

# Exercise of Warrant Rights

R.E.A.Hldgs PLC 03 October 2006 R.E.A. Holdings plc (the "company") Exercise of Warrant Rights The company received notices from holders of 371,918 warrants exercising the subscription and conversion rights attaching to those warrants ahead of the final exercise date of 29 September 2006. Holders of 321,822 warrants have elected to subscribe 321,822 ordinary shares of 25p each of the company ("ordinary shares") at the warrant subscription price of 60p per ordinary share and holders of 50,096 warrants have elected to convert 30,058 9 per cent cumulative preference shares of £1 each of the company ("preference shares") into 50,096 ordinary shares at the rate of 0.60 preference share per ordinary share. Accordingly the company has allotted 371,918 ordinary shares, subject to admission of those shares to the Official List of the UK Listing Authority and to trading on the London Stock Exchange's market for listed securities. Application for such admission has been made and it is expected that it will become effective on 9 October 2006 and that dealings in the new ordinary shares will commence on that date. Holders of 266,031 warrants have not exercised their subscription and conversion rights and it is expected that such warrants will be exercised on their behalf by the company by 30 October 2006. The ordinary shares arising from such exercise will be placed by the company's brokers and the net proceeds of sale, after deduction of the cost of subscribing such ordinary shares, distributed to each holder pro rata (provided that such net proceeds payable to a holder exceed £3). The company will request that the admission of the warrants to the Official List and to trading on the London Stock Exchange's market for listed securities be cancelled with effect from 1 November 2006. This information is provided by RNS The company news service from the London Stock Exchange