

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to what action to take, you should immediately consult your stockbroker, solicitor, accountant, bank manager or other financial adviser authorised under the Financial Services and Markets Act 2000. If you have sold or transferred all of your Utilico 2012 Warrants, please pass this document as quickly as possible to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Utilico Limited

(Incorporated in Bermuda under the Companies Act 1981, as amended, with company number 39480)

Directors

J M Collier (*Chairman*)
S W Hansen
W McLeland
E St C Stobart
Dr R J Urwin

Registered Office

Canon's Court
22 Victoria Street
Hamilton HM12
Bermuda

25 September 2009

To the holders of Utilico 2012 Warrants ("Warrants")

Dear Sir or Madam

Exercise of your Warrants

We are writing to remind you that your Warrants may be exercised on 2 November 2009. Each of your Warrants allows you to subscribe for one ordinary share of 10p each in the capital of Utilico Limited ("**the Company**") ("**Ordinary Share**") at an exercise price of 315p.

There will be further opportunities to exercise your Warrants on 30 April and 31 October each year until 30 April 2012 inclusive. A reminder letter will be sent to you prior to each subscription date.

Each Warrant can be exercised only once. Your attention is drawn to the table on page 2 detailing the mid-market quotations for the Ordinary Shares and Warrants.

If you wish to exercise some or all of your Warrants and you hold your Warrants in certificated form, please complete and sign the enclosed notice of exercise of subscription rights (the "Notice"), (specifying how many Warrants you wish to exercise). Please then send the completed Notice together with your payment to the following address:

**Computershare Investor Services PLC
Computershare Priority Application
Corporate Actions
Bristol BS99 6AJ**

Payments must be made by cheque or bankers' draft in pounds sterling drawn on a branch in the United Kingdom of a bank or building society and bear a UK bank sort code number in the top right hand corner. Cheques, which must be drawn on the personal account of the individual investor where they have a sole or joint title to the funds, should be made payable to **Computershare Investor Services PLC re Utilico Limited**. Third party cheques will not be accepted with the exception of building society cheques or bankers' drafts where the building society or bank has confirmed the name of the account holder by stamping or endorsing the building society cheque/bankers' draft to such effect. The account name should be the same as that shown on the Notice.

Under the Money Laundering Regulations 2007, Computershare Investor Services PLC, as the registrars ("**Computershare**") may be required to check the identity of persons who subscribe for shares in excess of the sterling equivalent of Euro 15,000. Computershare may therefore undertake electronic searches for the purposes of verifying identity. To do so Computershare may verify the details against the applicants identity, but also may request further proof of identity. Computershare reserve the right to withhold any entitlement (including any refund cheque) until such verification of identity is completed to its satisfaction.

The Notice and payment must be received by no later than 3.30 pm on 2 November 2009.

You will not be able to withdraw a completed Notice, once lodged. If you have lost your Warrant certificate(s), please inform Computershare (Telephone: 0870 707 1375 – calls cost 7p per minute) who will send you a letter of indemnity to complete. The letter of indemnity and Notice must be completed and returned to Computershare at the above address together with the cheque for the relevant subscription amount so as to arrive no later than 3.30 pm on 2 November 2009.

If you wish to exercise some or all of your Warrants and you hold your Warrant in uncertificated form (i.e. in CREST), please note that CREST members will not be able to exercise Warrant Depositary Interests (“**Warrant DIs**”) in CREST and will only be able to exercise the underlying Warrants by cancelling their Warrant DIs (by inputting a stock withdrawal and obtaining the underlying certificated Warrant) and exercising the certificated Warrants outside CREST in accordance with this document.

The Company wishes to inform CREST members holding Warrant DIs and wishing to exercise the underlying Warrants that they should ensure that they cancel their Warrant DIs in time to allow for the recertification and subsequent exercise of the Warrants.

If you wish to have some or all of the Ordinary Shares arising on the exercise of your Warrants allotted to someone else, please complete and lodge a form(s) of nomination, which is available from Computershare. A form of nomination must be signed by both the registered holder and by each person who is to receive the Ordinary Shares and must be lodged with Computershare when you lodge your Notice and payment.

Under existing legislation, the exercise of Warrants will not constitute a disposal for the purposes of United Kingdom taxation of capital gains but the base cost of the Warrants will be added to the subscription price of 315p in computing the base cost of the Ordinary Shares acquired upon such exercise. If you are in any doubt as to your tax position, you are advised to consult your professional adviser.

If you nominate a third party to be allotted the Ordinary Shares, such nomination will constitute a disposal and you should consult your professional adviser as to the capital gains tax, inheritance tax, stamp duty reserve tax and possible other taxation consequences of such a transaction.

Ordinary Shares issued pursuant to the exercise of subscription rights will be allotted not later than 16 November 2009. Application will be made to the UK Listing Authority and the London Stock Exchange for the Ordinary Shares to be admitted to the Official List and to trading on the London Stock Exchange. Certificates for the Ordinary Shares (and any balance of Warrants not exercised) will be posted not later than 30 November 2009. In the meantime, any transfers will be certified against the respective registers.

The Ordinary Shares allotted to you pursuant to the exercise of your subscription rights will not rank for any dividends or other distributions declared, paid or made on the Ordinary Shares by reference to a record date prior to 2 November 2009 but will otherwise rank as one class of share with the existing Ordinary Shares.

The mid-market quotations, derived from the London Stock Exchange’s Daily Official List, on the first business day in each of the six months prior to the date of this letter are set out below, for one Ordinary Share and one Warrant were as follows:

	1 April 2009	1 May 2009	1 June 2009	1 July 2009	3 August 2009	1 September 2009
Ordinary share price (p)	78.50	99.00	92.50	115.00	108.00	104.50
Warrant price (p)	5.50	2.00	2.00	3.50	3.50	3.50

The net asset value (cum income) per Ordinary Share as at 15 September 2009 was 156.40p (fully diluted 156.40p).

This letter is issued by way of reminder only in order to comply with the conditions of issue of the Warrants and should not be read by warrant holders as a recommendation to exercise your subscription rights or otherwise. The information contained in this letter is a summary of, and is subject to, the terms and conditions of the Warrants. If you are in any doubt, you are advised to consult your professional adviser.

Yours faithfully

For and on behalf of
F&C Management Limited
Secretary