

Pure Wafer PLC  
12 July 2010

**Pure Wafer plc**  
("Pure Wafer" or the "Company")

**Notice of general meeting**

Swansea based Pure Wafer plc, the provider of high quality silicon wafer reclaim services for many of the world's leading semiconductor manufacturers, announces that today it has issued a notice to hold a general meeting at 11:00am on 28<sup>th</sup> July 2010 at its offices at Central Business Park, Swansea Vale, Swansea, SA7 0AB to consider and pass resolutions in respect of proposed changes to Placee Warrants terms.

As set out in the Circular to shareholders of the Company dated 21<sup>st</sup> August 2009 ("the 2009 Circular"), the Management Warrants (Placee Warrants) enable certain members of the Company's senior management team (defined in the 2009 Circular as "the Placees") to subscribe at par for additional ordinary shares of 2p each in the capital of the Company such that, following exercise in full, the Placees hold in aggregate 25% of the Company's issued ordinary share capital.

The following corrections and amendments have been made to the terms and conditions of the Placee Warrants which were described in the 2009 Circular:

- The 2009 Circular stated that the Placee Warrant held by any Placee would lapse if he ceased to be an employee of the Company or any of its subsidiaries ("the Group") prior to exercise. This did not reflect the terms agreed by the Placees with the independent directors, since the Placee Warrants were negotiated as an intrinsic part of the terms upon which the Placees were prepared to subscribe, in aggregate, £250,000 under the Placing described in the 2009 Circular, which investment had to be committed unconditionally and was a pre-condition imposed by the Company's lenders for both the Placing and debt restructuring.. The Placing was, in turn, a necessary condition to the debt rescheduling described in the 2009 Circular. The Placee Warrants were therefore agreed in connection with the investment by the Placees as investors and not in connection with their positions as employees of the Group. These lapsing provisions therefore do not appear in the Placee Warrants.

- The Placee Warrants provide, as described in the 2009 Circular, that they may not be exercised prior to the second anniversary of Admission (which took place on 15<sup>th</sup> September 2009). In order to further enhance the cash flow position of the Company and to enable additional capital to be made available for the Company to advance its development plans, the board has agreed to remove this restriction such that the Placee Warrants may be exercised at any time from the date of the general meeting convened by this circular until the seventh anniversary of Admission (being the final lapse date as set out in the 2009 Circular).
- The Placee Warrants as described in the 2009 Circular did not expressly permit exercise in part by any Placee of his or her Placee Warrant. In order to clarify this position, the board has agreed to amend the Placee Warrants such that each Placee Warrant may be exercised in whole or in part. This will enable the Placees to fund a partial exercise earlier than might otherwise be the case if full exercise were required.

The resolutions to be proposed at the general meeting are:

1. An ordinary resolution to authorise the directors to issue and allot ordinary shares in the capital of the Company to satisfy valid exercises of the Placee Warrants as described in the 2009 Circular but subject to the corrections and amendments described above; and
2. A special resolution to disapply statutory pre-emption rights in respect of any such issue and allotment.

It is worth noting that similar resolutions have already been passed in respect of the Placee Warrants as described in the 2009 Circular, but the above resolutions are required in order to ensure that the above noted corrections and amendments are taken into account in granting the relevant authority and disapplication.

## **Trading Update**

Trading has been broadly in line with management expectations with the business achieving the anticipated volume due to the continued recovery of the industry. However revenues overall are down due to selling price pressure beyond that forecast. The shortfall in revenue has been, in the main, offset by cost reduction activities and management continue to be very vigilant in this area and continue to manage costs effectively.

Capital repayments on our bank loans commenced on 1<sup>st</sup> July 2010, and have been met. The launch of our solar activities is progressing well and the board look forward to this being a successful addition to our product offerings

## **ENQUIRIES**

**Pure Wafer plc (www.purewafer.com)** Tel. +44 (0) 1792 311 200  
Peter Harrington, Chief Executive

**Altium** Tel: +44 (0) 845 505 4343  
Phil Adams/Paul Lines