

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to any aspect of the proposals referred to in this document or as to the action you should take, you should seek your own advice from a stockbroker, solicitor, accountant, or other professional adviser.

If you have sold or otherwise transferred all of your shares, please pass this document together with the accompanying documents to the purchaser or transferee, or to the person who arranged the sale or transfer so they can pass these documents to the person who now holds the shares.

TMO Renewables Limited

Placing of ordinary shares,

Open offer of ordinary shares

and

Notice of Annual General Meeting

Notice of the Annual General Meeting of the Company to be held at the Institute of Directors, St James 1 Room, 116-123 Pall Mall, London SW1Y 5ED on 3 September 2008 at 10 am is set out on page 5 of this circular.

Whether or not you propose to attend the Annual General Meeting, please complete and submit the proxy form in accordance with the instructions printed on the enclosed form. The proxy form must be received not more than 48 hours before the time of the Annual General Meeting.



TMO Renewables Limited,
40, Alan Turing Road, The Surrey Research Park,
Guildford GU2 7YF, England
Tel: +44 (0)1483 303305 Fax: +44 (0)1483 307795
E-mail: info@tmo-group.com Website: www.tmo-group.com

Registered in England No. 4405622

Directors:

James Christopher Miller
Hamish Curran
Robert Parker
Professor Anthony Atkinson
Philip Nicholas Rodgers

8 August 2008

Dear Shareholder

Placing of ordinary shares

Open offer of ordinary shares

Notice of Annual General Meeting

1. Placing of ordinary shares and open offer of ordinary shares

The Company is in the process of a new fundraising round which I described in my letter to you of 28 April. The fundraising is designed to raise up to £15 million by way of a placing of new shares with institutional investors and an open offer of new shares to existing shareholders. The fundraising will strengthen the Company's balance sheet in advance of opening negotiations with potential customers.

The book building process to secure institutional investors to subscribe for placing shares is in progress and so the issue price for the new shares has not yet been finalised. Once the issue price is agreed, the Company will send application forms setting out the terms of the open offer to give shareholders the opportunity to subscribe for new shares in proportion to their existing holdings. This offer will be capped at the number of new shares as have an aggregate value, at the issue price, of the Sterling equivalent of €2.5 million.

The placing and open offer will be conditional upon shareholders passing the resolutions set out in the notice convening the Annual General Meeting, (at page 5 of this circular) and summarised below.

A full update on the developments in the business will be given at the Annual General Meeting and, for those that cannot attend, the Company will be issuing a newsletter to all shareholders which will include all the key business highlights.

2. **Annual General Meeting**

You will find on page 5 of this circular a notice of the Annual General Meeting of the Company to be held at the Institute of Directors, St James 1 Room, 116-123 Pall Mall, London SW1Y 5ED at 10 am on 3 September 2008. At the Annual General Meeting shareholders will be asked to approve resolutions 1 to 3 which relate to the ordinary business of the Annual General Meeting and resolutions 4 to 6, which are being proposed to enable the placing and open offer to proceed.

Resolution 1 – the Company's Report and Accounts

This resolution is to receive the Company's Report and Accounts for the year ended 31 December 2007.

Resolution 2 – Retirement by rotation

In accordance with the Articles of Association, Professor Anthony Atkinson will retire by rotation and will offer himself for re-election.

Resolution 3 – Re-appointment of auditors

This resolution will re-appoint KPMG LLP as the auditors of the Company; they were appointed by the directors on 19 December 2007 following the resignation of PKF (UK) LLP on 18 December 2007. The auditors will hold office from the conclusion of the meeting until they are deemed to be re-appointed in 2009. The new provisions of the Companies Act 2006 provide that auditors may be appointed within a 28 day period, beginning with the end of the time allowed for sending out copies of the Company's annual accounts for the previous financial year or, if earlier, the day on which copies of the accounts are sent out. If new auditors are not appointed in this period, the existing auditors will be deemed to be re-appointed. The deemed re-appointment is subject to a number of exceptions, including the right of the shareholders to prevent it.

Resolution 4 - Increase of authorised share capital

Resolution 4 provides for the authorised share capital of the Company to be increased from £1,000,000 to £1,500,000 to enable the Company to issue shares under the directors' authority to allot shares described in Resolution 5.

Resolution 5 - Authority to allot shares

Resolution 5 provides for the grant to the directors of an authority pursuant to Section 80 of the Companies Act 1985 to allot new shares up to the nominal value of £476,971.06, comprising of:

- (a) £157,894.73 to enable the Company to issue shares which are acquired under the placing and open offer;
- (b) £32,442 to enable the Company to issue shares in respect of the outstanding warrants and share options; and
- (c) £286,634.33, representing approximately one third of the aggregate nominal value of the issued share capital as it will be following the placing and open offer and the issue of the existing warrants and share options.

The authority will expire five years from the date of the passing of this resolution.

Resolution 6 - Disapplication of pre-emption rights

Resolution 6.2 will empower the Directors to allot equity securities for cash other than pro rata to existing shareholders up to a nominal amount of £157,894.73, representing sufficient authority to allot shares in respect of the placing and open offer. This authority will expire at the earlier of 12 months from the date on which the resolution is passed, and the date on which the last of the subscribers who bought shares under the placing and open offer are entered into the Company's register of members as the holders of those shares.

Resolution 6.3 will give the Directors the power to allot equity securities for cash other than pro rata to existing shareholders up to a nominal amount of £118,432.10, representing sufficient authority to allot shares in respect of the outstanding warrants and share options, and £85990.30, being approximately ten per cent. of the aggregate nominal value of the issued share capital as it will be following the issues of shares described above. This authority will expire at the earlier of the conclusion of the annual general meeting to be held in 2009 and 15 months from the date on which the resolution is passed.

Recommendation

The board of Directors consider that the resolutions relating to the ordinary business of the Annual General Meeting are fair and reasonable and in the best interests of the Company and shareholders alike and therefore unanimously recommend that shareholders vote in favour of resolutions 1 to 3. Further the board of Directors believe that the placing and open offer is in the best interests of the Company and its shareholders as a whole, and accordingly also unanimously recommend that shareholders vote in favour of resolutions 4 to 6 inclusive.

Form of proxy

Shareholders are requested to complete the proxy form enclosed with this circular in accordance with the instructions printed on it and return it to The Company Secretary, TMO Renewables Limited, 40 Alan Turing Road, The Surrey Research Park, Guildford, Surrey GU2 7YF, **as soon as possible and in any event so as to arrive no later than 10 am on 1 September 2008**, whether or not they intend to attend the Annual General Meeting. The completion and return of a form of proxy will not prevent shareholders from attending the Annual General Meeting and voting in person.

Yours faithfully,



Christopher Miller
Chairman



TMO Renewables Limited,
40, Alan Turing Road, The Surrey Research Park,
Guildford GU2 7YF, England
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Registered in England No. 4405622

NOTICE OF ANNUAL GENERAL MEETING

TMO RENEWABLES LIMITED

NOTICE IS GIVEN that the **ANNUAL GENERAL MEETING** of the Company will be held at the Institute of Directors, St James 1 Room, 116-123 Pall Mall, London SW1Y 5ED on 3 September 2008 at 10 am for the purpose of considering and, if thought fit, passing the following resolutions which will be proposed as ordinary resolutions in the case of resolutions 1 to 5 (inclusive) and as a special resolution in the case of resolution 6.

Ordinary business

1. To receive the Company's annual Report and Accounts for the year ended 31 December 2007.
2. To reappoint Professor Anthony Atkinson as Director of the Company who retires by rotation.
3. To re-appoint KPMG LLP as auditors to hold office from the conclusion of the meeting to the end of the next period for appointing auditors under section 485(2) of the Companies Act 2006, at a remuneration to be determined by the Directors.

Special business

4. THAT the authorised share capital of the Company be increased from £1,000,000 to £1,500,000 by the creation of 50,000,000 new ordinary shares of £0.01 each ranking pari passu for all purposes with the existing ordinary shares of £0.01 each.
5. THAT:
 - 5.1 the directors of the Company be generally and unconditionally authorised for the purposes of section 80 Companies Act 1985 ("**Act**") to exercise all the powers of the Company to allot relevant securities (as defined in that section) up to an aggregate nominal amount of £476,971.06. This authority shall expire on the date five years from the date of this resolution, but the Company may make an offer or agreement before this authority expires which would or might require relevant securities (as so defined) to be allotted after it has expired and may allot relevant

securities under any such offer or agreement notwithstanding that this authority has expired; and

5.2 all previous authorities to allot relevant securities shall be revoked.

6. In substitution for all authorities in existence immediately prior to the passing of this resolution (save to the extent of offers and agreements to allot relevant securities made pursuant thereto), the Directors be and are hereby empowered pursuant to section 95 of the Act to allot equity securities (within the meaning of section 94(2) of the Act) of the Company pursuant to the authority conferred by resolution 5 above as if section 89(1) of the Act did not apply to any such allotment provided that this power shall be limited to:

6.1 the allotment of equity securities in connection with a rights issue, open offer or other offer in favour of ordinary shareholders where the equity securities attributable to the respective interests of all ordinary shareholders are proportionate to the respective numbers of ordinary shares held by them on the record date for such allotment, but subject to such exclusions as the Directors may deem fit to deal with fractional entitlements or problems arising under the laws of any overseas territory or the requirements of any regulatory body or stock exchange;

6.2 the allotment of equity securities up to an aggregate nominal amount equal to £157,894.73, such power to expire at the earlier of 12 months from the date of this resolution, and the day following the date on which the last of the subscribers who bought shares under the placing and open offer of shares to be made by the Company are entered into the Company's register of members as the holders of those shares; and

6.3 the allotment of equity securities up to an aggregate nominal amount equal to £118,432.10, such power to expire at the earlier of the conclusion of the Annual General Meeting of the Company to be held in 2009 and 15 months from the date of this resolution;

provided that the Company may make offers or agreements which would or might require equity securities to be allotted after the expiry of this authority and the Directors may allot equity securities pursuant to any such offers or agreements notwithstanding such expiry.

By Order of the Board

Robert Parker

Company Secretary

Dated: 8 August 2008

Registered office: 40 Alan Turing Road, The Surrey Research Park, Guildford, Surrey

NOTES:

1. As a member of the Company, you are entitled to appoint another person as your proxy to exercise all or any of your rights to attend, speak and vote at the meeting. You may appoint more than one proxy in relation to the meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by you. A proxy need not be a member of the Company. The appointment of a proxy does not preclude you from attending the meeting and voting in person.
2. If you wish to appoint a proxy or proxies, please complete and execute an appointment of proxy in respect of each proxy. To be valid, the duly completed and executed form (together with the power of attorney or other authority (if any) under which it is executed or a notarially certified copy of such authority) should then be returned by one of the following methods:
 - 2.1 by depositing it by personal delivery or by post at the Company's registered office at 40 Alan Turing Road, The Surrey Research Park, Guildford, Surrey GU2 7YF, marked for the attention of Gaye Bramwell not less than 48 hours before the time of the meeting; or
 - 2.2 by emailing a scanned copy in pdf (portable document format) to info@tmo-group.com or by fax to fax number +44 (0)1483 307795, marked for the attention of Gaye Bramwell in either case so as to be received by the Company not less than 48 hours before the time of the meeting.

A form of appointment of proxy is enclosed with this notice of meeting. If you wish to appoint more than one proxy, you should complete a separate form for each proxy and follow the instructions on the form of proxy carefully.
3. In the case of shares held jointly, the vote of the senior holder who votes (and any proxy or proxies appointed by him) shall be counted by the Company to the exclusion of any other joint holders. The senior holder of a share is determined by the order in which the names of the joint holders appear in the register of members.
4. Queries about the meeting or matters dealt with in these notes or the meeting generally should be addressed to Gaye Bramwell as follows:
 - 4.1 by telephone on +44 (0)1483 303305; or
 - 4.2 by email to info@tmo-group.com
5. Documents relating to the meeting should only be sent to the Company by one of the methods and to the address set out in note 2. No communication relating to the meeting or to proxies for the meeting should be sent to any address other than as set out in note 2 and note 4, whether given in this notice or any related documents (including the form of proxy).