

Planning consent obtained for 12MW gasification plant

Kedco plc is pleased to announce it has received planning permission from Enfield Council to build a 12MW gasification plant at a site in Enfield, North London. The consent is subject to the customary conditions. Kedco has received confirmation that the Greater London Authority will not refuse the planning consent. The Company has already signed 10-year feedstock supply with a local waste operator and has secured a 20-year lease on the site.

The plant has an estimated capital cost of £45 million and is expected to generate an EBITDA of approximately £9 million per year once complete. The Company intends to commence securing finance for the London plant in October 2010 and estimates that it will take 18 months from obtaining finance to the completion of the project.

The Enfield plant is expected to convert approximately 60,000 tonnes of waste wood into 86,000 MW of electricity and a similar amount of heat per year. Kedco is currently in discussions with two potential purchasers for the heat produced from the Enfield site. The plant is expected to remove significant road traffic from the Enfield area through the conversion of waste wood on-site, reducing the need to transfer it to landfill and other locations. Kedco believes this is one of the first projects of its kind in London.

Kedco believes that the biomass clean-tech sector offers exceptional opportunities for the creation of long-term transparent recurring revenue streams. The recent UK government confirmation of grandfathering of ROC's for biomass clarifies the income stream of the project for 20 years.

Donal Buckley, Chief Executive of Kedco said:

"We believe that the biomass clean-tech sector is currently at the same stage as the wind industry was five years ago. This represents an enormous opportunity for growth for Kedco. We believe that the granting of this consent shows the commitment of the Greater London Authority and Enfield council to the biomass sector within London. "

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