

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document or as to what action you should take, you should immediately consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000 (as amended) if you are a resident of the United Kingdom or, if not, another appropriately authorised independent professional adviser.

If you sell or transfer or have sold or otherwise transferred all of your Existing Ordinary Shares before 26 June 2020, please send this document and the accompanying Form of Proxy as soon as possible to the purchaser or transferee, or to the stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee. If you have sold or otherwise transferred some (but not all) of your Existing Ordinary Shares, please retain these documents and consult the stockbroker or other agent through whom the sale or transfer was effected.

This document does not constitute a prospectus for the purposes of the Prospectus Rules of the Financial Conduct Authority nor does it comprise an admission document prepared in accordance with the AIM Rules. Accordingly, this document has not been approved by or filed with the Financial Conduct Authority, London Stock Exchange plc or any other regulatory authority. This document does not constitute or form part of any offer or invitation to sell or issue, or a solicitation of any offer to acquire, purchase or subscribe for, Ordinary Shares.

Application has been made to London Stock Exchange plc for the Placing Shares, the Subscription Shares and the Additional Subscription Shares to be admitted to trading on AIM. It is expected that First Admission will occur and dealings will commence in the First Placing Shares on 8 July 2020. It is expected that Second Admission will occur and dealings will commence in the Second Placing Shares, the Subscription Shares and the Additional Subscription Shares on 15 July 2020. The Placing Shares, the Subscription Shares and the Additional Subscription Shares will, when issued, rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive all dividends or other distributions declared, made or paid on or after they are issued.

Itaconix plc

(Incorporated and registered in England and Wales with company number 08024489)

Fundraising of approximately £1.80 million by way of a Placing, Subscription and US Additional Subscription

and

Notice of General Meeting

AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the United Kingdom Listing Authority. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. The London Stock Exchange has not itself examined or approved the contents of this document. Prospective investors should read this document in its entirety.

This document should be read in its entirety. Your attention is also drawn to the letter from the Chairman set out in Part I of this document recommending you vote in favour of the Resolutions to be proposed at the General Meeting which is referred to below. You should read the whole of this document carefully. Capitalised words and phrases used in this document shall have the meanings given to them in definitions section of this document.

Market soundings, as defined in the Market Abuse Regulation (EU No. 596/2014) (“**MAR**”), were taken in respect of the Placing and Subscription with the result that certain persons became aware of inside information, as permitted by MAR. That inside information was set out in the Announcements and in this document and has been disclosed as soon as possible in accordance with paragraph 7 of article 17 of MAR. Therefore, those persons who received information in a

market sounding are no longer in possession of inside information relating to the Company and its securities.

Notice convening the General Meeting of the Company to be held at Hillside, Station Road, Warkworth, Northumberland NE65 0XP on 14 July 2020 at 11.30 a.m., is set out in Part II of this document. Following the compulsory COVID-19 ‘Stay at Home Measures’ imposed by the UK Government prohibiting, amongst other things, all non-essential travel and large public gatherings, the Board will be implementing the following measures in respect of the General Meeting:

- **we expect only one Director and another Shareholder representative to be in attendance in person at the venue for quorum purposes to conduct the business of the meeting;**
- **no other Directors will be present in person;**
- **Shareholders will not be permitted to attend the General Meeting, and if they attempt to do so, will be refused entry to the meeting in line with the Stay at Home Measures;**
- **relevant questions related to the General Meeting from Shareholders can be raised in advance of the General Meeting and in so far as is relevant to the business of the meeting, will be responded to by email and taken into account as appropriate at the General Meeting itself;**
- **voting at the General Meeting will be carried out by way of poll so that votes cast in advance and the votes of all Shareholders appointing the Chairman of the meeting as their proxy can be taken into account; and**
- **as usual, the results of the General Meeting will be announced as soon as practicable after it has taken place.**

We trust Shareholders will understand and co-operate with these arrangements.

The accompanying Form of Proxy for use in connection with the General Meeting should be completed by Shareholders and returned as soon as possible but, in any event, so as to be received by Link Asset Services, PXS, 34 Beckenham Road, Beckenham, Kent, BR3 4TU no later than 11.30 a.m. on 12 July 2020 (or, in the case of an adjournment of the General Meeting, not later than 48 hours before the time fixed for the holding of the adjourned meeting). Alternatively, Shareholders who hold their shares in uncertificated form may use the CREST electronic proxy appointment service. In order for a proxy appointment made using the CREST service to be valid, the appropriate CREST message must be properly authenticated and contain the information required for such instructions as described in the CREST Manual. The message must be transmitted so as to be received by the Company’s registrars, Link Asset Services, PXS, 34 Beckenham Road, Beckenham, Kent, BR3 4TU (ID RA10), by no later than 11.30 a.m. on 12 July 2020. As set out above, Shareholders will not be permitted entry to the General Meeting due to the Government’s Stay at Home Measures. Accordingly, the Company encourages all Shareholders to either submit their Form of Proxy, or make use of the CREST Proxy Voting Service rather than attend the meeting in person. In accordance with the Company’s articles of association, whilst the appointment of a proxy via completion and return of a Form of Proxy or utilising the CREST Proxy Voting Service would not ordinarily preclude Shareholders from attending, speaking and voting in person at the General Meeting should they so wish, Shareholders are reminded that to do so would breach the Government’s Stay at Home Measures in relation to the containment and control of COVID-19. Should any Shareholder attempt to attend the General Meeting in person, they will be denied entry.

Nplus1 Singer Advisory LLP, which is authorised and regulated by the Financial Conduct Authority and is a member of the London Stock Exchange, is acting as nominated adviser and joint broker to the Company and no one else in connection with the Placing. N+1 Singer’s responsibilities as the Company’s nominated adviser under the AIM Rules are owed solely to the London Stock Exchange and are not owed to the Company or to any Director or any other person.

No representation or warranty, express or implied, is made by N+1 Singer as to any of the contents of this document, for which the Company is responsible (without limiting the statutory rights of any person to whom this document is issued). N+1 Singer has authorised the contents of, or any part of, this document, and no liability whatsoever is accepted by N+1 Singer for the accuracy of

information or opinions contained in this document or for the omission of any material information. N+1 Singer will be offering advice and will not otherwise be responsible for providing customer protections to recipients of this document in respect of the Placing or any acquisition of shares in the Company.

Apart from the responsibilities and liabilities, if any, which may be imposed on N+1 Singer by FSMA or the regulatory regime established thereunder, does not accept responsibility whatsoever for the contents of this document, including its accuracy, completeness or verification or for any other statement made or purported to be made by it, or on its behalf, in connection with the Company or the Placing. N+1 Singer accordingly disclaim all and any liability whether arising in tort, contract or otherwise (save as referred to above) in respect of this document or any such statement.

Allenby Capital Limited, which is authorised and regulated by the Financial Conduct Authority and is a member of the London Stock Exchange, is acting as joint broker to the Company and no one else in connection with the Placing. Its responsibilities as the Company's joint broker under the AIM Rules are owed solely to the London Stock Exchange and are not owed to the Company or to any Director or any other person.

No representation or warranty, express or implied, is made by Allenby Capital Limited as to any of the contents of this document, for which the Company is responsible (without limiting the statutory rights of any person to whom this document is issued). Allenby Capital Limited has not authorised the contents of, or any part of, this document, and no liability whatsoever is accepted by Allenby Capital Limited for the accuracy of information or opinions contained in this document or for the omission of any material information. Allenby Capital Limited will not be offering advice and will not otherwise be responsible for providing customer protections to recipients of this document in respect of the Placing or any acquisition of shares in the Company.

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The distribution of this document and the offer of the Placing Shares in certain jurisdictions may be restricted by law. Accordingly, this document must not be distributed or published in any jurisdiction except under circumstances that will result in full compliance with any applicable laws and regulations. Persons outside of the UK into whose possession this document comes should inform themselves about and observe any such restrictions.

The Placing Shares have not been approved or disapproved by the U.S. Securities and Exchange Commission, any state securities commission in the United States or any other United States regulatory authority, nor have the foregoing authorities passed upon or endorsed the merits of the Placing or the accuracy or adequacy of this document. Any representation to the contrary is a criminal offence in the United States.

Until 40 days after Second Admission, an offer or sale of the Placing Shares within the United States by any dealer (whether or not participating in the Placing) may violate the registration requirements of the US Securities Act if such offer or sale is made otherwise than pursuant to an available exemption from registration under the US Securities Act.

THE PLACING SHARES HAVE NOT BEEN REGISTERED AND WILL NOT BE REGISTERED UNDER THE US SECURITIES ACT, OR ANY STATE SECURITIES LAWS, AND MAY NOT BE OFFERED OR SOLD WITHIN THE US OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, US PERSONS EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE US SECURITIES ACT AND SUCH OTHER APPLICABLE STATE SECURITIES LAWS. ACCORDINGLY, THE PLACING SHARES MAY BE OFFERED AND SOLD ONLY (I) OUTSIDE OF THE UNITED STATES IN RELIANCE UPON REGULATIONS UNDER THE US SECURITIES ACT IN OFFSHORE TRANSACTIONS OR (II) TO "ACCREDITED INVESTORS" AS DEFINED IN RULE 501(A) OF REGULATION D OF THE US

SECURITIES ACT, IN RELIANCE ON AN EXEMPTION FROM, OR A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE US SECURITIES ACT.

The Placing Shares, the Subscription Shares and the Additional Subscription Shares will rank *pari passu* in all respects with the Existing Ordinary Shares including the right to receive all dividends and other distributions declared made or paid on the Ordinary Share capital of the Company.

FORWARD LOOKING STATEMENTS

This document includes forward looking statements (that is, statements other than statements of historical facts), including (without limitation) those regarding the Group's financial position, business strategy, plans and objectives of management for future operations, and any statement preceded or followed by, or including, words such as "target", "believe", "expect", "aim", "intend", "will", "may", "anticipate", "would" or "could", or negatives of such words. Such forward looking statements involve known and unknown risks, uncertainties and other factors beyond the Group's control, that could cause the actual results, performance or achievements of the Company to be materially different to future results, performance or achievements expressed or implied by such 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. They speak only as at the date of this document. The Company expressly disclaims any obligation to disseminate any update or revision to any forward looking statement in this document to reflect any change in the Company's expectations or any change in events, conditions or circumstances on which any such statement is based, unless required to do so by applicable law or the AIM Rules.

Copies of this document will be available free of charge from the Company's registered office during normal business hours on each day (excluding Saturday, Sunday and public holidays) from the date hereof until the date of the General Meeting. Copies will also be available from the Company's website at www.itaconix.com.

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DIRECTORS AND ADVISERS

Directors	James Barber – Independent Non-executive Chairman John R. Shaw – Chief Executive Officer Bryan Dobson – Independent Non-executive Director John Snow III – Independent Non-executive Director
Company Secretary	Laura Denner
Registered Office	c/o Fieldfisher LLP Riverbank House 2 Swan Lane London EC4R 3TT
Nominated Adviser	Nplus1 Singer Advisory LLP 1 Bartholomew Lane London EC2N 2AX
Joint Brokers	Nplus1 Singer Advisory LLP 1 Bartholomew Lane London EC2N 2AX and Allenby Capital Limited 5 St. Helen's Place London EC3A 6AB
Solicitors to the Company	Fieldfisher LLP Riverbank House 2 Swan Lane London EC4R 3TT
Solicitors to the Nominated Adviser and Joint Brokers	Gateley Plc 1 Paternoster Square London EC4M 7DX
Registrars	Link Asset Services 34 Beckenham Road Beckenham Kent BR3 4TU

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Announcement of the Placing	24 June 2020
Circulation of this document, the Notice of General Meeting and the Form of Proxy	26 June 2020
First Admission of the First Placing Shares to trading on AIM and commencement of dealings	8.00 a.m. on 8 July 2020
CREST accounts to be credited for First Placing Shares to be held in uncertificated form	8.00 a.m. on 8 July 2020
Latest time and date for receipt of Forms of Proxy	11.30 a.m. on 12 July 2020
General Meeting	11.30 a.m. on 14 July 2020
Results of the General Meeting	14 July 2020
Second Admission of the Second Placing Shares, Subscription Shares and Additional Subscription Shares to trading on AIM and commencement of dealings	8.00 a.m. on 15 July 2020
CREST accounts to be credited for Second Placing Shares to be held in uncertificated form	8.00 a.m. on 15 July 2020
Dispatch of definitive share certificates for Second Placing Shares, Subscription Shares and Additional Subscription Shares to be held in certificated form	by 31 July 2020

PLACING, SUBSCRIPTION AND US ADDITIONAL SUBSCRIPTION STATISTICS

Issue Price	1.1 pence
Number of Existing Ordinary Shares in issue at the date of this document	269,130,071
Number of First Placing Shares to be issued by the Company pursuant to the First Placing	11,549,134
Number of Second Placing Shares to be issued by the Company pursuant to the Second Placing	138,266,775
Total number of Placing Shares to be issued by the Company pursuant to the Placing	149,815,909
Number of Subscription Shares to be issued by the Company pursuant to the Subscription	10,184,091
Total number of Placing Shares and Subscription Shares to be issued by the Company	160,000,000
Maximum number of Additional Subscription Shares to be issued by the Company pursuant to the US Additional Subscription	3,640,000
Gross proceeds receivable by the Company pursuant to the First Placing of the First Placing Shares	approximately £0.13 million
Gross proceeds receivable by the Company pursuant to the Second Placing of the Second Placing Shares	approximately £1.52 million
Total gross proceeds receivable by the Company pursuant to the Placing of the Placing Shares	approximately £1.65 million
Gross proceeds receivable by the Company pursuant to the Subscription of the Subscription Shares	approximately £0.11 million
Gross proceeds receivable by the Company pursuant to the US Additional Subscription*	approximately £0.04 million
Estimated cash proceeds of the Fundraising receivable by the Company (net of expenses)*	approximately £1.8 million
Number of Ordinary Shares in issue immediately following Second Admission	432,770,071
Percentage of the Enlarged Share Capital represented by the Placing Shares, the Subscription Shares and the Additional Subscription Shares*	37.8 per cent
Approximate market capitalisation of the Company at Second Admission at the Issue Price*	£4.8 million
Ordinary Share ISIN	GB00B84LVH87
SEDOL	B84LVH8

Notes:

- Unless otherwise specified, references in this document to time are to London Time.
- The times and dates above are indicative only. If there is any change, revised times and dates will be notified to Shareholders by means of an announcement through a Regulatory Information Service.
- All references in this document to "pounds sterling", "sterling", "£", "pence" or "p" are to the lawful currency of the United Kingdom.
- All references in this document to "dollar" or "\$" are to the lawful currency of the United States.

* Assuming take-up in full of the US Additional Subscription by US Eligible Participants.

DEFINITIONS

The following definitions apply throughout this document, unless the context otherwise requires:

“Additional Subscription Shares”	the new Ordinary Shares to be issued pursuant to the US Additional Subscription which will be up to 3,640,000 Ordinary Shares
“ADW”	automatic dishwasher
“AIM”	the market of that name operated by the London Stock Exchange
“AIM Rules”	the AIM Rules for Companies, as published by the London Stock Exchange, as amended from time to time
“Allenby Capital”	Allenby Capital Limited, (registered in England and Wales with registered number 06706681) acting as the Company’s joint broker in relation to the Placing
“Amaze SP”	Amaze™ SP, a bio-based hair styling polymer produced by the Company and distributed by Nouryon under a Nouryon tradename
“Announcements”	the announcements released by the Company on 23 June 2020 and 24 June 2020 relating to the Placing, and the publication of this document
“Articles”	the articles of association of the Company
“Board”	the board of directors of the Company
“CHT”	Itaconix® CHT™, polymer product produced by the Company for use as an additive in non-phosphate detergents and cleaners for water conditioning
“certificated” or “in certificated form”	an Ordinary Share which is not in uncertificated form (that is, not in CREST)
“Closing Price”	the closing middle market quotation of an Ordinary Share
“Company” or “Itaconix”	Itaconix plc, a public limited company (incorporated and registered in England and Wales with registered number 08024489) whose registered office is at c/o Fieldfisher LLP, Riverbank House, 2 Swan Lane, London EC4R 3TT
“Companies Act”	the Companies Act 2006, as amended
“CREST”	the computerised settlement system operated by Euroclear which facilitates the transferring of title to shares in uncertificated form
“CREST Manual”	the CREST Manual, as published by Euroclear, as amended
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001 No. 2001/3755), as amended
“CREST Sponsor”	a direct member of CREST under the CREST Regulations
“Directors”	the directors of the Company whose names are set out in this document
“DSP 2K”	Itaconix® DSP 2K™, a polymer produced by the Company for use as an additive in consumer and industrial products for water conditioning
“Enlarged Share Capital”	the 432,770,071 Ordinary Shares in issue on Second Admission, including the Placing Shares, the Subscription Shares and the Additional Subscription Shares (assuming take-up in full of the US Additional Subscription by US Eligible Participants)
“Euroclear”	Euroclear UK & Ireland Limited

“Existing Ordinary Shares”	the 269,130,071 Ordinary Shares in issue as at the date of this document
“FCA”	the Financial Conduct Authority
“First Admission”	the admission of the First Placing Shares to trading on AIM becoming effective in accordance with the AIM Rules
“First Placing”	the conditional placing of the First Placing Shares at the Issue Price pursuant to the Placing Agreement
“First Placing Shares”	11,549,134 new Ordinary Shares to be issued in connection with the First Placing
“Form of Proxy”	the form of proxy for use at the General Meeting and enclosed with this document
“FSMA”	the Financial Services and Markets Act 2000, as amended
“Fundraising”	the Placing, the Subscription and the US Additional Subscription
“General Meeting”	the general meeting of the Company to be held at Hillside, Station Road, Warkworth, Northumberland NE65 0XP at 11.30 a.m. on 14 July 2020, or any adjournment thereof, notice of which is set out in Part II of this document
“Group”	the Company and its subsidiary undertakings (as defined in the Companies Act)
“Issue Price”	1.1 pence per Placing Share, Subscription Share or Additional Subscription Share (as the case may be)
“Joint Brokers”	together, for the purposes of the Placing, Allenby Capital and N+1 Singer
“London Stock Exchange”	London Stock Exchange plc
“MAR”	the Market Abuse Regulation (EU/596/2014#)
“Notice”	the notice of General Meeting set out at the end of this document
“N+1 Singer”	Nplus1 Singer Advisory LLP (and its affiliates), the Company’s nominated adviser and broker which is incorporated as a limited liability partnership in England and Wales with registered number OC364131
“Official List”	the official list of the FCA in its capacity as the UK Listing Authority
“Ordinary Shares”	the ordinary shares of 1 pence each in the capital of the Company
“Placing”	the First Placing and the Second Placing
“Placing Agreement”	the conditional agreement dated 23 June 2020 between the Company, N+1 Singer and Allenby Capital relating to the Placing
“Placing Shares”	the First Placing Shares and the Second Placing Shares
“Regulatory Information Service”	a service approved by the FCA for the distribution to the public of regulatory announcements and included within the list maintained on the FCA’s website, http://www.fca.org.uk/
“Resolutions”	the resolutions to be proposed at the General Meeting as set out in the Notice
“Second Admission”	the admission of the Second Placing Shares, the Subscription Shares and the Additional Subscription Shares to trading on AIM becoming effective in accordance with the AIM Rules

“Second Placing”	the conditional placing of the Second Placing Shares at the Issue Price pursuant to the Placing Agreement
“Second Placing Shares”	138,266,775 new Ordinary Shares to be issued in connection with the Second Placing
“Shareholders”	holders from time to time of Ordinary Shares
“SKU”	Stock Keeping Unit, a unique product distinguished from other products in the same product line by, for example, size or formulation
“Subscription”	the conditional subscription of the Subscription Shares at the Issue Price by certain US Shareholders
“Subscription Shares”	10,184,091 new Ordinary Shares to be issued on connection with the Subscription
“TSI”	Itaconix® TSI™, a polymer produced by the Company for use as an additive in non-phosphate detergents and cleaners for water conditioning
“uncertificated” or “in uncertificated form”	recorded on a register of securities maintained by Euroclear in accordance with the CREST Regulations as being in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST
“United Kingdom” or “UK”	the United Kingdom of Great Britain and Northern Ireland
“United States” or “US”	the United States of America, its territories, or possessions, and any state of the United States of America, the District of Columbia and all areas subject to its jurisdiction, or any political subdivision thereof
“US Additional Subscription”	the invitation to be made by the Company (acting its absolute discretion) to certain US Eligible Participants to subscribe for Additional Subscription Shares
“US Eligible Participant”	a US Person who is approached by the Company to participate in the US Additional Subscription and who is permitted to subscribe for Additional Subscription Shares pursuant to applicable exemptions to the US Securities Act
“US Person”	has the meaning ascribed to that term in Regulation S under the US Securities Act
“US Securities Act”	the US Securities Act of 1933, as amended
“ZINADOR”	ZINADOR™, an odour neutraliser produced by the Company and distributed by Croda under an Itaconix tradename for use in home and industrial applications

PART I
LETTER FROM THE CHAIRMAN

Itaconix plc

(Registered in England and Wales with company number 08024489)

Directors:

James Barber – Independent Non-executive Chairman
John R. Shaw – Chief Executive Officer
Bryan Dobson – Independent Non-executive Director
John Snow III – Independent Non-executive Director

Registered Office:

c/o Fieldfisher LLP
Riverbank House
2 Swan Lane
London EC4R 3TT

To holders of Ordinary Shares in the Company and, for information only, to holders of share options

26 June 2020

Dear Shareholder,

Fundraising of approximately £1.80 million (\$2.2 million)
by way of a Placing, Subscription and US Additional Subscription
and
Notice of General Meeting

1. Introduction

It was announced on 24 June 2020 that the Company had conditionally raised £1.76 million before fees and expenses by a Placing of 149,815,909 Placing Shares with certain existing and new institutional and other investors and by a Subscription of 10,184,091 Subscription Shares with certain existing US investors at the Issue Price of 1.1 pence, or \$0.01375, per share. The Issue Price of 1.1 pence represents a 15 per cent. discount to the Closing Price of 1.3 pence on 22 June 2020, being the latest practicable date prior to the announcement of the Fundraising on 23 June 2020. Participants in the US Subscription and US Additional Subscription are being invited to invest in the Fundraising in US dollar amounts, at an equivalent share price of \$0.01375 which, at a deemed \$/£ exchange rate of 1.25, represents a price of 1.1 pence per Ordinary Share. The Placing comprises the First Placing of 11,549,134 First Placing Shares which is not conditional on Shareholder approval and the Second Placing of 138,266,775 Second Placing Shares which will require Shareholder approval.

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

The US Additional Subscription will be for up to 3,640,000 new Ordinary Shares in aggregate at the Issue Price. Assuming full take-up by US Eligible Participants under the US Additional Subscription, the issue of the Additional Subscription Shares will raise further gross proceeds of up to £0.04 million (\$0.05 million) for the Company.

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

Completion of the Second Placing, Subscription and US Additional Subscription is conditional, *inter alia*, upon Shareholder approval of Resolutions 1 and 2 to be proposed at a general meeting of the Company, to be held at Hillside, Station Road, Warkworth, Northumberland NE65 0XP at 11.30 a.m. on 14 July 2020. The First Placing does not require Shareholder approval as the First Placing Shares will be issued pursuant to the Shareholder authorities granted at the Company's 2019 annual general meeting.

In addition, in the announcement of 23 June 2020, the Company stated that it was seeking approval from Shareholders to increase its general authority to issue new Ordinary Shares on a non-pre-emptive basis to 15 per cent. of the Enlarged Share Capital until the Company's 2020 annual general meeting and to amend the Articles to remove the restriction on the Directors' borrowing powers contained in article 108, (together with the Fundraising the "Proposals").

The purpose of this document is to provide you with information about the background to and the reasons for the Proposals, to explain why the Board considers the Proposals to be in the best interests of the Company and its Shareholders as a whole and why the Directors unanimously recommend that you vote in favour of the Resolutions to be proposed at the General Meeting.

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

The Directors intend to vote in favour of the Resolutions in respect of their legal and/or beneficial shareholdings amounting, in aggregate, to 37,794,801 Ordinary Shares representing approximately 14.0 per cent. of the issued share capital of the Company as at the date of this document.

2. Background to and reasons for the Fundraising

2.1 Itaconix's business

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

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

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

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

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

Itaconix is focused on building a high gross margin, capital efficient, specialty chemicals business. The Directors believe that Itaconix is strategically well aligned with the long-term trends in the Group's markets, as the Company's ingredients enable consumer product manufacturers to make the major claims needed to capitalise on emerging buying behaviour. Itaconix's products are well-positioned to play a significant role in the reformulation to improve both the performance, safety and sustainability of consumer and industrial products in a cost-effective manner, thereby providing a strong base of recurring use from which to accelerate the Company's revenue growth.

2.2 Main products

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

(a) Non-phosphate detergent ingredients

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

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

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

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

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

The ADW detergent tablet and pod market is highly competitive, with public performance comparisons driving constant change with major, private-label and specialty brands at risk of losing market share if their formulae do not perform. Itaconix has been actively working in the ADW detergent market for some years and has a strong pipeline of active customer projects in Europe and North America. In 2019, Itaconix achieved significant growth in polymer sales to the ADW detergent market. In February 2020, Itaconix announced that it had extended its commercial relationship with New Wave Global Services Inc, a leading North American detergent supplier, with a licensing agreement for a new ADW detergent formulation and a supply agreement to support the growth in the Company's polymer volumes used in New Wave products. The supply agreement provides New Wave with certainty on the pricing and supply of up to 1,000,000 lbs. of the Company's detergent polymers over the next two years as New Wave volumes are expected to ramp-up from both existing and new customers. The Company's revenues for the first five months of 2020 were \$0.9 million, representing an increase of 91 per cent. over the same period in 2019. The strong growth was primarily from the continued commercial progress and success of the

Company's detergent polymers. Itaconix has active projects with major, specialty and private label brands in North America and Europe with an aggregate annual revenue potential of \$20 million.

(b) Malodour neutralisation

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

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

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

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

(c) Hair styling ingredient

Increasing concerns over the disclosure and the origin of ingredients in consumer products are reflected in a strong trend towards bio-based products in personal care. Itaconix generated initial demand for its polymers as water-soluble hair styling ingredients based on their performance and bio-based content. The personal care market is a highly fragmented market, however, with a very large number of companies that often only reformulate one SKU at a time. Therefore, in February 2019, Itaconix signed an exclusive global supply agreement with Nouryon for its bio-based polymers used in hair care, skin care, body wash, sun care, and cosmetics. Under the terms of the agreement, Itaconix produces and supplies its proprietary polymers for Nouryon to market to its customers under the brand Amaze SP. The partnership with Nouryon is expected to enable faster market penetration on a global scale. The Directors estimate that Itaconix's polymers can potentially access a \$115 million market with this partnership. Current sales are focused in North America and Europe whilst the Asian and South American markets offer substantial growth potential.

2.3 Other commercial developments

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

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

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

packaging to collaboratively evaluate BIO*Asterix™ additives as key ingredients in a range of biodegradable packaging solutions.

2.4 Proprietary production process

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

2.5 Operational progress in 2019 and early 2020

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

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

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

3. Funding requirement and use of proceeds from the Fundraising

As a business at the early stages of its development, Itaconix is loss-making, cash consumptive and will require further capital to continue executing its growth plans. The Company is therefore proposing to raise gross proceeds of up to £1.8 million from the Fundraising, with the net proceeds (after deducting the costs and expenses of the Fundraising) intended to be used (i) to fund Itaconix's anticipated operational costs associated with the commercial development of the Company's portfolio of core products, and (ii) for general working capital purposes as it seeks to continue growing revenues. The net proceeds of the Fundraise are expected to provide sufficient funding for the Company until at least the end of 2021 during which the Company expects to make significant progress towards its medium term plan to achieve break-even profitability.

4. Rationale for the Proposals

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

The Directors received authority at the 2019 annual general meeting to issue up to 10 per cent. of the Company's issued ordinary share capital for cash free of statutory pre-emption rights without further Shareholder approval at any time until the earlier of fifteen months or the next annual general meeting. Resolution 3 proposes giving authority to the Directors to allot shares representing 15 per cent. of the Company's issued share capital for cash on a non pre-emptive basis without requiring further Shareholder approval at any time until the earlier of fifteen months or the next annual general meeting.

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

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

5. Current trading and prospects

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

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

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

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

- *maintaining production capabilities to assure fulfilment of new purchase orders from customers;*
- *reducing short-term operating costs;*
- *negotiating new payment terms with key customers and suppliers to reduce working capital needs;*
- *assessing the sale of assets; and*
- *reviewing the benefits and costs associated with the Company's shares continuing to trade on AIM.*

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

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

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

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

- *John R. Shaw, CEO, agreeing to a voluntary 65 per cent. deferral in cash compensation until at least the end of August;*
- *other executives agreeing to a voluntary 50 per cent. deferral in cash compensation until at least the end of August;*

- the Non-executive Directors agreeing to a voluntary 75 per cent. deferral in cash compensation until at least the end of the September; and
- the curtailment of all non-essential discretionary spending.

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

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

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

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

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

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

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

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

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

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

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

6. Update on the Company's 2019 Annual Report

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

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

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

7. Terms of the Placing and the Subscription

The Company has conditionally raised approximately £1.76 million (\$2.2 million) before expenses pursuant to the Placing and the Subscription. The Issue Price represents a discount of approximately 15 per cent. to the Closing Price on 22 June 2020, being the latest practicable date prior to the announcement of the Placing and the Subscription.

Subject to the satisfaction of the conditions under the First Placing, the Company will issue 11,549,134 new Ordinary Shares in aggregate at the Issue Price, thereby raising approximately £0.13 million before expenses.

Subject to the satisfaction of the conditions under the Second Placing and the Subscription including, *inter alia*, the passing of Resolutions 1 and 2, the Company will issue 148,450,866 new Ordinary Shares in aggregate at the Issue Price, thereby raising approximately £1.63 million before expenses. After expenses of the Placing and the Subscription (which are estimated to be £0.2 million (excluding VAT) in total) the net proceeds of the Placing and Subscription are approximately £1.6 million.

The Placing Shares have been conditionally placed by the Joint Brokers as agents for the Company, with institutional and other investors. The Company has entered into conditional subscription agreements with certain existing US Shareholders for the issue of the Subscription Shares. The Placing Shares and the Subscription Shares issued pursuant to the Placing and the Subscription will represent approximately 37.0 per cent. of the Enlarged Share Capital on Second Admission.

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

The First Placing is conditional, *inter alia*, upon:

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

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

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

If any of the relevant conditions are not satisfied, the First Placing Shares and/or the Second Placing Shares and the Subscription Shares (as the case may be) will not be issued and any

monies received from the placees and subscribers will be returned to them (at the placees' and subscribers' risk and without interest) as soon as possible thereafter.

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

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

8. The US Additional Subscription

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

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

The US Additional Subscription is conditional on the Second Placing, the Subscription and the US Additional Subscription being approved by Shareholders at the General Meeting. The aggregate gross proceeds that will be raised by the Company pursuant to the US Additional Subscription will be no more than £0.04 million (\$0.05 million). To the extent further funds are raised via the US Additional Subscription (which will not be underwritten), they will be used to provide additional support for the Company's operational cost and working capital requirements as it executes its growth plan.

9. Directors' shareholdings

Certain of the Directors have agreed to subscribe for Second Placing Shares. The number of Second Placing Shares subscribed for by each of these Directors pursuant to the Second Placing, and their resulting shareholdings on Second Admission (assuming take-up in full of the US Additional Subscription by US Eligible Participants), are set out below:

<i>Name</i>	<i>Number of Existing Ordinary Shares</i>	<i>Percentage of existing issued share capital</i>	<i>Number of Second Placing Shares subscribed for</i>	<i>Number of Ordinary Shares held on Second Admission</i>	<i>Percentage of Enlarged Share Capital on Second Admission</i>
James Barber	1,466,818	0.54%	1,090,909	2,557,727	0.6%
John R. Shaw	33,894,915	12.59%	10,181,818	44,076,733	10.2%
Bryan Dobson	583,500	0.22%	454,545	1,038,045	0.2%
John Snow III	1,849,568	0.69%	727,273	2,576,841	0.60%

Each of the above Director's participation is conditional upon certain matters and events including, amongst other things, the passing of Resolutions 1 and 2, the Placing Agreement having become unconditional and Second Admission of the Second Placing Shares, Subscription Shares and

Additional Subscription Shares becoming effective on or before 8.00 a.m. on 15 July 2020 (but in any event by no later than 8.00 a.m. on 31 July 2020).

Due to the successful Fundraise, the cash compensation that had been voluntarily deferred by John R. Shaw, the Non-executive Directors and other executives, as set out in the announcement on 5 May 2020, will be paid out by the Company. John R. Shaw has used the proceeds from the payments of his deferred cash compensation to partially fund his subscription in Placing Shares.

10. Related Party Transaction

IP Group have subscribed for 18,165,793 Second Placing Shares. As at the date of the announcement on 24 June 2020, IP Group held 30,125,730 Existing Ordinary Shares equivalent to 11.2% of the Existing Ordinary Shares. As a Substantial Shareholder (as defined in the AIM Rules), the participation of IP Group in the Placing constitutes a related party transaction pursuant to Rule 13 of the AIM Rules.

The Directors (all of which are regarded to be independent of IP Group), having consulted with N+1 Singer, the Company's nominated adviser, consider that the participation by IP Group in the Placing is fair and reasonable in so far as the Shareholders are concerned.

11. Admission and dealings

Application will be made to the London Stock Exchange for the Placing Shares, the Subscription Shares and the Additional Subscription Shares to be admitted to trading on AIM. It is expected that First Admission will occur and dealings will commence in the First Placing Shares on or around 8 July 2020 at 8.00 a.m. or such later date as the Joint Brokers and the Company may agree, being not later than 8.00 a.m. on 31 July 2020). It is expected that, subject to the passing of Resolutions 1 and 2 at the General Meeting, Second Admission will occur and dealings will commence in the Second Placing Shares, the Subscription Shares and the Additional Subscription Shares on or around 15 July 2020 at 8.00 a.m. or such later date as the Joint Brokers and the Company may agree, being not later than 8.00 a.m. on 31 July 2020).

12. General Meeting

You will find in Part II of this document the Notice convening the General Meeting to be held at Hillside, Station Road, Warkworth, Northumberland NE65 0XP on 14 July 2020 at 11.30 a.m. Following the compulsory COVID-19 'Stay at Home Measures' imposed by the UK Government prohibiting, amongst other things, all non-essential travel and large public gatherings, all Shareholders are strongly encouraged to appoint the Chairman of the meeting as their proxy and the Board will be implementing the following measures in respect of the General Meeting:

- we expect only one Director and another Shareholder representative to be in attendance in person at the venue for quorum purposes to conduct the business of the meeting;
- no other Directors will be present in person;
- Shareholders will not be permitted to attend the General Meeting, and if they attempt to do so, will be refused entry to the meeting and in line with the Stay at Home Measures;
- relevant questions related to the General Meeting from Shareholders can be raised in advance of the General Meeting and in so far as is relevant to the business of the meeting, will be responded to by email and taken into account as appropriate at the General Meeting itself;
- voting at the General Meeting will be carried out by way of poll so that votes cast in advance and the votes of all Shareholders appointing the Chairman of the meeting as their proxy can be taken into account; and
- as usual, the results of the General Meeting will be announced as soon as practicable after it has taken place.

We trust Shareholders will understand and co-operate with these arrangements.

The purpose of the General Meeting is to consider and, if thought appropriate, pass the Resolutions:

Resolution 1 – ordinary resolution

- (a) to allot Ordinary Shares and to grant rights to subscribe for or to convert any security into Ordinary Shares up to an aggregate nominal amount of £4,406,042.46 comprising:
 - (i) up to an aggregate nominal amount of £1,382,667.75 pursuant to the Second Placing;
 - (ii) up to an aggregate nominal amount of £101,840.91 pursuant to the Subscription;
 - (iii) up to an aggregate nominal amount of £36,400.00 pursuant to the US Additional Subscription;
 - (iv) up to an aggregate nominal amount of £1,442,566.90 in connection with a rights issue, open offer, scrip dividend scheme or other pre-emptive offer where the Ordinary Shares or rights are offered first to existing holders of Ordinary Shares in proportion (as nearly or practicable) to their existing holdings of Ordinary Shares (representing approximately one third of the Enlarged Share Capital); and
 - (v) otherwise than in connection with sub-paragraphs (i) to (iv) above, up to an aggregate nominal amount of £1,442,566.90, again representing approximately one third of the Enlarged Share Capital.

Resolution 2 – special resolution

- (b) subject to and conditional upon the passing of resolution 1, to allot equity securities for cash free of statutory pre-emption rights which would otherwise apply up to an aggregate nominal amount of £2,963,475.56 comprising:
 - (i) up to an aggregate nominal amount of £1,382,667.75 pursuant to the Second Placing;
 - (ii) up to an aggregate nominal amount of £101,840.91 pursuant to the Subscription;
 - (iii) up to an aggregate nominal amount of £36,400.00 pursuant to the US Additional Subscription; and
 - (iv) up to an aggregate nominal amount of £1,442,566.90 in connection with a rights issues or other pre-emptive offers where Ordinary Shares or rights are offered first to existing holders of Ordinary Shares in proportion (as nearly as may be practicable) to their existing holdings of Ordinary Shares (representing approximately one third of the Enlarged Share Capital).

Resolution 3 – special resolution

- (c) subject to and conditional upon the passing of resolution 1, to allot equity securities for cash free of statutory pre-emption rights otherwise than in connection with the Second Placing, the Subscription and the US Additional Subscription or pursuant to a rights issue or other pre-emptive offer, up to an aggregate nominal amount of £649,155.11, representing approximately 15 per cent. of the Enlarged Share Capital.

Resolution 4 – special resolution

- (d) to delete the existing article 108 ('Borrowing Powers') of the Articles in its entirety.

Resolutions 1 and 2 enable the Directors to effect the Second Placing, the Subscription and the US Additional Subscription, to issue new Ordinary Shares up to approximately one third of the Enlarged Share Capital in connection only with a rights issue. Resolution 3 enables the Directors to issue further Ordinary Shares up to approximately 15 per cent. of the Enlarged Share Capital for cash on a non-pre-emptive basis without requiring further Shareholder approval.

Resolutions 1, 2 and 3 will expire on the earlier of either the conclusion of the 2020 annual general meeting of the Company or the date falling 15 months from the passing of those Resolutions. The Directors have no present intention to exercise the powers referred to in paragraphs (a)(v) of Resolution 1 and Resolution 3 to issue up to 15 per cent. of the Enlarged Share Capital for cash on a non-pre-emptive basis, but they consider having them in place is necessary to retain flexibility.

Resolution 1 will be proposed as an ordinary resolution. For an ordinary resolution to be passed, more than half of the votes cast must be in favour of the resolution.

Resolutions 2, 3 and 4 will be proposed as special resolutions. For a special resolution to be passed, at least three quarters of the votes cast must be in favour of the resolution.

13. Action to be taken in respect of the General Meeting

You can vote in respect of your shareholding by appointing the Chairman of the meeting as your proxy to attend the General Meeting and vote on your behalf. As set out above, Shareholders will not be permitted entry to the General Meeting due to the Government's Stay at Home Measures relating to COVID-19. Accordingly, the Company encourages all Shareholders to submit their Form of Proxy or utilise the CREST electronic proxy appointment service, rather than attend the meeting in person. In accordance with the Company's articles of association, whilst completion and return of the Form of Proxy would not ordinarily preclude Shareholders from attending, speaking and voting in person at the General Meeting should they so wish, Shareholders are reminded that to do so would breach the Government's Stay at Home Measures in relation to the containment and control of COVID-19. Should any Shareholder attempt to attend the General Meeting in person, they will be denied entry.

Proxies may be appointed by either:

- completing and returning the enclosed Form of Proxy; or
- using the CREST electronic proxy appointment service (for CREST members only).

In either case, the completion of a form of proxy should reach the Company's registrars, Link Asset Services, PXS, 34 Beckenham Road, Beckenham, Kent, BR3 4TU by no later than 11.30 a.m. on 12 July 2020. Please refer to the Notes to the Notice and the enclosed Form of Proxy for detailed instructions.

The attention of Shareholders is drawn to paragraph 13, including the voting intentions of the Directors, as set out below.

14. Importance of the Vote and Recommendation

The Directors believe that the Proposals will promote the success of the Company for the benefit of the Shareholders as a whole. Itaconix is loss making and further funding is required, as highlighted in previous announcements. It is likely that failure to pass Resolutions 1 and 2 would ultimately lead to the Company entering into administration or some other form of insolvency procedure, assuming that alternative funding would not be made available. It is therefore very important that Shareholders vote in favour of Resolutions 1 and 2 in order that all of the Fundraising can proceed. Accordingly, the Directors unanimously recommend that you vote in favour of the Resolutions to be proposed at the General Meeting, as they intend to do in respect of their legal and/or beneficial holdings, amounting, in aggregate to 37,794,801 Ordinary Shares, representing approximately 14.0 per cent. of the share capital of the Company as at the date of this document.

Shareholders are reminded that the Fundraising (other than the First Placing) is conditional, amongst other things, on the passing of Resolution 1 and 2 to be proposed at the General Meeting. Should Resolutions 1 and 2 not be passed, the Fundraising (other than the First Placing) will not proceed and all subscription monies will be returned to investors.

Yours faithfully

James Barber
Chairman

PART II

Itaconix plc

(Registered in England and Wales with company number 08024489)

NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN that a General Meeting of Itaconix plc (the “**Company**”) will be held on 14 July 2020 at 11.30 a.m. at Hillside, Station Road, Warkworth, Northumberland NE65 0XP. The business of the meeting will be to consider and, if thought appropriate, to pass the following ordinary and special resolutions:

ORDINARY RESOLUTION

1. THAT in substitution for all existing authorities for the allotment of shares by the Directors, which are hereby revoked but without prejudice to any allotment, offer or agreement already made pursuant thereto, the Directors of the Company be and they are hereby authorised, pursuant to section 551 of the Companies Act 2006 (the “**2006 Act**”) to exercise all the powers of the Company to:
 - (a) allot shares in the Company and to grant rights to subscribe for or to convert any security into such shares (all of which transactions are hereafter referred as an allotment of “**Relevant Securities**”) up to an aggregate nominal amount of £1,382,667.75 pursuant to the placing of the Company’s ordinary shares of one pence each (“**Ordinary Shares**”), to certain institutional and other investors at a price of 1.1 pence per share (the “**Second Placing**”);
 - (b) allot Relevant Securities up to an aggregate amount of £101,840.91 pursuant to the subscription for Ordinary Shares by certain investors in the United States of America at a price which is the US dollar equivalent of 1.1 pence per share calculated by the Directors on the date such price in pence is determined and subject to such rounding as the Directors in their absolute discretion think fit (the “**Subscription**”);
 - (c) allot Relevant Securities up to an aggregate amount of £36,400.00 pursuant to an offer to certain persons located in the United States, at a price which is the US dollar equivalent of 1.1 pence per share calculated by the Directors on the date such price in pence is determined and subject to such rounding as the Directors in their absolute discretion think fit (the “**US Additional Subscription**”);
 - (d) allot Relevant Securities up to an aggregate nominal amount of £1,442,566.90 in connection with a rights issue, open offer, scrip dividend scheme or other pre-emptive offer which satisfies the conditions and may be subject to all or any of the exclusions specified in paragraph 2(b)(iv) of resolution 2 below; and
 - (e) allot Relevant Securities otherwise than pursuant to sub-paragraphs 1(a), 1(b), 1(c) or 1(d) above, up to an aggregate nominal amount of £1,442,566.90,

in each case for a period expiring (unless previously renewed, varied or revoked by the Company in general meeting) at midnight on the date falling 15 months after the date of the passing of this resolution or at the conclusion of the 2020 annual general meeting (the “**2020 AGM**”) of the Company, whichever occurs sooner, provided that the Company may before such expiry, variation or revocation make an offer or agreement which would or might require such Relevant Securities to be allotted after such expiry, variation or revocation and the Directors may allot Relevant Securities pursuant to such an offer or agreement as if the authority conferred hereby had not expired or been varied or revoked.

SPECIAL RESOLUTIONS

2. THAT, subject to and conditional upon the passing of resolution 1, the Directors be and they are hereby empowered pursuant to section 570 of the 2006 Act to allot equity securities (within the meaning of section 560 of the 2006 Act) for cash pursuant to the authority conferred by resolution 1 as if section 561(1) of the 2006 Act did not apply to any such allotment, provided that such power:

- (a) shall, subject to the continuance of the authority conferred by resolution 1 above, expire at midnight on the date falling 15 months after the date of the passing of this resolution or at the conclusion of the 2020 AGM of the Company, whichever occurs sooner, but may be previously revoked or varied from time to time by special resolution but so that the Company may before such expiry, revocation or variation make an offer or agreement which would or might require equity securities to be allotted after such expiry, revocation or variation and the Directors may allot equity securities in pursuance of such offer or agreement as if such power had not expired or been revoked or varied; and
- (b) shall be limited to:
- (i) the allotment of equity securities up to an aggregate nominal amount of £1,382,667.75 pursuant to the Second Placing;
 - (ii) the allotment of equity securities up to an aggregate nominal amount of £101,840.91 pursuant to the Subscription;
 - (iii) the allotment of equity securities up to an aggregate nominal amount of £36,400.00 pursuant to the US Additional Subscription; and
 - (iv) the allotment of equity securities up to an aggregate nominal amount of £1,442,566.90 pursuant to a rights issue, open offer, scrip dividend scheme or other pre-emptive offer or scheme which is in each case in favour of holders of ordinary shares and any other persons who are entitled to participate in such issue, offer or scheme where the equity securities offered to each such holder and other person are proportionate (as nearly as may be) to the respective numbers of ordinary shares held or deemed to be held by them for the purposes of their inclusion in such issue, offer or scheme on the record date applicable thereto, but subject to such exclusions or other arrangements as the Directors may deem fit or expedient to deal with fractional entitlements, legal or practical problems under the laws of any overseas territory, the requirements of any regulatory body or stock exchange in any territory, shares being represented by depositary receipts, directions from any holders of shares or other persons to deal in some other manner with their respective entitlements or any other matter whatever which the Directors consider to require such exclusions or other arrangements with the ability for the Directors to allot equity securities not taken up to any person as they may think fit.
3. THAT the Directors be and they are hereby empowered pursuant to section 570 of the 2006 Act to allot equity securities (within the meaning of section 560 of the 2006 Act) for cash pursuant to the authority conferred by resolution 1 as if section 561(1) of the 2006 Act did not apply to any such allotment, provided that such power:
- (a) shall, subject to the continuance of the authority conferred by resolution 1 above, expire at midnight on the date falling 15 months after the date of the passing of this resolution or at the conclusion of the 2020 AGM of the Company, whichever occurs sooner, but may be previously revoked or varied from time to time by special resolution but so that the Company may before such expiry, revocation or variation make an offer or agreement which would or might require equity securities to be allotted after such expiry, revocation or variation and the Directors may allot equity securities in pursuance of such offer or agreement as if such power had not expired or been revoked or varied; and
- (b) shall be limited to the allotment of equity securities for cash otherwise than pursuant to resolution 2 up to an aggregate maximum nominal amount of £649,155.11.
4. THAT, the existing article 108 ('Borrowing Powers') of the Company's articles of association be deleted in its entirety.

BY ORDER OF THE BOARD

Laura Denner
Chief Financial Officer and Company Secretary

c/o Fieldfisher LLP
Riverbank House
2 Swan Lane
London EC4R 3TT

Notes to the Notice of General Meeting:

Entitlement to vote

1. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 (as amended), the Company specifies that only Shareholders entered on the register of members of the Company at close of business on 12 July 2020 (or in the event that this meeting is adjourned, on the register of members not later than 48 hours before the time of the adjourned meeting) shall be entitled to vote at the meeting in respect of the number of Ordinary Shares of the Company registered in their name at that time. Changes to the register after the relevant time shall be disregarded in determining the rights of any person to vote at the meeting.

Appointment of proxies

2. Ordinarily, a Shareholder is entitled to appoint one or more proxies to exercise all or any of his or her rights to attend and to speak and vote at the meeting. A proxy need not be a Shareholder of the Company. A Shareholder may appoint more than one proxy in relation to the meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that Shareholder. Due to the Government's Stay at Home Measures in relation to COVID-19, Shareholders should appoint the Chairman of the meeting as their named proxy.
3. Shareholders will not be permitted entry to the General Meeting due to the Government's Stay at Home Measures in relation to COVID-19. Accordingly, the Company encourages all Shareholders to submit their Form of Proxy, rather than attend the meeting in person. In accordance with the Company's articles of association, whilst completion and return of the Form of Proxy would not ordinarily preclude Shareholders from attending, speaking and voting in person at the General Meeting should they so wish, Shareholders are reminded that to do so would breach the Government's Stay at Home Measures in relation to the containment and control of COVID-19. Should any Shareholder attempt to attend the General Meeting in person, they will be denied entry.

Appointment of proxy using the accompanying form of proxy

4. A proxy form is enclosed. Please name the Chairman of the meeting as your proxy, stating 'Chairman of the meeting' and the number of shares in relation to which such proxy is appointed (which, in aggregate, should not exceed the number of shares held by you) in the boxes indicated on the form. Please also indicate if the proxy form is one of multiple forms being returned. All proxy forms must be signed and should be returned together in the same envelope. In the case of joint Shareholders, the signature of any one of them will suffice, but the names of all joint holders should be stated.
5. To be valid, a duly completed proxy form and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, must be delivered by hand or sent by post to the offices of the Company's registrars, Link Asset Services, PXS, 34 Beckenham Road, Beckenham, Kent, BR3 4TU, so as to be received not less than 48 hours before the time fixed for the holding of the meeting or any adjournment of the meeting (as the case may be).

Appointment of proxy through CREST

6. CREST members who wish to appoint a proxy or proxies for the meeting, including any adjournments of the meeting, through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual (available via www.euroclear.com). 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.
7. In order for a proxy appointment made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's ("Euroclear") specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so

as to be received by Link Asset Services CREST ID RA10, PXS, 34 Beckenham Road, Beckenham, Kent, BR3 4TU no later than 48 hours before the time fixed for the holding of the meeting or any adjournment of the meeting (as the case may be). 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 Company's registrars, Link Asset Services, PXS, 34 Beckenham Road, Beckenham, Kent, BR3 4TU is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

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

Changing proxy instructions

10. To change your proxy instructions, simply submit a new proxy appointment using one of the methods set out above. Note that the cut-off time for receipt of proxy appointments also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded. If the Company receives more than one appointment of a proxy in respect of any one share, the appointment received last revokes each earlier appointment and the Company's decision as to which appointment was received last is final.

Termination of proxy appointments

11. In order to revoke a proxy appointment you must notify the Company of the termination at least three hours before the commencement of the meeting.

Joint Shareholders

12. In the case of joint Shareholders, the vote of the senior who tenders a vote, whether in person (including by corporate representative) or by proxy, shall be accepted to the exclusion of the votes of the other joint Shareholders. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members.

Corporate representatives

13. A corporation which is a Shareholder may, by resolution of its directors or other governing body, authorise one or more persons to act as its representative at the meeting. Corporate representatives should bring with them to the meeting: (i) an original or certified copy of the resolution authorising them; or (ii) an original letter on the Shareholder's letterhead, signed by an authorised signatory, confirming that they are so authorised.

Issued shares and total voting rights

14. As at the date of this Notice of General Meeting, the Company's issued share capital comprised 269,130,071 ordinary shares of 1 pence each fully paid. The Company does not hold any shares in treasury. Each Ordinary Share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at the date of this Notice of General Meeting is 269,130,071.

