

Kedco plc
(“Kedco” or the “Company”)

Placing to raise £166,860

**Kedco adds further equity funding and expects to be exporting electricity by
second half of June**

Kedco plc, (AIM:KED) the renewable energy group focusing on the production of clean energy in the UK and Ireland, is pleased to announce that it has secured approximately £166,860 (gross) through a placing of 12,835,385 new ordinary shares (the “Placing Shares”) at an issue price of 1.3 pence per ordinary share, with a number of existing and new investors (the “Placing”).

The proceeds of the Placing will be used for working capital purposes and for continuing investment in the Company’s portfolio of biomass electricity and heat generation projects.

The Company also announces that it has allotted 3,644,224 new ordinary shares in the Company (the “Conversion Shares”) at 1.515 pence per share (being the average of the mid-market price for the 10 business days immediately preceding the date of the notice of conversion), to its 22.14% shareholder Farmer Business Developments plc (“FBD”) as a result of FBD exercising its right of conversion under its February 2011 Euro 1,200,000 10% Convertible Loan Note (the “Conversion”). Following the Placing and the Conversion, FBD’s holding will remain at 22.14% of the ordinary shares of the Company. The Conversion is conditional on the Placing Shares being admitted to AIM.

Pursuant to the Placing, an application will be made for the admission of 16,479,609 new ordinary shares in the Company to trading on AIM comprising 12,835,385 Placing Shares and 3,644,224 Conversion Shares. The Placing Shares and Conversion Shares, which will be issued, fully paid, will rank pari passu in all respects with the existing ordinary shares of the Company. Admission of the Placing

Shares and Conversion Shares to trading on AIM is expected to occur on 4 May 2012.

As a result of the Placing and the Conversion, the total number of voting rights as at 4 May 2012 will increase to 311,562,755. Shareholders should use this figure as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in the Company, under the FSA's Disclosure and Transparency Rules.

Gerry Madden, CEO of Kedco, commented: “We are pleased to announce the close of this successful fundraising which included a number of new and existing shareholders. We continue to make good progress with all of the projects in the Company's pipeline and in particular we expect to complete initial commissioning of the first 2MW of our Newry plant, including the first export of electricity to the Electricity Grid, by the second half of June 2012. This will be a significant step for the Company as we move from being a clean energy project developer to a clean energy producer.”

- Ends -

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Note to Editors:

Kedco plc's business strategy is to identify, develop, build, own and operate biomass electricity and heat generation plants in the UK and Ireland. These plants will contribute to the need for sustainable energy from renewable sources. Kedco also operates a biomass wood processing facility in Latvia.

The Company possesses significant knowledge of renewable energy markets, advance conversion technologies, biomass and waste 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