

EXTRAORDINARY INFORMATION

1 October 2010

PannErgy has sold 120,000 treasury shares to its strategic partner

PannErgy Plc and its 100% subsidiary, PMM Kereskedelmi Zrt. ("PMM Zrt.") hereby jointly announce that PMM Zrt. has made an agreement on the sales and purchasing of 120,000 treasury shares with one of the strategic drilling partners of PannErgy Group. Today, the parties have consummated the transaction within the framework of an OTC deal.

PannErgy intends to expend the total amount of the HUF 123 million proceeds from the sales on its geothermal projects.

PannErgy wishes to note that the mutually agreed rate of the transaction should not be regarded as the issuer's opinion in relation to the rate of PannErgy shares, but has been determined in line solely with the market rate prevailing at the time of the transaction. PannErgy's management still believes that in case its projects and strategy succeed, the Company's value per share will increase.

After the transaction, PMM Zrt. holds 1,488,203 shares, which are still deemed to be treasury shares on the basis of Section (1) of Article 228 of Act IV of 2006 on business associates (Gt.) in view of the fact that PMM Zrt. is PannErgy Plc's one-man subsidiary, and accordingly the shares held by PMM Zrt. are not voting shares.

With respect to the foregoing and as a result of the transaction, PannErgy Plc's treasury share portfolio consists of 3,203,703 equity shares, making up 15.22% of the total issued share portfolio.

PannErgy Plc

