary Share in the Company at the Warrant Exercise Price for 18 months, subject to the approval of the Resolutions at the GM.
<b>“Warrant Exercise Price”</b>	3.5 pence, being the price at which Placees may exercise their Warrants to subscribe for new Ordinary Shares

## NOTICE OF GENERAL MEETING

# Fox Marble Holdings plc

(Registered in England and Wales with company number 7811256)

**NOTICE IS GIVEN** that a general meeting of Fox Marble Holdings plc (the “**Company**”) will be held at the offices of CMS Cameron McKenna Nabarro Olswang LLP at Cannon Place, 78 Cannon Street, London EC4N 6AF at 10.00 a.m. on 15 June 2020 to consider the following resolutions of which resolution 1 will be proposed as an ordinary resolution and resolution 2 as a special resolution.

### Ordinary resolution

1. **THAT**, in accordance with section 551 of the Companies Act 2006 (the “**Act**”) and in addition to any authority previously granted to them, the directors of the Company (“**Directors**”) be generally and unconditionally authorised to allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company (“**Relevant Securities**”) up to an aggregate nominal amount of £1,414,086.59, provided that this authority shall, unless renewed, varied or revoked by the Company, expire on 30 September 2020 or at the conclusion of the next Annual General Meeting of the Company, whichever is earlier, save that the Company may, before such expiry, make an offer or agreement which would or might require Relevant Securities or equity securities as the case may be to be allotted after such expiry and the Directors may allot Relevant Securities or equity securities under such offer or agreement notwithstanding that the authority conferred by this resolution has expired.

### Special resolution

2. **THAT**, subject to the passing of resolution 1 and in accordance with section 570 of the Act and in addition to any authority previously granted to them, the directors of the Company (“**Directors**”) be generally empowered to allot equity securities (as defined in section 560 of the Act) for cash under the authority conferred by resolution 1 or by way of a sale of treasury shares, as if section 561(1) of the Act did not apply to any such allotment, provided that this power shall:
  - (a) be limited to the allotment of equity securities up to an aggregate nominal amount of £1,414,086.59 ; and
  - (b) expire upon the expiry of the general authority conferred by resolution 1 above (unless renewed, varied or revoked by the Company prior to or on that date) save that the Company may, before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities under any such offer or agreement notwithstanding that the power conferred by this resolution has expired.

By order of the Board

**Ben Harber**  
Company Secretary

27 May 2020

*Registered Office*  
160 Camden High  
Street  
London  
NW1 0NE

**Notes:**

- (i) A member entitled to attend and vote at the meeting is entitled to appoint another person(s) (who need not be a member of the Company) as their proxy to exercise all or any of their rights to attend, speak and vote at the meeting. A member can appoint more than one proxy in relation to the meeting, provided that each proxy is appointed to exercise the rights attaching to different shares held by them.
- (ii) Your proxy could be the chairman, another director of the Company or another person who has agreed to attend to represent you. Your proxy will vote as you instruct and must attend the meeting for your vote to be counted. Details of how to appoint the chairman or another person as your proxy using the proxy form are set out in the notes to the proxy form. Appointing a proxy does not prevent you attending the meeting and voting in person. If you attend the meeting in person, your proxy appointment will automatically be terminated.
- (iii) A form of proxy is enclosed with this notice and instructions are shown on the form. To be valid, completed proxies must be received (together with the power of attorney or other authority, if any, under which they are signed or a notarially certified copy of such power of attorney) by the Company Secretary, Ben Harber, no later than 48 hours (excluding any part of a day that is not a working day) before the time for holding the meeting in one of the following ways:
  - (a) hard copy form by post, by courier or by hand to Ben Harber, 60 Gracechurch Street, London EC3V 0HR; or
  - (b) scanned and emailed to the Company Secretary using the email address [ben.harber@shma.co.uk](mailto:ben.harber@shma.co.uk).
- (iv) The appointment of proxies or the giving of any instruction by the CREST system will not be accepted for the purposes of this General Meeting as this is not cost effective for the Company at this stage.
- (v) The Company specifies, under Regulation 41 of the Uncertificated Securities Regulations 2001, that only those shareholders registered in the register of members of the Company as at 6.00 p.m. on 10 June 2020 (or, if the meeting is adjourned, at 6.00 p.m. on the date which is two days prior to the adjourned meeting) shall be entitled to attend and vote at the meeting or adjourned meeting in respect of the number of shares registered in their respective names at that time. Changes to entries on the register of members after that time shall be disregarded in determining the rights of any person to attend or vote at the meeting.
- (vi) In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).
- (vii) To change your proxy instructions you may return a new proxy appointment using the methods set out above. Where you have appointed a proxy using the hard copy proxy form and would like to change the instructions using another hard copy proxy form, please contact the Company Secretary on +44 (0) 207 264 4405. The deadline for receipt of proxy appointments (see above) also applies in relation to amended instructions. Any attempt to terminate or amend a proxy appointment received after the relevant deadline will be disregarded. Where two or more valid separate appointments of proxy are received in respect of the same share in respect of the same meeting, the one which is last sent shall be treated as replacing and revoking the other or others.
- (viii) Any member or their proxy attending the meeting has the right to speak and to ask any question at the meeting relating to the business of the meeting but please take note of the Company's guidance not to attend in person.
- (ix) Except as provided above, members who have general queries about the meeting should telephone the Company Secretary on +44 (0) 207 264 4405 (no other methods of communication will be accepted). You may not use any electronic address provided either in this Notice of General Meeting; or any related documents (including the Chairman's letter and proxy form), to communicate with the Company for any purposes other than those expressly stated.
- (x) As at 26 May 2020 (being the last Business Day prior to the publication of this Notice of General Meeting) the Company's issued share capital consists of 262,657,922 Ordinary Shares, carrying one vote each. Therefore, the total voting rights in the Company as at 26 May 2020 are 262,657,922.