

# Notice of Annual General Meeting

NOTICE is hereby given pursuant to the Articles of Association of Breedon Aggregates Limited (the "Company") that the Annual General Meeting of the Company will take place at Elizabeth House, 9 Castle Street, St Helier, Jersey, JE2 3RT on Monday, 23 May 2011 at 2.00 pm for the purpose of considering and, if thought fit, passing the following resolutions, of which resolutions 1 to 6 (inclusive) will be proposed as ordinary resolutions and resolutions 7 and 8 will be proposed as special resolutions:-

## ORDINARY BUSINESS

### Ordinary Resolutions

1. THAT the financial statements of the Company for the year ended 31 December 2010, together with the reports of the Directors and Auditor thereon be received and adopted.
2. THAT KPMG Channel Islands Limited, who have indicated their willingness to continue in office, be and are hereby re-appointed as the Auditor of the Company from the conclusion of this meeting until the conclusion of the next general meeting at which financial statements are laid before the Company.
3. THAT the Directors of the Company be and are hereby authorised to determine the fee payable to the Auditor.
4. TO re-appoint Ian Peters as a director of the Company.
5. TO re-appoint Susie Farnon as a director of the Company.
6. TO re-appoint Peter Tom CBE as a director of the Company.

## SPECIAL BUSINESS

### Special Resolutions

7. THAT the rules of the Breedon Aggregates Performance Share Plan 2011 (the "Plan") produced to the meeting and initialled by the Chairman of the meeting for the purpose of identification and summarised in the Appendix to this document be approved and the Directors be authorised to:
  - (i) make such modifications to the Plan as they may consider appropriate for the implementation of the Plan and to adopt the Plan as so modified and to do all such other acts and things as they may consider appropriate to implement the Plan; and
  - (ii) establish further plans based on the Plan but, modified to take account of local tax, exchange control or securities laws in overseas territories, provided that any shares made available under such further plans are treated as counting against the limits on individual or overall participation in the Plan.
8. THAT the Company be and is hereby generally and unconditionally authorised to make one or more market purchases of Ordinary Shares in the capital of the Company pursuant to Article 57 of the Companies (Jersey) Law 1991 as amended (the "Law") provided that:

- (a) the maximum aggregate number of Ordinary Shares hereby authorised to be purchased is 27,700,158 (being 5% of the share capital of the Company in issue as at 18 April 2011);
- (b) the minimum price (exclusive of expenses) which may be paid for each Ordinary Share is 1.0 pence;
- (c) the maximum price (exclusive of expenses) which may be paid for each Ordinary Share is an amount equal to 105% of the average middle market quotation of an Ordinary Share taken from the AIM Appendix to the London Stock Exchange Daily Official List for the five business days immediately preceding the date on which any Ordinary Share is contracted to be purchased by the Company;
- (d) the Directors of the Company can, prior to each such purchase, make the solvency statement required by the Law and fulfil all other requirements of the Law in relation to purchases of a company's own shares;
- (e) this authority will expire at the conclusion of the next annual general meeting of the Company held after the date on which this resolution is passed or, if earlier, 18 months after that date;
- (f) this authority shall only be capable of variation, revocation or renewal by special resolution of the Company; and
- (g) the Company may make a contract or contracts to purchase Ordinary Shares under this authority before this authority expires which will or may be executed and completed wholly or partly after its expiration and may make a purchase of Ordinary Shares in pursuance of any such contract or contracts after its expiration.

By order of the Board

**Breedon Aggregates Limited**  
18 April 2011

#### 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 at Capita Registrars, PXS, 34 Beckenham Road, Beckenham, BR3 4TU not less than forty-eight hours before the time appointed for holding the Annual General Meeting or adjournment or the taking of a poll at which the person named in the Form of Proxy 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 meeting 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 a proxy to speak on his or her behalf at the meeting, he or she will need to appoint his or her 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 a member to vote at the meeting without having to be present at the meeting, but will not preclude that member from attending the meeting and voting in person if he or she should subsequently decide to do so.

## Notice of Annual General Meeting (cont)

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 AGM" 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 being 2.00 pm on 21 May 2011. 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 (being the register of members as at 2.00 pm on 21 May 2011 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 at 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 at any adjournment thereof.

# Appendix to the Notice of Annual General Meeting

## SUMMARY OF THE PRINCIPAL TERMS OF THE BREEDON AGGREGATES PERFORMANCE SHARE PLAN 2011 (the "Plan")

### Operation

The Remuneration Committee of the Board (the "Committee") will supervise the operation of the Plan.

### Eligibility

Any employee (including an executive director) of the Company and its subsidiaries will be eligible to participate in the Plan at the discretion of the Committee.

### Grant of awards

The Committee may grant awards to acquire Ordinary Shares in the Company ("Shares") within six weeks following the Company's announcement of its results for any period. The Committee may also grant awards within six weeks of the Plan being adopted by the Board or at any other time when the Committee considers there are exceptional circumstances which justify the granting of awards. It is intended that the first awards will be made shortly following the adoption of the Plan.

The Committee may grant awards as conditional Shares or as nil (or nominal) cost options. The Committee may also decide to grant cash-based awards of an equivalent value to share-based awards or to satisfy share-based awards in cash, although it does not currently intend to do so.

An award may not be granted more than 10 years after shareholder approval of the Plan.

No payment is required for the grant of an award. Awards are not transferable, except on death. Awards are not pensionable.

### Individual limit

An employee may not receive awards in any financial year over Shares having a market value in excess of 250 per cent of his annual base salary in that financial year.

### Performance conditions

The vesting of awards granted to executive directors and other senior executives will be subject to performance conditions set by the Committee. Awards may be granted to other, less senior employees without performance conditions being imposed.

For the initial awards to be granted in 2011, a share price target will be operated.

Awards will only vest if the Company's share price growth (plus dividends reinvested) is equal to or greater than 12.5% per annum measured from 6 September 2010 (being the date on which Marwyn Materials Limited's reverse takeover of Breedon Holdings Limited became effective) over a period of time ending on or after 6 September 2013 but no later than 6 September 2015.

The Committee can set different performance conditions from that described above for future awards provided that, in the reasonable opinion of the Committee, the new conditions are not materially less challenging in the circumstances than those described above.

The Committee may also vary any performance condition applying to existing awards if an event has occurred which causes the Committee to consider that it would be appropriate to amend the performance condition, provided the Committee considers the varied condition is fair and reasonable and not materially less challenging than the original condition would have been but for the event in question.

### Vesting of awards

Awards granted to the executive directors and other senior executives will normally vest three years after grant (although the Committee may set shorter or longer vesting periods prior to grant) to the extent that any applicable performance condition has been satisfied. The participant must also remain employed in the Company's group for their award to vest.

# Appendix to the Notice of Annual General Meeting (cont)

Awards granted as nil (or nominal) cost options are then exercisable up until the tenth anniversary of grant unless they lapse earlier.

### Dividend equivalents

The Committee may decide that participants will receive a payment (in cash and/or Shares) on or shortly following the transfer of shares in satisfaction of their award of an amount based on the dividends that would have been paid on those Shares between the time when the awards were granted and the time when they vest. This amount may assume the reinvestment of dividends.

### Leaving employment

As a general rule, an award will lapse upon a participant ceasing to hold employment or be a director within the Company's group.

However, if a participant ceases to be an employee or director in the Company's group because of his death, ill-health, injury, disability, retirement, his employing company or the business for which he works being sold out of the Company's group or in other circumstances at the discretion of the Committee, then his award will normally vest on the date on which it would have vested if he had not ceased such employment or office, subject to: (i) the performance condition being satisfied at that time; and (ii) the pro-rating of the award to reflect the period of time between its grant and the date of cessation of employment, although the Committee can decide not to pro-rate an award if it regards it as inappropriate to do so in the particular circumstances.

If a participant ceases to be an employee or director in the Company's group for one of the "good leaver" reasons specified above, the Committee can decide that his award will vest on the date of cessation of employment or office, subject to (i) the extent to which the performance

condition has been satisfied by reference to the date of cessation; and (ii) the pro-rating of the award by reference to the time of cessation as described above.

Awards structured as nil (or nominal) cost options will be exercisable for a period of 12 months from the date of vesting. Any such options which have already vested (but which have not been exercised) on the date of cessation of employment will be exercisable for 12 months from the date of cessation.

### Corporate events

In the event of a takeover or winding up of the Company (not being an internal corporate reorganisation) all awards will vest early subject to: (i) the extent that any performance condition has been satisfied at that time; and (ii) the pro-rating of the awards to reflect the reduced period of time between their grant and vesting, although the Committee can decide not to pro-rate an award if it regards it as inappropriate to do so in the particular circumstances.

In the event of an internal corporate reorganisation, awards will be replaced by equivalent new awards over shares in a new holding company unless the Committee decides that awards should vest on the basis which would apply in the case of a takeover. If a demerger, special dividend or other similar event is proposed which, in the opinion of the Committee, would affect the market price of Shares to a material extent, then the Committee may decide that awards will vest on the basis which would apply in the case of a takeover as described above.

### Participants' rights

Awards will not confer any shareholder rights until the awards have vested or the options have been exercised and the participants have received their Shares.

### Rights attaching to Shares

Any Shares allotted when an award vests or is exercised will rank equally with Shares then in issue (except for rights arising by reference to a record date prior to their allotment).

### Variation of capital

In the event of any variation of the Company's share capital or in the event of a demerger, payment of a special dividend or similar event which materially affects the market price of the Shares, the Committee may make such adjustment as it considers appropriate to the number of Shares subject to an award and/or the exercise price payable (if any).

### Overall limits

The Plan may operate over new issue Shares, treasury Shares or Shares purchased in the market.

In any ten calendar year period, the Company may not issue (or grant rights to issue) more than 10 per cent of the issued ordinary share capital of the Company under the Plan and any other employee share plan adopted by the Company.

Treasury Shares will count as new issue Shares for the purposes of these limits unless institutional investors decide that they need not count.

### Alterations to the Plan

The Committee may, at any time, amend the Plan in any respect.

### Documents on display

A copy of the draft rules of the Plan will be available for inspection at the offices of Hewett New Bridge Street, 6 More London Place, London SE1 2DA during normal business hours on any weekday (Saturdays and English public holidays excepted) until the close of the Annual General Meeting and at the place of the Annual General Meeting for at least 15 minutes prior to and during the Annual General Meeting.