

## REG-EAG Inc Offer Update

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EAG Inc

05 September 2008

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FOR IMMEDIATE RELEASE

5 September 2008

Recommended Increased Cash Offer  
for EAG Limited  
by EAG, Inc.,  
a company formed at the direction of  
Odyssey Investment Partners Fund III, LP

VALID ACCEPTANCES RECEIVED FROM APPROXIMATELY 91.6 PER CENT. OF EAG SHARES TO WHICH THE OFFER RELATES

OFFER DECLARED UNCONDITIONAL AS TO ACCEPTANCES

On 13 August 2008, the board of EAG, Inc. ("EAGI"), a company formed at the direction of Odyssey Investment Partners Fund III, LP, announced the terms of an increased cash offer to acquire the entire issued and to be issued share capital of EAG Limited ("EAG"), other than the Acquired Shares, at a price of 130 pence per EAG share (the "Increased Offer"). The offer document setting out the full terms of the Increased Offer (the "Increased Offer Document") was posted to EAG Shareholders on 21 August 2008 and the Increased Offer was subsequently recommended by the Independent Directors of EAG on 22 August 2008.

The board of EAGI is now pleased to announce that the acceptance condition set out in paragraph (a) of Part A of Appendix I to the Initial Offer Document has been satisfied and that the Increased Offer is hereby declared unconditional to acceptances. The Increased Offer is subject to a number of other conditions as set out in paragraphs (b) to (j) (inclusive) of Part A of Appendix I to the Initial Offer Document, all of which remain outstanding. Unless otherwise agreed between EAGI and the Independent Directors of EAG, the Increased Offer will lapse unless all such conditions have been satisfied or (if capable of waiver) waived or, where appropriate, have been determined by EAGI to be or remain satisfied, by midnight (London time) on 26 September 2008.

The board of EAGI furthermore announces that the Increased Offer is being extended and will remain open for acceptance until further notice.

Level of Acceptances

As at 1.00 p.m. (London time) on 4 September 2008, being the first closing date of the Increased Offer, valid acceptances of the Increased Offer had been received in respect of a total of 51,951,176 EAG Shares representing approximately 77.8 per cent. of the issued share capital of EAG and

approximately 91.6 per cent. of the EAG Shares to which the Increased Offer relates (being the entire issued and to be issued share capital of EAG other than the 10,017,485 Acquired Shares).

Furthermore, EAGI is a party to Contribution and Subscription Agreements entered into with certain EAG shareholders who have agreed to exchange a further 10,017,485 EAG Shares, representing, approximately 15.0 per cent. of EAG's existing issued share capital for shares in EAGI.

Accordingly, as at 1.00 p.m. (London time) on 4 September 2008, EAGI had, in aggregate, received acceptances of the Increased Offer in respect of, or was a party to Contribution and Subscription Agreements to acquire, a total of 61,968,661 EAG Shares, representing approximately 92.8 per cent of the existing issued share capital of EAG.

#### Cancellation of admission to trading on AIM

It is the intention of the board of EAGI to take steps to procure, as soon as practicable, the making of an application by EAG to the London Stock Exchange for the cancellation of admission to trading of EAG Shares on AIM; a further announcement will follow shortly giving at least 20 prior Business Days notice of such cancellation. It is anticipated that, following the cancellation of admission, EAG will be re-registered as a private company under the relevant procedures of the Companies Law. EAG Shareholders who have not yet accepted the Increased Offer should note that cancellation is likely to reduce significantly the liquidity and marketability of EAG Shares not acquired under the Increased Offer. Once cancellation of admission has taken effect, EAG Shareholders will no longer be able to effect transactions in EAG Shares on AIM.

#### EAG Shareholders who have not yet accepted the Increased Offer

EAG Shareholders who have not yet accepted the Increased Offer and who hold EAG Shares in certificated form are encouraged to complete, sign and return the New Form of Acceptance, together with the relevant share certificates or other document(s) of title by post or (during normal business hours only) by hand to Capita Registrars, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU as soon as possible. EAG Shareholders who have not yet accepted the Increased Offer and who hold EAG Shares in uncertificated form (that is, in CREST) are encouraged to accept the Increased Offer electronically through CREST so that the relevant TTE Instruction settles as soon as possible. Full details of how to accept the Increased Offer in respect of certificated and uncertificated EAG Shares are set out in the Increased Offer Document and, in the case of certificated EAG Shares, the accompanying New Form of Acceptance.

Terms used, but not defined, in this announcement shall have the same meanings given to them in the Increased Offer Document.

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Credit Suisse, which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting exclusively for EAGI and no one else in connection with the Increased Offer and will not be responsible to anyone other

than EAGI for providing the protections afforded to its clients or for providing advice in relation to the Increased Offer or in relation to the matters described in this announcement or any transaction or arrangement referred to herein.

This announcement is not intended to and does not constitute or form any part of an offer to sell or an invitation to purchase or subscribe for any securities or the solicitation of an offer to purchase or subscribe for any securities pursuant to the Increased Offer or otherwise. The Increased Offer is made solely through the Increased Offer Document and the New Form of Acceptance, which together contain the full terms and conditions of the Increased Offer, including details of how to accept the Increased Offer. Any acceptance or other response to the Increased Offer should be made only on the basis of the information contained in the Initial Offer Document, the Increased Offer Document, the Form of Acceptance and the New Form of Acceptance.

The release, publication or distribution of this announcement in jurisdictions other than the UK and Jersey may be restricted by law and therefore any persons who are subject to the laws of any jurisdiction other than the UK and Jersey should inform themselves about, and observe, any applicable requirements. Any failure to comply with the applicable requirements may constitute a violation of the securities laws of any such jurisdiction. This announcement has been prepared for the purpose of complying with the laws of the UK and Jersey and the information disclosed herein may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws of jurisdictions outside the UK and Jersey.

The Increased Offer is not being made, directly or indirectly, in or into, and the Increased Offer is not capable of acceptance from within, Canada, Australia or Japan or any other jurisdiction if to do so would constitute a violation of the relevant laws of such jurisdiction. Accordingly, copies of this announcement are not being, will not be and must not be mailed or otherwise forwarded, distributed or sent in, into or from Canada, Australia or Japan or any other such jurisdiction if to do so would constitute a violation of the relevant laws of such jurisdiction. Any persons (including without limitation custodians, nominees or trustees) receiving this announcement must not mail, forward, distribute or send it in, into or from Canada, Australia or Japan or any other jurisdiction if to do so would constitute a violation of the relevant laws of such jurisdiction.

This announcement, including information included or incorporated by reference in this announcement, may contain "forward-looking statements" concerning the Increased Offer, EAGI and the EAG Group. These statements are based on the current expectations of the management of EAGI and are naturally subject to uncertainty and changes in circumstances. Generally the words "will", "may", "should", "could", "would", "can", "continue", "opportunity", "believes", "expects", "intends", "anticipates", "estimates" or similar expression identify forward looking statements. Forward-looking statements involve risk and uncertainties that could cause actual results to differ materially from those expressed in the forward-looking statements. Many of these risks and uncertainties relate to factors that are beyond the companies' abilities to control or estimate precisely, such as future market conditions and the behaviours of other market participants. These factors include the satisfaction of the conditions to the Increased Offer, as well as additional factors, such as: local and global political and economic conditions; significant price discounting by competitors; changes in consumer habits and preferences; foreign exchange rate fluctuations and interest rate fluctuations (including those from any potential credit rating decline); legal or regulatory developments and changes; the outcome of any litigation; the impact of any acquisitions or similar transactions; competitive product and pricing pressures; success of

business and operating initiatives; and changes in the level of capital investment. Other unknown or unpredictable factors could cause actual results to differ materially from those in the forward-looking statements. Given these risks and uncertainties, undue reliance should not be placed on forward-looking statements as a prediction of actual results. EAGI assumes no obligation and does not intend to update these forward-looking statements whether as a result of new information or otherwise, except as required pursuant to applicable law and regulation.

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