

Completion of Placing

5 July 2010

Kedco plc

(“Kedco” or the “Company”)

Completion of placing

Kedco, the Irish-based energy group focusing on green-energy production in the UK and Ireland, is pleased to announce that it has raised €3.2 million (£2.6 million) from the issue of 3,588,583 zero-coupon, secured loan notes (the “Loan Notes”) (the “Placing”).

The Loan Notes, which have a subscription price of £0.72, will be issued to a variety of investors (the “Investors”) and will be redeemed at par value (being £1) two years from the date of issue (or earlier on the occurrence of certain events including a sale of the Company).

Each Loan Note entitles the holder to subscribe for three ordinary shares in the Company at a subscription price of €0.08 per share at any time prior to the fourth anniversary of issue (the “Investor Warrants”).

Pursuant to the Placing, Best Kedco Ltd (a subsidiary of the Company established for the purposes of the Newry project) will pay a royalty of five per cent. of the proceeds arising from the sale of energy from the Newry project to the Investors (the “Investor Royalty”). The royalty payments commence with the initial generation of 1MW of energy from Newry and conclude following 24 months of continuous generation of 2MW electricity.

The following Kedco directors have subscribed for Loan Notes pursuant to the Placing:

	Number of Loan Notes subscribed	Number of Investor Warrants to be received
Eddie Barrett	459,264	1,377,792
Diarmuid Lynch	96,569	289,707

Pursuant to a separate warrant instrument and in consideration for its placing services, Cornhill Asset Management Limited (“Cornhill”), an adviser to Kedco, will have the right to subscribe for two ordinary shares per Loan Note issued by the Company at a subscription price of €0.08 per share. Additionally, pursuant to a separate royalty agreement, Best Kedco Ltd will pay a royalty of two per cent. of the proceeds arising from the sale of energy from the Newry project to Cornhill for the same period as that of the Investor Royalty.

The proceeds from the Placing will be used by Kedco to develop identified opportunities (including the project at Newry) and for working capital purposes. The Company continues to explore further funding opportunities which are likely to be required to develop other projects.

Donal Buckley, Chief Executive said:

"We are very pleased to announce this successful fundraising. The funds were raised from a number of private investors and we are very encouraged by the continued support given to our business and strategy.

"The money will be used to develop and progress previously identified joint venture opportunities in power generation from waste and for working capital purposes. We look forward to updating the market as to the progress of future fundraising."

- Ends -

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