

Dated 12 December 2016

(1) REACT ENERGY PLC

AND

(2) EBIOSS ENERGY AD

DEED OF AMENDMENT AND RESTATEMENT TO LOAN NOTE INSTRUMENT

 **McEVOY**
CORPORATE LAW
33 FITZWILLIAM SQUARE
DUBLIN 2



THIS DEED OF AMENDMENT dated the 12th day of December 2016

BETWEEN:

- (1) **REACT ENERGY PLC** a company incorporated in Ireland under Registration Number 4262861 and having its registered office at Building 1000, City Gate, Mahon, Cork ("**REACT**"); and
- (2) **E BIOSS ENERGY AG** a company incorporated in Bulgaria under Registration Number 202356513 having its seat and registered office at 144 Sophia, 49 Bulgaria Boulevard 11-12 Floors ("**E BIOSS**").

BACKGROUND

- A. On 7 January 2016 REACT adopted and executed the Loan Note Instrument ("**Existing Loan Note Instrument**") and has thereafter issued to E BIOSS Loan Notes in the amount of €750,000.
- B. The Parties hereto have agreed to amend the Loan Note Instrument and the terms of the Loan Notes pursuant to the terms of this Deed.

IT IS HEREBY AGREED as follows:-

1. Interpretation

In this Deed:

"**Loan Note Instrument**" means the Instrument dated 7 January 2016 constituting the issue of up to €750,000 8% fixed rate unsecured Loan Notes 2016 of REACT.

"**Loan Notes**" means the Loan Notes of €750,000 constituted by the Loan Note Instrument and issued by REACT to E BIOSS.

"**Loan Note Facility**" means €1,350,000.

2. Amendment and Restatement of the Loan Note Instrument and the Loan Notes

- 2.1 The amount of the Loan Note Instrument shall be increased by €600,000 from €750,000 to €1,350,000 and accordingly the Loan Note Instrument shall be and is hereby amended as follows: -



2.1.1 all references to €750,000 shall be deleted and substituted by references to €1,350,000;

2.1.2 new definitions shall be added to the Interpretation section of the Loan Note Instrument as follows:

"Existing Certificates" means certificates issued in respect of drawdowns of the First Tranche;

"First Tranche" means €750,000 previously advanced by the Noteholder to REACT and henceforth to be governed by the terms of this Instrument;

2.1.3 Clause 2 shall be deleted in its entirety and replaced by the following:

2. "Drawdown

2.1 As at the date of this instrument the First Tranche has been drawn down. The balance of the loan note facility may be drawn down and certificates issued in tranches of not less than €50,000, commencing on the date of this Instrument.

2.2 Each drawdown request for subscription must be approved by the Noteholder prior to subscription at its sole discretion and subject thereto paid within seven days of this request.

2.3 The proceeds of each subscription have been or will be used solely as to: -

2.3.1 the First Tranche has funded development costs associated with the Company's identified biomass gasification projects in the UK and working capital purposes; and

2.3.2 the balance of € 600,000 for the Group's working capital purposes, and for no other purpose.

2.1.4 Clause 3.1 shall be amended by the deletion of the words "in equal tranches of € 250,000" in line 2.

2.1.5 All references to the date "7 January 2017" shall be deleted and substituted by "7 January 2018".

2.1.6 A new clause 6.4 shall be added as follows: -

6.4 Cancellation of Existing Certificates

The Existing Certificates are hereby cancelled and REACT shall issue to the Noteholder substitute Certificates in respect thereof.



2.1.7 Schedule 1 shall be deleted and replaced in its entirety by Schedule 1 to this Agreement.

3 Warranty

Each of the Parties represents and warrants to the other that this Deed in its execution by such Parties within its capacity and powers and constituted legal, valid and binding obligations and liabilities enforceable against it.

4 Variation

This Deed may only be modified, varied, amended, terminated, cancelled, waived or released by a document duly executed and delivered by each of REACT and EBIOSS.

5 Assignment

Neither of REACT or EBIOSS may assign or transfer, or purport to do so, their respective rights, title or benefit under this Deed.

6 Counterparts

This Deed may be executed in any number of Counterparts and by the different Parties hereto on several counterparts, each of which when executed and delivered shall constitute an original and also to counterparts together constituting but one and the same Instrument.

7 Governing Law and Jurisdiction

7.1 This Deed and any disputes or claims arising out of or in connection with its subject matter are governed by and construed in accordance with the laws of Ireland.

7.2 The Parties irrevocably agree that the Courts of Ireland shall have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with this Deed.

IN WITNESS whereof this Instrument has been duly executed and delivered as a deed on the date shown at the beginning of this Instrument.



**Present when the Common Seal of
REACT ENERGY PLC
was affixed hereto:**



**Gerry Madden
Director**



**Brendan Halpin
Secretary**

**Signed sealed and delivered on behalf of
EBIOSS ENERGY AD**



**José Oscar Leiva Mendez
Director**