

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to what action you should take, you are recommended to seek your own financial advice from your stockbroker or other independent adviser authorised under the Financial Services and Markets Act 2000.

If you have recently sold or transferred all of your shares in Velocys plc, please forward this document, as soon as possible, either to the purchaser or transferee or to the person who arranged the sale or transfer so they can pass these documents to the person who now holds the shares.

VELOCYS PLC

(Incorporated and registered in England & Wales with registered number: 05712187)



Notice of 2021 Annual General Meeting

Notice of the AGM of the Company, to be held at the Magdalen Centre, Robert Robinson Avenue, The Oxford Science Park, Oxford OX4 4GA on Wednesday 23 June 2021 at 10.45 am is set out at the end of this document. To be valid, any proxy vote should be completed online at www.signalshares.com citing your Investor Code (which can be found on your share certificate), or via the CREST electronic platform if you are a CREST member, and in any event your instruction must be received by no later than 10.45 am on Monday 21 June 2021. Detailed information about how to vote is set out in the notes to the Notice of Meeting.

In light of public health advice in response to the COVID-19 outbreak, including to limit travel and public gatherings, the Company strongly encourages all shareholders to submit their proxy, appointing the Chairman of the AGM as proxy. The UK Government has published its plans towards the removal, with effect from 21 June 2021, of the measures introduced and aimed at controlling the spread of COVID-19 (“**COVID-19 Measures**”). However, at the latest practical date prior to printing this Notice, there is no certainty that the COVID-19 Measures will no longer apply on 23 June 2021, the date of the AGM, and the AGM has therefore been arranged on the assumption that some or all of the COVID-19 Measures will continue to apply. Therefore the arrangements for the AGM are subject to change, possibly at short notice.

At the time of writing, the COVID-19 Measures are in place, and as a result, the AGM will be held as a closed meeting, and Shareholders will not be allowed to attend the AGM in person.

The situation regarding COVID-19 is constantly evolving, and the UK Government may change current restrictions or implement further measures relating to the holding of general meetings during the affected period. Any changes to the AGM (including any change to the location of the AGM) will be communicated to Shareholders before the meeting through our website at www.velocys.com and, where appropriate, by announcement made by the Company to a Regulatory Information Service.

Letter from the Chairman of the Company

(Incorporated and registered in England & Wales with registered number: 05712187)

Directors:

Philip Holland (Chairman)
Henrik Wareborn (Chief Executive Officer)
Andrew Morris (Chief Financial Officer)
Sandy Shaw (Senior Independent Director)
Darran Messem (Non-Executive Director)

Registered Office:

Magdalen Centre
Robert Robinson Avenue
The Oxford Science Park
Oxford OX4 4GA

25 May 2021

To the holders of Ordinary Shares and for information purposes only, to holders of options under the Company's share option schemes.

Dear Shareholder,

2021 Annual General Meeting ("AGM")

I am writing to give you details of the resolutions to be proposed at the Company's 2021 AGM to be held at the Magdalen Centre, Robert Robinson Avenue, The Oxford Science Park, Oxford OX4 4GA on Wednesday 23 June 2021 at 10.45 am, and which are set out in the notice of AGM at the end of this document (**'Notice'**).

In light of public health advice in response to the COVID-19 outbreak, including to limit travel and public gatherings, the Company strongly encourages all shareholders to submit their proxy, appointing the Chairman of the AGM as proxy. The UK Government has published its plans towards the removal, with effect from 21 June 2021, of the measures introduced and aimed at controlling the spread of COVID-19 (**'COVID-19 Measures'**). However, at the latest practical date prior to printing this Notice, there is no certainty that the COVID-19 Measures will no longer apply on 23 June 2021, the date of the AGM. Therefore the arrangements for the AGM are subject to change, possibly at short notice.

At the time of writing, the COVID-19 Measures are in place, and as a result, the AGM will be held as a closed meeting, and Shareholders will not be allowed to attend the AGM in person. However, we will notify you ahead of the AGM if we consider that you will be permitted to attend in person.

Shareholders should read the contents of this document in conjunction with the audited financial statements of the Company for the financial year ended 31 December 2020, together with the reports of the directors and auditors thereon (**'Accounts'**).

The Board of Directors

The Company's articles of association provide that directors are subject to election by Shareholders at the first opportunity after their appointment. In addition, one third of directors are subject to retirement by rotation at each annual general meeting. The Board has agreed that, in line with best corporate governance practice, all directors should stand for re-appointment at the AGM.

Biographical details of each of the directors proposed for reappointment are set out on the Company's web-site at www.velocys.com.

Annual General Meeting

The following resolutions will be proposed at the AGM:

Ordinary resolutions

Resolutions nos. 1 to 11 are to be proposed at the AGM as ordinary resolutions (each requiring more than 50 per cent. of the votes cast to be in favour of the resolution in order for it to be passed), as follows:

Resolution no. 1 – Report and Accounts

To receive, consider and adopt the annual report and accounts of the Company as at 31 December 2020 and the directors' and auditors' reports thereon (resolution no. 1);

Resolution no. 2 – Directors' Remuneration Report

To approve by way of an advisory vote the Directors' Remuneration Report, as set out on pages 36 to 40 of the annual report and accounts of the Company for the year ended 31 December 2020 (resolution no. 2);

To re-elect the following directors who retire in accordance with the provisions of the UK Corporate Governance Code and, being eligible, offer themselves for election:

Resolution no. 3 – Re-election of director

To re-elect Philip Holland, who retires as a director and being eligible, offers himself for re-election as a director at the AGM (resolution no. 3);

Resolution no. 4 – Re-election of director

To re-elect Henrik Wareborn, who retires as a director and, being eligible, offers himself for re-election as a director at the AGM (resolution no. 4);

Resolution no. 5 – Re-election of director

To re-elect Andrew Morris, who retires as a director and, being eligible, offers himself for re-election as a director at the AGM (resolution no. 5);

Resolution no. 6 – Re-election of director

To re-elect Sandy Shaw, who retires as a director and, being eligible, offers herself for re-election as a director at the AGM (resolution no. 6).

Sandy Shaw will stand down as a Non-Executive Director on 30 September 2021 at the conclusion of her third consecutive three year term of office.

Resolution no. 7 – Re-election of director

To re-elect Darran Messeem, who retires as a director and being eligible, offers himself for re-election as a director at the AGM (resolution no. 7);

Resolution no. 8 – Re-appointment of auditors

To re-appoint PricewaterhouseCoopers LLP as auditors of the Company (resolution no. 8).

The Board and the Audit & Risk Committee recognise that PricewaterhouseCoopers LLP has provided audit services to the Group since 2008. PricewaterhouseCoopers LLP's performance has been reviewed annually and audit partner rotation requirements have been observed. The Board and the Audit & Risk Committee has obtained confirmation from PricewaterhouseCoopers LLP that its independence and ethics policies comply with FRC requirements, and that it remains independent and maintains internal safeguards to ensure its objectivity. No contractual obligations exist that restrict the Company's choice of external auditors and the Board and the Audit & Risk Committee are satisfied that the external Auditors remain independent.

Resolution no. 9 – Determination of auditors' remuneration

To authorise the directors to fix the auditors' remuneration (resolution no. 9); and

Resolution no. 10 – Approval of the Velocys plc 2021 Share Option Scheme Rules

Resolution no. 10 will be proposed as an ordinary resolution to approve the adoption of the rules of the Velocys 2021 Share Option Scheme (“**2021 Scheme**”), to replace the rules of the Velocys 2012 Share Option Scheme (“**2012 Scheme**”), which were originally approved by Shareholders on 8 June 2012 and are due to expire on 8 June 2022.

The 2012 Scheme rules (as amended from time to time) have been reviewed by the Remuneration Committee as well as with external advisors. Subject to some minor adjustments, in particular to accommodate retirees leaving and other amendments of leaver provisions in the rules allowing some level of Board discretion, the proposed rules of the 2021 Scheme are substantially similar to those of the 2012 Scheme (as amended). The Remuneration Committee has recommended to the Board to put forward the 2021 Scheme, the principal terms of which are summarised in the Appendix to this Notice of AGM, for Shareholders' approval at the AGM. If approved, the 2021 Scheme will be adopted by the Board and will expire on the tenth anniversary of its adoption.

Resolution no. 11 – Authority of directors to allot shares

Resolution no. 11 will be proposed as an ordinary resolution to authorise the directors to allot Equity Securities (as defined in the Company's articles of association) up to a maximum aggregate nominal amount of £3,513,694.99 (representing approximately 33% of the total ordinary share capital of the Company presently in issue). This authority replaces the authority granted on 2 September 2020 and will expire on 30 September 2022 or at the conclusion of the next AGM, whichever is the earlier.

Special Resolutions

Resolutions nos. 12 and 13 are to be proposed at the AGM as special resolutions (each requiring at least 75 per cent. of the votes cast to be in favour of the resolution in order for it to be passed), as follows:

Resolution no. 12 – Renewal of authority of directors to allot shares for cash disapplying statutory pre-emption rights

Resolution no. 12 will be proposed as a special resolution to empower the directors to issue Equity Securities on a non pre-emptive basis up to a maximum aggregate nominal value of £1,597,134.09 (representing approximately 15 per cent. of the total ordinary share capital of the Company presently in issue). The level of this authority is in line with that approved by Shareholders at the 2020 Annual General Meeting.

As referred to in the Financial Review set out on page 18 of the Company's Annual Report for the year ended 31 December 2020, based on the Company's latest forecast and cash flow projections approved by the Board, additional funding will be required within twelve months of the date of signing the Accounts. The directors believe that it is in the interests of Shareholders for the directors to have the flexibility to allot a limited number of Equity Securities (or treasury shares) for cash and to facilitate the raising of additional funding in line with the Company's strategy.

This authority replaces the authority granted on 2 September 2020 and will expire on 30 September 2022 or at the conclusion of the next AGM, whichever is the earlier.

Resolution no. 13 – Authority to purchase own shares

Resolution no.13 will be proposed as a special resolution to authorise the Company to purchase up to 106,475,605 of its own Ordinary Shares in the market, representing 10 per cent. of the current issued ordinary share capital of the Company, at a price of not less than the nominal value of the Ordinary Shares and not more than the amount equal to 5 per cent. above the average of the middle market quotations of the Ordinary Shares as derived from the London Stock Exchange for the five business days immediately preceding the day on which the Ordinary Shares are contracted to be purchased. If approved, this authority will expire at the conclusion of next year's AGM.

The directors have no present intention of making such purchases, but consider it prudent to have this authority so as to be able to act at short notice if circumstances change. The authority would, however, only be exercised if the directors believe that to do so would result in an increase in earnings per share and would be in the best interests of the Company and the Shareholders generally.

Options over an aggregate of 64,298,019 Ordinary Shares in the Company were outstanding as at 21 May 2021 (being the last practicable date before publication of this Notice of 2021 AGM) representing 6.04 per cent. of the Company's issued ordinary share capital at that date and which would represent 6.71 per cent. of the Company's issued ordinary share capital if the authority proposed at the AGM to buy back 106,475,605 Ordinary Shares was exercised in full (and all of the repurchased shares were cancelled).

The resolution will also permit the Company to purchase its own shares to hold as treasury shares rather than cancelling them. The treasury shares can be subsequently cancelled, sold for cash or used to satisfy share awards granted under employee share award schemes and would therefore provide the Company with additional flexibility in the management of its capital base. As at 25 May 2021, the Company did not hold any of its Ordinary Shares as treasury shares.

The directors would consider holding as treasury shares any shares which the Company purchases pursuant to the authority proposed to be granted by resolution no. 13. In relation to any repurchased shares held in treasury however, unless such shares are subsequently cancelled, earnings per share will only be increased on a temporary basis until such time as the shares are subsequently sold out of treasury.

Action to be taken

You are requested to complete and lodge your proxy vote online at www.signalshares.com citing your Investor Code (which can be found on your share certificate), or via the CREST electronic platform if you are a CREST member, but in any event your instruction must be received by no later than 10.45 am on Monday 21 June 2021. **Detailed information about how to vote is set out in the notes to the Notice of Meeting. Unless the Proxy Vote is lodged by this date and time, the Proxy Vote will be invalid.**

The UK Government has published its plans towards the removal, with effect 21 June 2021, of the measures introduced and aimed at controlling the spread of COVID-19 (the "**COVID-19 Measures**"). However, at the latest practical date prior to printing this Notice, there is no certainty that the COVID-19 Measures will no longer apply on 23 June 2021, the date of the AGM, and the AGM has therefore been arranged on the assumption that the COVID-19 Measures will continue to apply. As a result, the AGM will be held as a closed meeting, while still allowing for Shareholders to exercise their voting rights, and Shareholders will not be allowed to attend the AGM in person.

It is currently intended that the AGM will be held with only the minimum number of Shareholders or proxies present as required to form a quorum under the Company's articles of

association, and who are essential for the business of the AGM to be conducted. The attendance of any additional Shareholder, proxy or corporate representative is not currently permitted under the COVID-19 Measures.

Voting on the Resolutions will be by way of a poll rather than a show of hands. A poll ensures that the votes of members who are unable to attend the AGM, but who have appointed proxies, are taken into account in the final voting results.

Unless notified otherwise after publication of the Notice of AGM, no Shareholder, proxy or corporate representative should attend the AGM in person, as doing so would potentially be in breach of the COVID-19 Measures and potentially unsafe for them or the limited number of other persons in attendance. If the COVID-19 Measures continue to apply at the date of the AGM, the Chairman of the AGM will exercise his powers to exclude any person who attempts to attend the AGM, and they will not be permitted entry to the location of the AGM.

The situation regarding COVID-19 is constantly evolving, and the UK Government may change current restrictions or implement further measures relating to the holding of general meetings during the affected period. Any changes to the AGM (including any change to the location of the AGM) will be communicated to Shareholders before the meeting through our website at www.velocys.com and, where appropriate, by announcement made by the Company to a Regulatory Information Service.

In light of the COVID-19 Measures, the Company strongly encourages all Shareholders to submit their proxy, appointing the Chairman of the AGM as proxy. Only the formal business of the meeting will be carried out at the AGM, and no update will be provided. Should a Shareholder have a question that they would have raised at the AGM, the Company asks that it be sent to info@velocys.com.

We will notify you ahead of the AGM if we consider that you will be able to attend in person.

Recommendation

The directors consider the resolutions to be proposed at the AGM are in the best interests of the Company and the Shareholders as a whole. Consequently, the directors unanimously recommend that you vote in favour of the Resolutions to be proposed at the AGM as they intend to do in respect of their own beneficial holdings which in aggregate amount to 5,550,768 Ordinary Shares in the Company, representing 0.52 per cent. of the Company's current issued ordinary share capital and of the votes that could be cast at the AGM.

Yours faithfully,



Philip Holland

Chairman
25 May 2021

Registered Office:

Magdalen Centre
Robert Robinson Avenue
The Oxford Science Park
Oxford OX4 4GA

Velocys plc

(Incorporated and registered in England & Wales with registered number: 05712187)

NOTICE IS HEREBY GIVEN THAT the **ANNUAL GENERAL MEETING** (“**AGM**”) of the Company will be held at the Magdalen Centre, Robert Robinson Avenue, The Oxford Science Park, Oxford OX4 4GA on Wednesday 23 June 2021 at 10.45 am to consider and, if thought fit, pass the following resolutions. Resolutions nos. 1 to 11 will be proposed as ordinary resolutions and resolutions nos. 12 and 13 will be proposed as special resolutions.

Ordinary resolutions

1. To receive, consider and adopt the annual report and accounts of the Company as at 31 December 2020 and the directors’ and auditors’ reports thereon.
2. To approve the Directors’ Remuneration Report as set out on pages 36 to 40 of the annual report and accounts of the Company for the year ended 31 December 2020.
3. To re-elect Philip Holland (Company Chairman and Chair of the Nomination Committee) as a director of the Company.
4. To re-elect Henrik Wareborn (Executive Director and Chief Executive Officer) as a director of the Company.
5. To re-elect Andrew Morris (Executive Director and Chief Financial Officer) as a director of the Company.
6. To re-elect Sandy Shaw (Senior Independent Director, Chair of the Remuneration Committee and a member of the Audit & Risk and Nomination Committees) as a director of the Company.
7. To re-elect Darran Messeem (Non-Executive Director, Chair of the Audit & Risk Committee and a member of the Remuneration and Nomination Committees) as a director of the Company.
8. To re-appoint PricewaterhouseCoopers LLP as auditors of the Company to hold office from the conclusion of the AGM until the conclusion of the next general meeting of the Company at which accounts are laid.
9. To authorise the directors of the Company to fix the remuneration of the auditors.
10. To approve the rules of the 2021 Scheme, the principal terms of which are summarised in the Appendix to this Notice of AGM, and authorise the directors of the Company to do all such acts and things they consider necessary or expedient to adopt, implement and give effect to the 2021 Scheme.
11. That
 - (a) the directors of the Company be and are hereby generally and unconditionally authorised for the purposes of section 551 of the Companies Act 2006 (“**Act**”) to allot shares in the Company or to grant rights to subscribe for or to convert any security into shares in the Company (“**Rights**”) up to an aggregate nominal amount of £3,513,694.99 (representing approximately 33 per cent. of the Company’s issued ordinary share capital at the date of posting of this notice) such authority to expire, unless sooner revoked or altered by the Company in general meeting, on 30 September 2022 or at the conclusion of the next annual general meeting of the Company in 2022 (whichever is the

earlier) and provided further that the Company may before the expiry of this authority make an offer or agreement which would or might require shares to be allotted or Rights to be granted after the expiry of this authority and the directors may allot shares or grant Rights in pursuance of any such offer or agreement as if the authority conferred hereby had not expired; and

- (b) all other authorities conferred on the directors prior to the date of passing of this resolution to allot equity securities are hereby revoked save to the extent that such authorities have been utilised or agreed to be utilised.

Special resolution

12. That pursuant to the authority conferred by resolution numbered 11 being passed, the directors be and they are empowered pursuant to section 570 of the Act to allot equity securities (within the meaning of section 560 of the Act) wholly for cash pursuant to the authority conferred by the previous resolution as if sub-section (1) of Section 561 of the Act did not apply to any such allotment, provided that this power shall be limited to the allotment of equity securities:

- (a) in connection with an offer of such securities by way of rights to holders of ordinary shares of 1p each in the capital of the Company (“**ordinary shares**”) in proportion (as nearly as may be practicable) to their respective holdings of such shares, but subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to fractional entitlements or any legal or practical problems under the laws of any territory, or the requirements of any regulatory body or stock exchange; and
- (b) otherwise than pursuant to sub-paragraph (a) above up to an aggregate nominal amount of £1,597,134.09 (representing 15% of the Company’s issued ordinary share capital at the date of posting this notice)

and shall expire on 30 September 2022 or at the conclusion of the next annual general meeting of the Company in 2022 (whichever is the earlier), and provided further that the Company may before the expiry of this authority make an offer or agreement which would or might require relevant securities to be allotted after the expiry of this authority and the directors may allot equity securities in pursuance of any such offer or agreement as if the authority conferred hereby had not expired.

This power applies in relation to a sale of shares which is an allotment of equity securities by virtue of section 560 (3) of the Act as if in the first paragraph of this resolution the words “pursuant to the authority conferred by resolution numbered 11 being passed” were omitted.

Special resolution

13. That the Company be and is generally and unconditionally authorised for the purposes of section 701 of the Act to make one or more market purchases (within the meaning of section 693(4) of the Act) on the AIM market of the London Stock Exchange of its ordinary shares provided that:

- (a) the maximum aggregate number of ordinary shares authorised to be purchased is 106,475,605 (representing 10% of the Company’s issued ordinary share capital at the date of posting of this notice);
- (b) the minimum price which may be paid for such shares is 1p per ordinary share;

- (c) the maximum price which may be paid for an ordinary share shall not be more, at the time of purchase, than the amount equal to 105 per cent. of the average of the middle market quotations for an ordinary share as derived from the London Stock Exchange for the five business days immediately preceding the date on which the ordinary share is purchased;
- (d) unless previously renewed, varied or revoked, the authority conferred shall expire at the conclusion of the next annual general meeting of the Company in 2022; and
- (e) the Company may make a contract or contracts to purchase ordinary shares under the authority conferred prior to the expiry of such authority which will or may be executed wholly or partly after the expiry of such authority and may make a purchase of ordinary shares in pursuance of any such contract or contracts, as if such authority had not expired.

By order of the Board



Jeremy Gorman FCA

Secretary
25 May 2021

Registered Office:

Magdalen Centre
Robert Robinson Avenue
The Oxford Science Park
Oxford OX4 4GA

Notes:

IMPORTANT NOTICE RE COVID-19

In light of the UK Government's health advice in response to the COVID-19 outbreak, including to limit travel and public gatherings wherever possible, the Company strongly encourages all shareholders to submit their proxy, appointing the Chairman of the AGM as proxy. Only the formal business of the Resolutions will be carried out at the meeting and no update will be provided. The AGM has been arranged on the assumption that the COVID-19 Measures will continue to apply at the date of the AGM. As a result, the AGM will be held as a closed meeting, while still allowing for shareholders to exercise their voting rights. Unless notified otherwise after publication of the Notice of AGM, no shareholder, proxy or corporate representative (other than those required for a quorum to exist) should attend the AGM in person, as doing so would be in breach of the COVID-19 Measures and potentially unsafe for them or the limited number of other persons in attendance. If the COVID-19 Measures remain in place at the date of the AGM, the Chairman of the AGM will exercise his powers to exclude any person who attempts to attend the AGM, and they will not be permitted entry to the location of the AGM. The situation regarding COVID-19 is constantly evolving, and the UK Government may change current restrictions or implement further measures relating to the holding of general meetings during the affected period. Any changes to the AGM (including any change to the location of the AGM) will be communicated to shareholders before the meeting through our website at www.velocys.com and, where appropriate, by announcement made by the Company to a Regulatory Information Service. We will notify you ahead of the AGM if we consider that you will be able to attend in person.

1. A member of the Company entitled to attend, speak and vote at a general meeting of the Company is entitled to appoint a proxy to attend, speak and vote instead of him or her. A proxy need not be a member of the Company and completion of a proxy appointment in and of itself does not preclude a member from subsequently attending and voting at the meeting in person if he or she so wishes. However, pursuant to the COVID-19 Measures, certain public gatherings are prohibited. The AGM has been arranged on the assumption that the COVID-19 Measures continue to apply at the date of the AGM. As a result, the AGM is expected to be held as a closed meeting, while still allowing for shareholders to exercise their voting rights. No shareholder, proxy or corporate representative (other than those required for a quorum to exist) should attend the AGM in person, as doing so would be in breach of the COVID-19 Measures and potentially unsafe for them or the limited number of other persons in attendance. If the COVID-19 Measures continue to apply on the date of the AGM, the Chairman of the AGM will exercise his powers to exclude any person who attempts to attend the AGM, and they will not be permitted entry to the location of the AGM.

You can vote either:

- by logging on to www.signalshares.com and following the instructions;
- in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out below.

In order for a proxy appointment to be valid, a valid proxy must be completed online at www.signalshares.com or through the CREST electronic proxy appointment service, or a hard copy form of proxy must be validly completed. **In each case, the proxy appointment must be received by Link Group, PXS1, Central Square, 29 Wellington Street, Leeds LS1 4DL by 10.45 am on 21 June 2021.** If you need help with voting online, or require a paper proxy form, please contact our Registrar, Link Group, on 0371 664 0391. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. We are open between 09:00 - 17:30, Monday to

Friday excluding public holidays in England and Wales or email Link at enquiries@linkgroup.co.uk.

2. **Appointment of proxies using hard copy form.** If you require a paper proxy form, please contact our Registrar, Link Group, on 0871 664 0391 if calling from the UK, or +44 (0) 371 664 0391 if calling from outside of the UK, or email Link at enquiries@linkgroup.co.uk. The paper proxy form should be completed and returned as soon as possible and, in any event, so as to reach the Company's registrars at Link Group, PXS1, Central Square, 29 Wellington Street, Leeds LS1 4DL **no later than 10.45 am on 21 June 2021**.
3. **Appointment of proxies electronically.** You may submit your proxy electronically using the Share Portal service at www.signalshares.com. If not already registered for the Share Portal, you will need your Investor Code which is stated on your share certificate. The proxy appointment and instructions should reach the Company's registrars by the latest time for receipt of proxy appointments specified in note 1. You are advised to read the terms and conditions of use carefully.
4. **CREST electronic proxy appointment service.** CREST members who wish to appoint a proxy or proxies through the CREST electronic platform may do so for the meeting and any adjournment(s) thereof by utilising the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a 'CREST Proxy Instruction') must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instructions, as described in the CREST Manual (available via www.euroclear.com/CREST). The message must, in order to be valid, (regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy) be transmitted so as to be received by the issuer's agent (ID RA10) by the latest time for receipt of proxy appointments specified in note 1. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to a proxy appointed through CREST should be communicated to him or her by other means.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his or her CREST sponsor or voting service provider(s) take) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

5. To revoke a proxy instruction, you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to Link Group,

PXS1, Central Square, 29 Wellington Street, Leeds LS1 4DL. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney of the company. Any power of attorney or any other authority under which the revocation is signed (or a duly certified copy of such power or authority) must be included with the revocation notice. The revocation notice must be received by Link Group **no later than 10.45 am on Monday 21 June 2021**. Revocation notices received after this time will not be valid unless you attend the meeting in person.

6. A member may appoint more than one proxy, provided that each proxy is appointed to exercise the rights attached to different shares, and each proxy must attend the meeting in person. To appoint more than one proxy you should submit your proxy online at www.signalshares.com, alternatively you can request a hard copy Form of Proxy from our registrars, Link, using the instructions in note 2, or follow the instructions at note 4 if you wish to appoint more than one proxy through the CREST electronic proxy appointment service. In any event your instruction must be received by **no later than 10.45 am on Monday 21 June 2021**. However, please note that persons other than the Chairman who are named as proxy will not currently be permitted to attend the AGM.
7. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that only those shareholders registered in the register of members of the Company as at close of business on Monday 21 June 2021 (or, in the case of an adjournment, as at close of business on the day two business days prior to the day of the adjourned meeting) shall be entitled to attend and/or vote at the meeting in respect of the number of ordinary shares registered in their name at that time. Changes to entries on the register of members after close of business on Monday 21 June 2021 (or, in the case of an adjournment, after close of business on the day two days prior to the day of the adjourned meeting) shall be disregarded in determining the rights of any person to attend or vote at the meeting.
8. Voting on the Resolutions will be by way of a poll rather than a show of hands. A poll ensures that the votes of members who are unable to attend the AGM, but who have appointed proxies, are taken into account in the final voting results.
9. As at 24 May 2021 (being the last business day prior to the date of this notice) the Company's issued share capital consisted of 1,064,756,057 ordinary shares each carrying one vote per share. Accordingly the total voting rights in the Company as at 24 May 2021 were 1,064,756,057.
10. Copies of the directors' service contracts and terms and conditions of appointment and a copy of the 2021 Scheme rules will be available for inspection at the registered office of the Company during normal business hours and at the place of the meeting from 15 minutes prior to the meeting until its conclusion.
11. A copy of this Notice, and other information required by section 311A of the UK Companies Act 2006, can be found on the Company's website (www.velocys.com).

APPENDIX:

Principal terms of the Velocys plc 2021 Share Option Scheme Rules

It is proposed in resolution 10 to approve, and authorise the directors of the Company to adopt, the rules of the Velocys 2021 Share Option Scheme (“**2021 Scheme**”) to replace the rules of the Velocys 2012 Share Option Scheme, which were originally approved by Shareholders on 8 June 2012 and are due to expire on 8 June 2022.

The 2021 Scheme will provide the framework for the Company to grant options to acquire ordinary shares in the Company (“**Shares**”), including tax-advantaged enterprise management incentive “EMI” options for UK participants (only), to promote the motivation and retention of key personnel. Options may only be granted under the 2021 Scheme during the period of (i) 42 days beginning with the fourth dealing day following an announcement of results; (ii) 28 days immediately after the person to whom it is granted first becomes an employee; or (iii) subject to the AIM Rules, at any other times if the board of directors of the Company or a duly authorised committee of the directors (“**Directors**”) consider it appropriate.

Options may only be granted to employees and EMI options may only be granted to UK employees who satisfy the relevant legislative requirements.

The exercise price of any option shall be determined by the Directors but shall be not less than the lower of the market value or the nominal value of a Share.

The Directors may determine and specify that the exercise of an option is conditional upon the performance of all or any combination of the Group, the Company and/or the option holder and may subsequently amend or waive such targets.

The aggregate market value of Shares in respect of which options may be granted to an employee in any year shall not exceed an amount equal to the greater of (i) three times the salary payable to that employee in the current financial year; and (ii) three times the salary payable to that employee in the previous financial year SAVE THAT an employee may be granted an option in excess of this limit if the Directors consider that exceptional circumstances exist.

An employee may not hold EMI options over Shares with a market value in excess of £250,000 as at the date of grant, or such other limit as the relevant legislation provides.

The number of Shares in respect of which options to acquire newly issued equity may be granted on any day, when added to the number of Shares issued or which remain issuable pursuant to rights to acquire Shares granted under the 2021 Option Scheme and any other employees’ share scheme of the Company in the period of 10 years preceding that day, shall not exceed 25 per cent of the ordinary shares in issue on that day. For these purposes, reference to Shares which are issued or issuable includes Shares which are or may be transferred from treasury.

Options generally become exercisable in accordance with a vesting schedule included in the relevant option contract, or upon satisfaction of specified performance targets, and remain exercisable until the tenth anniversary of grant.

In the case of a takeover the option holder will be able to exercise options within the period of one month (or such longer period, not exceeding 6 months, as the Directors may determine) or prior to such event at the Directors’ discretion. To the extent not exercised at the end of the relevant exercise period options will lapse. The Directors shall determine whether and to what extent any outstanding performance conditions should be deemed to be satisfied on a takeover, and the resulting number of vested shares is then further reduced on a pro-rata basis to reflect early exercise (save where the Directors permit exercise to a greater extent). Options which are

not subject to a performance target may only be exercised to the extent vested, although the option contract may provide for acceleration of vesting on a takeover.

If an option holder ceases to hold office or employment with the Group on account of injury, ill-health or disability, redundancy, retirement with the agreement of the Directors or the transfer of the business or company in which the option holder is employed so that the option holder becomes employed by a person which is not a member of the Group, the option holder will be able to exercise options, for up to 40 days (or such longer period as the Directors may notify to the option holder) after the date of cessation. Where the option is subject to an outstanding performance target the Directors determine whether and to what extent any performance conditions should be deemed to be satisfied, and the resulting number of vested shares is then further reduced on a pro-rata basis to reflect early exercise (save where the Directors permit exercise to a greater extent). An option which is not subject to a performance target may only be exercised to the extent of vested shares, save where the Directors permit exercise to a greater extent.

In the event of an option holder's death in service, personal representatives may exercise an option in full for a period of one year. If an option holder dies after ceasing to be an employee, any options which remain exercisable at the date of death may generally be exercised for a period of one year from death.

If an option holder ceases employment for any other reason an option may only be exercised if the Directors determine it may be exercised, and then only to the extent the Directors determine. If exercise is permitted, the option holder will have 40 days (or such longer period as the Directors may notify to the option holder) to exercise, and to the extent not exercised by the end of that period the option will lapse.

In the event of a variation of share capital the Directors may adjust the number of Shares under option and the exercise price to reflect that variation.

There are malus provisions under which the Directors may reduce the number of Shares subject to an option (including to nil) in exceptional circumstances which the Directors consider merit such a reduction. In addition, there are clawback provisions under which the Directors can in exceptional circumstances require an option holder to transfer some or all of the option shares back to the company or an employee benefit trust within three years of exercise (longer in certain cases of fraud), or where the option holder no longer holds those shares, pay a cash sum to the Company.

The Directors may at any time alter or add to any of the provisions of the 2021 Scheme in any respect provided that no alteration or addition shall be made to the advantage of option holders to the provisions relating to eligibility to participate, the overall limitations on the issue of new Shares, the individual limitations on option grants, the basis for determining option holders' rights to acquire Shares, the adjustment of such rights in the event of variation of the Share capital or the amendment rule without the prior approval by ordinary resolution of the shareholders of the Company SAVE THAT this shall not apply to any alteration or addition which is (i) a minor amendment which is necessary or appropriate to benefit the administration of the 2021 Scheme; (ii) to take account of any change in legislation; or (iii) to obtain or maintain favourable tax, exchange control or regulatory treatment for existing or new option holders or any member of the Group.

