

Business Reply
Licence Number
RSBH-UXKS-LRBC



PXS
34 Beckenham Road
BECKENHAM
BR3 4TU



IQE plc: Proxy Form for Annual General Meeting

For use by holders of ordinary shares of 1p each in IQE plc in respect of the twelfth Annual General Meeting to be held at the registered office of the Company at IQE, Pascal Close, St Mellons, Cardiff on **Wednesday 20 July 2011 at 10.00am** and at any adjournment thereof.

I/We

Of

Being a Member(s) of IQE plc, hereby appoint

Number of Ordinary Shares proxy appointed over (note c)

Or failing him the Chairman of the Meeting as my/our proxy to attend, speak and vote for me/us on my/our behalf at the eleventh Annual General Meeting of the Company to be held on Wednesday 20 July 2011 and at any adjournment thereof. I/We direct the proxy to vote on the business of the Meeting as indicated below. If no specific direction as to voting is given, the proxy/proxies will vote or abstain at his discretion, as he will on any matter arising at the Meeting.

Signed this day of 2010

No	Resolutions	For	Against	Withheld
ORDINARY BUSINESS				
1	Receipt of the Director's Report and Audited Financial Statements			
2	Receipt of the Remuneration Report and the Auditors Report on the auditable part of the Remuneration Report			
3	Re-appointment of Mr P J Rasmussen as Director pursuant to Article 109			
4	Re-appointment of Dr H R Williams as Director pursuant to Article 109			
5	Re-appointment of Mr A G Meldrum as Director pursuant to Article 109			
6	Re-appointment of PricewaterhouseCoopers LLP as auditors			
SPECIAL BUSINESS				
7	To remove any restriction or limit on the maximum number of shares that may be allotted by the Company			
8	Ordinary Resolution to authorise the directors to allot shares			
9	Special Resolution to dis-apply pre-emption rights			

Please tick here if you are appointing more than one proxy

NOTES:

- a) Members entitled to attend at the Annual General Meeting are entitled to appoint one or more proxies to attend, speak and, upon a poll, vote in their stead. A proxy need not be a member of the Company.
- b) To be valid, proxy forms and the powers of attorney or other authorities under which they are signed, or notarised copies of those powers or authorities, should be sent to the Company's Registrar at Capita Registrars, PXS, 34 Beckenham Road, Beckenham, BR3 4TU, to arrive no later than 48 hours before the time appointed for the Annual General Meeting. Completion and return of proxy forms will not preclude shareholders from attending and voting at the Meeting in person should they wish to do so.
- c) To appoint more than one proxy you may photocopy this form. 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.
- d) Only holders of ordinary shares or their proxies are entitled to attend, speak and vote at the Annual General Meeting.