

6 November 2020

DRAX FINCO PLC

NOTICE OF REDEMPTION

**To the holders of
Senior Secured Fixed Rate Notes due 2022**

**ISIN Numbers: XS1602280833* (Rule 144A¹) and XS1602280676* (Regulation S²)
Common Codes: 160228083* (Rule 144A¹) and 160228067* (Regulation S²)**

Drax Finco plc (the "Company"), a public limited company incorporated under the laws of England and Wales, gave notice that, in accordance with Sections 3.03 and 13.01 of the indenture dated as of 5 May 2017 (as heretofore amended, supplemented or otherwise modified, the "Indenture") among the Company, BNY Mellon Corporate Trustee Services Limited, as trustee (the "Trustee"), The Bank of New York Mellon, acting through its London Branch, as paying agent (the "Paying Agent") and calculation agent, The Bank of New York Mellon SA/NV, acting through its Luxembourg Branch, as registrar and transfer agent, and Deutsche Bank AG, London Branch, acting through its London Branch, as security agent, the Company has elected to redeem (subject to satisfaction or waiver of the condition described below) (the "Redemption") all of its outstanding £350,000,000 Senior Secured Fixed Rate Notes due 2022 (the "Fixed Rate Notes") on the Redemption Date (as defined below). The Redemption Price (as defined below) will be paid to holders of record as of the Record Date (as defined below). Capitalized terms used but not otherwise defined herein have the meanings ascribed to such terms in the Indenture.

1. The redemption date for the Fixed Rate Notes shall be 19 November 2020 (the "Redemption Date"). The record date (the "Record Date") shall be 18 November 2020.
2. The redemption price payment will be made in accordance with paragraph 5 (Optional Redemption) of the Fixed Rate Notes. The redemption price (the "Redemption Price") will be equal to:
 - 101.0625% of the principal amount of the Fixed Rate Notes to be redeemed, plus
 - Additional Amounts, if any, and, accrued and unpaid interest from 1 November 2020 to, but not including, the Redemption Date.
3. The Fixed Rate Notes must be surrendered to the Paying Agent, to collect the Redemption Price. Payment of the Redemption Price will be made on or after the Redemption Date upon presentation and surrender of the Fixed Rate Notes at the following address:

The Bank of New York Mellon, London Branch as Paying Agent
One Canada Square
London E14 5AL

4. On the Redemption Date, the Redemption Price will become due and payable upon each Fixed Rate Note. Unless the Company defaults in making the redemption payment, interest on the Fixed Rate Notes will cease to accrue on and after the Redemption Date and the only remaining right of Holders will be to receive payment of the Redemption Price in respect of the redeemed amount.
5. The redemption of the Fixed Rate Notes is being effected pursuant to paragraph 5 (Optional Redemption) of the Fixed Rate Notes and in accordance with Article Three of the Indenture.

6. If your Fixed Rate Notes have been either lost or destroyed, please notify The Bank of New York Mellon, as Paying Agent, promptly. You will then be instructed as to the steps you must take in order to receive payment.

The Paying Agent will withhold under the U.S. backup withholding rules the statutorily prescribed rate of any payment that is made upon redemption of a Fixed Rate Note unless the Holder, when presenting the Fixed Rate Notes, delivers a properly completed IRS Form W-9 or an applicable IRS Form W-8, or the Holder otherwise establishes an exemption from such backup withholding.

*These ISIN and Common Code numbers are included solely for the convenience of the holders. Neither the Trustee, the Company nor the Paying Agent shall be responsible for the selection or use of any ISIN or Common Code number, nor is any representation made as to its correctness or accuracy on any Fixed Rate Note or as referred to in any redemption notice.

1 Refers to Fixed Rate Notes issued pursuant to Rule 144A under the U.S. Securities Act of 1933, as amended.

2 Refers to Fixed Rate Notes issued pursuant to Regulation S under the U.S. Securities Act of 1933, as amended

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Cautionary Statement

This release is for information purposes only and does not constitute a prospectus or any offer to sell or the solicitation of an offer to buy any security in the United States of America or in any other jurisdiction. Securities may not be offered or sold in the United States of America absent registration or an exemption from registration under the Securities Act.

This communication is directed only at persons who (i) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 as amended (the "Order"), (ii) are persons falling within Article 49(2)(a) to (d) ("high net worth companies, unincorporated associations, etc.") of the Order, (iii) are persons who are outside the United Kingdom, or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000) in connection with the issue or sale of any notes may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "relevant persons").

Any investment activity to which this communication relates will only be available to, and will only be engaged in with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

This announcement is not a public offering in the Grand Duchy of Luxembourg or an offer of securities to the public under Regulation (EU) 2017/1129, and any amendments thereto.

Manufacturer target market (MiFID II product governance) is eligible counterparties and professional clients only (all distribution channels). No PRIIPs key information document (KID) has been prepared as the Notes are not available to retail investors in the European Economic Area.

Forward Looking Statements

This release includes forward-looking statements within the meaning of the securities laws of certain applicable jurisdictions. These forward-looking statements can be identified by the use of forward-looking terminology, including, but not limited to, terms such as “aim”, “anticipate”, “assume”, “believe”, “continue”, “could”, “estimate”, “expect”, “forecast”, “guidance”, “intend”, “may”, “outlook”, “plan”, “predict”, “project”, “should”, “will” or “would” or, in each case, their negative, or other variations or comparable terminology. These forward-looking statements include, but are not limited to, all statements other than statements of historical facts and include statements regarding Drax’s intentions, beliefs or current expectations concerning, among other things, Drax’s future financial conditions and performance, results of operations and liquidity, strategy, plans, objectives, prospects, growth, goals and targets, future developments in the markets in which Drax participate or are seeking to participate, and anticipated regulatory changes in the industry in which Drax operate. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors because they relate to events and depend on circumstances that may or may not occur in the future. Readers are cautioned that forward-looking statements are not guarantees of future performance and are based on numerous assumptions. Given these risks and uncertainties, readers should not rely on forward looking statements as a prediction of actual results.

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