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If you have sold or otherwise transferred all of your holding of Ordinary Shares in John Laing Environmental Assets Group Limited (the “**Company**”), please send this document, together with the Form of Proxy, as soon as possible, to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. If you have sold any part of your holding of Ordinary Shares in the Company, please contact your stockbroker, bank or other agent through whom the sale or transfer was effected immediately.

This document should be read as a whole. Your attention is drawn to the letter from the Chairman of the Board of Directors of the Company which is set out in Part I of this document and which contains the Board’s recommendation that you vote in favour of the resolution to be proposed at the Extraordinary General Meeting referred to below.

Your attention is also drawn to the Notice of the Extraordinary General Meeting which is set out in Part II of this document.

JOHN LAING ENVIRONMENTAL ASSETS GROUP LIMITED

(a closed-ended company incorporated in Guernsey under the Companies (Guernsey) Law, 2008 with registered no. 57682)

Proposed disapplication of pre-emption rights in connection with a Placing Programme in respect of up to 150 million New Ordinary Shares

Circular to Shareholders and Notice of Extraordinary General Meeting

You will find in Part II of this document the Notice of the Extraordinary General Meeting of the Company to be held at Sarnia House, Le Truchot, St Peter Port, Guernsey GY1 1GR at 10.00 a.m. on 15 December 2016.

Shareholders will have received, or will shortly receive, a Form of Proxy for use in relation to the Extraordinary General Meeting which, to be valid, should be completed, signed and returned so as to be received by the Company’s UK Transfer Agent, Capita Asset Services, at PXS1, 34 Beckenham Road, Beckenham, Kent BR3 4ZF as soon as possible but, in any event, so as to arrive by 10.00 a.m. on 13 December 2016, or not less than 48 hours before (excluding weekends and bank holidays) the time for holding any adjourned meeting, as the case may be.

The Company is a registered closed-ended investment scheme registered pursuant to the Protection of Investors (Bailiwick of Guernsey) Law, 1987, as amended, and the Registered Collective Investment Scheme Rules 2015 issued by the Guernsey Financial Services Commission (the “**Commission**”). The Commission takes no responsibility for the financial soundness of the Company or for the correctness of any of the statements made or opinions expressed with regard to it.

The Ordinary Shares are admitted to trading on the Main Market under ticker symbol “JLEN”.

If you have a query concerning this document or the Extraordinary General Meeting, please telephone Capita Asset Services on 0871 664 0300 or if calling from outside the UK on +44 (0) 208 639 3399. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. We are open between 9.00 a.m. to 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Capita Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

Capitalised terms used in this document have the meanings given in Part III of this document.

Shareholders should make their own investigation of the proposal set out in this Circular, including the merits and risks involved. Nothing in this Circular constitutes legal, tax, financial or other advice, and if they are in any doubt about the contents of this Circular, Shareholders should consult their own professional advisers.

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EXPECTED TIMETABLE

All references to times in this Circular are to London times, unless otherwise stated.

Publication of the Circular and Form of Proxy	25 November 2016
Latest time and date for receipt of Forms of Proxy	10.00 a.m. on 13 December 2016
Extraordinary General Meeting	10.00 a.m. on 15 December 2016
Publication of the Prospectus and Placing Programme opens	Expected to be by the end of December 2016
Admission to the Official List and commencement of dealings in New Ordinary Shares on the London Stock Exchange	8.00 a.m. on each day New Ordinary Shares are issued
CREST accounts credited in respect of New Ordinary Shares in uncertificated form	As soon as possible after 8.00 a.m. on each day New Ordinary Shares are issued
Dispatch of definitive share certificates for New Ordinary Shares in certificated form (where applicable)	Approximately one week following Admission of the relevant New Ordinary Shares
Last date for New Ordinary Shares to be issued pursuant to the Placing Programme	The date that is twelve months after the date of publication of the Prospectus

The dates and times specified above and mentioned throughout this Circular are subject to change. In the event that such a date and/or time is changed, the Company will notify Shareholders of changes to the timetable by the publication of an announcement through a Regulatory Information Service.

PART I – LETTER FROM THE CHAIRMAN

JOHN LAING ENVIRONMENTAL ASSETS GROUP LIMITED

*(a closed-ended company incorporated in Guernsey under the Companies (Guernsey) Law, 2008
with registered no. 57682)*

Directors

Richard Morse (Chairman)
Christopher Legge
Denise Mileham
Peter Neville
Richard Ramsay

Registered Office

Sarnia House
Le Truchot
St Peter Port
Guernsey
GY1 1GR

25 November 2016

To holders of Ordinary Shares in the Company

Dear Shareholder

CIRCULAR TO SHAREHOLDERS AND NOTICE OF EXTRAORDINARY GENERAL MEETING

Introduction

As announced today, the Company is proposing a placing programme of up to 150 million New Ordinary Shares (the “**Placing Programme**”). The Company will be publishing a Prospectus in connection with the Placing Programme in due course.

As the Placing Programme will not be pre-emptive, the Company is asking Shareholders to approve the disapplication of the pre-emption rights contained in the Articles in relation to the Placing Programme (the “**Pre-emption Disapplication**”) by way of a special resolution (the “**Pre-emption Resolution**”).

Consequently, the Board is convening the Extraordinary General Meeting in order to put the Pre-emption Resolution to Shareholders.

The purpose of this Circular is to explain the background to, and reasons for, the Placing Programme and the proposed Pre-emption Disapplication. Notice of the Extraordinary General Meeting at which the Pre-emption Resolution will be put to Shareholders is set out in Part II of this Circular.

Shareholders should make their own investigation of the proposal set out in this Circular, including the merits and risks involved. Nothing in this Circular constitutes legal, tax, financial or other advice, and if they are in any doubt about the contents of this Circular, Shareholders should consult their own professional advisers.

The Placing Programme

Background to, and reasons for, the Placing Programme

The Company launched in March 2014 raising £160 million through the issue of 160 million Ordinary Shares. The net proceeds of the IPO were invested in a diverse portfolio of Environmental Infrastructure assets across solar, wind, waste and wastewater sectors. The Company's portfolio has continued to grow following the IPO, funded through the drawdown on its Facility and two further equity capital raisings, one in each of 2015 and 2016, totalling approximately £100 million. The Company's portfolio now comprises five solar PV assets, eleven onshore wind farm assets, two waste processing assets and one wastewater treatment asset.

More recently, the Company has issued 22,435,643 Ordinary Shares pursuant to a tap issuance programme announced in July 2016 utilising the Shareholder authorities granted at the 2015 AGM and 2016 AGM. This issuance was undertaken in order to satisfy excess demand in the secondary market and provide capital for a pipeline of opportunities available to the Company.

The Company is now limited in the number of Ordinary Shares it is able to issue under the Shareholder authorities granted at the 2016 AGM and without the publication of a prospectus.

The Company has a significant pipeline of opportunities to acquire Environmental Infrastructure assets both from the John Laing Group and third parties, and the Company wishes to ensure that it is in a position to capitalise on these opportunities as and when they become available. The Company is therefore proposing the Placing Programme under which it will be able to issue New Ordinary Shares to take advantage of investment opportunities as they arise, either by way of a series of Placings, Tap Issues or a combination of both.

Accordingly, the Board has decided to seek Shareholder approval to issue up to 150 million New Ordinary Shares pursuant to the Placing Programme at the Extraordinary General Meeting to be held on 15 December 2016. The Company will also publish a Prospectus in connection with the Placing Programme in due course.

The net proceeds of any Issues undertaken pursuant to the Placing Programme will be used to repay amounts drawn under the Facility and/or to fund acquisition opportunities in accordance with the Company's investment policy, subject to the circumstances at the time of each Issue.

Benefits of the Placing Programme

The Directors believe that the Placing Programme will have the following benefits:

- the Company will be able to repay existing borrowings under the Facility, thereby freeing up capacity in order to fund acquisition opportunities;
- it should enable the Company to take advantage of investment opportunities as they arise in the future, mitigating the risk of cash drag;
- it will enable the Company to raise additional capital quickly, in order to take advantage of discrete pipeline investment opportunities;
- it will enable the Company to continue to undertake further tap issuance to satisfy excess demand in the secondary market, subject to its capital requirements;
- the market capitalisation of the Company will increase, and secondary market liquidity of the Ordinary Shares is expected to be improved;
- additional acquisitions will further grow and diversify the Company's portfolio;
- the Company's competitive position will be increased by it becoming a larger market participant and through growth in its portfolio; and
- the Company's fixed running costs will be spread across a larger equity capital base, thereby further reducing the Company's ongoing charges ratio.

Overview of the Placing Programme

The Company is seeking to issue up to 150 million New Ordinary Shares through the Placing Programme. Under the Placing Programme, the Company will be able to issue New Ordinary Shares in one or more tranches (pursuant to Placings and/or Tap Issues), on such dates as are determined by the Directors, during the twelve month duration of the Placing Programme.

The net proceeds of the Placing Programme will be dependent on: (i) the aggregate number of New Ordinary Shares issued pursuant to the Placing Programme; (ii) the price at which such New Ordinary Shares are issued; (iii) the number of New Ordinary Shares issued pursuant to each separate Issue under the Placing Programme; and (iv) whether the relevant Issue is carried out by way of a Placing or a Tap Issue. However, assuming that the maximum number of New Ordinary Shares available under the Placing Programme are issued and assuming a Placing Programme Price of 103 pence per New Ordinary Share, it is expected that the Company would raise gross proceeds of £154.5 million from the Placing Programme. The net proceeds of the Placing Programme, after deducting expected expenses of approximately £2.2 million (based on the Company's expected issuance profile for the Placing Programme), would be approximately £152.3 million.

New Ordinary Shares issued pursuant to the Placing Programme will, when issued and fully paid, rank equally in all respects with the Existing Ordinary Shares, including the right to receive all dividends or other distributions made, paid or declared (if any) out of the profits of the Company attributable to the Ordinary Shares by reference to a record date after the date of their issue. For the avoidance of doubt, New Ordinary Shareholders will not be entitled to receive the interim dividend of 1.53 pence per Ordinary Share announced in respect of the period to 30 September 2016 and payable on 22 December 2016.

All the New Ordinary Shares will be in registered form and eligible for settlement in CREST. Temporary documents of title will not be issued.

Application will be made to the UK Listing Authority for all of the New Ordinary Shares to be issued pursuant to the Placing Programme to be admitted to the premium segment of the Official List, and to the London Stock Exchange for all such New Ordinary Shares to be admitted to trading on the Main Market. It is expected that Admissions in respect of the Placing Programme will become effective, and that dealings for normal settlement in New Ordinary Shares issued pursuant to the Placing Programme will take place, between the date of publication of the Prospectus and the date that is twelve months after such date of publication.

The Pre-emption Disapplication

In accordance with the requirements of the Listing Rules in relation to companies with a premium listing, the Company's Articles give Shareholders pre-emption rights over any issue of further shares of a class held by such Shareholders. The pre-emption rights may be disappplied pursuant to a special resolution of Shareholders.

As the Placing Programme will not be pre-emptive, Shareholders are being asked to approve, by way of the Pre-emption Resolution, the allotment and issue of up to 150 million New Ordinary Shares (being the maximum number of New Ordinary Shares that could be issued pursuant to the Placing Programme) on a non-pre-emptive basis. The maximum number of New Ordinary Shares that could be issued pursuant to the Placing Programme would represent 53.0 per cent. of the total issued share capital of the Company as at the date of this Circular. Such approval will expire on the date that is twelve months after the date of publication of the Prospectus regardless of whether any New Ordinary Shares have been issued before that time and will be limited to the allotment and issue of New Ordinary Shares pursuant to the Placing Programme. The Pre-emption Resolution will be put to Shareholders at the Extraordinary General Meeting.

If the Placing Programme meets its maximum size of 150 million New Ordinary Shares, the share capital of the Company in issue at the date of this Circular will, following the Placing Programme, be increased by 53.0 per cent. as a result of the Placing Programme. On this basis, if an Existing Shareholder does not acquire any New Ordinary Shares, his or her proportionate economic interest in the Company will be diluted by 34.7 per cent.

All New Ordinary Shares issued under any Issue pursuant to the Placing Programme will be issued at a premium to the latest published Net Asset Value per Ordinary Share which is at least sufficient to cover the costs and expenses of the relevant Issue.

Extraordinary General Meeting

The Pre-emption Resolution will be put to Shareholders at the Extraordinary General Meeting, which is being convened for 10.00 a.m. on 15 December 2016. The Notice of the Extraordinary General Meeting is set out in Part II of this Circular.

The Pre-emption Resolution will be proposed as a special resolution requiring the approval of a majority of not less than 75 per cent.

All Shareholders are entitled to attend, speak and vote at the Extraordinary General Meeting and to appoint a proxy to exercise that right.

Action to be taken

Shareholders will have received, or will shortly receive, a Form of Proxy for use by Shareholders in relation to the Extraordinary General Meeting. Whether or not you propose to attend the Extraordinary

General Meeting in person, you are requested to complete the Form of Proxy and return it to the Company's UK Transfer Agent, Capita Asset Services, at PXS1, 34 Beckenham Road, Beckenham, Kent BR3 4ZF as soon as possible but, in any event, so as to arrive by 10.00 a.m. on 13 December 2016, or not less than 48 hours before (excluding weekends and bank holidays) the time for holding any adjourned meeting, as the case may be.

Completion and return of Forms of Proxy will not prevent you from attending and voting in person at the Extraordinary General Meeting should you wish to do so.

Recommendation

The Board believes that the proposed Pre-emption Disapplication is in the best interests of the Company and Shareholders as a whole and unanimously recommends that Shareholders vote in favour of it, as all of the Directors intend to do in respect of their own beneficial holdings of Ordinary Shares which, as at the date of this Circular, amount in aggregate to 224,807 Ordinary Shares (representing approximately 0.08 per cent. of the existing issued ordinary share capital of the Company).

Yours faithfully

Richard Morse
Chairman

PART II – NOTICE OF EXTRAORDINARY GENERAL MEETING

JOHN LAING ENVIRONMENTAL ASSETS GROUP LIMITED

*(a closed-ended company incorporated in Guernsey under the Companies (Guernsey) Law, 2008
with registered no. 57682)*

Sarnia House, Le Truchot, St Peter Port, Guernsey GY1 1GR

Tel: +44 (0) 1481 737600 Fax: +44 (0) 1481 749829

NOTICE IS HEREBY GIVEN that an extraordinary general meeting of John Laing Environmental Assets Group Limited (the “**Company**”) will be held at Sarnia House, Le Truchot, St Peter Port, Guernsey GY1 1GR at 10.00 a.m. on 15 December 2016.

The Extraordinary General Meeting is being convened for the transaction of the following business:

SPECIAL BUSINESS

To consider and, if thought fit, pass the following resolution which will be proposed as a special resolution:

THAT pursuant to Article 7.7 of the Articles, and in addition to any subsisting or other disapplications, the provisions of Article 7.2 of the Articles shall not apply and shall be excluded in relation to the allotment and issue of up to 150 million New Ordinary Shares (being the maximum number of New Ordinary Shares that could be issued pursuant to the Placing Programme) on a non-pre-emptive basis, provided that:

- (a) such disapplication and exclusion shall expire on the date that is twelve months after the date of publication of the Prospectus (unless previously renewed, revoked or varied by the Company by special resolution); and
- (b) such disapplication and exclusion shall be limited to the allotment and issue of New Ordinary Shares under the Placing Programme,

with capitalised terms in this resolution having the meaning given to them in the circular published by the Company on 25 November 2016.

BY ORDER OF THE BOARD

Praxis Fund Services Limited

Company Secretary

25 November 2016

Sarnia House
Le Truchot
St Peter Port
Guernsey GY1 1GR

NOTES TO THE NOTICE OF THE EXTRAORDINARY GENERAL MEETING:

1. A member is entitled to attend and vote at the meeting provided that all calls due from him/her in respect of his/her shares have been paid. A member is also entitled to appoint one or more proxies to attend, speak and vote on his/her behalf at the meeting. The proxy need not be a member of the Company. Shareholders will have received, or will shortly receive, a Form of Proxy which should be completed in accordance with the instructions in the notes to the Form of Proxy. To be effective, the instrument appointing a proxy (together with any power of attorney or other authority under which it is executed or a duly certified copy of such power) must be sent to Capita Asset Services, PXS1, 34 Beckenham Road, Beckenham, Kent BR3 4ZF, by no later than 10.00 a.m. on 13 December 2016, or not less than 48 hours before (excluding weekends and bank holidays) the time for holding any adjourned meeting, as the case may be. A corporation may execute a proxy under its common seal or by the hand of a duly authorised officer or other agent. Completion and return of the Form of Proxy will not preclude members from attending and voting in person at the meeting.
2. A special resolution of the members (or of a class of members) of the Company means a resolution passed by a majority of not less than 75 per cent.
3. The quorum for the Extraordinary General Meeting is at least one member present in person or by proxy and holding 5 per cent. or more of the voting rights available at such meeting.
4. Joint registered holders of shares shall not have the right of voting individually in respect of such share but shall elect one of their number to represent them and to vote whether in person or by proxy in their name. In default of such election the person whose name stands first on the register of members of the Company shall alone be entitled to vote.
5. In accordance with Regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that only those members registered on the register of members of the Company at 6.00 p.m. on 13 December 2016 (or in the event that the meeting is adjourned, only those members registered on the register of members of the Company as at 6.00 p.m. on the day which is two days prior to (excluding weekends and bank holidays) the adjourned meeting) shall be entitled to attend in person or by proxy and vote at the Extraordinary General Meeting in respect of the number of shares registered in their name at that time. Changes to entries on the register of members after that time shall be disregarded in determining the rights of any person to attend or vote at the meeting.
6. A copy of this Notice of the Extraordinary General Meeting is available on the Company's website: www.jlen.com.
7. The total issued share capital of the Company as at the date of this Notice of the Extraordinary General Meeting is 282,792,078 Ordinary Shares. Pursuant to the Articles, on a show of hands every member (being an individual) present in person or by proxy or (being a corporation) present by a duly authorised representative shall have one vote on a show of hands, and one vote per Ordinary Share on a poll (other than the Company itself where it holds its own shares as treasury shares). As at the date of this Notice of the Extraordinary General Meeting, there are no outstanding warrants and/or options to subscribe for Ordinary Shares and there are no treasury shares in issue.

PART III – DEFINITIONS

The following definitions apply throughout this document, unless stated otherwise:

“2015 AGM”	means the annual general meeting of the Company held on 13 August 2015;
“2016 AGM”	means the annual general meeting of the Company held on 17 August 2016;
“Admission”	means admission of the New Ordinary Shares to be issued pursuant to each Issue under the Placing Programme (as the context may require) to the Official List and/or to trading on the Main Market;
“Articles”	means the articles of incorporation of the Company in force from time to time;
“Circular”	means this circular;
“Company”	means John Laing Environmental Assets Group Limited;
“CREST”	means a paperless settlement procedure operated by Euroclear UK & Ireland Limited enabling system securities to be evidenced otherwise than by written instrument;
“Directors” or “Board”	means the directors from time to time of the Company (or any duly constituted committee thereof) as the context may require, and “Director” is to be construed accordingly;
“Environmental Infrastructure”	means infrastructure projects that utilise natural or waste resources or support more environmentally-friendly approaches to economic activity. This could involve the generation of renewable energy (including solar, wind, hydropower and biomass technologies), the supply and treatment of water, the treatment and processing of waste, and projects that promote energy efficiency;
“Existing Ordinary Share”	means an Ordinary Share that is in issue as at the date of this Circular;
“Existing Shareholder”	means a holder of an Existing Ordinary Share;
“Extraordinary General Meeting”	means the extraordinary general meeting of the Shareholders of the Company to be held at Sarnia House, Le Truchot, St Peter Port, Guernsey GY1 1GR at 10.00 a.m. on 15 December 2016 to consider and, if thought fit, approve the Pre-emption Resolution;
“Facility”	means the revolving credit facility made available pursuant to the Facility Agreement;
“Facility Agreement”	means the £75 million multi-currency revolving credit facility agreement dated 9 October 2014 as subsequently amended on 1 March 2016 and amended and restated on 14 July 2016 and made between UK Holdco, the Company, HSBC Bank plc, NIBC Bank N.V., NIBC Financing N.V. and HSBC Corporate Trustee Company (UK) Limited;
“FCA”	means the UK Financial Conduct Authority or any successor body thereof;

“Form of Proxy”	means the form of proxy that Shareholders will have received, or will shortly receive, for use in relation to the Extraordinary General Meeting;
“FSMA”	means the Financial Services and Markets Act 2000 of the United Kingdom, as amended;
“IFRS”	means International Financial Reporting Standards as adopted by the European Union;
“IPO”	means the admission to trading on the Main Market on 31 March 2014 of the Company’s initial public offering of 160 million Ordinary Shares;
“Issue”	means, as the context requires, a Placing and/or a Tap Issue, in each case undertaken pursuant to the Placing Programme;
“John Laing”	means John Laing Limited, a company incorporated in England and Wales (registered number 01345670) and a wholly owned member of the John Laing Group;
“John Laing Group”	means John Laing Group plc, a company incorporated in England and Wales (registered number 05975300) and any of its subsidiary undertakings from time to time;
“Listing Rules”	means the listing rules made by the UK Listing Authority under section 73A of FSMA;
“Main Market”	means the main market of the London Stock Exchange for listed securities;
“Net Asset Value”	means the net asset value under IFRS per Ordinary Share;
“New Ordinary Shareholder”	means a holder of New Ordinary Shares issued pursuant to the Placing Programme;
“New Ordinary Shares”	means the Ordinary Shares to be issued under the Placing Programme pursuant to Placings or Tap Issues, and “New Ordinary Share” shall be construed accordingly;
“Notice of the Extraordinary General Meeting”	means the notice of the Extraordinary General Meeting set out in Part II of this Circular;
“Official List”	means the official list maintained by the UK Listing Authority;
“Ordinary Shares”	means ordinary shares of no par value each in the capital of the Company;
“Placing”	means any issue of New Ordinary Shares directly to one or more investors pursuant to the Placing Programme;
“Placing Programme”	means the programme pursuant to which New Ordinary Shares will be issued as described in the letter from the Chairman set out in Part I of this Circular;
“Placing Programme Price”	means the price at which New Ordinary Shares will be issued in respect of each Issue made pursuant to the Placing Programme;
“Pre-emption Disapplication”	means the disapplication by Shareholders of their pre-emption rights under Article 7 of the Articles in connection with the Placing Programme;
“Pre-emption Resolution”	means the special resolution that will be put to Shareholders at the Extraordinary General Meeting seeking their approval of the Pre-emption Disapplication;

“Prospectus”	means the prospectus to be published by the Company in connection with the Placing Programme;
“Regulatory Information Service”	means a regulatory information service approved by the FCA and on the list of Regulatory Information Services maintained by the FCA;
“Share”	means a share in the capital of the Company (of whatever class);
“Shareholder”	means a registered holder of a Share;
“Tap Issue”	means any issue of New Ordinary Shares to Winterflood Securities Limited for onward sale to one or more investors pursuant to the Placing Programme; and
“UK Holdco”	means John Laing Environmental Assets Group (UK) Limited, a limited company incorporated in England and Wales which is a wholly-owned subsidiary of the Company with registered number 8856505 and its registered office at 1 Kingsway, London WC2B 6AN.

