

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document or as to the action you should take, you are recommended immediately to seek your own personal financial advice from your stockbroker, bank manager, solicitor, accountant, or other independent financial adviser authorised pursuant to the Financial Services and Markets Act 2000 (“FSMA”), or, in the case of Shareholders in a territory outside Ireland and the United Kingdom, from another appropriately authorised independent financial adviser.

This document is also being sent to the creditors of the Company and related companies to whom Ordinary Shares have been issued to the Trustee to hold as nominee on their behalf in accordance with the Declarations of Trust.

If you have sold or otherwise transferred your entire holding of ordinary shares in React Energy 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 React Energy plc, please consult the stockbroker, bank or other agent through whom the sale or transfer was effected as to the action you should take.

The Directors, whose names are set out on page 9 of this document and the Company, accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Directors and the Company (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the importance of such information.

React Energy plc

(Incorporated in Ireland under the Companies Act 2014 with registered number 462861)

Approval of Waiver of obligations under Rule 9 of the Irish Takeover Rules and Notice of Extraordinary General Meeting

Your attention is drawn to the recommendation of the Board of Directors of the Company which is set out in this document and which recommends that you vote in favour of the Resolution set out in the notice of Extraordinary General Meeting referred to below.

The release, publication or distribution of this document in or into jurisdictions other than Ireland and the United Kingdom may be restricted by the laws of those jurisdictions and therefore persons into whose possession this document comes should inform themselves about, and observe, any such restrictions or applicable requirements. Failure to comply with any such restrictions or applicable requirements may constitute a violation of the securities laws of any such jurisdiction.

Notice of an Extraordinary General Meeting to be held at Cork International Hotel, Cork, Ireland on 16 October, 2015 at 11.00 a.m. 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 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 Asset Services, Shareholder solutions (Ireland), P.O. Box 7117, Business Reply, Dublin 2, D02 A342, Ireland or by hand to Capita Asset Services, Shareholder solutions (Ireland), 2 Grand Canal Square, Dublin 2, 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 General Meeting. The completion and return of a Form of Proxy will not preclude you from attending and voting in person at the 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 11.00 a.m. on 14 October 2015. 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 General Meeting or any adjournment thereof, should the Shareholder wish to do so.

This document contains no offer of securities to the public within the meaning of the Prospectus (Directive 2003/71/EC) Regulations 2005 of Ireland, the Prospectus Rules of the Financial Services Authority of the United Kingdom or otherwise. This document has not been approved by the Financial Regulator of Ireland or the Financial Services Authority of the United Kingdom. This document does not constitute a prospectus and a copy of it has not nor will be delivered to the Companies Registration Office of Ireland or the Registrar of Companies in England and Wales.

The completion and return of the Form of Proxy, or the use of the CREST electronic proxy appointment service will not prevent you from attending and voting at the General Meeting, or any adjournment thereof, in person should you wish to do so.

If you have any questions about this Document or the Extraordinary General Meeting, or are in any doubt as to how to complete the Form of Proxy, please call the Company’s Registrars, Capita Asset Services, Shareholder solutions (Ireland) helpline on 01 553 0050 . Lines are open Monday to Friday between 9.00 a.m. and 5.00 p.m. (from outside Ireland +353 1 553 0050). Please note that calls may be monitored or recorded and the representatives cannot provide financial advice or advice on the merits of the approval of the Waiver.

The distribution of this Document in jurisdictions other than the United Kingdom or Ireland may be restricted by the laws of those jurisdictions and therefore persons into whose possession this document comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. In particular, this document should not be forwarded or transmitted in or into the United States, Canada, Australia, South Africa, Japan or any other jurisdiction where it would be illegal to do so.

Shore Capital, which is authorized and regulated by the Financial Conduct Authority, is acting exclusively for the Company and no-one else (including the recipients of the Circular) and will not be responsible to anyone other than the Company for providing the protections afforded to its clients or for advising any other person on the contents of this Document or any matter, transaction or arrangement referred to therein. Shore Capital makes no representation or warranty, express or implied, as to the contents of this Document and Shore Capital does not accept any liability whatsoever for the accuracy of or opinions contained in (or for the omission of any material information) this Document and shall not be responsible for the contents of this Document. Nothing in this paragraph shall serve to exclude or limit any responsibilities which Shore Capital may have under FSMA or the regulatory regime established thereunder.

Shore Capital has given and has not withdrawn its written consent to the inclusion in this Document of the references to its name in the form and context in which they appear.

No person has been authorised to give any information or make any representation other than those contained in this Document and, if given or made, such information or representations must not be relied upon as having been so authorised. The delivery of this Document shall not, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date of this Document or that the information in it is correct as of any subsequent time.

A copy of this Circular may be downloaded via the Company's website (www.reactenergyplc.com) or inspected at the registered office of the Company (Building 1000, Citygate, Mahon, Cork, Ireland) or at the offices of Brown Rudnick in London (8 Clifford Street, London, W1S 2LQ, England).

This document is dated 22 September 2015.

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EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Date of this Document and Form of Proxy	22 September 2015
Latest time and date for receipt of Forms of Proxy	11.00 a.m. on 14 October 2015
Extraordinary General Meeting	11.00 a.m. on 16 October 2015
Announcement of the Results of the Extraordinary General Meeting	16 October 2015

Note

(1) Unless otherwise stated, all references in this document are to Dublin time. The dates given are based on the Directors expectations and may be subject to change. Any change to the timetable will be notified to the London Stock Exchange and to the market via a regulatory announcement.

DEFINITIONS

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

“Act”	the Companies Act 2014 of Ireland
“Admission”	the admission of Ordinary Shares to trading on AIM becoming effective in accordance with the AIM Rules
“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
“Alchemy Capital”	Alchemy Capital Limited, a company registered and incorporated in the British Virgin Islands with registered number 201546
“Altair”	Altair Group Investment Limited, a company registered and incorporated in the British Virgin Islands with registered number 1697665
“Articles of Association”	the articles of association of the Company
“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 Ireland;
“Capita” or “Registrars”	Capita Asset Services, Shareholder solutions (Ireland), the Company’s registrars, who have their registered office at 2 Grand Canal Square Dublin 2, DO2 A342, Ireland
“Circular”	this document dated 22 September 2015, containing information about the Whitewash and Extraordinary General Meeting
“Closing Price”	the closing middle market quotation of a share as derived from the AIM Appendix to the Daily Official List of the London Stock Exchange
“Company”	REACT Energy plc
“Companies Act”	the Companies Act 2014 of Ireland
“Concert Party”	Ecofinance, Alchemy, Origen Capital LLP, Altair (including, Mr. Gabriel Quintero), Ms. Ruby Sayed, Mr. David Palumbo (including Origen Capital Partners Limited), Mr. Thomas Quigley and Mr Richard Harrop
“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 (S.I. 68/1996) of Ireland (as amended)
“Declarations of Trust”	the declarations of trust by the Trustee in favour of and as nominee for (i) the preferential creditors under the Scheme; and (ii) all other creditors whose debts were compromised under the Scheme
“Directors”	the directors of the Company, whose names are set out on page 9
“EcoFinance”	EcoFinance (GLI) Limited, a company incorporated in England with registered number 09451570
“Effective Date”	the date on which the Scheme became effective in accordance with its terms
“Enlarged Share Capital”	share capital of the Company as enlarged pursuant to the Refinancing Documents
“Examinership”	this is a procedure or process under Irish Law which was introduced to provide a mechanism for the rescue and return to health of ailing, but potentially viable, companies. Examinership allows a company a period of protection from its creditors, within which time the company and the examiner endeavour to find parties to put together a survival plan usually entailing fresh investment and the writing down of creditors’ claims.
“Existing Ordinary Shares”	the 68,140,494 Ordinary Shares in issue as at the date of this document being the entire issued share capital of the Company
“Existing Shareholders”	holders of the existing Existing Ordinary Shares
“Extraordinary General Meeting” or “EGM”	the extraordinary general meeting of the Company convened for 16 October 2015 to approve the Resolution
“Equity Kicker”	an aggregate maximum of 7,058,824 Ordinary Shares to be issued to Altair and EcoFinance pursuant to the Refinancing Documents
“EU”	the European Union
“Euroclear”	Euroclear UK & Ireland Limited, a company incorporated under the laws of England and Wales and the operator of CREST
“Farmers”	Farmers Business Developments plc
“Fundraising”	the raising of £1 million (before expenses) from a Secured Loan Facility (including the granting of Warrants) details of which were included in an announcement made by the Company on 15 July 2015

“GBP”	the lawful currency of the United Kingdom
“Group” or “React Energy Group”	the Company and its subsidiary undertakings
“Ireland”	Ireland, excluding for the avoidance of doubt, Northern Ireland
“Independent Shareholders”	the Shareholders other than the members of the Concert Party
“London Stock Exchange”	London Stock Exchange plc
“Ordinary Shares”	ordinary shares of €0.10 each in the capital of the Company
“REACT”, “React Energy” or the “Company”	React Energy plc, a company incorporated in Ireland with registered number 462861
“Resolution”	the shareholder resolution to be voted upon by Shareholders at the EGM
“Refinancing Documents”	together the loan agreements, warrant instruments and equity kickers as set out in section 3 of Part 1 of this document
“Restricted Jurisdiction”	the United States, Australia, Canada, Japan, New Zealand and the Republic of South Africa and any other jurisdiction in which it would be unlawful to distribute the document and would be required to be approved by a regulatory body
“ROC”	a Renewable Obligation Certificate, which is granted by Ofgem to energy generators for each MWh, under the current scheme, of qualifying renewable energy. ROC’s are tradable and are required by electricity suppliers to demonstrate to Ofgem that their individual obligations for supply of renewable energy, as a percentage of all electricity supplied, have been met
“Scheme of Arrangement” or “Scheme”	the Scheme of Arrangement for the Company and related companies approved by the High Court on 15 July 2015, which became effective on 24 July 2015
“Secured Loan Facility” or “SLF”	the secured loan facility for £1 million entered into by the Company with EcoFinance on 14 July 2015 as outlined in section 3 of Part 1 of this document, drawdown of which took place on 25 July 2015
“Shareholders”	holders of shares (of any class) in the capital of the Company
“Shore Capital”	Shore Capital and Corporate Limited, the Company’s nominated adviser and broker, Bond Street House, 14 Clifford Street, London W1S 4JU
“Takeover Rules” or the “Irish Takeover Rules”	the Irish Takeover Panel Act 1997, Takeover Rules 2013

“Takeover Panel”	the Irish Takeover Panel, established pursuant to the Irish Takeover Panel Act 1997;
“Trustee”	Mr. Bernard McEvoy of 33 Fitzwilliam Square Dublin 2
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland
“UK Listing Authority” or “UKLA”	the Financial Conduct Authority acting in its capacity as the competent authority for the purposes of Part VI of the Financial Services and Markets Act 2000
“Waiver”	the waiver of the requirements of Rule 9 of the Takeover Rules granted by the Takeover Panel and described in further detail in paragraph 8 of Part 1 of this document that would otherwise arise on the Concert Party to make a general offer to all the Shareholders pursuant to Rule 9 of the Takeover Rules as a result of the possible exercise of conversion rights on loans, rights under warrant instruments and exercisable rights under equity kickers.
“Whitewash”	the approval of the Waiver by the Independent Shareholders, on a poll at the Extraordinary General Meeting
“Whitewash Resolution”	the resolution set out in the Notice to be proposed at the Extraordinary General Meeting for approval of the Waiver by the Independent Shareholders on a poll
“Warrants”	the warrant instruments entered into by the Company with Alchemy and Origen Capital LLP on 14 July 2015 as set out in section 3 of Part 1 of this document
“Warrantholders”	holders of warrants to subscribe for Ordinary Shares pursuant to warrant instruments of the Company

PART 1
LETTER FROM THE CHAIRMAN OF REACT ENERGY PLC
(Incorporated in Ireland under the Companies Act 2014 registered number 462861)

Directors

Dermot O’Connell (Non-Executive Chairman)
Gerry Madden (CEO)
Brendan Halpin (Executive Director)
Eddie Barrett (Non-executive Director)

Head and Registered Office

Building 1000
Citygate
Mahon
Cork
Ireland

22 September 2015

To the Shareholders of React Energy plc and the beneficial owners of the Ordinary Shares issued to creditors of the Company pursuant to the Scheme and held on their behalf by the Trustee and, for information only, to the holders of warrants, and options over Ordinary Shares and exercisable rights over Ordinary Shares in the form of equity kickers.

Dear Shareholder,

**Approval of Waiver of obligations under Rule 9 of the Irish Takeover
Rules
and
Notice of Extraordinary General Meeting**

1. Introduction

On 27 July 2015, the Company announced the restoration of its shares to trading on AIM following the successful exit of the Company from an Examinership process under the Act. Part of the successful exit was the raising of £1 million (before expenses) by way of a Secured Loan Facility, details of which were included in an announcement made by the Company on 15 July 2015 and are set out in section 3 of this letter. Independent Shareholders are being asked to vote on a resolution at the EGM to waive the obligations on the Concert Party which would otherwise arise under Rule 9 of the Irish Takeover Rules as a result of the potential exercise of rights under the Refinancing Documents. Approval of the Waiver was a condition of the Refinancing Documents.

Approval of the Waiver is being sought at an EGM, convened for 11.00 a.m. 16 October 2015.

The purpose of this document is to provide information on the background to the Company’s current position, to explain why the Board recommends your approval and to seek your approval of the Whitewash Resolution.

2. Background

The Company’s shares were suspended from trading on AIM from 1 December 2014 at the Company’s request pending a clarification of the Company’s financial position.

On 13 May 2015 the Company announced that it had made a petition pursuant to the Act to the High Court in Ireland to appoint an Examiner to the Company. An Examiner was appointed by the Court on 20 May 2015.

The decision to seek examinership followed the suspension of funding discussions with a strategic investor which resulted from a dispute with the landlord on the Enfield site, related difficulties in financing the repowering of the Newry site and actions taken by certain creditors of REACT and related companies.

An Independent Accountants' Report from Grant Thornton on REACT and related companies concluded that it was possible for a sustainable and profitable business to emerge from the Examinership process based on a restructuring of REACT and related companies. Altair, an existing loan note holder supported REACT throughout the Examinership process, and together with a third party strategic investor indicated that they would be prepared to invest in REACT to facilitate a scheme of arrangement for the restructured business.

REACT also announced that as part of the Examinership process it had issued a loan note to Altair for up to EUR 500,000 ("Further Altair Loan Note"). The proceeds of the loan note were used to fund the Examinership process.

The High Court approved the Scheme of Arrangement on 14 July 2015 which was followed by the exit of the Company from the Examinership process on 25 July 2015, the Effective Date. The Company announced on the 15 July 2015 the issue of £1,000,000 (before expenses) of a Secured Loan Facility to fund on-going working capital requirements.

Following the approval of the Scheme creditors were issued with 37,470,972 new Ordinary Shares in the Company at a price of £0.11 each (being the closing price of an Ordinary Share on the 1 December 2014, the date of suspension of the Company's Ordinary Shares from AIM), which after issue amounted to circa 55% of the enlarged issued share capital. This was as a result of the conversion of €5.7 million of debt into equity. The 37,470,972 new Ordinary Shares were issued to the relevant creditors and are held by a Trustee on their behalf. The Trustee has entered into a 'Lock-in' restriction on behalf of the creditors, whereby they are unable to dispose of the new Ordinary Shares that were received pursuant to the Scheme for a period of one year from the date of Admission. The new Ordinary Shares were admitted to trading on AIM on 31 July 2015.

3. Key Elements of the Funding Proposals

The Company had been actively engaged in discussions with potential providers of finance including with EcoFinance a group which sources finance for renewable energy projects. As announced on 8 June 2015, the Company signed a conditional facility letter for the Secured Loan Facility with EcoFinance the drawdown of which was subject to certain conditions precedent being met under the Loan Facility, the Scheme being approved by shareholders and creditors and ultimately the High Court.

3.1 Summary of the EcoFinance proposal

EcoFinance is a privately owned company registered in England. It was incorporated in May 2015 as a special purpose entity specifically for the purposes of entering into the proposed REACT transaction. It enjoys relationships with a number of co-investment partners both in the UK and globally.

The Secured Loan Facility comprises a five-year term loan of £1,000,000 at 15% per annum fixed rate of interest, payable monthly in arrears. The net proceeds of the Secured Loan Facility will be utilised for corporate development and general working capital purposes. The Secured Loan Facility is to be repaid by way of a bullet repayment of capital (and any accrued interest) on before the anniversary of 60 months from the date of drawdown of the Secured Loan Facility.

Equity Kicker: an exercisable right is attached to the Secured Loan Facility whereby 60 days from the drawdown under the Secured Loan Facility, EcoFinance has the right to an amount of fully paid new Ordinary Shares in the Company. The monetary value of the exercisable right will be determined by the following formula:

- 9 million x (Average Share Price minus 10p), where the Average Share Price is the arithmetic average of the Company's closing share price on each of the 60 days following re-commencement of trading in the Company's shares. The value of this right has a cap of £600,000 and a floor of £200,000. The maximum number of shares issuable under this mechanism is 3,529,412 new Ordinary Shares.

35,300,000 Warrants have been issued to Alchemy Capital, a company related to the EcoFinance on drawdown of the Secured Loan Facility, subject to any necessary shareholder and other regulatory requirements. These Warrants entitle the holders to subscribe for new Ordinary Shares at an exercise price of 10p per share. The Warrants are assignable and capable of being exercised for a period of seven years from the date on which the Secured Loan Facility is drawn down.

3.2 *Summary of Altair financing*

Altair provided funding to REACT by way of a loan agreement to finance the Examinership process, which was announced on 13 May 2015. The existing secured debt held by Altair, comprising the 9% Secured Loan Note of £1.5 million issued in 2014 and the Examinership financing facility of €500,000, was refinanced by way of a new 7.5% £2 million Convertible Secured Loan Note ("CSLN") and is secured by the same security package granted in favour of EcoFinance. This is governed by an inter creditor deed under which the SLF security plus interest and costs shall rank in priority to the CSLN security plus interest and costs. Under the terms of the CSLN, Altair has the right to convert up to £1 million into new Ordinary Shares at £0.10p. Altair has also been granted an exercisable right in the form of an equity kicker of up to 3,529,412 new Ordinary Shares on the same basis as EcoFinance as set out above.

The Company has also issued 3,150,000 Warrants to Origen Capital Partners LLP, an entity related to Altair, on drawdown of the SLF. These Warrants entitle the holders to subscribe for new Ordinary Shares at an exercise price of £0.10 per share. These warrants are assignable and capable of being exercised for a period of seven years from the date on which the SLF is drawn down.

EcoFinance and Altair have entered into a separate agreement in relation to financing provided to the Company whereby EcoFinance has granted to Altair an option to acquire the benefit and security of the £1,000,000 SLF. This is a one-year option and the price of the option is a 5% premium on the capital amount.

The main objective of the Fundraising was to facilitate an exit from the Examinership process and the restoration of trading in the Company's shares on AIM. Warrants granted as part of the Fundraising have a total maximum subscription value of c. £4.7 million (if exercised).

4. Use of Proceeds

The net proceeds from the Fundraising will be used to fund general working capital across the Group. The Directors believe that the Fundraising will provide the Company with adequate resources to develop a plan to enhance the value of its principal assets. Development of, and revenue generation from, the principal assets of the Company will require additional financing which is expected to be sourced in due course.

5. Current Trading and Prospects

The Company is a renewable energy project developer and operator. The Company takes projects from “Greenfield” (greenfield land) stage to “Shovel Ready” stage (projects where planning and development is advanced enough that, given sufficient funding, construction can begin within a very short time frame) with turnkey construction contracts and financial packages in place. Debt and equity partners are sought to fund the construction phase in return for a share of the project equity.

Current Portfolio Status

The Company’s business is broken down into Biomass Combine Heat and Power (CHP) projects in the UK, Biomass Heat Projects in the UK and Wind Turbine projects in Ireland and the UK.

It is the intention of the Company to retain and, with the help of its new investors, to develop all projects within its pipeline.

Biomass Combined Heat and Power (CHP)

Newry

Newry Biomass is a 4MW Biomass advanced gasification project located in Newry, Co. Down, Northern Ireland. The project is a joint venture with Farmer Business Development plc the Company’s main shareholder. Newry Biomass Limited is a 50.01% subsidiary company of REACT.

Planning permission for waste to energy plant converting 25,000 tonnes per annum of virgin wood was received in May 2009. The project pre-qualified for 1.9 ROC’s under the advanced gasification banding level. The project cost £11.7m to construct and was funded through shareholder equity and loans. REACT invested £5.75m and currently retains 49.11% of the economic benefit of the project whilst Farmers Business Development plc has 50.89%.

Due to underperformance of the original gasification technology a decision has been made to repower the project with a new technology. The project is currently on ‘care and maintenance’ programme pending additional funding required to engage a new technology provider.

Enfield, London

The Enfield Biomass project is a 12MW Biomass gasification project located in Enfield, London. The project has secured full planning and permitting approval and is ready to construct. The Company obtained an updated planning permission for converting 66,000 tonnes per annum of Grade C wood waste in January 2014. An environmental permit was received April 2012.

As part of the Scheme of Arrangement, the Company has ceased to pursue the legal action, which was announced on the 3 June 2015, in relation to the Enfield Biomass Limited property lease agreement and has agreed to the revocation of the existing lease on that site. New discussions in relation to the future of this site will be commenced shortly and further updates will be made as required.

Clay Cross

In Derbyshire, the Group, together with its partner Larkfleet Energy, is seeking approval to construct and operate a 12MW biomass conversion power plant. The planning application has been made. A decision on planning is expected by shortly.

Biomass Heat

The Group is also the project developer and operator of three existing cash generating Biomass Heat power plants in the UK and has 5 projects in development to be built over the near term. Equitix ESI Finance Limited (“Equitix”) through a special purpose vehicle (“SPV”) provides REACT with access of up to £5 million of committed project finance from the Green Investment Bank and a number of institutional investors. The Company, sold the Culford and Kimbolten projects into this special purpose company owned by Equitix and the Company, for agreed consideration. The Company owns 30% of this special purpose company and receives development and on-going management fees from it.

The Culford School Biomass Heat plant in Suffolk, which has a 15-year Heat Supply Agreement, has been in operation for over 2 years and was sold into the Equitix SPV.

The Kimbolten School Biomass Heat plant in Cambridgeshire, which also has a 15 year Heat Supply Agreement, was recently brought into operation. It was also sold into the Equitix SPV

In November 2013 the Group also signed a 20-year Heat Supply Agreement with Old Buckenham Hall School in Suffolk and the Biomass Heat plant was recently brought into operation.

Wind Electricity Generation

In Ireland the Group is currently operating a cash generating 800kW wind turbine in Pluckanes, County Cork. This plant was part financed by AIB Bank plc and has a 15 year Power Purchase Agreement with Viridian Energy Limited.

The Group has also received planning permission to construct 7 additional single wind turbine projects in Ireland.

REACT is in on-going discussion with a select number of landowners in the UK and Ireland regarding sites for the future development of energy infrastructure projects.

The Company has prepared a pro-forma unaudited consolidated balance sheet as at 14 July 2015 which is presented below for illustrative purposes only:

REACT ENERGY PLC PRO-FORMA UNAUDITED CONSOLIDATED BALANCE SHEET	Pro-forma Unaudited 14 Jul 2015 EURO	Audited 30 Jun 2014 EURO
ASSETS		
Non-Current Assets		
Investment in property, plant and equipment and projects	7,365,255	1,897,959
Assets relating to liquidated companies	-	391,304
Total non-current assets	<u>7,365,255</u>	<u>2,289,263</u>
Current assets		
Trade and other receivables	42,368	163,917
Cash and bank balances	1,477,644	744,442
Current assets relating to liquidated companies	-	599
Total current assets	<u>1,520,012</u>	<u>908,958</u>
TOTAL ASSETS	<u>8,885,266</u>	<u>3,198,221</u>

EQUITY AND LIABILITIES

Equity		
Share Capital	16,753,246	13,006,149
Share Premium	22,691,272	20,713,637
Retained Earnings - Deficit	<u>(39,412,889)</u>	<u>(43,404,358)</u>
	31,629	(9,684,572)
Non-controlling interests representing partner's shareholdings in projects	<u>2,884,350</u>	<u>-</u>
Total equity	<u>2,915,979</u>	<u>(9,684,572)</u>
Non-current liabilities		
EcoFinance 15% SLF	1,388,889	-
Altair 7.5% CSLN	2,777,778	-
Senior bank loan in respect of wind turbine	1,098,500	1,135,000
BES Shares	<u>105,000</u>	<u>105,000</u>
Total non-current liabilities	<u>5,370,167</u>	<u>1,240,000</u>
Current liabilities		
Trade and other payables including professional fees	566,371	2,134,725
FBD 5% CLN	-	1,669,880
Altair 9% SLN	-	1,876,126
12% Loan Note	-	91,257
15% Shareholders' loan	-	155,139
Senior bank loan in respect of wind turbine	32,750	15,000
Current liabilities relating to liquidated companies	<u>-</u>	<u>5,700,666</u>
Total current liabilities	<u>599,121</u>	<u>11,642,793</u>
TOTAL EQUITY AND LIABILITIES	<u>8,885,266</u>	<u>3,198,221</u>

Outlook

The Company's short-term objectives were very clear:

- Obtain creditor and shareholder approval for the Scheme;
- Complete the financing facility with EcoFinance which provides funding for the foreseeable future;
- Obtain Court approval for the Scheme; and
- Restore trading in the Company's shares on AIM .

Having achieved these objectives the Company's business strategy remains one of focusing the Company's resources on delivering projects to financial closure and managing the implementation and operation of those projects.

The intention is to retain a long-term income stream linked to profits generated by projects in addition to receiving a development fee from third parties in exchange for project equity.

The Company has projects at an advanced stage that are ready to be developed, and the development of these projects can be enabled by funding provided with the assistance of EcoFinance, Altair, and other third party investors.

6. The Concert Party

EcoFinance, Alchemy and Altair (including their respective related parties) have entered into agreements resulting in them being deemed as parties acting in concert for the purposes of Rule 9 of the Takeover Rules. The combination of equity kickers, warrants and conversion rights that could be exercised by these parties could mean that their combined future shareholdings could exceed 30%. The Concert Party includes each of Ecofinance, Alchemy, Origen Capital LLP, Altair (including, Mr. Gabriel Quintero), Ms. Ruby Sayed, Mr. David Palumbo (including Origen Capital Partners Limited), Mr. Thomas Quigley and Mr Richard Harrop (together, the “Concert Party”).

Further details on the members of the Concert Party are set out in Part 3 of this Document.

7. Current and Potential Shareholding of the Concert Party

The Concert Party currently holds 204,545 Ordinary Shares representing 0.3 per cent. of the Ordinary Shares currently in issue. As described above, as a result of the Refinancing Documents, it is expected that the Concert Party, could potentially hold up to 55,713,369 new Ordinary Shares in the Company, representing 45.06 per cent. of the Enlarged Share Capital (as enlarged pursuant to the Refinancing Documents).

	Number of Ordinary Shares (as at the date of this Document)	% of Issued Share Capital	Number of shares to be issued under the Equity Kicker and conversion of Altair £1 million loan at 10p	Number of Warrants issued	Total Number of Ordinary Shares held post issue of Ordinary Shares under the Equity Kicker and exercise of all Warrants	% of Enlarged Issued Share Capital assuming exercise of all Warrants and conversion of Farmers loan (1)
Concert Party	204,545	0.3	17,058,824	38,450,000	55,713,369	45.06

(1) Farmers conversion of £1.2m at 11 pence per share

Further details on the shareholdings of the Concert Party are set out in Part 3 of this Document.

8. Relationship with and intentions of the Concert Party

Initially, the Board will remain as it is with each of EcoFinance and Altair having the right to appoint one nominee to it. Having received the investment from EcoFinance and Altair, there will be a period of transition, with the intention to have a minimum size for the Board of five and the majority of the Board to be made up of non-executive directors unrelated to EcoFinance and Altair. The current CEO will remain as an executive director. It is likely that new non-executive directors would be sought to coincide with the revitalisation of the Company.

The members of the Concert Party have confirmed to the Company that they are not proposing to seek any change in the general nature of the Company’s business.

The members of the Concert Party have also confirmed that they have no intention to make any changes regarding the future of the Company's business, the locations of the Company's places of business or the continued employment of its employees and management (and those of its subsidiaries) nor does the Concert Party intend that there should be any redeployment of the fixed assets of the Company. The Concert Party intends that the Company should remain quoted on AIM.

As stated above the Company has projects at an advanced stage that are ready to be developed, and the development of these projects can be progressed by funding provided with the assistance of EcoFinance, Altair and other third party investors. The Directors believe that the increased investment by Altair and EcoFinance to be a confirmation of their continued belief in both the opportunities in the renewable energy sector and also in the prospects for the Company generally.

The Directors view the continued long-term support of Altair and EcoFinance as beneficial to the future development of the Company.

9. Dispensation from Rule 9 of the Takeover Rules

Rule 9

Under Rule 9 of the Takeover Rules, if any person, or persons acting in concert, acquire securities representing 30% or more of the voting share capital of a relevant company, then such person, or, in the case of persons acting in concert, such one or more persons as the Panel may direct, will be obliged to make an offer to the holders of each class of equity share capital of the company and to the holders of each other class of transferrable voting securities of the company in accordance with Rule 9, unless that obligation has been waived by the Panel.

Dispensation

As a result of the Concert Party entering into the arrangements pursuant to the Refinancing Documents (which could result in the Concert Party holding more than 30 per cent of the Company's enlarged issued share capital), the Takeover Panel has granted a conditional waiver that will, if the condition is satisfied, release the Concert Party from an obligation to make a general offer in accordance with Rule 9 of the Takeover Rules and will allow the members of the Concert Party to increase their aggregate shareholdings to a maximum of 45.06 per cent. of the Company's issued share capital (as enlarged pursuant to the Refinancing Documents) without having to make such an offer.

The Waiver is conditional on:

(i) the passing of the Whitewash Resolution by Independent Shareholders at the Extraordinary General Meeting. Voting on the Whitewash Resolution will be put to a poll, as required by the Takeover Rules; and

(ii) the approval by the Panel of a circular to shareholders in accordance with the whitewash guidance note of Rule 9 in the Takeover Rules. This Circular has been so approved in this respect only.

The Whitewash Resolution is subject to the approval of a simple majority of the Independent Shareholders on a poll and each Independent Shareholder will be entitled to one vote for each Ordinary Share held. Each member of the Concert Party has undertaken that it will not vote on the Whitewash Resolution in respect of its existing Ordinary Shares.

The Concert Party pursuant to the Refinancing Documents could hold Ordinary Shares in the Company which carry more than 30 per cent. but not more than 50 per cent. of the Company's voting share capital and, in such circumstances, any increase within any 12 month period of more than 0.05% in the number of Ordinary Shares held by the Concert Party will be subject to the provisions of Rule 9.

Your attention is drawn to section 14 of this Part 1 which provides a recommendation from the Directors in relation to the Whitewash Resolution.

10. Extraordinary General Meeting

A notice convening the Extraordinary General Meeting is set out in the Appendix to this Circular, at which the Whitewash Resolution will be proposed. The Whitewash Resolution will be proposed as an ordinary resolution and requires a simple majority of the votes cast to be cast in favour on a poll in order for it to be passed. The Whitewash Resolution will be decided on a poll. Only the Independent Shareholders shall be entitled to vote on the Whitewash Resolution.

The EGM will take place at 11.00 a.m. on 16 October 2015.

1. Resolution (Ordinary Resolution)

An ordinary resolution to approve the increase in the aggregate percentage of the share capital held by the Concert Party up to 45.06 per cent pursuant to the Refinancing Documents for the purposes of Rule 9 of the Takeover Rules. The resolution relating to the approval of the Waiver will be proposed as an ordinary resolution and will be taken on a poll. Only the Independent Shareholders will be entitled to vote on this resolution which is required by the Takeover Rules.

11. Effect of not approving the resolution

Should Independent Shareholders not vote in favour of the Resolutions set out in the Appendix to this Circular, the Directors believe that the future sustainability and viability of the business is at serious risk in that EcoFinance and/or Altair have the right to call in their respective loans. In light of the recent history and financial challenges faced by the business the support of EcoFinance and Altair are crucial to the progress of the business enterprise.

Warrants with a maximum subscription value of £4.7 million have been issued to the Concert Party and the exercise of these warrants is dependent on the approval of the Whitewash Resolution by Independent Shareholders. The Warrants will entitle the holders to subscribe for new Ordinary Shares at an exercise price of 10p per share. The Warrants are assignable and capable of being exercised for a period of seven years from the date on which the Secured Loan Facility was drawn down (being 25 July 2015).

Exercise of the Warrants will depend on the Company's share price being above the warrant exercise price during the exercise period. There are no guarantees that Warrant holders will choose to exercise their rights and subscribe for new Ordinary Shares.

The subscription proceeds from the Warrants (if exercised) would be for the Company's benefit and are intended to fund the medium term development of the Company and the Group.

If you are in any doubt about the contents of this document or as to the action you should take, you are recommended immediately to seek your own personal financial advice from your stockbroker, bank manager, solicitor, accountant, or other independent financial adviser authorised pursuant to the Financial Services and Markets Act 2000 (“FSMA”), or, in the case of Shareholders in a territory outside Ireland and the United Kingdom, from another appropriately authorised independent financial adviser.

12. Action to be taken in respect of the Extraordinary General Meeting

For Existing Shareholders who hold their shares in certificated form, you will find enclosed with this document a Form of Proxy for use by such Shareholders at the Extraordinary General Meeting. Whether or not you wish to attend the Extraordinary General Meeting, you are requested to complete and sign the Form of Proxy and return it to the Company’s Registrars, Capita Asset Services, Shareholder solutions (Ireland), by post to P.O. Box 7117, Business Reply, Dublin 2, Ireland or by hand to Capita Asset Services, Shareholder solutions (Ireland), 2 Grand Canal Square, Dublin 2, D02 A342, 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 Extraordinary General Meeting and voting in person should you wish to do so.**

Alternatively for those who hold Existing Ordinary Shares in CREST, an Existing 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 11.00 a.m. on 14 October 2015. 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 Ordinary Shareholder from attending and voting in person at the Extraordinary General Meeting or any adjournment thereof, should such Existing Shareholder wish to do so.

Under the Declarations of Trust the Trustee undertook, inter alia, to exercise: (i) as the relevant beneficial owner may from time to time direct in writing or (ii) in the absence of any such direction in such manner as the Trustee in his sole discretion may decide all voting and other rights powers and privileges attaching to the Ordinary Shares the subject of the Declarations of Trust. If a beneficial owner instructs the Trustee in writing on or before 5 p.m. on 14 October 2015 to vote against the Whitewash Resolution the Trustee shall do so in respect of the number of Ordinary Shares held by the Trustee as nominee for such beneficial owner. The Trustee will exercise the voting rights attaching to all other Ordinary Shares held by him in favour of the Whitewash Resolution.

13. Additional Information

Your attention is drawn to Part 4 of this Document which contains certain additional information in respect of REACT. Shareholders are advised to read the whole of this Document and not rely solely on the summary information set out in this letter.

14. Recommendation

The Directors, having been so advised by Shore Capital and Corporate Limited, consider the Waiver to be in the best interests of the Independent Shareholders and the Company as a whole. In providing advice to the Directors, Shore Capital has taken into account the commercial assessments of the Directors. The Directors unanimously recommend that all Independent Shareholders vote in favour of the Whitewash Resolution to be proposed at the Extraordinary General Meeting, as they intend to do in respect of their beneficial holdings which amount to, in aggregate, 4,398,222 Ordinary Shares, representing 6.46 per cent. of the Company's issued share capital as at the date of the Circular.

Yours sincerely,

DERMOT O'CONNELL
Chairman

PART 2

FINANCIAL INFORMATION

Incorporation of relevant information by reference

The following information is incorporated by reference into this document pursuant to Rule 24.15 of the Takeover Rules and is available free of charge on the Company's website at <http://www.reactenergyplc.com>.

- (i) the unaudited interim results of the Company for the six month period ended 31 December 2014;
- (ii) the annual report and accounts of the Company for the year ended 30 June 2014;
- (iii) the annual report and accounts of the Company for the year ended 30 June 2013; and
- (iv) the annual report and accounts of the Company for the year ended 30 June 2012.

All reports referenced above can be found at the following website address:

<http://www.reactenergyplc.com/investors/financial-information>

The Company's annual report and accounts listed above contain the Company's audited consolidated financial statements for the financial years ended 30 June 2014, 30 June 2013 and 30 June 2012, together with the audit report in respect of each year.

A Shareholder may request a hard copy of any information incorporated into this document by reference by contacting Brendan Halpin between 9.00 a.m. and 5.30 p.m. (Dublin time) Monday to Friday on +353 21 2409 056. It is important that you note that unless you make such a request, a hard copy of documents incorporated into this document by reference will not be sent to you.

<i>Information incorporated by reference to this document</i>	<i>Reference document</i>	<i>Page number in reference document</i>
For the six months ended 31 December 2014		
Unaudited interim results announcement dated 24 June 2015	Interim Results announcement	
For the year ended 30 June 2014		
Independent auditor's report		Pages 20-21
Consolidated statement of profit and loss for the year ended 30 June 2014		Page 22
Consolidated statement of changes in equity for the year ended 30 June 2014	All included in the Annual Report 2014	Page 25
Consolidated statement of financial position at 30 June 2014		Page 24
Consolidated statement of cash flows for the year ended 30 June 2014		Page 26
Notes to the consolidated financial statements		Pages 30 – 85

<i>Information incorporated by reference to this document</i>	<i>Reference document</i>	<i>Page number in reference document</i>
For the year ended 30 June 2013		
Independent auditor's report		Pages 20-21
Consolidated statement of profit and loss for the year ended 30 June 2013		Page 22
Consolidated statement of changes in equity for the year ended 30 June 2013	All included in the Annual Report 2013	Page 25
Consolidated statement of financial position at 30 June 2013		Page 24
Consolidated statement of cash flows for the year ended 30 June 2013		Page 26
Notes to the consolidated financial statements		Pages 31 – 80
For the year ended 30 June 2012		
Independent auditor's report		Pages 16-17
Consolidated statement of profit and loss for the year ended 30 June 2012		Page 18
Consolidated statement of changes in equity for the year ended 30 June 2012	All included in the Annual Report 2012	Page 21
Consolidated statement of financial position at 30 June 2012		Page 20
Consolidated statement of cash flows for the year ended 30 June 2012		Page 22
Notes to the consolidated financial statements		Pages 26 – 72

PART 3

INFORMATION ON THE CONCERT PARTY AND ADDITIONAL DISCLOSURES REQUIRED UNDER THE TAKEOVER RULES

The information set out in this Part 3 which relates to the Concert Party has been accurately reproduced from information provided by the Concert Party. As far as the Company is able to ascertain from this information, no facts have been omitted which would render the information in this Part 3 which relates to the Concert Party inaccurate or misleading.

1. Information on the Concert Party

The Concert Party includes each of EcoFinance, Altair (including Mr Gabriel Quintero), Alchemy Capital, Origen Capital LLP, Mr David Palumbo (including Origen Capital Partners Limited), Ms. Ruby Sayed, Mr. Thomas Quigley and Mr Richard Harrop (together, the “Concert Party”).

EcoFinance (GLI) Limited

EcoFinance’s principal activity is as a special purpose entity formed specifically for the purposes of entering into the REACT transaction.

1.1 Directors

The directors are as follows:

<i>Name</i>	<i>Function</i>
David Palumbo	Director
Thomas Quigley	Director
Ruby Sayed	Director

1.2 Incorporation and registered office

EcoFinance was incorporated in May 2015 in the United Kingdom with limited liability. Its registered office is at One Fleet Place, London EC4M 7WS

1.3 Share capital

EcoFinance has an issued share capital comprising 400,000 ordinary shares of £1.00 each.

1.4 Shareholders

The shareholders are as follows:

<i>Name</i>	<i>Per Cent. Shareholding</i>
Altair	62.10
Thomas Quigley	16.46
Richard Harrop	16.46
Ruby Sayed	4.98

1.5 Financial information

EcoFinance' principal activity is as a special purpose entity formed specifically for the purposes of entering into the REACT transaction.

EcoFinance was incorporated on 20 February 2015 and has yet to publish accounts. However, at 31 July 2014 it had gross assets of £1 million consisting solely of a loan made to REACT. It has net assets of £NIL with its investment being financed through shareholder loans.

Alchemy Capital Limited

1.6 Director

The director is as follows:

<i>Name</i>	<i>Function</i>
Thomas Quigley	Director

1.7 Incorporation and registered office

Alchemy is incorporated and registered in the British Virgin Islands with limited liability (registered number 201546).

1.8 Share capital

Alchemy has an issued share capital comprising 2 ordinary shares of \$1.00 each.

1.9 Shareholder

The shareholder is as follows:

<i>Name</i>	<i>Per Cent. Shareholding</i>
Thomas Quigley	100

1.10 Financial information

Under BVI company law whilst Alchemy maintains accounting records it has no statutory requirement to prepare and file financial statements. At 31 July 2015 it had no trade nor any actively managed business investments.

Altair Group Investment Limited

Altair's principal activity is as a special purpose entity formed specifically for the purposes of entering into a transaction with REACT.

1.11 Director

The director is as follows:

<i>Name</i>	<i>Function</i>
Gabriel Quintero	Director

Mr. Quintero is a Venezuelan national and resident in Venezuela. He is a private investor with holdings mainly in Real Estate in the Caribbean and South America. He has been developing Real Estate assets for more than 15 years. He also owns a number of large international franchises of fast food in South America. He is a developer and investor in a number of Hotels and Shopping Malls in the Caribbean and also invests in short term loan notes in companies in the US and Europe. Altair is one of the investment Special Purpose Vehicles (“SPVs”) of Origen Capital LLP. The only shareholder of Altair is Mr. Gabriel Quintero, who is a private client of Origen Capital LLP.

1.12 Incorporation and registered office

Altair is incorporated and registered in the British Virgin Islands with limited liability.

1.13 Share capital

Altair has an issued share capital comprising 50,000 ordinary shares of \$1.00 each.

1.14 Shareholder

The shareholder is as follows:

<i>Name</i>	<i>Per Cent Shareholding</i>
Gabriel Quintero	100%

1.15 Financial information

Altair’ principal activity is as a special purpose entity formed specifically for the purposes of entering into the REACT transaction. Altair has no statutory requirement to prepare accounts. At 31 July 2015 it had it had gross assets of £2 million consisting solely of a loan made to REACT. It had net assets of £NIL with its investment being financed through a shareholder loan.

1.16 Origen Capital LLP, Origen Capital Partners Limited and David Palumbo

Origen Capital LLP

Origen Capital LLP is headquartered in England and is an independent investment office representing two major private clients (including a Latin American consortium headquartered in Miami and another Eurasian consortium based in Kazakstan).

Origen Capital LLP was incorporated on 26 March 2015 and has yet to publish accounts. It is registered in the United Kingdom, with registered office at 26, Dover Street, Mayfair, London W1S 4LY and company number OC399068. Origen Capital LLP has two LLP designated members being Mr. David Palumbo and Origen Capital Partners Limited.

Origen Capital LLP provides alternative sources of funding for select private and public companies globally. They act as lead investors and raise finance syndicating placements, mainly from family offices, Ultra High Net Worth Individuals (“UHNWI”) and select institutional investors. Their particular focus is in Real Estate, Green Energy Generation projects, and scalable disruptive technologies. Their investments often take the form of convertible debt with a time horizon of between 18 to 36 months. Altair is one of the Investment SPVs of Origen Capital LLP. The only shareholder of Altair is Mr. Gabriel

Quintero, who is a private client of Origen Capital LLP.

Origen Capital Partners Limited

Origen Capital Partners Limited is 100% owned and controlled by David Palumbo. On 24 July 2015 as part of the Scheme of Arrangement Origen Capital Partners Limited was issued with 204,545 Ordinary Shares as a creditor of the Company.

Origen Capital Partners Limited was incorporated in 2011 and is the personal investment vehicle of David Palumbo. It is registered in the United Kingdom, with its registered office at 26, Dover Street, Mayfair, London W1S 4LY and company number 07500184.

The Company has published abbreviated accounts to 31 December 2013 and had net liabilities of £167k as at that date. Origen Capital Partners Limited has yet to publish accounts for the 12 month period to 31 December 2014.

David Palumbo

David Palumbo is the founder and Managing Partner of Origen Capital LLP. David is responsible for the investment criteria and strategy of Origen Capital LLP. He is an experienced dealmaker with an always fresh and creative approach to structuring deals. He has particular experience advising Family Offices from America, CIS, Europe and Middle East on private investments; raising capital for Venture Capital and Private Equity transactions and all aspects of Real Estate Investment and financing.

Mr. Palumbo's address is: 34 Melrose Apartments, 6 Winchester Road, London NW3 3NT

1.17 Information on other members of the Concert party

Thomas Quigley currently operates a corporate advisory business called Cloudberry Corporate Advisers in Jersey, Channel Islands. Cloudberry was recently involved in advising Stonehage on its merger with Fleming Family and Partners to create the world's leading Family Office business. Previously, Mr. Quigley held senior management positions in investment banking where he was a Managing Director at ING Barings Investment Banking and, prior to that, at Close Brothers Corporate Finance in the City of London. More recently, he was a Director of Terra Firma Capital Partners, the private equity firm, and a Managing Director at W.P. Carey & Co LLC, the asset management firm, and was the former Chief Financial Officer of ETF Securities Limited, the leading European commodity ETF platform with c.US\$20 bn under management. Mr Quigley is a Chartered Accountant and a member of the Institute of Chartered Accountants in England and Wales having trained with PriceWaterhouseCoopers in London. Mr. Quigley holds an MA in Physics from Oxford University.

Mr. Quigley's address is: Woodlands House, La Rue du Pont Marquet, St Brelade, Jersey JE3 8DS, Channel Islands

Richard Harrop has over 25 years' experience in the Jersey finance industry having started commercial life at Coopers & Lybrand. His lending career began with Medens in 1989 after which he was head hunted to develop the corporate finance arm of RoyScot Jersey Limited (a joint venture with the Royal Bank of Scotland) as a Director in 1994. During the ensuing 9 years RoyScot was developed into the largest asset and consumer finance business in the Channel Islands before the business was sold to RBS Group following their takeover of NatWest in 2000. The sale proceeds provided seed capital for Richard's current business, Acorn Finance Limited which started trading in Jersey in 2003 and has seen significant growth and success in entrepreneurial lending against a wide asset base. Acorn won overall business of the year at the Jersey Enterprise Awards in 2009. Richard has a number of other directorships and private equity investments.

Mr. Harrop's address is: Devonshire House, Le Chemin au Greves, Grouville, Jersey JE3 9BD, Channel Islands.

Ruby Sayed is an award winning practicing Barrister and private investor. Called to the Bar in 1999, she specialises in complex family and human rights law and is the Head of Human Resources at her Chambers (www.1pumpcourt.co.uk). Ruby's responsibilities include all areas of corporate governance, due diligence, credit policy implementation and strategy formulation. She sits on the board of a number of companies where she is responsible for developing and implementing robust managerial processes and reporting systems designed to ensure timely and accurate feedback of information. Ruby has also a number of external charitable interests.

Ms. Sayed's address is: 69B Charteris Road, London NW6 7EY.

2. Disclosure of interests and dealings of the Concert Party in the relevant securities of the Company

2.1 Definitions

For the purposes of Part 3 and Part 4 of this Document:

- i) an “**arrangement**” includes any indemnity or option arrangement and any agreement or understanding, formal or informal, of whatever nature, relating to relevant securities which may be an inducement to deal or refrain from dealing;
- ii) a “**connected adviser**” means an organisation which is advising the Company or an associate of the Company in relation to the Waiver and any corporate broker to any such party;
- iii) “**connected person**” means in relation to any person a person whose interest in shares is one in which the first mentioned person is also taken to be interested pursuant to Section 220 of the Act;
- iv) “**control**” means a holding, the holding, whether directly or indirectly, of securities of the company that confer, in aggregate, not less than 30% (or such other percentage as may be prescribed) of the voting rights in that company, and in relation to a company which is not a relevant company, shall have the same meaning, and “to control” and cognate words and terms, in relation to any company, shall be construed accordingly;
- v) “**dealing or dealt**” include:
 - (i) acquiring or disposing of relevant securities, the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights allocated to relevant securities or general control of relevant securities;
 - (ii) taking, granting, acquiring, disposing of, entering into, closing out, terminating, exercising (by either party) or varying an option in respect of any relevant securities;
 - (iii) subscribing or agreeing to subscribe for relevant securities (whether in respect of new or existing securities);
 - (iv) exercising or converting any relevant securities carrying conversion or subscription rights;
 - (v) acquiring, disposing of, entering into, closing out, exercising (by either party) of any rights under, or varying of, a derivative referenced directly or indirectly, to relevant securities;

- (vi) entering into, terminating or varying the terms of any agreement to purchase or sell relevant securities; and
 - (vii) any other action resulting, or which may result, in an increase or decrease in the number of relevant securities in which a person is interested or in respect of which he has a short position.
- vi) “**derivative**” includes any financial product whose value in whole or in part is determined, directly or indirectly, by reference to the price of an underlying security but which does not include the possibility of delivery of such underlying securities;
 - vii) “**disclosure date**” means 22 September 2015, being the latest practicable date prior to the publication of this document;
 - viii) “**disclosure period**” means the period of 12 months ending on the disclosure date;
 - ix) “**relevant securities**” means: (i) securities of REACT which confer voting rights; (ii) equity share capital of REACT or any member of the Concert Party; and/or (iii) securities or any other instruments conferring on their holders rights to convert into or subscribe for any new securities of any of the foregoing categories of securities;

REACT does not have any securities carrying voting rights other than Ordinary Shares.

- x) “**interest in**” or “**interested in a relevant security**” means: for the purposes of determining whether the person has an “interest in a relevant security” or is “interested in a relevant security” that person shall be deemed to have an “interest” or be “interested”, in a relevant security if and only if he or she has a long position in that security (as defined under the Takeover Rules).
- xi) “**short position**” means any short position (as defined under the Takeover Rules)

2.2 *Interests of the Concert Party*

As at the close of business on 22 September 2015 (being the latest practicable date prior to publication of this document), the interests in the relevant securities of the Company of EcoFinance, Altair (including Mr Gabriel Quintero), Alchemy Capital, Origen Capital LLP, Origen Capital Partners Limited, Mr David Palumbo, Ms. Ruby Sayed, Mr. Thomas Quigley and Mr Richard Harrop and any persons or companies acting in concert with them are set out below.

	Number of Ordinary Shares	Number of shares to be issued under the Equity Kicker and conversion of Altair £1 million loan at 10p	Number of Warrants issued
EcoFinance and EcoFinance Nominees (Alchemy Capital)	-	3,529,412	35,300,000
Altair, Origen Capital Partners Limited and Origen Capital LLP	204,545	13,529,412	3,150,000
Total of Concert Party	204,545	17,058,824	38,450,000

(1) Post conversion of Farmers loan of £1.2m at 11 pence per share.

Further details of the Warrants and Equity Kicker are set out below in paragraph 2.3 of Part 3

2.3 Details of the Equity Kicker and Warrants

Further details of the interests in the Warrants and Equity Kicker as set out in the table in paragraph 2.2 of Part 3 are set out below.

EcoFinance Equity Kicker

An exercisable right is attached to the SLF whereby 60 days from 25 July 2015, Ecofinance has the right to an amount of fully paid new Ordinary Shares in the Company. The monetary value of the exercisable right will be determined by the following formula:

- 9 million x (Average Share Price minus 10p), where the Average Share Price is the arithmetic average of the Company's closing share price on each of the 60 days following re-commencement of trading in the Company's shares. The value of this right has a cap of £600,000 and a floor of £200,000. The maximum number of shares issuable under this mechanism is 3,529,412 Ordinary Shares in the Company.

Altair Equity Kicker

Altair has been granted an exercisable right in the form of an equity kicker of up to 3,529,412 new Ordinary Shares on the same basis as EcoFinance above.

Alchemy Capital Warrants

35,300,000 Warrants (the "Warrants") were issued to Alchemy Capital Ltd, on 25 July 2015, subject to any necessary shareholder and other regulatory requirements. These Warrants entitle the holders to subscribe for new Ordinary Shares in the capital of REACT at an exercise price of 10p per share. The Warrants are assignable and capable of being exercised for a period of seven years from 25 July 2015.

Origen Capital LLP Warrants

The Company has also issued 3,150,000 Warrants to Origen Capital LLP, an entity related to Altair, on 25 July 2015. These Warrants entitle the holders to subscribe for new Ordinary Shares in the capital of REACT at an exercise price of £0.10 per share. These Warrants are assignable and capable of being exercised for a period of seven years from 25 July 2015.

Altair Loan Note Conversion option

Under the terms of the CSLN, Altair has the right to convert up to £1 million of the loan note into new Ordinary Shares at £0.10p at its discretion.

2.4 Dealings in relevant securities of the Company by the Concert Party

Save as disclosed below, no member of the Concert Party has dealt in relevant securities of the Company during the disclosure period:

As at the date of this document the dealings were as follows:

Ordinary Shares

David Palumbo	204,545
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On 24 July 2015 as part of the Scheme of Arrangement Origen Capital Limited was issued with 204,545 Ordinary Shares as a creditor of the Company. Origen Capital Partners Limited is a company owned and controlled by David Palumbo.

2.5 Save as disclosed in Part 3 of this document as at the close of business on the disclosure date:

- i) no member of the Concert Party had any interest in, nor had any short position in relation to, any relevant securities of the Company, nor had they dealt in any such relevant securities during the disclosure period;
- ii) none of the directors of EcoFinance or Alchemy Capital (including any members of such director's respective immediate families, related trusts or connected persons) had an interest in, or had any short position in relation to any relevant securities of the Company, nor had any such person dealt in such securities during the disclosure period;
- iii) no member of the Concert Party had an interest in or had any short position in relation to, any relevant securities of the Company, nor had any such person dealt in any such securities during the disclosure period.
- iv) none of the directors of the Concert Party had any interest in or had any short position in relation to, any relevant securities of the Company;

3. The Concert Party's intentions regarding the Company's business

The Concert Party confirms that no changes are envisaged to be introduced to the Company's proposed strategy, as detailed further in Part 1 of this document.

No member of the Concert Party has any intentions regarding the Company's business that would affect:

- the strategic plans of the Company;
- the employment of the Company's or its own personnel including the continued employment of, or the conditions of employment of, any of the Company's management;
- the location of the Company's or its own business or operating subsidiaries; or
- the Company's Ordinary Shares trading on AIM

No member of the Concert Party has any intentions to dispose of or otherwise change the use of any of the fixed assets within the Company.

4. Relationship between the Concert Party and the Directors of the Company

There are no relationships (personal, financial or commercial), arrangements or understandings between the Concert Party and any of the Directors.

PART 4

ADDITIONAL INFORMATION

1. Responsibility

1.1 The Directors, whose names appear below, and the Company accept responsibility for the information contained in this document, other than information relating to the Concert Party, for which the members of the Concert Party accept responsibility as set out below. To the best of the knowledge and belief of the Directors and the Company (who have taken all reasonable care to ensure that such is the case) the information contained in this document for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

1.2 The members of the Concert Party, whose names are set out in paragraph 1 of Part 3 of this document, accept responsibility for the information contained in this document relating to the Concert Party. To the best of the knowledge and belief of the members of the Concert Party (who have taken all reasonable care to ensure that such is the case) the information contained in this document for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

Information on the Company

The name of the Company is REACT Energy plc. It was incorporated in Ireland under the Companies Act 2014 with registered number 462861. The Company's registered office is located at Building 1000, Citygate, Mahon, Cork, Ireland.

2. Directors

The Directors of the Company are:

Dermot O'Connell, (*Chairman*)

Gerry Madden, (*Director*)

Brendan Halpin, (*Director*)

Edward Barrett, (*Director*)

3. Principal activity of the Company

The principal activity of the Company continues to be focused on developing and operating energy infrastructure which produces clean energy in the UK and Ireland.

4. Interests and dealings

4.1 Directors' interests in relevant securities of the Company

As at the close of business on 22 September 2015 (being the latest practicable date prior to the publication of this document) the voting rights of the Directors and their respective families (as defined in the AIM Rules) all of which are beneficial unless otherwise stated and of connected persons within the meaning of the Act, in the issued Ordinary Shares as at the date of this document, the existence of which is known to, or could, with reasonable diligence, be ascertained by the Directors, together with the percentages which such interests represent of the Ordinary Shares in issue are as follows:

	<i>Number of shares held</i>	<i>Percentage (%) of current issued share capital held</i>
Edward Barrett	1,868,063	2.74
Brendan Halpin	1,142,910	1.68
Gerry Madden	817,140	1.20
Dermot O'Connell	<u>570,109</u>	<u>0.84</u>
Total (1)	4,398,222	6.46

(1) Includes Ordinary Shares issued to Directors as part of the Scheme of Arrangement in lieu of debt at £0.11 per Ordinary Share. Further details are set out below in 4(d)

Save as disclosed below at the close of business on 22 September 2015 (being the latest practicable date prior to the publication of this document) none of the Directors and their immediate families, related trusts and the interests of persons connected with them listed below, held any options to subscribe for Ordinary Shares:

- (i) On 20 December 2012 Mr. Madden was granted 600,000 warrants with a strike price of £0.81 and an expiry date of 20 December 2015.

Save as disclosed in Part 4 of paragraph 4.1 of this document as at the close of business on the disclosure date:

- (a) none of the Directors nor any person acting in concert with the Company has an interest in any relevant securities of the Company; and
- (b) none of the Directors or any person acting in concert with the Company has any short position in relation to relevant securities of the Company (whether conditional or absolute and whether in the money or otherwise and including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery).

4.2 Directors Dealings in the relevant securities of the Company

Save as disclosed below, there have been no dealings (including borrowing or lending) for value in relevant securities of the Company by the Directors (or their immediate families, related trusts or persons connected with them) during the period of 12 months preceding the date of this document:

On 24 July 2015 as part of the Scheme of Arrangement each director set out below, as a creditor of the Company, was issued with the following number of shares in lieu of debt at £0.11 per Ordinary Share.

<i>Director</i>	<i>Number of Ordinary Shares</i>
Dermot O'Connell	570,109
Gerry Madden	815,607
Brendan Halpin	822,134
Edward Barrett	144,172
Total	2,352,022

5. Additional disclosures required by the Takeover Rules

- (a) the Company has not redeemed or purchased any relevant securities of the Company during the period of 12 months preceding the date of this document.;
- (b) the Company had no interest in, nor had any short position in relation to, any relevant securities of any member of the Concert Party, nor had it dealt in any such relevant securities during the disclosure period;
- (c) none of the directors of the Company (including any members of such director's respective immediate families, related trusts or connected persons) had an interest in, nor had any short position in relation to any relevant securities of any member of the Concert Party, nor had any such person dealt in such securities during the disclosure period;
- (d) no person acting in concert with the Company, had any interest in, or had any short position in relation to any relevant securities of the Company; and
- (e) there were no arrangements which existed between the Company or any member of the Concert Party or any person acting in concert with the Company or any other person.

6. Major Holdings in relevant securities in REACT

As at the close of business on 22 September 2015 (being the latest practicable date prior to the publication of this document) and, so far as the Directors are aware, the only persons who are directly or indirectly interested in 3 per cent. or more of the Ordinary Shares of the Company are as follows:

	Number of shares held	Per cent. of Current Ordinary Shares
Farmer Business Developments plc	17,396,295	25.53
GG Eco Solutions Limited	5,263,158	7.72
Carnmeen Energy Limited	5,093,875	7.48
Ronan Barrett	4,096,962	6.01
Edmonton Property Company Limited	3,774,546	5.54
UK Power Networks Limited	2,181,818	3.20
Tim O'Keeffe	<u>2,111,100</u>	<u>3.10</u>
Total	39,917,754	58.58

- i) save as disclosed above, the Company is not aware of and has not received any notification from any person confirming that such person is interested directly or indirectly, in 3 per cent or more of the nominal share capital of the Company, nor is it aware of any person who directly or indirectly, jointly or separately, exercises or could exercise control over the Company; and
- ii) none of the Company's major shareholders, as listed above, have different voting rights attaching to shares held by them in the Company.

7. Directors' service agreements, letters of appointment, remuneration and fees

7.1 *The services of the Directors are provided to the Group under the following agreements:*

7.1.1 *Dermot O'Connell (Chairman)* No formal letter of appointment exists for Mr O'Connell. With effect from 1 January 2015, the contractual fee payable to Mr O'Connell was €24,000 per annum. Mr O'Connell will also be reimbursed for all reasonable and properly documented expenses incurred in the performance of his duties.

7.1.2 *Gerry Madden (Director)* A contract of employment dated 12 December 2012 and made between the Company and Mr. Madden. The contract of employment is for a renewable period of 12 months commencing 12 December 2012 and thereafter may be terminated immediately by the Company in certain circumstances upon which Mr. Madden is entitled to a termination payment equal to twelve months of the annual remuneration. With effect from 1 January 2015, the annual remuneration payable to Mr Madden is €250,000 per annum. As from 1 September 2015 this is to be reduced by agreement.

7.1.3 *Brendan Halpin (Director)* A contract of employment dated 1 August 2008 and made between the Company and Mr Halpin. Three months' notice of termination is required from either party. With effect from 1 January 2015, the annual remuneration payable to Mr Halpin is €85,000 per annum. As from 1 September 2015 this is to be reduced by agreement.

7.1.4 *Eddie Barrett (Director)* A letter of appointment dated 9 October 2008 and made between the Company and Mr Barrett. The letter of appointment is for an initial period of 36 months commencing 9 October 2008 unless otherwise terminated earlier by either party giving three months written notice. With effect from 1 July 2015, the contractual fee payable to Mr Barrett is €12,000 per annum. Mr Barrett will also be reimbursed for all reasonable and properly documented expenses incurred in the performance of his duties.

7.2 Other than as disclosed in paragraph 7.1 above:

7.2.1 there are no service contracts between any of the Directors and the Company or any of its subsidiaries or associated companies;

7.2.2 no Director is entitled to commission or profit sharing arrangements;

7.2.3 no service contract or letter of appointment of any Director has been entered into or amended within the period of six months prior to the date of this document; and

7.2.4 save as disclosed above no other than statutory compensation and payment in lieu of notice, no compensation is payable by the Company or any of its subsidiaries to any Director upon early termination of their appointment.

8. Material changes

Save as set out in the announcement of 15 July 2015 in relation to the exit of the Company from examination, there has been no significant change in the financial or trading position of the Company subsequent to the publication of the interim financial statements of the Company for the six months ended 31 December 2014.

9. Middle Market Quotations

The following table sets out the middle market quotations for an Ordinary Share, as derived from the Daily Official List of London Stock Exchange, for the first Business Day of each of the six months immediately preceding the date of this document and for 22 September 2015 (being the latest practicable date prior to the publication of this document):

Date	Price per Ordinary Share (pence)
22 September 2015	5.63
1 September 2015	6.50
3 August 2015	6.00

From 1 December 2014 to 27 July 2015 the shares of the Company were suspended at a price per ordinary share of 11 pence.

10. Material contracts

Save as set out below neither the Company nor any of its subsidiaries have entered into any material contracts in the two years preceding the date of this Circular.

10.1 The Secured Loan Facility with Eco finance dated the 14 July 2015 ("SLF") comprises a five-year term loan of £1,000,000 at 15% per annum fixed rate of interest, payable monthly in arrears. The net proceeds of the Secured Loan Facility will be utilised for corporate development and general working capital purposes. The Secured Loan Facility is to be repaid by way of a bullet repayment of capital (and any accrued interest) on before the anniversary of 60 months from the date of drawdown of the Secured Loan Facility.

Equity Kicker with EcoFinance dated the 14 July 2015 gives Eco Finance an exercisable right attached to the Secured Loan Facility whereby 60 days from the drawdown under the Secured Loan Facility, EcoFinance has the right to an amount of fully paid new Ordinary Shares in the Company. The monetary value of the exercisable right will be determined by the following formula:

- 9 million x (Average Share Price minus 10p), where the Average Share Price is the arithmetic average of the Company's closing share price on each of the 60 days following re-commencement of trading in the Company's shares. The value of this right has a cap of £600,000 and a floor of £200,000. The maximum number of shares issuable under this mechanism is 3,529,412 new Ordinary Shares.

35,300,000 Warrants issued to Alchemy Capital on the 14 July 2015, a company related to EcoFinance on drawdown of the Secured Loan Facility, subject to any necessary shareholder and other regulatory requirements. These Warrants entitle the holders to subscribe for new Ordinary Shares at an exercise price of 10p per share. The Warrants are assignable and capable of being exercised for a period of seven years from the date on which the Secured Loan Facility is drawn down.

10.2 7.5% £2 million Convertible Secured Loan Note ("CSLN") under which Altair provided funding to REACT to finance the Examinership process. The existing secured debt held by Altair, comprising the 9% Secured Loan Note of £1.5 million issued in 2014 and the Examinership financing facility of €500,000, was refinanced by way of the CSLN and is secured by the same security package granted in favour of EcoFinance. This is governed

by an inter creditor deed under which the SLF security plus interest and costs shall rank in priority to the CSLN security plus interest and costs. Under the terms of the CSLN, Altair has the right to convert up to £1 million into new Ordinary Shares at £0.10p.

Altair has also been granted an exercisable right in the form of an equity kicker of up to 3,529,412 new Ordinary Shares on the same basis as EcoFinance as set out above.

The Company has also issued 3,150,000 Warrants to Origen Capital Partners LLP, an entity related to Altair, on drawdown of the SLF. These Warrants entitle the holders to subscribe for new Ordinary Shares at an exercise price of £0.10 per share. These warrants are assignable and capable of being exercised for a period of seven years from the date on which the SLF is drawn down.

EcoFinance and Altair have entered into a separate agreement in relation to financing provided to the Company whereby EcoFinance has granted to Altair an option to acquire the benefit and security of the £1,000,000 SLF. This is a one-year option and the price of the option is a 5% premium on the capital amount.

11. General

- 11.1 No inducement fee is payable in respect of the Proposals set out in this document.
- 11.2 Shore Capital has given and has not withdrawn its written consent to the issue of this document with the inclusion herein of the references to its name in the form and context in which they appear.
- 11.3 Each member of the Concert has given and has not withdrawn his / her written consent to the inclusion in this Document or references to his / her name in the form and context in which they appear.
- 11.4 No agreement, arrangement or understanding (including any compensation arrangement) having any connection with or dependence upon the Waiver exists between the Concert Party or with any of the directors or recent directors of the Company or any of the holders or recent holders of, or any persons interested or recently interested in, relevant securities of the Company.
- 11.5 There are no relationships, arrangements or understandings between the Concert Party and Shore Capital or any person who is, or presumed to be, acting in concert with Shore Capital.
- 11.6 No agreement, arrangement or understanding exists whereby the Ordinary Shares to be acquired pursuant to the Refinancing Documents by the Concert Party will be transferred to any other party.
- 11.7 The Directors' intentions regarding the continuance of the Company's business and its intentions regarding the continued employment of its employees and those of its subsidiaries will not be altered. The Directors have confirmed that there will be no change in the Company's corporate strategy or in its dividend policy following completion of the Fundraising.
- 11.8 As at the close of business on 22 September 2015 (being the latest practicable date prior to the publication of this document), Shore Capital held 454,545 Ordinary Shares (issued as part of the Scheme of Arrangement to Shore Capital as a creditor).

As at the close of business on 22 September 2015 (being the latest practicable date prior to the publication of this document), no partner or member of the professional staff of BrownRudnick (legal advisers to REACT) actively engaged in relation to the matters described in this Circular or customarily engaged in the affairs of REACT or engaged in those affairs within the period of two years prior to the publication of this Circular was interested in or held short positions in the relevant securities in REACT.

12. Documents available on display

Copies of the following documents will be made available on display at the offices of the Company, and at the offices of Brown Rudnick in London (8 Clifford Street, London, W1S 2LQ, England during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) and at the following website address <http://www.reactenergyplc.com> from the date of posting of this document up to the date of the Extraordinary General Meeting and at the place of meeting for 15 minutes prior to the meeting and during the meeting:

- (a) the Memorandum and Articles of Association of the Company;
- (b) the Memorandum and Articles of Association of EcoFinance;
- (c) the Memorandum and Articles of Association of Altair
- (d) the Memorandum and Articles of Association of Alchemy
- (e) the Memorandum and Articles of Association of Origen Capital LLP and Origen Capital Partners Limited
- (f) the abbreviated accounts of Origen Capital Partners Limited;
- (g) the audited consolidated accounts of the Company for the years ended 30 June 2014, 30 June 2013 and 30 June 2012;
- (h) the unaudited interim results of the Company for the six months ended 31 December 2014;
- (i) the Declarations of Trust and Lock-In Agreement;
- (j) Refinancing Documents;
- (k) the letter from the Takeover Panel to Shore Capital and Corporate Limited dated 28 August 2015 granting to the Concert Party, subject to specified conditions, a waiver of their potential obligations under Rule 9 to make a general offer for the balance of Ordinary Shares;
- (l) the consent letters from each of the members of the Concert Party;
- (m) the consent letter from Shore Capital referred to in paragraph 9.2 above; and
- (n) a copy of this document together with the Notice.

NOTICE OF EXTRAORDINARY GENERAL MEETING

REACT ENERGY PUBLIC LIMITED COMPANY

(the “Company”)

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of the Company will be held at Cork International Hotel, Cork, Ireland on 16 October 2015 at 11.00 a.m. for the transaction of the following business:

Ordinary Business

The whitewash of the increase in in percentage ownership of Ordinary Shares of the Company by the Concert Party arising from the exercise of Warrants and exercise of rights under the Equity Kicker for the purpose of Rule 9 of the Takeover Rules:

As an ordinary resolution:

That subject to and conditional on passing of this Resolution, having regard to the provisions of the of the Irish Takeover Panel Act 1997, Takeover Rules 2013, (“Takeover Rules”) and to the conditions attached by the Irish Takeover Panel to the grant of the waiver under Rule 9 of the Takeover Rules as described on page 16 of the Circular accompanying the notice of this meeting, the increase in the aggregate percentage of the share capital of the Company held by the Concert Party up to 45.06 per cent in the circumstances described in the Circular be and is hereby approved on the basis that neither the Concert Party nor any member thereof shall by reason of any such increase or as a result of the exercise of Warrants and exercise of rights under the Equity Kicker become obliged to make an offer to the Company’s shareholders pursuant to Rule 9 of the Takeover Rules

DATED THIS 22 DAY OF September 2015

BY ORDER OF THE BOARD

BRENDAN HALPIN

COMPANY SECRETARY

REGISTERED OFFICE: BUILDING 1000, CITYGATE, MAHON, 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 Asset Services, Shareholder solutions (Ireland), P.O. Box 7117, Dublin 2 (if delivered by post) or to 2 Grand Canal Square, Dublin 2, D02 A342, Ireland (if delivered by hand during normal business hours) 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 initialled 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 section 1105 of the Companies Act 2014 and 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 6:00 p.m. (Dublin time) on 14 October 2015 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 11.00 a.m. (Dublin time) on 14 October 2015. 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 Asset Services, Shareholder solutions (Ireland) 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 Asset Services, Shareholder solutions (Ireland) (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.
10. Capitalised terms and expressions shall have the meaning ascribed to them in the Circular to Shareholders dated the 22 September 2015.

REACT ENERGY PUBLIC LIMITED COMPANY

FORM OF PROXY

for use by members of React Energy plc at the Extraordinary General Meeting to be held at Cork International Hotel, Cork, Ireland, on 16 October 2015 at 11:00 a.m.

I/we (Block Letters)

.....

of

.....

being a member/members of the above-named Company hereby appoint the Chairman of the Meeting or §

of

.....

as my/our proxy to vote for me/us on my/our behalf at the Extraordinary General Meeting of the Company convened for 16 October 2015 at 11:00 a.m. or at any adjournment thereof for the purposes of considering and, if thought fit, passing the Resolution referred to in the Notice convening the Extraordinary General Meeting and in respect of other resolutions that may arise at the Meeting. I/We direct that my/our vote(s) be cast on the Resolutions as indicated by an X in the appropriate box.

ORDINARY RESOLUTION

That subject to and conditional on passing of this Resolution, having regard to the provisions of the of the Irish Takeover Panel Act 1997, Takeover Rules 2013, as amended, (“Takeover Rules”) and to the conditions attached by the Irish Takeover Panel to the grant of the waiver under Rule 9 of the Takeover Rules as described on page 16 of the Circular accompanying the notice of this meeting, the increase in the aggregate percentage of the share capital of the Company held by the Concert Party up to 45.06 per cent in the circumstances described in the Circular be and is hereby approved on the basis that neither the Concert Party nor any member thereof shall by reason of any such increase or as a result of the exercise of Warrants and exercise of rights under the Equity Kicker become obliged to make an offer to the Company’s shareholders pursuant to Rule 9 of the Takeover Rules

FOR*	AGAINST*	WITHHELD*

DATED THIS day

of.....2015

SIGNATURE

§ If it is desired to appoint another person as a proxy these words should be deleted and the name and address of the proxy, who need not be a member of the Company, inserted.

* Unless otherwise directed, and in respect of any other resolution properly moved at the meeting, the proxy will vote, or may abstain from voting, as he thinks fit.

NOTES

- (1) Only holders of Ordinary Shares are entitled to attend and vote at the Extraordinary General Meeting of the Company.
- (2) A holder of Ordinary Shares may appoint a proxy or proxies to attend, speak and vote on their behalf at the Extraordinary General Meeting. A proxy so appointed need not be a member of the Company.
- (3) To be effective, the Form of Proxy duly signed, together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such power of authority, must be deposited at the offices of the Company's registrars, Capita Asset Services, Shareholder solutions (Ireland), 2 Grand Canal Square, Dublin 2, D02 A342, Ireland not later than 48 hours before the commencement of the Extraordinary General Meeting.
- (4) If the Form of Proxy is given by a body corporate it must be given under its common seal or under the hand of an attorney or officer duly authorised.
- (5) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other registered holders and, for this purpose, seniority shall be determined by the order in which the names stand in the Register of Members in respect of the joint holding.
- (6) The appointment of a proxy does not preclude a shareholder from attending and voting at the Extraordinary General Meeting of the Company.
- (7) An alteration to the Form of Proxy should be initialled by the person who signs it.
- (8) Please indicate how you wish to vote by marking the appropriate box next to the listed resolution on the proxy form. You may direct your proxy to vote For, Against or to Withhold your vote. The Withheld option is provided to enable you to instruct your proxy not to vote on any particular resolution, however, a vote withheld in this way is not a 'vote' in law and will not be counted in the calculation of the proportion of votes 'For and Against' each resolution. If no specific directions as to voting are given by you marking a box on the proxy form, the proxy will vote or abstain from voting at his/her discretion.
- (9) The Company, pursuant to Section 1105 of the Companies Act 2014 and 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 6:00 p.m. (Dublin time) on 14 October 2015 (or in the case of an adjournment as at 48 hours before the time of the adjourned meeting) 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.
- (10) 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.

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 11:00 a.m. (Dublin time) on 14 October 2015, or, in the case of an adjourned meeting, not less than 48 hours before the time appointed for the adjourned meeting. 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 Asset Services, Shareholder solutions (Ireland) 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.

CREST members may appoint a proxy or proxies electronically through CREST via Capita Asset Services, Shareholder solutions (Ireland) (ID 7RA08).

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.
- (11) Members who wish to clarify any requirements in respect to completion of a proxy or their shareholding should do so in writing to Capita Asset Services, Shareholder solutions (Ireland), 2 Grand Canal Square, Dublin 2, D02 A342, Ireland or by phone on 01 553 0050 (+353 1 553 0050 if calling from outside Ireland). No other methods of communication will be accepted, in particular you may not use any electronic address provided in the Form of Proxy, or elsewhere in the Notice or in any related documents (including the Form of Proxy for use at the Extraordinary General Meeting) for any purposes other than those expressly stated.