

**Kedco plc**

("Kedco" or the "Company")

**Heads of terms signed for funding of Enfield Biomass CHP project**

Kedco plc, (AIM:KED) the renewable energy developer and operator focusing on the production of clean energy in the UK and Ireland, is pleased to announce the appointment of the Foresight Group ("Foresight") as the preferred funding partner in relation to its 12MW Enfield Biomass CHP project ("the Project") located in North London.

Kedco has signed a non-binding heads of terms with Foresight for the provision of debt and equity facilities which will part finance the construction and operation of the Project. The heads of terms are subject to completion of due diligence, legal documentation and final investment committee approval. As part of the financing structure a co-investor will be required to invest alongside Foresight funds. Under the heads of terms Kedco will retain a substantial equity participation in the Project in line with the Company's stated strategy and will not be required to invest any further funds on financial close.

It is intended that Foresight will part fund the Project through its existing funds under management, which includes the Foresight Environmental Fund ("FEF"). The FEF was corner stoned by the London Green Fund (LGF), and has attracted investment from a number of private sector investors. The FEF is part of London's drive to encourage investment into waste and energy efficiency infrastructure to create economic growth and jobs.

In addition, the Company announces the appointment of Fichtner Consulting Engineers Limited as technical advisers to the Project. Fichtner will be responsible for managing the tender process for the Engineering, Procurement and Construction ("EPC") contract as well as negotiations with the heat offtakers. The tender process for the EPC contract has already commenced and discussions with contractors are on-going.

The company will now move towards finalising and executing the various project and investor documents with a view to reaching financial close and starting construction in Q3 2013.

Gerry Madden, CEO of Kedco, commented: "The Board is delighted to have appointed Foresight as our preferred funding partner for the Enfield Biomass CHP project. Foresight has been actively involved in the funding of Biomass CHP projects in the UK and we look forward to working with them to achieve financial close in the near future."

**- Ends -**

**For further information:**

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**About Kedco plc**

Kedco Group is a renewable energy portfolio developer and operator whose business strategy is to identify, develop, build, own and operate renewable energy electricity and heat generation plants in the UK and Ireland.

The Group possesses significant knowledge of renewable energy markets, clean technologies, fuel sources, project development, project finance and project delivery.

Kedco was admitted to trading on AIM, a market operated by the London Stock Exchange, in October 2008 (AIM: KED).

[www.kedco.com](http://www.kedco.com)

**About Foresight Group**

Foresight Group is an independent specialist private equity, infrastructure and environmental investor, which focuses primarily on investments in unquoted UK and

European companies or projects. Foresight has in excess of £650 million assets under management across a number of funds, including Institutional Limited Partnerships, Enterprise Investment Schemes (EIS) and Venture Capital Trusts (VCTs). Foresight has had a strategic focus on the waste and environmental sector since 2006 and in that time has assembled one of the most experienced technical and commercial teams in the market. Foresight manages the £60 million Foresight Environmental Fund (“FEF”), targeting waste infrastructure projects in Greater London and the £50 million UK Waste Resources and Energy Investments Fund (“UKWREI”) on behalf of the UK Government’s Green Investment Bank targeting waste infrastructure projects across the UK.

[www.foresightgroup.eu](http://www.foresightgroup.eu)