

REG-EAG Limited Statement re: offers for the

Released: 01/08/2008

com:20080801:RnsA4103A

RNS Number : 4103A

EAG Limited

01 August 2008

Not for release, publication or distribution, in whole or in part, in, into or from Canada,

Australia, Japan or any other jurisdiction where to do so would constitute a violation of

f the relevant laws of such jurisdiction

EAG Limited

("EAG" or the "Company")

Statement re: offers for the Company

On 31 July 2008 the Independent Directors of EAG noted an announcement made on 30 July 2008 by SVTC Technologies, LLC ("SVTC") regarding a cash offer to be made by SVTCA, LLC ("SVTC Bidco"), a wholly owned subsidiary of SVTC, for all of the issued and to be issued share capital of EAG at a price of 120 pence (the "SVTC Bidco Offer"). The Independent Directors of EAG note that the SVTC Bidco Offer, which would be made by the despatch by SVTC Bidco of a formal offer document to EAG shareholders (the "SVTC Bidco Offer Document"), is at a 10 pence premium to the offer of 110 pence in cash per EAG Share announced on 18 July 2008 by EAG, Inc. ("EAGI"), a company formed at the direction of Odyssey Investment Partners Fund III, LP ("Odyssey") (the "EAGI Offer"). SVTC stated in its announcement of 30 July 2008 that it anticipates that it will despatch the SVTC Bidco Offer Document to EAG shareholders within 28 days of the date of that announcement.

The Independent Directors of EAG also note the announcement made on 31 July 2008 by EAGI, stating that EAGI is considering its position, in particular in relation to the possibility of making a counteroffer in cash for EAG.

Were the Independent Directors of EAG to withdraw or adversely modify for whatever reason the terms of their recommendation for the EAGI Offer or agree or resolve to recommend a competing offer, such as the SVTC Bidco Offer, an inducement fee of 800,000 would become payable to Odyssey within five business days.

The irrevocable undertakings given by certain EAG shareholders to EAGI continue to be binding if, within 14 days of the announcement of the SVTC Bidco Offer, EAGI announces a revised offer on terms which represent (in the opinion of EAGI) a consideration at least equal to the consideration offered under the SVTC Bidco Offer.

As any offer for EAG is not governed by the City Code on Takeovers and Mergers (the "Code") the shareholders of EAG do not enjoy the protections usually afforded by the Code. While both SVTC and Odyssey have undertaken to comply in all material respects with the Code, insofar as this is reasonably practicable

and subject to certain exceptions, both parties have reserved the right, however, to cease to comply with the Code in certain circumstances, such as in a competitive situation.

In light of the above the Independent Directors of EAG will continue to monitor this situation in the best interests of EAG shareholders. A further announcement will be made in due course.

Enquiries:

EAG
Ian Johnson - Chairman of the committee of Independent
Directors of EAG
Tel: +44 7785 324 384

Lazard (nominated adviser and joint financial adviser to EAG)
Francis Smedley
Nick Fowler
Tel: +44 20 7187 2000

Numis (joint financial adviser and broker to EAG)
Brent Nabbs
James Black
Tel: +44 20 7260 1000

Citigate Dewe Rogerson (PR adviser to EAG)
Kevin Smith
Lindsay Noton
Tel: +44 20 7638 9571

Lazard, which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting exclusively for EAG and no one else in connection with the Offer and will not be responsible to anyone other than EAG for providing the protections afforded to its clients or for providing advice in connection with the Offer or in connection with the matters described in this announcement or any transaction or arrangement referred to herein.

Numis, which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting exclusively for EAG and no one else in connection with the Offer and will not be responsible to anyone other than EAG for providing the protections afforded to its clients or for providing advice in connection with the Offer or in connection with the matters described in this announcement or any transaction or arrangement referred to herein.

This information is provided by RNS

The company news service from the London Stock Exchange

END

STRMGGFNNMRGRZM