

**THIS DOCUMENT AND THE ENCLOSED FORM OF PROXY ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document, or the action you should take, you are recommended to seek your own personal financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 (as amended) ("FSMA") if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.**

If you have sold or transferred all of your Ordinary Shares, please send this document and the accompanying Form of Proxy, as soon as possible to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

This document does not constitute an offer to buy, acquire or subscribe for (or the solicitation of an offer to buy, acquire or subscribe for), Ordinary Shares or an offer to buy, acquire or subscribe for (or the solicitation of an offer to buy, acquire or subscribe for), the Placing Shares. This document does not contain an offer of transferrable securities within the meaning of section 102B of FSMA and does not constitute a prospectus within the meaning of section 85 of FSMA. This document has not been examined or approved by the Financial Conduct Authority or the London Stock Exchange or any other regulatory authority.

Application will be made to the London Stock Exchange for the Placing Shares to be admitted to trading on AIM. It is expected that Admission of the Placing Shares will become effective and that dealings will commence on 29 April 2013. The Placing Shares will, when issued, rank in full for all dividends and other distributions declared, made or paid on the Ordinary Shares and otherwise rank *pari passu* in all respects with the Existing Ordinary Shares.

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**BREEDON AGGREGATES LIMITED**

*(Incorporated in Jersey under the Companies (Jersey) Law 1991 (as amended) with registered no. 98465)*

**PLACING OF 290,476,190 ORDINARY SHARES  
ACQUISITION OF CERTAIN ASSETS FROM AGGREGATE INDUSTRIES AND POSSIBLE  
FURTHER ACQUISITION  
AND  
NOTICE OF EXTRAORDINARY GENERAL MEETING**

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**Your attention is drawn to the letter from the Chairman of the Company which is set out on pages 5 to 10 (inclusive) of this document and which recommends you to vote in favour of the Resolutions to be proposed at the Extraordinary General Meeting.**

**The Notice of Extraordinary General Meeting to be held at the offices of Travers Smith LLP, 10 Snow Hill, London EC1A 2AL at 11:00 a.m. on 26 April 2013, is set out at the end of this document. The accompanying Form of Proxy for use in connection with the Extraordinary General Meeting should be completed by Shareholders and returned as soon as possible but, in any event, so as to be received by the Registrar at PXS, 34 Beckenham Road, Beckenham, Kent BR3 4TU by no later than 11:00 a.m. on 24 April 2013 (or, in the case of an adjournment of the Extraordinary General Meeting, not later than 48 hours before the time fixed for the holding of the adjourned meeting).**

**If you hold your Ordinary Shares in uncertificated form (that is, in CREST) you may vote using the CREST electronic proxy appointment service in accordance with the procedures set out in the CREST Manual (please also refer to the accompanying notes to the Notice of Extraordinary General Meeting set out at the end of this document). Proxies submitted via CREST must be received by the Company's agent**

**(ID RA10) by no later than 11:00 a.m. on 24 April 2013 (or, in the case of an adjournment, not later than 48 hours before the time fixed for the holding of the adjourned meeting).**

**The completion and return of a Form of Proxy or use of the CREST Proxy Voting service will not preclude Shareholders from attending and voting at the Extraordinary General Meeting should they so wish.**

Cenkos Securities plc, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting as nominated adviser and broker to the Company in connection with the Placing. Persons receiving this document should note that Cenkos Securities plc will not be responsible to anyone other than the Company for providing the protections afforded to customers of Cenkos Securities plc or for advising any other person on the arrangements described in this document. Cenkos Securities plc has not authorised the contents of, or any part of, this document and no liability whatsoever is accepted by Cenkos Securities plc for the accuracy of any information or opinions contained in this document or for the omission of any information. Cenkos Securities plc, as nominated adviser and broker to the Company, owes certain responsibilities to the London Stock Exchange which are not owed to the Company or the Directors.

The Placing Shares will not be registered under the United States Securities Act of 1933 (as amended) or under the securities laws of any state of the United States or qualify for distribution under any of the relevant securities laws of Canada, Australia, the Republic of South Africa, the Republic of Ireland, or Japan. Accordingly, subject to certain exceptions, the Placing Shares may not be, directly or indirectly, offered, sold, taken up, delivered or transferred in or into the United States, Canada, Australia, the Republic of South Africa, the Republic of Ireland or Japan. Shareholders who are residents or citizens of any country other than the United Kingdom and any person (including, without limitation, custodians nominees and trustees) who have a contractual or other legal obligation to forward this document to a jurisdiction outside the United Kingdom should seek appropriate advice before taking any action.

Copies of this document will be available free of charge to the public during normal business hours on any day (Saturdays, Sundays and public holidays excepted) at the offices of Breedon Aggregates at Elizabeth House, 9 Castle Street, St Helier, Jersey, JE2 3RT for a period of one month from the date of this document.

## **FORWARD LOOKING STATEMENTS**

This document includes "forward-looking statements" which include all 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, or any statements preceded by, followed by or that include the words "targets", "believes", "expects", "aims", "intends", "will", "may", "anticipates", "would", "could" or "similar" expressions or negatives thereof. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond the Company's control that could cause the actual results, performance or achievements of Group to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Group's present and future business strategies and the environment in which the Group will operate in the future. These forward looking statements speak only as at the date of this document. The Company expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements contained herein to reflect any change in the Company's expectations with regard thereto or any change in events, conditions or circumstances on which any such statements are based unless required to do so by applicable law or the AIM Rules.

## DIRECTORS AND ADVISERS

<b>Directors</b>	Peter Tom CBE Simon Vivian Ian Peters Susie Farnon David Warr David Williams	<i>(Executive Chairman)</i> <i>(Group Chief Executive)</i> <i>(Group Finance Director)</i> <i>(Non-executive Director)</i> <i>(Non-executive Director)</i> <i>(Non-executive Director)</i>
<b>Company Secretary</b>	JTC (Jersey) Limited Elizabeth House 9 Castle Street St Helier JerseyJE2 3RT	
<b>Registered Office</b>	Elizabeth House 9 Castle Street St Helier Jersey JE2 3RT	
<b>Nominated Adviser and Broker</b>	Cenkos Securities plc 6.7.8 Tokenhouse Yard London EC2R 7AS	
<b>Solicitors to the Company</b>	Travers Smith LLP 10 Snow Hill London EC1A 2AL	
<b>Legal advisers to the Company (Jersey)</b>	Carey Olsen 47 Esplanade St Helier Jersey JE1 0BD	
<b>Solicitors to Cenkos Securities plc</b>	Lawrence Graham LLP 4 More London Riverside London SE1 2AU	
<b>Registrars</b>	Capita Registrars (Jersey) Limited 12 Castle Street St Helier Jersey JE2 3RT	

## PLACING STATISTICS

Placing Price	21p
Number of Placing Shares	290,476,190
Number of Existing Ordinary Shares	650,270,914
Number of Ordinary Shares in issue following Admission*	940,747,104
Placing Shares as a percentage of the existing issued share capital	44.7%
Gross Proceeds of the Placing	£61.0 million
Estimated net proceeds of the Placing	£58.7 million

## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

This document posted to Shareholders (by first class post)	10 April 2013
Latest time and date for receipt of Form of Proxy	11:00 a.m. on 24 April 2013
Extraordinary General Meeting	11:00 a.m. on 26 April 2013
Admission and dealings in the Placing Shares expected to commence on AIM	8.00 a.m. on 29 April 2013
Where applicable, expected date for CREST accounts to be credited in respect of Placing Shares in uncertificated form	29 April 2013
Where applicable, expected date for posting of share certificates in respect of the Placing Shares in certified form	By 13 May 2013

### Notes:

1. Each of the times and dates above are indicative only and if any of the details contained in the timetable above should change, the revised times and dates will be notified to Shareholders by means of an announcement through a Regulatory Information Service.
2. All of the above times refer to London time unless otherwise stated.
3. All events listed in the above timetable following the Extraordinary General Meeting are conditional on the passing at the Extraordinary General Meeting of the Resolutions.

\* This assumes no Ordinary Shares (other than the Placing Shares) are issued following the date of this document and before Admission.

## Letter from the Chairman of Breedon Aggregates Limited

*(Incorporated in Jersey under the Companies (Jersey) Law 1991 (as amended) with registered no. 98465)*

*Directors:*

Peter Tom CBE (*Executive Chairman*)  
Simon Vivian (*Group Chief Executive*)  
Ian Peters (*Group Finance Director*)  
Susie Farnon (*Non-executive Director*)  
David Warr (*Non-executive Director*)  
David Williams (*Non-executive Director*)

*Registered office:*

Elizabeth House  
9 Castle Street  
St Helier  
Jersey JE2 3RT

10 April 2013

*To Shareholders and, for information only, to the holders of options over Ordinary Shares*

Dear Shareholder

### **PLACING OF 290,476,190 ORDINARY SHARES ACQUISITION OF CERTAIN ASSETS FROM AGGREGATE INDUSTRIES AND POSSIBLE FURTHER ACQUISITION AND NOTICE OF GENERAL MEETING**

#### **Introduction**

The Company announced today that Breedon Aggregates Scotland Limited, a wholly owned subsidiary of the Company, had entered into an acquisition agreement for the purpose of acquiring certain assets from Aggregate Industries for a total consideration of £34.0 million in cash. The assets include 6 active quarries, 4 asphalt plants, 7 ready-mix concrete plants, 2 concrete block works and approximately 206 million tonnes of mineral reserves and resources in Scotland. If the Acquisition is completed, the Group's mineral reserves and resources will more than double to almost 400 million tonnes, providing an estimated 76 years' life at current extraction rates. The Directors believe that the Acquisition will assist in generating growth for the Group as a whole once the assets are embedded into the Group's wider operations.

The Company is also in advanced discussions with Marshalls PLC to acquire a parcel of assets in England and Wales, which, if completed, would add a further 4 quarries and an additional 13 million tonnes of mineral reserves and resources to the Group, plus a greenfield opportunity under option and the potential for additional mineral prospects of 5 million tonnes. Aggregate production from these assets was 0.9 million tonnes in 2012 (2011: 1.0 million), generating revenue of approximately £10 million (2011: £10.6 million) and an EBITDA of £2.3 million (2011: £3.1 million). The consideration for the Possible Acquisition is expected to be between £17.5 million and £19.0 million, depending upon satisfaction of certain conditions subsequent. There can be no certainty that the acquisition of these assets will complete, nor as to its final terms. A further announcement regarding the Possible Acquisition will be made in due course.

The Company also announced today that it has conditionally raised approximately £61.0 million (before expenses) by the proposed issue of 290,476,190 Ordinary Shares at the Placing Price.

The net proceeds of the Placing (approximately £58.7 million) will be used to finance the purchase price of the Acquisition (£34 million) and the Possible Acquisition (if it proceeds), together with associated transaction costs. If the Possible Acquisition does not proceed, the balance of the net proceeds of the Placing will be used for funding future acquisitions and for ongoing working capital requirements. The Group will continue to retain the benefit of its existing £15 million revolving credit facility which is available for additional opportunistic acquisitions. The Placing is conditional (among other things) upon the sale and purchase agreement for the Acquisition becoming unconditional (save for any condition as to Admission or receipt of net proceeds of the Placing) and not being terminated.

### **Background to and reasons for the acquisitions**

In line with the Company's stated strategy of acquiring earnings-enhancing aggregates-related businesses with strong potential for performance improvements and/or synergy benefits, the Acquisition offers the opportunity to add to the Group's existing business in Scotland, whilst the Possible Acquisition offers the opportunity to add to the Group's existing business in England. In each case, the acquired business should benefit from the Group's highly experienced management team, who will work to enhance customer service levels and improve operational efficiency. In addition, both the Acquisition and the Possible Acquisition, if completed, will provide the Group with a move into new, but contiguous, geographical markets.

The Board believes that the Acquisition and the Possible Acquisition are consistent with the Group's long-term aim to become the lowest cost operator in its chosen markets. The Board further believes that, if the Acquisition and the Possible Acquisition are completed, the Group will be in an even stronger position to benefit from any UK economic recovery.

### **Background on the Acquisition**

The proposed purchase of certain Scottish assets from Aggregate Industries, part of the Holcim Group, is to be effected by way of a purchase of the trade and assets of 11 quarries (of which 6 are active), 7 ready-mixed concrete plants, 4 asphalt plants (including associated contracting activities) and 2 concrete block factories, plus a number of non-operational units. These activities are based in the Grampian, Tayside and Highland regions of mainland Scotland and on the Hebrides. The quarries produce a range of aggregates for general construction use or use in production of ready-mixed concrete, mortar and asphalt. Total mineral reserves and resources are approximately 206 million tonnes.

Sales volumes achieved by these operations in 2012 were 933,000 tonnes of aggregates, 86,000 tonnes of asphalt, 116,000 tonnes of concrete blocks and 104,000m<sup>3</sup> of ready-mixed concrete. Revenue and EBITDA generated in 2012 by these operations were £34.2 million and £4.9 million respectively. The Directors believe that there is potential to significantly improve the performance of these operations through rationalisation and significant new contracts, including the upgrade to the A9 north of Perth and the Aberdeen Western Peripheral Route. Consideration for the assets and inventories is £34.0 million and will be funded through the net proceeds from the Placing. Additional working capital requirements for the acquired business will be funded from existing bank facilities or free cashflow.

Based on 2012 financial information, the Acquisition would have added approximately 20% to revenue and 24% to EBITDA for the Group for the last financial year.

### **Acquisition Agreement**

On 10 April 2013 Breedon Aggregates Scotland Limited, a wholly owned subsidiary of the Company, entered into an asset purchase agreement with Aggregate Industries pursuant to which Breedon Aggregates Scotland Limited agreed to acquire the trade and assets described in "Background on the Acquisition" above.

The consideration payable by Breedon Aggregates Scotland Limited under this agreement is £34.0 million and is to be satisfied wholly in cash on completion.

Completion of the asset purchase agreement is conditional, amongst other things, upon:

- Receipt by Breedon Aggregates Scotland Limited of the consent of the relevant landlords to the assignment of certain leases;
- The Placing Agreement becoming unconditional;
- Shareholder approval of the Resolutions proposed at the Extraordinary General Meeting;
- Admission of the Placing Shares;
- No material adverse change having occurred in respect of the assets or the business of the seller; and
- The consideration of £34.0 million being paid in cash.

In connection with the Acquisition, the seller has given certain warranties and indemnities to Breedon Aggregates Scotland Limited, subject to a limitation cap, in relation to environmental, tax and other matters.

## **Current Trading and Outlook**

### *Current Trading*

The Company announced the Group's final results for the year ended 31 December 2012 on 5 March 2013, an excerpt from which is below:

"Revenue for the year was £173.5 million (2011: £168.9 million). Excluding revenue from acquisitions, including the full-year revenue from C&G Concrete which was acquired in July 2011, revenue would have been £154.8 million (2011: £161.7 million).

Underlying earnings before our share of associated undertakings, interest, tax, depreciation and amortisation (EBITDA) were £20.2 million (2011: £17.1 million). Of this, EBITDA of £2.1 million (2011: £0.5 million) was generated by acquisitions, including a full year's earnings from C&G. Underlying Group operating profit was £8.8 million (2011: £5.7 million). Underlying results are stated before acquisition-related expenses, redundancy and reorganisation costs, property items, impairments, amortisation of acquisition intangibles, changes in the fair value of financial instruments, gains on bargain purchase and related tax items.

Profit after tax for the year was £5.3 million (2011: £1.2 million).

Net debt at 31 December 2012 was £74.1 million (2011: £96.2 million)."

### *Outlook*

While there is no doubt that 2013 will be another tough year, with construction output forecast to decline again and Mineral Products Association product volumes also forecast to be down, the Directors are generally more optimistic than they were this time last year, although the winter conditions in January and March have resulted in a slow start to the year. The Government at last seems to have realised that switching funding from revenue to capital spending on infrastructure can have a positive effect on GDP, improve employment and deliver significant secondary economic benefits. There is a growing recognition in both public and private sectors that essential maintenance work and upgrades to production facilities cannot be postponed indefinitely.

While the recent announcements made in the Budget and the Autumn statement in November 2012 will take time to feed through, the schemes that were cleared the previous year should start to materialise in 2013. The A453 upgrade between the M1 and Nottingham is a good example; this started early in 2013, with Laing O'Rourke the successful contractor. The overall housing market will hopefully see the benefit from the range of financial support measures introduced which the Directors believe will make buying a new home the easiest way onto the property ladder for first-time buyers. Housebuilders anticipate steady demand over the next few years.

In Scotland, the Directors believe that there will be continuing investment in the renewables sector and related infrastructure. The recently approved Aberdeen by-pass and the commitment to make the A9 from Perth to Inverness into a dual carriageway is expected to benefit the Company in the medium term. The Group's associate company, BEAR Scotland Limited, recently secured the North West maintenance contract from Transport Scotland, which will ensure that the Group continues to benefit from material supplies in that area for the next few years. The Directors are hopeful that transport budgets in Scotland may increase slightly from their recent low levels.

The Group will remain focussed on further improving its performance in safety, operations and customer service. Its management team has demonstrated its ability to deliver solid results in the most difficult market conditions. The previous acquisitions made by the Group have all added significant value to its core business, with the acquisition of C&G in July 2011 in particular exceeding expectations. This gives the Company confidence in its ability to repeat this with future deals. Weather permitting, the Board is confident of making further progress in 2013.

## Placing

The Placing Shares have been conditionally placed by Cenkos Securities plc, as agent for the Company, with institutional and other investors in accordance with the terms of the Placing Agreement.

Subject to Admission, the Company will issue 290,476,190 Ordinary Shares which will raise £61.0 million, before expenses, and £58.7 million, after the expenses of the Placing (which are estimated to be £2.3 million (excluding VAT) in total).

The Placing Shares issued pursuant to the Placing will represent approximately 30.9 per cent. of the Enlarged Share Capital. The Placing Shares will, following Admission, rank in full for all dividends and distributions declared, made or paid in respect of the issued Ordinary Share capital of the Company and otherwise rank *pari passu* in all other respects with the Existing Ordinary Shares. The Placing Price represents a discount to the closing mid-market price of 8.7 per cent. per Ordinary Share as at 9 April 2013 (being the latest practicable date prior to the date of this document).

The following Directors have committed to subscribe for Placing Shares under the Placing:

<i>Director</i>	<i>Commitment</i>	<i>Ordinary Shares held post Placing</i>	<i>% of Enlarged Share Capital post Placing</i>
Peter Tom CBE	225,276	35,191,941	3.74%
Simon Vivian	225,276	3,669,721	0.39%
Ian Peters	67,940	2,012,385	0.21%
Susie Farnon	64,365	1,714,365	0.18%

## *The Placing Agreement*

Pursuant to the terms of the Placing Agreement, Cenkos Securities plc, as agent for the Company, has agreed to use its reasonable endeavours to procure subscribers for the Placing Shares at the Placing Price. The Placing Agreement is conditional upon, *inter alia*:

- the Resolutions being duly passed at the Extraordinary General Meeting;
- the Acquisition Agreement not having been terminated or rescinded before Admission;
- there having been no waiver, variation or amendment to any of the terms of the Acquisition Agreement;
- the Acquisition Agreement having become unconditional in all respects (save for any condition relating to Admission or receipt of the net proceeds of the Placing);



- none of the warranties or undertakings given to Cenkos Securities plc prior to Admission being or becoming untrue, inaccurate or misleading in any material respect; and
- Admission becoming effective on or before 8.00 a.m. on 29 April 2013 (or such later time and/or date as the Company and Cenkos Securities may agree, but in any event by no later than 8.00 a.m. on 13 May 2013).

The Placing Agreement is not conditional upon completion of the Possible Acquisition nor actual completion of the Acquisition.

The Placing Agreement contains warranties from the Company in favour of Cenkos Securities plc in relation to, *inter alia*, the accuracy of the information in this document and other matters relating to the Group and its business. In addition, the Company has agreed to indemnify Cenkos Securities plc in relation to certain liabilities which it may incur in respect of the Placing.

Cenkos Securities plc has the right to terminate the Placing Agreement in certain circumstances prior to Admission, in particular, in the event of a breach of the warranties or a material adverse change.

### **Use of Proceeds**

Although the Board intends to use the net proceeds of the Placing to fund the purchase price of the Acquisition and, if it is completed, the Possible Acquisition, the Placing is not conditional upon the completion of the Acquisition or the Possible Acquisition. In the event that either the Acquisition or the Possible Acquisition does not complete, the Group would retain the remaining net proceeds of the Placing, for the purpose of funding future acquisitions and the ongoing working capital requirements of the Group.

### **Related Party Transaction**

IAML is a substantial shareholder of the Company, holding 191,844,445 Ordinary Shares, which represents approximately 29.5 per cent. of the Existing Ordinary Shares. IAML, as a participant in the Placing, is therefore a related party for the purposes of the AIM Rules and, under the AIM Rules, the Placing constitutes a related party transaction. Having consulted with Cenkos Securities plc, the Company's nominated adviser, the Directors of the Company consider that the terms of the Placing are fair and reasonable insofar as its Shareholders are concerned.

### **Extraordinary General Meeting**

A notice is set out at the end of this document convening the Extraordinary General Meeting to be held at the offices of Travers Smith LLP, 10 Snow Hill, London EC1A 2AL on 26 April 2013 at 11:00 a.m. Resolution 1 will be proposed at the Extraordinary General Meeting to grant authority to the Directors to allot relevant securities (as defined in the Articles) of up to an aggregate amount of 290,476,190 Ordinary Shares in connection with the Placing. Resolution 2 will be proposed to grant authority to the Directors to allot equity securities (as defined in the Articles) in connection with the Placing on a non pre-emptive basis as if Article 6.3 of the Articles did not apply.

### **Action to be taken by Shareholders**

A Form of Proxy is enclosed for use at the Extraordinary General Meeting. Whether or not you intend to be present at the meeting you are requested to complete, sign and return the Form of Proxy to the Registrar at Capita Registrars, PXS, 34 Beckenham Road, Beckenham, BR3 4TU by no later than 11:00 a.m. on 24 April 2013 (or, in the case of an adjournment of the Extraordinary General Meeting, not later than 48 hours before the time fixed for the holding of the adjourned meeting).

If you hold your shares in the Company in uncertificated form (that is, in CREST) you may vote using the CREST Proxy Voting service in accordance with the procedures set out in the CREST Manual (please also refer to the accompanying notes to the Notice of Extraordinary General Meeting set out at the end of this document). Proxies

submitted via CREST must be received by the Company's agent (ID RA10) by no later than 11:00 a.m. on 24 April 2013 (or, in the case of an adjournment, not later than 48 hours before the time fixed for the holding of the adjourned meeting.

The completion and return of a Form of Proxy or the use of the CREST Proxy Voting service will not preclude you from attending the Extraordinary General Meeting (or any adjournment thereof) and voting in person should you wish to do so.

### **Irrevocable Undertaking**

Marwyn Value Investors LP has signed an irrevocable undertaking to vote in favour of the Resolutions in respect of its holding of 146,223,698 Ordinary Shares which represents 22.49 per cent. of the Existing Ordinary Shares.

### **Recommendation**

**The Directors consider the Placing to be in the best interests of the Company and its Shareholders as a whole and accordingly unanimously recommend that Shareholders vote in favour of the Resolutions to be proposed at the Extraordinary General Meeting as they intend to do in respect of their own beneficial holdings amounting, in aggregate, to 60,773,244 Existing Ordinary Shares, representing approximately 9.35 per cent. of the Existing Ordinary Shares.**

Yours sincerely

**Peter Tom CBE**  
Chairman

## DEFINITIONS

The following words and expressions shall have the following meanings in this document unless the context otherwise requires:

"Acquisition"	the acquisition, by the Group, of certain assets from Aggregate Industries
"Acquisition Agreement"	the sale and purchase agreement entered into on 10 April 2013 between Aggregate Industries, Breedon Aggregates Scotland Limited and the Company relating to the Acquisition
"Admission"	the admission to trading on AIM of the Placing Shares becoming effective in accordance with Rule 6 of the AIM Rules
"Aggregate Industries"	Aggregate Industries UK Limited
"AIM"	the AIM market operated by the London Stock Exchange
"AIM Rules"	the rules for AIM companies as published by the London Stock Exchange from time to time
the "Articles"	the articles of association of the Company
"Board" or "Directors"	the directors of the Company
"C&G" or "C&G Concrete"	C&G Concrete Limited (in administration)
"Cenkos Securities plc"	Cenkos Securities plc (company number: 05210733) whose registered office is at 6.7.8 Tokenhouse Yard, London EC2R 7AS
"certificated" or "in certificated form"	a share or other security which is not in uncertificated form (that is, not in CREST)
"Company" or "Breedon Aggregates"	Breedon Aggregates Limited, a company registered in Jersey with a registered number 98465
"CREST"	the computerised settlement system to facilitate transfer of title to or interests in securities in uncertificated form operated by CRESTCo Limited
"EBITDA"	earnings before interest, tax, depreciation and amortisation
"Enlarged Share Capital"	the issued ordinary share capital of the Company immediately following completion of the Placing

"Existing Ordinary Shares"	650,270,914 Ordinary Shares currently in issue
"Extraordinary General Meeting"	the extraordinary general meeting of the Company, notice of which is set out at the end of this document
"Form of Proxy"	the form of proxy for use at the Extraordinary General Meeting which accompanies this document
"Group"	the Company and its subsidiary undertakings
"IAML"	Invesco Asset Management Limited
"London Stock Exchange"	London Stock Exchange plc
"Notice of Extraordinary General Meeting"	the notice of the Extraordinary General Meeting, which is set out at the end of this document
"Ordinary Shares"	ordinary shares of no par value in the share capital of the Company
"Placing"	the conditional placing of the Placing Shares by Cenkos Securities plc pursuant to the Placing Agreement
"Placing Agreement"	the placing agreement entered into between the Company and Cenkos Securities plc on 10 April 2013
"Placing Price"	21 pence per Placing Share
"Placing Shares"	290,476,190 Ordinary Shares
"Possible Acquisition"	the possible acquisition by or on behalf of the Company of a parcel of assets in England and Wales, comprising 4 quarries, 13 million tonnes of mineral reserves and resources and the potential for additional mineral prospects of 5 million tonnes from Marshalls PLC
"Registrars"	Capita Registrars (Jersey) Limited
"Resolutions"	the resolutions set out in the Notice of Extraordinary General Meeting
"Shareholder(s)"	holder(s) of Ordinary Shares
"UK" or "United Kingdom"	the United Kingdom of Great Britain and Northern Ireland
"uncertificated" or "in uncertificated form"	a share or security recorded in the Company's

register of members as being held in uncertificated form, title to which may be transferred by means of CREST

"US" or "United States"

the United States of America, its territories and possessions and the District of Columbia

**NOTICE OF EXTRAORDINARY GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that an Extraordinary General Meeting (the "**EGM**") of the Company will be held in accordance with the Companies (Jersey) Law 1991 (the "**Law**") and the Company's Articles of Association (the "**Articles**") at the offices of Travers Smith LLP, 10 Snow Hill, London EC1A 2AL on 26 April 2013 at 11:00 a.m. to consider and, if thought fit, to pass the following resolutions as an ordinary and a special resolution of the Company (as the case may be, as indicated below).

**ORDINARY RESOLUTION**

1. **THAT** the Directors be and are hereby authorised, for the purposes of and in accordance with Article 6.2 of the Articles and without prejudice to any other authorities granted from time to time (which shall remain in effect notwithstanding this resolution), to allot Relevant Securities (as defined in Article 6.2 of the Articles) of up to an aggregate amount of 290,476,190 ordinary shares to be issued in connection with the Placing (as such term is defined in the document of which this notice forms part), such authority to expire on the fifth anniversary following the passing of this resolution, except that the Company may before such expiry make offers or agreements which would or might require Relevant Securities (as defined in the Articles) in connection with the Placing to be allotted after such expiry and notwithstanding such expiry the directors may allot Relevant Securities in connection with the Placing in pursuance of such offers or agreements.

**SPECIAL RESOLUTION**

2. **THAT** subject to and conditional upon the passing of resolution 1 and in addition to any existing authority, the Directors be empowered pursuant to Article 6.7 of the Articles to allot Equity Securities (as defined in Article 6.6) in connection with the Placing (as such term is defined in the document of which this notice forms part) as if Article 6.3 did not apply, such authority to expire on the fifth anniversary following the passing of this resolution, except that the Company may before such expiry make offers or agreements which would or might require Equity Securities in connection with the Placing to be allotted after such expiry and notwithstanding such expiry the directors may allot Equity Securities in connection with the Placing in pursuance of such offers or agreements.

**BY ORDER OF THE BOARD**

Dated: 10 April 2013

Registered Office:

Elizabeth House  
9 Castle Street  
St. Helier  
Jersey, JE2 3RT

## Notes

1. Under Jersey law a special resolution requires a two thirds rather than three quarters majority of those voting at the meeting in person or by proxy to vote in favour of the resolution.
2. Every member who is present in person shall on a show of hands have one vote and every member present in person or by proxy shall on a poll have one vote for each share of which he is the holder.
3. A Form of Proxy is enclosed. To be valid, this 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 reach the Registrar, Capita Registrars (Jersey) Limited, 12 Castle Street, St. Helier, Jersey, JE3 3RT not less than forty-eight hours before the time appointed for holding the EGM or adjournment or the taking of a poll at which the person named in the Proxy Form proposes to vote.
4. A member entitled to attend and vote at the meeting convened by this notice is also entitled to appoint one or more proxies. If a proxy other than the Chairman is desired, strike out "the Chairman of the EGM or" and insert the name or names preferred and initial the alteration. A proxy need not be a member of the Company but must attend the meeting in person.
5. If a member wishes his proxy to speak on his behalf at the meeting, he or she will need to appoint his own choice of proxy (which is not the Chairman) and give instructions directly to the proxy. The completion and return of a form of proxy will enable you to vote at the meeting without having to be present at the meeting, but will not preclude you from attending the meeting and voting in person if you should subsequently decide to do so.
6. A member may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. A member may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy you may photocopy the form of proxy. Please indicate the proxy holder's name and the number of shares in relation to which they are authorised to act as your proxy (which, in aggregate, should not exceed the number of shares held by you). Please also indicate if the proxy instruction is one of multiple instructions being given. All forms must be signed and should be returned together in the same envelope. If you wish to appoint the Chairman as one of your multiple proxies, leave the words "Chairman of the EGM" on the relevant proxy card.
7. Shares held in uncertificated form (i.e. in CREST) may be voted through the CREST Proxy Voting Service in accordance with the procedures set out in the CREST manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

8. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly (under CREST participant ID RA10) authenticated in accordance with CRESTCo's 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 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 the issuer's agent by the latest time(s) for receipt of proxy appointments by 11:00 a.m. on 24 April 2013. 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 Application Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
9. CREST members and, where applicable, their CREST sponsors or voting service providers should note that CRESTCo does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his 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 provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
10. In the case of a corporation, the form of proxy must be executed under its common seal or signed on its behalf by an officer or attorney duly authorised. In the case of an individual, the form of proxy must be signed by the individual or his or her attorney duly authorised.
11. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy will be accepted to the exclusion of the votes of any other joint holders and for this purpose seniority will be determined by the order in which the names are recorded in the Register of Members.
12. The directors of the Company will interpret any ambiguous proxy appointments. The Chairman of the meeting will, in his capacity as proxy, interpret any voting instructions he receives. Their respective determinations shall be final.
13. Any alterations made to the Form of Proxy must be initialled by the person who signs it.
14. The Company pursuant to Article 40 of the Companies Uncertificated Securities (Jersey) Order 1999 specifies that only those members registered in the register of members of the Company 48 hours before the time of the meeting or, in the event that the meeting is adjourned, in the register of members 48 hours before the time of any adjourned meeting(s), shall be entitled to attend or vote at the meeting or any adjournment thereof in respect of the number of shares registered in their name at that time. Changes to the register of members after these times will be disregarded in determining the rights of any



person to attend or vote at the meeting or any adjournment.