

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document or about what action to take, you are recommended to seek your own personal independent financial advice as soon as possible from your stockbroker, solicitor, accountant or other financial adviser duly authorised under the Financial Services and Markets Act 2000 if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.

If you have sold or otherwise transferred all your Redhall Shares, please send this document together with the accompanying documents 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 the transferee. However, such documents should not be forwarded or transmitted in or into any jurisdiction in which such act would constitute a violation of the relevant laws in such jurisdiction, including, but not limited, to any Restricted Jurisdiction. If you have sold or otherwise transferred only part of your holding of Redhall Shares, you should retain these documents.

Altium Capital Limited, which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting exclusively for Redhall and for no one else in connection with the Offer, the contents of this and the accompanying documents and other matters described herein and will not be responsible to anyone other than Redhall for providing the protections afforded to clients of Altium Capital Limited, or for providing advice to any other person in relation to the Offer, the contents of this and the accompanying documents or any other matter referred to in this document.

REDHALL GROUP PLC

(incorporated in England and Wales under number 00263995)

Recommended Cash Offer for Chieftain Group PLC

Notice of General Meeting

You are recommended to read the whole of this document but your attention is drawn, in particular, to the letter to Redhall Shareholders from the Chairman of Redhall Group plc which is set out in Part I of this document. The letter explains the background to and the reasons for the matters set out in this document and contains a recommendation that you vote in favour of the Resolution to be proposed at the General Meeting.

Notice of a General Meeting of Redhall Group plc, to be held at the offices of Hammonds LLP 2 Park Lane, Leeds LS3 1ES on 24 October 2008 at 10.30 am is set out at the end of this document. Shareholders will find enclosed a Form of Proxy for use at the General Meeting. The Form of Proxy should be completed, signed and returned to the Company's registrar, Capita Registrars, Proxy Department, at The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU in accordance with the instructions printed on it as soon as possible and, in any event, so as to be received no later than 10.30 am on 22 October 2008. The completion and return of a Form of Proxy will not affect your right to attend and vote in person at the General Meeting or any adjournment thereof, if you wish to do so. If you do not send in a valid Form of Proxy or attend the General Meeting in person and vote, no-one else may vote on your behalf.

Application has been made for the New Redhall Shares to be admitted to trading on AIM.

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EXPECTED TIMETABLE OF PRINCIPAL EVENTS

First closing date of the Offer	1.00 pm on 21 October 2008
Latest time and date for receipt of Forms of Proxy	10.30 am on 22 October 2008
General Meeting	10.30 am on 24 October 2008

DEFINITIONS

Terms defined in the Offer Document dated 30 September 2008 accompanying this document have the same meaning in this document, unless the context requires otherwise.

PART I

Redhall Group plc

(Registered in England and Wales as a public company under the Companies Act 1985 with registered number 00263995)

Directors:

David Jackson (Executive Chairman and Chief Executive)
Simon Foster (Chief Financial Officer)
Tony Price (Chief Operating Officer)
Ian Butcher (Non-Executive Director)
Paul Kirk (Non-Executive Director)

Registered office:

1 Red Hall Court
Wakefield
West Yorkshire
WF1 2UN

30 September 2008

To all Redhall Shareholders and, for information only, to the holders of options under the Redhall Share Option Schemes

Dear Redhall Shareholder

Proposed acquisition of Chieftain Group PLC and Notice of General Meeting

1 INTRODUCTION

The Boards of Redhall and Chieftain announced earlier today that they had reached agreement on the terms of a recommended cash offer for the whole of the issued and to be issued share capital of Chieftain. The offer is 209.2p in cash per Chieftain Share, which values the entire existing issued share capital of Chieftain and outstanding options at approximately £18.6 million and, on the basis of the Closing Price of 191.0 pence per Chieftain Share on 18 September 2008 (the last business day prior to the commencement of the Offer Period), represented a premium of approximately 9.5 per cent.

The purpose of this document is to provide you with information regarding the Offer, to explain why your Board considers that it is in the best interests of the Company and its shareholders as a whole and to seek the necessary approvals from Redhall Shareholders for its implementation at the General Meeting which is being convened for 10.30 am on 24 October 2008. Notice of the General Meeting is set out at the end of this document.

The Redhall Directors unanimously recommend you to vote in favour of the Resolution to be proposed at the General Meeting, as they have all irrevocably undertaken to do in respect of their own beneficial holdings of, in aggregate, 1,498,494 Redhall Shares, representing approximately 7.03 per cent. of Redhall's existing issued share capital. You should complete and return the Form of Proxy that accompanies this document, whether or not you intend to attend the General Meeting.

2 INFORMATION ON CHIEFTAIN GROUP PLC

Chieftain provides outsourced industrial and engineering support services to clients, specialising in the marine, petrochemical, power, oil and gas and process sectors. Incorporated in 1979, Chieftain has developed organically and by acquisition. Since 2004, Chieftain has operated in three divisions: Engineering, Marine Outfitting and Environmental Services.

The Engineering division provides asset maintenance in the process and energy sectors on long term contracts, supplies general and pipework fabrication to the offshore oil and gas, process and energy industry and provides skilled manpower to clients engaged in engineering projects around the world. The Marine Outfitting division is one of the UK's leaders in the supply of insulation, scaffolding, painting and architectural services to sea-going vessels for merchant and warship fleets and oil and gas offshore platforms. The Chieftain Group retains a small environmental services and maintenance business, principally for power generation and local authority clients in Northern Ireland.

For the six months ended 30 June 2008, Chieftain reported turnover of £22.8 million and profit before tax of £1.1 million.

Further information on Chieftain is set out in the Offer Document.

3 BACKGROUND TO AND REASONS FOR THE OFFER

The Board of Redhall believes that the Offer will:

- create a niche UK engineering services group with increased capability and critical mass to secure and execute significant contracts in its strategically important markets in nuclear, oil and gas, power generation and defence;
- strengthen Redhall's existing exposure to the oil and gas sector, in line with Redhall's stated strategy, whilst also providing new expertise in the wider power generation market;
- bring improved access to the nuclear marine outfitting sector, in particular with the Ministry of Defence on current and future build programmes for the Astute Class submarine and aircraft carrier programmes respectively;
- add further skilled engineering resource and create a Group with in excess of 1,700 employees with enhanced ability to self-deliver projects via Chieftain's manpower services division;
- provide much needed specialist fabrication and manufacturing facilities complementing Redhall's own;
- strengthen the Enlarged Group's project management resources and enhance its capability in providing integrated solutions to clients; and
- expand the Group's existing engineering term contract operations into the geographically important North East chemical and power generation market whilst providing greater opportunity for the Enlarged Group to access other UK regional markets.

In addition the Redhall Board expects the Acquisition to be earnings enhancing in the first year of acquisition.¹

4 DETAILS OF THE OFFER

The Offer is 209.2p in cash per Chieftain Share. The Chieftain Directors, who have been so advised by Brewin Dolphin, consider the terms of the Offer to be fair and reasonable and are unanimously recommending all Chieftain Shareholders to accept the Offer.

Chieftain Shares will be acquired under the Offer fully paid and free from liens, equities, charges, encumbrances and other third party rights and interests and together with all rights now or hereafter attaching thereto, including, without limitation, voting rights and the right to receive and retain all dividends and other distributions (if any) declared, made or paid (other than the interim dividend of 3.3p per Chieftain Share in respect of the six months ended 30 June 2008 which will be paid on 3 October 2008 to those Chieftain Shareholders on the Chieftain register at the close of business on 12 September 2008).

5 STRATEGY FOR THE ENLARGED GROUP

Chieftain has a proven track record with a strong network of clients which will add considerable value to the Enlarged Group. The Redhall Directors also believe that Chieftain's strong operational management team can add value to the Enlarged Group following the Offer becoming or being declared unconditional in all respects.

The acquisition of Chieftain brings a number of additional benefits to the Enlarged Group:

- improved availability of skilled engineers – there are considerable skills shortages in the engineering services industry;
- access to key geographic markets in energy, chemical and Ministry of Defence marine markets;
- considerable opportunities for cross-selling within Chieftain and Redhall;
- increased project capability with additional engineering resource deployed across the Enlarged Group; and
- an enhanced combined order book of approximately £140 million.

In addition the Board of Redhall anticipates synergies within Chieftain's central management function of a minimum of £0.5 million per annum in addition to potential operational synergies.

¹ This statement should not be interpreted to mean that the earnings per share in 2009, or in any subsequent period, would necessarily match or be greater than those for the relevant preceding financial period.

6 FINANCING THE OFFER

Full acceptance of the Offer will result in a maximum cash consideration of approximately £18.6 million which, together with the expenses of Chieftain and Redhall of approximately £1.4 million, will be provided from the proceeds of a cash placing of Redhall Shares with institutional investors (of approximately £20.0 million before expenses) and Redhall's existing cash resources.

In order to undertake the Placing it is necessary for Redhall Shareholders to approve an increase in the authorised share capital of Redhall and to grant the Redhall Directors appropriate authority and power to allot the New Redhall Shares. Further details of the proposed share capital increase, authorities and powers are set out below together with a notice at the end of this document convening the General Meeting of Redhall Shareholders to consider the Resolution.

7 IRREVOCABLE UNDERTAKINGS TO ACCEPT THE OFFER

All of the Chieftain Directors who are interested in Chieftain Shares have entered into irrevocable undertakings to accept the Offer in relation to their respective entire beneficial holdings of Chieftain Shares (and to procure acceptance of the Offer by their connected persons in relation to their beneficial holdings of Chieftain Shares) being, in aggregate, 3,016,619 Chieftain Shares, representing approximately 34.4 per cent. of the existing issued share capital of Chieftain. The irrevocable undertakings are also in respect of Chieftain Shares that may be issued to, or acquired by, the Chieftain Directors pursuant to the terms of the Chieftain Share Option Scheme. These undertakings will continue to be binding even in the event of a higher competing offer for Chieftain Group being announced and cannot be withdrawn other than in the event of the Offer lapsing or being withdrawn.

Further details of these irrevocable undertakings are set out in the Offer Document.

8 IRREVOCABLE UNDERTAKINGS TO VOTE IN FAVOUR AT THE GENERAL MEETING

All of the Redhall Directors who are interested in Redhall Shares have entered into irrevocable undertakings to vote in favour of the Resolution set out in the notice of General Meeting at the end of this document in relation to their own beneficial holdings of Redhall Shares (and to procure that their connected persons vote in favour of the Resolution in relation to their beneficial holdings of Redhall Shares) being in aggregate, 1,498,494 Redhall Shares, representing approximately 7.0 per cent. of the existing issued share capital of Redhall.

9 GENERAL MEETING

Set out at the end of the document is a notice convening a General Meeting of the Company to be held at the offices of Hammonds LLP at 2 Park Lane, Leeds LS3 1ES on 24 October 2008 at 10.30 am. At this meeting a special resolution will be proposed to authorise an increase in the authorised share capital of the Company by the creation of 11,000,000 additional Redhall Shares, to authorise the Redhall Directors to allot the New Redhall Shares in connection with the Placing and otherwise up to 9,900,000 Redhall Shares under the provisions of Section 80 of the Companies Act 1985, and to empower the Redhall Directors to allot the New Redhall Shares for cash in connection with the Placing and otherwise up to 1,480,000 Redhall Shares.

The Resolution is conditional on the Offer becoming or being declared unconditional in all respects (save only for any condition of the Offer relating to the Resolution being passed and to Admission of the New Redhall Shares).

The Redhall Directors have no present intention of issuing any part of the unissued authorised share capital of Redhall other than in connection with the Placing and for the purposes of the Redhall Share Option Schemes. Assuming the Resolution is passed, following the Placing, the Directors will have outstanding authority to allot up to 9,900,000 Redhall Shares under the provisions of Section 80 of the Companies Act 1985 (representing approximately 33 per cent. of the enlarged share capital of Redhall) and up to 1,480,000 Redhall Shares for cash on a non pre-emptive basis (representing approximately 5 per cent. of the enlarged share capital of Redhall).

10 ACTIONS TO BE TAKEN

You will find enclosed with the document a Form of Proxy for use at the General Meeting. Whether or not you propose to attend the General Meeting in person you are requested to complete and return the Form of Proxy to the Registrars, Capita Registrars, Proxies Department, The Registry,

34 Beckenham Road, Beckenham, Kent BR3 4TU in accordance with the instructions printed on it as soon as possible and, in any event, so as to be received no later than 10.30 am on 22 October 2008. Completion and return of a Form of Proxy will not preclude you from attending the General Meeting and voting in person if you wish.

11 FURTHER INFORMATION

Your attention is drawn to Part II of this document and to the accompanying Offer Document which contains further information regarding the Offer and other information concerning Redhall and Chieftain.

12 RECOMMENDATION

The Redhall Directors unanimously recommend that you vote in favour of the Resolution set out in the notice of General Meeting at the end of this document as they have irrevocably undertaken to do in respect of their own beneficial holdings of, in aggregate, 1,498,494 Redhall Shares, representing approximately 7.0 per cent. of the existing issued share capital of Redhall.

Yours sincerely

David Jackson
Chairman and Chief Executive

PART II

ADDITIONAL INFORMATION

1 RESPONSIBILITY

The Redhall Directors accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Redhall Directors, who have taken all reasonable care to ensure that such is the case, the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

2 CONSENT

Altium has given and not withdrawn its written consent to the issue of this document with the inclusion of its name in the form and context to which it appears.

3 NEW REDHALL SHARES AND REDHALL SHARE CAPITAL

3.1 The New Redhall Shares to be issued in connection with the Placing (subject to the Resolution being passed) will, when issued, be credited as fully paid, free from all liens, charges and encumbrances and will rank pari passu in all respects with the existing Redhall Shares.

3.2 Application has been made for the New Redhall Shares to be admitted to trading on AIM. It is expected that Admission will become effective and that dealings for normal settlement in the New Redhall Shares will commence on AIM at 8.00 a.m. on the fifth dealing day following the day on which the Offer becomes or is declared unconditional in all respects (save only for any condition relating to the Admission).

3.3 The following table shows the authorised and issued and fully paid share capital of Redhall as it was on 29 September 2008 (being the latest practicable date prior to the publication of this document):

Authorised		Issued	
Nominal value (£)	Number	Nominal value (£)	Number
7,250,000	29,000,000	5,330,858	21,323,434

3.4 Immediately following Admission of the New Redhall Shares and on the assumption that no Redhall Shares are issued between the date of this document and such Admission under the Redhall Share Option Schemes, the authorised and issued share capital of Redhall will be as follows:

Authorised		Issued	
Nominal value (£)	Number	Nominal value (£)	Number
10,000,000	40,000,000	7,371,675	29,486,700

4 SOURCES

Financial information relating to Chieftain has been extracted (without material adjustment) from its announcement of interim results for the six months to 30 June 2008.

5 DOCUMENTS AVAILABLE FOR INSPECTION

The letter of consent referred to in paragraph 2 above will be available for inspection along with the other documents referred to in paragraph 15 of Appendix IV to the Offer Document at the place and for the period specified therein.

Redhall Group plc

NOTICE OF GENERAL MEETING

Notice is hereby given that a General Meeting of Redhall Group plc (the "Company") will be held at the offices of Hammonds LLP at 2 Park Lane, Leeds on 24 October 2008 at 10.30 am to consider and, if thought fit, to pass the following resolution which will be proposed as a special resolution.

Resolution

THAT subject to the offer by the Company (including any amendments, variations, revisions or extensions thereof) to acquire the whole of the issued and to be issued share capital of Chieftain Group PLC ("Chieftain") (the "Offer") on the terms and conditions contained in the offer document dated 30 September 2008 from the Company addressed to the shareholders of Chieftain becoming or being declared unconditional in all respects (save for any condition of the Offer or such additional or other offer(s) relating to the resolution set out in this notice being passed or relating to the admission of 8,163,266 new ordinary shares of 25 pence each in the capital of the Company (the "Placing Shares") to be issued in connection with the proposed placing of the Placing Shares to trading on AIM becoming effective):

- (a) the authorised capital of the Company be increased from £7,250,000 to £10,000,000 by the creation of 11,000,000 ordinary shares of 25p each in the share capital of the Company such ordinary shares ranking equally with the existing ordinary shares;
- (b) in substitution for any such existing authority, the directors of the Company (the "Directors") be and they are hereby authorised pursuant to Section 80 of the Companies Act 1985 ("the Act") generally and unconditionally to exercise each and every power of the Company to allot relevant securities (as defined in that section):
 - (i) up to a maximum amount in nominal value of £2,040,817 in connection with the funding of the Offer by way of a placing of equity securities; and
 - (ii) otherwise up to a maximum amount in nominal value of £2,457,000,

such authority to expire on 24 January 2010 or on the conclusion of the next annual general meeting of the Company after the meeting at which this resolution is passed, whichever is the earlier, and that the Company be and is hereby authorised to make before the authority conferred by this paragraph (b) has expired one or more offers or agreements which would or might require relevant securities (as so defined) to be allotted after this authority has expired and the Directors be and they are hereby permitted to allot relevant securities (as so defined) after the authority conferred by this resolution has expired in pursuance of each and every such offer or agreement made by the Company; and

- (c) the Directors be and they are hereby empowered pursuant to Section 95 of the Act to allot equity securities (as defined in section 94(2) of the Act) for cash pursuant to the authority conferred by paragraph (b) above as if sub-section (1) of section 89 of the Act did not apply to any such allotments, provided that such power shall be limited to:
 - (i) the allotment of equity securities in connection with any rights issue in favour of the holders of any equity securities where the equity securities respectively attributable to the interest of all the holders of equity securities are proportionate (as nearly as may be) to the respective numbers of equity securities held by them subject to such exclusions or arrangements as the Directors may deem necessary or expedient to deal with fractional entitlements otherwise arising or legal or practical problems under the laws or regulations of any territory, regulatory body or stock exchange;
 - (ii) the allotment of equity securities which are or are to be wholly paid up in cash in connection with the funding of the Offer by way of a placing of equity securities, provided that the maximum nominal value of equity securities so allotted does not exceed in aggregate £2,040,817; and
 - (iii) the allotment of equity securities which are or are to be wholly paid up in cash (otherwise than as mentioned in sub-paragraphs (i) and (ii) of this paragraph (c)) provided that the maximum nominal value of equity securities so allotted does not exceed in aggregate £370,000,

and so that such power shall expire on 24 January 2010 or on the conclusion of the next annual general meeting of the Company after the meeting at which this resolution is passed, whichever is the earlier, save that the Company may make any offer or agreement before the expiry of this power which would or might require equity securities to be allotted pursuant thereto after the expiry date and the Directors may allot equity securities in pursuance of any such offer or agreement notwithstanding that the power conferred hereby has expired.

By Order of the Board

30 September 2008

C Lewis-Jones

Secretary

1 Red Hall Court

Wakefield

WF1 2UN

NOTES TO NOTICE OF GENERAL MEETING

- (1) A form of proxy is enclosed for use by shareholders and, if appropriate, must be deposited with the Company's registrars, Capita Registrars, Proxies Department, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU not less than 48 hours before the time of the General Meeting ("GM"). Appointment of a proxy does not preclude a shareholder from attending the GM and voting in person.
- (2) A member entitled to attend and vote at the GM may appoint one or more proxies (who need not be a member of the Company) to attend and to speak and to vote on his or her behalf whether by show of hands or on a poll. A member can appoint more than one proxy in relation to the meeting, provided that each proxy is appointed to exercise the rights attaching to different shares held by him. In order to be valid an appointment of proxy (together with any authority under which it is executed or a copy of the authority certified notarially) must be returned by one of the following methods:
 - in hard copy form by post, by courier or by hand to the Company's registrars, Capita Registrars, Proxies Department, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU;
 - in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out below and in each case must be received by the Company not less than 48 hours before the time of the meeting.

CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the GM and any adjournment thereof by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s) should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment, or instruction, made by means of CREST to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's ("EUI") specifications and must contain the information required for such instructions, as described in the CREST Manual. The message regardless of whether it relates to the appointment of a proxy or to an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID RA 10) by the latest time(s) for receipt of proxy appointments specified in the Notice of Meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5) of the Uncertificated Securities Regulations 2001. CREST members and where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy instructions. It is therefore the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his or her CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

- (3) In order to facilitate voting by corporate representatives at the meeting, arrangements will be put in place at the meeting so that (i) if a corporate shareholder has appointed the Chairman of the meeting as its corporate representative with instructions to vote on a poll in accordance with the directions of all of the other corporate representatives for that shareholder at the meeting, then on a poll those corporate representatives will give voting directions to the Chairman and the Chairman will vote (or withhold a vote) as corporate representative in accordance with those directions; and (ii) if more than one corporate representative for the same corporate shareholder attends the meeting but the corporate shareholder has not appointed the Chairman of the meeting as its corporate representative, a designated corporate representative will be nominated, from those corporate representatives who attend, who will vote on a poll and the other corporate representatives will give voting directions to that designated corporate representative. Corporate shareholders are referred to the guidance issued by the Institute of Chartered Secretaries and Administrators on proxies and corporate representatives (www.icsa.org.uk) for further details of this procedure. The guidance includes a sample form of representation letter if the Chairman is being appointed as described in (i) above.
- (4) Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, in order to be able to attend and vote at the GM or any adjourned meeting (and also for the purpose of calculating how many votes a person may cast), a person must have his/her name entered on the register of members of the Company by 6.00 pm on 22 October 2008 (or 6.00 pm on the date two days before any adjourned meeting). Changes to entries on the register of members after this time shall be disregarded in determining the rights of any person to attend or vote at the meeting.

