

Clean Energy Fuels Corp.
Form PRER14A
May 10, 2018
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A
Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934
(Amendment No. 1)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material under §240.14a-12

CLEAN ENERGY FUELS CORP.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):

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(4) Date Filed:

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CLEAN ENERGY FUELS CORP.

4675 MacArthur Court, Suite 800

Newport Beach, California 92660

IMPORTANT INFORMATION AND SUPPLEMENTAL MATERIALS FOR 2018 ANNUAL MEETING

May [], 2018

Dear Stockholder,

We are writing to notify you of important information about the 2018 annual meeting of stockholders (Annual Meeting) of Clean Energy Fuels Corp. (the Company, we, us or our).

On or about April 20, 2018, we furnished to you our proxy materials for the Annual Meeting, including a proxy statement that describes proposals to be voted on at the Annual Meeting. Subsequently, we have determined to postpone the date of the Annual Meeting, from Wednesday, May 30, 2018 at 9:00 a.m. Pacific Time to Friday, June 8, 2018 at 9:00 a.m. Pacific Time, and to add new proposals to be voted on at the Annual Meeting. Accordingly, we are furnishing to you, together with this letter, an updated notice of the Annual Meeting and a supplement to the previously furnished proxy statement for the Annual Meeting, which reflect the revised agenda for the Annual Meeting and describe the new proposals to be voted on at the Annual Meeting, as well as a new proxy card for purposes of casting your vote on all of the proposals to be voted on at the Annual Meeting. The Annual Meeting will remain a virtual meeting conducted via live audio webcast that can be accessed on the new date of the Annual Meeting by visiting www.virtualshareholdermeeting.com/CLNE2018.

We are postponing the date of the Annual Meeting to provide our stockholders an opportunity to approve a transaction we believe could be pivotal and transformative for our Company. On May 9, 2018, we entered into a definitive agreement with Total Marketing Services S.A., a wholly owned subsidiary of Total S.A. (Total), pursuant to which we agreed to sell and issue, and Total agreed to purchase, up to 50,856,296 shares of our common stock at a purchase price of \$1.64 per share, which would result in gross proceeds to us of up to \$83.4 million. If this transaction is completed, Total would hold up to 25.0% of the outstanding shares of our common stock. Our Board of Directors (Board) has whole-heartedly and unanimously approved this transaction, and all Board members and senior executive officers (including myself and Boone Pickens) have agreed to vote our shares in favor of the transaction. We believe Total is a valuable strategic investor and partner for our Company. Total, headquartered in Paris, France, is one of the largest major global natural gas and energy organizations, and has been a leading force behind clean energy initiatives. Also, and importantly, Total has enthusiastically embraced natural gas as a vehicle fuel. We believe a partnership with Total validates our strategies and key initiatives and provides a catalyst for future growth. The proceeds from the sale of our common stock to Total will enhance our liquidity in support of our operations, our ability to execute our business plans and pursue opportunities for further growth, and our ability to satisfy our commitments (including

repayments on our outstanding debt). Further, we have signed a letter of intent with Total for another, separate transaction, which would involve the launch of an innovative truck leasing program and up to \$100 million of credit support from Total. We believe this truck leasing program could play a critical role in generating increased adoption of natural gas as a vehicle fuel in the U.S. heavy-duty truck market, which is a key customer market for our business.

Because the accompanying proxy statement supplement describes new proposals to be voted on at the Annual Meeting that were not described in the proxy materials previously furnished to you, all proxies submitted before the date of the supplement will not include votes on these new proposals. ***As a result, if you want to vote on the new proposals described in the accompanying proxy statement supplement, you must cast a new vote for the Annual Meeting.*** New votes may be cast on the Internet, by telephone or by completing and returning a pink proxy card, which replaces any white proxy card you may have previously received for purposes of voting at the Annual Meeting.

Your vote is important, and we urge you to vote as promptly as possible.

Sincerely,

ANDREW J. LITTLEFAIR
*President, Chief Executive Officer and
Director*

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CLEAN ENERGY FUELS CORP.

4675 MacArthur Court, Suite 800

Newport Beach, California 92660

UPDATED NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

Friday, June 8, 2018

The annual meeting of stockholders (Annual Meeting) of Clean Energy Fuels Corp. (the Company, we, us or our) be held on Friday, June 8, 2018, at 9:00 a.m. Pacific Time via live audio webcast that can be accessed by visiting www.virtualshareholdermeeting.com/CLNE2018, for the following purposes:

1. To elect nine directors;
2. To ratify the appointment of KPMG LLP as our independent registered public accounting firm for our fiscal year ending December 31, 2018;
3. To hold an advisory, non-binding vote to approve executive compensation;
4. To approve, for the purpose of complying with Listing Rules 5635(b) and 5635(d) of the Nasdaq Stock Market, the issuance of shares of our common stock to Total Marketing Services S.A., a wholly owned subsidiary of Total S.A. (Total), in a private placement pursuant to a stock purchase agreement we have entered into with Total;
5. To approve an amendment to our Restated Certificate of Incorporation to increase the number of shares of our common stock we are authorized to issue by approximately 35.7%;
6. To approve an amendment to our Restated Certificate of Incorporation to effect, on or before May 31, 2019, a reverse split of our authorized, issued and outstanding common stock, at a ratio of between 1-for-5 and 1-for-10 and if and when and at such ratio as may be determined by our Board of Directors or an authorized committee thereof; and

7. To approve the adjournment of the Annual Meeting, if necessary or advisable to permit further solicitation of proxies in the event there are not sufficient votes at the time of the Annual Meeting to approve any or all of the foregoing items of business.

Any action on the foregoing items of business may be considered at the Annual Meeting at the time and on the date specified above, or at any time and date to which the Annual Meeting may be properly adjourned or postponed. Each of the foregoing items of business is more fully described in the proxy statement and supplement thereto, which accompany this notice or have been previously furnished to you. Other business that may properly come before the Annual Meeting or any adjournment or postponement of the Annual Meeting will also be transacted at the Annual Meeting.

The Company's Board of Directors has fixed the close of business on April 10, 2018 as the record date for the determination of stockholders entitled to notice of and to vote at the Annual Meeting and any adjournment or postponement thereof. A list of stockholders entitled to vote at the Annual Meeting will be available for inspection by any stockholder for any purpose germane to the Annual Meeting at our principal executive offices during normal business hours for a period of 10 days before the Annual Meeting.

By order of the Board of Directors,

Dated: May [], 2018

MITCHELL W. PRATT

Corporate Secretary

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CLEAN ENERGY FUELS CORP.

4675 MacArthur Court, Suite 800

Newport Beach, California 92660

2018 PROXY STATEMENT SUPPLEMENT DATED MAY [], 2018

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CLEAN ENERGY FUELS CORP.

4675 MacArthur Court, Suite 800

Newport Beach, California 92660

2018 PROXY STATEMENT SUPPLEMENT DATED MAY [], 2018

This proxy statement supplement (this Supplement) relates to the definitive proxy statement of Clean Energy Fuels Corp., a Delaware corporation (the Company, we, us or our), dated April 18, 2018 and first sent or given to our stockholders on April 20, 2018 (Proxy Statement). The Proxy Statement was previously filed with the Securities and Exchange Commission (SEC) and furnished to all of our stockholders as of the close of business on April 10, 2018 in connection with the solicitation by our Board of Directors (Board) of proxies for use at our 2018 annual meeting of stockholders (Annual Meeting). This Supplement, which will be distributed to our stockholders on or about May [], 2018, is also being furnished by the Board in connection with its solicitation of proxies for use at the Annual Meeting, and we will bear all costs related to this solicitation. This Supplement amends and supplements the Proxy Statement as it was previously filed and furnished, for the purposes and in the manner described below. All capitalized terms used in this Supplement and not otherwise defined herein have the respective meanings given to them in the Proxy Statement.

WHY YOU ARE RECEIVING THIS SUPPLEMENT

The purposes of this Supplement are to (1) postpone the date of the Annual Meeting to Friday, June 8, 2018, (2) add four new proposals to be voted on by our stockholders at the Annual Meeting, each of which is described in this Supplement, and (3) provide an Updated Notice of Annual Meeting (the Updated Notice) to reflect the foregoing. ***This Supplement, together with the accompanying Updated Notice, contains important additional information about the Annual Meeting, including details about voting on four new proposals that are not described in the Proxy Statement. Therefore, it is important that you read this Supplement in its entirety.*** For complete information about the Annual Meeting, this Supplement should be read in conjunction with the Proxy Statement as it was previously filed and furnished to you.

We are postponing the Annual Meeting from Wednesday May 30, 2018 to Friday, June 8, 2018. As a result, the Annual Meeting will not convene on May 30, 2018, and instead is scheduled to be held on Friday, June 8, 2018, at 9:00 a.m. Pacific Time (PT), subject to any adjournment or further postponement thereof. As described in the Proxy Statement, the Annual Meeting will be held on the new date via live audio webcast that can be accessed by visiting www.virtualshareholdermeeting.com/CLNE2018. The record date for the Annual Meeting has not changed and remains April 10, 2018, meaning that all persons who owned shares of our common stock at the close of business on that date are entitled to notice of and to vote at the Annual Meeting. As of such date, there were 152,514,550 outstanding shares of our common stock.

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At the Annual Meeting, stockholders are being asked to vote on the following seven proposals: (1) the election of nine directors to the Board; (2) the ratification of the appointment of KPMG LLP as our independent registered public accounting firm for our fiscal year ending December 31, 2018; (3) the approval, on an advisory, non-binding basis, of the compensation of our named executive officers, as disclosed in the Proxy Statement in accordance with the compensation disclosure rules of the SEC; (4) the approval, for the purpose of complying with Listing Rules 5635(b) and 5635(d) of the Nasdaq Stock Market (Nasdaq), of the issuance of shares of our common stock to Total Marketing Services S.A., a wholly owned subsidiary of Total S.A. (we refer to the entity to which the shares are issuable and these entities collectively, as the context requires, as Total), in a private placement pursuant to a stock purchase agreement, dated May 9, 2018, between us and Total (Purchase Agreement); (5) the approval of an amendment to our Restated Certificate of Incorporation, as amended and in

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effect as of the date hereof (Restated Certificate), to increase the number of shares of our common stock we are authorized to issue by approximately 35.7%; (6) the approval of an amendment to the Restated Certificate to effect, on or before May 31, 2019, a reverse split of our authorized, issued and outstanding common stock, at a ratio of between 1-for-5 and 1-for-10 and if and when and at such ratio as may be determined by our Board or an authorized committee thereof (the Reverse Stock Split); (7) the approval of the adjournment of the Annual Meeting if necessary or advisable to permit further solicitation of proxies in the event there are not sufficient votes at the time of the Annual Meeting to approve any or all of the foregoing proposals; and such other business as may properly come before the Annual Meeting. This Supplement and the Proxy Statement, taken together, summarize the information you need to know in order to vote on these proposals in an informed manner.

This Supplement only relates to certain of the proposals to be voted on by stockholders at the Annual Meeting, and as a result, it does not contain all of the information that is important to your decisions with respect to voting on all of the proposals that will be presented to stockholders at the Annual Meeting. Additional information is contained in the Proxy Statement as it was previously filed with the SEC and furnished to our stockholders. To the extent the information in this Supplement differs from, updates or conflicts with the information contained in the Proxy Statement, the information in this Supplement shall amend and supersede the information contained in the Proxy Statement. Except as so amended or superseded, all information set forth in the Proxy Statement remains unchanged and important for you to review. Accordingly, we urge you to read this Supplement carefully and in its entirety and together with the Proxy Statement.

CERTAIN INFORMATION ABOUT THIS SUPPLEMENT AND THE ANNUAL MEETING

This Supplement describes Proposals 4, 5, 6 and 7, which are new proposals being added to the agenda for the Annual Meeting and therefore are not described in the Proxy Statement. Information about Proposals 1, 2 and 3, each of which will also be presented to stockholders at the Annual Meeting, can be found in the Proxy Statement as originally filed with the SEC and first sent or given to our stockholders on April 20, 2018.

Delivery of Proxy Materials

Most of our stockholders who are entitled to notice of and to vote at the Annual Meeting previously received a notice of the availability of our proxy materials for the Annual Meeting on the Internet, which provided instructions on how to access these proxy materials on the Internet, but did not receive printed copies of the proxy materials unless they requested them. For purposes of the supplemental proxy materials we are providing because of the changes to the Annual Meeting and the Proxy Statement as described in this Supplement, we have elected to provide access to these supplemental materials, including this Supplement, the Updated Notice and a proxy card reflecting all seven proposals to be voted on at the Annual Meeting, both by mailing (or, if you have previously consented to electronic delivery, emailing) to you a full set of these supplemental materials, and also by notifying you of the availability on the Internet of all of our proxy materials, including these supplemental materials and the Proxy Statement and our Annual Report for the year ended December 31, 2017. Accordingly, and pursuant to applicable SEC rules that require us to notify our stockholders of the availability of all of our proxy materials on the Internet, we are providing the following notice:

Important Notice Regarding the Availability of Proxy Materials

for the Stockholder Meeting to be held on Friday, June 8, 2018

The Proxy Statement, Supplement and the Annual Report are available at

www.proxyvote.com

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How to Cast or Revoke Your Vote

Because this Supplement describes new proposals to be voted on at the Annual Meeting that were not reflected or described in the Proxy Statement, proxies submitted before the date of this Supplement will not include votes on these new proposals. ***As a result, if you want to vote on the new proposals described in this Supplement, you must cast a new vote for the Annual Meeting. New votes may be cast or revoked, and previously submitted votes may be revoked and re-cast, as described below. Your vote is important, and we urge you to vote as promptly as possible.***

Stockholders of Record

If you are a stockholder of record entitled to vote at the Annual Meeting, you may vote in any one of the following ways:

On the Internet. You may vote on the Internet in one of two ways: (1) you may vote by proxy before the Annual Meeting starts by visiting www.proxyvote.com and following the instructions on the pink proxy card delivered with the supplemental proxy materials for the Annual Meeting; or (2) you may vote during the Annual Meeting by attending the live audio webcast at www.virtualshareholdermeeting.com/CLNE2018 and following the instructions on the pink proxy card delivered with the supplemental proxy materials for the Annual Meeting.

By Telephone. You may vote by proxy by calling the toll-free number found on the pink proxy card delivered with the supplemental proxy materials for the Annual Meeting.

By Mail. You may vote by proxy by completing the pink proxy card delivered with the supplemental proxy materials for the Annual Meeting and mailing it in the envelope provided. The pink proxy card replaces any white proxy card you may have previously received for purposes of voting at the Annual Meeting.

Votes submitted by proxy on the Internet or by telephone must be received by 11:59 p.m. Eastern Time on Thursday, June 7, 2018 to be counted. Votes submitted on the Internet during the Annual Meeting by stockholders attending the meeting and votes submitted by mail must be received no later than the close of voting at the Annual Meeting to be counted.

Once you have submitted your proxy on the Internet or by telephone or mail, including proxies submitted before or after the date of this Supplement, you may revoke it at any time before it is voted at the Annual Meeting by taking any one of the following actions:

Later-Dated Vote. You may revoke a previously submitted proxy by submitting a later-dated vote on the Internet (either before or during the Annual Meeting), by telephone or by mail. Any proxy submitted by mail using a pink proxy card will revoke and supersede a proxy previously submitted by mail using a white proxy card.

Written Notice. You may revoke a previously submitted proxy by sending or otherwise delivering a written notice of revocation to the attention of our Corporate Secretary at the address of our principal executive offices.

To be effective, any later-dated vote must be received by the applicable deadline for the voting method used, as described above, and any written notice of revocation must be received no later than the close of voting at the Annual Meeting. Only your latest-dated vote that is received by the deadline applicable to the voting method used will be counted.

Beneficial Owners of Shares Held in Street Name

If you are a beneficial owner of shares held in street name (that is, through a broker, bank or other nominee), you have the right to instruct your broker, bank or other nominee on how to vote your shares at the Annual Meeting. You should do so by following the instructions provided by your broker, bank or other nominee regarding how to vote your shares and how to revoke a previously submitted proxy. The availability of Internet, telephone or other methods to vote your shares by proxy will depend on the voting processes of the broker, bank or other nominee that holds your shares.

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This Supplement contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (Securities Act), and Section 21E of the Securities Exchange Act of 1934, as amended (Exchange Act). Forward-looking statements are statements other than historical facts and relate to future events or circumstances or our future performance, and they are based on our current assumptions, expectations and beliefs concerning future developments and their potential effect on our business. In some cases, you can identify forward-looking statements by the following words: if, may, might, shall, will, can, could, would, should, expect, intend, initiative, anticipate, believe, estimate, predict, project, forecast, potential, continue, ongoing or terms or other comparable terminology, although the absence of these words does not mean that a statement is not forward-looking. The forward-looking statements we make in this Supplement include statements about, among other things, our ability to obtain stockholder approval for and implement any of the matters discussed in this Supplement or otherwise to be voted on at the Annual Meeting (including the issuance and sale of all of the 50,856,296 shares of our common stock to Total under the Purchase Agreement, which would require stockholder approval of Proposals 4 and 5 described in this Supplement and the satisfaction of certain other conditions; the increase to the number of shares of our common stock we are authorized to issue, which would require stockholder approval of Proposal 5 described in this Supplement; the implementation of the Reverse Stock Split, which would require stockholder approval of Proposal 6 described in this Supplement; and the finalization and establishment of certain other relationships with Total, which are not being voted on by our stockholders at the Annual Meeting but which are described in Proposal 4 of this Supplement), and if such stockholder approval is obtained and such matters are implemented, the possible effects such matters could have on us, our securities, our performance and our business.

Although the forward-looking statements in this Supplement reflect our good faith judgment based on available information, they involve known and unknown risks, uncertainties and other factors that may cause actual achievements, performance or other events to be materially different from any future achievements, performance or other events expressed or implied by the forward-looking statements. Factors that might cause or contribute to such differences include, among others: our and Total s ability to satisfy all of the conditions required to complete the issuance and sale of the shares of our common stock under the Purchase Agreement, some of which may not be within our control; our and Total s ability to negotiate definitive agreements for certain other relationships discussed in this Supplement, both with each other and with certain other parties over which we have no control, as well as the final terms of these definitive agreements, if finalized; future supply, demand, use and prices of crude oil, gasoline, diesel, natural gas, other vehicle fuels, and heavy-duty trucks and other vehicles and engines powered by these fuels, including overall levels of and volatility in these factors; the willingness of fleets and other consumers to adopt natural gas as a vehicle fuel, and the rate of any such adoption; our ability to capture a substantial share of the market for alternative vehicle fuels and vehicle fuels generally and otherwise compete successfully in these markets, including in the event of advances or improvements in non-natural gas vehicle fuels or engines powered by these fuels or other competitive developments and particularly in light of increasing competition from new entrants in these markets, expanded programs by existing competitors, or other factors; our ability to accurately predict natural gas vehicle fuel demand in the geographic and customer markets in which we operate and effectively calibrate our strategies, timing and levels of investments to be consistent with this demand; our ability to recognize the anticipated benefits of our natural gas fueling station network; future availability of capital, including equity or debt financing, as needed to fund the growth of our business, repayment of our debt obligations or other expenditures, as well as any dilutive or other negative effects or costs of obtaining such capital as and when needed; the availability of environmental, tax and other government regulations, programs and incentives that promote natural gas or other alternatives as a vehicle fuel, including long-standing support for gasoline- and diesel-powered vehicles and growing support for electric and hydrogen-powered vehicles that could result in programs or incentives that favor of these vehicles or vehicle fuels over natural gas; changes to federal, state or local greenhouse gas emissions regulations or other environmental regulations applicable to natural gas production, transportation or use; compliance with other applicable government

regulations; our ability to manage and grow our renewable natural gas business, including

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our ability to continue to receive revenue from sales of certain tradable credits we generate by selling conventional and renewable natural gas as vehicle fuel; construction, permitting and other factors that could cause delays or other problems at station construction projects; our ability to realize the intended or any benefits of any mergers, acquisitions, divestitures, investments or other strategic measures, transactions or relationships we may implement or pursue, as well as any negative effects or other costs associated with any such measures, transactions or relationships; general political, regulatory, economic, market and other conditions; the impact of the above factors and other events, including the events and other matters discussed in this Supplement, on the market price, trading volume, liquidity and marketability of our common stock; and the other risks discussed under **Risk Factors** in our annual report on Form 10-K for our fiscal year ended December 31, 2017, which was filed with the SEC on March 13, 2018 and is included as part of the Annual Report. In addition, we operate in a competitive and rapidly evolving industry in which new risks emerge from time to time, and it is not possible for us to predict all of the risks we may face, nor can we assess the impact of all factors on our business or the extent to which any factor or combination of factors could cause actual results to differ from our expectations.

As a result of these and other potential risks and uncertainties, the forward-looking statements we make in this Supplement should not be relied on or viewed as predictions of future events. All forward-looking statements in this Supplement are made only as of the date of this document and, except as required by law, we undertake no obligation to update publicly any forward-looking statements for any reason, including to conform these statements to actual results or to changes in our expectations.

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PROPOSAL 4

APPROVAL, FOR THE PURPOSE OF COMPLYING WITH NASDAQ LISTING RULES 5635(B) AND 5635(D), OF THE ISSUANCE OF SHARES OF OUR COMMON STOCK TO TOTAL IN A PRIVATE PLACEMENT PURSUANT TO THE TERMS OF THE PURCHASE AGREEMENT

Background

Our Board is proposing for approval by our stockholders, for the purpose of complying with applicable Nasdaq rules, our issuance of 50,856,296 shares of our common stock to Total under the Purchase Agreement. The key terms of the agreements relating to this Proposal 4 are summarized below. Copies of the agreements have been filed as Exhibits 10.125, 10.126 and 10.127 to our Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2018 filed with the SEC on May 10, 2018, and you are encouraged to review the full text of such agreements and such report. The below summary of these agreements and the transactions contemplated thereby does not purport to be complete and is subject to, and is qualified in its entirety by, the full text of the agreements.

The Purchase Agreement

On May 9, 2018, we entered into the Purchase Agreement with Total, pursuant to which we agreed to sell and issue, and Total agreed to purchase, in a private placement, up to 50,856,296 shares of our common stock at a purchase price of \$1.64 per share, which was determined based on the volume-weighted average price for our common stock between March 23, 2018 (the day on which discussions began between us and Total) and May 3, 2018 (the day on which we agreed in principal with Total regarding the structure and basic terms of its investment). If all of the shares to be sold under the Purchase Agreement are issued, then we would receive gross proceeds from such sale of \$83.4 million and, immediately after such issuance (and based on the number of shares of our common stock outstanding as of April 10, 2018, which was 152,514,550 shares), Total would hold 25.0% of the outstanding shares of our common stock and the largest ownership position of our Company. As of the date of the Purchase Agreement, Total did not hold or otherwise beneficially own any shares of our common stock, and Total has agreed, until the later of May 9, 2020 or such date when it ceases to hold more than 5% of our common stock then outstanding, among other similar undertakings and subject to customary conditions and exceptions, to not purchase shares of our common stock or otherwise pursue transactions that would result in Total beneficially owning more than 30% of our equity securities without the approval of the Board.

The issuance, sale and purchase of all of the shares under the Purchase Agreement is conditioned upon the satisfaction or waiver (if and to the extent permitted by applicable laws, rules and regulations) of certain specified conditions. These conditions include the following:

obtaining the approval of our stockholders of the issuance of all of the shares to be sold under the Purchase Agreement, as described in this Proposal 4;

obtaining the approval of our stockholders of an amendment to the Restated Certificate to increase the number of shares of our common stock we are authorized to issue, as described in Proposal 5 below;

entering into a registration rights agreement with Total, as described below;

the absence of any legal impediment to the completion of the issuance, sale and purchase of the shares; and

certain other customary closing conditions.

As a result, with this Proposal 4, we are seeking the approval of our stockholders to issue to Total all of the 50,856,296 shares of our common stock to be sold under the Purchase Agreement. If, however, our stockholders do not approve this Proposal 4 or Proposal 5 described in this Supplement below,

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then, pursuant to the Purchase Agreement, Total would have the right, exercisable in its sole discretion within two calendar weeks after the conclusion of the Annual Meeting, to elect to purchase fewer shares of our common stock, in an amount equal to 19.99% of the lesser of the number of shares of our common stock outstanding immediately before the Purchase Agreement was signed (which was 152,568,887 shares, and 19.99% of which is 30,498,520 shares), and the number of shares of our common stock outstanding immediately before Total's delivery to us of a notice indicating its election to exercise such right. Any such purchase of fewer shares of our common stock would be completed under the terms of the Purchase Agreement, including the price per share set forth in such agreement and as described above. As a result, if our stockholders do not approve this Proposal 4, we would, if elected by Total, issue and sell to Total either no shares of our common stock under the Purchase Agreement, and receive no gross proceeds therefor, or 30,498,520 shares of our common stock under the Purchase Agreement, and receive \$50.0 million of gross proceeds therefor.

We expect to use any net proceeds received from Total under the Purchase Agreement for working capital and general corporate purposes, which may include, among other purposes, executing our business plans, pursuing opportunities for further growth, and retiring a portion of our outstanding indebtedness. As of the date of this solicitation, however, we cannot specify with certainty all of the particular uses of such proceeds, if any, and we will have broad discretion over the use of any such proceeds. Pending our use of the net proceeds, if any, we may invest the proceeds in short-term, interest-bearing, investment-grade securities.

If stockholder approval of this Proposal 4 is obtained at the Annual Meeting and the other conditions described above are also satisfied, then we expect to sell and issue all such shares promptly after the satisfaction of all conditions.

Director Designation Rights

Pursuant to the Purchase Agreement, we have granted to Total the right to designate up to two individuals to serve as directors on our Board. Subject to certain limited conditions as described in the Purchase Agreement, including compliance with our governing documents and all applicable laws, rules and regulations, we will be obligated to appoint or nominate for election as directors of our Company the individuals so designated by Total and, from and after such appointment or election, appoint one of these individuals to serve on the audit committee of the Board and any other committees of the Board that may be formed from time to time for the purpose of making decisions that are strategically significant to our Company. Total's rights and our obligations relating to these designees commence at the time any shares are issued to Total under the Purchase Agreement, and continue until (and if) (1) with respect to Total's right to designate two individuals to serve as directors on our Board, Total's voting power is less than 16.7% but more than 10%, and (2) with respect to Total's right to designate one individual to serve as a director on our Board, Total's voting power is less than 10%, in each case measured in relation to the total votes then entitled to be cast in an election of directors by our stockholders.

This Proposal 4 does not relate to, and is not a vote on, the election of these director nominees. We expect the individuals selected by Total to serve as directors on our Board will be identified, considered and reviewed by our Board to confirm compliance with all applicable laws, rules and regulations and as set forth in the Purchase Agreement, and appointed as directors on our Board and, for one such individual, as a member of the audit committee thereof, on a date following the Annual Meeting. As a result, we expect these individuals will be nominated and eligible for election by our stockholders at our 2019 annual meeting of stockholders.

Registration Rights

Pursuant to the Purchase Agreement, we have also agreed to enter into a registration rights agreement with Total at the closing of the issuance and sale of our common stock to Total under the Purchase Agreement. Pursuant to the

registration rights agreement, we will be obligated to, at our expense, (1) within 60 days after the issuance and sale of shares of our common stock to Total under the Purchase Agreement, file one or more registration statements with the SEC to cover the resale of such shares, (2) use our commercially reasonable

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efforts to cause all such registration statements to be declared effective within 90 days after the initial filing thereof with the SEC, (3) use our commercially reasonable efforts to maintain the effectiveness of such registration statements until all such shares are sold or may be sold without restriction under Rule 144 under the Securities Act, and (4) with a view to making available to the holders of such shares the benefits of Rule 144, make and keep available adequate current public information, as defined in Rule 144, and timely file with the SEC all required reports and other documents, until all such shares are sold or may be sold without restriction under Rule 144. If such registration statements are not filed or declared effective as described above or any such effective registration statements subsequently become unavailable for more than 30 days in any 12-month period while they are required to be maintained as effective, then we would be required to pay liquidated damages to Total equal to 0.75% of the aggregate purchase price for the shares remaining eligible for such registration rights each month for each such failure (up to a maximum of 4% of the aggregate purchase price for the shares remaining eligible for such registration rights each year).

Voting Agreement

In connection with the Purchase Agreement, on May 9, 2018, we and all of our directors and officers entered into a voting agreement with Total. Pursuant to the voting agreement, each of our current directors and officers has agreed to vote all shares of our common stock presently or hereafter owned or controlled by him, in any vote of our stockholders that may be held from time to time, in favor of certain matters, including the approval of this Proposal 4 at the Annual Meeting, the approval of Proposal 5 at the Annual Meeting (as described in this Supplement below), and the election of the individuals designated by Total to serve as directors on our Board. Each of our directors and officers has also granted to Total a proxy to vote all such shares in accordance with the terms of the voting agreement. For each of our directors and officers party to the voting agreement, the voting obligations contained in the agreement continue from and after, and for so long as, Total's director designation rights are in effect, as described above, and such director or officer continues to serve in such capacity for our Company (other than Mr. Boone Pickens, one of our directors and co-founders, who will continue to be bound by the voting obligations even after he ceases to serve as such for our Company) and continues to hold shares of our common stock. As of April 10, 2018, an aggregate of 16,587,658 shares of our common stock, representing 10.9% of the outstanding shares of our common stock as of such date, were owned or controlled by our directors and officers and are subject to this voting agreement.

Separate Credit Support Arrangement with Total for Truck Leasing Program

As part of our key business objectives, we aim to facilitate and grow the deployment of heavy-duty natural gas trucks in the United States, which is one of our target customer markets, and to fuel a substantial number of these trucks. In connection with the Purchase Agreement, we have signed a non-binding letter of intent with Total regarding a truck leasing program and a credit support arrangement in connection with these objectives.

As described in our Annual Report, natural gas vehicles typically cost more initially than gasoline- or diesel-powered vehicles, because the components needed for a vehicle to use natural gas add to the vehicle's base cost. Operators then seek to recover the additional base cost over time through the generally lower fueling costs for natural gas vehicles, but if operators perceive an inability to timely recover these additional initial costs, then they may be reluctant to initially purchase the natural gas vehicle. We and Total intend to work together to develop and implement a truck leasing program designed to encourage additional operators to convert to or acquire new natural gas heavy-duty trucks. In concept, and as described in the letter of intent, such a truck leasing program is expected to involve the following: (i) one or more truck leasing or finance companies would lease natural gas heavy-duty trucks to large vehicle fleets pursuant to lease agreements with the fleet operators and with us, providing for periodic payments by the fleet operators of amounts equal to the payments that would be made for the lease of an equivalent truck that operates on diesel fuel, and providing for periodic payments by us of the incremental cost of the natural gas truck over

and above the diesel equivalent truck, (ii) the fleet operators would enter into fuel purchase agreements with us, pursuant to which the operators would agree to purchase minimum monthly volumes of natural gas fuel from us at fixed prices, and (iii) Total would commit to

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enter into guaranty agreements for up to an aggregate of \$100.0 million in support of our payment obligations under the truck lease agreements as described above, and in consideration for such guaranty commitment, we would pay to Total an annual fee equal to 10% of the average amount of all such outstanding guaranty agreements.

The letter of intent for the truck leasing program and related credit support arrangement is non-binding in all respects, and therefore does not represent any legally binding obligation on the part of us or Total with respect to such program or arrangement or continued discussions or negotiations, if any, of definitive agreements for the program or arrangement. Furthermore, if we and Total agree to a truck leasing program and credit support arrangement, the terms of such program and arrangement could differ materially from those contemplated by the letter of intent as described above. Although we expect to work with Total to complete such definitive agreements as promptly as practicable, there is no assurance that any such agreements will be finalized when expected, on terms similar to those described above or terms we otherwise believe are favorable, or at all. Moreover, even if such definitive agreements are finalized and a truck leasing program and credit support arrangement are implemented, such a program and arrangement may not achieve the intended or any other benefits for us or our business.

Further, entering into definitive agreements for a truck leasing program and related credit support arrangement is not a condition to issuing and selling the shares of our common stock to Total under the Purchase Agreement as described in this Proposal 4, and we do not expect the issuance and sale of such shares of our common stock to Total under the Purchase Agreement would be a condition to entering into definitive agreements for the truck leasing program and credit support arrangement. As a result, the truck leasing program and credit support arrangement are separate from the issuance and sale of shares to Total under the Purchase Agreement in all respects (except solely for the commonality of parties to the proposed transactions), and this Proposal 4 does not relate to, and is not a vote on, such a program or arrangement. Consequently, if this Proposal 4 is approved by our stockholders (and the other conditions described above are satisfied), we may effect the issuance and sale of shares of our common stock to Total under the Purchase Agreement and receive the gross proceeds therefor without ever agreeing to the terms of and finalizing definitive agreements for or implementing a truck leasing program and credit support arrangement, and conversely, if this Proposal 4 is not approved by our stockholders (or any of the other conditions described above are not satisfied), we may finalize definitive agreements for and implement a truck leasing program and related credit support arrangement without ever effecting the issuance and sale of shares of our common stock to Total under the Purchase Agreement or receiving any gross proceeds therefor.

Reasons for Requesting Stockholder Approval

Our common stock is listed on the Nasdaq Global Select Market, and as a result, we are subject to Nasdaq's Listing Rules, including Nasdaq Listing Rule 5635. Nasdaq Listing Rule 5635(b) requires stockholder approval prior to an issuance of securities that will result in a change of control of a listed company, which for Nasdaq purposes is generally deemed to occur when, as a result of an issuance, an investor or a group of investors acquires, or has the right to acquire, 20% or more of the outstanding shares of common stock or voting power of the company and such ownership or voting power would be the company's largest ownership position. If Total purchases all of the 50,856,296 shares of our common stock that could be issued and sold under the Purchase Agreement, Total would become a holder of more than 20% of the outstanding shares of our common stock and would hold the largest ownership position of our Company. As a result, our issuance and sale to Total of all such shares would, for Nasdaq purposes, constitute a change of control requiring stockholder approval pursuant to Nasdaq Listing Rule 5635(b).

In addition, Nasdaq Listing Rule 5635(d) requires stockholder approval prior to the sale, issuance or potential issuance in a transaction other than a public offering of a listed company's common stock (or securities convertible into or exercisable for common stock) equal to 20% or more of the common stock or 20% or more of the voting power outstanding before the issuance for less than the greater of book or market value of the common

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stock, where, for Nasdaq purposes, market value equals the consolidated closing bid price per share of the common stock as reported by Nasdaq immediately before entry into a binding agreement to issue the securities. If all of the 50,856,296 shares of our common stock are issued and sold to Total under the Purchase Agreement, the total number of shares of our common stock sold under such agreement would exceed 20% of the total number of shares of our common stock issued and outstanding immediately before the Purchase Agreement was signed, and all of our common stock to be sold and issued under such agreement would be sold at a price of \$1.64 per share, which is less than \$1.91, the consolidated closing bid price per share of our common stock as reported on the Nasdaq Global Select Market immediately before the Purchase Agreement was signed. As a result, our issuance and sale of all such shares of our common stock requires stockholder approval pursuant to Nasdaq Listing Rule 5635(d).

Reasons for the Transactions with Total

The Board has determined, in its business judgment, that the transactions with Total as described above, including the issuance and sale of shares of our common stock under the Purchase Agreement and the potential truck leasing program and related credit support arrangement, are in the best interests of the Company and our stockholders. As a result, the Board has unanimously approved these transactions, subject to stockholder approval as required, and has unanimously recommended that our stockholders approve such transactions that require stockholder approval by voting in favor of this Proposal 4. In making this determination and approval, the Board considered, among other things, the factors and characteristics of the transactions described below.

First and most critically, the Board believes Total is a valuable strategic investor and partner for our Company. Total and its affiliates are a major global natural gas and energy organization. In particular, Total is actively pursuing clean energy initiatives and has enthusiastically embraced natural gas as a vehicle fuel. We believe a partnership with Total could enhance our strategies, initiatives and efforts to achieve our goals to grow fleet and other consumer support for the use of natural gas as a vehicle fuel in our target customer and geographic markets, through Total's input of crucial insight and experience, its considerable influence in the global energy markets, and other contributions and factors. The Board also believes the proceeds from the sale of our common stock to Total under the Purchase Agreement would enhance our liquidity in support of our operations, our ability to execute our business plans and pursue opportunities for further growth, and our satisfaction of our commitments (including repayments on our outstanding debt). Further, the Board believes the potential truck leasing program and credit support arrangement with Total could play a critical role in generating increased adoption of natural gas as a vehicle fuel in the U.S. heavy-duty truck market, which, if this expectation materializes, could have a direct and positive impact on our financial condition and performance, and the Board believes Total's purchase of our common stock under the Purchase Agreement would align Total's interests with the interests of our other stockholders and the success of our Company, both in general and in connection with any truck leasing program and credit support arrangement that may be finalized.

Possible Effects if Proposal 4 Is Approved

If this Proposal 4 is approved by our stockholders, then, subject to the satisfaction of the other conditions set forth in the Purchase Agreement as described below (including obtaining the approval of our stockholders of Proposal 5 as described in this Supplement below), we would be able to issue and sell 50,856,296 shares of our common stock to Total under the Purchase Agreement. The rights and privileges associated with all shares of our common stock issuable to Total under the Purchase Agreement are identical to the rights and privileges associated with the common stock held by our existing stockholders, and will not include preemptive, conversion or other rights to subscribe for additional shares of our common stock.

Approval of this Proposal 4, assuming the satisfaction of the other conditions set forth in the Purchase Agreement and our issuance of the shares issuable thereunder, could have the following effects:

Dilution. If approved, this Proposal 4 would result in a 50,856,296 share increase in the number of outstanding shares of our common stock. As a result, our existing stockholders would own a materially

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smaller percentage of our outstanding common stock and, accordingly, a materially smaller percentage interest in the voting power, liquidation value and book value of our common stock. Moreover, the approval of this Proposal 4 would not limit our ability to engage in additional issuances of our common stock (or securities convertible into or exercisable or exchangeable for our common stock) for capital-raising or other purposes in the future, subject to compliance with Nasdaq rules or other applicable laws. As a result, our stockholders could experience further dilution from additional such transactions we may pursue in the future.

Market Effects. Despite the existence of certain restrictions on transfer, the issuance of our common stock under the Purchase Agreement could affect trading patterns and adversely affect the market price of our outstanding common stock. Additionally, sales in the public market of the shares of our common stock issued and sold under the Purchase Agreement, or the perception that such sales could occur, could adversely affect the prevailing market price of our common stock and impair our ability to raise capital in future equity financings.

Concentration of Ownership and Control. Our issuance and sale to Total of all of the shares of our common stock under the Purchase Agreement would result in Total's ownership of 25.0% of the outstanding shares of our common stock (immediately after the issuance of such shares and based on the number of shares of our common stock outstanding as of April 10, 2018). Such ownership would represent the largest ownership position in our Company. As a result, Total would be able to exert significant influence or control over matters requiring approval by our stockholders, including the election of directors and mergers, acquisitions or other extraordinary transactions. In addition, as described above, Total has obtained director designation rights in connection with its investment in our Company, and thus would have direct representation of its interest on our Board and certain committees thereof. Total may have interests that differ from ours or yours, and it may vote or otherwise act in ways with which you disagree and that may be adverse to your interests. In addition, the concentration of ownership and control in Total may have the effect of delaying, preventing or deterring a change of control of our Company, which could deprive our stockholders of an opportunity to receive a premium for their shares of our common stock as part of a sale of our Company, or conversely, could facilitate a change of control at a time or under circumstances when you and other stockholders may prefer not to sell. Further, the concentration of ownership and control could adversely affect the prevailing market price for our common stock.

Valuable Investor and Partner. As discussed above, we believe Total represents a valuable investor and partner for us as we continue to pursue increased adoption of natural gas as a vehicle fuel among fleet vehicle operators in a variety of markets, including heavy-duty trucking. We believe obtaining the support and investment of this leader in the global energy industry, as well as its potential collaboration with us to stimulate the U.S. heavy-duty truck market through a leasing program and credit support arrangement, could prove to be pivotal and transformational in the trajectory of our Company.

Improved Capital Levels and Reserves. As discussed above, we expect to raise \$83.4 million of gross proceeds from the issuance and sale of shares of our common stock if this Proposal 4 is approved (and the other conditions described above are satisfied). Such proceeds would strengthen our balance sheet and increase our capital levels and reserves, allowing us to support our current operations, execute our business plans, pursue opportunities for further growth and satisfy our commitments.

Possible Effects if Proposal 4 Is Not Approved

If this Proposal 4 is not approved by our stockholders, then we would not be able to issue and sell, and Total would not be able to purchase, all of the 50,856,296 shares of our common stock issuable under the Purchase Agreement, nor would we receive the \$83.4 million of gross proceeds from such sale. As described above, however, in that event, or if Proposal 5 as described in this Supplement below is not approved by our stockholders, then Total would have the right to purchase fewer shares of our common stock if it elects to do so, which would result in our issuance and sale to Total of either no shares of our common stock under the Purchase

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Agreement and our receipt of no gross proceeds therefor (if Total does not elect to exercise such right), or 30,498,520 shares of our common stock under the Purchase Agreement and our receipt of \$50.0 million of gross proceeds therefor (if Total does elect to exercise such right). If Proposal 4 or Proposal 5 are not approved by our stockholders, then Total may elect to exercise or not exercise this right in its sole discretion, and consequently, we would have no control over whether or not such lesser number of shares would be issued and sold to Total.

A failure to obtain the approval of our stockholders of this Proposal 4 could have the following effects:

Weakening of a Potentially Beneficial Relationship. If Total is not able to obtain its desired investment in our Company because this Proposal 4 is not approved, we could lose the opportunity to obtain a new investor the Board believes could be instrumental in our future growth, and the Board believes the potential value and benefits of our other proposed relationships with Total could be materially weakened. As discussed above, we believe our potential transactions with Total, including the issuance of our common stock under the Purchase Agreement and other potential relationships (including, even though it is a separate transaction as described above, a potential truck leasing program and credit support arrangement), could prove to be pivotal and transformational in the trajectory of our Company, and a failure to obtain stockholder approval of this Proposal 4 could deprive us of some or all of the benefits we anticipate from these transactions and potential relationships.

Decreased Access to Capital. If stockholders do not approve this Proposal 4, then we may not have access to the \$83.4 million in gross proceeds we would receive from the sale of all of the 50,856,296 shares of our common stock to Total under the Purchase Agreement. The absence of this new capital could negatively impact our ability to execute our business plans and support our existing operations and any future growth opportunities, and could have a material adverse effect on our financial condition, liquidity and results of operations.

Completion of a Transaction Our Stockholders Do Not Find Favorable. If Total elects to exercise its right to purchase fewer shares of our common stock if this Proposal 4 is not approved by our stockholders, then we would be obligated, under the terms of the Purchase Agreement, to issue and sell such fewer shares to Total. As a result, in that event, we would be required to complete a transaction that at least some of our stockholders, for any of the reasons described under Possible Effects if Proposal 4 Is Approved above or for other reasons, do not vote to approve and thus would have determined to be, in their view, unfavorable. Any such outcome could harm our relationships and credibility with our stockholders, our reputation generally, and the prevailing market price of our common stock.

Securities Law Matters

This Proposal 4, together with the other disclosures contained in this Supplement, is neither an offer to sell nor a solicitation of an offer to buy any of our securities.

The offer and sale of the shares issuable to Total under the Purchase Agreement have not been registered under the Securities Act or any state or foreign securities laws, and may not be offered or sold absent such registration or an exemption from such registration requirements. These shares are being offered and sold in reliance on an exemption from registration afforded by Section 4(a)(2) of the Securities Act, Regulation S under the Securities Act and Rule 506 of Regulation D under the Securities Act, primarily based on the following facts: (1) Total has represented to us that it

is an accredited investor within the meaning of Rule 501 of Regulation D or a qualified institutional buyer within the meaning of Rule 144A, in each case under the Securities Act, and that it is not a U.S. person within the meaning of Rule 902 of Regulation S under the Securities Act; (2) Total has represented to us that it is acquiring the shares for its own account for investment only and with no present intention of distributing any of them or any arrangement or understanding with any other person regarding the distribution thereof, except in compliance with certain transfer restrictions set forth in the Purchase Agreement;

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(3) Total has represented to us that it is knowledgeable, sophisticated and experienced in making, and is qualified to make, decisions with respect to investments in securities presenting an investment decision like that involved in the purchase of the shares; (4) we used no advertising or general solicitation in connection with the offer and sale of the shares to Total; and (5) the shares that are issued to Total will be issued as restricted securities.

No Appraisal Rights

Under applicable Delaware law, our stockholders are not entitled to appraisal rights with respect to the proposed issuance and sale of our common stock to Total under the Purchase Agreement.

Required Vote and Effect of Not Casting Your Vote

Proposal 4 must be approved by the affirmative vote of a majority of the votes cast on the proposal by shares of our common stock present or represented by proxy at the Annual Meeting and entitled to vote on the proposal at the Annual Meeting. Proposal 4 constitutes a non-routine matter on which a broker, bank or other nominee is not entitled to vote shares held on behalf of a beneficial owner without receiving specific voting instructions from the beneficial owner. Consequently, if you hold your shares in street name and you do not instruct your broker, bank or other nominee on how to vote on this Proposal 4, no vote will be cast on the proposal on behalf of your shares and a broker non-vote will occur. As a result of the above, abstentions, if any, will have no effect on the outcome of the vote on Proposal 4 because abstentions are not considered to be present or entitled to vote with respect to the proposal for which they occur, and broker non-votes, if any, will have no effect on the outcome of the vote on Proposal 4 because, pursuant to our amended and restated bylaws, broker non-votes are not considered to be present or entitled to vote with respect to the proposal for which they occur.

**OUR BOARD UNANIMOUSLY RECOMMENDS A VOTE FOR THE APPROVAL OF
THE ISSUANCE OF SHARES OF OUR COMMON STOCK TO TOTAL
IN A PRIVATE PLACEMENT PURSUANT TO THE PURCHASE AGREEMENT**

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PROPOSAL 5

APPROVAL OF AMENDMENT TO OUR RESTATED CERTIFICATE OF INCORPORATION

TO INCREASE THE AUTHORIZED SHARES OF OUR COMMON STOCK

Our Restated Certificate currently authorizes the issuance of 224,000,000 shares of our common stock, par value \$0.0001 per share. Our Board is proposing for approval by our stockholders an amendment to our Restated Certificate to increase the number of shares of our common stock we are authorized to issue by approximately 35.7%, from 224,000,000 shares to 304,000,000 shares. Our Restated Certificate also authorizes the issuance of 1,000,000 shares of preferred stock, par value \$0.0001 per share, which would remain unchanged by the amendment to our Restated Certificate contemplated by this Proposal 5.

Background: Current Capitalization

As of April 10, 2018, our capitalization was as follows:

152,514,550 shares of our common stock were issued and outstanding;

14,991,521 shares of our common stock were issuable upon conversion of various outstanding convertible notes issued between July 2011 and September 2013 with an aggregate outstanding principal amount of \$235.5 million;

13,022,146 shares of our common stock were issuable upon exercise or vesting and settlement of outstanding options and restricted stock units granted pursuant to our equity incentive plans;

2,653,748 shares of our common stock were reserved for issuance pursuant to our employee stock purchase plan or equity awards we may grant in the future under our equity incentive plans; and

No shares of our preferred stock were issued or outstanding. There are currently no plans, arrangements, commitments or understandings to issue any shares of our preferred stock.

Based on the above capitalization information, only 40,818,035 shares of our currently authorized common stock remained unissued and unreserved and available for future issuance as of April 10, 2018. As described in Proposal 4 above, we have agreed to sell and issue to Total, and Total has agreed to purchase, 50,856,296 shares of our common stock if our stockholders approve Proposal 4 and this Proposal 5 and certain other conditions are satisfied (although we may be obligated to issue and sell a lesser number of shares to Total under the Purchase Agreement even if Proposal 4 or this Proposal 5 are not approved, please see the description of Proposal 4 above for more information). As a result, there is an insufficient number of unissued and unreserved shares of our common stock currently authorized to permit the issuance of all such shares to Total under the Purchase Agreement.

Reasons for the Increase to Our Authorized Shares of Common Stock

The Board has determined, in its business judgment, that an increase to our authorized shares of common stock by approximately 35.7%, from 224,000,000 shares to 304,000,000 shares, is in the best interests of the Company and our stockholders, and as a result the Board has unanimously approved such an increase, subject to stockholder approval, and has unanimously recommended that our stockholders approve such an increase by voting in favor of this Proposal 5. In making this determination and approval, the Board considered, among other things: our agreement to issue and sell shares of our common stock to Total under the Purchase Agreement, as described in Proposal 4 above; our historical share issuance rates, as described below; anticipated future share requirements; guidelines and potential voting recommendations of third-party proxy advisory services, including Institutional Shareholder Services (ISS); recent practices at other public companies; and a recommendation from our management.

The Board is requesting that our stockholders approve the increase to the authorized shares of our common stock in part to enable us to issue and sell 50,856,296 shares of our common stock to Total under the Purchase

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Agreement for gross proceeds to us of \$83.4 million. Pursuant to the Purchase Agreement, our ability to issue and sell all such shares is conditioned on and subject to our ability to obtain the approval of our stockholders of this Proposal 5 and our implementation of the increase to the authorized shares of our common stock described herein (although, as described in Proposal 4 above, Total would have the right to purchase a lesser number of shares of our common stock, if it elects to do so, if Proposal 4 or this Proposal 5 are not approved at the Annual Meeting). As described in Proposal 4 above, the Board believes the issuance and sale of all such shares to Total, as well as our other proposed relationships with Total, could provide meaningful capital resources and a valuable investor and partner in our execution of our business plans and strategic initiatives. Please read Proposal 4 above for a fulsome description of the proposed share issuance to and other potential relationships with Total.

The Board is also requesting that our stockholders approve the increase to the authorized shares of our common stock to provide us with the flexibility to issue our common stock as needed for other purposes. The newly authorized shares of our common stock would be issuable for any proper corporate purpose, except for the portion thereof that we would issue and sell to Total under the Purchase Agreement, as described above, if our stockholders also approve Proposal 4 as described in this Supplement and certain other conditions are satisfied. Historically, we have issued our common stock (or securities convertible into or exercisable or exchangeable for our common stock) for the following main reasons:

as consideration for mergers, acquisitions, investments or other similar transactions;

in connection with establishing collaborations or other strategic relationships;

as compensation to attract and retain our personnel through grants of equity awards; and

in capital-raising or financing transactions.

Since January 2015, we have issued common stock (or securities convertible into or exercisable or exchangeable for common stock) totaling 69,153,018 shares (on a fully diluted basis) for the reasons described above, and our Board may desire to use our common stock for these or other reasons in the future. Of these shares, since January 2015, we have issued shares of our common stock or granted equity awards in respect of shares of our common stock under our equity incentive plans for a total of 10,327,493 shares (on a fully diluted basis), and the Board believes the availability of additional shares for future compensatory purposes is an important recruiting and retention tool.

Except with respect to the issuance of up to 50,856,296 shares of our common stock to Total under the Purchase Agreement, the issuance of shares of our common stock upon the conversion of outstanding convertible securities, and the issuance of shares of our common stock in connection with our employee stock purchase plan and equity compensation plans and awards granted thereunder, we currently have no specific understandings or commitments, oral or written, that would require us to issue a material amount of new shares of our common stock.

Possible Effects if Proposal 5 Is Approved

If this Proposal 5 is approved by our stockholders, the Board would generally be able to issue the additional authorized shares in its discretion from time to time without further action by or approval of our stockholders, subject to and as limited by any Nasdaq rules or listing requirements or any other then applicable securities exchange or the

requirements of all applicable law, and subject to our commitment to issue and sell up to 50,856,296 shares of our common stock to Total under the Purchase Agreement.

Approval of this Proposal 5 could have the following effects:

Potential for Dilution. If approved, this Proposal 5 would result in our Board's ability to issue the newly authorized shares of our common stock in the future, in its discretion and without obtaining future stockholder approval. Because our stockholders do not have preemptive rights with respect to our common stock, they would not have preferential rights to purchase any additional shares we may

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issue in the future. Consequently, any issuance of additional shares of our common stock, unless such issuance is pro-rata among existing stockholders, would increase the number of outstanding shares of our common stock and decrease the ownership interest of our existing stockholders, as well as their percentage interest in the voting power, liquidation value and book value of our common stock. Depending on the terms of any such issuance, these decreases could be significant. At this time, it is impossible to predict the dilutive impact of any such future share issuance, if any. Any potential dilution would depend on a number of factors, including the price of our common stock at the time of any future issuance and the number of shares of our common stock then outstanding.

Nominating and Corporate Governance Committee

We intend to establish a nominating and corporate governance committee. The primary purpose of the nominating and corporate governance committee will be to identify individuals qualified to become directors, recommend to the Board of Directors the candidates for election by stockholders or appointment by the Board of Directors to fill a vacancy, recommend to the Board of Directors the composition and chairs of Board of Directors committees, develop and recommend to the Board of Directors guidelines for effective corporate governance, and lead an annual review of the performance of the Board of Directors and each of its committees. We do not have any formal process for stockholders to nominate a director for election to our Board of Directors. Currently, nominations are selected or recommended by a majority of the independent directors as stated in Section 804(a) of the NYSE MKT Company Guide.

Board and Committee Meetings

During the fiscal year ended March 31, 2013, our Board of Directors held eighteen meetings. Although we do not have any formal policy regarding director attendance at our annual meetings, we attempt to schedule our annual meetings so that all of our directors can attend. During the fiscal year ended March 31, 2013, all of our directors attended 100% of the meetings of the Board of Directors. During the fiscal year ended March 31, 2013, there were eight meetings of the audit committee, all of which were attended by all of the members of the committee. There were three compensation committee meetings held during the fiscal year ended March 31, 2013.

Communications with Directors

Any director may be contacted by writing to him or her c/o the Secretary of the Company at the address set forth above. Communications to the non-management directors as a group may be sent to the Independent Directors c/o the Secretary of the Company at the same address. We promptly forward, without screening other than normal security procedures for all our mail, all correspondence to the indicated director or directors.

Indemnification Agreements

We are party to indemnification agreements with each of the executive officers and directors. Such indemnification agreements require us to indemnify these individuals to the fullest extent permitted by law. Under the terms of the indemnification agreements, we intend to agree to indemnify our officers and directors against expenses, judgments, fines, penalties or other amounts actually and reasonably incurred by the independent director in connection with any proceeding if the officer or director acted in good faith and did not derive an improper personal benefit from the transaction or occurrence that is the basis of the proceeding.

Annual Meeting Attendance

We do not have a formal policy requiring directors to attend stockholder meetings but we encourage members of the Board of Directors to attend the Annual Meeting of Stockholders.

Compensation Committee Interlocks and Insider Participation

A Compensation Committee comprised of two independent members of the Board of Directors, Mr. Richard Prins and Mr. Sudhakar Shenoy. No executive officer of the Company served as a director or member of the compensation committee of any other entity.

The Compensation Committee met three times during FYE 2013 and was responsible for determining executive compensation and the award of ESOPs to employees and directors during FYE 2013. No consultants were used by the Compensation Committee during FYE 2013.

Audit Committee Report

The Audit Committee of the Board is composed of two directors, each of whom meets the current NYSE MKT test for independence. The Committee acts under a written charter adopted by the Board. The Audit Committee has prepared the following report on its activities with respect to the Company's audited financial statements for the fiscal year ended March 31, 2013 (the "Audited Financial Statements"):

o The Audit Committee reviewed and discussed the Company's Audited Financial Statements with management;

o The Audit Committee discussed with AJSH & Co. the Company's independent auditors for fiscal year 2013, the matters required to be discussed by Statements on Auditing Standards No. 61 (Codification of Statements on Auditing Standards, AU §380), as adopted by the Public Company Accounting Oversight Board in Rule 3200T;

o The Audit Committee received from the independent auditors the written disclosures regarding auditor independence and the letter required by Independence Standards Board Standard No. 1 (Independence Discussions with Audit Committees), discussed with AJSH & CO., its independence from the Company and its management, and considered whether AJSH & CO.'s provision of non-audit services to the Company was compatible with the auditor's independence; and

o Based on the review and discussion referred to above, and in reliance thereon, the Audit Committee recommended to the Board that the Audited Financial Statements be included in the Company's Annual Report on Form 10-K for the fiscal year ended March 31, 2013, for filing with the U.S. Securities and Exchange Commission.

All members of the Audit Committee concur in this report.

AUDIT COMMITTEE:

Richard Prins
Sudhakar Shenoy

Executive Officers

The following table sets forth information regarding our executive officers as of July 31, 2013. Executive officers are elected annually by our Board of Directors. Each executive officer holds his office until he resigns or is removed by the Board or his successor is elected and qualified.

Name	Age	Position
Mr. Ram Mukunda	54	Chief Executive Officer, Executive Chairman, President and Director
Mr. Danny Ngai	46	Interim Treasurer and Principal Financial and Accounting Officer
Mr. John Selvaraj (on leave of absence)	70	Treasurer and Principal Financial and Accounting Officer

There are no family relationships between any of our executive officers and our directors.

For information on Mr. Mukunda's background, please see "Directors" above.

Mr. John B. Selvaraj has served as our Treasurer and Principal Financial and Accounting Officer since November 27, 2006. The Board granted Mr. Selvaraj an extended leave of absence from the Company for health reasons.

Mr. Danny Ngai was officially appointed as our Interim Treasurer and Principal Financial and Accounting Officer on July 14, 2013. He has served as the General Manager and Director of Ironman since February 2012 and prior to that he has been involved with the Company since 2007, on a part time basis and is based in China. He is responsible for the general management of our Chinese operations including P&L responsibility, relations with the government of Inner Mongolia, banks, licensing regimes, interfacing with auditors, miners, and major customers. He was intimately involved in the acquisition of Ironman in China. Mr. Ngai has considerable experience managing P&L, SEC reporting, U.S. GAAP, Chinese GAAP, and audit functions. Between 1997 and 2004 he held various positions at Startec Global Communications, a company listed on the NASDAQ; including as Managing Director of the Hong Kong and Canadian subsidiaries where he had P&L responsibility for about 35 million in revenue and an operations with 150 employees. He was also responsible for all reporting functions and directly supervised the Chief Financial Officers of the two subsidiaries. Between January 2005 and September 2007 he was Vice President of Operations at Webpoint Communications. Between November 2007 and October 2009 he was Director of Operations at Jaxtr Inc. From November 2009 to February 2012, he was Director of Operations at SpeedCast. Mr. Ngai graduated from the University of Massachusetts, cum laude, in 1991 with a B.S. in Electrical Engineering and in 1999 obtained a Masters degree from the School of Business at the George Washington University. Mr. Ngai speaks English, Mandarin and Cantonese.

DIRECTOR AND EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

Overview of Compensation Policy

The Company's Compensation Committee is empowered to review and approve, or in some cases recommend for the approval of the full Board of Directors the annual compensation for the executive officers of the Company. This Committee has the responsibility for establishing, implementing and monitoring the Company's compensation strategy and policy. Among its principal duties, the Committee ensures that the total compensation of the executive officers is fair, reasonable and competitive.

Objectives and Philosophies of Compensation

The primary objective of the Company's compensation policy, including the executive compensation policy, is to help attract and retain qualified, energetic managers who are enthusiastic about the Company's mission and products. The policy is designed to reward the achievement of specific annual and long-term strategic goals aligning executive performance with company growth and stockholder value. In addition, the Board of Directors strives to promote an ownership mentality among key leaders and the Board of Directors.

Setting Executive Compensation

The compensation policy is designed to reward performance. In measuring executive officers' contribution to the Company, the Compensation Committee considers numerous factors including the Company's growth and financial performance as measured by revenue, gross margin and net income before taxes among other key performance indicators. Regarding most compensation matters, including executive and director compensation, management provides recommendations to the Compensation Committee; however, the Compensation Committee does not delegate any of its functions to others in setting compensation. The Compensation Committee does not currently engage any consultant related to executive and/or director compensation matters.

Stock price performance has not been a factor in determining annual compensation because the price of the Company's Common Stock is subject to a variety of factors outside of management's control. The Company does not subscribe to

an exact formula for allocating cash and non-cash compensation. However, a significant percentage of total executive compensation is performance-based. Historically, the majority of the incentives to executives have been in the form of non-cash incentives in order to better align the goals of executives with the goals of stockholders.

Elements of Company's Compensation Plan

The principal components of compensation for the Company's executive officers are:

- o base salary
- o performance-based incentive cash compensation
- o right to purchase the Company's stock at a preset price (stock options)
- o retirement and other benefits

Base Salary

The Company provides named executive officers and other employees with base salary to compensate them for services rendered during the fiscal year. Base salary ranges for named executive officers are determined for each executive based on his or her position and responsibility. During its review of base salaries for executives, the Committee primarily considers:

- o market data;
- o internal review of the executives' compensation, both individually and relative to other officers; and
- o individual performance of the executive.

Salary levels are typically evaluated annually as part of the Company's performance review process as well as upon a promotion or other change in job responsibility.

Performance-Based Incentive Compensation

The management incentive plan gives the Committee the latitude to design cash and stock-based incentive compensation programs to promote high performance and achievement of corporate goals, encourage the growth of stockholder value and allow key employees to participate in the long-term growth and profitability of the Company. So that stock-based compensation may continue to be a viable part of the Company's compensation strategy, management is currently seeking stockholder approval of a proposal to increase the number of shares of Company Common Stock reserved for issuance pursuant to the Company's Stock Plan.

Ownership Guidelines

To align the interests of the Board of Directors directly with the interests of the stockholders, the Committee recommends that each Board member maintain a minimum ownership interest in the Company. Currently, the Compensation Committee recommends that each Board member own a minimum of 5,000 shares of the Company's common stock with such stock to be acquired within a reasonable time following election to the Board.

Stock Option Program

The Stock Option Program assists the Company to:

- o enhance the link between the creation of stockholder value and long-term executive incentive compensation;
- o provide an opportunity for increased equity ownership by executives; and
- o maintain competitive levels of total compensation.

Stock option award levels will be determined based on market data and will vary among participants based on their positions within the Company and are granted at the Committee's regularly scheduled meeting.

All grants of options or common stock occurred on or before the fiscal year ended March 31, 2013. In fiscal 2009 no option grants were made. In fiscal 2010, 1,393,000 stock options were granted (the "2010 Options") with an exercise price of \$1.00 and expiration of May 13, 2014. No grants were made in fiscal 2011. In fiscal year ended March 31,

2012, 1,300,450 stock options (the “2012 Options”) were granted with an exercise price of \$0.56 and an expiration of June 27, 2016. In fiscal 2013 we granted 625,147 shares of common stock. As of March 31, 2013, we had granted 633,030 shares of Common Stock and 2,693,450 stock options under our Stock Plan. As of April 30, 2013 there were an aggregate of 146,089 shares available for future grants of options or stock awards.

Perquisites and Other Personal Benefits

The Company provides some executive officers with perquisites and other personal benefits that the Company and the Committee believe are reasonable and consistent with its overall compensation program to enable the Company to attract and retain superior employees for key positions. The Committee periodically reviews the levels of perquisites and other personal benefits provided to named executive officers. Some executive officers receive the use of company automobiles and an assistant. Each employee of the Company is entitled to term life insurance, premiums for which are paid by the Company. In addition, each employee is entitled to receive certain medical and dental benefits and the employee funds part of the cost.

Accounting and Tax Considerations

The Company's stock option grant policy will be impacted by the implementation of FASB ASC 718 (Previously referred to as SFAS No. 123R), which was adopted in the first quarter of fiscal year 2006. Under this accounting pronouncement, the Company is required to value unvested stock options granted prior to the adoption of FASB ASC 718 under the fair value method and expense those amounts in the income statement over the stock option's remaining vesting period.

Section 162(m) of the Internal Revenue Code restricts deductibility of executive compensation paid to the Company's chief executive officer and each of the four other most highly compensated executive officers holding office at the end of any year to the extent such compensation exceeds \$1,000,000 for any of such officers in any year and does not qualify for an exception under Section 162(m) or related regulations. The Committee's policy is to qualify its executive compensation for deductibility under applicable tax laws to the extent practicable. In the future, the Committee will continue to evaluate the advisability of qualifying its executive compensation for full deductibility.

Compensation for Executive Officers of the Company

We pay IGN, LLC, an affiliate of Mr. Mukunda, \$4,000 per month for office space and certain general and administrative services, an amount which is not intended as compensation for Mr. Mukunda.

The following table sets forth information concerning all cash and non-cash compensation awarded to, earned by or paid to (i) all individuals serving as the Company's principal executive officer or acting in a similar capacity during the last two completed fiscal years, regardless of compensation level, and (ii) the Company's two most highly compensated executive officers other than the principal executive officers serving at the end of the last two completed fiscal years (collectively, the "Named Executive Officers").

Summary Compensation Table

Name and Principal Position	Year	Salary	Bonus	Option/ Stock Awards(1)	Total Compensation
Ram Mukunda					
Chief Executive Officer & President	2013	\$ 300,000	\$ -	\$ 104,210	\$ 404,210
	2012	\$ 300,000	\$ -	\$ 102,235	\$ 402,235
Danny Ngai					
Interim Principal Accounting Officer, General Manager, Director Ironman	2013	\$ 90,000	\$ -	\$ 39,120	\$ 129,120
	2012	\$ 90,000	\$ -	\$ -	\$ -

(1) The amounts reported in this column represent the fair value of option or stock awards to the named executive officer as computed on the date of the option grant using the Black-Scholes option-pricing model or on the date of the stock issuance using the closing price.

Outstanding Equity Awards at Fiscal Year End

The following table sets forth information with respect to outstanding equity awards held by the Company's Named Executive Officers as of March 31, 2013.

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Name	Shares (1)	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise Price (\$)	Option Expiration Date
Ram Mukunda	172,841	575,000	-	\$ 0.56	6/27/16
	-	635,000	-	\$ 1.00	5/13/14
Danny Ngai	43,100		-		

(1)The shares granted include those granted under the 2008 ESOP plan and those granted in connection with the acquisition of Ironman.

Compensation of Directors

No cash compensation was awarded to, earned by or paid to the directors in the fiscal year ended March 31, 2013 for service as directors. In FYE 2013, our non-employee directors each received 75,000 shares of IGC's common stock from the 2008 ESOP. All compensation paid to our employee director is set forth in the tables summarizing executive officer compensation above. The Option Awards column reflects the grant date fair value, in accordance with Accounting Standards Codification (ASC) Topic 718, Compensation — Stock Compensation (formerly Statement of Financial Accounting Standards (SFAS) No. 123R) for awards pursuant to the Company's equity incentive program.

Assumptions used in the calculation of these amounts for the fiscal year ended March 31, 2013 are included in Footnote 16 "Stock-Based Compensation" to the Company's audited financial statements for the fiscal year ended March 31, 2013, included in this Company's Annual Report on Form 10-K. The Company cautions that the amounts reported in the Director Compensation Table for these awards may not represent the amounts that the directors will actually realize from the awards. Whether, and to what extent, a director realizes value will depend on the Company's actual operating performance and stock price fluctuations.

We pay IGN, LLC, an affiliate of Mr. Mukunda, \$4,000 per month for office space and certain general and administrative services. We believe, based on rents and fees for similar services in the Washington, DC metropolitan area that the fee charged by IGN LLC is at least as favorable as we could have obtained from an unaffiliated third party. The agreement is on a month-to-month basis and may be terminated by the Board of Directors without notice.

Employment Contracts

Ram Mukunda has served as President and Chief Executive Officer of the Company since its inception. The Company, IGC-M and Mr. Mukunda entered into an Employment Agreement on May 22, 2008, which agreement was made effective as of March 8, 2008, the date on which the Company completed its acquisition of Sricon and TBL. Pursuant to the Employment Agreement, the Company pays Mr. Mukunda a base salary of \$300,000 per year. The Employment Agreement provides that the Board of Directors of the Company may review and update the targets and amounts for the net revenue and contract bonuses on an annual basis. Mr. Mukunda is entitled to benefits, including insurance, 20 days of paid vacation, domestic help, a driver, a cook, a car (subject to partial reimbursement by Mr. Mukunda of lease payments for the car and reimbursement of business expenses. The term of the Employment Agreement is five years, extended by one year to after which employment will become at-will. The Employment Agreement is terminable by the Company and IGC-M for death, disability and cause. In the event of a termination without cause, the Company would be required to pay Mr. Mukunda his full compensation for 18 months or until the term of the Employment Agreement was set to expire, whichever is earlier. The Employment Agreement was extended for one year on July 14, 2013 with an expiration of May 22, 2014.

Compensation Risk Assessment

In setting compensation, the Compensation Committee considers the risks to the Company's stockholders and to achievement of its goals that may be inherent in its compensation programs. The Compensation Committee reviewed and discussed its assessment with management and outside legal counsel and concluded that the Company's compensation programs are within industry standards and are designed with the appropriate balance of risk and reward to align employees' interests with those of the Company and do not incent employees to take unnecessary or excessive risks. Although a portion of our executives and employees' compensation is performance-based and "at risk," we believe our compensation plans are appropriately structured and are not reasonably likely to result in a material adverse effect on the Company.

Securities Authorized for Issuance Under Equity Compensation Plans

The following table shows, as of March 31, 2013, information regarding outstanding awards available under our compensation plans (including individual compensation arrangements) under which our equity securities may be delivered.

	(a)	(b)	(c)
Plan category	Number of securities to be issued upon exercise of outstanding options, warrants and rights(1)	Weighted-average price of outstanding options, warrants and rights	Number of securities available for future issuance (excluding shares in column (a))(1)
Equity compensation plans approved by security holders:			
2008 Omnibus Incentive Plan (2)	(3) 269,345	\$ 7.80	0

(1) Consists of our 2008 Omnibus Incentive Plan, as amended. See Note 16—“Stock-Based Compensation” of the Notes to the Consolidated Financial Statements included in this Annual Report on Form 10-K.

(2) Includes grants during fiscal years ended March 31, 2010, 2012 and 2013. There were no grants during fiscal year ended March 31, 2009 or 2011.

(3) The number of options outstanding is 2,693,450 with an average exercise price of \$0.78. Each option exercised at an average price of \$0.78 entitles the holder to one tenth of a share of common stock. Therefore, 10 options each exercised at \$0.78 for an aggregate price of \$7.8 entitles the holder to one share of common stock. The total number of securities to be issued upon the exercise of all outstanding options is 269,345.

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

During the last two fiscal years, we have not entered into any material transactions or series of transactions that would be considered material in which any officer, director or beneficial owner of 5% or more of any class of our capital stock, or any immediate family member of any of the preceding persons, had a direct or indirect material interest, nor are there any such transactions presently proposed, other than the agreements with IGN, an affiliate of Ram Mukunda, described above and as set forth below and Vosgo Limited a Hong Kong based company that is an affiliate of Mr. Danny Ngai. The Company pays Vosgo Limited \$90,000 a year as compensation for Mr. Danny Ngai’s services.

We are party to indemnification agreements with each of the executive officers and directors. Such indemnification agreements require us to indemnify these individuals to the fullest extent permitted by law.

Review, Approval or Ratification of Related Party Transactions

We do not maintain a formal written procedure for the review and approval of transactions with related persons. It is our policy for the disinterested members of our board to review all related party transactions on a case-by-case basis. To receive approval, a related-party transaction must have a business purpose for IGC and be on terms that are fair and reasonable to IGC and as favorable to IGC as would be available from non-related entities in comparable transactions.

AUDIT INFORMATION

AJSH & Co., Chartered Accountants (“AJSH & Co.”) is our Principal Independent Registered Public Accounting Firm engaged to examine our financial statements for the fiscal year ended March 31, 2013. Yoganandh & Ram, Chartered Accountants (“Y & R”) was our Principal Independent Registered Public Accounting Firm engaged to examine our financial statements for the fiscal year ended March 31, 2012. During the Company’s most two recent fiscal years ended March 31, 2013 and 2012 and through July 12, 2013, the Company did not consult with AJSH & Co on (i) the application of accounting principles to a specified transaction, either completed or proposed, or the type of audit opinion that may be rendered on the Company’s financial statements, and AJSH & Co. have not provided either a written report or oral advice to the Company that was an important factor considered by the Company in reaching a decision as to any accounting, auditing, or financial reporting issue; or (ii) the subject of any disagreement, as defined in Item 304(a)(1)(iv) of Regulation S-K and the related instructions, or a reportable event within the meaning set forth in Item 304(a)(1)(v) of Regulation S-K.

Audit Related and Other Fees

The table below shows the fees that we paid or accrued for the audit and other services provided by AJSH & Co. for the fiscal years ended March 31, 2013. Except as specified otherwise in the table, we paid the fees to AJSH & Co.

Audit Fees

This category includes the audit of our annual financial statements, review of financial statements included in our annual and quarterly reports and services that are normally provided by the independent registered public accounting firms in connection with engagements for those fiscal years. This category also includes advice on audit and accounting matters that arose during, or as a result of, the audit or the review of interim financial statements.

Audit-Related Fees

This category consists of assurance and related services by the independent registered public accounting firms that are reasonably related to the performance of the audit or review of our financial statements and are not reported above under “Audit Fees.” The services for the fees disclosed under this category include services relating to our registration statement and consultation regarding our correspondence with the SEC.

Tax Fees

This category consists of professional services rendered for tax compliance, tax planning and tax advice. These services include tax return preparation and advice on state and local tax issues.

All Other Fees

This category consists of fees for other miscellaneous items.

	March 31, 2013	March 31, 2012
Audit Fees – AJSH & Co.	\$ 80,000	\$ -
Audit Fees - Yoganandh & Ram		80,000
Audit-Related Fees	5,000	
Tax Fees		
All other Fees		
Total	\$ 85,000	80,000

Policy on Pre-Approval of Audit and Permissible Non-audit Services of Independent Auditors

Consistent with SEC policies regarding auditor independence, the audit committee of our Board of Directors has responsibility for appointing, setting compensation and overseeing the work of the independent auditor. In recognition of this responsibility, our Board of Directors has established a policy to pre-approve all audit and permissible non-audit services provided by the independent auditor. Prior to engagement of the independent auditor for the next year's audit, management may submit, if necessary, an aggregate of services expected to be rendered during that year for each of the following four categories of services to our Board of Directors for approval.

1. Audit services include audit work performed in the preparation of financial statements, as well as work that generally only the independent auditor can reasonably be expected to provide, including comfort letters, statutory audits, and attest services and consultation regarding financial accounting and/or reporting standards.
2. Audit-Related services are for assurance and related services that are traditionally performed by the independent auditor, including due diligence related to mergers and acquisitions, employee benefit plan audits, and special procedures required to meet certain regulatory requirements.
3. Tax services include all services performed by the independent auditor's tax personnel except those services specifically related to the audit of the financial statements, and includes fees in the areas of tax compliance, tax planning and tax advice.
4. Other Fees are those associated with services not captured in the other categories.

Prior to engagement, our Board of Directors pre-approves these services by category of service. The fees are budgeted and our Board of Directors requires the independent auditor and management to report actual fees versus the budget periodically throughout the year by category of service. During the year, circumstances may arise when it may become necessary to engage the independent auditor for additional services not contemplated in the original pre-approval. In those instances, our Board of Directors requires specific pre-approval before engaging the independent auditor.

Our audit committee may delegate pre-approval authority to one or more of its members. The member to whom such authority is delegated must report, for informational purposes only, any pre-approval decisions to our Board of Directors at its next scheduled meeting.

Pre-Approved Services

The Audit Committee's charter provides for pre-approval of audit, audit-related and tax services to be performed by the independent auditors. The Audit Committee approved the audit, audit-related and tax services to be performed by independent auditors and tax professionals in 2013. The charter also authorizes the Audit Committee to delegate to one or more of its members pre-approval authority with respect to permitted services. The decisions of any Audit Committee member to whom pre-approval authority is delegated must be presented to the full Audit Committee at its next scheduled meeting. The Audit Committee has not delegated such authority to its members.

PROPOSALS FOR 2014 ANNUAL MEETING

Under the regulations of the Securities and Exchange Commission, if you desire to make a proposal to be acted upon at the 2014 Annual Meeting of Stockholders, you must deliver the proposal, in proper form, to the Secretary of the Company, no later than April 25, 2014, in order for the proposal to be considered for inclusion in the Company's Proxy Statement and form of proxy for that meeting. If next year's Annual Meeting is held on a date more than 30 calendar days from September 30, 2014, a stockholder proposal must be received by a reasonable time before the Company begins to print and mail its proxy solicitation materials. Any stockholder proposals will be subject to the requirements of the proxy rules adopted by the Securities and Exchange Commission. The address for the Secretary of the Company is 4336 Montgomery Ave, Bethesda, MD 20814.

Our Bylaws also prescribe the procedure that a stockholder must follow to nominate directors or to bring other business before stockholders' meetings. To nominate a candidate for director or to bring other business before a meeting, notice must be received by the Secretary of the Company (i) no later than May 25, 2014, and no earlier than April 25, 2014 or (ii) if the date of the 2014 Annual Meeting of Stockholders is advanced by more than thirty days or delayed by more than sixty days from the anniversary date of this Annual Meeting, no later than the close of business on the later of the sixtieth day prior to such Annual Meeting or the tenth day following the day on which public announcement of the date of such meeting is first made by the Corporation and no earlier than the close of business on the ninetieth day prior to such Annual Meeting.

Notice of a nomination for director must describe various matters regarding the nominee and the stockholder giving the notice. Notice of other business to be brought before the Annual Meeting must include a description of the proposed business, the reasons therefore, and other specified matters. The nominating committee will consider candidates recommended by stockholders in the same manner it considers other candidates. Any stockholder may obtain a copy of the Company's Bylaws, without charge, upon written request to the Secretary of the Company, Parveen Mukunda, at the address set forth above.

PROXY

THIS PROXY IS SOLICITED ON BEHALF OF
THE BOARD OF DIRECTORS OF INDIA GLOBALIZATION CAPITAL, INC.
for the September 30, 2013 Annual Meeting of Stockholders
and any postponement(s) or adjournment(s) thereof.

The undersigned hereby: (a) acknowledges receipt of the Notice of the Annual Meeting of the stockholders of India Globalization Capital Inc. to be held on September 30, 2013 (the "Annual Meeting"), and the associated Proxy Statement; (b) appoints Ram Mukunda, as proxy, with the power to appoint a substitute; (c) authorizes each proxy to represent and vote, as designated below, all of the shares of common stock of the Company, par value \$0.0001 per share, held of record by the undersigned at the close of business on July 31, 2013, at the Annual Meeting and at any postponement(s) or adjournment(s) thereof; and (d) revokes any proxies previously given.

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE ANNUAL MEETING OF STOCKHOLDERS TO BE HELD ON SEPTEMBER 30, 2013:

This Proxy Statement, the Notice of Annual Meeting of Stockholders and Our Annual Report to Stockholders are available at <http://www.IndiaGlobalCap.com>.

1. The Board of Directors recommends a vote FOR the director of the Company listed below, to serve until the Annual Meeting of Stockholders following the 2016 fiscal year and until such director's respective successor shall be elected and qualified, or until such director's earlier death, resignation or removal from office.

MR. RAM MUKUNDA FOR WITHHOLD

2. The Board of Directors recommends a vote FOR ratification of the appointment of AJSH and Company ("AJSH") as the independent auditors for the Company for the fiscal year ending March 31, 2014.

FOR AGAINST ABSTAIN

This Proxy Card, when properly executed, will be voted in the manner directed herein by the undersigned stockholder(s). If no direction is made, this Proxy will be voted FOR the proposals set forth above. Please sign, date and return this Proxy as promptly as possible in the envelope provided

Dated: _____, 2013

X _____
Signature(s) of Stockholders

X _____

Joint owners should each sign. Signature(s) should correspond with the name(s) printed on your stock certificates. Attorneys, executors, administrators and guardians should give full title. If a corporation, please sign in full corporate name by the president or other authorized officer. If a partnership, please sign in partnership name by authorized person.