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Rurelec PLC

("Rurelec" or "the Company")

15th May, 2007

Rurelec announces that on Tuesday 15th May funds managed by Tudor Capital (U.K.) Limited ("Tudor") agreed to subscribe for a total of 5,000,000 ordinary shares of 2 pence each of the Company ("Ordinary Shares") in placings for cash to occur in two separate subscriptions.

Initially, Tudor will subscribe for 3,400,000 new Ordinary Shares at 59.25 pence per share. These shares are to be subscribed cum dividend and are expected to be admitted to AIM on Monday 21st May. Following admission of these shares to AIM the issued share capital of the Company will be 71,688,775 Ordinary Shares.

Tudor has also agreed to subscribe for a further 1,600,000 new Ordinary Shares at 57 pence each, ex-dividend (the "Conditional Shares"). Allotment of the Conditional Shares is subject to resolutions being passed at the forthcoming Annual General Meeting on 22nd June authorising the directors for the purposes of Section 80 and Section 89 of the Companies Act 1985 to allot up to 15,000,000 new ordinary shares and to do so on a non pre-emptive basis. Allotment is also subject to the Conditional Shares being admitted to trading on AIM, which is expected to occur on 29th June. On admission of the Conditional Shares to AIM, the share capital of the Company will be 73,288,775 Ordinary Shares.

The proceeds of the placings will be used for due diligence on potential acquisitions as the Company develops its portfolio in Latin America, in particular with moves into Chile and Peru, and for general working capital linked to Rurelec's current expansion programme.

For further information, please contact:

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