THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about what action you should take, it is recommended that you immediately consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 or, in the case of recipients outside the United Kingdom, your stockbroker, bank manager, solicitor, accountant or other financial adviser.

If you have sold or transferred all your shares in EPIC Reconstruction plc, please forward this document at once, together with the accompanying form of proxy, to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for onward transmission to the purchaser or transferee.

Numis Securities Limited, which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting exclusively for EPIC Reconstruction plc and no one else in connection with the proposals set out in this document and will not be responsible to anyone other than EPIC Reconstruction plc for providing the protections afforded to customers of Numis Securities Limited or for giving advice in relation to the proposals or any other matter referred to herein.

EPIC RECONSTRUCTION PLC

(a company incorporated in the Isle of Man with registered number 108834C)

Recommended Proposals to restructure investment advisory arrangements, change the name of the Company, authorise the purchase of Ordinary Shares and cancel the share premium account

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Notice of the Extraordinary General Meeting of EPIC Reconstruction plc to be held on 16 September 2008 at **IOMA House, Hope Street, Douglas**, Isle of Man is set out at the end of this document. Shareholders will find enclosed the form of proxy for use at this meeting. To be valid, the form of proxy must be completed and returned, in accordance with the instructions printed thereon, not later than 48 hours before the time of the meeting.

CONTENTS

DEFINITIONS

The following definitions apply throughout this document, unless the context otherwise requires:

"City Code"	The City Code on Takeovers and Mergers;
"Company"	EPIC Reconstruction plc;
"Court"	the Chancery Division of the High Court of Justice of the Isle of Man;
"Cumulative Total Return"	the total return per Ordinary Share as at 30 June 2008, based on Current NAV, being 70.9p;
"Current NAV"	the estimated net asset value of the Company as at 30 June 2008, being 55.4p per Ordinary Share;
"Directors" or "Board"	the board of directors of the Company;
"Dividends Paid to date"	16.8p per Ordinary Share paid since the Placing;
"Effective Date"	the date of entry into the Investment Advisory Agreement with EPE pursuant to the Proposals, as approved at the Extraordinary General Meeting;
"EPE"	EPIC Private Equity LLP;
"EPE Managers"	means those persons as are notified by EPE to the Company from time to time;
"ESO Carry LLP"	the limited liability partnership to be formed by members of the advisory team, as described in Part 2;
"ESO LLP"	ESO Investments LLP, a limited liability partnership to be formed to make new investments on behalf of the Company, as described in Part 2 and any successor vehicles performing that role;
"Extraordinary General Meeting"	the extraordinary general meeting of the Company to be convened for 10am on 8 September 2008, notice of which is set out at the end of this document;
"FSA"	the Financial Services Authority;
"Group"	the Company and its subsidiary undertakings;
"Investment Adviser"	EPE or, prior to the Effective Date, EPIC Private Equity Limited (formerly EPIC Specialist Investments Limited);
"Investment Advisory Agreement"	means the investment advisory agreement, to be entered into

	between EPE and the Company, as further detailed in Part 1;
"Law"	The Isle of Man Companies Acts 1931-2004;
"Lehman Brothers"	Lehman Brothers Holdings plc;
"London Stock Exchange"	London Stock Exchange plc;
"Net Proceeds"	93.8p, being the proceeds of the Placing less related expenses;
"Numis"	Numis Securities Limited;
"Ordinary Shares" or "Shares"	Ordinary shares of 1p each in the capital of the Company;
"Panel"	the Panel on Takeovers and Mergers;
"Placing"	the placing of 30 million Ordinary Shares in September 2003;
"Proposals"	together to (i) restructure investment advisory arrangements (ii) change the name of the Company (iii) authorise the purchase of Ordinary Shares and (iv) cancel the share premium account;
"Registrar"	IOMA Fund and Investment Management Limited;
"Shareholder"	a registered holder of Ordinary Shares; and
"Third Party Valuer"	an independent investment bank or major accountancy firm selected by agreement between the Company and the Investment Adviser.

PART 1: LETTER FROM THE CHAIRMAN

EPIC RECONSTRUCTION PLC

(a company incorporated in Isle of Man with registered number 108834C)

Directors:
G O Vero (Chairman)
R B M Quayle
C L Spears
N V Wilson

Registered Office:
IOMA House
Hope Street
Douglas
Isle of Man
IM1 1AP

21 August 2008

Dear Shareholder,

Recommended proposals to restructure the Company's investment advisory arrangements, change the name of the Company, authorise the Company to purchase up to 5 per cent. of its issued share capital and cancel its share premium account.

Introduction

Your Board has been considering the future development of the Company and I am writing to you today with details of various proposals for which we are seeking approval from Shareholders. A number of these relate to the Company's investment policy and advisory arrangements. In addition, we are seeking approval to change the name of the Company, authority for the purchase by the Company of up to 1,500,000 issued Shares and approval for the cancellation of the share premium account in order to create a distributable reserve out of which to purchase Shares.

The purpose of this document is to explain the Proposals and why the Board is recommending that you vote in favour of the resolutions to be proposed at the Extraordinary General Meeting of the Company.

Proposed Changes

Background

Since the Company was launched in 2003, it has made a number of successful investments but overall portfolio and share price performance have been disappointing. The Company is focussed on the control and ownership of distressed assets. Though the performance of the Company has been disappointing, there has been some investment success to date:

- generated gross revenue of 34.3p per Share since the Placing;
- paid 16.8p per Share, and declared a further 3.24p, of dividends, with dividend yield circa 6 per cent., based on dividends declared in respect of the year ended 31 January 2008 and a share price of 51.5 pence (as at 20 August 2008);

- The Portfolio is currently valued at a gross 0.9x money multiple (calculated as the current value of investments plus sums received from investments compared with the aggregate Net Proceeds) and the Company at a net 0.8x money multiple (calculated as Current NAV plus Dividends paid to date compared with the aggregate Net Proceeds);

- deployed over £39m of capital and already realised over £27m to the Company (£17m capital / £10m income);

- built up extensive contact network of deal sources, advisory providers and financing partners over 450 opportunities investigated in 4 years, with 17 transactions completed to date.

The Board believes that it is not in the interest of the Company or the Shareholders to realise assets in today's financial climate. The current four trading assets in the portfolio are relatively immature and only in the early stages of profit turnaround and stabilisation. The fifth asset, a property in Glasgow, requires further development to realise the full potential gain. Since the end of the last economic slowdown in 2003, the economic conditions have been remarkably benign until recently and the Board and Investment Adviser expect more opportunities to be available over the next 2 – 3 years.

There have been changes in the advisory team and in the method of operation of the Company. Andrew Castle is no longer a member of the advisory team and the Company is advised by the private equity team of the Investment Adviser, led by Giles Brand. The previous arrangements for providing finance to portfolio companies through The Royal Bank of Scotland's Eurosales Finance business have also been discontinued and new business is no longer being taken on in this area.

The Company's underlying investments are now financed through arm's length agreements negotiated on a deal by deal basis. The Company is permitted to incur borrowings up to 100 per cent. of its net asset value as estimated at the time of drawdown. Borrowings by portfolio companies will not be included in this limit unless guaranteed by the Company.

The Directors believe that one of the constraints on the Company's development has been its relatively small size which has meant that some of the investments made have been smaller than your Board would have wished. Your Directors will encourage the Investment Adviser to seek ways of raising additional finance (possibly including an issue of additional Shares) to fund the build-up of a larger portfolio, concentrating on distressed mezzanine and equity positions. The Company will also seek to achieve a wider shareholder base. In developing the portfolio, the Board, which ultimately is responsible for the Company's investment decisions, will work within revised parameters which would permit:

(a) the making of investments in any one company normally up to an amount equal to 25 per cent. of the Company's net asset value or, exceptionally, up to 50 per cent.; and

(b) investments to be made in quoted companies where they otherwise fit the Company's investment criteria.

Revised Advisory Arrangements

The majority of the advisory team's activities are now carried out through EPE, rather than EPIC Private Equity Limited (formerly EPIC Specialist Investments Limited). For regulatory purposes, EPE operates as an appointed representative of EPIC Private Equity Limited, which is regulated by the FSA. It is proposed that the current investment advisory agreement be terminated and replaced by the new Investment Advisory Agreement with EPE although the same individuals will continue to undertake the advisory duties. EPE will provide investment advisory services in relation to new investments made by the Company pursuant to the ESO LLP members' agreement which will mirror the Company's new investment advisory arrangements.

The Investment Adviser is currently entitled to receive an aggregate annual advisory fee from the Company, payable quarterly in arrears, at the rate of 1 per cent. per annum of the Group's total assets (including the Group's attributable proportion of financing contracts for which it is participating in the credit risk). For the accounting periods ending on or before 31 December 2008, the annual fee is subject to a maximum fee of £1.5 million (pro rata in respect of the initial accounting period).

It is proposed that, as from the beginning of the current financial year on 1 February 2008, (by which date discussions between the Board and the Investment Adviser on this aspect of the proposal had been largely concluded), the basis of this fee be changed to 2 per cent. plus VAT of the Company's net asset value, subject to a minimum of £325,000 per annum plus VAT, and the annual maximum will be removed.

In addition, the Investment Adviser will be entitled to a performance fee representing a participation in the returns received by the Company from its investments.

The cumulative performance fee will amount to 20 per cent. of cumulative total return (taken as increase in net asset value plus dividends distributed since inception of the Company), over the Net Proceeds of the Placing, plus VAT if applicable, payable as and when proceeds are received from investments. There will be no clawback of performance fee once paid. The performance fee will also be calculated and payable on the termination by the Company of the appointment of the Investment Adviser (with a continuing right to participate in gains subsequently realised from investments made during its time in office) or winding-up of the Company. In such event a Third Party Valuer will review the valuation of the portfolio.

The performance fee entitlement will be reduced by the amount of any sum paid to ESO Carry LLP as described below.

It is envisaged that investments acquired after the Effective Date will be made through ESO LLP, a limited liability partnership of which the Company will be the principal member. EPE will also be a member and will be responsible for providing advisory services to ESO LLP under the terms of the ESO LLP members' agreement. When an investment is realised the net proceeds attributable to the Company will be distributed to it by ESO LLP. It is envisaged that ESO LLP will acquire investments made in the 2 year period commencing on the Effective Date, with successor limited liability partnerships making investments for successive 2 year periods thereafter.

A proportion of realised profits on that portfolio will be payable to ESO Carry LLP with ESO Carry LLP entitled to 20 per cent. of gains in the value of the portfolio, subject to the portfolio satisfying a hurdle rate of return of 8 per cent. per annum.

No such participation will be payable to ESO Carry LLP unless a performance fee would otherwise be payable to EPE of at least the amount of the gain and EPE's entitlement to a performance fee shall be reduced by the amount of any participation so paid to ESO Carry LLP.

Further details of these proposed arrangements appear in Part 2.

These arrangements replace all prior performance arrangements relating to the Company and Lehman Brothers will no longer have any right to participate in performance fees.

The Investment Adviser will continue to be entitled to charge and retain structuring fees, and also in the future exit and financing fees, payable by portfolio companies or the Company. The level of these will depend upon the size and complexity of transactions but will not exceed 2 per cent. of the transaction value.

The new Investment Advisory Agreement will no longer contain a keyman clause by reference to Mr Jo Welman in view of his reduced role in relation to advice given to the Company.

Duration of the Company

The types of investment which the Company makes typically need some time to develop and create shareholder value. If Shareholders support the Proposals, your Board considers that it would be appropriate to provide a period of certainty for the realisation of existing assets and the build up and development of the portfolio.

We therefore propose that an ordinary resolution be proposed to Shareholders in 2011 for the Company to continue in existence for a further 5 years. If that resolution is not passed, the Board will be required to submit proposals for the winding up of the Company by no later than 30 September 2013. Assuming continuation is approved, a similar resolution will be prepared every 2 years after 2011.

The Board believes that it is not in the best interest of the Company or the Shareholders to realise assets in today's financial climate and that any action to dispose of assets, other than in the ordinary course of business, is, on balance, far more likely to reduce rather than increase value. Private Equity is a long term asset class historically with a typical average holding period of around 5 years per portfolio company. As the Company's current portfolio is relatively immature, the Board considers it prudent for the Company to continue providing an opportunity for these investments to mature.

Dividend Policy

As mentioned in the Interim Report published in 2007, the Directors did not consider it appropriate to declare an interim dividend in respect of the accounting period ending 31 January 2008. However, we have since announced that we intend resuming dividend payments with a recommended dividend of 3.24p per share in respect of that period payable in December 2008, and to pursue a progressive dividend policy. However, the level of dividends will depend upon the revenue and overall financial position of the Company. In the light of experience, we do not propose continuing with the dividend targets indicated at the time of the Company's launch.

Change of name

To reflect the revised emphasis of the Company, it is proposed to change the name to EPE Special Opportunities plc, subject to approval by the Shareholders and the Isle of Man Financial Supervision Commission. A special resolution to effect this change will be proposed at the Extraordinary General Meeting.

Purchase of Shares

It is proposed that the Board be authorised to purchase in the market up to 1,500,000 issued Shares, equivalent to up to 5 per cent. of the issued Shares. Any purchase of the Shares will be made subject to the Law and in accordance with the articles of association of the Company, the special resolution of the

Company authorising such purchase and guidelines established from time to time by the Board. The Shares purchased by the Company shall be treated as cancelled on purchase and the nominal amount of the Company's issued share capital shall be diminished by the nominal value of the Shares accordingly.

In accordance with Manx Law, the authority granted by Shareholders must specify a maximum price payable. This has been set at £2 per Share but purchases of the Shares will only be made for cash at prices below the estimated net asset value of the Shares and where the Board believes such purchases will enhance Shareholder value and/or earnings per Share.

The Board believes that repurchasing Shares will enhance earnings per share. As at the close of business on 30 June 2008, the estimated net asset value per Share was 55.4p. The mid-market price of the Ordinary Shares was 51.5p on 20 August 2008, a discount of 6.1 per cent to this estimate.

We recognise that the payment of sums to effect such repurchasing will diminish funds available for investment but believe that addressing this imbalance is a priority and any such purchase will only be made on a basis which would enhance the net asset value per Share.

Cancellation of Share Premium Account of the Company

As at 31 January 2008 the Company had an amount of £27,850,479 standing to the credit of its share premium account. As the Company does not have significant distributable reserves, for the purposes of repurchasing the Shares, the Board also proposes that, subject to obtaining the Shareholder approval referred to below, the Company will apply to the Court to confirm the cancellation, and transfer, of the amount standing to the credit of the share premium account of the Company to a new distributable reserve out of which repurchases of Shares may be made.

As the price of any purchases cannot be identified at this stage and to provide flexibility for purchases under any future renewal of the buyback authority, the Directors are seeking Shareholder and Court approval for the cancellation of the entire sum standing to the credit of the share premium account.

The Court may decide in its discretion whether to confirm the cancellation and will need to be satisfied that the interests of the Company's creditors will not be prejudiced as a result of the cancellation and the Company will take such steps in that regard as it deems appropriate and as required by the Court.

It is expected that the cancellation of the amount standing to the credit of the share premium account should become effective as soon as possible after the Court Order confirming the cancellation comes into effect, estimated to be within 6 weeks of the passing of the resolution by Shareholders.

The City Code

Rule 9 of the City Code is designed to prevent the acquisition or consolidation of control of a company subject to the City Code without a general offer being made to all shareholders. Rule 9 states that when any person or group of persons acting in concert acquires (whether by one transaction or a series of transactions) an interest in shares which carry 30 per cent. or more of the voting rights of the company, such person or persons acting in concert must normally make a general offer for the balance of the issued share capital of such company. Rule 9 also states that any person or group of persons acting in concert that is interested in shares which in aggregate carry not less than 30 per cent. of the voting rights of a company but does not hold shares carrying more than 50 per cent. of such voting rights must normally make a general offer for the balance of the issued share capital should there be any increase in the percentage of the shares carrying voting rights in which they or any person acting in concert with them are interested.

An offer under Rule 9 must be made in cash and at the highest price paid by the person required to make the offer or any person acting in concert with him for any interest in shares of the company during the 12 months prior to the announcement of the offer.

Under Rule 37 of the City Code, any increase in the percentage of the shares carrying voting rights in which a shareholder or group of shareholders acting in concert is interested as a result of the redemption or purchase by a company of its own shares may be treated as an acquisition of additional shares for the purposes of Rule 9 if the shareholder or group concerned is a director of the company or is (or is presumed to be) acting in concert with any of the directors.

As Lehman Brothers has an interest in securities representing over 30 per cent. of the issued share capital of the Company, if the Company repurchases Shares other than from Lehman Brothers it could result in Lehman Brothers being obliged to make a mandatory offer to acquire all of the other issued Shares due to the resulting increase in the percentage of Shares in which Lehman Brothers is interested.

Following consultation, the Panel has confirmed that Lehman Brothers is not to be regarded as acting in concert with the Directors and accordingly Lehman Brothers will not be required to make a general offer for the balance of the Shares which it does not already own upon the implementation of any purchase of Shares as described above.

Shareholders should note that authority is being sought for the purchase of up to 1,500,000 Shares, equivalent to up to 5 per cent. of the issued Shares. If this number of Shares were to be purchased by the Company, Lehman Brothers' aggregate interest in securities (assuming none of its Shares were purchased) would increase from approximately 36.67 per cent. to approximately 38.60 per cent. of the Shares remaining in issue.

Timing

The authority to purchase Shares will expire at the conclusion of the Annual General Meeting of the Company in 2009 or, if earlier, 18 months after the date on which the authorising resolution is passed. The Company may seek the renewal of the authority to purchase its Shares at the Annual General Meeting of the Company in 2009 or at any earlier General Meeting of the Company. Shares cannot be purchased by the Company in the two month period immediately preceding the announcement of the Company's interim and annual results or, if shorter, the period from the end of the Company's financial period up to and including the time of the relevant announcement, unless a dispensation to deal has been granted by the London Stock Exchange. The Company will seek to obtain a dispensation in each close period if circumstances allow.

Summary of Meeting and Resolutions

Shareholders will find at the end of this document a notice convening the Extraordinary General Meeting. The meeting is convened to be held at the time set out in the notice and will be held at IOMA House, Hope Street, Douglas, Isle of Man.

The following resolutions will be considered at the Extraordinary General Meeting of the Company:

1. An ordinary resolution to approve the Proposals.

2. A special resolution to change the name of the Company to EPE Special Opportunities plc.

3. A special resolution to approve the cancellation of the Company's share premium account.

4. A special resolution to grant the Company the authority to make market purchases of up to 1,500,000 Shares (5 per cent. of the Shares currently in issue).

The quorum for the Extraordinary General Meeting is two persons entitled to attend and to vote on the business to be transacted, each being a member or a proxy for a member or a duly authorised representative of a corporation which is a member.

Action to be taken

Shareholders will find enclosed a form of proxy for use at the Extraordinary General Meeting. Whether or not Shareholders propose to attend the Extraordinary General Meeting, they are requested to complete and return the proxy form in accordance with the instructions printed thereon as soon as possible, and in any event, so as to be received by not later than 48 hours before the meeting is held. The completion and return of the proxy form will not prevent Shareholders from attending and voting in person at the Extraordinary General Meeting, should they so wish.

Taxation

A Shareholder who sells Shares in the market to the Company should generally be treated, for the purposes of UK taxation, as though that Shareholder had sold them to a third party.

The above information on the taxation consequences of the purchase of the Shares is based on the law and practice currently in force or applicable in the United Kingdom. It may not be applicable to certain Shareholders, including non-UK tax resident insurance companies, dealers in securities and Shareholders who are not beneficial owners. If any Shareholder is in doubt as to his taxation position, he should consult a professional adviser without delay.

Recommendation

The restructuring of the investment advisory arrangements is viewed by the London Stock Exchange as a related party transaction. Having consulted with Numis, the Directors consider the terms of the transaction are fair and reasonable insofar as Shareholders are concerned.

The Directors consider that the Proposals are in the best interests of Shareholders as a whole. Accordingly, the Directors of the Company unanimously recommend that Shareholders vote in favour of the resolutions at the Extraordinary General Meeting.

Yours faithfully

Geoffrey Vero
Chairman

PART 2: INFORMATION RELATING TO THE REVISED ADVISORY ARRANGEMENTS

Note: all of the arrangements described below are conditional in all respects on Resolution 1 to be proposed at the Extraordinary General Meeting being passed.

1 Creation of ESO LLP Portfolio

On or after the Effective Date, the Company will become a member of ESO LLP. Other than EPE's entitlement to receive its advisory fee and any right of ESO Carry LLP to receive carried interest (each as described further below), the Company will have 100 per cent. of the economic interest in ESO LLP. The Company will have legal control over ESO LLP through a veto right over the making or realisation of investments and the power to terminate, on notice, the appointment of EPE as investment adviser.

ESO LLP will have three members, the Company, ESO Carry LLP and EPE (which will have an interest of 0.001 per cent.). The members will enter into a members' agreement which will govern the basis on which payments are made into and out of the limited liability partnership, including (a) payments to and from the Company in respect of assets disposed of or to be acquired, (b) advisory fees payable to EPE, and (c) ESO Carry LLP's carried interest entitlement described in paragraph 3 below.

The initial members of ESO Carry LLP will be EPE and Giles Brand. These parties will enter into a members' agreement with ESO Carry LLP and other EPE Managers are expected to accede to the documents from time to time. Under this agreement 100 per cent. of the profits of ESO Carry LLP will be allocated to Giles Brand and other EPE Managers. The agreement will contain an acknowledgment that further entitlements to carried interest will be considered annually and that, if granted to persons other than the existing members, such persons will become members at that time. The Board retains the discretion to agree minor amendments to these arrangements which it considers are not prejudicial to the interests of Shareholders.

2 Advisory arrangements and fees

EPIC's interest in ESO LLP will be included in the Company's portfolio for the purposes of calculating the annual advisory fee payable by the Company to the Investment Adviser. For this purpose, the value of the Company's interest in ESO LLP will be based on the valuation of its underlying investments from time to time. The amount of any advisory fee paid by ESO LLP under the terms of the ESO LLP members' agreement will be deducted from EPE's entitlement to an advisory fee from the Company.

3 Carried interest

In addition, under the members' agreement for ESO LLP a carried interest will be payable to ESO Carry LLP equivalent to 20 per cent. of the income and gains from the portfolio, subject to the portfolio generating a hurdle rate of return of 8 per cent. per annum.

The carried interest will be payable by reference to the monies actually distributed by ESO LLP to the Company. On realisation of an investment by ESO LLP, if, after taking account of other realisations and any unrealised gains and losses, the return realised on the portfolio of ESO LLP exceeds the hurdle rate of return of 8% per annum, an amount representing the carried interest entitlement shall be paid to ESO Carry LLP.

No such participation will be payable to ESO Carry LLP unless a performance fee would otherwise be payable to EPE of at least the amount of the gain and EPE's entitlement to a performance fee shall be reduced by the amount of any participation so paid to ESO Carry LLP.

4 Co-investment

Unless otherwise agreed by the Board in any particular case, the EPE management team is to co-invest in the equity element of each future investment at the same time and on the same terms as ESO LLP's investments, acquiring 10 per cent. of the amount of equity acquired by the Company.

5 Successor portfolios

ESO LLP will be the vehicle through which the Company makes investments for 2 years from the Effective Date. Thereafter new vehicles will be established on similar terms for investments made in succeeding 2 year periods.

PART 3: ADDITIONAL INFORMATION

1 Responsibility

The Directors of the Company accept responsibility for the information contained in this document relating to the Company, themselves and persons connected with them. To the best of the knowledge and belief of the Directors (having taken all reasonable care to ensure that such is the case), the information for which they are responsible in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

2 Interests

None of the Directors has any interest in or right to subscribe for any of the Company's securities. Neither the Company nor any person acting in concert with it has borrowed or lent any Shares.

3 Directors' service agreements and emoluments

The Company has not entered into service agreements with any of the Directors, all of whom are non-executive directors.

4 Material contracts

Neither the Company nor any subsidiary has entered into any material contracts (not being contracts entered into in the ordinary course of business) in the two years prior to publication of this document.

5 Material changes

The Directors are not aware of any material change in the financial or trading position of the Company since 31 January 2008.

6 General

No agreement, arrangement or understanding exists between Lehman Brothers (or any person acting in concert with it) and any of the directors, recent directors, shareholders or recent shareholders of the Company or any persons interested or recently interested in Shares of the Company, having any connection with or dependence on the Resolutions.

No agreement, arrangement or understanding exists whereby any of the Shares acquired by the Company pursuant to the authority to be proposed at the Extraordinary General Meeting will be transferred to any other party. All such Shares will be cancelled and the issued share capital of the Company reduced by the nominal amount of the Shares so purchased.

The Directors' intentions regarding the continuance of the Company's business will not be altered on completion of the proposed purchase by the Company of its own Shares.

7 Consent

Numis has given and not withdrawn its consent to the issue of this document with the inclusion of its name in the form and context in which it appears.

8 Documents available for inspection

Copies of the following documents will be available for inspection at the registered office of the Company and at the offices of Latham & Watkins (London) LLP, 99 Bishopsgate, London, EC2M 3XF during usual

business hours on any weekday up to and including the date of the Extraordinary General Meeting and will be available for inspection at the place of the Extraordinary General Meeting for at least fifteen minutes prior to and during the meeting:

(a) the memorandum and articles of association of the Company;

(b) the audited consolidated financial statements of the Company for the periods ended 31 January 2006, 31 January 2007 and 31 January 2008;

(c) the written consent of Numis to the issue of this document with the inclusion of its name in the form and context in which it appears;

(d) draft (subject to amendment) Investment Advisory Agreement proposed to be entered into with EPE; and

(e) draft (subject to amendment) of the members' agreement to constitute ESO LLP.

EPIC RECONSTRUCTION PLC

(a company incorporated in Isle of Man with registered number 108834C)

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that an Extraordinary General Meeting of EPIC Reconstruction plc (the "Company") will be held on 16 September 2008 at **IOMA House, Hope Street, Douglas**, Isle of Man at **3.00pm** to consider and, if thought fit, pass the following resolutions which will be proposed as to number 1 as an ordinary resolution and as to numbers 2, 3, and 4 as special resolutions.

ORDINARY RESOLUTION

1. THAT the proposals to update the investment policy and restructure the investment advisory arrangements as described in the circular issued by the Company dated 21 August 2008 (the "**Circular**") be and are hereby approved.

SPECIAL RESOLUTIONS

2. THAT the name of the Company be changed to EPE Special Opportunities plc.

3. THAT, pursuant to section 56 of the Companies Act 1931, subject to confirmation by the Isle of Man High Court, the capital of the Company be reduced by cancelling all amounts standing to the credit of the share premium account of the Company and reclassifying such amounts as a distributable reserve of the Company.

4. THAT the Company generally be and is hereby authorised for the purposes of Section 13 of the Companies Act 1992 to make market purchases (as defined in the aforementioned section) of ordinary shares of £0.01 each in the capital of the Company ("**Ordinary Shares**") provided that:

   (i) the maximum number of Ordinary Shares hereby authorised to be purchased is 1,500,000, representing 5% of the issued share capital;

   (ii) the minimum price which may be paid for such shares is £0.01 per Ordinary Share;

   (iii) the maximum price (exclusive of expenses) which may be paid for such shares shall be £2.00 per Ordinary Share;

   (iv) the authority hereby conferred shall (unless previously varied, revoked or renewed) expire on the earlier of the date of the Annual General Meeting of the Company in 2009 and 18 months after the date of this resolution; and

(v) under the authority hereby conferred and prior to the expiry or revocation of such authority, the Company may make a contract to purchase its own shares which will or may be executed wholly or partly after the expiry or revocation of such authority and, pursuant to the contract, the Company may make such purchase after the authority has expired.

21 August 2008

By order of the Board

Philip Scales
Secretary

Registered Office:

IOMA House
Hope Street
Douglas
Isle of Man
IM1 1AP

Notes:

1. Only shareholders of EPIC Reconstruction plc are entitled to attend and vote at this meeting. Any such shareholder is entitled to appoint a proxy (or proxies) to attend and, on a poll, vote instead of him. A proxy need not be a shareholder of the Company.

2. Completion and return of a form of proxy will not prevent a shareholder from subsequently attending the Extraordinary General Meeting and voting in person if he/she so wishes.

3. To be effective, the instrument appointing a proxy, and any power of attorney or other authority under which it is signed (or a copy of any such authority certified notarially or in some other way approved by the Directors), must be deposited with the Company's Registrar, not less than 48 hours before the time for holding the meeting or adjourned meeting.