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If you have sold or otherwise transferred your entire holding of ordinary shares in Kedco PLC, please forward this document, together with the enclosed Form of Proxy, to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee as soon as possible. If you have sold or otherwise transferred only part of your holding of ordinary shares in Kedco PLC, please consult the stockbroker, bank or other agent through whom the sale or transfer was effected as to the action you should take.

THIS DOCUMENT DOES NOT CONSTITUTE AN OFFER OR INVITATION FOR ANY PERSON TO SUBSCRIBE FOR OR PURCHASE ANY SHARES IN KEDCO PLC.

Application will be made for the New Ordinary Shares to be admitted to trading on AIM and dealings will commence in the New Ordinary Shares by 8.00am on 8th October 2012. AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the UK Listing Authority. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser.

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## **KEDCO PLC**

*(Incorporated in Ireland under the Companies Acts 1963 to 2009 with registered number 462861)*

### **Proposed restructuring including the disposal of interest in SIA Vudlande and the allotment of New Ordinary Shares**

**and**

### **Proposed increase in general allotment authorities and dis-application of pre-emption rights and**

### **Proposed Fundraising by the allotment of New Ordinary Shares and**

### **Proposed Consolidation of the allotted and issued ordinary share capital into €0.10 ordinary shares**

## **Notice of Extraordinary General Meeting**

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**Your attention is drawn to the letter from the Chairman of the Company, which is set out on pages 6 to 13 of this document and contains the recommendation of the Independent Directors to Shareholders to vote in favour of the Resolutions to be proposed at the Extraordinary General Meeting referred to below.**

**Notice of an Extraordinary General Meeting to be held at The Radisson Airport Hotel, Cork, Ireland on 5th October 2012 at 11.30am is set out at the end of this document. For Shareholders who hold Ordinary Shares in certificated form, a Form of Proxy for use at the Extraordinary General Meeting is enclosed which, if you wish to validly appoint a proxy, should be completed and signed in accordance with the instructions printed thereon, and returned by post to the Company's Registrars, Capita Registrars, PO Box 7117, Business Reply, Dublin 2, Ireland or by hand to Capita Registrars, Unit 5, Manor Street Business Park, Manor Street, Dublin 7, Ireland as soon as possible but in any event so as to be received by the Company's Registrars no later than 48 hours before the time appointed for the Extraordinary General Meeting. The completion and return of a Form of Proxy will not preclude you from attending and voting in person at the Extraordinary General Meeting, or any adjournment thereof, should you wish to do so.**

Alternatively for those Shareholders who hold Ordinary Shares in CREST, a Shareholder may appoint a proxy by completing and transmitting a CREST Proxy Instruction to Capita Registrars (CREST participant ID 7RA08). In each case the proxy appointment must be received by no later than 11.30am on 3rd October 2012. The completion and return of either an electronic proxy appointment notification or a CREST Proxy Instruction (as the case may be) will not prevent the Shareholder from attending and voting in person at the Extraordinary General Meeting or any adjournment thereof, should the Shareholder wish to do so.

This document does not constitute an offer of securities and accordingly is not an approved prospectus for the purposes of, and as defined in, section 85 of the UK Financial Services and Markets Act 2000 (as amended) and has not been prepared in accordance with the Prospectus Rules, nor has it been approved by the FSA or by any other authority which could be a competent authority for the purpose of the Prospectus Rules. In addition, this document does not constitute an admission document drawn up in accordance with the AIM Rules.

Deloitte Corporate Finance is acting as Nominated Adviser to Kedco PLC and no-one else in connection with the Related Party Transactions and will not be responsible to anyone other than Kedco PLC for providing the protections offered to clients of Deloitte Corporate Finance or for providing advice in relation to the Related Party Transactions. Deloitte Corporate Finance is a division of Deloitte LLP which is authorised and regulated in the United Kingdom by the Financial Services Authority in respect of regulated activities. Deloitte LLP can be contacted at its principal office: 2 New Street Square, London EC4A 3BZ.

SVS Securities PLC, which is a member of London Stock Exchange PLC and is regulated by the Financial Services Authority, is acting as broker to Kedco PLC. Persons receiving this document should note that SVS Securities PLC is acting exclusively for Kedco PLC and no one else in connection with the proposals outlined in this document and will not regard any other person as its client or be responsible to anyone other than Kedco PLC for providing the protections afforded to clients of SVS Securities PLC or for providing advice in relation to the proposals outlined or any matter referred to herein.

This document is dated 10th September 2012.

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## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Latest time and date for receipt of Forms of Proxy	11.30am on 3rd October 2012
Extraordinary General Meeting	11.30am on 5th October 2012
Record Time for Consolidation	6.00pm on 5th October 2012
Admission effective and dealings commence in the New Ordinary Shares	8.00am on 8th October 2012
Credit of CREST Accounts	8th October 2012
Dispatch of Certificates for New Ordinary Shares	15th October 2012

## INDICATIVE ORDINARY SHARE CAPITAL OF THE COMPANY FOLLOWING THE RESTRUCTURING, FUNDRAISING, ACQUISITION AND CONSOLIDATION

	<i>Holder of Kedco Shares</i>	<i>Number of Ordinary Shares in issue</i>	<i>Nominal value (€)</i>	<i>Per cent. holding</i>
Current capital structure	Existing Shareholders	311,562,755	0.01	100.00
<hr/>				
Capital structure following Restructuring, Fundraising, Acquisition and Consolidation <sup>1,3</sup>	Existing Shareholders	31,156,276	0.10	35.19
	New Shareholders	57,387,539	0.10	64.81
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Capital structure following Restructuring, Fundraising, Acquisition and Consolidation <sup>2,3</sup>	Existing Shareholders	31,156,276	0.10	22.31
	New Shareholders	108,464,652	0.10	77.69

<sup>1</sup> **Assuming the anticipated maximum number of New Ordinary Shares are issued pursuant to the Restructuring.**

<sup>2</sup> **Assuming the anticipated maximum number of New Ordinary Shares are issued pursuant to the Restructuring, Fundraising and Acquisition.**

<sup>3</sup> Based on an exchange rate of £1:€1.2609 (the Oanda rate at 30th August 2012).

## DEFINITIONS

In this document and in the Form of Proxy the following expressions have the following meanings.

'1983 Act'	The Companies (Amendment) Act 1983 of Ireland
'1990 Act'	The Companies Act 1990 of Ireland
'A Ordinary Shares'	A ordinary shares of €0.01 each in the capital of the Company
'Act'	The Companies Act 1963 (as amended) of Ireland
'AD'	Anaerobic Digestion
'Acquisition'	The proposed acquisition currently being contemplated by the Company as set out in this document
'Admission'	The admission of New Ordinary Shares and the Fundraising Shares to trading on AIM becoming effective in accordance with the AIM Rules
'Agreements'	The documents agreed between the Company and the Lenders in connection with the Restructuring
'AIM'	The AIM market of the London Stock Exchange
'AIM Rules'	The rules for AIM companies and their nominated advisers issued by the London Stock Exchange governing the admission to and the operation of AIM
'Board'	The board of Directors of the Company
'Business Day'	A day (other than Saturdays, Sundays, public holidays or bank holidays) on which banks are generally open for normal business in the City of London
'Capita' or 'Registrars' or 'Capita Registrars'	Capita Registrars (Ireland) Limited, the Company's registrars, who have their registered office at Unit 5, Manor Street Business Park, Manor Street, Dublin 7, Ireland
'CHP'	Combined Heat and Power
'Companies Acts'	The Companies Acts 1963-2012 of Ireland
'Consolidation'	The proposed consolidation of 10 Ordinary Shares of €0.01 each into one Ordinary Share of €0.10
'Conversion Price'	The price at which New Ordinary Shares are issued pursuant to the Fundraising
'CREST'	The computer based settlement system and procedures which enable title to securities to be evidenced and transferred without a written instrument and which is operated by Euroclear
'CREST Regulations'	The Companies Act, 1990 (Uncertificated Securities) Regulations 1996 (SI 68/1996) of Ireland (as amended)
'Deloitte Corporate Finance'	Deloitte Corporate Finance, a division of Deloitte LLP whose registered office is 2 New Street Square, London, EC4A 3BZ, United Kingdom
'Directors'	The directors of the Company, whose names are set out on page 6
'EGM' or 'Extraordinary General Meeting'	The extraordinary general meeting of the Company convened for 5th October 2012 to approve the Resolutions
'Enfield Biomass'	Enfield Biomass Limited, a company in which Kedco currently holds a 50 per cent. equity interest
'Examinership'	A process in Ireland provided for by the Companies (Amendment) Act 1990 (as amended) under which the protection of the High Court may be obtained to assist the survival of a company
'Existing Shareholders'	Holders of the existing Ordinary Shares
'EU'	The European Union
'Euroclear'	Euroclear UK & Ireland Limited, a company incorporated under the laws of England and Wales and the operator of CREST
'FBD'	Farmer Business Developments PLC
'FBD Loan Notes'	Loan notes totalling €2.1 million and carrying a coupon of 10 per cent. issued to FBD in February 2011 and October 2011
'Fundraising'	The proposed equity fundraising to be undertaken by the Company as described in paragraph 5 of the Letter from the Chairman of the Company

‘GBP’	The lawful currency of the United Kingdom
‘Group’ or ‘Kedco Group’	The Company and its subsidiary undertakings
‘Independent Directors’	Gerry Madden, William Kingston and Donal O’Sullivan
‘Ireland’	Ireland, excluding Northern Ireland
‘Kedco’ or the ‘Company’	Kedco PLC, a company incorporated in Ireland with registered number 462861
‘kWh’	kilowatt hours
‘Lenders’	Holders of the Zero-Coupon Secured Notes, FBD in respect of the FBD Loan Notes, Other Secured Notes and providers of the Wellwin Loan and the Unsecured Loans
‘London Stock Exchange’	London Stock Exchange PLC
‘MW’	Megawatt
‘New Ordinary Shares’	Ordinary Shares post the Consolidation to be issued at the Conversion Price as part of the Restructuring, Fundraising and Acquisition
‘New Shareholders’	Holders of the New Ordinary Shares
‘Newry Biomass’	Newry Biomass Limited
‘Ordinary Shareholders’	Holders of Ordinary Shares
‘Ordinary Shares’	Ordinary shares of €0.01 each in the capital of the Company and after the Consolidation ordinary shares of €0.10 each in the capital of the Company
‘Other Secured Notes’	Loan notes totalling €150,000 issued by Kedco Power Limited, a wholly owned subsidiary of Kedco, to two individuals which are secured on certain assets of the Group
‘Related Party Transactions’	The transactions with FBD, Eddie Barrett, Diarmuid Lynch and Wellwin pursuant to the Restructuring
‘Resolutions’	The shareholder resolutions to be voted upon by Shareholders at the EGM
‘Restructuring’	The restructuring of the amounts due to the Lenders as more particularly described at paragraph 3 of the Letter from the Chairman of the Company
‘Shareholders’	Holders of shares (of any class) in the capital of the Company
‘SIA Vudlande’	A Latvian company that produces wood and biomass products in which Kedco has an indirect 80 per cent. interest
‘SVS Securities’	SVS Securities PLC
‘UK’ or ‘United Kingdom’	The United Kingdom of Great Britain and Northern Ireland
‘UK Listing Authority’ or ‘UKLA’	The Financial Services Authority acting in its capacity as the competent authority for the purposes of Part VI of the Financial Services and Markets Act 2000
‘Unsecured Loans’	Unsecured loans from certain parties to the Group including the FBD Loan Notes
‘USA’	United States of America
‘Wellwin’	Wellwin Investments Limited
‘Wellwin Loan’	A €220,000 loan from Wellwin to Enfield Biomass
‘Zero-Coupon Secured Notes’	The £3,588,583 Zero-Coupon Secured Loan Notes loan notes constituted by an instrument dated 30th June 2010

# LETTER FROM THE CHAIRMAN OF KEDCO PLC

(Incorporated in Ireland under the Companies Acts 1963 to 2006 with registered number 462861)

## Directors

Dermot O'Connell (Non-executive Chairman)  
Gerry Madden (Interim CEO and Finance Director)  
Brendan Halpin (Executive Director)  
Eddie Barrett (Non-executive Director)  
William Kingston (Non-executive Director)  
Diarmuid Lynch (Non-executive Director)  
Donal O'Sullivan (Non-executive Director)

**Head and Registered Office**  
4600 Airport Business Park  
Cork  
Ireland

10th September 2012

*To the Shareholders of Kedco PLC*

Dear Shareholder,

## PROPOSED RESTRUCTURING OF KEDCO PLC

### 1. INTRODUCTION

In its interim results for the six months ended 31st December 2011, Kedco noted that its ability to continue as a going concern was contingent upon additional finance being made available for the Company's working capital requirements and a successful outcome to debt restructuring initiatives undertaken by the Group.

Since that time, the Board has explored a number of different sources of additional finance. Whilst the Board was confident of raising additional capital, it has become apparent that a combination of the Group's current levels of debt and concerns over the Company's current capital structure, was leading to uncertainty in the market surrounding the Company and its strategy of constructing, owning and operating electricity and heat generation plants.

Kedco has therefore pursued discussions with certain of its existing providers of debt finance with a view to restructuring certain of its debts such that the Company would have a suitable basis on which to raise further equity finance to meet its working capital requirements. This process has culminated in the Company entering into binding agreements with the Lenders as more fully described in paragraph 3 of this letter (the '**Restructuring**'). Pursuant to the Restructuring, the Company has agreed to the disposal of its 80 per cent. indirect interest in SIA Vudlande (the '**Disposal**').

The Restructuring, which will involve the issue of New Ordinary Shares, will significantly strengthen the Group's balance sheet through the reduction of its debt by approximately £8.5million (€10.8million) and a reduction in its on-going annual interest charge of £1.2million (€1.5million).

The New Ordinary Shares issued pursuant to the Restructuring will be issued at a price (the '**Conversion Price**') equivalent to that received by the Company in respect of an equity fundraising that it intends to undertake upon the Resolutions being passed at the EGM (the '**Fundraising**'). The Restructuring is conditional, inter alia, upon the Fundraising occurring and the granting by Ordinary Shareholders of share allotment authorities and the approval by the Ordinary Shareholders of the Resolutions to be proposed at the EGM.

**The proposals set out in this document are very important and require your close attention. The Board is of the view that the Restructuring represents the only realistic prospect for reducing the Group's debt burden and securing the finance required to meet its working capital requirements and to advance the development of its portfolio of renewable energy projects.**

**The Board is also of the view that the decision of the Lenders, including the Company's largest shareholder, FBD, and other shareholders in their capacities as Lenders, to convert their debt into equity in the Company shows a confidence in the Company's future, its management and its business strategy.**

**You are strongly urged to vote in favour of all of the Resolutions to be proposed at the Extraordinary General Meeting. If the Resolutions are not passed then, in the absence of the Restructuring, Lenders may seek to withdraw their support for the Company. The Board is of the view that any such process, coupled with the lack of working capital resources, would mean that the Company would have to reconsider its ability to continue as a going concern and, in the absence of viable alternatives, might lead to the Company ceasing to trade and entering insolvency.**

The principal elements of the Restructuring include: (i) the issue of New Ordinary Shares to the Lenders in full and final settlement of the loan capital and interest repayments due to them; and (ii) the disposal of the Company's entire interest in SIA Vudlande, a Latvian registered company engaged in the sawmilling business, to the holders of the Zero-Coupon Secured Notes.

The Company is seeking authority from Ordinary Shareholders to issue New Ordinary Shares in relation to:

- the Restructuring, as more fully described in paragraph 3 of this letter;
- the Fundraising, to meet the Company's working capital and portfolio development requirements, as more fully described in paragraph 5 of this letter; and
- a future acquisition being contemplated by the Company (the 'Acquisition') as more fully described in paragraph 6 of this letter.

As the price at which the New Ordinary Shares will be issued is not currently known but will be determined by the Fundraising and the prevailing GBP/Euro exchange rate at the date of the EGM, the Board is seeking authorities that it considers will be sufficient to allow the Restructuring, Fundraising and Acquisition to occur. The exchange rate at which the Conversion Price will be converted into Euros is not currently known. Based on the GBP/Euro exchange rates as at 30th August 2012, in the event that the anticipated maximum number of New Ordinary Shares were to be issued pursuant to the Restructuring, Existing Shareholders would hold 35.19 per cent. of the issued share capital of the Company. In the event that the anticipated maximum number of New Ordinary Shares were to be issued pursuant to the Restructuring, Fundraising and Acquisition, Existing Shareholders would hold 22.31 per cent. of the issued share capital of the Company.

In addition and as required by the AIM Rules, Ordinary Shareholders will also be asked to approve the disposal by the Company of its interest in SIA Vudlande to the holders of the Zero-Coupon Secured Notes.

Finally, Ordinary Shareholders are being asked to approve the consolidation of the Ordinary Shares as more fully described in paragraph 7 of this letter.

The necessary Ordinary Shareholder approvals will be sought at an extraordinary general meeting of the Company which has been convened to be held at The Radisson Airport Hotel, Cork, Ireland on 5th October 2012 at 11.30am. All Ordinary Shareholders entered on the Company's register of members at 6.00pm on 3rd October 2012 are eligible to vote on the Resolutions proposed for consideration at the EGM. A notice convening the EGM, at which the Resolutions will be proposed and considered, is set out at the end of this document.

The purpose of this document is to (i) set out the reasons for, and details of, the Restructuring; (ii) convene the required extraordinary general meeting to facilitate, inter alia, the completion of the Restructuring including the approval and implementation of the Disposal; and (iii) explain why the Independent Directors consider the Resolutions to be in the best interests of the Company, its creditors and its Shareholders as a whole and recommend that Ordinary Shareholders vote in favour of the Resolutions.

For further information on the Resolutions and the effects on the Company and its Shareholders if one or more of the Resolutions are not approved at the EGM, please read paragraph 13 of this letter.

## **2. BACKGROUND AND REASONS FOR RESTRUCTURING**

In its interim results for the six months ended 31st December 2011, Kedco noted that its ability to continue as a going concern was contingent upon additional finance being made available for the Company's working capital requirements and a successful outcome to debt restructuring initiatives undertaken by the Group.

The Group's debts which are currently or imminently due comprise the obligation to repay:

- £3.6million (€4.5million) to the holders of the Zero-Coupon Secured Notes by 31st October 2012; and
- £3.9million (€4.9million) to holders of the Other Secured Notes and providers of the Unsecured Loans.

In order to be able to meet the Company's obligations, the Board has undertaken a number of actions including the attempted disposal of its 80 per cent. interest in SIA Vudlande, the Group's Latvian subsidiary that is engaged in sawmilling activities. It was intended that the proceeds from such a disposal would be used to meet the amounts due in respect of the Zero-Coupon Secured Notes. However, given the on-going turmoil in the Euro-zone region, the Company was ultimately unable to secure a purchaser on acceptable terms.

As announced on 2nd July 2012, the Company sought and received an extension of the repayment date on the Zero-Coupon Secured Notes from 30th June 2012 to 31st October 2012. Since that time, the Company has continued discussions with the Lenders with the objective of agreeing a consensual restructuring of the Company's balance sheet in a manner that would avoid the need to rely upon a court-administered process. These discussions have culminated in the Restructuring, the details of which are more fully described in paragraph 3 below.

It is the view of the Board that the Restructuring represents the best outcome for all stakeholders having due regard to the current financial circumstances of the Company. In the absence of the Restructuring, Lenders may seek to withdraw their support for the Company. The Board is of the view that any such process, coupled with the lack of working capital resources, would mean that the Company would have to reconsider its ability to continue as a going concern and, in the absence of viable alternatives, might lead to the Company ceasing to trade and entering insolvency.

### **Benefits of the Restructuring**

Kedco is a renewable energy development company focused on delivering quality electricity and heat generating plants. The objectives of the Restructuring are to:

- stabilise the Company's financial affairs;
- position the Company in a manner which will enable it to raise further capital; and
- enable the Company to adopt a more appropriate capital structure, which will facilitate the advancement of its development project pipeline through the planning and permitting process.

The Board believes that the implementation of the Restructuring will create a stable foundation for the Company. The Restructuring will achieve a reduction in the Group's obligations of approximately £8.5million (€10.8million). It is the Board's view, after consulting with SVS Securities, that this should provide the Company with an opportunity to raise further equity finance through the Fundraising to meet its working capital and project development requirements.

### 3. THE RESTRUCTURING

The principal elements of the Restructuring include: (i) an agreed issue of New Ordinary Shares to the Lenders in full and final settlement of the loan capital and a negotiated reduction in the interest repayments due to them; and (ii) the disposal of the Company's entire interest in SIA Vudlande. The debt structure of the Group following the Restructuring is anticipated to be as follows:

	<b>Before the Restructuring</b>	<b>After the Restructuring</b>
	<b>Capital and Accrued Interest</b>	<b>Capital and Accrued Interest</b>
	€	€
Zero-Coupon Secured Notes	4,524,845	-
Other Secured Notes	150,000	-
Unsecured Notes	4,753,714	-
SIA Vudlande secured bank debt	1,369,652	-
Other bank debt	3,230,246	3,230,246
Convertible preference shares	500,000	500,000
<b>Total Kedco Group debt</b>	<b><u>14,528,457</u></b>	<b><u>3,730,246</u></b>

The pre-Restructuring debt structure above reflects outstanding principal and interest up to the date of the EGM.

Kedco Power Limited, a group company, issued 500,000 8% cumulative redeemable convertible preference shares of €1 each at par to Enterprise Ireland, the Irish Government agency responsible for the global expansion of Irish companies, in the year ended 30th June 2011, realising €500,000. The preference shares will be convertible, at the option of the holder, in the event that investment of at least €2.0million is secured by Kedco PLC, or Kedco Power Limited, within five years from the date of allotment of the preference shares and if the option is exercised will convert into ordinary shares in Kedco PLC at the Conversion Price.

The remaining bank debt resides in Kedco Block Holdings Limited, Kedco Energy Limited, Granig Trading Limited and Castle Homes Supplies Limited which are all Group companies. These loans are secured on assets in these companies and by personal guarantees given by certain directors. There is no contractual recourse to Kedco PLC in relation to these loans.

In addition, Enfield Biomass Limited (**'Enfield Biomass'**), the project joint-venture entity relating to Kedco's biomass development in Enfield, London in which Kedco currently holds, through a subsidiary, a 50 per cent. interest will reduce its own borrowings by €230,000 and remove a contingent €1.5million obligation from the Group as detailed below.

#### Zero-Coupon Secured Notes

On 5th July 2010 the Company raised £2,583,780 from the issue of 3,588,583 Zero-Coupon Secured Notes. These were issued at a subscription price of £0.72 and were to be redeemed at par value (being £1) on 30th June 2012.

Newry Biomass Limited (**'Newry Biomass'**), a joint venture company established for the purposes of the Newry project, agreed to pay the holders of the Zero-Coupon Secured Notes a royalty of five per cent. of the proceeds arising from the sale of energy from the Newry project (the **'Investor Royalty'**). The royalty payments were to commence with the initial generation of 1 megawatt (**'MW'**) of energy from Newry and to conclude following 24 months of continuous generation of 2MW electricity.

Pursuant to a separate royalty agreement, Newry Biomass agreed to pay a royalty of two per cent. of the proceeds arising from the sale of energy from the Newry project to Cornhill Asset Management Limited, adviser to the holders of the Zero-Coupon Notes, for the same period as that which applied to the Investor Royalty.

The Company granted the holders of the Zero-Coupon Secured Notes, a second-ranking security charge over its 80 per cent. interest in SIA Vudlande.

As part of the Restructuring, the Company and the holders of the Zero-Coupon Secured Notes have agreed in principle to:

- the acquisition of the entire issued share capital by Cornhill Asset Management Limited, for and on behalf of the holders of the Zero-Coupon Secured Notes, of Kedco Block Limited for £2,379,253 (€3,000,000), the proceeds of which will correspondingly reduce amounts due to the holders of the Zero-Coupon Secured Notes. Kedco Block Limited is the registered shareholder of the Group's 80 per cent. shareholding in SIA Vudlande;
- a 40 per cent. reduction in the interest payable on the Zero-Coupon Secured Notes, (being the difference between the issue price and par value), equivalent to £401,922 (€506,783);
- the conversion of remaining amounts due (being £807,409) into New Ordinary Shares at the Conversion Price with such New Ordinary Shares being subject to a 'lock-in' restriction whereby such Shareholders will be unable to dispose of their holding for a period of two years from the date of Admission;
- the release of all security currently held over the Group's assets by holders of the Zero-Coupon Secured Notes;
- the cancellation of the royalty agreements in respect of the Newry project; and
- the assignment to Cornhill Asset Management Limited of €128,237 of amounts due from SIA Vudlande to the Group.



The transfer of Kedco Block Limited to Cornhill Asset Management Limited will also remove €1.4million of secured bank debt, borrowed by SIA Vudlande, from the Group's consolidated balance sheet.

Holders of the Zero-Coupon Secured Notes include Eddie Barrett and Diarmuid Lynch, who are also directors of Kedco. Accordingly, neither Eddie Barrett nor Diarmuid Lynch have participated nor will participate in the recommendation of the Resolutions to Ordinary Shareholders.

#### **Other Secured Notes**

The Group owes €150,000 to two individuals which are secured on certain assets of the Company. Pursuant to the Restructuring these individuals have agreed in principle to take possession of the secured assets, which have a book value of €50,000, and convert the balance of €100,000 into New Ordinary Shares at the Conversion Price and on the basis of the prevailing GBP / Euro exchange rate at the date of the EGM. Such New Ordinary Shares will be subject to a 'lock-in' restriction whereby such Shareholders will be unable to dispose of their holding for a period of two years from the date of Admission.

#### **Unsecured Notes**

As part of the Restructuring, the Company has also engaged in discussions with other Lenders including the Company's major shareholder, Farmer Business Developments PLC ('FBD') and Eddie Barrett, a director of Kedco. These other Lenders and the Company have agreed in principle to:

- a 40 per cent. reduction in all interest that has been accrued and remains unpaid to date; and
- the conversion of all remaining monies owed by the Company and its subsidiaries, totalling €4,440,734, into New Ordinary Shares at the Conversion Price and on the basis of the prevailing GBP / Euro exchange rate at the date of the EGM. Such New Ordinary Shares will be subject to a 'lock-in' restriction whereby such Shareholders will be unable to dispose of their holding for a period of two years from the date of Admission.

Shareholders should note that as Dermot O'Connell, Chairman of Kedco is an appointee of FBD, accordingly he has not participated and will not participate in the recommendation of the Resolutions to the Ordinary Shareholders.

#### **Wellwin Notes**

Enfield Biomass, a company in which Kedco currently holds a 50 per cent. interest, owes capital and accrued interest of €230,000 to Wellwin Investments Limited ('Wellwin'). Wellwin currently owns the remaining 50 per cent. of Enfield Biomass. As part of its original investment, Wellwin received an option under which it can require Kedco to purchase its interest in Enfield Biomass for €1.5million.

Pursuant to the Restructuring, Wellwin has agreed in principle to transfer all shares held by it in Enfield Biomass to a wholly owned member of the Group, relinquish its option in relation to Enfield Biomass and convert its loan plus accrued interest into New Ordinary Shares at the Conversion Price and on the basis of the prevailing GBP / Euro exchange rate at the date of the EGM. Such New Ordinary Shares will be subject to a 'lock-in' restriction whereby such Shareholders will be unable to dispose of their holding for a period of two years from the date of Admission. In addition, Wellwin shareholders will receive a development fee of €255,000 upon Enfield Biomass raising the requisite debt and equity finance for its continued development. It is intended that the representatives of Wellwin on the board of Enfield Biomass Limited will resign. As a result of the Restructuring, Enfield Biomass will become a wholly-owned subsidiary of the Group.

Brendan Halpin, a director of Kedco is also a shareholder of Wellwin. Accordingly, Brendan Halpin has not participated and will not participate in the recommendation of the Resolutions to Ordinary Shareholders.

#### **4. INFORMATION ON SIA VUDLANDE**

SIA Vudlande is a limited liability company registered in Latvia. The Company owns its 80 per cent. interest in the share capital of SIA Vudlande via its wholly-owned subsidiary, Kedco Block Limited.

The following table summarises certain financial information in respect of 100 per cent. of SIA Vudlande:

	<b>6 months ended 31st December 2011</b>	<b>12 months ended 30th June 2011</b>
	€	€
Revenue	4,379,500	10,196,135
Net profit after tax	326,379	802,677
Net assets	4,322,520	3,996,141

The Company has sought purchasers for its interest in SIA Vudlande over a 14 month period. The highest offer received for the Company's interest as a result of this process was €2.5million. The Board is satisfied that the amount of €3.0million attributed to SIA Vudlande as a result of the Restructuring represents the best achievable outcome at the current time.

#### **5. THE FUNDRAISING**

Upon approval of the Resolutions at the EGM, the Company intends to undertake an equity fundraising to raise up to £2.5million. The purpose of the Fundraising is to provide the Group with the means to meet its on-going working capital requirements including the development of its project pipeline.

There can be no guarantee that the Fundraising will be successful. The Company expects to make further announcements in respect of the Fundraising in due course.

## 6. THE ACQUISITION

The Company is currently contemplating a potential acquisition. The Board considers that the target has an attractive and diverse portfolio of complimentary projects as well as a strong and experienced management team.

The consideration for the Acquisition, if completed, would be satisfied by the issue of New Ordinary Shares and would not involve cash consideration.

Shareholders should note that the Acquisition is conditional upon the Restructuring and the Fundraising and therefore there can be no certainty that the Acquisition will be successfully completed. The Company will make further announcements in respect of the Acquisition in due course.

## 7. THE CONSOLIDATION

The Board is proposing to carry out a share consolidation on a one-for-ten basis in order to enhance the marketability of the Company's Ordinary Shares and decrease the volatility of their market price (the '**Consolidation**').

The Consolidation is subject to the approval of the Ordinary Shareholders at the Extraordinary General Meeting. Subject to such approval being obtained, the Consolidation is expected to become effective on 8th October 2012.

The purpose of this paragraph is to provide you with details of the Consolidation, to explain why your Board considers that it is in the best interests of Shareholders as a whole and to recommend that you vote in favour of the resolution required to effect the Consolidation which is to be proposed at the Extraordinary General Meeting.

The price levels at which the Company's shares have recently traded (averaging 1.3 pence over the last six months preceding the date of this document), mean that small absolute movements in the share price represent large percentage movements, resulting in share price volatility. In addition, the Directors believe that the bid offer spread at these price levels can be disproportionate, to the detriment of Shareholders.

The Board holds the view that the increased share price resulting from consolidation would be more appropriate for the Company. Such a change is expected also to enhance the market perception of the Company in the longer term.

To facilitate the proposals and avoid the creation of a fraction of a consolidated share on consolidation, it is necessary to allot a further five Ordinary Shares of €0.01 prior to the Consolidation taking effect. These Ordinary Shares are being allotted to the Company Secretary for cash at par. Following the Consolidation, the Company's authorised share capital will be €200,000,000 divided into 1,000,000,000 Ordinary Shares of €0.10 each and 10,000,000,000 A Ordinary Shares of €0.01 each. Assuming no further ordinary shares are issued between the date of this Circular and the Consolidation becoming effective (other than those referred to above), the issued share capital will comprise 31,156,276 Ordinary Shares and 99,117,952 A Ordinary Shares prior to the Restructuring, Fundraising and Acquisition. Share certificates will be issued by ordinary post at the risk of the Shareholders.

In accordance with Article 47 of the Company's Articles of Association fractional shares in the capital of the Company arising from the Consolidation may be sold by the Directors, on behalf of the holders thereof, at the best price reasonably obtainable to any person. The Directors shall distribute the proceeds of such a sale in due proportion among those holders.

Application will be made for the New Ordinary Shares to be admitted to trading on AIM and dealings will commence in the New Ordinary Shares by 8.00am on 8th October 2012. The Company's existing International Securities Identification Number ('**ISIN**') will be cancelled from such time and a new ISIN will be notified to shareholders.

## 8. EXTRAORDINARY GENERAL MEETING

A notice convening the Extraordinary General Meeting is set out at the end of this document. The EGM is being held for the purpose of considering and, if thought fit, passing the Resolutions in connection with the Restructuring, of which Resolutions 1, 2 and 4 will be proposed as ordinary resolutions and Resolution 3 will be proposed as a special resolution. Ordinary Shareholder approval of the Resolutions is required in accordance with the Companies Acts, the Articles of Association of the Company and the AIM Rules.

### *Resolution 1 (to approve the disposal by the Company of its entire interest in SIA Vudlande)*

This resolution proposes to authorise the Directors to dispose of the Group's 80 per cent. interest in SIA Vudlande, via the disposal of its entire holding in Kedco Block Limited, as required under the AIM Rules.

### *Resolution 2 (to renew the Director's authority to allot relevant securities)*

This resolution proposes to authorise the Directors to allot relevant securities pursuant to and in accordance with section 20 of the 1983 Act (**the 'Section 20 Authority'**) up to the amount equal to the authorised but unissued share capital of the Company as at the close of business on the date of the EGM. The Section 20 Authority is necessary to give the Directors power, in accordance with applicable guidelines, to allot further Ordinary Shares up to a nominal value which is deemed to be required in order to allot the Ordinary Shares to be issued pursuant to the Restructuring, the Fundraising and the Acquisition.

The maximum aggregate nominal amount of securities which the Directors will have authority to allot under the Section 20 Authority in connection with the Restructuring, Fundraising and Acquisition is €13,000,000.

Unless renewed or revoked, the Section 20 Authority will remain effective up to the date of the next annual general meeting of the Company after the passing of this Resolution.

#### ***Resolution 3 (to dis-apply pre-emption rights)***

The purpose of this resolution is to grant the Directors a general authority to dis-apply pre-emption rights in relation to any offer of securities by way of rights, open offer or otherwise in favour of holders of Ordinary Shares, and in respect of an offer of securities, of up to a maximum aggregate nominal value of the securities to be issued under Resolution 2.

The authority conferred by Resolution 3, if approved, shall expire at the close of business on the date of the next annual general meeting of the Company after the passing of this Resolution.

#### ***Resolution 4 (to consolidate the Ordinary Shares)***

The purpose of this resolution is to consolidate the existing authorised and issued ordinary shares of €0.01 each into ordinary shares of €0.10 each.

As the price at which the New Ordinary Shares will be issued is not currently known, but will be determined by the Fundraising, the Board is seeking authorities under Resolutions 2 and 3 that it considers will be sufficient to allow the Restructuring, Fundraising and Acquisition to occur.

The total number of issued Ordinary Shares as at the date of this document is 311,562,755.

On a vote by way of a show of hands every Ordinary Shareholder who is present at the EGM has one vote and every proxy has one vote (but no individual shall have more than one vote). On a poll every Ordinary Shareholder who is present in person or by proxy has one vote for every Ordinary Share of which he is the holder. Resolutions 1, 2 and 4 are ordinary resolutions and therefore require a simple majority of Ordinary Shareholders voting in person or by proxy to vote in favour in order to be passed. Resolution 3 is a special resolution and requires a 75 per cent. vote in favour by Ordinary Shareholders voting in person or by proxy in order to be passed.

### **9. ACTION TO BE TAKEN**

The EGM will be held at The Radisson Airport Hotel, Cork, Ireland on 5th October 2012 at 11.30am.

Ordinary Shareholders will find enclosed with this document a Form of Proxy for use by such Shareholders at the EGM. If you hold your Shares in certificated form, whether or not you wish to attend the EGM, you are requested to complete and sign the Form of Proxy and return it to the Company's Registrars, Capita Registrars, by post to PO Box 7117, Business Reply, Dublin 2, Ireland or by hand during normal business hours to Capita Registrars, Unit 5, Manor Street Business Park, Manor Street, Dublin 7, Ireland so as to arrive no later than 48 hours before the time appointed for the Extraordinary General Meeting. The return of the Form of Proxy will not prevent you from attending the EGM and voting in person should you wish to do so.

Alternatively for those who hold Ordinary Shares in CREST, an Ordinary Shareholder may appoint a proxy by completing and transmitting a CREST Proxy Instruction to Capita Registrars (CREST participant ID 7RA08). In each case the proxy appointment must be received by no later than 11.30am on 3rd October 2012. The completion and return of a CREST Proxy Instruction will not prevent the Ordinary Shareholder from attending and voting in person at the Extraordinary General Meeting or any adjournment thereof, should such Ordinary Shareholder wish to do so.

### **10. CURRENT TRADING AND PROSPECTS**

The Company undertook a strategic review in early 2011 with the aim of refocusing the business portfolio towards core, renewable energy, power generation activities. Cost savings were delivered by the Company through the exit from non-core and non-profitable business segments, thereby creating a leaner, more efficient business structure with the focus purely on the renewable energy power generation business. This decision meant that the Company's interest in the Latvian sawmill was deemed to be non-core and therefore the proposed disposal of the Company's interest in SIA Vudlande as part of the Restructuring fulfils a strategic objective.

The Board has taken the opportunity to refocus and reposition the Company as a 'technology neutral' renewable energy business with a core focus on developing and delivering electricity and heat generation projects into operation. The Company will focus on both large and small scale projects, providing flexibility to maximise existing land positions whilst diversifying development and technology risks. This flexible business model will deploy capital where it can achieve the best return for Shareholders whilst still keeping the focus on the generation of clean energy from either electricity or heat.

The Company's ultimate aim is to be one of the UK and Ireland's largest independent renewable energy companies, with a diverse portfolio of operating and development assets across various renewable energy technologies. To this end, the Company will focus on developing its existing portfolio as well as considering strategic bolt-on acquisition opportunities that add generating potential to its project portfolio.

The Company currently has 27.80MW at various stages of development as set out in the table below:

<b>Project Name</b>	<b>Capacity (MW)</b>	<b>Status</b>
● Newry Biomass	4.00	2MW in initial commissioning. Full production from 4MW expected Q4 2013.
● Enfield Biomass	12.00	Planning and permitting received, grid connection offer discussed, feedstock options available. Financial close expected end of Q1 2013.
● Cork Anaerobic Digestion ('AD')	0.75	Planning and waste permit received.
● Kerry AD	0.75	Planning and waste permit received.
● Clay Cross Biomass	8.00	In planning process, feedstock options available.
● Clay Cross AD	1.00	In planning process, feedstock options available.
● Rutland AD	1.30	In planning process, feedstock options available.
<b>Total</b>	<b>27.80</b>	

#### **Newry Biomass – 4MW Biomass Combined Heat and Power ('CHP')**

The Company recently announced that its plant in Newry, Northern Ireland, commenced the production of syngas for the generation of electricity from its biomass electricity and heat generation plant. The plant has achieved Form G59 certification which means that the connection to the electricity grid is certified by the Distribution Network Operator confirming its integrity and safety to export electricity. This plant is due to generate up to 4MW of electricity and heat once fully commissioned.

Kedco has invested £6million through a combination of equity and loan notes in the project corporate entity and owns 50 per cent. of the ordinary equity and 92 per cent. of the economic return from the project.

FBD owns the remaining 50 per cent. of the ordinary equity but is only entitled to 8 per cent. of the economic return from the project. The balance of the project funding was arranged through a financing deal with RBS Ulster Bank, which committed project finance facilities of up to £8million.

Further updates will be provided in the near future as the project moves towards full commissioning of the first phase.

#### **Enfield Biomass – 12MW Biomass CHP**

The Company's other key asset is the 12MW Enfield Biomass project located in Enfield, London. This project has full planning and permitting to convert 60,000 tonnes per annum of waste wood and has entered into advanced discussions in relation to an offer to connect to the national grid. The Company has already entered into a 20 year lease in relation to the site. The Company has various options available in relation to feedstock sourced locally for the plant.

The Directors believe that this project is one of the most advanced biomass development projects located in the London region and the Company intends to progress the project towards financial close and commencement of construction.

In line with this aim the Company has already conducted preliminary discussions with debt and equity partners regarding the project and these are expected to intensify over the course of the next few months. A further update will be provided as appropriate.

#### **Cork and Kerry AD Projects**

The Company has full planning and permitting for two sites located in the South of Ireland which could convert 40,000 tonnes of agricultural and food waste per annum into up to 1.5MW of electricity and 1.4MW of heat.

These projects will qualify for the Irish Government support scheme for renewable energy under REFIT III, which covers biomass technologies for the period 2010 to 2015. This scheme provides for a fixed feed in tariff rate of between €0.10 - 0.13 per kilowatt hour ('kWh') produced, depending on the use of heat generated from the plant.

A strategic decision regarding the development of these two projects will be made over the course of the next few months.

#### **Clay Cross Biomass CHP and AD and Rutland AD**

The Company has also invested heavily in planning and permitting over the last 18 months and it is currently in the planning process for an 8MW site in Derbyshire and 1.3MW AD site in East Anglia, both in the UK. In addition to these two projects the Company has other possible heat and electricity generating projects at various stages in its pipeline.

#### **Future Prospects and Acquisitions**

The Company believes that the existing development portfolio will continue to add shareholder value as projects are brought through the various development stages and into operation. In addition the Company intends to re-evaluate its existing pipeline to determine whether it is possible to develop other forms of renewable energy projects on these sites.

As well as organic growth in order to achieve its aim of being one of the UK and Ireland's largest independent renewable energy companies the Company will also consider strategic bolt-on acquisitions and joint venture opportunities. Such opportunities will be considered in light of the Company's on-going funding requirements and are likely to be on a non-cash consideration basis.

The future prospects of the Company are dependent on its ability to fund the development of projects in its pipeline to a stage where financial close on a funding package can be achieved at project level allowing projects move from development to operational phase.

The Board believes that the Restructuring and Fundraising will allow the Company the opportunity to pursue its business strategy and deliver value for all its stakeholders.

## 11. SOURCES AND BASES

Unless otherwise stated, for the purposes of converting € to £, a currency exchange rate of €1 to £1.2609 has been applied, being the Oanda rate on 30th August 2012.

References to time are to London time.

## 12. DIRECTORS' INTERESTS

The interests of the Directors in the Restructuring are set out below. Given the interests of Dermot O'Connell, Eddie Barrett, Diarmuid Lynch and Brendan Halpin in the Restructuring, they have not participated in the recommendation of the Resolutions to Shareholders.

Instrument	Name	€
Unsecured Loan Notes	Dermot O'Connell	2,447,497 <sup>(1)</sup>
Zero-Coupon Secured Notes	Eddie Barrett	459,264
Unsecured Notes	Eddie Barrett	615,309
Zero Coupon Secured Notes	Diarmuid Lynch	96,569
Wellwin Notes	Brendan Halpin	230,000 <sup>(2)</sup>

<sup>(1)</sup> As Board representative of FBD, a substantial shareholder of Kedco

<sup>(2)</sup> As shareholder of Wellwin

The transactions entered into with each of FBD, Eddie Barrett, Diarmuid Lynch and Wellwin constitute related party transactions for the purposes of the AIM Rules (the 'Related Party Transactions'). The Independent Directors consider, having consulted with Deloitte Corporate Finance, that the terms of the Restructuring and Fundraising are fair and reasonable insofar as its Shareholders are concerned.

## 13. IMPORTANCE OF APPROVAL OF RESOLUTIONS

*Importance of Resolutions 1 to 4 in order to complete the Restructuring, Fundraising and Consolidation.*

It is the view of the Board that the Company's continued existence is entirely dependent upon the continued forbearance of the Lenders who have, to date, refrained from taking any enforcement action against the Company in relation to their legal entitlements.

It is also the view of the Board that, in the absence of a restructuring solution, Lenders may seek to withdraw their support for the Company. The Board is of the view that any such process, coupled with the lack of working capital resources, would mean that the Company would have to reconsider its ability to continue as a going concern and, in the absence of viable alternatives, might lead to the Company ceasing to trade and entering insolvency.

In such circumstances, no assurance can be given to Shareholders as to the level of distribution that would be made to them (if any). The Board believes that the Restructuring represents a substantially better outcome for Shareholders than they would receive in an Examinership or other court administered insolvency process.

The Independent Directors are of the view that the decision of the Lenders, including the Company's largest shareholder FBD and other significant shareholders, to convert their debt into equity in the Company shows a confidence in the Company's future, its management and its business strategy.

The approval of resolutions 1 to 3 is a condition of the Restructuring and the Restructuring will not complete if resolutions 1 to 3 are not approved. Resolutions 1, 2 and 4 are ordinary resolutions requiring the approval of a majority of those voting in person or by proxy. Resolution 3 is a special resolution and requires a 75 per cent. vote in favour by Ordinary Shareholders voting in person or by proxy in order to be passed. If Resolutions 1 to 3 are not passed, the Restructuring cannot be implemented and the Fundraising will not proceed.

## 14. RECOMMENDATION

The Independent Directors believe that the approval of the Resolutions is in the best interests of the Company, and its Shareholders as a whole and in the best interests of its creditors. Accordingly, the Independent Directors recommend that Ordinary Shareholders vote in favour of the Resolutions as they intend to do in respect of their own respective beneficial holdings, which amount, at the date of this document, in aggregate to 16,863,068 Ordinary Shares, representing approximately 5.41 per cent. of the existing issued share capital.

Yours sincerely,



Dermot O'Connell  
Chairman

10th September 2012

**KEDCO PUBLIC LIMITED COMPANY**

(the 'Company')

**NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of the Company will be held at the Radisson Airport Hotel, Cork, Ireland on 5th October 2012 at 11.30am for the transaction of the following business:**

**ORDINARY BUSINESS**

**Disposal**

1. To consider, and if thought fit, pass the following Resolution as an ordinary resolution:-

'THAT subject to the successful completion of the Fundraising (as described in the circular to Shareholders dated 7 September 2012) (the 'Circular') the Directors be empowered to dispose of the entire interest in SIA Vudlande by the sale of the entire issued share capital of Kedco Block Limited to Cornhill Asset Management Limited for and on behalf of the Zero Coupon Secured Note Holders (as defined in the Circular) for the sum of €3,000,000.'

**Authority to Allot Shares**

2. To consider, and if thought fit, pass the following Resolution as an ordinary resolution:-

'THAT the Directors shall be, for the purposes of Section 20 of the Companies (Amendment) Act 1983 (the '1983 Act') and they are hereby generally and unconditionally authorised to exercise all of the powers of the Company to allot and issue relevant securities (as defined in Section 20(10) of the 1983 Act) up to an aggregate nominal amount of €13,000,000 for the purposes of the Restructuring, Fundraising and Acquisition, each as described in the Circular.'

The authority hereby conferred shall expire at the expiry of the date which is on the close of business on the day following the next Annual General Meeting of the Company unless previously renewed, varied or revoked by the Company in general meeting provided that the Company may make an offer or agreement before such expiry which would or might require any such securities to be allotted or issued after the authority contained in this Resolution has expired and the Directors may allot and issue such securities in pursuance of any such offer or agreement as if the authority conferred hereby had not expired.'

**SPECIAL BUSINESS**

**Dis-application of Pre-emption Rights**

3. To consider, and if thought fit, pass the following Resolution as a special resolution:-

THAT the Directors with reference to Article 8(d) of the Articles of Association be empowered pursuant to Section 24 of the 1983 Act to allot equity securities (as defined by Section 23 of the 1983 Act) for cash pursuant to the authority conferred by Resolution 2 above, as if subsection (1) of the said Section 23 did not apply to any such allotment provided that the authority conferred hereby shall unless previously renewed, revoked or varied by special resolution of the Company in general meeting, expire on the close of business on the day following the next Annual General Meeting of the Company, save that the Company may, before such expiry, make an offer or agreement which would or might require equity securities to be allotted after such expiry, and the Directors may allot equity securities in pursuance of such an offer or agreement as if the power conferred hereby had not expired.'

**ORDINARY BUSINESS**

**Consolidation**

4. To consider, and if thought fit, pass the following Resolution as an ordinary resolution:-

THAT the ordinary share capital of the Company be altered such that every ten (10) ordinary shares of €0.01 each in the issued and unissued ordinary share capital of the Company be consolidated into one (1) new ordinary share of €0.10 each, each ranking pari passu in all respects with each other such that the authorised share capital of the Company shall be €200,000,000 divided into 1,000,000,000 ordinary shares of €0.10 each and 10,000,000,000 A ordinary shares of €0.01 each. Where as a result of the consolidation, any Shareholders would become entitled to fractions of a share, the Directors may sell such fractional shares at the best price reasonably obtainable and distribute the proceeds of such a sale in due proportion among such Shareholders.

Dated this 10th September 2012

By Order of The Board

**Diarmuid Lynch**

*Company Secretary*

REGISTERED OFFICE: AIRPORT BUSINESS PARK, CORK.

REGISTERED IN DUBLIN, IRELAND - No 462861

## NOTES

1. A member entitled to attend and vote at the Extraordinary General Meeting is entitled to appoint a proxy as an alternative to attend, speak and vote instead of him/her. A proxy need not be a member of the Company. The deposit of an instrument of proxy will not preclude a member from attending and voting in person at the Extraordinary General Meeting or at any adjournment thereof.
2. A Form of Proxy is enclosed with this notice. To be effective, the Form of Proxy duly completed and signed together with any authority under which it is executed or a copy of such authority certified notarially or by a solicitor practising in the Republic of Ireland must be deposited at the offices of the Company's registrars, Capita Registrars (Ireland) Limited, PO Box 7117, Dublin 2 (if delivered by post) or to Unit 5, Manor Street Business Park, Manor Street, Dublin 7, Ireland (if delivered by hand) not less than 48 hours before the time appointed for the Extraordinary General Meeting or in the case of an adjournment as at 48 hours before the time of the adjourned meeting. Any alteration to the Form of Proxy should be initialed by the person who signs it.
3. In the case of a corporation, the Form of Proxy must be either executed under seal or signed on its behalf by an officer or attorney duly authorised.
4. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other registered holder(s) and, for this purpose, seniority will be determined by the order in which the names stand in the register of members of the Company.
5. The Company, pursuant to Regulation 14 of the Companies Act 1990 (Uncertificated Securities) Regulations 1996 specifies that only those Shareholders registered in the register of members of the Company as at 6:00pm (Dublin time) on 3rd October 2012 shall be entitled to attend and vote at the meeting in respect of the number of shares registered in their names at that time. Changes to entries in the register after that time will be disregarded in determining the right of any person to attend and/or vote at the meeting.
6. Shareholders who hold shares through CREST and who wish to appoint a proxy or proxies for the meeting or any adjournment(s) by using the CREST voting service may do so by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider, should refer to their CREST sponsor or voting service provider, who will be able to take the appropriate action on their behalf.
7. In order for a proxy appointment or instruction made using the CREST voting service to be valid, the appropriate CREST message (a '**CREST Proxy Instruction**') must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it relates to the appointment of a proxy or to an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by no later than 11:30am (Dublin time) on 3rd October 2012. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which Capita Registrars is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
8. CREST members may appoint a proxy or proxies electronically through CREST via Capita Registrars (ID 7RA08).
9. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Companies Act 1990 (Uncertificated Securities) Regulations 1996.

