

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IF YOU ARE IN ANY DOUBT AS TO WHAT ACTION TO TAKE YOU ARE RECOMMENDED TO CONSULT YOUR STOCKBROKER, SOLICITOR, ACCOUNTANT OR OTHER INDEPENDENT ADVISER AUTHORISED UNDER THE FINANCIAL SERVICES AND MARKETS ACT 2000.**

If you have sold or transferred all of your Ordinary Shares in Active Energy Group PLC, you should pass this document, together with the accompanying form of proxy and other documents enclosed herein, to the person through whom the sale or transfer was made for transmission to the purchaser or transferee.

# **ACTIVE ENERGY GROUP PLC**

## **NOTICE OF GENERAL MEETING**

### **Notice of General Meeting**

Notice of the general meeting which has been convened for 11.00am on 16 November 2016 at the offices of Northland Capital Partners, 60 Gresham Street, 4th Floor, London EC2V 7BB is set out at pages 9 to 12 of this document.

To be valid, forms of proxy must be completed and returned in accordance with the instructions printed thereon, so as to be received by the Company as soon as possible and in any event not later than 11.00am on 14 November 2016.

# ACTIVE ENERGY GROUP PLC ("AEG" or the "Company")

(Incorporated and registered in England and Wales under company number 3148295)

## Directors

Richard Spinks (*Chief Executive Officer*)  
Michael Rowan (*Non-executive Chairman*)  
Matteo Girlanda (*Chief Operating Officer*)  
Brian Evans-Jones (*Chief Financial Officer*)

## Registered Office

27/28 Eastcastle Street  
London  
W1W 8DH  
United Kingdom

31 October 2016

*To the holders of Active Energy Group PLC shares and, for information only, holders of instruments capable of conversion into shares*

Dear Shareholder,

## Notice of General Meeting

I am pleased to be writing to you with details of our general meeting ("GM") which we are holding at the offices of Northland Capital Partners, 60 Gresham Street, 4th Floor, London EC2V 7BB on 16 November 2016 at 11.00 a.m. The formal notice of the GM is set out at pages 9 to 11 of this document.

If you would like to vote on the resolutions but cannot attend the GM, please fill in the proxy form enclosed with this notice on pages 16 to 17 and return it to the Company's registrars, Share Registrars Limited, The Courtyard, 17 West Street, Farnham, Surrey GU9 7DR, as soon as possible. Share Registrars Limited must receive it by no later than 11.00am on 14 November 2016.

Explanatory notes on all the business to be considered at the GM can be found on pages 12 to 13.

## Purpose of the GM

The purpose of the meeting is to grant the Board the authority to issue shares in order to further strengthen the balance sheet of the Company, to restructure its short-term debts and to consolidate its ownership of AEG CoalSwitch as that division enters the commercialisation phase of its development. The Company's interim results, announced on 26 September 2016, show a strong performance for the first half of 2016 and set out exciting challenges ahead as AEG develops its new divisions to support the core business. The objective of the Board is to achieve profitability across all divisions of the business before the end of 2017. To achieve this objective it needs to reposition its working capital arrangements, reduce its debts and provide the Board with flexibility in any future funding requirements. The authorities sought in this document will allow the Board to undertake this.

## Growth Strategy

Key aspects of the Company's growth strategy include expansion into new markets such as Canada, the US and the Far East and the development of AEG's three divisions as it is currently the Board's goal to have three operating and profitable divisions by the end of 2017. In particular AEG is excited by the increasing commercial interest in the CoalSwitch Business and its commercial development. In recent months, the CoalSwitch Business has had various prospective commercial partners from the US, Canada, Japan, Malaysia and Europe visit the R&D facility in Utah. All have been impressed with the facilities and the proprietary knowledge demonstrated by the AEG team. The Company expects that once a prototype plant is complete this will encourage greater interest from these partners and from other industries. AEG believes that the CoalSwitch Business will be an increasingly important component of its revenues moving forward and compliments the strategies for growth in both the WoodFibre and Timberland divisions.

## Share Capital Authorities

At the Annual General Meeting on 21 July 2016, the Company obtained authority from the Company's shareholders to allot Ordinary Shares with an aggregate nominal value of £1,677,190.71 (equivalent to 167,719,071 Ordinary Shares) and to disapply pre-emption rights over such securities up to an aggregate nominal value of £838,595,355 (equivalent to 83,859,536 Ordinary Shares).

Following the Annual General Meeting, on 3 August 2016 the Company announced that it had raised £2,050,000 (before expenses) via the issue of 77,358,491 new Ordinary Shares at a price of 2.65p per share (the "**Placing**" and the "**Placing Price**" respectively). The net proceeds of the Placing are being used to increase capacity at its woodchip processing operations in Ukraine by approximately 33%, and will also provide the Company with additional working capital.

Following the Placing, the Company has authority remaining to issue and allot 6,501,045 Ordinary Shares on a non-preemptive basis. The Board considers this to be insufficient in view of the Company's growth strategy and plans for the future. Consequently, the Board is seeking authority to issue and allot additional Ordinary Shares up to an aggregate nominal value of £4,223,580.14 and to disapply pre-emption rights over Ordinary Shares up to that aggregate nominal value of £4,223,580.14.

The Board intends to use the additional authority for the following proposed transactions (the "**Transactions**"):

### 1. Partial Conversion of the Loan given by Gravendonck Private Foundation

As at 31 October 2016 the Company has outstanding loans of US\$3,000,000 with its major shareholder, the Gravendonck Private Foundation ("**Gravendonck**"), which currently carry an interest rate of 15% per annum. Following the Placing, the Board and Gravendonck have negotiated an agreement whereby Gravendonck will convert US\$1,400,000 (£1,076,923 when

translated at the Exchange Rate) of the outstanding loans into 40,638,606 Ordinary Shares at the Placing Price (the "**Gravendonck Conversion**"). This will increase Gravendonck's shareholding in the Company, taking it back to its original percentage holding prior to the Placing of 29.9% and will leave an outstanding loan to Gravendonck of US\$1,600,000.

The Gravendonck Conversion will further increase the net assets of the Company following the Placing, reduce its dependence on short term debt finance and reduce the interest charge which the Company currently has to bear by approximately US\$210,000 per annum. Furthermore, the Gravendonck Conversion reaffirms the continued support of the Company's long-term major shareholder.

Pursuant to the terms of an agreement to effect the Gravendonck Conversion, Gravendonck has provided a confirmation to the Company that its shareholding in the Company, along with any persons acting in concert with it (as defined in Rule 9 of the Code), will not exceed 30% at any time. Furthermore, if the Gravendonck Conversion were to cause Gravendonck's voting rights, together with any persons acting in concert (as defined in Rule 9 of the Code), to exceed 30% of all the voting rights in the Company, the Company would be entitled to issue such lesser number of Ordinary Shares, on a pro rata basis, so as to ensure that Gravendonck's voting rights, together with the voting rights of any persons acting in concert (as defined in Rule 9 of the Code), do not exceed 30% and the amount of the debt to be repaid would be reduced on a pro rata basis and such higher proportion of the debt would remain outstanding.

#### *Related Party Transaction*

Gravendonck is a substantial shareholder in the Company. Therefore, the Gravendonck Conversion constitutes a related party transaction in accordance with AIM Rule 13. The Board considers, after consultation with the Company's Nominated Adviser, that the terms of the Gravendonck Conversion are fair and reasonable, in so far as its shareholders are concerned.

#### 2. CoalSwitch JVA and proposed issue of shares to Biomass Energy Enhancements LLC Stockholders

On 14 September 2015, the Company announced that it had entered into a 51:49 joint venture agreement ("**JVA**") with Biomass Energy Enhancements LLC ("**BEE**") regarding its CoalSwitch project's business ("**CoalSwitch Business**"). Following recent discussions the Company has reached agreement with the majority of the stockholders in BEE to sell their BEE shares to Active Energy Group plc in return for shares in the Company ("**BEE Share Exchange**"). This exciting development will result in the termination of the JVA and bring the CoalSwitch Business wholly into the Company. In future, key personnel from BEE who have entered into employment arrangements with the Company directly, will operate the assets of the CoalSwitch Business, secured under an intellectual property license to commercialise the CoalSwitch project.

In order to execute this transaction, the Company requires additional authorities to issue new Ordinary Shares to the BEE shareholders. The BEE shareholders that are participating

in the BEE Share Exchange include Sandy Munro, Founder of Munro & Associates (<http://leandesign.com/>) who has provided key technical advice on the development process for CoalSwitch, Philip Scalzo the inventor & founder of the CoalSwitch technology and Trident Limited (see below). Based on the agreement, the Company proposes to issue up to 26,996,892 Ordinary Shares to the majority shareholders in BEE (assuming an issue price which is consistent with the Gravendonck Conversion as set out above, although the actual issue price will be the higher of the Placing Price or the 15 day weighted average share price prior to the execution of the BEE Share Exchange) as well as utilising the 62,500,000 Ordinary Shares the Company currently holds in treasury.

### 3. CoalSwitch JVA and proposed issue of shares to Trident Limited ("Trident")

Following the formalisation of the JVA outlined at paragraph 2 above, the Company agreed terms with Trident (the operating company which introduced the opportunity to AEG) whereby Trident was transferred 15% of AEG's 51% interest in the JVA. Trident has subsequently supported AEG with the development of and the commercialisation strategy for the CoalSwitch Business.

Following recent discussions, the Company has reached an agreement in principle with Trident in order to effect a share exchange transaction by which Trident would relinquish its interest in the JVA, and leave AEG with the controlling interest ("**Trident Share Exchange**"). The Trident Share Exchange is subject to a formal contract but in order to execute the transaction, the Company requires additional authorities to issue new Ordinary Shares to Trident. Based on the agreement in principle, the Company proposes to issue up to 44,400,813 Ordinary Shares to Trident (assuming an issue price which is consistent with the Gravendonck Conversion as set out above), although the actual issue price will be the higher of the Placing Price or the 15 day weighted average share price prior to the execution of the Trident Share Exchange.

Further information relating to the Trident Share Exchange will be announced as soon as practicable. The Board expects the Trident Share Exchange to occur, but cannot give a precise indication of timing. It remains possible that the transaction may not take place.

### 4. General Authority to Issue Shares

In order to meet the challenges that the Company faces as it develops its three divisions, the directors are mindful that they may need to raise further equity to meet the Company's funding needs from time to time. Accordingly the directors are seeking authority to allot up to another 10% of the company's shares, or 72,165,872 Ordinary Shares on a non-preemptive basis.

### **Dilution of Existing Shareholders**

In carrying out the Transactions and related share allotments proposed above, the directors are mindful of the need to minimise the dilutive effect of these proposals and accordingly shall utilise the 62,500,000 Ordinary Shares which the Company currently holds in treasury for the issue of shares to BEE pursuant to the BEE Share Exchange as described above.

Nevertheless, the total number of Ordinary Shares in the capital of the Company could be increased by 26% upon completion of the Transactions and up to a total of 59% should all the outstanding Options and Warrants (see below) also be exercised.

The directors acknowledge that any further issue of shares will result in dilution to existing shareholders and they wish to keep any such dilution to a minimum. The directors may consider an open offer to all shareholders if appropriate.

The Board believes that the proposed Transactions are in the best interests of the Company and its shareholders, as it seeks to introduce a more efficient level of gearing and execute its growth strategy across each division. The Board therefore recommends that you grant the authority to allot up to 184,202,183 Ordinary Shares.

#### Renewing of Authorities

Pursuant to the authority obtained at the Annual General Meeting held on 27 June 2013, the Company issued Warrants to investors. The Board wishes to renew the authority to allot Ordinary Shares in satisfaction of such Warrants. If exercised in full the Warrants would result in the issue of 121,705,831 Ordinary Shares.

The Company has also granted Options which if exercised in full would result in the issue of 116,450,000 Ordinary Shares. The Board wishes to renew the authority to allot Ordinary Shares in satisfaction of such Options.

#### **Recommendation**

The Board considers that the resolutions are in the best interests of the Company and recommend that the Company's shareholders vote in favour of the resolutions as they intend to do so in respect of their aggregate interest in 77,873,250 Ordinary Shares, representing 10.79% of the issued ordinary share capital of the Company on 31 October 2016.

Yours faithfully

**Michael Rowan**  
**Non-executive Chairman**

## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Notice of GM posted to shareholders	31 October 2016
Latest time and date for receipt of forms of proxy	11.00 am on 14 November 2016
GM	11.00 am on 16 November 2016

## Glossary

<b>BEE</b>	means Biomass Energy Enhancements LLC
<b>BEE Share Exchange</b>	means the share exchange whereby existing stockholders of BEE transfer their stockholding in BEE to AEG
<b>Board</b>	means the board of directors of the Company
<b>CoalSwitch Business</b>	means the business of the joint venture between BEE and AEG over its CoalSwitch project pursuant to the JVA
<b>Code</b>	means the City Code of Takeovers and Mergers
<b>Exchange Rate</b>	US\$1.3 : £1
<b>GM</b>	means general meeting
<b>Gravendonck</b>	means the Gravendonck Private Foundation
<b>Gravendonck Conversion</b>	means the conversion of US\$1,400,000 (£1,076,923 when translated at the Exchange Rate) of outstanding loans by Gravendonck into 40,638,606 Ordinary Shares at the Placing Price
<b>JVA</b>	means the Company's joint venture agreement with BEE over its CoalSwitch project
<b>Nominated Adviser</b>	means Northland Capital Partners Limited
<b>Options</b>	mean the 116,450,000 options granted by the

	Company to subscribe for Ordinary Shares and outstanding as at 31 October 2016
<b>Ordinary Shares</b>	mean ordinary shares in the capital of the Company of £0.01 each
<b>Transactions</b>	means the Gravendonck Conversion, issue of shares to Trident and the restructuring of the Company's balance sheet
<b>Trident</b>	means Trident Limited
<b>Trident Share Exchange</b>	means the share exchange whereby Trident will relinquish its interest in the JVA, leaving AEG with a controlling interest
<b>Placing</b>	the issue of 77,358,491 Ordinary Shares at the Placing Price as announced on 3 August 2016
<b>Placing Price</b>	means the price of 2.65p per share
<b>Warrants</b>	mean the 121,705,831 warrants granted by the Company and outstanding as at 31 October 2016

# Notice of General Meeting

## ACTIVE ENERGY GROUP PLC

(Incorporated and registered in England and Wales with registered number 3148295)

Notice is hereby given that the General Meeting of Active Energy Group PLC (the "**Company**") will be held at the offices of Northland Capital Partners, 60 Gresham Street, 4th Floor, London EC2V 7BB on 16 November 2016 at 11.00 a.m. for the transaction of the following business:

To consider and, if thought fit, to pass the following resolutions (the "**Resolutions**") of which Resolution 1 will be proposed as an ordinary resolution and Resolutions 2 and 3 will be proposed as special resolutions.

### Ordinary Resolution

1. THAT pursuant to section 551 of the Companies Act 2006 (the "**Act**"), the directors of the Company be and are hereby generally and unconditionally authorised (in addition to and not in substitution for any existing and unexercised authority conferred upon the directors of the Company pursuant to section 551 of the Act) to exercise all and any powers of the Company to allot or grant rights to subscribe for equity securities (within the meaning of section 560(1) of the Act) of up to an aggregate nominal value equal to £4,223,580.14 to such persons at such times and generally on such terms and conditions as the directors of the Company may determine provided that this authority, unless it is (prior to its expiry) duly revoked or varied or is renewed, shall expire on the day before the fifth anniversary of the passing of this Resolution, save that the directors of the Company may, before such expiry, make an offer or agreement which would or might require equity securities to be allotted after such expiry and the directors of the Company may allot equity securities in pursuance of such offer or agreement as if the authority conferred hereby had not expired.

### Special Resolutions

2. THAT subject to the passing of Resolution 1 and in accordance with section 570 of the Act, the directors of the Company be and are hereby generally and unconditionally empowered (in addition to and not in substitution for any existing and unexercised power conferred upon the directors of the Company pursuant to section 570 of the Act) to allot equity securities (as defined in section 560 of the Act) as if the pre-emption right in section 561 of the Act did not apply to any such allotment, provided that this power shall be limited to:
  - (a) the allotment of equity securities up to an aggregate nominal amount equal to US\$ 1,400,000 (equivalent to 40,638,606 Ordinary Shares) in connection with the debt for equity swap with Gravendonck Private Foundation pursuant to the terms of an agreement tabled before the meeting and marked "Gravendonck Agreement" for identification by the Chairman;

- (b) the allotment of equity securities up to an aggregate nominal amount equal to £894,968.92 (equivalent to 89,496,892 Ordinary Shares) in connection with the Company's proposed acquisition of the shares in Biomass Energy Enhancements LLC;
- (c) the allotment of equity securities up to an aggregate nominal amount equal to £444,008.13 (equivalent to 44,400,813 Ordinary Shares) in connection with the proposed Trident Share Exchange; and
- (d) the allotment of equity securities up to an aggregate nominal amount equal to £721,658.72 (equivalent to 72,165,872 Ordinary Shares) in connection with the requirement to raise further equity or debt to meet the Company's funding needs from time to time,

provided that the above authorities and powers, unless they are (prior to their expiry) duly revoked or varied or are renewed, shall expire on the day before the fifth anniversary of the passing of this Resolution, save that the Company may, before the expiry of such period, make an offer or agreement which would or might require equity securities to be allotted after such expiry and the directors of the Company may allot equity securities in pursuance of such offer or agreement as if the power conferred by this resolution had not expired.

- 3. THAT, subject to the passing of Resolution 1 and in accordance with section 570 of the Act, the directors of the Company be empowered to allot equity securities up to an aggregate nominal amount equal to £2,381,558.31 (equivalent to 238,155,831 Ordinary Shares) (in addition to and not in substitution for any existing and unexercised authority conferred upon the directors of the Company) in satisfaction of the 121,705,831 warrants issued by the Company, pursuant to the authority conferred on the Board by the Company's shareholders at the Annual General Meeting held on 27 June 2013 and in satisfaction of 116,450,000 options granted at the date hereof, as if section 561 of the Act did not apply to any such allotment, provided that the authority, unless it is (prior to its expiry) duly revoked or varied or is renewed, shall expire on the day before the fifth anniversary of the passing of this resolution, save that the Company may, before the expiry of such period, make an offer or agreement which would or might require equity securities to be allotted after such expiry and the directors of the Company may allot equity securities in pursuance of such offer or agreement as if the power conferred by this resolution had not expired.

By Order of the Board

REGISTERED OFFICE  
27/28 EASTCASTLE  
STREET  
LONDON  
W1W 8DH  
UNITED KINGDOM

**Cargil Management Services Limited**  
Company Secretary  
Dated 31 October 2016

# Notice of General Meeting (continued)

## EXPLANATORY NOTES TO EACH RESOLUTION

The following notes give an explanation of the proposed resolutions.

### **Ordinary Resolution**

Resolution 1 is proposed as an ordinary resolution. This means that for this Resolution to be passed, more than half of the votes cast must be in favour of the Resolution.

### **Special Resolutions**

Resolutions 2 and 3 are proposed as special resolutions. This means that for each of these Resolutions to be passed, at least three-quarters of the votes cast must be in favour of the Resolution.

### **Authority to allot shares (Resolution 1)**

Directors may only allot shares if authorised to do so by shareholders. The directors were granted authority to allot 167,719,071 Ordinary Shares on 21 July 2016. 77,358,491 Ordinary Shares have already been allotted under this authority, which will expire at the conclusion of the AGM held in 2017. The Board considers that the remaining authority is insufficient for the Company's growth strategy and plans for the future. Therefore Resolution 1 seeks to grant an enlarged and extended authority to allow the directors of the Company to allot Ordinary Shares and shall expire on the day before the fifth anniversary of the passing of this Resolution. The maximum amount of shares which the directors would be able to allot without further authority from shareholders if this Resolution is passed is 422,358,014. It is expected that this amount will be sufficient for the day to day running of the Company.

### **Disapplication of pre-emption rights (Resolution 2)**

Under the requirements of the 2006 Act, if directors of the Company wish to allot Ordinary Shares, they must first offer them for purchase to existing shareholders on a pro-rata basis in proportion to their existing shareholdings. There are occasions however where the directors will need the flexibility to finance business opportunities through the issue of Ordinary Shares without a pre-emptive offer to existing shareholders. This resolution asks shareholders to waive the pre-emption rights on Ordinary Shares issued up to a maximum aggregate number of 246,702,183 shares in addition to the existing waiver of pre-emption rights. As with Resolution 3, this authority will expire on the day before the fifth anniversary of date of this meeting.

### **Renewal of previous authorities (Resolution 3)**

The Company was authorised by the Company's shareholders at the 2013 AGM to issue and allot Ordinary Shares pursuant to the warrants issued as part of the acquisition of the Nikofeso Group without making a pre-emptive offer to existing shareholders. The Board proposes to renew the authority conferred on the Company by the shareholders for a further

five years whilst the warrants and options in place at 31 October 2016 remain unexercised to give the continued capacity to issue shares that would require to be issued on exercise of such warrants and options.

## PROXY FORM NOTES

1. Members are 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 meeting. A shareholder may appoint more than one proxy in relation to the general meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. To appoint more than one proxy, contact the Company's registrars, Share Registrars Limited, The Courtyard, 17 West Street, Farnham, Surrey GU9 7DR. Where more than one proxy is appointed, a member must specify the number of shares the rights in respect of which each proxy is entitled to exercise. A proxy need not be a shareholder of the Company. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted.

Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of joint holdings (the first-named being the most senior). A Form of Proxy which may be used to make such appointment and give proxy instructions accompanies this notice.

2. To be valid, the Form of Proxy must be received by Company's registrars, Share Registrars Limited, The Courtyard, 17 West Street, Farnham, Surrey GU9 7DR not less than 48 hours (excluding non-business days) before the time appointed for the holding of the meeting.
3. The return of a completed Form of Proxy will not prevent a shareholder attending the general meeting and voting in person if he/she wishes to do so.
4. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the general meeting and any adjournment(s) of it by using the procedures described in the CREST manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider, should refer to their CREST sponsor or voting service provider, who will be able to take the appropriate action on their behalf.
5. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's (EUI) specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the company's agent, Share Registrars Limited (CREST Participant 7RA36) by the latest time(s) for receipt of proxy appointments specified in this notice of meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the Company's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.
6. CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his or her CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
7. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
8. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, only shareholders registered in the register of members of the Company as 11.00 am on 14 November 2016 (or in the event of any adjournment, at 11.00am on the day which is two days (excluding non-business days) before the date fixed

for the adjourned meeting) shall be entitled to attend and vote at the general meeting in respect of the number of shares registered in their name at such time. Changes to the register of members after the relevant times shall be disregarded in determining the rights of any person to attend and vote at the meeting.

9. As at 31 October 2016 (being the latest practicable date prior to the publication of this document), the Company's issued share capital consists of 659,158,721 ordinary shares of £0.01 each (excluding the 62,500,000 the Company currently holds in treasury) and which each carry one vote. Therefore, the total voting rights in the Company as at 31 October 2016 are 659,158,721.
10. A corporation which is a member can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a member provided that no more than one corporate representative exercises powers over the same share.

**PROXY FORM**

**ACTIVE ENERGY GROUP PLC**

I/We \_\_\_\_\_ of \_\_\_\_\_ being (a) member(s) of the above-named Company hereby appoint the Chairman of the meeting OR (Note 3)

(Name of Proxy) .....

as my/our proxy to vote for me/us on my/our behalf at the general meeting to be held on 16November 2016 at 11.00am and at any adjournment thereof.

Dated ..... 2016 Signature(s).....

	For	Against	Withheld
1. Ordinary resolution – Authority to allot shares			
2. Special resolution - Disapplication of pre-emption rights			
3. Special resolution - Renewal of authorities conferred on the Company at the 2013 AGM relating to the warrants			

**Notes**

1. Please indicate with an "X" in the appropriate boxes how you wish your proxy to vote. Unless otherwise directed the proxy will vote or abstain as he or she thinks fit.
2. If you do not indicate how you wish your proxy to vote, your proxy will exercise his/her discretion as to whether, and if so how, he/she votes. Your proxy may also vote or abstain from voting as he/she thinks fit on any other business which may properly come before the meeting including on any permissible amendment to the resolutions set out in the notice of meeting.
3. You are entitled to appoint a proxy or proxies, who need not be a member of the Company or the Chairman, to exercise all or any of your rights to attend, speak and vote at a general meeting of the Company. If you wish to appoint someone else other than the Chairman as proxy please delete the words "the Chairman of the meeting" and insert the name of the person whom you wish to appoint in the space provided. The Chairman of the meeting will act as your proxy, whether or not such deletion is made, if no other name is inserted.
4. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, copy this form as many times as needed and indicate on each form how many shares are allocated to each proxy appointment.
5. In the case of joint registered holders the signature of one holder on the form of proxy will be accepted by the vote of the senior who tenders a vote whether in person or by proxy to the exclusion of the votes of any joint holders and for this purpose seniority shall be determined by the order in which the names stand in the register of members in respect of such joint holdings.
6. In the case of a corporation the form of proxy must be executed under its common seal or signed on its behalf by a duly authorised attorney or a duly authorised officer of the corporation.
7. Any alteration made to the form of proxy should be initialled.

8. To change your proxy instructions simply submit a new proxy appointment. Note that the cut-off time for receipt of proxy appointments (see below) also applies in relation to amended instructions; any amended proxy appointment received after the cut-off time shall be disregarded. You may contact the Company Secretary of Cargil Management Services Limited, 27/28 Eastcastle Street, London W1W 8DH, United Kingdom to obtain another proxy form. If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence. To revoke a proxy instruction you will need to inform the Company by sending a hard copy notice clearly stating your intention to revoke your proxy appointment to the Company's registrars – Share Registrars Limited, The Courtyard, 17 West Street, Farnham, Surrey GU9 7DR by the cut-off time stated below. In the case of a member which is a corporation, the revocation must be executed under its common seal or signed on its behalf by a duly authorised attorney or duly authorised officer of the corporation. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power of attorney) must be included in the revocation notice.
9. This form of proxy should be signed and dated.
10. Completion and return of the form of proxy will not affect the right of a member to attend and vote at the meeting.
11. We have included on the proxy form the ability for a vote to be withheld. A vote withheld is not a vote in law and will not be counted towards the calculation of the proportions of votes "for" or "against".

To be effective, this form of proxy, together with any power of attorney or any other authority (if any) under which it is executed, or a copy of such power of attorney or other authority, certified notarially, must be lodged at the Company's registrars – Share Registrars Limited, The Courtyard, 17 West Street, Farnham, Surrey GU9 7DR, not later than the close of business two days before the holding of the meeting or adjourned meeting at which it is to be used.