

August 29, 2012

Dear MyCelx Non-U.S. Shareholder,

Removal of U.S. Securities Law Legends and Constitution of Depository Interests

CREST and Depository Interests

MyCelx Technologies Corporation (the “**Company**”) was floated on the Alternative Investment Market (“**AIM**”) of the London Stock Exchange on August 4, 2011. As a year has passed since the Company’s admission to AIM, restrictions on transfer imposed under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”) can now be removed from certain of the shares of common stock (the “**Common Shares**”) in the Company. This will allow interests in Qualifying Securities (as defined below) to be settled in electronic form within the CREST system as Depository Interests.

CREST is a UK and Irish electronic paperless share transfer and settlement system that allows shares and other securities to be held in electronic rather than paper form. As the Company is not a UK or Irish company, transactions in its Common Shares cannot be undertaken direct and electronically through CREST.

The Company has established a Depository Interest facility with Capita IRG Trustees Ltd. (“**Capita**”), with effect from September 4, 2012, in terms of which Capita will issue Depository Interests to qualifying stockholders on a one-for-one basis for each Qualifying Security in the Company held by that qualifying stockholder. Capita will appear on the register of stockholders of the Company as the stockholder, but the beneficial interest and all rights in the stock will remain with the original stockholder. The benefit of dematerialisation is that the Depository Interests can be held and transferred through CREST, thereby enhancing the liquidity of the Company’s Common Shares.

In order to exchange your Common Shares for Depository Interests and hold a position in CREST, a holder must (1) have a CREST account or (2) have a relationship with a Broker who is able to hold stock in CREST on behalf of the holder in a nominee arrangement. In either case, the movement of shares into CREST is a straightforward process and can be achieved by the completion of a CREST Transfer Form which can be obtained from your own Broker, as described in the next paragraph.

Qualifying Securities and Next Steps

If you wish to hold your Common Shares in electronic form, you will need to arrange for the legend to be removed from your current share certificate. To do so, please sign the enclosed Letter of Transmittal and Declaration Form and return them, together with the legended share certificate, to Capita Registrars confirming that your Common Shares are Qualifying Securities (see definition below). Capita will then arrange for a clean certificate to be reissued and sent to you. Upon receipt of the cleansed certificate, you will need to submit this to a UK Broker together with a completed CREST Transfer Form which is obtained from the Broker. Your Broker will then deposit your Common Shares into CREST via the Crest Counter. Even if you do not wish to hold your Common Shares in electronic form, the Letter of Transmittal and Declaration Form may be used to tender share certificates bearing restrictive legends in exchange for new certificates without restrictive legends.

If you wish to hold your Common Shares in electronic form, please also complete sign and return the enclosed Certification Letter to each of Capita and the Company at the address listed at the top of the Certification Letter.

The Common Shares held by you are “**Qualifying Securities**” if:

- (a) you are not an “affiliate”¹ of the Company within the meaning of Rule 144 under the Securities Act and that you have not been an affiliate during the three month period prior to the date you sign the Declaration Form; and
- (b) either:
 - (i) you have continuously held your Common Shares for a period of at least 12 months; or
 - (ii) you acquired your Common 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 Securities Act and the securities were not “restricted securities”² when you acquired them; or
 - (iii) the Common Shares were “restricted securities” when you acquired them but, as from the date you sign the Declaration Form, a period of at least 12 months has passed since the Common Shares were acquired from the Company or an affiliate of the Company and any restrictions indicated on the certificate representing the Common Shares have lapsed.

You should contact Capita Registrars by email at foreign@capitaregistrars.com if you require further information in order to ascertain whether your Common Shares are Qualifying Securities and for further information in relation to the process for removing restrictive legends from your share certificates and dematerialising your Qualifying Securities.

Yours sincerely,

Connie Mixon

Chief Executive Officer,
for and on behalf of
MyCelx Technologies Corporation

Enclosures:

(A) Letter of Transmittal

(B) Declaration Form

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 The Common Shares would be “restricted securities” within the meaning of Rule 144 under the Securities Act if they had been acquired from the Company (or an affiliate of the Company) within the 12 months immediately preceding your acquisition of the Common Shares and would bear a legend describing the applicable restrictions.

(C) Certification Letter

(A) LETTER OF TRANSMITTAL – NON-US 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, at its option:

- receive a New Certificate for safekeeping; or
- if the Eligible Holder has a CREST account in its own name, or has a relationship with a UK broker/custodian who is able to hold stock on behalf of the Eligible Holder in a nominee arrangement, deposit its common stock into CREST, which is the electronic settlement system for the transfer of securities used in the United Kingdom. (please refer to Instruction 3 on the process involved in depositing into CREST).

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 freely tradable securities, and, at the option of the undersigned, receive a New Certificate or Certificates for safekeeping without restrictive legends, or to deposit such freely tradable securities into CREST through their Broker.

The undersigned hereby represents and warrants that the undersigned has full power and authority to tender and exchange the Old Certificates tendered hereby, either for a New Certificate or Certificates or for deposit of the shares represented by the Old Certificates into CREST.

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.: _____

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. If you wish to hold your shares in certificated form, you do not need to do anything else. For holders who wish to deposit all or any portion of your Common Shares into CREST, please follow the process which is detailed below.

Please set forth the number of common shares you would like to be issued in a New UK 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.

In order to exchange common shares for Depository Interests and hold a position in CREST, a holder must have a CREST account in their own name, or have a relationship with a UK broker/custodian who is able to hold stock on behalf of the holder in a nominee arrangement. In either case, the movement of shares into CREST is a straightforward exercise and can be achieved by contacting their Broker who in turn will provide the relevant form. The holder must then submit the signed CREST transfer form together with the unlegended share certificate to their UK

broker/custodian who will arrange for the shares to be deposited into CREST in the form of Depository Interests.

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.

(B) DECLARATION FORM – NON-US SHAREHOLDERS

MYCELX TECHNOLOGIES CORPORATION (“COMPANY”)

**Shareholder Certification for Issuance of Unlegended Share Certificates or Company
Depository Interests**

Important Notice regarding this Certification:

(1) No shareholder will be permitted to receive shares of common stock in exchange for unlegended share certificates or convert its shares to Depository Interests 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 shares are eligible for conversion into unlegended share certificates or Depository Interests. No other securities of the Company may be converted into unlegended share certificates or Depository Interests.

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 of _____ shares (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 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 immediately re-materialise any Depository Interests, if applicable, held by it and 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 Securities Act if they had been acquired from the Company (or an affiliate of the Company) within the 12 months immediately preceding the Holder’s acquisition of the Shares and would bear a legend describing the applicable restrictions. The Holder should obtain independent legal advice regarding whether the Shares are “restricted securities” and/or whether the Shares are subject to any restrictions on transfer.

3) The Holder understands and agrees that the Company and Capita will be under no obligation to comply with the Holder's request that the Shares be converted into uncertificated form for the purposes of trading on AIM and 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:

(C) CERTIFICATION LETTER

VIA MAIL AND FACSIMILE

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

MyCelx Technologies Corporation
470 Woods Mill Road
Suite B
Gainesville, GA 30501
United States
Attention: Mark Clark

Re: Decertification and CREST System for Holding and Transferring Shares

Dear Sir or Madam:

In connection with the undersigned's request to hold _____ shares of the common stock (the "Shares") of MyCelx Technologies Corporation (the "Company"), represented by stock certificate no(s). _____ in uncertificated form and to transfer such shares by means of a relevant system for holding and transferring shares (or interests in shares) in uncertificated form, in particular the CREST securities settlement system, the undersigned hereby represents to you that:

1. It acquired the Shares in compliance with Rule 903 of Regulation S under the United States Securities Act of 1933, as amended (the "Securities Act"), or in a trade in compliance with Rule 904 of Regulation S.
2. The undersigned is not an officer or director of the Company and is not otherwise an "affiliate" of the Company (as defined in Rule 405 under the Securities Act); that is, the undersigned is not a person who, directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with the Company, and the undersigned has not been such an affiliate of the Company during the three months preceding the date of this letter.
3. The undersigned will not sell the Shares in the United States without complying with applicable United States securities laws.
4. The undersigned understands that, in connection with any proposed sale of the Shares, the undersigned may be required to furnish to you such certifications, legal opinions and other information as you may reasonably require to confirm that the proposed sale complies with the foregoing restrictions.

5. If the undersigned is a company, trust or other corporate entity, the undersigned represents and warrants that it is duly organized and validly existing under the laws of its organization, and has all requisite powers to execute and deliver this representation letter and has been authorized by all necessary corporate or other action.

The undersigned is familiar with Rule 904 and agrees that you and your legal counsel are hereby authorized to rely upon the representations made above. The undersigned hereby consents to you communicating and conferring with your legal counsel in connection with this matter. This letter or a copy hereof may be produced to any interested party in any administrative or legal proceeding or official inquiry with respect to the matters covered hereby.

Yours faithfully,

(Name of Shareholder if an Entity)

By:_____
(Signature of Authorized Officer)

Name:_____

Title:_____

OR

(Signature of Shareholder if an Individual)

Date: _____