



## JSC Caucasus Energy & Infrastructure

Tbilisi, 22 March 2017

*To the Attention of the Shareholders JSC Caucasus Energy and Infrastructure*

### IMPORTANT NOTICE

The Extraordinary General Meeting (EGM) of shareholders of Caucasus Energy and Infrastructure, JSC (I/C: 205209059) (the “**Company**”) held in Tbilisi, Georgia on 17 March 2017 resolved that the Company shall redeem (buy-back) the common shares and GDRs of all existing shareholders of the Company, willing to fully or partially exit the Company (the “**Share Buy-Back**”). The maximum amount of the common shares and shares denominated in GDRs to be redeemed constitutes 25% of the Company share capital, namely 6 346 289 common shares. In case shareholders submit redemption notices with regard to more than 6 346 289 common shares (including shares denominated in GDRs), the Company shall be obliged to purchase only 6 346 289 common shares on a *pro rata* basis from all shareholders, who have submitted Redemption Notices (the “**25% Rule**”).

Redemption shall be carried at the price of 0.42 USD per common share and 4.12 USD per GDR, which shall be payable to residents of Georgia in GEL at the currency rate of exchange set by the National Bank of Georgia on the payment date, while to non-residents of Georgia it shall be payable in USD. The purchase price includes the fixing fees to be borne by the Company but excludes any broker fees to be paid by each shareholder with respect to the shares redeemed by the Company.

#### **Instructions for participation in the Share Buy-Back:**

1. All shareholders willing to have their shares and/or GDRs redeemed by the Company shall so notify the Company by way of filling out and returning the executed original copy of the notification form attached hereto as Annex No.1 (the “**Redemption Notice**”) to the following address of the Company:

**Caucasus Energy and Infrastructure, JSC**  
Liberty Tower, 9th floor,  
74 Chavchavadze Ave. Tbilisi 0162, Georgia

2. **Redemption Notice shall be couriered to the Company by 17:00 (Tbilisi time) on 7 April 2017. Late Redemption Notices or those provided in the form other than as annexed to this notice will not be considered for the Share Buy-Back.**
3. By 14<sup>th</sup> April 2017 the Company shall notify shareholders, who have submitted the Redemption Notice in due and timely manner about the number of the Company shares/GDRs it is allowed to redeem from such shareholder pursuant to 25% Rule outlined above.
4. By 20<sup>th</sup> April 2017 all shareholders, who have submitted the Redemption Notice, shall transfer to the Company such number of shares/GDRs as notified to it by the Company pursuant to Section 3 above. The Company shall not be obliged to purchase any shares/GDRs exceeding such number. Transfer of shares to the Company shall be carried out by way of registration of such shares on the Company’s name at the independent share registrar JSC Kavkasreestri, at 71 Vazha-Pshavela Ave. 10th block, 7th

floor, Tbilisi, 0186, Georgia; while transfer of GDRs to the Company will be made by way of registration of the GDRs in the name of the Company with the Bank of New York.

5. By 30<sup>th</sup> April 2017 the Company shall pay the purchase price to each of the shareholder, who have transferred its shares/GDRs within the Share Buy-Back procedure as per Section 4 above.

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**Caucasus Energy and Infrastructure**

**Annex No.1**

**REDEMPTION NOTICE FORM**

To: **Caucasus Energy and Infrastructure, JSC**  
Liberty Tower, 9th floor,  
74 Chavchavadze Ave. Tbilisi 0162, Georgia  
Attention: Tamaz Mikadze, Director  
Telephone: +995599 529529

Date: \_\_\_\_\_ April 2017

Dear Mr. Mikadze,

I/We, \_\_\_\_\_ being the shareholder of Caucasus Energy and Infrastructure, JSC (I/C: 205209059) (the “**Company**”), hereby express my/our consent to participation in the Share Buy-Back with the terms and conditions as approved by the Extraordinary General Meeting of Shareholders of the Company held on 17 March 2017 and further specified in your notice of 22 March 2017.

I/We understand that

- the maximum amount of the common shares and shares denominated in GDRs to be redeemed constitutes 25% of the Company share capital, namely 6 346 289 common shares. In case shareholders submit redemption notices with regard to more than 6 346 289 common shares (including shares denominated in GDRs), the Company shall be obliged to purchase only 6 346 289 common shares on a *pro rata* basis from all shareholders, who have submitted Redemption Notices; and
- the redemption shall be carried at the price of 0.42 USD per common share and 4.12 USD per GDR, which shall be payable to residents of Georgia in GEL at the currency rate of exchange set by the National Bank of Georgia on the payment date, while to non-residents of Georgia it shall be payable in USD. The purchase price includes the fixing fees to be borne by the Company but excludes any broker fees to be paid by each shareholder with respect to the shares redeemed by the Company.

Subject to the above, I/We ask the Company to redeem within the Share Buy-Back process:

1. \_\_\_\_\_ ordinary shares of the Company
2. \_\_\_\_\_ GDRs of the Company

I/We shall transfer to the Company such number of shares/GDRs as notified by the Company to me/us by 14 April 2017 via email at the following email address:

\_\_\_\_\_

and with an original notification couriered at the following address:

\_\_\_\_\_

Please kindly transfer the purchase price relevant for the shares/GDRs transferred by me/us to the Company by 20 April 2017 to the following bank account:

<b>Intermediary:</b>	
<b>SWIFT:</b>	
<b>ABA:</b>	
<b>Beneficiary's Bank:</b>	
<b>SWIFT:</b>	
<b>Beneficiary's Account No.:</b>	
<b>Beneficiary:</b>	

In addition to the above, I/we waive any and all claims towards the Company and its management which I/we may have in relation to investment made into the Company, management or operations thereof, whether in contract or in law, whether known or unknown. Such waiver of claims shall become valid upon receipt of the full amount of the purchase price for my/our shares/GDRs redeemed by Company.

Sincerely,

<b>Shareholder:</b>	
<b>By:</b>	
<b>Title:</b>	
<b>Signature:</b>	