

August 16, 2012

Dear MyCelx U.S. Shareholder,

Removal of U.S. Securities Law Legends

As a year has passed since MyCelx Technologies Corporation (the "**Company**") was floated on the Alternative Investment Market ("AIM") of the London Stock Exchange, U.S. shareholders who are not "affiliates"¹ as defined under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") and who have held their shares of common stock (the "**Common Shares**") for at least 12 months ("**Qualifying Securities**") are now free to sell them without restrictions other than the contractual restrictions on trading referred to as "orderly marketing" addressed in the Lock In Deed executed by you, the Company and Numis Securities, Ltd. shortly before the Company floated its shares on AIM.²

Since all U.S. shareholders' stock certificates contain a legend restricting transfer which can slow down the sale process, we are offering all U.S. non-affiliate shareholders the opportunity to have these legends removed now or in the future.

Next Steps

If you wish to arrange for the legend to be removed from your current share certificates, please sign the enclosed Letter of Transmittal and Declaration Form and return them, together with the legended share certificates, to Capita IRG Trustees Ltd. confirming that your securities are Qualifying Securities (see definition below). Capita will then arrange for a clean certificate or certificates to be reissued and sent to you. An envelope addressed to Capita is enclosed for your convenience. It will greatly facilitate any future sale of your shares if the legends are removed from the shares as soon as possible.

Feel free to contact Mark Clark at 770-534-3118 Ext 142 if you require further information about any of this.

Yours sincerely,



Connie Mixon

Enclosures:

¹ The term "affiliate" means a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the Company, and generally includes officers, directors and 10% shareholders.

² Company officers, directors and employees will also need to comply with the Company's Share Dealing Code.

(A) Letter of Transmittal

(B) Declaration Form

INSTRUCTIONS

1. DELIVERY OF THIS LETTER OF TRANSMITTAL

All Old Certificates, as well as a properly completed and duly executed copy of this Letter of Transmittal or facsimile hereof, and any other documents required by this Letter of Transmittal, must be delivered to the Company's transfer agent at the address set forth on the first page of this Letter of Transmittal.

The method of delivery of any required documents is at the election and risk of the tendering holder and will be deemed tendered only when actually received by the Company's transfer agent.

2. COMPLETION OF DESCRIPTION OF CERTIFICATES TENDERED TABLE

In the box to the far left, please fill in the exact name that appears on each Old Certificate being tendered.

In the column titled "Registered Number(s)," please fill in the stock certificate number on each Old Certificate being tendered.

In the column titled "Number of Share tendered / Aggregate No. of Common Shares Represented by Certificate", please fill in the number of common shares represented by each Old Certificate being tendered. On the last line of such column, please fill in the total number of common shares listed.

If additional space is needed, please provide additional copies of this table.

3. COMPLETION OF DISPOSITION OF COMMON SHARES TENDERED TABLE

Once you have tendered your Old Certificates along with a validly completed and executed Letter of Transmittal and Declaration, you will receive a New Certificate without a restrictive legend representing all of your shares.

Please set forth the number of common shares you would like to be issued in a New Certificate without a restrictive legend.

The aggregate number of Common Shares listed in the column in this table should be equal to the number that appears in the "Total" line in the column titled "Number of Common Shares Tendered" in the "Description of Certificates Tendered" table.

4. SIGNATURES ON THIS LETTER OF TRANSMITTAL; STOCK POWERS AND ENDORSEMENTS; GUARANTEE OF SIGNATURES

The signature on the Letter of Transmittal must correspond exactly with the name as it appears on the Old Certificates without any change whatsoever.

If this Letter of Transmittal is signed by trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations or others acting in a fiduciary or representative capacity, such persons should so indicate when signing, and, unless

waived by the Company, proper evidence satisfactory to the Company of their authority to so act must be submitted.

Signatures on this Letter of Transmittal need not be guaranteed if the Old Certificates are tendered: (i) by a registered holder of the Old Certificates and the registered holder will receive a New Certificate, or (ii) for the account of an eligible institution.

5. VALIDITY AND FORM

All questions as to the validity, form, eligibility and acceptance of tendered Old Certificates will be determined by the Company in its sole discretion, which determination will be final and binding. The Company reserves the right to waive any defects, irregularities or conditions of tender as to particular Old Certificates.

6. REQUESTS FOR ASSISTANCE OR ADDITIONAL COPIES

Questions relating to the procedure for tendering, as well as requests for additional copies of this Letter of Transmittal, may be directed to Capita at the address and telephone number set forth on the first page of this Letter of Transmittal.

(A) LETTER OF TRANSMITTAL – U.S. SHAREHOLDERS

**MyCelx Technologies Corporation (the “Company”)
Removal of Restrictive Legends
from Certificates
Representing Shares of the
Company’s Common Stock (“Common Shares”)**

Deliver To:

Capita Registrars, Foreign Department, The Registry, 34 Beckenham Road, Beckenham,
Kent BR3 4TU, United Kingdom

The instructions accompanying this Letter of Transmittal should be read carefully before this Letter of Transmittal is completed.

This Letter of Transmittal may be used by Eligible Holders of Common Shares to tender share certificates bearing restrictive legends (the “**Old Certificates**”) for new certificates without a restrictive legend (“**New Certificate**”). The term “**Eligible Holder**” means any person in whose name an Old Certificate is registered on the books of the Company, or any person who holds such Old Certificates and has obtained a properly completed stock power who satisfies the eligibility criteria set out in the accompanying letter from the Company.

An Eligible Holder that tenders its Old Certificates along with a validly completed and executed Letter of Transmittal may receive a New Certificate for safekeeping.

The undersigned Eligible Holder has completed, executed and delivered this Letter of Transmittal to indicate the action the undersigned desires to take with respect to the removal of the restrictive legend from the undersigned’s Old Certificates.

DESCRIPTION OF CERTIFICATES TENDERED (See Instruction 2)

Name(s) and Address(es) of Registered Holder(s) Exactly as Name(s) Appear(s) on Old Certificates (Please Fill In, If Blank)	Registered Number(s)	Number of Common Shares tendered / Aggregate No. of Common Shares Represented by Certificate
	Total	

DISPOSITION OF COMMON SHARES TENDERED (See Instruction 3)
Number of Common Shares To Be Issued in a New Certificate

**IF LEFT UNCOMPLETED THE DETAILS ON THE TENDERED CERTIFICATE
WILL BE UNCHANGED ON THE NEW UNLEGENDED CERTIFICATE**

Name of Eligible Holder: _____
 Address of Eligible Holder: _____
 Street Address: _____
 City and State: _____
 Zip Code: _____

Address to Which New Certificate should be delivered: (if this differs from the above)
 Street Address: _____
 City and State: _____
 Zip Code: _____

The undersigned hereby tenders to the Company the Old Certificate or Certificates indicated above for the purpose of exchanging such Old Certificates bearing restrictive legends for a New Certificate or Certificates for safekeeping without restrictive legends.

The undersigned hereby represents and warrants that the undersigned has full power and authority to tender and exchange the Old Certificates tendered hereby for a New Certificate or Certificates.

The undersigned will, upon request, execute and deliver any additional documents deemed by the Company to be necessary or desirable to complete the exchange of the Old Certificates tendered hereby.

LETTER OF TRANSMITTAL SIGNATURE PAGE (See Instruction 4)

(To Be Completed By All Eligible Holders)

Signature of Registered Holder(s)

This Letter of Transmittal must be signed in the spaces provided below by the registered holder(s) as the name(s) appear(s) exactly on the Old Certificates or by any person(s) authorized to become registered holder(s) by endorsements, stock powers and documents transmitted herewith.

X _____

X _____

Signature(s) of Owner

Date

Area Code and Telephone Number _____

If signature is by a trustee, executor, administrator, guardian, officer or other person acting in a fiduciary or representative capacity, please set forth full title.

Name(s): _____

(Please Type or Print) Capacity: _____

Address: _____

(Including Zip Code)

Taxpayer Identification or Social Security No.: _____

(B) DECLARATION FORM – U.S. SHAREHOLDERS

MYCELX TECHNOLOGIES CORPORATION (“COMPANY”)

Shareholder Certification for Issuance of Unlegended Certificates

Important Notice regarding this Certification:

(1) No shareholder will be permitted to receive unlegended share certificates in exchange for legended share certificates until this Certification has been signed and returned to Capita.

Investor Helpline: 0871 664 0300 (calls cost 10p per minute plus network extras, lines are open 8.30am-5.30pm Mon-Fri). Telephone +44 (0) 20 8639 3399 if calling from outside the UK / Email: ssd@capitaregistrars.com

(2) This Certification may only be used for shares of the Company’s common stock that are held by persons who are not “affiliates” within the meaning of Rule 144 under the US Securities Act of 1933, as amended. In all cases, a shareholder may only transfer the shares of common stock in accordance with the restrictive legend appearing on the certificates representing such shares and applicable law.

(3) The Company will inform Capita which share certificates are eligible for exchange into unlegended certificates. No other share certificates may be exchanged for unlegended certificates.

MyCelx Technologies Corporation
470 Woods Mill Rd.
Suite B
Gainesville, GA 30501

Capita Registrars (“Capita”)
Foreign Department

The Registry

34 Beckenham Road

Beckenham

Kent BR3 4TU

United Kingdom

Dear Sir / Madam,

The undersigned (the “Holder”) requests that Capita issue a new share certificate or certificates without restrictive legends for the stated number of shares that represent the Holder’s shares of common stock in exchange for its existing share certificates.

The Holder is the holder _____ share (the “**Shares**”) of the Company’s common stock, represented by certificate number(s) _____.

1) The Holder hereby certifies to the Company and Capita as of the date hereof that:

a) it is not an officer or director of the Company and is not otherwise an “affiliate”³ of the Company within the meaning of Rule 144 under the United States Securities Act of 1933, as amended (the “**US Securities Act**”) and has not been an affiliate during the three month period prior to the date hereof: AND

b) either:

i) the Holder has continuously held the Shares for a period of at least 12 months: OR

ii) the Holder acquired the Shares from a seller that was not the Company or an affiliate of the Company, in a trade that occurred through the facilities of AIM and otherwise in an “offshore transaction” meeting the requirements of Rule 904 under the US Securities Act and the Shares were not “restricted securities”⁴ when acquired by the Holder; OR

iii) the Shares were “restricted securities” when acquired by the Holder but, as of the date hereof, a period of at least 12 months has passed since the Shares were acquired from the Company or an affiliate of the Company and any restrictions indicated on the certificate representing the Shares have lapsed.

c) The Holder will not sell the Shares in the United States without complying with applicable United States securities laws.

d) The Holder understands that, in connection with any proposed sale of the Shares, the Holder may be required to furnish to you such certifications, legal opinions and other information as the Company and Capita may reasonably require to confirm that the proposed sale complies with the foregoing restrictions.

2) If the Holder becomes an affiliate of the Company after the date hereof, the Holder agrees to take all steps necessary to ensure that any Shares held by the Holder are represented by a share certificate in certificated form bearing such restrictive legends as the Company may require regarding the Holder’s affiliate status in accordance with the US Securities Act and applicable law.

³ The term “affiliate” means a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the Company, and generally includes officers, directors and 10% shareholders. In the event of any questions, independent legal advice should be obtained regarding affiliate status.

⁴ The Shares would be “restricted securities” within the meaning of Rule 144 under the US Securities Act if they had been acquired from the Company (or an affiliate of the Company) and would bear a legend describing the applicable restrictions. The Holder should obtain legal advice regarding whether the Shares are “restricted securities” and/or whether the Shares are subject to any restrictions on transfer. Feel free to contact our lawyer, Mark Kaufman, at Sutherland Asbill & Brennan LLP (404-853-8107) (mark.kaufman@sutherland.com) for assistance with this.

3) The Holder understands and agrees that the Company and Capita may request any additional information they deem necessary to confirm the foregoing certifications.

4) The Company, Capita and their agents, attorneys and representatives may rely on the foregoing certifications and covenants. The Holder will indemnify and hold harmless the Company, Capita and their agents, attorneys and representatives from and against any and all loss, damage, claim, liability and expense arising out of or resulting from any breach or inaccuracy in any certification or covenant herein.

Very truly yours,

By:

Name:

Title:

Date: