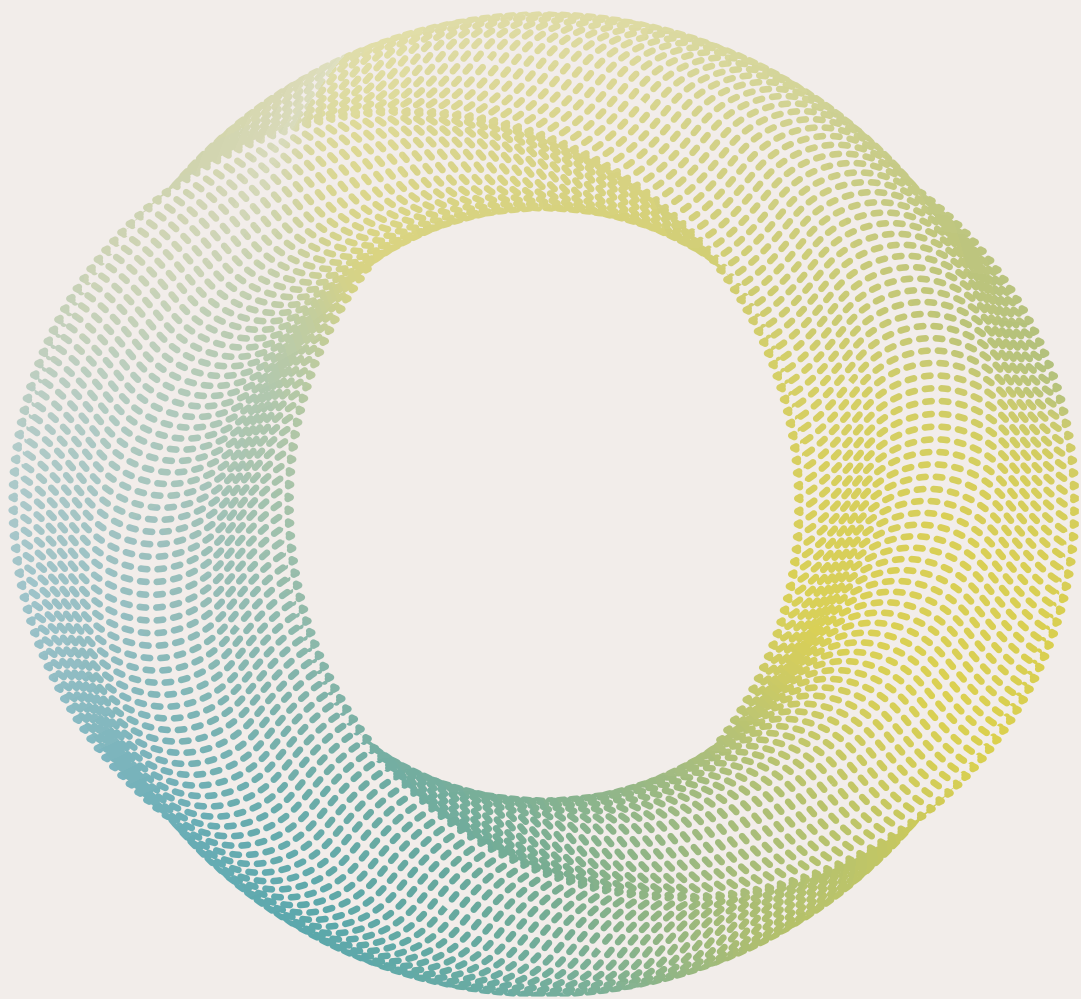


THRIVE RENEWABLES (BUCHAN) LIMITED ANNUAL MANAGEMENT REPORT



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THRIVE RENEWABLES (BUCHAN) LIMITED

OPERATIONAL REVIEW FOR THE PERIOD JANUARY 2016 TO JUNE 2017

The two wind turbines held as Thrive Renewables (Buchan) Ltd are developed on nearby but independent farms – Auchtygills and Clayfords – close to Strichen, Aberdeenshire.

Turbine statistics:

Model: Enercon E48
Maximum tip height: 79m
Capacity per turbine: 0.8MW
Number of turbines: Two

The two turbines were built and first started generating in spring of 2015 with the bond made available from May 2016 after a year of operation. This report details full results for the calendar year of 2016 and latest available information for the first half of 2017 (January to June).

2016 FULL YEAR OPERATIONS

	AUCHTYGILLS	CLAYFORDS	TOTAL / AVERAGE
Generation (MWh)	2,140	2,010	4,150
Availability (%)	98.2	99.3	98.8
Average wind speed (m/s)	6.7	6.6	6.7
Homes equivalent	543	510	1,053
CO ₂ e* saving (tonnes)	989	929	1,918

2017 HALF YEAR OPERATIONS

	AUCHTYGILLS	CLAYFORDS	TOTAL / AVERAGE
Generation (MWh)	1,115	1,101	2,216
Availability (%)	99.2	99.6	99.4
Average wind speed (m/s)	7.0	7.0	7.0
Homes equivalent	279	275	554
CO ₂ e* saving (tonnes)	515	508	1,024

* carbon dioxide equivalent – a standard unit for measuring carbon footprints and accounting for the variable impact of different greenhouse gases.

FINANCIAL SUMMARY

BUCHAN CONSOLIDATED OPERATING STATEMENT	HALF YEAR TO 30 JUNE 2017	FULL YEAR TO 31 DECEMBER 2016
Half year ended 30 June 2017	£	£
Income	271,563	517,059
Operating costs	(85,282)	(89,078)
Depreciation	(86,770)	(176,375)
Profit before interest and tax	99,511	251,606
Bond interest	(82,500)	(82,500)
Profit before tax	17,011	169,106
Operating profit %	6.3%	32.7%

SUMMARY OF OPERATIONS

Both projects achieved full accreditation during 2016 for the government's guaranteed 20-year Feed In Tariff (FIT) pricing support and are unaffected by changes announced subsequently to renewable energy support mechanisms. These changes will have an impact on future/new projects which are yet to qualify for support.

Technically, the turbines have performed in line with expectations and maintenance has been carried out effectively under a long-term service contract by Enercon, the manufacturer of the turbines. Performance against the service contract is measured by "availability" – the proportion of time when the turbines are available to generate if there is sufficient wind. Availability at Auchtygills and Clayfords was recorded as 98.2% and 99.3% respectively which is above the level guaranteed under the service contract. Post construction civil works, in relation to access, have also been completed in the second quarter of 2017 as part of the warranty period. The asset management has been delivered by GreenPower, a local Scottish renewables firm.

All operations have been conducted in a safe, responsible manner and there have been no accidents or incidents reported.

The wind resource during early operations has been lower than the long-term projections for both sites – a pattern experienced across the UK's wind farms during the same period. Recorded wind speed averaged 6.7m/s across the 2016 calendar year compared to a pre-construction forecast of 7.2m/s. As a result, overall generation during 2016 was 4,150MWh which was below the forecast but still enough to provide clean, green electricity to the equivalent of over 1,000 UK homes.

The first half of 2017 continued with unseasonal wind speeds across the UK. Months which have seen wind in line or bettering seasonal expectations have been interspersed with exceptionally low resource. Overall generation for the last 6 months has been 2,216MWh, equivalent to the consumption of over 1,000 UK homes.

Variability in the physical performance of the wind farms is built into our financial budgets, so tolerating a wide range of "ups and downs" in generation. Despite the lower than projected wind resource, the projects are able to service the Bond interest payments in line with expectations.

Auchtygills



Clayfords



IMPACT

Thrive Renewables' mission is to power the transition to a sustainable energy future by helping people meaningfully connect with clean energy projects. A core value is to invest in projects that create real rewards – financial, environmental and social.

Operations at Auchtygills and Clayfords during 2016 exported enough renewable electricity to the grid network to power the equivalent of over 1,000 UK homes and save nearly 2,000 tonnes of CO₂e. This impact and the associated revenues are core to our business model.

Beyond this core impact, we were delighted to deliver a bespoke and interactive science show into the local Strichen School for pupils to learn more about wind farms and renewable energy which received positive feedback from staff and students. In addition, the projects have paid £1,350 to the local council which is committed to carry out sustainability, energy efficiency and environmental improvements to existing housing stock in the area and to contribute to educational and art projects through a local college.

The Thrive Renewables group also continued to run a voluntary community benefit programme which invites representatives of community buildings close to our projects (including Auchtygills and Clayfords) to apply for grants to make sustainable improvements to spaces relied on by local organisations. The buildings provide important social spaces for groups including vulnerable sectors of society – our grants make the spaces more comfortable, affordable and sustainable for long term benefit.



FURTHER RENEWABLE ENERGY DEVELOPMENTS

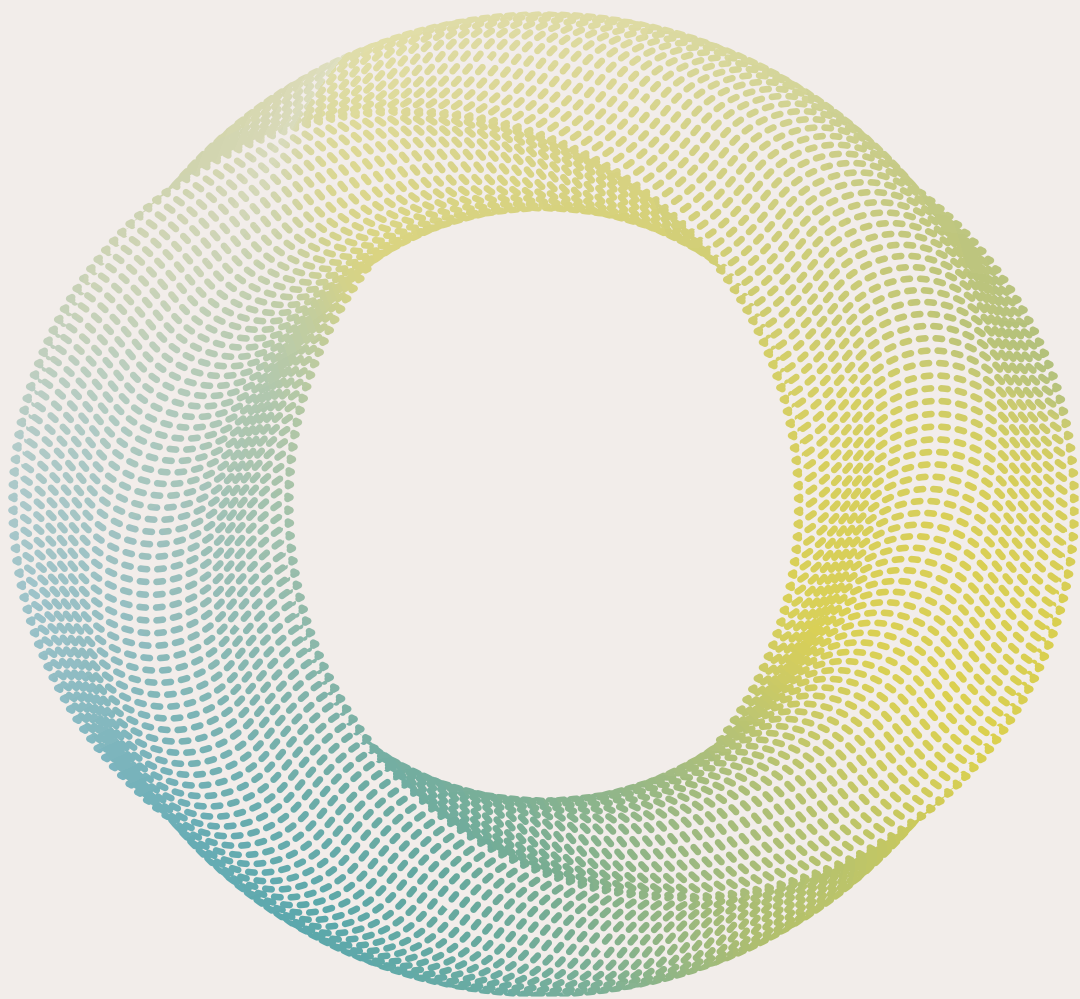
Your investment in the Thrive Renewables (Buchan) bond allowed repayment of an intercompany loan to Thrive Renewables plc. The additional funds have already enabled the group to invest in more renewable energy projects and add even more new renewable-powered generating capacity to the UK's energy mix.

As described in the original offer document this has included Drumduff – a new 3-turbine, 6MW onshore wind farm in West Lothian, Scotland, acquired as joint venture with GreenPower, which is in the final stages of construction at the time of writing. A map of all Thrive Renewables projects, as well as updates on the Drumduff progress, are on our website at www.thriverenewables.co.uk

None of this would have been possible without the support of your investment.

We send email newsletters every few months with company news, investment opportunities and details of events. You can sign up online at www.thriverenewables.co.uk/newsletter and can unsubscribe easily at any time via the link we include in all of our newsletters.

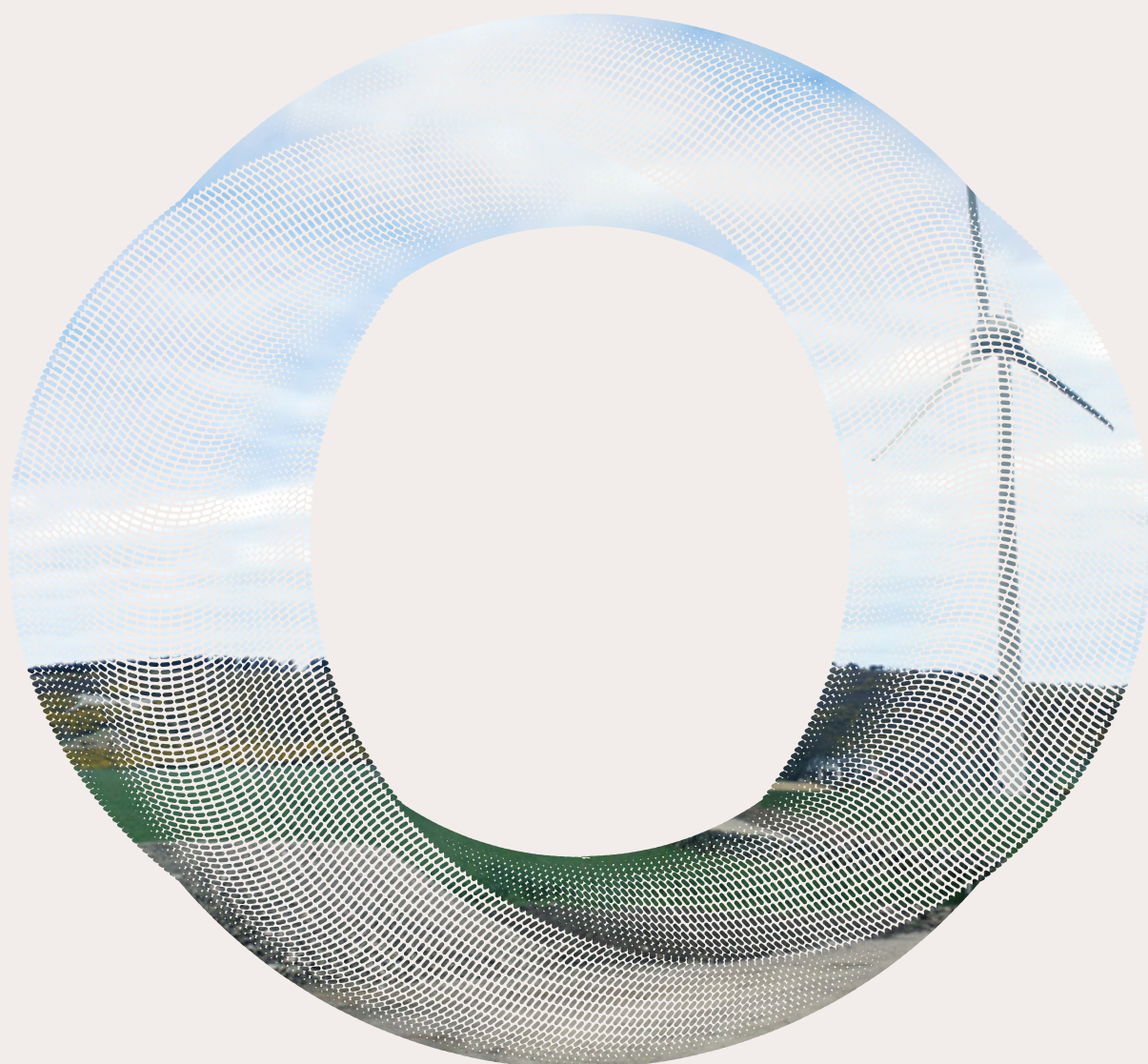
Thrive shares are available via our monthly auctions. Visit www.thriverenewables.co.uk/investors for more information.



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(registered number 05836406)