

**17 March 2009**

**Kedco plc**

**(“Kedco” or the “Company”)**

**Latvian Government contract and five letters of intent signed**

Kedco plc, an Irish-based energy group focusing on green energy production in the UK, Ireland and Eastern Europe, is pleased to announce that the Government of Latvia has offered a contract for Kedco to supply 4MW of electricity generated from biomass renewable sources through the Company's existing grid connection.

Kedco currently has a wood processing facility in Vudlande, Latvia and it has always been the Board's ambition to build a gasification plant on this site. The Latvian Government has agreed an initial five-year project during which the energy generated on the Vudlande site will be sold at a variable price referenced to the prevailing wholesale gas price. The Board estimates that the 4MW gasification plant could generate up to approximately €24m in revenues for the project over the initial term (based on an indicative price of €150 per MWh).

The Board is currently considering the financing and timing implications of the Latvian project and will make a further announcement in due course.

Kedco is also pleased to announce that, as of 16 March 2009, it has signed a further five non-binding letters of intent (“LoI”) with prospective partners for gasification and anaerobic digestion electrical energy generating plants. The five new LoIs are from the project pipeline disclosed in the Company's admission document. The Company now has a total of 12 LoIs agreed with potential partners.

Kedco is in various stages of contract negotiation and planning in relation to these specific opportunities. Each of the five new agreements relate to sites for anaerobic digestion or gasification projects and will involve the construction of new plants within a partnership structure in accordance with the strategy outlined at the time of the Company's admission to AIM.

**Donal Buckley, Chief Executive of Kedco, commented:**

“We are thrilled with the progress that we have made since our flotation in October 2008 and the signing of five further letters of intent is additional confirmation of the Kedco team's hard work and dedication.

“The Latvian 4MW contract has been secured through our strong working relationship with the Government which was formed by way of our established Latvian wood-processing plant. This contract to supply electricity to the Government is testament to our team in Latvia and our cleantech energy capabilities and expertise.”

**For additional information please contact:**

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