

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the action which you should take you are recommended to consult your solicitor, accountant or independent financial adviser authorised under the Financial Services and Markets Act 2000. If you have sold or transferred all of your ordinary shares in Impax Asset Management Group plc, you should pass this circular and the accompanying documents to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Impax Asset Management Group plc

(the “Company”)

*(Incorporated and registered in England and Wales under
the Companies Act 1985 (as amended) with registered number 3262305)*

Directors:

J Keith R Falconer (Chairman)
Ian R Simm
Guy de Froment
Peter J Gibbs
Vince O'Brien
Mark B E White

Registered Office:

Mezzanine Floor
Pegasus House
37-43 Sackville Street
London W1S 3EH

11 January 2010

To the holders of the Ordinary Shares (“Shareholders”)

Dear Shareholder,

The notice convening the Annual General Meeting is set out on pages 55 to 56 of the Annual Report and Accounts. Resolutions 1 to 4 deal with the ordinary business that normally takes place at the Annual General Meeting, and require no explanation.

As recently announced, the Board is proposing payment of a final dividend of 0.4 pence per ordinary share in respect of the financial year ended 30 September 2009. If approved by Shareholders pursuant to resolution 5, the dividend will be payable to holders of ordinary shares on the register of members at the close of business on 22 January 2010, being the record date, (ex-dividend date 20 January 2010) and is expected to be paid on or around 17 February 2010.

The Directors took authority at the Annual General Meeting in 2009 to allot ordinary shares up to an aggregate nominal amount of £385,275. The authority conferred by ordinary resolution passed at that meeting expires on 2 February 2014. Resolution 6 will permit the issue of ordinary shares for cash otherwise than pro rata to existing Shareholders. The authority will also permit the sale for cash on a non-pre-emptive basis of shares held by the Company in treasury up to the relevant limit. The waiver will be limited by value to approximately 10 per cent. of the Company's nominal issued share capital and so will apply to ordinary shares having an aggregate nominal value of £115,582.43. The authority will lapse at the conclusion of the annual general meeting of the Company to be held in 2011. The new authority is being sought so as to maintain flexibility in the financing of the Company.

The purpose of resolution 7 is to allow the Company to buy back up to 5,779,122 of its ordinary shares. The Directors will only carry out such purchases where there are sufficient liquid resources available in the Company and if the Directors believe it would be in the best interests of shareholders generally to do so. Ordinary shares that are bought back under the proposed authority will either be held in treasury or cancelled. The Directors believe that the ability to hold ordinary shares in treasury will provide the

Company with additional flexibility in the management of its capital base. Any ordinary shares held in treasury may at a later date be cancelled or sold for cash, or may, as appropriate, be used to satisfy employee share options or be granted to employees in lieu of a portion of cash remuneration. The rights attaching to ordinary shares held in treasury, including voting rights and any right to receive dividends, are suspended whilst they are held in treasury. The proposed resolution specifies the maximum aggregate number of ordinary shares that may be acquired (namely, 5,779,122, being approximately 5 per cent. of the Company's current issued share capital), and the maximum and minimum price at which they may be bought. This authority will expire at the conclusion of the Company's annual general meeting to be held in 2011, unless renewed, varied or revoked by the Company in general meeting before such expiry.

Resolution 8 provides for the amendment of the articles of association of the Company to take account of the changes in company law brought about by both the provisions of the Companies Act 2006 which came into force on 1 October 2009 and the coming into force of the Companies (Shareholders' Rights) Regulations 2009.

The principal amendments to the articles of association are summarised in the Appendix to this letter. A copy of the articles of association as they are proposed to be amended is available for inspection during normal business hours on any weekday (public holidays excepted) at the registered office of the Company from the date of this letter until the conclusion of the annual general meeting.

The Directors consider that all the resolutions to be put to the meeting are in the best interests of the Company and its Shareholders as a whole and recommend you vote in favour of the resolutions, as they intend to do in respect of their own beneficial shareholdings.

Yours faithfully,

J Keith R Falconer

Chairman

APPENDIX

Summary of principal amendments proposed to the articles of association

It is proposed in Resolution 8 to adopt new articles of association (the “New Articles”) in substitution for and in order to update the Company’s current articles of association (the “Current Articles”), primarily to take account of changes in English company law brought about by the coming into force of the Companies (Shareholders’ Rights) Regulations 2009 (the “Shareholders’ Rights Regulations”) and the implementation of the last parts of the Companies Act 2006. The New Articles also contain some other clarificatory amendments, including, where appropriate, bringing the New Articles into line with the wording of the new model form articles of association for public companies contained in Schedule 3 to the Companies (Model Articles) Regulations 2008 (the model form articles).

The principal changes introduced in the New Articles are summarised in this Appendix.

1. The Company’s objects

The provisions regulating the operations of the Company are currently set out in the Company’s memorandum and articles of association. The Company’s memorandum contains, among other things, the objects clause which sets out the scope of the activities the Company is authorised to undertake. This is drafted to give a wide scope.

The Companies Act 2006 significantly reduces the constitutional significance of a company’s memorandum. The Companies Act 2006 provides that a memorandum will record only the names of subscribers and the number of shares each subscriber has agreed to take in the company. Under the Companies Act 2006 the objects clause and all other provisions which are contained in a company’s memorandum, for existing companies at 1 October 2009, are deemed to be contained in the company’s articles of association but the company can remove these provisions by special resolution.

Further the Companies Act 2006 states that, unless a company’s articles provide otherwise, a company’s objects are unrestricted. This abolishes the need for companies to have objects clauses. For this reason the Company is proposing to remove its objects clause together with all other provisions of its memorandum which, by virtue of the Companies Act 2006, have been treated as forming part of the Company’s articles of association. Resolution 8(a) confirms the removal of these provisions for the Company. As the effect of this resolution will be to remove the statement currently in the Company’s memorandum of association regarding limited liability, the New Articles also contain an express statement regarding the limited liability of shareholders.

2. Change of name

Under the Companies Act 1985, a company could only change its name by special resolution. Under the Companies Act 2006 a company is able to change its name by other means provided for by its articles. To take advantage of this provision, the New Articles enable the directors to pass a resolution to change the Company’s name.

3. Authorised share capital and unissued shares

The Companies Act 2006 abolishes the requirement for a company to have an authorised share capital. Directors will still be limited as to the number of shares they can at any time allot because allotment authority continues to be required under the Companies Act 2006. References to authorised share capital and to unissued shares have been removed from the New Articles.

4. Use of seals and execution of documents

Under the Companies Act 1985, a company required authority in its articles to have an official seal for use abroad. Under the Companies Act 2006, such authority is no longer be required. Accordingly, the relevant authorisation has been removed in the New Articles.

The New Articles provide an alternative option for execution of documents. Under the New Articles, when the seal is affixed to a document it may be signed by one authorised person in the presence of a witness, whereas previously the requirement was for signature by either a director and the secretary or two directors or such other person or persons as the directors may approve.

5. Vacation of office by directors

The Current Articles specify the circumstances in which a director must vacate office. The New Articles update these provisions to reflect the approach taken on mental and physical incapacity in the model form articles.

6. Voting rights of proxies and corporate representatives

The Shareholders' Rights Regulations clarify the various powers of proxies and corporate representatives in respect of resolutions taken on a show of hands. Where a proxy has been duly appointed by one member, he has one vote on a show of hands, and where he has been duly appointed by more than one member, if all his appointers instruct him to vote the same way, he may vote once in that way, and if some appointers instruct him to vote for and some against a resolution, on a show of hands he has one vote for and one vote against a resolution. Where a corporation duly appoints representatives to attend meetings on its behalf, each representative duly appointed by a corporation has the same voting rights as the corporation would be entitled to. The New Articles contain provisions which clarify these rights and also clarify how the provision giving a proxy a second vote on a show of hands should apply to discretionary powers.

7. Participation in meetings at satellite meeting places or by other electronic means

The New Articles include amendments to provisions allowing members to participate in meetings of the Company even if they are not present in person at the principal place where the meeting is being held. The amendments also allow for members to participate not only by attendance at satellite meeting locations, but also by any other electronic means of participation.

8. Authority to purchase own shares, consolidate and sub-divide shares, and reduce share capital

Under the Companies Act 1985, a company required specific enabling provisions in its articles to purchase its own shares, to consolidate or sub-divide its shares and to reduce its share capital or other undistributable reserves as well as shareholder authority to undertake the relevant action. The Current Articles include these enabling provisions. Under the Companies Act 2006 a company only requires shareholder authority to do any of these things and it is no longer necessary for articles to contain enabling provisions. Accordingly the relevant enabling provisions have been removed in the New Articles.

9. Redeemable shares

Under the Companies Act 1985, if a company wished to issue redeemable shares, it had to include in its articles the terms and manner of redemption. The Companies Act 2006 enables directors to determine such matters instead provided they are so authorised by the articles. The New Articles contain such an authorisation.

10. Suspension of registration of share transfers

The Current Articles permit the directors to suspend the registration of transfers. Under the Companies Act 2006 share transfers must be registered as soon as practicable. The power in the Current Articles to suspend the registration of transfers is inconsistent with this requirement. Accordingly, this power has been removed in the New Articles.

11. Retention of minutes

The New Articles contain a provision to the effect that minutes of meetings must be retained for at least ten years, reflecting the relevant provisions of the Companies Act 2006. Under the Companies Act 1985 no minimum retention period was specified.

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Impax Asset Management Group plc (the "Company") will be held at the offices of Mazars LLP, Tower Bridge House, St Katharine's Way, London E1W 1DD at 10.30 a.m. on 10 February 2010 for the following purposes:

As Ordinary Business

To consider and, if thought fit, pass the following resolutions which will be proposed as ordinary resolutions:

1. To receive and adopt the Company's annual accounts for the financial year ended 30 September 2009 together with the Directors' Report and the Auditor's Report on those accounts.
2. To elect Mr Vince O'Brien as a Director.
3. To re-elect Mr Ian R Simm as a Director.
4. To re-appoint Mazars LLP as auditors of the Company and to authorise the Directors to fix their remuneration.
5. To declare a final dividend in respect of the financial year ended 30 September 2009 of 0.4 pence per ordinary share payable to the holders of ordinary shares on the register of members at the close of business on 22 January 2010.

As Special Business

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

6. THAT the Directors of the Company be and are hereby empowered pursuant to section 570 of the Companies Act 2006 (the "Act") to allot equity securities (within the meaning of section 560 of the Act) for cash, pursuant to the authority conferred by an ordinary resolution passed on 2 February 2009 or by way of a sale of treasury shares, as if section 561 of the Act did not apply to any such allotment or sale, provided that the power conferred by this resolution shall be limited to:
 - (a) the allotment or sale of equity securities, either in connection with an issue or offer of equity securities (including, without limitation, under a rights issue, open offer or similar arrangement) to holders of equity securities in proportion (as nearly as may be practicable) to their respective holdings of equity securities, subject only to such exclusions or other arrangements as the Directors of the Company may consider necessary or expedient to deal with any treasury shares, fractional entitlements or legal or practical problems under the laws of any territory, or the requirements of any regulatory body or stock exchange in any territory; and
 - (b) the allotment or sale (otherwise than pursuant to resolution 6(a)) of equity securities up to an aggregate nominal value of £115,582.43.

The power conferred by this resolution shall expire (unless previously renewed, revoked or varied by the Company in general meeting) at the conclusion of the Company's next annual general meeting, except that the Company may at any time before such expiry make any offer or agreement which would or might require equity securities to be allotted or sold after such expiry and the Directors of the Company may allot or sell equity securities in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.

7. THAT the Company be and is generally authorised for the purposes of section 701 of the Act to make one or more market purchases (within the meaning of section 693(4) of the Act) of its ordinary shares of 1 pence each provided that:
 - (a) the maximum aggregate number of ordinary shares that may be purchased is 5,779,122;

- (b) the minimum price which may be paid for each ordinary share is 10 pence;
- (c) the maximum price which may be paid for each ordinary share is not more than 105 per cent. of the average of the middle market quotations for an ordinary share taken from the London Stock Exchange for the five business days immediately preceding the day of purchase; and
- (d) unless previously renewed, varied or revoked, the authority conferred by this resolution shall expire at the conclusion of the Company's next annual general meeting save that the Company may make a contract or contracts to purchase ordinary shares under the authority conferred by this resolution prior to the expiry of such authority which will or may be executed wholly or partly after the expiry of such authority and may make a purchase of ordinary shares in pursuance of any such contract or contracts.

8. THAT:

- (a) the articles of association of the Company be amended by deleting all the provisions of the Company's memorandum of association which, by virtue of section 28 of the Act, are to be treated as provisions of the Company's articles of association; and
- (b) the articles of association produced to the meeting and initialled by the chairman of the meeting for the purposes of identification be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association.

By order of the Board

Michael Knight

Company Secretary

7 January 2010

Notes:

1. As a member of the Company you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at a general meeting of the Company.
2. Appointment of a proxy does not preclude you from attending the meeting and voting in person. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.
3. A proxy does not need to be a member of the Company but must attend the meeting to represent you. To appoint as your proxy a person other than the Chairman of the meeting, insert their full name in the space provided on your proxy form. If you sign and return your proxy form with no name inserted in the space provided, the Chairman of the meeting will be deemed to be your proxy. Where you appoint as your proxy someone other than the Chairman, you are responsible for ensuring that they attend the meeting and are aware of your voting intentions. If you wish your proxy to make any comments on your behalf, you will need to appoint someone other than the Chairman and give them the relevant instructions directly.
4. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. In the event of a conflict between a blank proxy form and a proxy form which states the number of shares to which it applies, the specific proxy form shall be counted first, regardless of whether it was sent or received before or after the blank proxy form, and any remaining shares in respect of which you are the registered holder will be apportioned to the blank proxy form. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, you should contact Capita Registrars, Proxy Department, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU.
5. To direct your proxy how to vote on the resolutions mark the appropriate box on your proxy form with an 'X'. To abstain from voting on a resolution, select the relevant "Vote withheld" box. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the meeting.
6. To appoint a proxy using this form, your proxy form must be:
 - completed and signed;
 - sent or delivered to Capita Registrars, Proxy Department, The Registry, 34 Beckenham Road, Kent, BR3 4TU; and
 - received by Capita Registrars no later than 10.30 a.m. on 8 February 2010.
7. In the case of a member which is a company, your proxy form must be executed under its common seal or signed on its behalf by a duly authorised officer of the Company or an attorney for the Company.
8. Any power of attorney or any other authority under which your proxy form is signed (or a duly certified copy of such power or authority) must be included with your proxy form.
9. If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.
10. You may not use any electronic address provided in your proxy form to communicate with the Company for any purposes other than those expressly stated.
11. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Annual General Meeting to be held at 10.30 a.m. on 10 February 2010 and any adjournment(s) 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 should refer to their CREST sponsors 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 specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the Company's agent, Capita Registrars Limited (CREST Participant ID: RA10), no later than 48 hours before the time appointed for the meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which the Company's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

CREST members and, where applicable, their CREST sponsor or voting service provider should note that Euroclear UK & Ireland Limited 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 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, to procure that his CREST sponsor or voting service provider takes) 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 sponsor or voting service provider are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

12. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that only those members entered on the register of members of the Company at 6.00 p.m. on 8 February 2010 or, in the event that this meeting is adjourned, in the register of members as at 6.00 p.m. on the day two days before the date of any adjourned meeting, shall be entitled to attend and vote at the meeting in respect of the number of ordinary shares registered in their names at that time. Changes to the entries on the register of members after the close of business on 8 February 2010 or, in the event that this meeting is adjourned, in the register of members after the close of business on the day two days before the date of the adjourned meeting, shall be disregarded in determining the rights of any person to attend or vote at the meeting.