

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this Circular and/or the action you should take, you should immediately consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000 (as amended) (FSMA) if you are in the United Kingdom or, if not, another appropriately authorised independent financial adviser.

If you have sold or otherwise transferred all of your Existing Ordinary Shares in Good Energy Group PLC before the date that the Existing Ordinary Shares are marked "ex-entitlement" to the Open Offer by the London Stock Exchange, please immediately forward this Circular, together with the accompanying Application Form and 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 delivery to the purchaser or transferee. If you have sold only part of your holding of Existing Ordinary Shares, please contact immediately your stockbroker, bank or other agent through whom the sale or transfer was effected. However, this Circular and any accompanying documents should not be sent or transmitted in or into, any jurisdiction where to do so might constitute a violation of local securities law or regulations including, but not limited to, the United States, Canada, Japan, Australia, the Republic of Ireland or the Republic of South Africa.

This Circular is not a prospectus for the purposes of the Prospectus Rules and has not been prepared in accordance with the Prospectus Rules. Accordingly, this Circular has not been, and will not be, reviewed or approved by the Financial Conduct Authority of the United Kingdom (FCA), pursuant to sections 85 and 87 of FSMA, the London Stock Exchange or any other authority or regulatory body.

Good Energy Group PLC

(Incorporated and registered in England and Wales under the Companies Act 1985 with registered number 4000623)

Placing of 1,440,000 New Ordinary Shares at 125 pence per share
Open Offer of up to 1,673,335 New Ordinary Shares
at 125 pence per share
and
Notice of General Meeting

N+1 SINGER

Nominated Adviser and Broker

You should read the whole of this Circular. Your attention is drawn in particular to the letter from the Chairman of Good Energy Group PLC which is set out in Part I of this Circular and which contains the unanimous recommendation of the Directors that Shareholders vote in favour of the Resolutions to be proposed at the General Meeting referred to below. In addition, your attention is drawn to Part II of this Circular entitled "Risk Factors" which contains a discussion of certain factors that should be considered by Shareholders when considering whether or not to make an investment in the Company.

The Existing Ordinary Shares are admitted to trading on AIM, a market operated by the London Stock Exchange. AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the UK Listing Authority. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. An application will be made to the London Stock Exchange for the New Ordinary Shares to be issued pursuant to the Capital Raising to be admitted to trading on AIM. It is expected that Admission will become effective and that dealings in the New Ordinary Shares to be issued pursuant to the Placing and Open Offer will commence at 8.00 a.m. on 31 July 2013.

Notice of a General Meeting of Good Energy Group PLC, to be held at 10 a.m. on 30 July 2013 at Chippenham Town Hall, High Street, Chippenham, Wiltshire, SN15 1ER, is set out at the end of this Circular. The Form of Proxy for use at the meeting accompanies this Circular and, to be valid, should be completed and returned to the Company's registrars, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY, as soon as possible and, in any event, so as to arrive by no later 10 a.m. on 28 July 2013. Completion and return of the Form of Proxy will not preclude Shareholders from attending and voting in person at the General Meeting, should they so wish.

The distribution of this Circular and/or the accompanying documents, and/or the transfer of Open Offer Entitlements or Excess Open Offer Entitlements through CREST, in jurisdictions other than the UK, including the United States, Canada, Japan, Australia, the Republic of Ireland, the Republic of South Africa, may be restricted by law and therefore persons into whose possession this Circular comes should inform themselves about and observe any of those restrictions. Any failure to comply with any of those restrictions may constitute a violation of the securities laws of any such jurisdiction.

None of the New Ordinary Shares, the Open Offer Entitlements or the Excess Open Offer Entitlements has been or will be registered under the US Securities Act or under the applicable state securities laws of the United States or under the applicable securities laws of Japan, Canada, Australia, or the Republic of Ireland. Subject to certain exceptions, the New Ordinary Shares, the Open Offer Entitlements and the Excess Open Offer Entitlements may not be offered, sold, taken up, delivered or transferred in or into the United States, Australia, Canada, the Republic of South Africa, the Republic of Ireland or Japan and, subject to certain exceptions, Application Forms are not being posted to and no Open Offer Entitlements or Excess Open Offer Entitlements will be credited to a stock account of any person in the United States, Australia, Canada or Japan. The attention of Overseas Shareholders and other recipients of this Circular who are residents or citizens of any country other than the United Kingdom is drawn to the section entitled "Overseas Shareholders" at paragraph 6 of Part IV of this Circular.

N+1 Singer which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively for the Company and no-one else in connection with the Placing and will not regard any other person (whether or not a recipient of this Circular) as a client in relation to the Placing Offer and will not be responsible to anyone other than the Company for providing the protections afforded to its clients or for providing advice in relation to the Placing or any other matter referred to herein. Its responsibilities as the Company's broker under the AIM Rules for Companies are owed to the London Stock Exchange and the Company and not to any other person in respect of this decision to acquire New Ordinary Shares in reliance on any part of this Circular. No representation or warranty, express or implied, is made by N+1 Singer as to any of the contents of this Circular.

The latest time and date for acceptance and payment in full under the Open Offer is 11 a.m. on 29 July 2013. The procedure for acceptance and payment is set out in Part IV of this Circular and, where relevant, in the Application Form.

Qualifying non-CREST Shareholders will find an Application Form accompanying this Circular. Qualifying CREST Shareholders (none of whom will receive an Application Form) will receive a credit to their stock accounts in CREST in respect of the Open Offer Entitlements which will be enabled for settlement on 12 July 2013. Applications under the Open Offer may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim arising out of a sale or transfer of Existing Ordinary Shares prior to the date on which the Existing Ordinary Shares were marked "ex-entitlement" by the London Stock Exchange. If the Open Offer Entitlements are for any reason not enabled by 5 p.m. on 12 July or such later time as the Company may decide, an Application Form will be sent to each Qualifying CREST Shareholder in substitution for the Open Offer Entitlements credited to its stock account in CREST. Qualifying CREST Shareholders who are CREST sponsored members should refer to their CREST sponsors regarding the action to be taken in connection with this Circular and the Open Offer. Applications for Excess Shares pursuant to the Excess Application Facility may be made by the Qualifying Shareholder provided that their Open Offer Entitlement has been taken up in full and subject to being scaled back in accordance with the provisions of this Circular.

Holdings of Existing Ordinary Shares in certificated and uncertificated form will be treated as separate holdings for the purpose of calculating entitlements under the Open Offer.

TABLE OF CONTENTS

Directors and advisers	3
Capital raising statistics	4
Expected timetable of Principal Events	5
Definitions	6
Part I – Letter from the Chairman	10
Part II – Risk factors	20
Part III – Some questions and answers about the Placing and Open Offer	31
Part IV – Terms and conditions of the Open Offer	39
Part V – Additional information	58
Notice of General Meeting	61

DIRECTORS AND ADVISERS

Directors	John Maltby (<i>Chairman and Non-Executive Director</i>) Juliet Davenport (<i>Chief Executive Officer</i>) Garry Peagam (<i>Group Finance Director</i>) Richard Squires (<i>Non-Executive Director</i>) Martin Edwards (<i>Non-Executive Director</i>) Francesca Ecsery (<i>Non-Executive Director</i>) all of: Monkton Reach Monkton Hill Chippenham Wiltshire SN15 1EE
Company Secretary	Nigel Tranah
Nominated Adviser and Broker	N+1 Singer One Bartholomew Lane London EC2N 2AX
Legal Advisers to the Company	Norton Rose Fulbright LLP 3 More London Riverside London SE1 2AQ
Legal Advisers to N+1 Singer	Jones Day 21 Tudor Street London EC4Y 0DJ
Registrars and Receiving Agent for the Open Offer	Computershare Investor Services PLC The Pavilions Bridgwater Road Bristol BS99 6ZY

CAPITAL RAISING STATISTICS

Issue Price for each New Ordinary Share	125 pence
Basis of Open Offer	2 New Ordinary Shares for every 15 Existing Ordinary Shares
Number of Existing Ordinary Shares in issue as at the date of this Circular	12,522,649
Number of New Ordinary Shares to be issued pursuant to the Placing	1,440,000
Number of New Ordinary Shares to be issued pursuant to the Open Offer*	1,673,335
Enlarged Share Capital immediately following completion of the Placing and Open Offer*	15,635,984
New Ordinary Shares as a percentage of the Enlarged Share Capital*	19.9 per cent.
Estimated net proceeds of the Capital Raising*	£3.6 million

* *Assuming full take-up under the Open Offer*

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

2013

Record Date for entitlement under the Open Offer	Close of business on 8 July
Announcement of the Placing and Open Offer	11 July
Posting of this Circular, Forms of Proxy and, to Qualifying non-CREST Shareholders only, the Application Forms	11 July
Open Offer Entitlements and Excess CREST Open Offer Entitlements credited to stock accounts in CREST of Qualifying CREST Shareholders	8.00 a.m. on 12 July
Latest recommended time and date for requesting withdrawal of Open Offer Entitlements and Excess CREST Open Offer Entitlements from CREST	4.30 p.m. on 24 July
Latest time for depositing Open Offer Entitlements and Excess CREST Open Offer Entitlements into CREST	3 p.m. on 25 July
Latest time and date for splitting Application Forms (to satisfy <i>bona fide</i> market claims)	3 p.m. on 25 July
Latest time and date for receipt of Forms of Proxy	10 a.m. on 28 July
Latest time and date for receipt of completed Application Forms and payment in full under the Open Offer or settlement of relevant CREST instruction (as appropriate)	11 a.m on 29 July
Expected time and date of announcement of results of the Placing and Open Offer	7.00 a.m. on 30 July
General Meeting	10 a.m. on 30 July
Expected time of announcement of results of the General Meeting	by 4.30 p.m. on 30 July
Admission effective and dealings in the Placing Shares and Open Offer Shares expected to commence on AIM	8.00 a.m. on 31 July
Expected date for crediting of Placing Shares and Open Offer Shares in uncertificated form to CREST stock accounts	8.00 a.m. on 31 July
Expected date of despatch of share certificates in respect of Placing Shares and Open Offer Shares in certificated form	12 August

Notes:

- 1 If you have any questions on the procedure for acceptance and payment, you should contact Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY, telephone: 0870 707 1154 from the UK or +44 870 707 1154 from overseas. Calls to the 0870 707 1154 number cost approximately 8 pence per minute (excluding value added tax) plus your service provider's network extras. Calls to the +44 870 707 1154 number will be charged at applicable international rates. Different charges may apply to calls from mobile telephones. Please note that Computershare cannot provide financial advice on the merits of the Capital Raising or as to whether or not you should take up your entitlement.
- 2 The dates set out in the Expected Timetable of Principal Events above and mentioned throughout this Circular may be adjusted by Good Energy Group PLC in which event details of the new dates will be notified to AIM and, where appropriate, to Shareholders.
- 3 All references to time in this Circular are to time in London.

DEFINITIONS

The following definitions apply throughout this Circular unless the context otherwise requires:

Act	means the Companies Act 2006 (as amended)
Admission	means the admission to trading on AIM of the New Ordinary Shares to be issued pursuant to the Capital Raising taking place in accordance with the AIM Rules for Companies
AIM	means the market of that name operated by the London Stock Exchange
AIM Rules for Companies	means the AIM Rules for Companies, as published and amended from time to time by the London Stock Exchange
AIM Rules for Nominated Advisers	means the rules for nominated advisers to AIM companies, as published and amended from time to time by the London Stock Exchange
Applicant	means a Qualifying Shareholder or a person entitled by virtue of a <i>bona fide</i> market claim who lodges an Application Form under the Open Offer
Application Form	means the application form which accompanies this Circular for Qualifying non-CREST Shareholders for use in connection with the Open Offer
Articles	means the existing articles of association of the Company as at the date of this Circular
Board	means the board of directors of the Company from time to time
Business Day	means any day (excluding Saturdays and Sundays) on which banks are open in London for normal banking business and the London Stock Exchange is open for trading
Capital Raising	means together, the Placing and Open Offer, details of which are set out in this Circular
CCSS	means the CREST courier and sorting service, established by Euroclear UK & Ireland to facilitate, <i>inter alia</i> , the deposit and withdrawal of certified securities
certificated or certificated form	means not in uncertificated form
Company or Good Energy Group	means Good Energy Group PLC
CREST	means the relevant system for the paperless settlement of trades and the holding of uncertificated securities operated by Euroclear UK & Ireland in accordance with the CREST Regulations
CREST member	means a person who has been admitted by Euroclear UK & Ireland as a system-member (as defined in the CREST Regulations)
CREST participant	means a person who is, in relation to CREST, a system participant (as defined in the CREST Regulations)
CREST payment	shall have the meaning given in the CREST Manual issued by Euroclear UK & Ireland
CREST Regulations	means the Uncertificated Securities Regulations 2001, as amended

CREST sponsor	means a CREST participant admitted to CREST as a CREST sponsor
CREST sponsored member	means a CREST member admitted to CREST as a sponsored member (which includes all CREST Personal Members)
Directors	means the directors of the Company at the date of this Circular whose names are set out on page 10 of this Circular
Enlarged Share Capital	means the issued ordinary share capital of the Company immediately following Admission
enabled for settlement	means in relation to Open Offer Entitlements or Excess Open Offer Entitlements, enabled for the limited purpose of settlement of claim transactions and unmatched stock event transactions (each as described in the CREST Manual issued by Euroclear UK & Ireland)
Euroclear UK & Ireland or Euroclear	means Euroclear UK & Ireland Limited, the operator of CREST
Excess Application Facility	means the arrangement pursuant to which Qualifying Shareholders may apply for Open Offer Shares in excess of their Open Offer Entitlement
Excess CREST Open Offer Entitlement	means, in respect of each Qualifying CREST Shareholder, the entitlement to apply for Open Offer Shares in addition to his Open Offer Entitlement credited to his stock account in CREST, pursuant to the Excess Application Facility, which is conditional on him taking up his Open Offer Entitlement in full and which may be subject to scaling back in accordance with the provisions of this Circular
Excess Open Offer Entitlement	means an entitlement for each Qualifying Shareholder to apply to subscribe for Open Offer Shares in addition to his Open Offer Entitlement pursuant to the Excess Application Facility which is conditional on him taking up his Open Offer Entitlement in full and which may be subject to scaling back in accordance with the provisions of this Circular
Excess Shares	means New Ordinary Shares in addition to the Open Offer Entitlement for which Qualifying Shareholders may apply under the Excess Application Facility
Excluded Territories	means the United States, Australia, Canada, Japan, the Republic of South Africa, the Republic of Ireland and any other jurisdiction where the extension or availability of the Open Offer would breach any applicable law or regulations
Existing Ordinary Shares	means the existing issued ordinary shares of 5p each in the capital of the Company as at the date of this Circular
Form of Proxy	means the form of proxy relating to the General Meeting being sent to Shareholders with this Circular
FCA	means the Financial Conduct Authority of the United Kingdom
FSMA	means the Financial Services and Markets Act 2000 (as amended)

General Meeting	means the general meeting of the Company convened at 10 a.m. on 30 July 2013 (or any adjournment of it), notice of which is set out at the end of this Circular
Group	means the Company and its subsidiary undertakings
IRR	means the internal rate of return
ISIN	means International Securities Identification Number
Issue Price	means 125 pence per New Ordinary Share
London Stock Exchange	means London Stock Exchange plc
Member Account ID	means the identification code or number attached to any member account in CREST
New Ordinary Shares	means up to 3,113,335 ordinary shares of 5p each in the capital of the Company to be issued pursuant to the Capital Raising
N+1 Singer	means N+1 Singer of One Bartholomew Lane, London, EC2N 2AX, the Company's Nominated Adviser and Broker
Official List	means the Official List of the UK Listing Authority
Open Offer	means the invitation to Qualifying Shareholders to subscribe for Open Offer Shares at the Issue Price on the terms of and subject to the conditions set out or referred to in Part IV of this Circular and, where relevant, in the Application Form
Open Offer Entitlement	means the <i>pro rata</i> basic entitlement for Qualifying Shareholders to apply to subscribe for 2 Open Offer Shares for every 15 Existing Ordinary Shares held by them on the Record Date pursuant to the Open Offer
Open Offer Shares	means the 1,673,335 New Ordinary Shares for which Qualifying Shareholders are being invited to apply under the terms of the Open Offer
Overseas Shareholders	means Shareholders who are resident in, or who are citizens of, or who have registered addresses in, territories other than the United Kingdom
Participant ID	means the identification code or membership number used in CREST to identify a particular CREST member or other CREST participant
Placees	means the persons who conditionally agree to subscribe for the Placing Shares
Placing	means the conditional firm placing by N+1 Singer of the Placing Shares at the Issue Price pursuant to the Placing and Open Offer Agreement, as described in Part I of this Circular
Placing and Open Offer Agreement	means the agreement dated 11 July 2013 between the Company, and N+1 Singer relating to the Placing and Open Offer, details of which are set out in paragraph 4 of Part V of this Circular
Placing Shares	means the 1,440,000 New Ordinary Shares which have been placed conditionally with investors by N+1 Singer pursuant to the Placing

Prospectus Rules	means the rules made by the FCA under Part VI of FSMA in relation to offers of transferable securities to the public and admission of transferable securities to trading on a regulated market
Qualifying CREST Shareholders	means Qualifying Shareholders whose Existing Ordinary Shares on the register of members of the Company at the close of business on the Record Date are held in uncertificated form
Qualifying non-CREST Shareholders	means Qualifying Shareholders whose Existing Ordinary Shares on the register of members of the Company at the close of business on the Record Date are held in certificated form
Qualifying Shareholders	means holders of Existing Ordinary Shares on the Company's register of members at the Record Date (other than certain Overseas Shareholders)
RCF	means a revolving credit facility
Record Date	means close of business on 8 July 2013
Registrar, Receiving Agent or Computershare	means Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY
Resolutions	means the resolutions set out in the notice of the General Meeting at the end of this Circular
Shareholders	means holders of Existing Ordinary Shares
stock account	means an account within a member account in CREST to which a holding of a particular share or other security in CREST is credited
subsidiary	means a subsidiary undertaking as that term is defined in the Act
uncertificated or uncertificated form	means recorded on the relevant register or other record of the share or other security concerned as being held in uncertificated form in CREST, and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST
UK Listing Authority	means the FCA acting in its capacity as the competent authority for the purposes of Part VI of FSMA
United Kingdom or UK	means the United Kingdom of Great Britain and Northern Ireland
£ or Pounds	means UK pounds sterling, being the lawful currency of the United Kingdom
US Securities Act	means the United States Securities Act of 1933, (as amended).

PART I

LETTER FROM THE CHAIRMAN

GOOD ENERGY GROUP PLC

(Incorporated and registered in England under the Companies Act 1985 with registered number 4000623)

Directors:

John Maltby (*Chairman and Non-Executive Director*)
Juliet Davenport (*Chief Executive Officer*)
Garry Peagam (*Group Finance Director*)
Richard Squires (*Non-Executive Director*)
Martin Edwards (*Non-Executive Director*)
Francesca Ecsery (*Non-Executive Director*)

Registered Office:

Monkton Reach
Monkton Hill
Chippenham
Wiltshire
SN15 1EE

11 July 2013

Dear Shareholder

Placing of 1,440,000 New Ordinary Shares at 125 pence per share

Open Offer of up to 1,673,335 New Ordinary Shares at 125 pence per share

Notice of General Meeting

1 Introduction

The Board is pleased to announce a conditional Placing of 1,440,000 New Ordinary Shares at 125 pence each to raise £1.8 million before expenses by means of a placing by N+1 Singer.

In addition, in order to provide Shareholders who have not taken part in the Placing with an opportunity to participate in the proposed issue of New Ordinary Shares, the Company is providing all Qualifying Shareholders with the opportunity to subscribe for an aggregate of up to 1,673,335 New Ordinary Shares, to raise approximately £2.0 million, on the basis of 2 New Ordinary Shares for every 15 Existing Ordinary Shares held on the Record Date, at 125 pence each. Shareholders subscribing for their full entitlement under the Open Offer may also request additional New Ordinary Shares through the Excess Application Facility.

The Open Offer provides Qualifying Shareholders with an opportunity to participate in the proposed issue of the Open Offer Shares on a pre-emptive basis whilst providing the Company with additional capital to invest in the business of the Group.

The Issue Price of 125 pence per New Ordinary Share represents a 16.9 per cent. discount to the closing middle market price of 150.5 pence per Existing Ordinary Share on 10 July 2013, the last business day before the announcement of the Capital Raising.

The Placing and Open Offer are conditional, *inter alia*, on the passing of Resolutions 1 to 3 by Shareholders at the General Meeting, notice of which is set out at the end of this Circular. If the Resolutions are passed, the New Ordinary Shares will be allotted immediately after the General Meeting and Admission of the New Ordinary Shares is expected to occur at 8.00 a.m. on 31 July 2013. Should Shareholder approval not be obtained at the General Meeting, the Placing and Open Offer will not proceed. The Placing and Open Offer are not underwritten.

The purpose of this document is to explain the background to the Capital Raising, to set out the reasons why your Board believes that the Capital Raising is in the best interests of the Company and its Shareholders and to seek your approval to the Resolutions at the forthcoming General Meeting, which will be held at the offices of Chippenham Town Hall, High Street, Chippenham, Wiltshire, SN15 1ER on 30 July 2013 at 10 a.m.

2 Information on Good Energy Group plc

Good Energy Group plc is a vertically integrated utility, supplying 100 per cent. renewable electricity to approximately 34,000 domestic and commercial customers, gas to approximately 10,500 domestic customers and supports a growing community of approximately 52,000 independent green power generators across the UK. Good Energy is a licensed electricity supplier. Good Energy supplies the national electricity grid with an equivalent amount of renewable energy to match its customers' demands over the course of a 12 month period.

The Group also has a renewable electricity generation business which includes a 9.2MW operational wind farm in Cornwall, an 8.2MW wind site in construction in Hampole, Yorkshire, two smaller sites totalling 6MW in planning, and a solar park development pipeline of over 175MW, in order to support the ongoing growth of the supply side of the business.

The Group was founded in May 2000, to lower UK carbon emissions by developing and distributing renewable electricity within the UK. The Group's values were developed by its founders in the late 1990s. It was their belief that climate change was a reality and its effects were likely to be increasingly harmful. Most importantly, they believed that the most effective way of promoting climate change solutions would be through a commercial enterprise returning value to its shareholders. One of the Group's key purposes is therefore to provide individuals and companies in the UK with a means by which they can reduce their contribution to the causes of climate change through selecting the Group to be their energy supplier.

Further information on Good Energy Group plc can be found on the Company's website, www.goodenergygroup.co.uk.

3 Background to and reasons for the Capital Raising

Good Energy was originally funded by a combination of investment from the management and board, and then during 2002-2007 by three EIS offerings to the Company's customer base, raising a total of £2.7 million. This early stage investment allowed the Company to build up its customer base, purchase the original 4 MW Delabole wind farm, providing at the time around 25 per cent. of the Company's electricity requirement, and invest in the necessary systems to place the Company on a solid operational platform. During this period the Company sold power to customers at around a 10 per cent. premium to the average market price, taking on predominantly early adopter type consumers who were prepared to pay the premium for the commitment to a green energy utility.

In 2008, the market place changed, and as a result of the global downturn, the customer elasticity of price to switch to Good Energy changed, resulting in customers being less prepared to pay a premium for 100 per cent. renewable electricity. The Company updated its strategy and put in place three key areas of work to be able to improve the price proposition of the Company:

- Investing in Delabole to expand it from a 4 MW site producing 10,000 MWh per year to a 9.2 MW site producing 25,000 MWh per year. The power delivered by this site was bought by the Company and the ability to keep the trading margins in-house Good Energy reduced its cost of power purchase. In 2012, the Company's Delabole site provided over 16 per cent. of customers' requirements;
- Investing in improvements in the forecasting systems developing, in conjunction with an external provider, a bespoke generation forecasting system based on weather feeds from across the country, helping to improve the forecasts for all the generators we buy power from; and
- Investing in improvements to various IT systems, including the pre-cursor to the current Feed-in Tariff (small generator) system, to improve the Company's cost to serve. This enabled us to sign up and administer effectively the 52,000 FIT green electricity generators in the UK.

These investments have enabled the Company to underpin margins, improve the competitiveness of its offerings and to use its strong platform to grow the business. In 2012, the total customer base including gas, electricity and FIT customers grew by 80 per cent. and revenues grew around 30 per cent., with a 30 per cent. increase in PBT.

In order to be able to maintain momentum, as part of its Admission to trading on AIM, the Company raised £4 million from institutional investors in July 2012 to support its on-going strategy of:

- Investing in a pipeline of renewable energy power projects to enable the Company to purchase power from its own sites and underpin the forward power purchasing of the Company;
- Investing in further improvements in trading systems and procedures to enable the Company to improve margins through improved granularity of trading; and
- Investing in marketing and brand awareness for the development of new partnerships with national membership organisations and increasing local and national advertising.

The expansion of the development team has been with a focus on providing resource to wind power and solar power projects that are most likely to receive planning consent. The Company now has 50MW in planning and a further 50MW in the final stage of preparation for planning submission across 10 sites.

The investment in the trading systems has resulted in the roll out of a new trading strategy from March 2013. The systems are now fully operational, and the improved ability to trade at a more granular level offered by the new systems appears to be delivering the results which the Board expected, with the potential for further improvements to come.

The business delivered overall growth of 13 per cent. in electricity customers in 2012. We can see this improved rate of growth continuing in 2013 and have been investing in new partnerships including National Trust and Soil Association to deliver this. We are also considering a new strategy on pricing in light of the new regulations on Retail Market Review, including a suite of payment products for customers, to better reflect their cost to serve. This is underpinned by the planned implementation of a new CRM system to allow us to manage these changes and further support ongoing improvements in cost to serve.

The Company is now looking to raise a further £1.8 million through a firm placing, and up to £2 million through an open offer, to be able to build out the first stage of the development portfolio of solar assets which are in planning at present.

Generation Portfolio

The Company is targeting a generation portfolio capacity of 110MW by 2016, predominantly through wind and solar, to support customer growth and is targeting 50 per cent. of electricity supply from generating assets owned by Good Energy.

Solar & wind development background

Each solar project has a development timeline from site selection through to final construction of approximately 11 months whilst each wind project has a development timeline from site identification through to commissioning of up to 44 months.

A solar project has a total estimated build cost of £1 million per MW and produces around 960 MWh per MW per year, with an estimated levered IRR of 9-12 per cent. The build cost includes all financing, planning and legal costs as well as panel and construction costs.

Wind has a total estimated build cost of £1.5 million per MW and produces around 2,600 MWh per year per MW, with an estimated levered IRR of 14-20 per cent. The build cost includes all financing, planning and legal costs as well as turbine and construction costs.

The difference between the solar and wind project IRRs reflects the timelines and the higher levels of risk attached to developing a wind farm, compared to the contracted timelines and risks related to a solar project.

To support the development of the generation portfolio and to ensure that the long lead time items are ordered in good time to build them out, Good Energy has recently agreed a £7.5million RCF with Lloyds, as announced on 29 April 2013. The facility will be used to fund pre-planning costs, grid and network costs, ahead of financial close. At financial close on generation projects the amounts drawn down will be re-paid to the RCF.

Near-term solar financing and use of funds

The planning process for solar sites is less complicated than wind sites and we expect the solar sites will be out of planning in the second half of this year. The wind sites currently in planning will take longer, as the average time for a wind site through planning is 18 months.

Following planning determination the Company will decide which solar sites to take forward to financial close. The Company then expects to secure non-recourse project finance from lenders to allow them to be built and brought into operation. The Company already has these types of facilities for Delabole with Co-operative Bank, and for Hampole with Investec Bank, and has been in talks with these and other financial institutions about providing the requisite debt finance.

In addition to traditional project finance, we are also considering other options including putting in place construction finance, and refinancing post commissioning with a long term debt provider. Other options are to include credit arrangements with EPC contractors, which would effectively act like construction finance, and allow Good Energy to arrange long term finance post commissioning. Each of the potential deals will be considered on their relative merits and risk factors to the Company.

As a base case, the Board believes based on the indicative terms the Company has received from banks, other funders and EPC contractors combined with the proceeds from the Capital Raising, that the Company would be able to fund the construction of up to 10 MW of solar sites which would be sufficient to supply around 2,300 homes. The Company's base case also assumes that the Company only receives planning consent for the part of the development portfolio that the Company could build out.

However, if the Company is able to receive planning approval for 100 per cent. of the solar sites, it will look to sell some of those sites in the open market which the Board believe will allow the Company to develop additional MW capacity.

Use of funds will be to repay to the RCF the initial pre-planning expenditure and put the remaining equity required into the solar portfolio for build-out.

The overall strategy of this investment supports the Company's ambition to purchase up to 50 per cent. of its electricity from its own portfolio, providing it with a natural hedge for the future market.

Generation Team

Mark Shorrocks has led the development of the team and has put in place a similar structure to the team he worked with that had 21 successful solar applications for development of sites in 2011. Overall he has been responsible for the development of 67 MW in the UK in wind and solar and became acting Director of Generation in 2012 to lead and build the Good Energy development team.

The Board have since hired a Head of Generation, who has come from an onshore and offshore wind development background and will join the team in June 2013. He will report directly to Mark, and will be responsible for the build out and longer term development of the portfolio. The Board envisage that Mark's role will continue on identifying new sites and supporting the development capacity of the team, with the Head of Generation reporting to him, over the next two years. Mark is incentivised on a success basis to deliver on the targets set by the Company.

4 Current Trading

The Company is now supplying electricity to approximately 34,000 domestic and commercial customers and supplying gas to approximately 10,500 domestic customers. As of June 2013 the Company had approximately 52,000 registered sites in its FIT administration business, including individual households and operators of domestic and industrial solar power plants.

The Company continues to trade in line with management expectations for the year.

5 Details of the Placing and Open Offer

5.1 Structure

The Directors have given consideration as to the best way to structure the proposed equity fundraising, having regard to current market conditions, the composition of the Company's Shareholder register, the level of the Company's share price and the importance of pre-emption rights to Shareholders. After considering these factors, the Directors have concluded that the structure of the fundraising by way of the Placing and Open Offer is the most suitable option available to the Company and its Shareholders as a whole. The Open Offer provides an opportunity for all Qualifying Shareholders to participate in the fundraising by acquiring Open Offer Shares *pro rata* to their current holdings of Existing Ordinary Shares with the option for subscribing for more pursuant to the Excess Application Facility subject to clawback.

The Issue Price of 125 pence per New Ordinary Share represents a 16.9 per cent. discount to the closing middle market price of 150.5 pence per Existing Ordinary Share on 10 July 2013, the last business day before the announcement of the Capital Raising.

5.2 Principal terms of the Placing

The Company has conditionally raised £1.8 million by means of the placing of 1,440,000 new Ordinary Shares at the Issue Price to the Placees. The intended use of the monies raised is set out in paragraph 3 of this Part I. A General Meeting is being called to seek Shareholders' approval to grant new authorities to enable the Directors, *inter alia*, to complete the Placing. The Placing is conditional on (amongst other things) Admission and passing of Resolutions 1 to 3 and has not been underwritten.

All of the Placing Shares have been placed with institutions and other investors and are not, therefore, being offered to existing Shareholders and do not form part of the Open Offer. The Placing Shares will, upon issue, rank *pari passu* with each other, the Existing Ordinary Shares and the Open Offer Shares in issue following the Capital Raising.

The Company has appointed N+1 Singer as its agent to use its reasonable endeavours to procure subscribers for the Placing Shares at the Issue Price. Further terms of the Placing and Open Offer Agreement are set out in Part IV of this Circular.

Application will be made to the London Stock Exchange for the Placing Shares to be admitted to trading on AIM. It is expected that Admission will become effective and that dealings will commence at 8.00 a.m. on 31 July 2013.

5.3 Principal terms of the Open Offer

Subject to the fulfilment of the conditions set out below and in Part IV of this Circular, Qualifying Shareholders are being given the opportunity to subscribe for the Open Offer Shares at a price of 125 pence per Open Offer Share, *pro rata* to their holdings of Existing Ordinary Shares on the Record Date on the basis of:

2 Open Offer Shares for every 15 Existing Ordinary Shares

Qualifying Shareholders are also being given the opportunity, provided that they take up their Open Offer Entitlement in full, to apply for Excess Shares through the Excess Application Facility.

The Open Offer is conditional on the Placing and Open Offer Agreement becoming or being declared unconditional in all respects and not being terminated before Admission. The principal conditions to the Open Offer are the same as those that apply to the Placing.

Assuming full take-up under the Open Offer, the issue of the Open Offer Shares will raise further gross proceeds of approximately £2.0 million for the Company.

The Open Offer Shares will, upon issue, rank *pari passu* with the Placing Shares to be issued pursuant to the Placing.

Fractions of Open Offer Shares will not be allotted to Qualifying Shareholders in the Open Offer and entitlements under the Open Offer will be rounded down to the nearest whole number of Open Offer Shares. The fractional entitlements will be aggregated and made available to Qualifying Shareholders under the Excess Application Facility.

Qualifying Shareholders with holdings of Existing Ordinary Shares in both certificated and uncertificated form will be treated as having separate holdings for the purpose of calculating the Open Offer Entitlements.

5.4 ***Excess Application Facility***

The Excess Application Facility will enable Qualifying Shareholders, provided that they take up their Open Offer Entitlement in full, to apply for Excess Open Offer Entitlements. Qualifying non-CREST Shareholders who wish to apply to acquire more than their Open Offer Entitlement should complete the relevant sections on the Application Form. Qualifying CREST Shareholders will have Excess CREST Open Offer Entitlements credited to their stock account in CREST and should refer to paragraph 4.2.(j) of Part IV of this Circular for information on how to apply for Excess Shares pursuant to the Excess Application Facility. Applications for Excess Open Offer Entitlements will be satisfied only and to the extent that corresponding applications by other Qualifying Shareholders are not made or are made for less than their Open Offer Entitlements. If applications under the Excess Application Facility are received for more than the total number of Open Offer Shares available following take-up of Open Offer Entitlements, such applications will be scaled back to the number of Excess Shares applied for by Qualifying Shareholders under the Excess Application Facility.

Application will be made for the Open Offer Entitlements and Excess Open Offer Entitlements in respect of Qualifying CREST Shareholders to be admitted to CREST. It is expected that such Open Offer Entitlements and Excess Open Offer Entitlements will be admitted to CREST at 8.00 a.m. on 12 July 2013. Such Open Offer Entitlements and Excess Open Offer Entitlements will also be enabled for settlement in CREST at 8.00 a.m. on 12 July 2013. Applications through the means of the CREST system may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim.

Qualifying non-CREST Shareholders will have received an Application Form with this Circular which sets out their entitlement to Open Offer Shares as shown by the number of Open Offer Entitlements allocated to them. Qualifying CREST Shareholders will receive a credit to their appropriate stock accounts in CREST in respect of their Open Offer Entitlements on 12 July 2013.

Shareholders should note that the Open Offer is not a rights issue. Qualifying CREST Shareholders should note that although the Open Offer Entitlements and Excess Open Offer Entitlements will be admitted to CREST and be enabled for settlement, applications in respect of entitlements under the Open Offer may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim. Qualifying non-CREST Shareholders should note that the Application Form is not a negotiable document and cannot be traded. Qualifying Shareholders should be aware that in the Open Offer, unlike in a rights issue, any Open Offer Shares not applied for will not be sold in the market or placed for the benefit of Qualifying Shareholders who do not apply under the Open Offer. If applications are made for less than all of the Open Offer Shares available, then the lower number of Open Offer Shares will be issued.

Further information on the Open Offer and the terms and conditions on which it is made, including the procedure for application and payment, are set out in Part IV of this Circular.

For Qualifying non-CREST Shareholders, completed Application Forms, accompanied by full payment, should be returned by post or by hand (during normal business hours only) to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY so as to arrive as soon as possible and in any event so as to be received no later than 11 a.m. on 29 July 2013. For Qualifying CREST Shareholders the relevant CREST instructions must have been settled as explained in this Circular by no later than 11 a.m. on 29 July 2013.

5.5 ***Other information relating to the Capital Raising***

The Placing and Open Offer are conditional, *inter alia*, upon:

- (a) the passing of Resolutions 1 to 3;
- (b) the Placing and Open Offer Agreement becoming unconditional in all respects (other than Admission) and not having been terminated in accordance with its terms; and
- (c) Admission of the Placing Shares and Open Offer Shares becoming effective by not later than 31 July 2013 (or such later time and/or date as N+1 Singer may agree, not being later than 31 August 2013).

Accordingly, if any of such conditions are not satisfied, or, if applicable, waived, the Placing and Open Offer will not proceed.

A summary of the principal terms of the Placing and Open Offer Agreement is set out in paragraph 4 of Part IV of this Circular.

The Placing and Open Offer will result in the issue of in total 3,113,335 New Ordinary Shares assuming full take up under the Open Offer (representing, in aggregate, approximately 19.9 per cent. of the Enlarged Share Capital). The New Ordinary Shares, when issued and fully paid, will rank *pari passu* in all respects with the Existing Ordinary Shares and therefore rank equally for all dividends or other distributions declared, made or paid after the date of issue of the New Ordinary Shares. No temporary documents of title will be issued.

Following the issue of the New Ordinary Shares pursuant to the Capital Raising, Qualifying Shareholders who take up their full entitlements, excluding any New Ordinary Shares acquired through the Excess Application Facility, in respect of the Open Offer will undergo a dilution of up to 9.2 per cent. to their interests in the Company because of the Placing. Qualifying Shareholders who do not take up any of their entitlements in respect of the Open Offer will experience a more substantial dilution of approximately 19.9 per cent. to their interests in the Company because of the Capital Raising.

Application will be made to the London Stock Exchange for the Placing Shares and the Open Offer Shares to be admitted to trading on AIM. It is expected that Admission will become effective on 31 July 2013 and that dealings for normal settlement in the New Ordinary Shares will commence at 8.00 a.m. on 31 July 2013.

6 **Related Party Transactions**

6.1 ***Substantial Transactions***

Schroders plc, a substantial shareholder in the Company (as defined by the AIM Rules), has conditionally agreed to subscribe for Placing Shares pursuant to the Placing. The participation of Schroders plc in the Placing represents related party transactions for the purposes of the AIM Rules.

The Directors, having consulted with the Company's Nominated Adviser, N+1 Singer, consider the terms of Schroders plc's participation in the Placing to be fair and reasonable insofar as Shareholders are concerned. In providing advice to the Directors, N+1 Singer has taken into account the commercial assessment of the Directors.

6.2 ***Shire Oak Energy Limited***

There is a contract dated 10 July 2013 between Good Energy Generation Limited (**GEG**) and Shire Oak Energy Limited, a company registered in England and Wales under company number 8100687 (**SOL**). SOL is a related party as defined by the AIM Rules by virtue of the shareholding in it of Mark Shorrocks, the husband of Juliet Davenport, the Chief Executive Officer of the Company. SOL has been appointed as a consultant by GEG to, *inter alia*, introduce sites suitable for development as solar parks to GEG, to mentor and aid GEG in the sourcing of renewable energy generation installation sites, the development and the obtaining of funding for the development of such solar sites and reviewing the potential solar park and wind farm sites in the Group's portfolio.

Under the contract SOL will receive consultancy fees of £750 per day based on time sheets.

In addition SOL will be entitled to the following commission payments:

- (a) in relation to the development of a solar site, a commission of:
 - (i) up to the lesser of £40,000 per MW installed or 30% of such sum as is produced by the application of an all equity IRR of 8% to the financial close model used by the relevant third party debt or equity provider in connection with the provision of long term finance for the development of a solar park on that site; or
 - (ii) where a solar site is not developed by the construction of a solar park but sold, the lesser of 30% of the net proceeds of sale, (but excluding as regards calculation of the net proceeds of sale any long lead time payments for transformers, switchgear and/or disconnectors), or £40,000 per MW permitted for that solar site pursuant to a planning permission for development of that site obtained prior to the sale; and
- (b) in relation to the development of a wind farm site, a commission of:
 - (iii) up to the lesser of £75,000 per MW installed or 10% of such sum as is produced by the application of an all equity IRR of 11% to the financial close model used by the relevant third party debt or equity provider in connection with the provision of long term finance for the development of a wind farm on that site; or
 - (iv) where a wind farm site is not developed by the construction of a wind farm but sold, the lesser of 10% of the net proceeds of sale, (but excluding as regards calculation of the net proceeds of sale any long lead time payments for transformers, switchgear and/or disconnectors), or £75,000 per MW permitted for that wind farm site pursuant to a planning permission for development of that site obtained prior to the sale.

Commission payable as regards solar sites is subject to deduction of an amount equal to 30% of the relevant costs of solar sites not successfully developed as solar parks where the investment by the Group is written off and as regards wind farm sites is subject to deduction of an amount equal to 50% of the relevant costs of wind farm sites not successfully developed as wind farms where the investment by the Group is written off.

Commission is payable in instalments based on certain milestones being reached.

If planning is obtained in 2013 for the development of 100MW of solar parks which are then either constructed or sold, SOL could be entitled to commission in the order of £3,000,000.

The independent Directors, (being the Directors other than Juliet Davenport), consider having consulted with N+1Singer, the Company's nominated adviser, that the terms of the contract are fair and reasonable insofar as the Company's shareholders are concerned.

7 Directors' Participation

John Maltby, Chairman, and Francesca Ecsery, Non-Executive Director, are participating in the Placing amounting to an aggregate subscription for 122,400 Placing Shares or approximately 8.5 per cent. of the Placing. Following the Placing, and assuming nil take up of the Open Offer, the Directors will beneficially own, in aggregate 8.89 per cent. of the Enlarged Share Capital.

8 General Meeting

A notice convening a General Meeting of the Company, to be held at Chippenham Town Hall, High Street, Chippenham, Wiltshire, SN15 1ER on 30 July 2013 at 10 a.m. is set out at the end of this Circular. At the General Meeting, the following Resolutions will be proposed:

- (a) a special resolution to amend the articles of association of the Company to increase the stated authorised share capital of the Company from £1,000,000 divided into 20,000,000 Ordinary Shares to £2,000,000 divided into 40,000,000 Ordinary Shares. While the concept of authorised share capital has been abolished by the Act, any statement of authorised share capital in a company's articles of association will act as a limit on the number of shares that can be allotted by that

- company. The resolution in this paragraph (a) is therefore required in order for the Capital Raising to proceed and to enable the Directors to allot shares pursuant to the general allotment authority and to have share capital for future issue as might be requested and approved by the shareholders;
- (b) an ordinary resolution to grant authority to the Directors to allot up to 3,115,000 New Ordinary Shares in the capital of the Company or to grant rights to subscribe for or convert any security into shares in the capital of the Company pursuant to section 551 of the Act, being up to an aggregate nominal amount of £155,750. The Directors will limit this authority to the allotment of New Ordinary Shares pursuant to the Capital Raising and the authority will expire at the conclusion of the Annual General Meeting of the Company to be held in 2014 after the passing of the Resolution;
 - (c) a special resolution to disapply the statutory pre-emption rights contained in section 561(1) of the Act in respect of the allotment of up to 3,115,000 New Ordinary Shares with an aggregate nominal amount of up to £155,750. The Directors will again limit this authority to the allotment of New Ordinary Shares pursuant to the Capital Raising and the authority will expire at the conclusion of the Annual General Meeting of the Company to be held in 2014 after the passing of the Resolution;
 - (d) an ordinary resolution to grant a general authority to the Directors to allot up to 1,900,000 shares in the capital of the Company or to grant rights to subscribe for or convert any security into shares in the capital of the Company pursuant to section 551 of the Act, being up to an aggregate nominal amount of £95,000. This authority will represent approximately 12 per cent. of the Enlarged Share Capital and is in line with the Directors' existing share authorities granted pursuant to section 551 of the Act at the Company's last AGM which was held earlier this year; and
 - (e) a special resolution to disapply the statutory pre-emption rights contained in section 561(1) of the Act in respect of the allotment of up to 950,000 equity shares with an aggregate nominal amount of up to £47,500. This authority will represent approximately 6 per cent. of the Enlarged Share Capital and is in line with the Directors' existing share authorities granted in respect of the disapplication of section 561(1) granted at the Company's last AGM which was held earlier this year.

The Directors have irrevocably undertaken to vote or procure the voting in favour of the Resolutions in respect of 1,267,939 Existing Ordinary Shares, in aggregate, representing approximately 10.1 per cent. of the existing issued ordinary share capital of the Company.

9 Action to be taken

9.1 General Meeting

Shareholders will find accompanying this Circular a Form of Proxy for use at the General Meeting. Whether or not you intend to be present at the General Meeting, you are requested to complete, sign and return the Form of Proxy in accordance with the instructions printed on it to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY as soon as possible and, in any event, so as to arrive no later than 10 a.m. on 28 July 2013. Completion and return of the Form of Proxy will not affect your right to attend and vote in person at the General Meeting if you so wish.

9.2 Open Offer

Qualifying non-CREST Shareholders

If you are a Qualifying non-CREST Shareholder you will have received an Application Form which gives details of your maximum entitlement under the Open Offer (as shown by the number of Open Offer Entitlements allocated to you). If you wish to apply for Open Offer Shares under the Open Offer (whether in respect of your Open Offer Entitlement or both your Open Offer Entitlement and any Excess Open Offer Entitlements), you should complete the accompanying Application Form in accordance with the procedure for application set out in paragraph 4.1 of Part IV of this Circular and on the Application Form itself.

Qualifying CREST Shareholders

If you are a Qualifying CREST Shareholder and do not hold any Ordinary Shares in certificated form, no Application Form accompanies this Circular and you will receive a credit to your appropriate stock account in CREST in respect of the Open Offer Entitlements representing your maximum entitlement under the Open Offer except (subject to certain exceptions) if you are an Overseas Shareholder who has a registered address in, or is a resident in or a citizen of an Excluded Territory. Applications by Qualifying CREST Shareholders for Excess Open Offer Entitlements in excess of their Open Offer Entitlements should be made in accordance with the procedures set out in paragraph 4.2 of Part IV of this Circular, unless you are an Overseas Shareholder in which event, applications should be made in accordance with the procedures set out in paragraph 6 of Part IV of this Circular.

The latest time for applications under the Open Offer to be received is 11 a.m. on 29 July 2013. The procedure for application and payment depends on whether, at the time at which application and payment is made, you have an Application Form in respect of your entitlement under the Open Offer or have Open Offer Entitlements credited to your stock account in CREST in respect of such entitlement. The procedures for application and payment are set out in Part IV of this Circular.

Qualifying CREST Shareholders who are CREST sponsored members should refer to their CREST sponsors regarding the action to be taken in connection with this Circular and the Open Offer.

10 Overseas Shareholders

Information for Overseas Shareholders who have registered addresses outside the United Kingdom or who are citizens or residents of countries other than the United Kingdom appears in paragraph 6 of Part IV of this Circular, which sets out the restrictions applicable to such persons. If you are an Overseas Shareholder, it is important that you read that part of this Circular.

11 Additional Information

Your attention is drawn to the additional information set out in Parts II to V (inclusive) of this Circular.

12 Directors' recommendation

The Directors consider the Placing and Open Offer to be in the best interests of the Company and its Shareholders as a whole.

Accordingly the Directors unanimously recommend that Shareholders vote in favour of the Resolutions to be proposed at the General Meeting. The Directors have irrevocably undertaken to vote on procuring the voting in favour of the Resolutions in respect of 1,267,939 Existing Ordinary Shares, in aggregate, representing approximately 10.1 per cent. of the existing ordinary share capital of the Company.

Yours sincerely

John Maltby
Chairman

PART II

RISK FACTORS

Investing in the Group involves a degree of risk. You should carefully consider the risks and the other information contained in this Circular before you decide to invest in the Group. You should note that the risks described below are not the only risks faced by the Group. There may be additional risks that the Directors currently consider not to be material or of which they are not presently aware.

The business and financial condition of the Company could be adversely affected if any of the following risks were to occur and as a result the trading price of the Ordinary Shares could decline and investors could lose part or all of their investment.

The Directors consider the following risks to be material for potential investors, but the risks listed below do not necessarily comprise all those associated with an investment in the Company and are not set out in order of priority. Additional risks and uncertainties currently unknown to the Company (such as changes in legal, regulatory or tax requirements), or which the Company currently believes are immaterial, may also have a materially adverse effect on the Group's financial condition or prospects or the trading price of Ordinary Shares.

1. General risks

The Existing Ordinary Shares are traded on AIM rather than the main market of the London Stock Exchange. An investment in shares traded on AIM may carry a higher risk than an investment in shares listed on the Official List of the UK Listing Authority and traded on the main market of the London Stock Exchange.

An investment in the Group is only suitable for investors capable of evaluating the risks and merits of such investment and who have sufficient resources to bear any loss which may result. A prospective investor should consider with care whether an investment in the Group is suitable for him in the light of his personal circumstances and the financial resources available to him.

Investment in the Group should not be regarded as short-term in nature. There can be no guarantee that any appreciation in the value of the Group's investments will occur or that the investment objectives of the Group will be achieved. Investors may not get back the full amount initially invested, especially as the market in New Ordinary Shares on AIM may have limited liquidity.

The prices of shares and the income derived from them can go down as well as up. Past performance is not necessarily a guide to the future.

Changes in economic conditions including, for example, interest rates, rates of inflation, industry conditions, competition, political and diplomatic events and trends, tax laws and other factors can substantially and adversely affect equity investments and the Group's prospects.

2. Risks relating to the Group and its business

Political risk

The renewable energy generation industry is subject to EU, national and regional regulatory oversight, such as national and local regulations relating to building codes, safety, environmental protection, utility interconnection and metering and related matters. These regulations and policies have been modified in the past and may be modified in the future. The regulations applicable to the generation of electricity from renewable energy sources may be subject to modifications that may be more restrictive or unfavourable to the wind energy or solar industry. More restrictive or unfavourable regulations, such as an obligation to modify existing renewable energy projects or the implementation of additional inspection and monitoring procedures, could lead to changes in operating conditions that might require increased capital expenditure, increased operating costs or otherwise hinder the development of the renewable energy industry. Any new, or changes to existing, government regulations or utility policies pertaining to

renewable energy may require market participants to incur significant additional expenses, which may not be able to be passed on to customers through higher tariffs, which, in turn, could have a material adverse effect on the Company's business, prospects, financial condition and results of operations.

As an example, the Renewables Obligation is currently undergoing a banding review which means that the number of ROCs awarded to projects is under review and may be reduced. In particular this applies to large scale solar and onshore wind. The outcome of the review should be announced this summer, and any reduction will impact the returns for future wind and solar projects.

ROC banding risk

The Renewables Obligation will now be subject to ongoing banding review of the applicable ROC rates for various technologies. This means that the number of ROCs awarded to projects is under review and may be reduced in the future. The Solar review was undertaken at the end of 2012, and it was agreed that any project developed between April 2013 and March 2014 would receive 1.6 ROCs per MWh, April 2014-2015 1.4 ROCs per MWh and, April 2015-16 1.2 ROCs per MWh. Onshore wind currently receives and will continue to receive until April 2017 0.9 ROCs per MWh.

EU anti-dumping investigation risk

The European Commission is examining the practices of Chinese solar manufacturers and announced on the 5 June 2013 that it will put a temporary levy of 11.8 per cent. on imported solar panels. This will be reviewed in August with the risk of the possibility of an increase. The advisory panel of the member states voted against this action by an 18 to 27 vote in May 2013. If the member states continue to oppose the levies, then any proposal by the European Commission on the 6 August 2013 risks being reversed in the final vote by the Member States on the 5 December 2013.

Further revisions to FIT administrative fee

In 2012 the Government significantly reduced the FIT administration fee payable to FIT administrators. In 2013, we saw the fee slightly increased, but not recover to the levels of pre-2012. Even with this reduction, the Directors believe that this business will continue to make a contribution to the Group. In addition, the Group is actively looking to reduce the costs to serve by process improvement and further automation in Good Energy's bespoke FIT software solution. These initiatives should contribute to mitigating the reduction of the ongoing FIT administration fee income which has been experienced.

Risk of new legislation under the Feed in Tariff with Contract for Difference (FIT CFD)

The introduction of FIT CFD to provide stable financial incentives to invest in all forms of low-carbon electricity generation as it is currently proposed, could potentially create a liability to all electricity suppliers relative to their size. The specific liability will be related to the cost of the CFD and the size of the supplier and will vary depending on the wholesale market. This liability will be reclaimed by suppliers from customers in their electricity pricing; however there will be risks associated with calculating this.

There may also be a potential requirement for suppliers to post credit with a central agency. This proposed legislation is currently only in draft form and is subject to further revision. It is expected to come into force during 2014.

Failure to complete FIT levelisation within the regulated timelines

As part of the FIT administration service, the Group provides the regulator with data from its 52,000 FIT customers so that the regulator can make payments to the Group, and the Group can pay its FIT customers. Levelisation occurs on a quarterly basis. If, for whatever reason, the Group fails to comply with the timelines for levelisation, it would then be liable to pay interest on that payment owed to those customers until the next levelisation when it would be able to make the payments. On current levels of payment it is estimated that such interest would be in the region of £100,000.

Failure of Delabole

A reduction or loss of output from the Group's wind farm at Delabole could have a material adverse impact on the results and prospects of the Company. Risks relating to the operation of Delabole include a catastrophic electrical or mechanical failure of the turbines resulting in the turbines being off-line for significant periods of time. Within the Group's contract with Enercon there are liquidated damages that

compensate for lack of availability of the wind turbines, and the Group also has insurance that will compensate for non-availability. In addition the turbines are regularly inspected and are maintained in accordance with the manufacturers recommended plan.

Failure of Hampole

Having reached financial close in respect of Hampole in May 2013 following its acquisition in January 2013, while the Directors expect that construction will be completed and that the wind farm will be commissioned in Q1 2014, there may be delays to the building, connecting and commissioning of the wind farm which may delay the Company receiving revenue from it. While appropriate budgets and safeguards have been put in place in relation to the cost of building and commissioning the wind farm, the Directors will continue to monitor progress closely to ensure that these are met.

Trading systems

The Company has recently implemented a new trading system. While the Board believes appropriate limits and safeguards have been put in place, they will continue to closely monitor the performance of the new trading system and its operation to ensure that the expected benefits accrue to the business.

Loss of one or more wind turbines

In the event of failure of a wind turbine at Delabole, the operation and maintenance contract (O&M contract) with the turbine supplier will require the turbine supplier to repair the turbine subject to the terms of the O&M contract. The Group expects that any repairs to a turbine would be carried out within a few weeks or months of any outage. The Group also carries insurance cover for the Delabole turbines, including business interruption cover subject to certain exclusions. The Delabole planning permission requires the Group to dismantle and remove any turbine which is not operational for a period of 12 months or more. In the event that a turbine is not repaired by the turbine supplier within a period of 12 months from failure and the Group is required under its planning permission to dismantle and remove that turbine, the costs of removal and loss of output, to the extent not covered by the Group's insurance, could have a material adverse impact on the revenues and prospects of the Group.

Availability and performance of equipment

The Group's ability to generate electricity depends on the availability of and performance of the relevant generation equipment, such as wind turbines, or solar modules or inverters. Mechanical failure or other defects or accidents which result in non-performance or under-performance of equipment will have a negative impact on the revenue and profitability of the Group. The Group may be the beneficiary of warranties or guarantees given by the equipment supplier, but warranties and guarantees typically only apply for a limited duration and can exclude some causes of project non-availability, such as scheduled and unscheduled grid outages.

Reliance on the transmission network

In addition to the quality of the wind resources, the amount of electricity generated by a wind farm depends upon many factors. In particular, conditions on the electrical transmission network may reduce the amount of energy the Group can deliver to the network. This may be caused by, amongst others, failure of the operators' own equipment. The inability to deliver output may result in the Group's projections not being met with resulting in sales of energy being significantly lower than forecast and thereby having a material adverse effect on the Group's business, operations and financial performance.

Nearby objects may interfere with the generating capability of wind farms

The operational performance of wind farms depends on wind speeds and other climatic conditions at the relevant site. However, objects such as buildings and trees near wind farms, especially in more built-up areas, may reduce the wind resources due to the disruption of wind flows. Although the Group will exercise due care when selecting future wind farm sites, any development on nearby land may have a negative effect on the generating capability of a wind farm. Such developments may reduce the operational performance of a wind farm which could have a material adverse effect on the Group's business, financial condition or results of operations.

Availability of wind turbines

There is a risk that wind turbines may not be available to meet the requirements of the Group. This would be due to market fluctuations in the demand for wind turbines, the cost and availability of the parts to manufacture wind turbines and discontinuation of particular models. This could have a material impact on the timing of the development of the Group future assets.

Wind speeds and solar radiation

The energy generated from the renewable generating assets owned by the Group will be dependent on meteorological factors such as wind speed and solar radiation. While it is possible to forecast wind speeds and solar radiation for an actual site to a limited extent, actual solar radiation levels and wind speeds are likely to vary and in some years such variances may be material. The annual variability of wind speeds and solar radiation may result in year-to-year volatility in energy generated by the Group and any material reduction could have a material adverse impact on the results and prospects of the Group.

Trading authorisation

The Group's trading team is responsible for buying and selling energy to balance the position between the demand of its customers and the supply from its power purchasing. There are various levels of authorities in place that allow the team to trade. The approvals required to make any trade sit outside the trading team in the executive and the financial team. It is physically possible that a trader could place a trade without sign off, however any such unauthorised trade would be limited by the amount of credit available which is managed by the finance team and reviewed on a regular basis. Once a trade is complete, every trade is then signed off again by the executive.

Loss of licence

Good Energy Limited is a licensed electricity supplier under the Electricity Act and Good Energy Gas Limited is a licensed gas supplier under the Gas Act, as well as the Group being regulated by OFGEM. Under the terms of its supply licence, Good Energy Limited is also required to be party to a number of industry documents, including the Master Registration Agreement, the Distribution Connection and Use of System Agreement, the Connection and Use of System Code and the Balancing and Settlement Code. Under the terms of its supply licence, Good Energy Gas Limited is also required to be party to a number of industry documents, including the Supply Point Administration Agreement and the Uniform Network Code. In the event that any of the Group's licences were to be suspended or revoked, or the Group was no longer being a party to one of the relevant industry documents referred to above, (for example as a result of an event of default by the Group), this could have a material impact on the Group's business, financial condition or results of operations.

Risk of regulatory fines

Under the Group's electricity and gas licences OFGEM is allowed to fine the Group up to 10 per cent. of Group turnover in relation to a non-compliance issue. The Group has in place a head of regulation who is responsible for ensuring the Company is compliant with licence conditions.

Changes in technologies may render current technologies obsolete or require substantial capital investments

The renewable energy industry has experienced rapid improvements in technology and sophistication in production equipment. The use of modern technology and automation in manufacturing processes is essential to reduce costs and accelerate execution. Although the Group strives to keep its technology, plant and machinery current with the latest international technological standards, it may be required to implement new technology, or to upgrade the machinery used for wind energy production. The cost of implementing new technology and upgrading its machines could be significant and could adversely affect its financial condition and results of operations.

Scalable business

The Group is currently executing a number of key strategies to provide substantial flexibility for the expected growth of the business over the next five years. These include a major upgrade of the IT infrastructure which should be fully operational later in 2012 and also new ICT facilities which were

rolled out in the spring 2012. Both of these initiatives support the overall strategy of providing scalability to the business. Additionally, all new software development is performed on Microsoft Enterprise tools that are industry standard and used by numerous corporations.

Implementation of Customer Relationship Management (CRM) system

The Group is due to implement a new CRM system in Q3 2013. Implementing such a system will require the migration of all the customer data held on the current system to the new system. There have been various delays related to migrating this system over the past 12 months, and there continue to be various risks in the implementation of the project including non-performance of the new system, corruption of data during the migration and loss of data. There are various processes in place to mitigate these risks, including significant user acceptance testing and ensuring that the systems can run in parallel if required. This will ensure that if there is any data corruption or data loss it can be recovered.

There is a further risk that there will be a delay to implementation of the new CRM system which will impede the ability of the Company to take advantage of the economies of scale expected from the new system.

Loss of electricity sales

The Group's electricity sales figures are liable to change for up to 14 months after the date of the delivery of electricity to non-half hourly customers (domestic and small business). This is due to the way the market functions and is the same for all electricity suppliers. It can mean that electricity sales can vary by up to 10 per cent., positive or negative, from when they are originally estimated. The Group is aware of this and manages the risk by ensuring there is sufficient provision in place.

Loss of customers

The majority of the Group's customers are on evergreen contracts, i.e., they can terminate their supply contract with the Group on 28 days' notice. Accordingly, there is a possibility that the Group could lose customers at short notice. The key risk of losing customers in significant numbers is the 'group buying' energy model that has recently been promoted by Which?. Under the group buying model, energy customers who agree are clubbed together and UK energy suppliers are invited to take part in a 'reverse auction', in which the energy suppliers outbid each other with lower prices, the energy supplier with the lowest energy price winning those new energy customers. The Group is at a similar level of risk as any other energy supplier to the group buying method and has seen some recent increase in customer churn as a result of a recent reverse auction. The Group attempts to mitigate customer losses by contacting as many lost customers as possible and endeavouring to win them back.

External impact

Future results may be adversely affected by changes in economic, political, judicial, or other regulatory factors, corporation tax or VAT, as well as general market conditions beyond the Group's control.

The risk of delay due to planning consent

The ability for a development site to receive timely planning consent will be dependent on local policy, the local political landscape and the local planning officer. This will differ region by region, and will also be affected by the number of other applications in a region's pipeline.

The risk of delay due to grid access

The ability for new development sites to connect to the grid in a timely manner is reliant on the investment strategy of the local distribution companies and the regulatory framework set out by OFGEM. If sufficient capacity is not available to connect a new site to the grid, then additional work with lead times of 12-24 months may be incurred.

Security of supply

The Group's ability to buy and sell energy and to balance the position between the demand of its customers and the supply from its power purchasing is affected by the overall liquidity in the market and the ability for the Group to place credit and purchase agreements/contracts and sell power. The overall liquidity in the energy market is currently under review in the OFGEM RMR and will be monitored by the OFGEM on an ongoing basis. The Group is also taking steps to increase the number of trading parties it can work with and the flexibility of credit it can put in place.

Credit risk

The Group's exposure to credit risk arises from its receivables from customers. The Group's policy is to undertake credit checks where appropriate on new customers and to provide for doubtful debts based on estimated irrecoverable amounts determined by reference to specific circumstances and past default experience. Credit risk is also in part mitigated by the policy to offer direct debit as a preferred method of payment for customers.

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions. The Directors monitor credit quality of the institutions used when considering which banks and financial institutions funds should be placed with.

The Group is subject to competition risks

Given the potential for growth in the UK renewable energy market, it is likely that the Group will face increasing competition from businesses which may have greater capital and other resources and which may be able to provide better services or adopt more aggressive pricing policies. There is no assurance that the Group would be able to compete successfully in such market circumstances.

Such competition may cause a decrease in expected profit margins, and adversely affect market share. Such competition may have a substantial adverse effect on the Group's business, financial condition, trading performance and prospects.

Energy prices are volatile

The Group's revenue from energy sales may be affected by fluctuations in energy prices (e.g. the price of wholesale electricity) and the associated costs with buying in any volatile marketplace. This in turn would lead to necessary pricing action being taken by the Group and could result in a loss of customers if other energy providers with larger portfolios were better able to mitigate the increase and remain more competitive.

Implementing strategy

The value of Ordinary Shares will depend to a significant degree on the Group's ability to identify and make further investments within the renewable energy sector in a reasonable time frame and on the success of those investments.

Key relationships

The Group will ultimately be reliant on relationships with key power generators, suppliers, transporters and distributors. The Group also considers that a good working relationship with Government and trade organisations is important throughout the life of the Group. Any adverse disruptions to these relationships may impact upon the Group's future operational and financial performance.

Environmental and health and safety regulations

The operations of the Group's Subsidiaries could be adversely affected if any one of them fails to comply with EU, UK and/or local environmental and health and safety laws and regulations. Changes in these laws and regulations may cause increased compliance costs, the need for additional expenditure, and output levels of existing renewable plant may be affected.

Environmental risk

The Group is involved in operations that may be subject to environmental and safety regulation (including regular environmental impact assessments and permitting). This may include a wide variety of matters such as prevention of waste, pollution and protection of the environment, labour regulations and worker safety. The regulations may change in a manner that may require stricter or additional standards than those currently in effect, a heightened degree of responsibility for companies and their directors and employees and more stringent enforcement of existing laws and regulations. There may also be unforeseen environmental liabilities which may be costly to remedy. There is no assurance that future changes in environmental regulation will not adversely affect the activities of the Group.

Revenue risk

Although the Directors have confidence in the Group's future revenue earning potential, there can be no certainty that the Group will achieve or sustain significant revenues, profitability or positive cash flow from its operating activities. This could impair the Group's ability to sustain operations or secure any required funding.

Unforeseen factors and developments

The Group's ability to implement its business strategy may be adversely affected by factors that it cannot currently foresee, such as unanticipated costs and expenses, technological change or severe economic downturn. All of these factors may necessitate changes to the business strategy described in this Circular.

General economic risk, currency risk and overseas activities

The financial position of the Group may be adversely affected by general economic conditions, by conditions within various countries' markets or by the particular financial condition of the parties conducting business with Group companies.

Management of growth

The expansion of the Group will place additional demands upon its technical, sales and marketing and administrative resources. As the Group is at a comparatively early stage of its development, its ability to cope with these additional demands is uncertain. The failure to manage its growth appropriately may adversely affect the business, its financial condition and the future results of its operations.

Dependence on key personnel

The Group believes that its future success will greatly depend upon the expertise and continued services of certain key executives and technical personnel, including, in particular, Juliet Davenport and other senior management. The Group cannot guarantee the retention of such key executives and industry specialist personnel. As a result, its business, its results of operations and financial condition may be adversely affected. The Group maintains keyman insurance for Juliet Davenport.

Tax and regulatory considerations

Changes in tax laws or subordinate legislation or the practice of any taxation authority could have a material adverse effect on the Group. An investment in the Group may involve complex tax considerations which may differ for each investor and each investor is advised to consult its own tax advisers. Any tax legislation and its interpretation and the legal and regulatory regimes which apply in relation to an investment in the Group may change at any time.

Business continuity risk

The Group manages a significant amount of commercial and personal information in the form of customer data relationship management (for both domestic and commercial customers) and trading information data. Data is currently replicated on site and archived to an external facility. The Group's business operations, information systems and processes are vulnerable to damage or interruption from fires, floods, power loss, telecommunication failures, bomb threats, explosions or other forms of terrorist activity and other natural and man-made disasters. These systems may also be subject to sabotage, vandalism, theft or similar misconduct.

The Group has recently installed and commissioned separate servers with replication processes to give a further level of BCP reliance, failover and potentially a higher availability. This enhanced infrastructure is still being rolled out across all the Group's systems and is expected to be fully operational in Q3 2013.

Reliance on third parties

A limited number of third-party suppliers may be contracted for the supply of certain components, such as wind turbines, inverters or solar modules. These suppliers may not be able to meet agreed minimum levels of supply. Failure to obtain a continued supply of components on competitive terms or at all could severely harm the ability of the Group to develop and realise projects and, consequently, the Group's financial condition and results.

Project component suppliers may be unable to meet their warranty obligations in respect of components, in whole or in part, due to production, economic or financial difficulties or other reasons. Such circumstances could cause the Group to experience increased costs which could have a material adverse effect on the Group's financial condition or results.

In the construction and operating phase of a development, the Group expects to enter into agreements with third-party professionals and independent contractors and other companies to provide the required construction, installation and maintenance services. If such contracted parties are not able to fulfil their contractual obligations, the Group may be forced to provide additional resources to complete their work, or to engage other companies to complete their work on different terms. Any financial difficulty, breach of contract or delay in services by these third-party professionals and independent contractors could have a material adverse effect on the Group's financial condition and results.

In addition the Group is dependent on third-parties for operation in the UK power network. The Group may therefore be subject to changes in the way in which distribution, transmission and metering is operated, including having to place significant amounts of cash as security cover with these suppliers.

Insurance

While the Group may obtain insurance against certain risks in such amounts as it considers adequate, the nature of these risks are such that liabilities could exceed policy limits or that certain risks could be excluded from coverage. There are also risks against which the Group cannot insure or against which it may elect not to insure. The potential costs that could be associated with any liabilities not covered by insurance or in excess of insurance coverage may cause substantial delays and require significant capital outlays, adversely affecting the Group's earnings and competitive position in the future and potentially, its financial position. In addition, the potential costs that could be associated with compliance with applicable laws and regulations may also cause substantial delays and require significant capital outlays, adversely affecting the Group's earning and competitive position in the future and, potentially its financial position.

Risks relating to obtaining financing

The Group aims to finance its renewable energy generation with a mixture of equity and debt financing. No assurance can be given that the Group will be able to raise equity and debt financing in the future. If the Group is unable to obtain the funding it requires it may be unable to develop future generation projects which could have a material adverse effect on the Group's future financial condition and results.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet cash flow commitments associated with financial instruments. The Group has cash resources available to it and prepares in the operating entities of the Group, forecasts for the forthcoming year which indicate that in the Directors' opinion it will have sufficient resources to fund the continuation of trade. The Group monitors cash flow forecasts on a 'rolling forecast' basis to seek to ensure it has sufficient cash to meet operational needs while maintaining enough headroom on its undrawn committed borrowing facilities at all times so as not to breach borrowing limits or covenants.

Provision for bad debt

Historically, bad debts within the electricity supply business have run at approximately less than three per cent. of revenue. Collection of cash from customers is largely automated and is monitored by a dedicated team of experienced credit controllers who closely manage the Group's debtor portfolio. Processes are in place to identify potential bad accounts at the earliest opportunity and specific credit checking is carried out for all major customers. Additionally the Group has increased the proportion of customers on direct debit which significantly reduces bad debt risk.

Default on loan covenants

There exist certain default loan covenants relating to the financing agreement of the Delabole wind farm. When the financing was put in place assumptions were used to ensure that the Group has a cushion in the cash flows arising from Delabole which should ensure that any default is unlikely. Also the Group has insurance and maintenance agreements in place which mitigate much of the lost revenues from unforeseen operational issues.

The £7.5 million RCF with Lloyds TSB Bank PLC contains certain covenants requiring the maintenance of certain EBITDA coverage ratios. If these covenant ratios were breached, advances made under RCF could become repayable.

Interest rate risk

The financial risk is the risk to the Group's earnings that arises from fluctuations in interest rates and the degree of volatility of these rates. For short term bank overdraft facilities, the Group does not use derivative instruments to reduce its exposure to interest rate fluctuations as the policy of the Group is not to rely on short term borrowing facilities for any significant duration. The Directors use interest rate swaps if they consider their exposure to interest rate risk to be material. For long term borrowings, the Group uses interest rate swaps to fix the interest rate payable on these material balances in order to mitigate the risk of any fluctuations in interest rates.

General economic conditions

Market conditions may affect the ultimate value of the Group's share price regardless of operating performance. The Group could be affected by unforeseen events outside its control, including, natural disasters, terrorist attacks and political unrest and/or government legislation or policy.

Force majeure

The Group operations now or in the future may be adversely affected by risks outside the control or anticipation of the Group including labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.

3. Risks relating to the Ordinary Shares

Investment risk and AIM

There is no guarantee that the Group will maintain its quotation on AIM. The Group cannot assure investors that the Group will always retain a quotation on AIM. If it fails to retain such a quotation, certain investors may decide to sell their shares, which could have an adverse impact on the price of the Ordinary Shares. Additionally, if in the future the Group decides to obtain a quotation on another exchange in addition to AIM, the level of liquidity of the Ordinary Shares traded on AIM could decline.

Suitability of Ordinary Shares as an investment

The Ordinary Shares may not be a suitable investment for all people receiving this Circular. Before making any investment, potential investors should consult an appropriately qualified investment adviser, authorised in the UK by the FCA, who specialises in advising on the acquisition of listed securities. The value of the Ordinary Shares and the income received from them can go down as well as up and investors may get back less than their original investment.

Risks relating to investment in the Group's Ordinary Shares

Share prices may fluctuate from time to time for various reasons. As well as being affected by the Group's actual or forecast operating results, the market price of the Ordinary Shares may fluctuate significantly as a result of factors beyond the Group's control, including among others:

- changes in research analysts' recommendations or any failure by the Group to meet the expectations of research analysts;
- changes in the performance of the petrochemical sector as a whole and of any of the Group's competitors;
- fluctuations in share prices and volumes, and general market volatility; and involvement of the Group in any litigation.

Liquidity in market for the Ordinary Shares

The Group cannot predict the extent to which an active market for the Ordinary Shares will develop or be sustained after Admission, or how the development of such a market might affect the market price of the Ordinary Shares. An illiquid market for the Ordinary Shares may result in lower trading prices and increased volatility, which may adversely affect the value of an investment in the Ordinary Shares. The

market price of the Ordinary Shares may fluctuate significantly in response to a number of factors, many of which may be out of the Group's control. The share price of publicly traded companies can be highly volatile. The price at which the Ordinary Shares may be quoted and the price which Shareholders may realise for their Ordinary Shares will be influenced by a large number of factors, some specific to the Group and its operations and some which may affect the industry as a whole or quoted companies generally. These factors include those referred to in this Part II, as well as the Group's financial performance, the impact of Shareholders being released from lock-in restrictions, stock market fluctuations and general economic conditions. Share price volatility arising from such factors may adversely affect the value of an investment in the Ordinary Shares.

Risks relating to the Placing and Open Offer

There may be volatility in the price of the New Ordinary Shares

The Issue Price may not be indicative of the market price for the New Ordinary Shares following Admission. The market price of the New Ordinary Shares could be volatile and subject to significant fluctuations due to a variety of factors, including changes in sentiment in the market regarding the Company, the sector or equities generally, any regulatory changes affecting the Group's operations, variations in the Group's operating results and/or business developments of the Group and/ or its competitors, the operating and share price performance of other companies in the industries and markets in which the Group operates, news reports relating to trends in the Group's markets or the wider economy and the publication of research analysts' reports regarding the Company or the sector generally.

The proportionate ownership and voting interest in the Company of Shareholders (who are not Placers) will be reduced pursuant to the Placing and Open Offer. In addition, to the extent that Shareholders do not take up the Open Offer Shares under the Open Offer, their proportionate ownership and voting interest in the Company will be further reduced and the percentage that their Existing Ordinary Shares represents of the Enlarged Share Capital will be reduced accordingly. Subject to certain exceptions, Shareholders in the United States and other Excluded Territories will not be able to participate in the Open Offer.

Pre-emptive rights may not be available for US and other non-UK holders of ordinary shares

In the case of an increase in the share capital of the Company for cash, the Shareholders are generally entitled to pre-emption rights pursuant to the Act unless such rights are waived by a special resolution of the Shareholders at a general meeting (as proposed in respect of the Capital Raising), or in certain circumstances stated in the Articles, and such an issue could dilute the interests of the Shareholders. To the extent that pre-emptive rights are applicable, US and certain other non-UK holders of Ordinary Shares may not be able to exercise pre-emptive rights for their shares unless the Company decides to comply with applicable local laws and regulations and, in the case of US holders, unless a registration statement under the US Securities Act is effective with respect to those rights or an exemption from the registration requirements thereunder is available. The New Ordinary Shares to be issued will not be registered under the US Securities Act. Qualifying Shareholders who have a registered address, or who are resident in, or who are citizens of, countries other than the United Kingdom should consult their professional advisers about whether they require any governmental or other consents or need to observe any other formalities to enable them to take up their Open Offer Entitlements or acquire Open Offer Shares.

Forward-looking statements

Certain statements contained in this Circular may constitute forward-looking statements. Forward-looking statements include statements concerning the plans, objectives, goals, strategies and future operations and performance of the Group and the assumptions underlying these forward-looking statements. The Group uses the words "anticipates", "estimates", "expects", "believes", "intends", "plans", "may", "will", "should", and any similar expressions to identify forward-looking statements. Any such forward-looking statement involves known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the Group or industry results, to be materially different from any future results, performance or achievements expressed or implied by any such forward looking statements. Such forward-looking statements are based on numerous assumptions regarding present and future business strategies and the environment in which the Group will operate in the future. These forward-looking statements speak only as of the date of this Circular. The Group expressly disclaims any obligation

or undertakings to release publicly any updates or revisions to any forward looking statement contained herein, save as required to comply with any legal or regulatory obligations, to reflect any change in the Group's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based. All subsequent written or oral forward-looking statements attributable to the Group, or persons acting on behalf of the Group, are expressly qualified in their entirety by the cautionary statements contained throughout this Circular. As a result of these risks, uncertainties and assumptions, a prospective investor should not place undue reliance on these forward looking statements.

PART III

SOME QUESTIONS AND ANSWERS ABOUT THE PLACING AND OPEN OFFER

The questions and answers set out in this Part III of this Circular are intended to be in general terms only and, as such, you should read Part IV of this Circular for full details of what action you should take. If you are in any doubt as to what action you should take, you are recommended to seek your own personal financial advice immediately from your stockbroker, bank, fund manager, solicitor, accountant or other appropriate independent financial adviser, who is authorised under the FSMA if you are resident in the United Kingdom, or, if not, from another appropriately authorised independent financial adviser.

This Part III deals with general questions relating to the Placing and Open Offer and more specific questions relating principally to the Existing Ordinary Shares held by persons resident in the United Kingdom who hold their Existing Ordinary Shares in certificated form only. If you are an Overseas Shareholder, you should read paragraph 6 of Part IV of this Circular and you should take professional advice as to whether you are eligible and/or you need to observe any formalities to enable you to take up your Open Offer Entitlements or apply for Excess Shares pursuant to the Excess Application Facility. If you hold your Existing Ordinary Shares in uncertificated form (that is, through CREST) you should read Part IV of this Circular for full details of what action you should take. If you are a CREST sponsored member, you should also consult your CREST sponsor.

The contents of this Circular should not be construed as legal, business, accounting, tax, investment or other professional advice. Each prospective investor should consult his, her or its own appropriate professional advisers for advice. This Circular is for your information only and nothing in this Circular is intended to endorse or recommend a particular course of action.

1 What is an open offer?

An open offer is a way for companies to raise money. Companies may do this by giving their existing shareholders a right to acquire further shares at a fixed price in proportion to their existing shareholdings (the open offer) and providing for new investors to acquire any shares not bought by the company's existing shareholders (the placing). The fixed price is normally at a discount to the market price of the existing ordinary shares prior to the announcement of the placing and open offer.

This Open Offer is an invitation by the Company to Qualifying Shareholders to apply to acquire an aggregate of up to 1,673,335 Open Offer Shares at a price of 125 pence per New Ordinary Share. If you hold Existing Ordinary Shares (provided that you hold 15 or more such shares) on the Record Date or have a *bona fide* market claim, other than, subject to certain exceptions, where you are a Shareholder with a registered address or located in the United States or another Excluded Territory, you will be entitled to apply for Open Offer Shares under the Open Offer.

The Open Offer is being made on the basis of 2 Open Offer Shares for every 15 Existing Ordinary Shares held by Qualifying Shareholders on the Record Date. If your entitlement to Open Offer Shares is not a whole number, you will not be entitled to apply for an Open Offer Share in respect of any fraction of an Existing Ordinary Share and your entitlement will be rounded down to the nearest whole number. The resulting fractions of New Ordinary Shares will be aggregated and made available to Qualifying Shareholders under the Excess Application Facility.

Open Offer Shares are being offered to Qualifying Shareholders in the Open Offer at a discount to the closing price on the last dealing day before the details of the Capital Raising were announced on 11 July 2013. The Issue Price of 125 pence per Open Offer Share represents a 16.9 per cent. discount to the closing middle market price of 150.5 pence per Existing Ordinary Share on 10 July 2013, the last business day before the announcement of the Placing and Open Offer. Considering this discount, and while the market value of an Existing Ordinary Share exceeds the Issue Price, the right to subscribe for Open Offer Shares is potentially valuable.

Applications by Qualifying Shareholders will be satisfied in full up to the amount of their individual Open Offer Entitlement. Qualifying Shareholders are also being given the opportunity, provided that they take up their Open Offer Entitlement in full, to apply for Excess Shares through the Excess Application Facility.

If applications under the Excess Application Facility are received for more than the total number of Open Offer Shares available following take-up of Open Offer Entitlements, such applications will be scaled back *pro rata* to the number of Excess Shares applied for by Qualifying Shareholders under the Excess Application Facility.

The number of available Open Offer Shares under the Excess Application Facility is dependent on the level of take-up of Open Offer Entitlements. Assuming that there is no Overseas Shareholder who has a registered address in, or is a resident in or a citizen of an Excluded Territory, and if every Qualifying Shareholder takes up their Open Offer Entitlements in full there will be no Open Offer Shares available under the Excess Application Facility.

Qualifying Shareholders should be aware that the Open Offer is not a rights issue. As such, Qualifying non-CREST Shareholders should also note that their Application Forms are not negotiable documents and cannot be traded. Qualifying CREST Shareholders should note that, although the Open Offer Entitlements and the Excess CREST Open Offer Entitlements will be admitted to CREST, they will have limited settlement capabilities (for the purposes of market claims only), and neither the Open Offer Entitlements nor the Excess CREST Open Offer Entitlements will be tradable or listed, and applications in respect of the Open Offer may only be made by the Qualifying Shareholders originally entitled or by a person entitled by virtue of a *bona fide* market claim.

2 What is a placing? Am I eligible to participate in the Placing?

A placing is where specific investors procured by a company's agents agree to acquire placed shares. The Placing Shares to be issued to Placees as part of the Capital Raising have been placed firm and are not being offered to Qualifying Shareholders and therefore do not form part of the Open Offer.

Unless you are a Placee, you will not participate in the Placing.

3 I hold my Existing Ordinary Shares in certificated form. How do I know whether I am able to acquire Open Offer Shares under the Open Offer?

If you receive an Application Form and, subject to certain exceptions, are not a holder with a registered address in or located in the United States or another Excluded Territory, then you should be eligible to acquire Open Offer Shares under the Open Offer, as long as you have not sold all of your Existing Ordinary Shares before 12 July 2013 (the time when the Existing Ordinary Shares are expected to be marked "ex-entitlement" by the London Stock Exchange).

4 I hold my Existing Ordinary Shares in certificated form. How do I know how many Open Offer Shares I am entitled to take up?

If you hold your Existing Ordinary Shares in certificated form and, subject to certain exceptions, do not have a registered address and are not located in the United States or another Excluded Territory, you have been sent an Application Form that shows:

- how many Existing Ordinary Shares you held at close of business on 8 July 2013 (the Record Date for the Open Offer);
- how many Open Offer Shares are comprised in your Open Offer Entitlement; and
- how much you need to pay if you want to take up your right to buy all your entitlement to the Open Offer Shares.

Subject to certain exceptions, if you have a registered address in the United States or one of the Excluded Territories, you will not receive an Application Form.

If you would like to apply for any of, all of or more than the Open Offer Shares comprised in your Open Offer Entitlement you should complete the Application Form in accordance with the instructions printed on it and the information provided in this Circular. Please return the completed form in the reply-paid envelope provided with the Application Form along with a cheque or banker's draft for the number of Open Offer Shares you want to apply for and allow at least four Business Days for delivery if sent by first class post from within the United Kingdom. Please also see questions 5 and 11 for further help in completing the Application Form.

5 I am a Qualifying Shareholder with a registered address in the UK and I hold my Existing Ordinary Shares in certificated form. What are my choices in relation to the Open Offer and what should I do with the Application Form?

5.1 *If you want to take up all of your Open Offer Entitlement*

If you want to take up all of the Open Offer Shares to which you are entitled, all you need to do is sign and send the Application Form, together with your cheque or banker's draft for the amount (as indicated in Box C of your Application Form), payable to "Computershare Investor Services PLC re Good Energy Group PLC Open Offer A/C" and crossed "A/C payee only", in the reply-paid envelope provided, by post or by hand (during normal business hours only) to Computershare to arrive by no later than 11a.m. on 29 July 2013. Within the United Kingdom only, you can use the accompanying reply-paid envelope. You should allow at least four Business Days for delivery if using first-class post within the United Kingdom. If posting from outside the United Kingdom, postage will be payable when using the reply-paid envelope.

Full instructions are set out in the Application Form. A definitive share certificate will then be sent to you for the Open Offer Shares that you take up. Your definitive share certificate for Open Offer Shares is expected to be despatched to you by no later than 12 August 2013.

5.2 *If you want to take up some but not all of your Open Offer Entitlement*

If you want to take up some but not all of the Open Offer Shares to which you are entitled, you should write the number of Open Offer Shares you want to take up in Box D of your Application Form; for example, if you are entitled to take up 100 shares but you only want to take up 50 shares, then you should write '50' in Box D.

To work out how much you need to pay for the Open Offer Shares, you need to multiply the number of Open Offer Shares you want (in this example '50') by £1.25, which is the price in pounds of each Open Offer Share (giving you an amount of £62.5 in this example). You should write this amount in Box G, rounding down to the nearest whole penny and this should be the amount your cheque or banker's draft is made out for. You should then sign and return your Application Form together with your cheque or banker's draft for that amount, payable to Computershare Re Good Energy Group PLC and crossed "A/C payee only", in the reply-paid envelope provided, by post to Computershare, Corporate Actions Projects, Bristol, BS99 6AH, or by hand (during normal business hours only) to Computershare, The Pavilions, Bridgwater Road, Bristol, BS13 8AE, to arrive by no later than 11 a.m. on 29 July 2013, after which time the Application Form will not be valid. Within the United Kingdom only, you can use the accompanying reply-paid envelope. You should allow at least four Business Days for delivery if using first-class post or the reply-paid envelope within the United Kingdom. If posting from outside the United Kingdom, postage will be payable when using the reply-paid envelope. Full instructions are set out in Part IV of this Circular and will be set out in the Application Form.

A definitive share certificate will then be sent to you for the Open Offer Shares that you take up. Your definitive share certificate for Open Offer Shares is expected to be despatched to you by no later than 12 August 2013.

5.3 *If you want to apply for more than your Open Offer Entitlement*

Provided that you have agreed to take up your Open Offer Entitlement in full, you can apply for further Open Offer Shares using the Excess Application Facility. You should write the number of Open Offer Shares you wish to take up, in Box D which must be the number of Open Offer Shares

shown in Box B. You should then write the number of Open Offer Shares you wish to apply for under the Excess Application Facility in Box E and then complete Box F by adding together the numbers you have entered in Boxes D and E.

To work out how much you need to pay for the Open Offer Shares, you need to multiply the number of Open Offer Shares shown in Box F by £1.25, which is the price in pounds of each Open Offer Share. You should write this amount in Box G, rounding down to the nearest whole penny. You should then return your Application Form together with your cheque or banker's draft for that amount, payable to Computershare Re Good Energy Group PLC and crossed "A/C payee only", in the reply-paid envelope provided, by post to Computershare, Corporate Actions Projects, Bristol, BS99 6AH, or by hand (during normal business hours only) to Computershare, The Pavilions, Bridgwater Road, Bristol, BS13 8AE, to arrive by no later than 11 a.m. on 29 July 2013, after which time the Application Form will not be valid. Within the United Kingdom only, you can use the accompanying reply-paid envelope. You should allow at least four Business Days for delivery if using first-class post or the reply-paid envelope within the United Kingdom. If posting from outside the United Kingdom, postage will be payable when using the reply-paid envelope. Full instructions are set out in the Application Form.

If applications under the Excess Application Facility are received for more than the total number of Open Offer Shares available following take-up of Open Offer Entitlements, such applications will be scaled back *pro rata* to the number of Excess Shares applied for by Qualifying Shareholders under the Excess Application Facility. Therefore, applications under the Excess Application Facility may not be satisfied in full. In this event Qualifying Shareholders will receive a pounds sterling amount equal to the number of Open Offer Shares applied and paid for by, but not allocated to, the relevant Qualifying Shareholder, multiplied by the Issue Price. Monies will be returned as soon as reasonably practicable, without payment of interest and at the Applicant's sole risk.

A definitive share certificate will be sent to you for the Open Offer Shares that you take up and otherwise successfully apply for using the Excess Application Facility. Your definitive share certificate for Open Offer Shares is expected to be despatched to you by no later than 12 August 2013.

5.4 *If you do not want to take up your Open Offer Entitlement*

If you do not want to take up the Open Offer Shares to which you are entitled, you do not need to do anything. In these circumstances, you will not receive any Open Offer Shares. You will also not receive any money when the Open Offer Shares you could have taken up are placed, as would happen under a rights issue.

If you do not take up your Open Offer Entitlement then following the issue of Open Offer Shares pursuant to the Open Offer, your interest in the Company will be diluted, although you should note that even if a Qualifying Shareholder subscribes for his full entitlement to the Open Offer Shares, his proportionate interest in the Company will be diluted by the issue of New Ordinary Shares pursuant to the Placing.

6 I hold my Existing Ordinary Shares in uncertificated form in CREST. What do I need to do in relation to the Open Offer?

CREST members should follow the instructions set out in Part IV of this Circular. Persons who hold Existing Ordinary Shares through a CREST member should be informed by such CREST member of the number of Open Offer Shares they are entitled to take up or apply for under their Open Offer Entitlement and their Excess CREST Open Offer Entitlement respectively, and should contact their CREST member should they not receive this information.

7 I acquired my Existing Ordinary Shares prior to the Record Date and hold my Existing Ordinary Shares in certificated form. What if I do not receive an Application Form or I have lost my Application Form?

If you do not receive an Application Form but hold your Existing Ordinary Shares in certificated form, this probably means that you are not able to acquire Open Offer Shares under the Open Offer. Some Qualifying non-CREST Shareholders, however, will not receive an Application Form but may still be eligible to acquire New Ordinary Shares under the Open Offer, namely:

- Qualifying CREST Shareholders who held their Existing Ordinary Shares in uncertificated form on 8 July 2013 and who have converted them to certificated form;
- Shareholders who bought Existing Ordinary Shares before or on 12 July 2013 and who hold such ordinary shares in certificated form but were not registered as the holders of those shares at the close of business on 8 July 2013; and
- certain Overseas Shareholders.

8 If I buy Existing Ordinary Shares after the Record Date will I be eligible to participate in the Open Offer?

If you bought Existing Ordinary Shares after the Record Date you are unlikely to be able to participate in the Open Offer, as the Existing Ordinary Shares are expected to start trading ex-entitlement on the London Stock Exchange at 8.00 a.m. on 12 July 2013.

If you are in any doubt, please consult your stockbroker, bank or other appropriate financial adviser, or whoever arranged your share purchase, to ensure you claim your entitlement.

If you buy Existing Ordinary Shares at or after 8.00 a.m. on 9 July 2013, you will not be eligible to participate in the Open Offer in respect of those Existing Ordinary Shares.

9 What if I change my mind?

Once you have sent your Application Form and payment to the Receiving Agent, you cannot withdraw your application or change the number of Open Offer Shares you have applied for.

10 What if the number of Open Offer Shares to which I am entitled is not a whole number? Am I entitled to fractions of Open Offer Shares?

Your entitlement to Open Offer Shares will be calculated at the Record Date. If the result is not a whole number, you will not receive an Open Offer Share in respect of the fraction of each Existing Ordinary Share and your entitlement will be rounded down to the nearest whole number. The resulting fractions of New Ordinary Shares will be aggregated and made available to Qualifying Shareholders under the Open Offer.

11 I hold my Existing Ordinary Shares in certificated form. What should I do if I want to spend more or less than the amount set out in Box C of the Application Form?

If you want to spend more than the amount set out in Box C you should divide the amount you want to spend by £1.25 (being the price in pounds of each Open Offer Share under the Open Offer). This will give you the number of Open Offer Shares for which you should apply. You can only apply for a whole number of Open Offer Shares. For example, if you want to spend £52.0 you should divide £52.0 by £1.25, which comes to 41.6. You should round that down to 41 to give you the number of Open Offer Shares for which, in this example, you can apply without exceeding your chosen amount. Write the total number of Open Offer Shares (in this example 41) in Box F. To get an accurate amount to put on your cheque or banker's draft, you should multiply the whole number of Open Offer Shares you want to apply for (41) by £1.25 and then fill in that amount rounded down to the nearest whole penny (in this example being £51.25), in Box G and on your cheque or banker's draft accordingly.

You should note that the number of available Open Offer Shares under the Excess Application Facility is dependent on the level of take-up of Open Offer Entitlements. If applications are received for more than the available number of Open Offer Shares, applications made under the Excess Application Facility will be scaled back *pro rata* to the number of Excess Shares applied for by Qualifying Shareholders. Assuming that there are no Overseas Shareholders who have registered addresses in, or are residents in or citizens of an Excluded Territory, and if every Qualifying Shareholder takes up their Open Offer Entitlements in full there will be no Open Offer Shares available under the Excess Application Facility. Qualifying non-CREST Shareholders whose applications under the Excess Application Facility are so scaled back will receive a pounds sterling amount equal to the number of Open Offer Shares applied and paid for by, but not allocated to, them multiplied by the Issue Price. Monies will be returned as soon as reasonably practicable, without payment of interest and at the Applicant's sole risk.

If you want to spend less than the amount set out in Box C, you should divide the amount you want to spend by £1.25 (being the price, in pounds, of each Open Offer Share under the Open Offer). This will give you the number of Open Offer Shares you should apply for. You can only apply for a whole number of Open Offer Shares. For example, if you want to spend £46.0 you should divide £46.0 by £1.25. You should round that down to the nearest whole number (in this example, 36), to give you the number of shares you want to take up. Write that number (in this example, 36) in Box F. Then to get an accurate amount to put on your cheque or banker's draft, you should multiply the whole number of Open Offer Shares you want to apply for (in this example, 36) by £1.25 and then fill in that amount rounded down to the nearest whole penny (in this example being £45.0) in Box G and on your cheque or banker's draft accordingly.

12 I hold my Existing Ordinary Shares in certificated form. What should I do if I have sold some or all of my Existing Ordinary Shares?

If you hold shares in the Company directly and you sell some or all of your Existing Ordinary Shares before close of business on 8 July 2013, you should contact the buyer or the person/company through whom you sell your shares. The buyer may be entitled to apply for Open Offer Shares under the Open Offer. If you sell any of your Existing Ordinary Shares after close of business on 8 July 2013, you may still take up and apply for the Open Offer Shares as set out on your Application Form.

13 I hold my Existing Shares in certificated form. How do I pay?

You should return your Application Form with a cheque or banker's draft drawn in pounds sterling on a UK bank or building society account in the accompanying reply-paid envelope (from within the United Kingdom). You should allow at least four Business Days for delivery if using first-class post within the United Kingdom. It is recommended that cheques should be drawn on a personal account of the Qualifying Shareholder who is applying for the Open Offer Shares or you may be required to supply additional documentation to satisfy Money Laundering Regulations. The funds should be made payable to "Computershare Investor Services PLC re Good Energy Group PLC Open Offer A/C". In each case, the cheque should be crossed "A/C Payee only". Payments via CHAPS, BACS or electronic transfer will not be accepted.

14 Will the Existing Ordinary Shares that I hold now be affected by the Open Offer?

If you decide not to apply for any of the Open Offer Shares to which you are entitled under the Open Offer, or only apply for some of your entitlement, your proportionate ownership and voting interest in the Company will be reduced.

15 I hold my Existing Ordinary Shares in certificated form. Where do I send my Application Form?

You should send your completed Application Form and monies in the accompanying reply-paid envelope (from within the United Kingdom) by post or by hand to: Computershare Investor Services PLC, Corporate Actions Projects Bristol, BS99 6AH. You should allow at least four Business Days for delivery if using first class post within the United Kingdom.

If you do not want to take up or apply for Open Offer Shares then you need take no further action.

16 I hold my Existing Ordinary Shares in certificated form. When do I have to decide whether I want to apply for Open Offer Shares?

The Receiving Agent must receive your completed Application Form and cheque or banker's draft by 11 a.m. on 29 July 2013. You should allow at least four Business Days for delivery if using first-class post or the reply-paid envelope included with the Application Form, within the United Kingdom.

17 I hold my Existing Ordinary Shares in certificated form. If I take up my entitlements, when will I receive the certificate representing my Open Offer Shares?

It is expected that the Registrar will post all new share certificates by 12 August 2013.

18 What should I do if I think my holding of Existing Ordinary Shares (as shown in Box A on page 1 of the Application Form) is incorrect?

If you bought or sold Existing Ordinary Shares shortly before the Record Date, your transaction may not have been entered on the register of members before the Record Date for the Open Offer. If you bought Existing Ordinary Shares before close of business on 8 July 2013 but were not registered as the holder of those shares on the Record Date for the Open Offer (8 July 2013), you may still be eligible to participate in the Open Offer. If you are in any doubt, please contact your stockbroker, bank or other appropriate financial adviser, or whoever arranged your share purchase, to ensure that you claim your entitlement. You will not be entitled to Open Offer Entitlements in respect of any Existing Ordinary Shares acquired on or after 9 July 2013.

19 Will the Placing and Open Offer affect dividends on the Existing Ordinary Shares?

The New Ordinary Shares will, when issued and fully paid, rank equally in all respects with Existing Ordinary Shares, including the right to receive all dividends or other distributions made, paid or declared, if any, by reference to a record date after the date of their issue.

20 What should I do if I live outside the United Kingdom?

Your ability to apply to acquire Open Offer Shares may be affected by the laws of the country in which you live and you should take professional advice as to whether you require any governmental or other consents or need to observe any other formalities to enable you to take up your Open Offer Entitlement. Shareholders with registered addresses or who are located in the United States or another Excluded Territory are, subject to certain exceptions, not eligible to participate in the Open Offer. Your attention is drawn to the information in paragraph 6 of Part IV of this Circular.

21 How do I transfer my entitlements into the CREST system?

If you are a Qualifying non-CREST Shareholder, but are a CREST member and want your Open Offer Shares to be in uncertificated form, you would complete the CREST deposit form (Box O on page 4 of the Application Form), and ensure they are delivered to CCSS to be received by 3 p.m. on 25 July 2013 at the latest. CREST sponsored members should arrange for their CREST sponsors to do this.

If you have transferred your rights into the CREST system, you should refer to Part IV of this Circular for details on how to pay for the Open Offer Shares.

22 Do I need to comply with the Money Laundering Regulations (as set out in paragraph 5 of Part IV of this Circular)?

If you are a Qualifying non-CREST Shareholder, you do not need to follow these procedures if the value of the Open Offer Shares you are acquiring is less than €15,000 (or its pounds sterling equivalent) or if you pay for them by a cheque drawn on an account in your own name and that account is one which is held with an EU or United Kingdom regulated bank or building society. If you are a Qualifying CREST Shareholder, you will not generally need to comply with the Money Laundering Regulations unless you apply to take up all or some of your entitlement to Open Offer Entitlements as agent for one or more persons and you are not an EU or United Kingdom regulated financial institution.

Qualifying non-CREST Shareholders should refer to paragraph 5.1 of Part IV of this Circular and Qualifying CREST Shareholders should refer to paragraph 5.2 of Part IV of this Circular for a fuller description of the requirements of the Money Laundering Regulations.

23 Further assistance

Should you require further assistance please call the Shareholder Helpline on 0870 707 1154 (from inside the United Kingdom), or +44 870 707 1154 (from outside the United Kingdom), which is available between the hours of 8.30 a.m. to 5.00 p.m. on any Business Day. Calls to the 0870 707 1154 number cost approximately 8 pence per minute (excluding value added tax) plus your service provider's network extras. Calls to the +44 870 707 1154 number will be charged at applicable international rates. Different charges may apply to calls from mobile telephones. Please note that, for legal reasons, the Shareholder Helpline is only able to provide information contained in this Circular and information relating to Good Energy Group's register of members and is unable to give advice on the merits of the Open Offer or to provide legal, business, accounting, tax, investment or other professional advice.

PART IV

TERMS AND CONDITIONS OF THE OPEN OFFER

Open Offer of up to 1,673,335 New Ordinary Shares at a price of 125 pence per Share

1 Introduction

As explained in Part I of this Circular, the Company is proposing to issue up to 1,673,335 New Ordinary Shares pursuant to the Open Offer to raise up to £2 million, net of expenses and assuming a full take up under the Open Offer. Upon completion of the Open Offer, assuming a full take up under the Open Offer, the Open Offer Shares will represent approximately 10.7 per cent. of the Enlarged Share Capital (assuming a full take up under the Open Offer). Qualifying Shareholders are being offered the opportunity under the Open Offer to acquire New Ordinary Shares at the Issue Price, being the same price per share as they are being offered to Placees under the Placing. The Placing Shares have been placed with institutional and other investors at the Issue Price and are not being offered to Shareholders and do not form part of the Open Offer. A summary of the Placing and Open Offer Agreement is set out in paragraph 3 of Part V of this Circular.

The Issue Price of the New Ordinary Shares represents a discount of 16.9 per cent. to the closing middle market price of 150.5 pence per Existing Ordinary Share on 10 July 2013 (being the latest practicable date prior to publication of this Circular).

This Circular and, where relevant, the accompanying Application Form contain the formal terms and conditions of the Open Offer.

2 The Open Offer

Subject to the terms and conditions set out below and, where relevant, in the Application Form, the Company hereby invites Qualifying Shareholders to apply for Open Offer Shares at the Issue Price, payable in full in cash on application, free of all expenses, on the basis of:

- (a) 2 Open Offer Shares for every 15 Existing Ordinary Shares held by them and registered in their names at the close of business on the Record Date and so in proportion for any other number of Existing Ordinary Shares then held; and
- (b) further Open Offer Shares in excess of their Open Offer Entitlement through the Excess Application Facility (although such Open Offer Shares will only be allotted to the extent that not all Qualifying Shareholders apply for their Open Offer Entitlement in full).

Holdings of Existing Ordinary Shares in both certificated and uncertificated form will be treated as separate holdings for the purpose of calculating entitlements under the Open Offer.

Fractions of New Ordinary Shares will not be allocated to Qualifying Shareholders and entitlements to apply for Open Offer Shares will be rounded down to the nearest whole number of New Ordinary Shares. New Ordinary Shares representing the aggregate of fractional entitlements will be made available to Qualifying Shareholders under the Open Offer.

Qualifying Shareholders may apply for any whole number of New Ordinary Shares up to their Open Offer Entitlement, which, in the case of Qualifying non-CREST Shareholders, is equal to the number of Open Offer Entitlements as shown on their Application Form or, in the case of Qualifying CREST Shareholders, is equal to the number of Open Offer Entitlements standing to the credit of their stock account in CREST and, if they so wish, may apply for Open Offer Shares in excess of their Open Offer Entitlement. Accordingly, applications in excess of the Open Offer Entitlements will only be satisfied to the extent that applications made by other Qualifying Shareholders are for less than their full Open Offer Entitlement and may therefore be scaled down *pro rata* to the number of Excess Shares applied for under the Open Offer, or otherwise at the absolute discretion of the Company. Any monies paid for applications in excess of their Open Offer Entitlements which are not so satisfied will be returned to the Applicant without interest within 14 days by way of cheque or CREST payment, as appropriate. The action to be

taken in relation to the Open Offer depends on whether, at the time at which application and payment is made, you have an Application Form in respect of your entitlement under the Open Offer or have Open Offer Entitlements credited to your stock account in CREST in respect of such entitlement.

Not all Shareholders will be Qualifying Shareholders. Overseas Shareholders who are located in, or who are citizens of, or have a registered address in certain overseas jurisdictions (including, without limitation, any Excluded Territory) will not qualify to participate in the Open Offer. The attention of Overseas Shareholders or any person (including, without limitation, a custodian, nominee or trustee) who has a contractual or other legal obligation to forward this Circular into a jurisdiction other than the United Kingdom is drawn to paragraph 6 of this Part IV.

If you have received an Application Form with this Circular please refer to paragraph 4.1 and paragraphs 5 to 7 of this Part IV.

If you hold your Existing Ordinary Shares in CREST and have received a credit of Open Offer Entitlements to your CREST stock account, please refer to paragraph 4.2 and paragraphs 5 to 7 of this Part IV and also to the CREST Manual for further information on the CREST procedures referred to below.

The Open Offer Shares will be issued fully paid and will be identical to, and rank *pari passu* in all respects with, the Existing Ordinary Shares and the New Ordinary Shares to be issued pursuant to the Placing and will rank for all dividends or other distributions declared, made or paid after the date of issue of the Open Offer Shares. No temporary documents of title will be issued.

Application will be made to the London Stock Exchange for the Open Offer Shares and the Placing Shares to be admitted to trading on AIM. It is expected that Admission will become effective on 31 July 2013 and that dealings for normal settlement in the New Ordinary Shares will commence at 8.00 a.m. on 31 July 2013. It is expected that the results of the Placing and Open Offer will be announced by 7.00 a.m. on 30 July 2013.

Shareholders should be aware that the Open Offer is not a rights issue. Entitlements to Open Offer Shares will neither be tradeable nor sold in the market for the benefit of Qualifying Shareholders who do not apply for them in the Open Offer.

Qualifying CREST Shareholders should note that although the Open Offer Entitlements and Excess Open Offer Entitlements will be admitted to CREST and be enabled for settlement, applications in respect of entitlements under the Open Offer may only be made by the Qualifying CREST Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim raised by Euroclear's Claims Processing Unit. Qualifying non-CREST Shareholders should note that the Application Form is not a negotiable document and cannot be traded.

Before making any decision to acquire Open Offer Shares, you are asked to read and carefully consider all of the information in this Circular, including in particular the important information set out in the letter from the Chairman of the Company in Part I of this Circular, as well as this paragraph 2 of this Part IV and the Risk Factors set out in Part II of this Circular. Shareholders who do not participate in the Open Offer will be subject to a more substantial dilution of their existing Good Energy Group PLC shareholdings. The material terms of the Open Offer are contained in paragraph 4.3 of Part I of this Circular.

3 Conditions of the Open Offer

The Open Offer is conditional, *inter alia*, upon:

- (a) the passing of Resolutions 1 to 3;
- (b) the Placing and Open Offer Agreement becoming unconditional in all respects (other than Admission) and having not been terminated in accordance with its terms; and
- (c) Admission of the Placing Shares and Open Offer Shares becoming effective by not later than 8.00 a.m. on 31 July 2013 (or such later time and/or date as N+1 Singer may agree, being not later than 8:00 a.m. on 31 August 2013).

Further details of the Placing and Open Offer Agreement are set out in paragraph 3 of Part V of this Circular. Further terms of the Open Offer are set out in this Part IV and in the Application Form.

If the Placing and Open Offer Agreement does not become unconditional in all respects by 8.00 a.m. on 31 July 2013 or if it is terminated in accordance with its terms, the Open Offer will be revoked and will not proceed. Revocation cannot occur after dealings in the New Ordinary Shares have begun.

4 Procedure for application and payment

Save as provided in paragraph 6 of this Part IV in relation to Overseas Shareholders, the action to be taken by you in respect of the Open Offer depends on whether at the relevant time you have an Application Form in respect of your Open Offer Entitlements, including the Excess Application Facility, or you have Open Offer Entitlements and Excess Open Offer Entitlements credited to your CREST account in respect of such entitlements.

Qualifying Shareholders who hold part of their Existing Ordinary Shares in uncertificated form on the Record Date will be allotted Open Offer Shares in uncertificated form to the extent that their entitlement to Open Offer Shares arises as a result of holding Existing Ordinary Shares in uncertificated form. Further information on deposit into CREST is set out in paragraph 4.2(f) of this Part IV.

CREST sponsored members should refer to their CREST sponsor, as only their CREST sponsor will be able to take the necessary action specified below to apply under the Open Offer in respect of the Open Offer Entitlements and Excess CREST Open Offer Entitlements of such members held in CREST. CREST members who wish to apply under the Open Offer in respect of their Open Offer Entitlements in CREST should refer to the CREST manual for further information on the CREST procedures referred to below.

4.1 Action to be taken if you have an Application Form in respect of your entitlement under the Open Offer

(a) General

Each Qualifying non-CREST Shareholder will have received an Application Form accompanying this Circular. The Application Form shows the number of Existing Ordinary Shares registered in the relevant Qualifying non-CREST Shareholder's name at the close of business on the Record Date. It also shows the number of Open Offer Shares for which such relevant Qualifying non-CREST Shareholder is entitled to apply under the Open Offer, calculated on the basis set out in paragraph 2 above. Qualifying non-CREST Shareholders may also apply for less than their maximum Open Offer Entitlements.

The Excess Application Facility enables Qualifying Shareholders who have taken up their full Open Offer Entitlement to apply for Open Offer Shares in excess of their Open Offer Entitlement. Applications in excess of the Open Offer Entitlement will only be satisfied to the extent that applications made by other Qualifying Shareholders are less than their full Open Offer Entitlements and may therefore be scaled down.

Fractions (if any) of Open Offer Shares will be aggregated and made available to Qualifying Shareholders under the Excess Application Facility. The instructions and other terms which are set out in the Application Form constitute part of the terms of the Open Offer.

(b) Procedure for application

Applications for Open Offer Shares (including under the Excess Application Facility) by Qualifying non-CREST Shareholders may only be made on the Application Form, which is personal to the Qualifying non-CREST Shareholder(s) named on it and is not capable of being split, assigned or transferred except in the circumstances described below.

Qualifying non-CREST Shareholders may also apply for Excess Shares in excess of their *pro rata* entitlement to Open Offer Shares by completing Boxes E and F of the Application Form for the total number of Open Offer Shares for which they wish to make application (including their *pro rata* entitlement) and submitting the amount payable on such application. Further details on the Excess Application Facility are set out in paragraph 4.1(d) of this Part IV.

A Qualifying non-CREST Shareholder who does not wish to apply for any of the Open Offer Shares to which he or she is entitled should not return a completed Application Form to the Receiving Agents. **However, he or she is strongly encouraged to still complete and return the Form of Proxy to the Registrars.**

The Application Form represents a right personal to the Qualifying non-CREST Shareholder to apply to subscribe for Open Offer Shares (including under the Excess Application Facility); it is not a document of title and it cannot be traded. It is assignable or transferable only to satisfy *bona fide* market claims in relation to purchases in the market pursuant to the rules and regulations of the London Stock Exchange. Application Forms may be split up to 3.00 p.m. on 25 July 2013 but only to satisfy such *bona fide* market claims. Qualifying non-CREST Shareholders who have before the 'ex' date sold or transferred all or part of their shareholdings are advised to consult their stockbroker, bank or agent through whom the sale or transfer was effected or another professional adviser authorised under the FSMA as soon as possible, since the invitation to apply for Open Offer Shares (including under the Excess Application Facility) may represent a benefit which can be claimed from them by the purchaser(s) or transferee(s) under the rules of the London Stock Exchange.

Qualifying non-CREST Shareholders who submit a valid application using the Application Form and accompanying payment will (subject to the terms and conditions set out in this Part IV, in the letter from the Chairman of the Company in Part I and in the Application Form) be allocated the Open Offer Shares applied for in full at the Issue Price (subject to the Company's discretion to accept, reject or scale back any application for any Open Offer Shares).

Applications will be irrevocable and, once submitted, may not be withdrawn and their receipt will not be acknowledged. The Company reserves the right to treat any application not strictly complying with the terms and conditions of application as nevertheless valid.

The Company may in its sole discretion, but shall not be obliged to, treat an Application Form as valid and binding on the person by whom or on whose behalf it is lodged, even if not completed in accordance with the relevant instructions or not accompanied by a valid power of attorney where required, or if it otherwise does not strictly comply with the terms and conditions of the Open Offer. The Company further reserves the right (but shall not be obliged) to accept either:

- (i) Application Forms received after 11 a.m. on 29 July 2013; or
- (ii) applications in respect of which remittances are received before 11 a.m. on 29 July 2013 from authorised persons (as defined in FSMA) specifying the Open Offer Shares applied for and undertaking to lodge the Application Form in due course but, in any event, within two Business Days.

Multiple applications will not be accepted. All documents and remittances sent by post by or to an Applicant (or as the Applicant may direct) will be sent at the Applicant's own risk.

If Open Offer Shares have already been allotted to a Qualifying non-CREST Shareholder and such Qualifying non-CREST Shareholder's cheque or banker's draft is not honoured upon first presentation or such Qualifying non-CREST Shareholder's application is subsequently otherwise deemed to be invalid, the Company shall arrange (in its absolute discretion as to manner, timing and terms) to make arrangements for the sale of such Qualifying non-CREST Shareholder's Open Offer Shares and for the proceeds of sale (which for these purposes shall be deemed to be payments in respect of successful applications) to be paid to and retained by the Company. None of the Registrar, the Company or any other person shall be responsible for, or have any liability for, any loss, expense or damage suffered by such Qualifying non-CREST Shareholders.

If you are a Qualifying non-CREST Shareholder and wish to apply for all or part of the Open Offer Shares to which you are entitled (including any application for any Excess Shares under the Excess Application Facility) you should complete and sign the Application Form

in accordance with the instructions printed on it and return it, either by post to Computershare, Corporate Actions Projects, Bristol, BS99 6AH or by hand (during normal business hours only) to Computershare, The Pavilions, Bridgwater Road, Bristol, BS13 8AE, together with a pounds sterling cheque or banker's draft to the value of the Open Offer Shares applied for on the Application Form, as soon as practicable and, in any event, so as to be received not later than 11 a.m. on 29 July 2013, after which time Application Forms will not be accepted. The cheque or banker's draft must be drawn on a United Kingdom branch of a qualifying bank or building society, as further described below. Your Application Form will not be valid unless you sign it. If you post your Application Form by first class post in the UK, or in the accompanying reply-paid envelope, you are advised to allow at least four Business Days for delivery.

The Company reserves the right (but shall not be obliged) to accept applications in respect of which remittances are received prior to 11 a.m. on 29 July 2013 from an authorised person (as defined in the FSMA) specifying the Open Offer Shares concerned and undertaking to lodge the relevant Application Form in due course.

(c) *Payments*

Cheques must be drawn on the personal account to which you have sole or joint title to the funds. Your cheque or banker's draft should be made payable to Computershare re Good Energy Group PLC and crossed "A/C Payee only". Payments must be made by cheque or banker's draft in pounds sterling drawn on an account at a branch (which must be in the United Kingdom, the Channel Islands or the Isle of Man) of a bank or building society which is either a settlement member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques and banker's drafts to be cleared through facilities provided by either of these companies and must bear the appropriate sorting code in the top right-hand corner. Third party cheques may not be accepted with the exception of building society cheques or banker's drafts where the building society or bank has confirmed on the back of the building society cheque or banker's draft the name of the account holder (which must be the same name as printed on the Application Form) and their title to funds by stamping and endorsing the building society cheque/banker's draft to such effect. Any application or purported application may be rejected unless these requirements are fulfilled. Post-dated cheques will not be accepted.

Cheques or banker's drafts will be presented for payment upon receipt. The Company reserves the right to instruct the Receiving Agent to seek special clearance of cheques and banker's drafts to allow the Company to obtain value for remittances at the earliest opportunity (and withhold definitive share certificates (or crediting to the relevant member account, as applicable) pending clearance thereof). No interest will be paid on payments made before they are due. It is a term of the Open Offer that cheques shall be honoured on first presentation and the Company may elect to treat as invalid applications in respect of which cheques are not so honoured. All documents, cheques and banker's drafts sent through the post will be sent at the risk of the sender. Payments via CHAPS, BACS or electronic transfer will not be accepted.

If cheques or banker's drafts are presented for payment before the conditions of the Open Offer are fulfilled, the application monies will be credited to a non-interest bearing account by the Receiving Agent. If the Open Offer does not become unconditional, no Open Offer Shares will be issued and all monies will be returned (at the Applicant's sole risk), without payment of interest, to Applicants as soon as practicable following the lapse of the Open Offer.

The Company shall as soon as practicable following 29 July 2013 refund any payment received with respect to an application for a number of Open Offer Shares in respect of an Open Offer Entitlement which has been rejected in whole or in part by the Company.

(d) *The Excess Application Facility*

The Excess Application Facility enables Qualifying Shareholders who have taken up their Open Offer Entitlement to apply for Open Offer Shares.

Qualifying non-CREST Shareholders who wish to apply for Open Offer Shares in excess of their Open Offer Entitlement must complete the Application Form in accordance with the instructions set out on the Application Form.

Should the Open Offer become unconditional and applications for Open Offer Shares exceed the 1,673,335 Open Offer Shares being made available to Qualifying Shareholders as a result of applications made in respect of the Excess Application Facility, resulting in a scaling back of applications, each Qualifying non-CREST Shareholder who has made a valid application for Open Offer Shares under the Excess Application Facility and from whom payment in full for such Open Offer Shares has been received in cleared funds will receive a pounds sterling amount equal to the number of Open Offer Shares applied and paid for under the Excess Application Facility but not allocated to the relevant Qualifying non-CREST Shareholder multiplied by the Issue Price. Monies will be returned as soon as reasonably practicable, without payment of interest and at the Applicant's sole risk.

Fractions of Excess Shares will not be issued under the Excess Application Facility and fractions of Excess Shares will be rounded down to the nearest whole number.

(e) *Effect of application*

By completing and delivering an Application Form you (as the Applicant(s)):

- (i) agree that your application, the acceptance of your application and the contract resulting therefrom under the Open Offer shall be governed by, and construed in accordance with, the laws of England and Wales;
- (ii) confirm that in making the application you are not relying on any information or representation other than those contained in this Circular and the Application Form and you, accordingly, agree that no person responsible solely or jointly for this Circular or any part of it shall have any liability for any information or representation not contained in this Circular and that having had the opportunity to read this Circular you will be deemed to have notice of all the information concerning the Group contained within this Circular;
- (iii) represent and warrant that you are not citizen(s) or resident(s) of an Excluded Territory or any other jurisdiction in which the application for Open Offer Shares is prevented by law and are not applying on behalf of, or with a view to the re-offer, re-sale or delivery of Open Offer Shares directly or indirectly in, into or within an Excluded Territory or to a resident of an Excluded Territory or to any person you believe is purchasing or subscribing for the purpose of such re-offer, re-sale or delivery;
- (iv) represent and warrant that you are not otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares or acting on behalf of such person(s) on a non-discretionary basis; and
- (v) will also be asked whether or not you can represent and warrant as follows: (i) you have not received the Application Form or any other document relating to the Open Offer in an Excluded Territory, nor have you mailed, transmitted or otherwise distributed or forwarded any such document in or into an Excluded Territory; (ii) you are not and were not located in an Excluded Territory at the time you accepted the Application Form or at the time you returned the Application Form; and (iii) if you are acting in a fiduciary, agency or other capacity as an intermediary, then either (A) you have full investment discretion with respect to the Open Offer Shares covered by the Application Form or (B) the person on whose behalf you are acting was located outside an Excluded Territory at the time he or she instructed you to submit the Application Form.

If you are unable to provide such representations and warranties you will be deemed not to have validly submitted an application for Open Offer Shares, save in the discretion of the Company and subject to certain conditions.

You should note that applications will be irrevocable. The Company reserves the right (but shall not be obliged) to treat any application not strictly complying in all respects with the terms and conditions of application as nevertheless valid. If you do not wish to apply for Open Offer Shares under the Open Offer you should not complete or return the Application Form.

If you have any questions relating to the procedure for acceptance, please telephone Computershare between 8.30 a.m. and 5 p.m. Monday to Friday (except UK public holidays) on 0870 707 1154 from within the UK or +44 870 707 1154 if calling from outside the UK. Calls to the 0870 707 1154 number cost approximately 8 pence per minute (excluding VAT) plus your service provider's network extras. Calls to the helpline from outside the UK will be charged at applicable international rates. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Proposals nor give any financial, legal or tax advice.

All enquiries in connection with the Application Form should be addressed to Computershare Investor Services PLC, Corporate Actions Projects, Bristol, BS99 6AH. If you have any questions relating to this Circular, and the completion and return of the Application Form, please telephone Computershare between 8.30 a.m. and 5.00 p.m. Monday to Friday (except UK public holidays) on 0870 707 1154 from within the UK or +44 870 707 1154 if calling from outside the UK. Calls to the 0870 707 1154 number cost approximately 8 pence per minute (excluding VAT) plus your service provider's network extras. Calls to the helpline from outside the UK will be charged at applicable international rates. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Proposals nor give any financial, legal or tax advice.

4.2 *Action to be taken if you have Open Offer Entitlements and Excess Open Offer Entitlements credited to your stock account in CREST in respect of your entitlement under the Open Offer*

(a) *General*

Save as provided in paragraph 6 of this Part IV in relation to certain Overseas Shareholders, each Qualifying CREST Shareholder will receive a credit to his stock account in CREST of his Open Offer Entitlements equal to the maximum number of Open Offer Shares to which he is entitled under the Open Offer. Qualifying CREST Shareholders may also apply for Open Offer Shares in excess of their Open Offer Entitlement under the Excess Application Facility. Further details of Excess Offer Entitlements can be found in paragraph 4.2(j) of this Part IV.

The CREST stock account to be credited will be an account under the Participant ID and Member ID that apply to the Existing Ordinary Shares held on the Record Date by the Qualifying CREST Shareholder in respect of which the Open Offer Entitlements and Excess Open Offer Entitlements have been allocated.

If for any reason the Open Offer Entitlements cannot be admitted to CREST by, or the stock accounts of Qualifying CREST Shareholders cannot be credited by, 8 a.m. or such later time as the Company may decide, on 12 July 2013, an Application Form will be sent out to each Qualifying CREST Shareholder in substitution for the Open Offer Entitlements and Excess Open Offer Entitlements credited to his stock account in CREST. In these circumstances the expected timetable as set out in this Circular will be adjusted as appropriate and the provisions of this Circular applicable to Qualifying non-CREST Shareholders with Application Forms will apply to Qualifying CREST Shareholders who receive Application Forms.

Qualifying CREST Shareholders who wish to apply for some or all of their entitlements to Open Offer Shares (including any applications for Excess CREST Open Offer Entitlements) should refer to the CREST Manual for further information on the CREST procedures referred to below. If you have any questions relating to the procedure for acceptance, please telephone Computershare between 8.30 a.m. and 5 p.m. Monday to Friday (except UK public holidays) on 0870 707 1154 from within the UK or +44 870 707 1154 if calling from outside the UK. Calls to the 0870 707 1154 number cost approximately 8 pence per minute (excluding VAT) plus your service provider's network extras. Calls to the helpline from outside the UK will be charged at applicable international rates. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Open Offer nor give any financial, legal or tax advice. If you are a CREST sponsored member you should consult your CREST sponsor if you wish to apply for Open Offer Shares as only your CREST sponsor will be able to take the necessary action to make this application in CREST.

(b) *Procedure for application and payment*

The Open Offer Entitlements and Excess Open Offer Entitlements will have a separate ISIN and constitute a separate security for the purposes of CREST. Although Open Offer Entitlements and Excess Open Offer Entitlements will be admitted to CREST and be enabled for settlement, applications in respect of Open Offer Entitlements and Excess Open Offer Entitlements may only be made by the Qualifying CREST Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim transaction. Transactions identified by the CREST Claims Processing Unit as "cum" the Open Offer Entitlement will generate an appropriate market claim transaction and the relevant Open Offer Entitlement(s) and Excess Open Offer Entitlement(s) will thereafter be transferred accordingly.

(c) *USE instructions*

Qualifying CREST Shareholders who wish to apply for Open Offer Shares in respect of all or some of their Open Offer Entitlements and Excess Open Offer Entitlements in CREST must send (or if they are CREST sponsored members, procure that their CREST sponsor sends) an Unmatched Stock Event (**USE**) instruction to Euroclear which, on its settlement, will have the following effect:

- (i) the crediting of a stock account of the Receiving Agent under the Participant ID and Member Account ID specified below, with the number of Open Offer Entitlements or Excess CREST Open Offer Entitlements corresponding to the number of Open Offer Shares applied for (subject to paragraph 4.2(j) of this Part IV); and
- (ii) the creation of a CREST payment in accordance with the CREST payment arrangements in favour of the payment bank of the Receiving Agent in respect of the amount specified in the USE instruction which must be the full amount payable on application for the number of Open Offer Shares or Excess Shares referred to in sub-paragraph (i) above.

(d) *Content of USE instructions in respect of Open Offer Entitlements*

The USE instruction must be properly authenticated in accordance with Euroclear's specifications and must contain, in addition to the other information that is required for settlement in CREST, the following details:

- (i) the number of Open Offer Shares for which application is being made (and hence the number of Open Offer Entitlement(s) being delivered to the Receiving Agent);
- (ii) the ISIN of the Open Offer Entitlements, which is GB00BBJP1761;
- (iii) the Participant ID of the accepting CREST member;
- (iv) the Member Account ID of the accepting CREST member from which the Open Offer Entitlements are to be debited;

- (v) the Participant ID of Computershare, in its capacity as a CREST receiving agent, which is RA66;
- (vi) the Member Account ID of Computershare in its capacity as a CREST receiving agent, which is GOODENER in respect of the Open Offer Entitlement;
- (vii) the amount payable by means of a CREST payment on settlement of the USE instruction, which must be the full amount payable on application for the number of Open Offer Shares referred to in (i) above;
- (viii) the intended settlement date, which must be on or before 11 a.m. on 29 July 2013; and
- (ix) the Corporate Action Number for the Open Offer, which will be available by viewing the relevant corporate action details in CREST.

In order for an application under the Open Offer to be valid, the USE instruction must comply with the requirements as to authentication and contents set out above and must settle on or before 11 a.m. on 29 July 2013.

In order to assist prompt settlement of the USE instruction, CREST members (or their sponsors, where applicable) may consider adding the following non-mandatory fields to the USE instruction:

- (i) a contact name and telephone number (in the free format shared note field); and
- (ii) a priority of at least 80.

CREST members and, in the case of CREST sponsored members, their CREST sponsors, should note that the last time at which a USE instruction may settle on 29 July 2013 in order to be valid is 11 a.m. on that day.

(e) *Contents of USE instructions in respect of Excess CREST Open Offer Entitlements*

The USE Instruction must be properly authenticated in accordance with Euroclear UK & Ireland's specifications and must contain, in addition to the other information that is required for settlement in CREST, the following details:

- (i) the number of Open Offer Shares for which application is being made (and hence the number of Excess CREST Open Offer Entitlement(s) being delivered to the Receiving Agent);
- (ii) the ISIN of the Excess CREST Open Offer Entitlement, which is GB00BBJP1878
- (iii) the CREST participant ID of the accepting CREST member;
- (iv) the CREST member account ID of the accepting CREST member from which the Excess CREST Open Offer Entitlements are to be debited;
- (v) the Participant ID of Computershare in its capacity as a CREST receiving agent, which is RA66;
- (vi) the Member Account ID of Computershare in its capacity as a CREST receiving agent, which is GOODENER;
- (vii) the amount payable by means of a CREST payment on settlement of the USE instruction which must be the full amount payable on application for the number of Open Offer Shares referred to in (i) above;
- (viii) the intended settlement date, which must be before 11 a.m. on 29 July 2013; and
- (ix) the Corporate Action Number for the Open Offer, which will be available by viewing the relevant corporate action details in CREST.

In order for an application in respect of an Excess CREST Open Offer Entitlement under the Open Offer to be valid, the USE instruction must comply with the requirements as to authentication and contents set out above and must settle on or before 11 a.m. on 29 July 2013.

In order to assist prompt settlement of the USE instruction, CREST members (or their sponsors, where applicable) should add the following non-mandatory fields to their USE instruction:

- (i) a contact name and telephone number (in the free format shared note field); and
- (ii) a priority of at least 80.

CREST members and, in the case of CREST sponsored members, their CREST sponsors, should note that the last time at which a USE instruction may settle on 29 July 2013 in order to be valid is 11 a.m. on that day. Please note that automated CREST generated claims and buyer protection will not be offered on the Excess CREST Open Offer Entitlement security.

In the event that the Open Offer does not become unconditional by 8.00 a.m. on 31 July 2013 or such later time and date as the Company and N+1 Singer shall agree (being no later than 8.00 a.m. on 31 August 2013), the Open Offer will lapse, the Open Offer Entitlements and Excess Open Offer Entitlements admitted to CREST will be disabled and the Receiving Agent will refund the amount paid by a Qualifying CREST Shareholder by way of a CREST payment, without interest, within 14 days. The Open Offer cannot be revoked once all conditions have been satisfied.

(f) *Deposit of Open Offer Entitlements into, and withdrawal from, CREST*

A Qualifying non-CREST Shareholder's entitlement under the Open Offer as shown by the number of Open Offer Entitlements set out in his Application Form may be deposited into CREST (either into the account of the Qualifying Shareholder named in the Application Form or into the name of a person entitled by virtue of a *bona fide* market claim). Similarly, Open Offer Entitlements and Excess Open Offer Entitlements held in CREST may be withdrawn from CREST so that the entitlement under the Open Offer is reflected in an Application Form. Normal CREST procedures (including timings) apply in relation to any such deposit or withdrawal as are set out in the Application Form.

The holder of an Application Form who is proposing so to deposit the Open Offer Entitlements set out in such form is recommended to ensure that the deposit procedures are implemented in sufficient time to enable the person holding or acquiring the Open Offer Entitlements and Excess Open Offer Entitlements following their deposit into CREST to take all necessary steps in connection with taking up such entitlements prior to 11 a.m. on 29 July 2013.

In particular, having regard to normal processing times in CREST and on the part of the Registrars, the recommended latest time for depositing an Application Form with the CREST Courier and Sorting Service, where the person entitled wishes to hold the entitlement under the Open Offer set out in such Application Form as Open Offer Entitlements in CREST, is 11 a.m. on 29 July 2013, and the recommended latest time for receipt by Euroclear of a dematerialised instruction requesting withdrawal of Open Offer Entitlements and Excess Open Offer Entitlements from CREST is 11 a.m. on 29 July 2013, in either case so as to enable the person acquiring or (as appropriate) holding the Open Offer Entitlements and Excess Open Offer Entitlements following the deposit or withdrawal (whether as shown in an Application Form or held in CREST) to take all necessary steps in connection with applying in respect of the Open Offer Entitlements and Excess Open Offer Entitlements prior to 11 a.m. on 29 July 2013.

Delivery of an Application Form with the CREST deposit form duly completed whether in respect of a deposit into the account of the Qualifying non-CREST Shareholder named in the Application Form or into the name of another person, shall constitute a representation and warranty to the Company and the Registrar by the relevant CREST member(s) that it/they is/are not in breach of the provisions of the notes under the paragraph headed "Instructions for depositing entitlements under the Open Offer into CREST" on page 2 of the Application

Form, and a declaration to the Company and the Registrar from the relevant CREST member(s) that it/they is/are not citizen(s) or resident(s) of an Excluded Territory and, where such deposit is made by a beneficiary of a market claim, a representation and warranty that the relevant CREST member(s) is/are entitled to apply under the Open Offer by virtue of a *bona fide* market claim.

(g) *Validity of application*

A USE instruction complying with the requirements as to authentication and contents set out above which settles by no later than 11 a.m. on 29 July 2013 will constitute a valid application under the Open Offer.

(h) *CREST procedures and timings*

CREST members and (where applicable) their CREST sponsors should note that Euroclear does not make available special procedures, in CREST, for any particular corporate action. Normal system timings and limitations will therefore apply in relation to the input of a USE instruction and its settlement in connection with the Open Offer. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST sponsored member, to procure that his CREST sponsor takes) such action as shall be necessary to ensure that a valid application is made as stated above by 11 a.m. on 29 July 2013. In this connection CREST members and (where applicable) their CREST sponsors are referred in particular to those sections of the CREST manual concerning practical limitations of the CREST system and timings.

(i) *Incorrect or incomplete applications*

If a USE instruction includes a CREST payment for an incorrect sum, the Company through the Receiving Agent reserves the right:

- (i) to reject the application in full and refund the payment to the CREST member in question;
- (ii) in the case that an insufficient sum is paid, to treat the application as a valid application for such lesser whole number of Open Offer Shares as would be able to be applied for with that payment at the Issue Price, refunding any unutilised sum to the CREST member in question (without interest); and
- (iii) in the case that an excess sum is paid, to treat the application as a valid application for all the Open Offer Shares referred to in the USE instruction refunding any unutilised sum to the CREST member in question (without interest).

(j) *The Excess Application Facility*

Provided that a Qualifying CREST Shareholder chooses to take up their Open Offer Entitlement in full, the Excess Application Facility enables Qualifying CREST Shareholders to apply for Open Offer Shares in excess of their Open Offer Entitlements up to a maximum number of Excess Shares equal to 10 times the total number of Existing Ordinary Shares held in such Qualifying Shareholder's name as at the Record Date. If however Qualifying CREST Shareholders wish to apply for more than 10 times the total number of Existing Ordinary Shares held in such Qualifying Shareholder's name as at the Record Date, the Qualifying CREST Shareholder should contact Computershare by telephone on the number stated in Note (1) on page 7 who will arrange for the additional Excess Shares to be credited to the relevant CREST account of the Qualifying CREST Shareholder. Any such applications will be granted at the absolute discretion of the Company.

If applications under the Excess Application Facility are received for more than the total number of Open Offer Shares available following take-up of Open Offer Entitlements, such applications will be scaled back *pro rata* to the number of Excess Shares applied for by Qualifying Shareholders under the Excess Application Facility. An Excess CREST Open Offer Entitlement may not be sold or otherwise transferred. Subject as provided in paragraph 6 of this Part IV in relation to certain Overseas Shareholders, the CREST accounts of Qualifying CREST Shareholders will be credited with an Excess CREST Open Offer

Entitlement in order for any applications for Excess Shares to be settled through CREST. The credit of such Excess CREST Open Offer Entitlement does not in any way give Qualifying CREST Shareholders a right to the Open Offer Shares attributable to the Excess CREST Open Offer Entitlement as an Excess CREST Open Offer Entitlement is subject to scaling back in accordance with the terms of this Circular.

To apply for Excess Shares pursuant to the Open Offer, Qualifying CREST Shareholders should follow the instructions above and must not return a paper form and cheque. Should a transaction be identified by the CREST Claims Processing Unit as “cum” the Open Offer Entitlement and the relevant Open Offer Entitlement(s) be transferred, the Excess CREST Open Offer Entitlements will not transfer with the Open Offer Entitlement(s) claim, but will be transferred as a separate claim. Should a Qualifying CREST Shareholder cease to hold all of his Existing Ordinary Shares as a result of one or more *bona fide* market claims, the Excess CREST Open Offer Entitlement credited to CREST, and allocated to the relevant Qualifying Shareholder, will be transferred to the purchaser. Please note that an additional USE instruction must be sent in respect of any application under the Excess CREST Open Offer Entitlement.

Should the Open Offer become unconditional and applications for Open Offer Shares by Qualifying Shareholders under the Open Offer exceed the number of Open Offer Shares being made available, resulting in a scale back of applications under the Excess Application Facility, each Qualifying CREST Shareholder who has made a valid application for Excess Shares under the Excess Application Facility, and from whom payment in full for the Excess Shares has been received, will receive a pounds sterling amount equal to the number of Open Offer Shares validly applied and paid for but which are not allocated to the relevant Qualifying CREST Shareholder multiplied by the Issue Price. Monies will be returned as soon as reasonably practicable, without payment of interest, and at the Applicant’s sole risk.

Fractions of Open Offer Shares will be rounded down to the nearest whole number, aggregated and made available to Qualifying Shareholders under the Excess Application Facility. Fractions of Excess Shares will not be issued under the Excess Application Facility.

(k) *Effect of valid application*

A CREST member who makes or is treated as making a valid application in accordance with the above procedures will thereby:

- (i) pay the amount payable on application in accordance with the above procedures by means of a CREST payment in accordance with the CREST payment arrangements (it being acknowledged that the payment to the Receiving Agent’s payment bank in accordance with the CREST payment arrangements shall, to the extent of the payment, discharge in full the obligation of the CREST member to pay to the Company the amount payable on application);
- (ii) request that the Open Offer Shares to which he will become entitled be issued to him on the terms set out in this Circular and subject to the Articles;
- (iii) agree that all applications and contracts resulting therefrom under the Open Offer shall be governed by, and construed in accordance with, the laws of England and Wales;
- (iv) represent and warrant that he is not applying on behalf of any Shareholder, who is a citizen or resident or which is a corporation, partnership or other entity created or organised in or under any laws of an Excluded Territory and he is not applying with a view to re-offering, re-selling, transferring or delivering any of the Open Offer Shares which are the subject of this application to, or for the benefit of, a Shareholder who is a citizen or resident or which is a corporation, partnership or other entity created or organised in or under any laws of an Excluded Territory nor acting on behalf of any such person on a non-discretionary basis nor (a) person(s) otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares under the Open Offer;

- (v) represent and warrant that he is not, nor is he applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in Section 93 (depository receipts) or Section 96 (clearance services) of the Finance Act 1986;
 - (vi) confirm that in making such application he is not relying on any information or representation other than those contained in this Circular and agrees that no person responsible solely or jointly for this Circular or any part thereof or involved in the preparation thereof, shall have any liability for any information or representation not contained in this Circular and further agree that having had the opportunity to read this Circular he will be deemed to have had notice of all the information concerning the Group contained therein; and
 - (vii) represent and warrant that he is the Qualifying Shareholder originally entitled to the Open Offer Entitlements or that he has received such Open Offer Entitlements and Excess Open Offer Entitlements by virtue of a *bona fide* market claim.
- (l) *Company's discretion as to rejection and validity of applications*
- The Company may in its sole discretion:
- (i) treat as valid (and binding on the CREST member concerned) an application which does not strictly comply in all respects with the requirements as to validity set out or referred to in this paragraph 4 of this Part IV;
 - (ii) accept an alternative properly authenticated, dematerialised instruction from a CREST member or (where applicable) a CREST sponsor as constituting a valid application in substitution for or in addition to a USE instruction and subject to such further terms and conditions as the Company may determine;
 - (iii) treat a properly authenticated dematerialised instruction (in this sub-paragraph the **first instruction**) as not constituting a valid application if, at the time at which the Registrar receives a properly authenticated dematerialised instruction giving details of the first instruction or thereafter, either the Company or the Receiving Agent have received actual notice from Euroclear of any of the matters specified in Regulation 35(5)(a) of the CREST Regulations in relation to the first instruction. These matters include notice that any information contained in the first instruction was incorrect or notice of lack of authority to send the first instruction; and
 - (iv) accept an alternative instruction or notification from a CREST member or CREST sponsored member or (where applicable) a CREST sponsor, or extend the time for settlement of a USE instruction or any alternative instruction or notification, in the event that for reasons or due to circumstances outside the control of any CREST member or CREST sponsored member or (where applicable) CREST sponsor, the CREST member or CREST sponsored member is unable validly to apply for Open Offer Shares by means of the above procedures. In normal circumstances, this discretion is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or any part of CREST) or on the part of the facilities and/or systems operated by the Registrar in connection with CREST.

If you have any doubt as to the procedure for acceptance and payment you should contact Computershare between 8.30 a.m. and 5 p.m. Monday to Friday (except UK public holidays) on telephone number 0870 707 1154 from within the UK or +44 870 707 1154 if calling from outside the UK. Calls to the 0870 707 1154 number cost approximately 8 pence per minute (excluding VAT) plus your service provider's network extras. Calls to the helpline from outside the UK will be charged at applicable international rates. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for

security and training purposes. This helpline will not provide any financial or tax advice or advice concerning the merits of the Open Offer or whether or not you should make an application under the Open Offer.

(m) *Issue of Open Offer Shares in CREST*

Open Offer Entitlements and Excess Open Offer Entitlements held in CREST are expected to be disabled in all respects after the close of business on 29 July 2013. If the conditions to the Open Offer described above are satisfied, Open Offer Shares will be issued in uncertificated form to those persons who submitted a valid application for Open Offer Shares by utilising the CREST application procedures and whose applications have been accepted by the Company on the day on which such conditions are satisfied. On this day, the Receiving Agent will instruct Euroclear to credit the appropriate stock accounts of such persons with such persons' Open Offer Entitlements with effect from the next business day. The stock accounts to be credited will be accounts under the same Participant IDs and Member Account IDs in respect of which the USE instruction was given.

5 Money Laundering Regulations

5.1 *Holders of Application Forms*

It is a term of the Open Offer that, in order to ensure compliance with the Money Laundering Regulations (the **Regulations**), the Registrar may require verification of the identity of the person by whom or on whose behalf an Application Form is lodged with payment (which requirements are referred to below as the "verification of identity").

The verification of identity requirements pursuant to the Regulations will apply to applications with a value of €15,000 (or its Pound Sterling equivalent) or greater, or to one of a series of linked applications whose aggregate value exceeds that amount, and in the case of such applications verification of the identity of Applicant(s) for Open Offer Shares may be required.

If within a reasonable period of time following a request, for verification of identity, but in any event by 11 a.m. on 29 July 2013, the Receiving Agent has not received evidence satisfactory to it, the Company may, in its absolute discretion, elect not to treat as valid the relevant application, in which event the money payable or paid in respect of the application will be returned (without interest and at the Applicant's risk) to the account of the drawee bank or building society from which sums were originally debited (but in each case without prejudice to any rights the Company may have to take proceedings in respect of loss or damage suffered or incurred by it as a result of the failure to produce satisfactory evidence as aforesaid).

In order to avoid this, payment should be made by means of a cheque drawn by and in the name of the Applicant named on the accompanying Application Form or (where an Application Form has been transferred and/or split to satisfy *bona fide* market claims in relation to transfers of Existing Ordinary Shares through the market prior to 11 a.m. on 29 July 2013), by the person named in Box K on the Application Form. If this is not practicable and the Applicant uses a cheque drawn on a building society or a banker's draft, the Applicant should:

- (a) ask the building society or bank to endorse on the cheque or draft the name and account number of the person whose building society or bank account is being debited which must be the same name as that printed on the Application Form, such endorsement being validated by a stamp and authorised signature by the building society or bank on the reverse of the cheque or banker's draft;
- (b) if the Applicant is making the application as agent for one or more persons, indicate on the Application Form whether it is a United Kingdom or European Union regulated person or institution (e.g. a bank or broker), and specify its status. If you have any questions relating to the procedure for acceptance, please telephone Computershare between 8.30 a.m. and 5 p.m. Monday to Friday (except UK public holidays) on 0870 707 1154 from within the UK or +44 870 707 1154 if calling from outside the UK. Calls to the 0870 707 1154 number cost approximately 8 pence per minute (excluding VAT) plus your service

provider's network extras. Calls to the helpline from outside the UK will be charged at applicable international rates. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Proposals nor give any financial, legal or tax advice;

- (c) if the Applicant delivers the Application Form by hand, bring with them the appropriate photographic evidence of identity, such as a passport or driving licence; and
- (d) third party cheques may not be accepted unless covered by (a) above.

In any event, if it appears to the Receiving Agent that an Applicant is acting on behalf of some other person, further verification of the identity of any person on whose behalf the Applicant appears to be acting will be required.

Neither the Receiving Agent, nor the Company will be liable to any person for any loss suffered or incurred as a result of the exercise of any discretion to require verification. By lodging an Application Form, each Qualifying Shareholder undertakes to provide evidence of his identity at the time of lodging the Application Form, or, at the absolute discretion of the Company and N+1 Singer, at such specified time thereafter as may be required to ensure compliance with the Regulations.

5.2 *Open Offer Entitlements and Excess Open Offer Entitlements in CREST*

If you hold your Open Offer Entitlements or Excess Open Offer Entitlements in CREST and apply for Open Offer Shares in respect of all or some of your Open Offer Entitlements (and Excess Open Offer Entitlements) as agent for one or more persons and you are not a United Kingdom or European Union regulated person or institution (e.g. a United Kingdom financial institution), then, irrespective of the value of the application, the Receiving Agent is obliged to take reasonable measures to establish the identity of the person or persons on whose behalf you are making the application. You must therefore contact the Receiving Agent before sending any USE or other instruction so that appropriate measures may be taken.

Submission of a USE instruction which on its settlement constitutes a valid application as described above constitutes a warranty and undertaking by the Applicant to provide promptly to the Receiving Agent such information as may be specified by the Receiving Agent as being required for the purposes of the Regulations. Pending the provision of evidence satisfactory to the Receiving Agent as to identity, the Receiving Agent may in its absolute discretion take, or omit to take, such action as it may determine to prevent or delay issue of the Open Offer Shares concerned. If satisfactory evidence of identity has not been provided within a reasonable time, then the application for the Open Offer Shares represented by the USE instruction will not be valid. This is without prejudice to the right of the Company to take proceedings to recover any loss suffered by it as a result of any failure to provide satisfactory evidence.

6 **Overseas Shareholders**

6.1 *General*

The distribution of this Circular and the Application Form and the making or acceptance of the Open Offer to persons who have registered addresses in, or who are resident or ordinarily resident in, or citizens of, or which are corporations, partnerships or other entities created or organised under the laws of countries other than the United Kingdom or to persons who are nominees of or custodians, trustees or guardians for citizens, residents in or nationals of, countries other than the United Kingdom may be affected by the laws or regulatory requirements of the relevant jurisdictions. Those persons should consult their professional advisers as to whether they require any governmental or other consents or need to observe any applicable legal requirement or other formalities to enable them to apply for Open Offer Shares under the Open Offer. The comments set out in this paragraph 6 are intended as a general guide only and any Overseas Shareholders who are in any doubt as to their position should consult their professional advisers without delay.

No action has been or will be taken by the Company or any other person, to permit a public offering or distribution of this Circular (or any other offering or publicity materials or Application Form(s) in any jurisdiction where action for that purpose may be required, other than in the United Kingdom.

Application Forms will not be sent to and Open Offer Entitlements and Excess Open Offer Entitlements will not be credited to a stock account in CREST of persons with registered addresses in an Excluded Territory or their agent or intermediary, except where the Company is satisfied that such action would not result in the contravention of any registration or other legal requirement in any jurisdiction.

No person receiving a copy of this Circular and/or an Application Form and/or a credit of Open Offer Entitlements and/or a credit of Excess Open Offer Entitlements to a stock account in CREST in any territory other than the United Kingdom may treat the same as constituting an invitation or offer to him or her nor should he or she in any event use any such Application Form and/or credit of Open Offer Entitlements and/or a credit of Excess Open Offer Entitlements to a stock account in CREST unless, in the relevant territory, such an invitation or offer could lawfully be made to him or her and such Application Form and/or credit of Open Offer Entitlements and/or a credit of Excess Open Offer Entitlements to a stock account in CREST could lawfully be used, and any transaction resulting from such use could be effected, without contravention of any registration or other legal or regulatory requirements. In circumstances where an invitation or offer would contravene any registration or other legal or regulatory requirements, this Circular and/or the Application Form must be treated as sent for information only and should not be copied or redistributed.

It is the responsibility of any person (including, without limitation, custodians, agents, nominees and trustees) outside the United Kingdom wishing to apply for Open Offer Shares under the Open Offer to satisfy himself or herself as to the full observance of the laws of any relevant territory in connection therewith, including obtaining any governmental or other consents that may be required, observing any other formalities required to be observed in such territory and paying any issue, transfer or other taxes due in such territory. Neither the Company, nor any of its respective representatives, is making any representation to any offeree or purchaser of the Open Offer Shares regarding the legality of an investment in the Open Offer Shares by such offeree or purchaser under the laws applicable to such offeree or purchaser.

Persons (including, without limitation, custodians, agents, nominees and trustees) receiving a copy of this Circular and/or an Application Form and/or a credit of Open Offer Entitlements and/or a credit of Excess Open Offer Entitlements to a stock account in CREST in connection with the Open Offer or otherwise, should not distribute or send either of those documents nor transfer Open Offer Entitlements or Excess Open Offer Entitlements in or into any jurisdiction where to do so would or might contravene local securities laws or regulations. If a copy of this Circular and/or an Application Form and/or a credit of Open Offer Entitlements and/or a credit of Excess Open Offer Entitlements to a stock account in CREST is received by any person in any such territory, or by his or her custodian, agent, nominee or trustee, he or she must not seek to apply for Open Offer Shares in respect of the Open Offer unless the Company determines that such action would not violate applicable legal or regulatory requirements. Any person (including, without limitation, custodians, agents, nominees and trustees) who does forward a copy of this Circular and/or an Application Form and/or transfers Open Offer Entitlements and/or a credit of Excess Open Offer Entitlements into any such territory, whether pursuant to a contractual or legal obligation or otherwise, should draw the attention of the recipient to the contents of this Part IV and specifically the contents of this paragraph 6.

The Company reserves the right, but shall not be obliged, to treat as invalid any application or purported application for Open Offer Shares that appears to the Company or its agents to have been executed, effected or dispatched from an Excluded Territory or in a manner that may involve a breach of the laws or regulations of any jurisdiction or if the Company or its agents believe that the same may violate applicable legal or regulatory requirements or if it provides an address for delivery of the share certificates of Open Offer Shares or, in the case of a credit of an Open Offer Entitlement (and/or a credit of Excess Open Offer Entitlements) to a stock account in CREST, to

a member whose registered address would be in an Excluded Territory or any other jurisdiction outside the United Kingdom in which it would be unlawful to deliver such share certificates or make such a credit.

The attention of Overseas Shareholders is drawn to paragraphs 6.2 to 6.5 below.

Notwithstanding any other provision of this Circular or the Application Form, the Company reserves the right to permit any person to apply for Open Offer Shares in respect of the Open Offer if the Company, in its sole and absolute discretion, is satisfied that the transaction in question is exempt from, or not subject to, the legislation or regulations giving rise to the restrictions in question.

Overseas Shareholders who wish, and are permitted, to apply for Open Offer Shares should note that payment must be made in sterling denominated cheques or banker's drafts. The Open Offer Shares have not been and will not be registered under the relevant laws of any Excluded Territory or any state, province or territory thereof and may not be offered, sold, resold, transferred, delivered or distributed, directly or indirectly, in or into any Excluded Territory or to, or for the account or benefit of, any person with a registered address in, or who is resident or ordinarily resident in, or a citizen of, any Excluded Territory except pursuant to an applicable exemption.

No public offer of Open Offer Shares is being made by virtue of this Circular or the Application Forms into any Excluded Territory. Receipt of this Circular and/or an Application Form and/ or a credit of an Open Offer Entitlement and/or a credit of Excess Open Offer Entitlements to a stock account in CREST will not constitute an invitation or offer of securities for subscription, sale or purchase in those jurisdictions in which it would be illegal to make such an invitation or offer and, in those circumstances, this Circular and/or the Application Form must be treated as sent for information only and should not be copied or redistributed.

6.2 *United States*

None of the New Ordinary Shares, the Open Offer Entitlements or the Excess Open Offer Entitlements have been or will be registered under the US Securities Act or the laws of any state or other jurisdiction of the United States and, therefore, the New Ordinary Shares and the Open Offer Entitlements and the Excess Open Offer Entitlements may not be directly, or indirectly, offered for subscription or purchase, taken up, sold, delivered, renounced or transferred in or into the United States except pursuant to an applicable exemption from the registration requirements of the US Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States.

Accordingly, the Company is not extending the Open Offer into the United States and, subject to certain exceptions, none of this Circular, the Application Forms or the crediting of Open Offer Entitlements (or Excess Open Offer Entitlements) to a stock account in CREST constitutes or will constitute an offer or an invitation to apply for an offer or an invitation to subscribe for any New Ordinary Shares in the United States. Neither this Circular nor an Application Form will (unless an address within the United Kingdom for services of notices has been notified to the Company) be sent to, and no Open Offer Entitlements (or Excess Open Offer Entitlements) will be credited to, a stock account in CREST of any Qualifying Shareholder with a registered address in the United States. Subject to certain exceptions, Application Forms sent from, or post-marked in, the United States will be deemed to be invalid and all persons subscribing for New Ordinary Shares and wishing to hold such New Ordinary Shares in registered form must provide an address for registration of the New Ordinary Shares outside the United States.

6.3 *Other Excluded Territories*

Due to restrictions under the securities laws of the Excluded Territories and subject to certain exemptions, Qualifying Shareholders who have registered addresses in, or who are resident or ordinarily resident in, or citizens of, any Excluded Territories will not qualify to participate in the Open Offer and will not be sent an Application Form, nor will their stock accounts in CREST be credited with Open Offer Entitlements or Excess Open Offer Entitlements.

The Open Offer Shares have not been and will not be registered under the relevant laws of any Excluded Territory or any state, province or territory thereof and may not be offered, sold, re-sold, delivered or distributed, directly or indirectly, in or into any Excluded Territory or to, or for the account or benefit of, any person with a registered address in, or who is resident or ordinarily resident in, or a citizen of, any Excluded Territory except pursuant to an applicable exemption.

No offer of Open Offer Shares is being made by virtue of this Circular or the Application Forms into any Excluded Territory.

6.4 ***Other overseas territories***

Application Forms will be sent to Qualifying non-CREST Shareholders and an Open Offer Entitlement will be credited to the stock account in CREST of Qualifying CREST Shareholders in other overseas territories. Qualifying Shareholders in jurisdictions other than any Excluded Territory may, subject to the laws of their relevant jurisdiction, take up Open Offer Shares under the Open Offer in accordance with the instructions set out in this Circular and, if relevant, the Application Form.

Qualifying Shareholders who have registered addresses in or who are located or resident in, or who are citizens of, countries other than the United Kingdom should consult their professional advisers as to whether they require any governmental or other consents or need to observe any other formalities to enable them to apply for Open Offer Shares in respect of the Open Offer.

6.5 ***Representations and warranties relating to Overseas Shareholders***

(a) *Qualifying non-CREST Shareholders*

Any person completing and returning an Application Form or requesting registration of the Open Offer Shares comprised therein represents and warrants to the Company and/or the Receiving Agent that, except where proof has been provided to the Company's satisfaction that such person's use of the Application Form will not result in the contravention of any applicable legal requirements in any jurisdiction: (i) such person is not requesting registration of the relevant Open Offer Shares from within an Excluded Territory; (ii) such person is not in any territory in which it is unlawful to make or accept an offer to subscribe for Open Offer Shares in respect of the Open Offer or to use the Application Form in any manner in which such person has used or will use it; (iii) such person is not acting on a non-discretionary basis on behalf of, a person located within an Excluded Territory or any territory referred to in (ii) above at the time the instruction to accept was given; and (iv) such person is not subscribing for Open Offer Shares with a view to the offer, sale, re-sale, transfer, delivery or distribution, directly or indirectly, of any such Open Offer Shares into an Excluded Territory or any territory referred to in (ii) above. The Company and/or the Receiving Agent may treat as invalid any acceptance or purported acceptance of the allotment of Open Offer Shares comprised in an Application Form if it: (i) appears to the Company or its agents to have been executed, effected or despatched from an Excluded Territory or in a manner that may involve a breach of the laws or regulations of any jurisdiction or if the Company or its agents believe that the same may violate applicable legal or regulatory requirements; (ii) provides an address in any Excluded Territory for delivery of the share certificates of Open Offer Shares (or any other jurisdiction outside the United Kingdom in which it would be unlawful to deliver such share certificates); or (iii) purports to exclude the warranty required by this paragraph (a).

(b) *Qualifying CREST Shareholders*

A CREST member who makes a valid application either on its own behalf or on behalf of one of its clients in accordance with the procedures set out in this Part IV represents and warrants to the Company that, except where proof has been provided to the Company's satisfaction that such person's acceptance will not result in the contravention of any applicable legal requirement in any jurisdiction: (i) neither it nor its client is within an Excluded Territory; (ii) neither it nor its client is in any territory in which it is unlawful to make or accept an offer to subscribe for Open Offer Shares; (iii) it is not accepting on a non-discretionary basis on behalf of, or for the account or benefit of, a person located within an Excluded Territory or any territory referred to in (ii) above at the time the instruction to

accept was given; and (iv) neither it nor its client is subscribing for any Open Offer Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any such Open Offer Shares into an Excluded Territory, or any territory referred to in (ii) above. The Company reserves the right to reject any USE instruction from an Excluded Territory or any territory referred to in (ii) above or by a CREST participant who is acting on a non-discretionary basis on behalf of a person located within an Excluded Territory or any territory referred to in (ii) above.

7 Governing law and jurisdiction

The terms and conditions of the Open Offer as set out in this Circular shall be governed by, and construed in accordance with, the laws of England and Wales. The courts of England and Wales are to have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Open Offer including, without limitation, disputes relating to any non-contractual obligations arising out of or in connection with the Open Offer. By taking up Open Offer Shares under the Open Offer in accordance with the instructions set out in this Circular, Qualifying Shareholders irrevocably submit to the jurisdiction of the courts of England and Wales and waive any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum.

8 Further information

The attention of Shareholders is drawn to the further information set out in this Circular including the additional information set out in Part V, and the Risk Factors set out in Part II of this Circular and to the terms and conditions set out on the Application Form.

PART V

ADDITIONAL INFORMATION

1 Share Capital

The issued share capital of the Company (i) as at the date of this Circular and (ii) as it is expected to be after Admission is set out below:

	<i>Existing Issued and fully paid</i>		<i>Immediately following Admission Issued and fully paid*</i>	
	<i>Nominal Amount (£)</i>	<i>Number</i>	<i>Amount (£)</i>	<i>Number</i>
Ordinary Shares of 5 pence each	626,132.45	12,522,649	781,799.20	15,635,984

*Assuming full take-up of entitlements under the Open Offer.

2 Directors' interests

2.1 The Directors and their respective functions are set out below:

John Maltby (*Chairman and Non-Executive Director*)
Juliet Davenport (*Chief Executive Officer*)
Garry Peagam (*Group Finance Director*)
Richard Squires (*Non-Executive Director*)
Martin Edwards (*Non-Executive Director*)
Francesca Ecsery (*Non-Executive Director*)

2.2 The interests (all of which are beneficial unless stated otherwise) of each of the Directors and their family (within the meaning of the AIM Rules) in the issued ordinary share capital of the Company and the existence of which is known to, or could with reasonable due diligence be ascertained by, any Director as at the date of this Circular is as follows:

	<i>Number of Existing Ordinary Shares</i>	<i>Percentage of existing issued share capital</i>
John Maltby	Nil	Nil
Juliet Davenport	393,662	3.14
Garry Peagam	36,000	0.28
Richard Squires	28,000	0.22
Martin Edwards	810,277	6.47
Francesca Ecsery	Nil	Nil

2.3 On 10 July 2013, being the last practicable date prior to the publication of this Circular, the Directors and (so far as is known to the Directors, having made appropriate enquiries) their family (within the meaning of the AIM Rules) will have the following options over Ordinary Shares:

<i>Name</i>	<i>Date of Grant</i>	<i>Type of Option</i>	<i>No. of Ordinary Shares remaining under the option</i>	<i>Exercise price per share (pence)</i>	<i>Exercise period</i>
Juliet Davenport	01/05/2002	Unapproved	130,948	50	01/05/2005 to 30/04/2017
	01/06/2004	Unapproved	35,000	75	01/06/2007 to 31/05/2014
	13/02/2012	Unapproved	86,956	115	13/02/2015 to 12/02/2022
	13/02/2012	EMI	17,390	115	13/02/2015 to 12/02/2022
	18/09/12	EMI	189,052	50	18/09/2012 to 30/04/2017
Garry Peagam	18/07/2011	EMI	141,176	100	18/07/2013 to 17/07/2021
	13/02/2012	Unapproved	53,507	115	13/02/2015 to 12/02/2022
	18/09/2012	EMI	58,824	100	18/07/2013 to 17/07/2021
	18/09/2012	Unapproved	46,493	115	13/02/2015 to 12/02/2022
Richard Squires	13/02/2012	Unapproved	75,000	115	13/02/2015 to 12/02/2022

2.4 Following Admission the following further options will be granted as regards Directors and their family (within the meaning of the AIM Rules)

<i>Name</i>	<i>Type of option</i>	<i>Number of Ordinary Shares</i>	<i>Exercise price per share (pence)</i>	<i>Exercise period</i>
Juliet Davenport	Unapproved	144,000	125	9/4/2016 to 30/7/2023
Garry Peagam	Unapproved	116,000	125	9/4/2016 to 30/7/2023

3 Material Contracts

3.1 Placing and Open Offer Agreement

Under the terms of a Placing and Open Offer Agreement dated 11 July 2013 made between (1) the Company and (2) N+1 Singer, N+1 Singer was appointed as agent of the Company to use its reasonable endeavours to procure subscribers for the Placing Shares at the Issue Price. Pursuant to the Placing and Open Offer Agreement, the Company has given certain warranties to N+1 Singer regarding, *inter alia*, the accuracy of information in this Circular and an indemnity in favour of N+1 Singer in respect of, *inter alia*, losses arising directly or indirectly out of the Placing. The Placing and Open Offer Agreement is conditional, *inter alia*, on (a) Admission taking place in respect of the Placing Shares and Open Offer Shares by no later than 8.00 a.m. on 31 July 2013 or such later date as may be agreed by the Company and N+1 Singer; and (b) the Company complying with all of its obligations under the Placing and Open Offer Agreement. Under the Placing and Open Offer Agreement, the Company agreed to pay a placing commission to N+1 Singer, together with all costs and expenses and VAT thereon, where appropriate. N+1 Singer is entitled, in certain limited circumstances, to terminate the Placing and Open Offer Agreement prior to Admission and to the payment of outstanding expenses on such termination.

3.2 ***Hampole Wind Farm Site Acquisition***

Under the terms of a contract dated 13 November 2012, the Company entered into a conditional contract to acquire from RWE Npower Renewables Limited a wind farm site located by Hampole, Doncaster with planning permission for the construction of four wind turbines. The site acquisition was completed on 10 January 2013 by the Company's subsidiary Good Energy Hampole Windfarm Limited (**GEHWL**) for a consideration of up to £3 million, £2.7 million being paid on completion with the possibility of the balance or part thereof becoming payable dependent upon the date a grid outage is achieved. Claims can be made under warranties contained in the contract up to and including 9 July 2014.

3.3 ***Turbine Sale Agreement***

REpower Systems SE of Germany and GEHWL entered into a contract dated 23 May 2013 for the manufacture, delivery, installation, testing and commissioning of 4 x MM93 2050KW wind turbines for use in connection with the Hampole wind farm. Performance of the payment obligations of GEHWL under the contract have been guaranteed by the Company.

3.4 ***Revolving Credit Facility***

Good Energy Limited (**GEL**) entered into a revolving credit facility agreement with Lloyds TSB Bank plc (**Bank**) on 1 May 2013 whereby the Bank would provide an up to £7.5 million revolving credit facility to GEL for a three year period (**RCF**). The RCF contains, *inter alia*, a negative pledge restricting the GEL from granting security to persons other than the Bank without the Bank's prior consent, restrictions on the ability of GEL to dispose of its assets, further assurance provisions and requirements on GEL to indemnify the Bank in respect of certain costs, claims, expense and liabilities in connection with a breach of or default. As part of the grant of the RCF, GEL, Good Energy Gas Limited, Good Energy Generation Limited and the Company entered into an Omnibus Guarantee and Set-Off Agreement with the Bank and Good Energy Generation Limited granted a Debenture to the Bank.

4 **Consent**

N+1 Singer has given and not withdrawn its written consent to the issue of this Circular with the inclusion herein of the references to its name in the form and context in which it is included.

5 **Availability of Circular**

This Circular will be available for a period of twelve months from the date of this Circular on the Company's website www.goodenergygroup.co.uk free of charge in accordance with the requirements of Rule 26 of the AIM Rules.

Dated: 11 July 2013

NOTICE OF GENERAL MEETING

GOOD ENERGY GROUP PLC

*Incorporated and Registered in England and Wales under the Companies Act 1985 with
company number: 04000623*

NOTICE is hereby given that a General Meeting of Good Energy Group PLC (the **Company**) will be held at Chippenham Town Hall, High Street, Chippenham, Wiltshire, SN15 1ER on 30 July 2013 at 10 a.m. for the purpose of considering and, if thought fit, passing the following resolutions, of which resolutions 2 and 4 shall be proposed as ordinary resolutions and resolutions 1, 3 and 5 shall be proposed as special resolutions:

- 1 THAT the articles of association of the Company be amended by deleting Article 4 (Authorised Share Capital) and replacing it with the following wording “The authorised share capital of the Company is £2,000,000 divided into 40,000,000 Ordinary Shares”.
- 2 THAT, subject to and conditional on the passing of Resolution 3 below, the Directors be and they are hereby authorised pursuant to and for the purposes of Section 551 of the Companies Act 2006 (the **Act**) to allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company (**Rights**) up to an aggregate nominal amount of £155,750, provided that this authority shall be limited to the allotment of shares pursuant to the Capital Raising (as defined in the circular dated 11 July 2013, of which this notice forms part (**Circular**)).
- 3 THAT the Directors be and they are hereby generally empowered pursuant to Section 570 of the Act to allot equity securities (as defined in Section 560 of the Act) pursuant to the authority conferred by paragraph (2) above as if Section 561(1) of the Act did not apply to any such allotment, provided that this power shall be limited to the allotment of equity securities up to an aggregate nominal amount of £155,750 pursuant to the Capital Raising.
- 4 THAT subject to the passing of resolutions 1 to 3 above, and in substitution for all subsisting authorities (save for the authority conferred by resolution 2 above), the Directors be and they are hereby authorised generally and unconditionally pursuant to and for the purposes of Section 551 of the Act to allot shares in the Company or grant Rights up to an aggregate nominal amount of £95,000 (such amount equating to approximately 12 per cent. of the aggregate nominal value of the Enlarged Share Capital (as defined in the Circular)), provided that this authority shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2014 and save that the Company may make an offer or agreement before the expiry of this authority which would or might require shares to be allotted or Rights to be granted after such expiry and the Directors may allot shares or grant Rights pursuant thereto as if the authority conferred hereby had not expired.
- 5 THAT subject to the passing of resolutions 1 to 3 above, and in substitution for all subsisting authorities (save for the authority conferred by resolution 3 above) the Directors be and they are hereby generally empowered pursuant to Section 570 of the Act to allot equity securities (as defined in Section 560 of the Act) pursuant to the authority conferred by resolution 4 above as if Section 561(1) of the Act did not apply to any such allotment, provided that this power shall be limited to the allotment of equity securities up to an aggregate nominal amount of £47,500 (such amount equating to 6 per cent. of the aggregate nominal value of the Enlarged Share Capital (as defined in the Circular)), provided that this authority shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2014 and save that the Company may make an offer or agreement before the expiry of this power which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities pursuant thereto as if the power conferred hereby had not expired.

By order of the Board
Nigel Tranah
Secretary
11 July 2013

Registered Office:
Monkton Reach
Monkton Hill
Chippenham
Wiltshire
SN15 1EE

SHAREHOLDER NOTES

1. Entitlement to attend and vote at the General Meeting will be determined by reference to the Company's Register of Members. In order to attend and vote at the General Meeting, a person must be entered on the Register of Members no later than 6.00 p.m. on 28 July 2013. A shareholder's voting entitlement will depend on the number of shares held at that time. If the General Meeting is adjourned, such entitlement is determined by reference to the Register of Members at 6.00 p.m. on the day two days preceding the date fixed for the adjourned meeting. In each case, changes to the Register of Members after such time shall be disregarded in determining the rights of any person to attend or vote at the General Meeting.
2. If you wish to attend the General Meeting in person, you should arrive at the venue in good time for the meeting which will commence at 10.00 a.m. Doors will open at 9.30 a.m. You may be asked to prove your identity.
3. A shareholder is entitled to appoint a proxy to exercise all or any of their rights to attend and to speak and vote on their behalf at the General Meeting. A shareholder may appoint more than one proxy in relation to the General Meeting, provided each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy need not also be a shareholder. To be valid, a Proxy Form, together with the original or duly certified copy of the power of attorney or other authority (if any) under which it is signed or authenticated, must reach the Company's Registrar, Computershare Investor Services PLC at The Pavilions, Bridgwater Road, Bristol, BS99 6ZY, by no later than 10 a.m. on 28 July 2013. Shareholders who have completed a Proxy Form may still attend the General Meeting and vote in person should they wish to do so, but they are requested to bring the Attendance Card with them to the meeting.
4. If more than one valid proxy appointment is made in relation to the same share, the appointment last received before the latest time for the receipt of proxies will take precedence.
5. If two or more shareholders jointly hold shares in the Company, each shareholder may speak and vote at the General Meeting, appoint a proxy or give voting instructions. However, if more than one joint holder votes, appoints a proxy or gives voting instructions, the only vote, appointment or voting instruction which will count is the vote, appointment or voting instruction of the joint holder whose name is listed first in the Register of Members of the Company as regards that joint holding.
6. If an indirect shareholder (who holds shares via a stockbroker or other nominee) wishes to (i) attend the General Meeting or (ii) appoint a proxy speak and vote on their behalf at the General Meeting, or (iii) give voting instructions without attending the General Meeting, they must instruct the stockbroker or other nominee administrator accordingly. To do this, shareholders are advised to contact their stockbroker or other nominee administrator and advise them which of the three options they prefer.
7. Indirect shareholders who indicate they wish to attend the General Meeting will not receive an Attendance Card. They will therefore be asked to identify themselves at the General Meeting using a valid passport, identity card or photo driving licence.
8. If a shareholder does not specify how he or she wants the proxy to vote on the particular resolutions, the proxy may vote or abstain as he or she sees fit. A proxy may also vote or abstain as he or she sees fit on any other business which properly comes before the General Meeting.
9. A Proxy Form is enclosed. The notes to the Proxy Form include instructions on how to appoint the Chairman of the General Meeting or another person as a proxy and also on how to appoint a proxy by using the CREST proxy appointment service. You can only appoint a proxy using the procedures set out in these Notes and in the notes to the Proxy Form.
10. A corporation which is a shareholder may appoint one or more corporate representatives who may exercise on its behalf all of its powers as a shareholder, as if the corporation were an individual shareholder, provided that they do not do so in relation to the same share or shares. Shareholders considering the appointment of a corporate representative should check their own legal position, the Company's Articles of Association and the relevant provision of the Companies Act 2006.
11. Any person to whom this Notice is sent who is a person that has been nominated under Section 146 of the Act to enjoy information rights does not have a right to appoint a proxy.
12. Voting on each of the resolutions will be conducted by way of a poll rather than on a show of hands. The Company believes that a poll is more representative of the shareholders' voting intentions because shareholder votes are counted according to the number of shares held and all votes tendered are taken into account. The results of the poll will be made available on the company's website at www.goodenergygroup.co.uk as soon as practicable following the conclusion of the General Meeting.
13. Any electronic address provided either in this Notice or any related documents (including the Form of Proxy) may not be used to communicate with the Company about proceedings at the General Meeting or the contents of this Notice or for any purposes other than those expressly stated.
14. The total number of Good Energy Group plc ordinary shares of £0.05p in issue as at 10 July 2013 is 12,522,649. The Company holds no shares in treasury.

