

<b>Company</b>	ReEnergy Group PLC
<b>TIDM</b>	RGY
<b>Headline</b>	Notice of EGM
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ReEnergy Group PLC  
15 July 2008

**ReEnergy Group plc  
("ReEnergy" or the "Company")**

**Notification of Investing Strategy  
and notice of Extraordinary General Meeting**

Following the announcement on 17 June 2008 regarding the disposal of the Company's only trading subsidiary Estech Europe Limited ("Estech"), ReEnergy confirms that a notice of extraordinary general meeting ("EGM") including an explanatory letter from the Non-Executive Chairman of ReEnergy, has been dispatched to its shareholders convening an EGM to be held at the offices of Strand Partners Limited, 26 Mount Row, London W1K 3SQ at 11.00a.m. on 30 July 2008.

The EGM notice includes an ordinary resolution to approve the Company's proposed investing strategy ("Investing Strategy") in accordance with Rule 15 of the AIM Rules. If the Investing Strategy is not approved at the EGM, the Board will proceed with a voluntary liquidation of the Company.

The full text of the letter from the Chairman is set out below:

"Dear Shareholder

## **Background**

The Company announced on 17 June 2008 that it had completed the disposal ("Disposal") of its wholly-owned subsidiary, Estech Europe Limited ("Estech"). Prior to the Disposal, Estech was the Group's only trading subsidiary.

Under the AIM Rules for Companies published by the London Stock Exchange plc (the "AIM Rules") where a company whose shares are traded on AIM divests itself of all or substantially all of its trading business activities it will be treated as an "investing company". Such a company must then state its investing strategy going forward and implement its investing strategy, to the satisfaction of the London Stock Exchange plc (the "London Stock Exchange"), within twelve months of shareholders approving the investing strategy.

Accordingly, I am now writing to you to outline the Board's proposed investing strategy and to seek your approval of it. In this regard you will find attached to this letter a notice convening an extraordinary general meeting of the Company (the "EGM") at which an ordinary resolution to approve the investing strategy will be proposed (the "Resolution").

## **Investing Strategy**

After careful consideration the Board has determined that the Company's investing strategy will be to acquire a UK-based trading company involved primarily in renewable energy, waste management or financial services and which is capable of significant organic growth (the "Investing Strategy").

Acquisition targets will be subject to initial commercial due diligence by the remaining Directors -Tony Morgan, Jonathan Allen and I - each of whom have significant experience in waste management and renewable energy businesses and, in the case of Tony Morgan, in financial service businesses.

In reviewing investment opportunities, relevant commercial advice will be taken from market consultants as deemed appropriate. Further relevant legal and financial due diligence will be undertaken by suitably qualified advisers to determine the feasibility and risks associated with any potential acquisition or investment.

It is intended that any such acquisition will be completed within 12 months of the date of the EGM. If no such acquisition is completed within this timescale, the London Stock Exchange will suspend the Company's quotation on AIM.

If the Investing Strategy is not approved at the EGM, the Board will proceed with a voluntary liquidation of the Company.

## **Cash estimate**

Following completion of the Disposal, and assuming (i) the return in full of the proportion of the consideration held in escrow pending warranty claims by the acquirer of Estech; and (ii) settlement of professional fees and costs relating to the Disposal and cessation of trading activities, ReEnergy will hold a cash balance of approximately £550,000, or approximately 0.5 pence per Ordinary Share.

### **Suspension**

Trading in the Ordinary Shares is currently suspended, pending the publication of the Company's report and accounts for the year ended 31 December 2007, preparation of which was delayed pending completion of the Disposal. The Company expects to publish such report and accounts within 8 weeks of commencing the audit in respect of such period, at which time it is expected that trading in the Ordinary Shares will recommence subject to the issue and announcement by 30 September 2008 of the Company's interim results for the six months ended 30 June 2008.

Shareholders should be aware that, in the event the Investing Strategy is not approved at the EGM, the Board may not prepare audited accounts in respect of the period to 31 December 2007 to reduce costs ahead of a voluntary liquidation of the Company.

### **Board changes**

Following completion of the EGM, Andrew Biffen, Wayne Keast and Steve Mueller will resign from the Board. Jonathan Allen, Tony Morgan and I will remain as non-executive directors to evaluate potential reverse acquisition targets.

### **Action to be taken**

You will find enclosed a form of proxy for use in connection with the EGM. You are urged to complete the form of proxy in accordance with the instructions printed thereon and return it to Capita Registrars, Proxy Department, PO Box 25, Beckenham, Kent, BR3 4TU as soon as possible and, in any event, so as to be received by no later than 11.00pm on 28 July 2008. The completion and return of a form of proxy will not preclude you from attending the EGM and voting in person should you wish to do so.

### **Recommendation**

Your Board considers that adopting the Investing Strategy to be in the best interests of the Company and its Shareholders as a whole. Accordingly, your Board recommends that Shareholders vote in favour of the resolution to approve the Investing Strategy to be proposed at the EGM."

Further enquiries:

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