



15 June 2006

Market Leader Greenergy Doubles UK Biodiesel Plant Capacity

- £7.5 million contract signed with technology partner Desmet Ballestra
- Extension to 'Field to Forecourt' contract to provide feedstock for biodiesel plant

Greenergy Fuels Ltd, the UK's largest supplier of biofuels, has announced today at UK arable event Cereals 2006 that construction is commencing on the second phase of its biodiesel production plant. Located at Immingham on the Humber in order to service UK and European markets, the announcement sees the doubling of the plant's capacity from 100,000 to 200,000 tonnes of pure biodiesel per annum.

Greenergy also took the opportunity to confirm a significant extension to its ground breaking Field to Forecourt® contract offered to farmers for the supply of rapeseed for biodiesel production. Contracts will be issued for the supply of 250,000 tonnes of rapeseed for harvest 2007 (equivalent to over 10% of the UK rapeseed crop) up from 150,000 tonnes for harvest 2006. The additional 100,000 tonnes of rapeseed will guarantee adequate and secure supplies of feedstock for this additional production capacity at Immingham.

The event saw Greenergy sign a £7.5 million contract with technology partner Desmet Ballestra of Italy to begin build of the second phase of its biodiesel plant. The first phase of the plant will come on line in December 2006 with the second phase completed by August 2007. Andrew Owens, Chairman of Greenergy Fuels Ltd commented:

"The last year has seen significant growth in the biofuels market driven by consumer demand for improved environmental performance, high oil prices and confirmation of the Renewable Transport Fuels Obligation. As a result we are in a position where we can confirm a doubling in Greenergy's UK biodiesel production capability by end 2007 and a significant extension to the Field to Forecourt contract - ensuring that we use best technology and have in place a reliable supply of feedstock."

Marco Galateri, Executive Vice-President, Desmet Ballestra commented on the contract signing saying:

"Greenergy stands at the forefront in creating a robust and commercially credible biofuels industry in the UK, one that marries our experiences of best practice in established European markets. Today's contract signing will double the production capacity of the plant at Immingham, a plant built on proven Desmet

Ballestra technology already in use, or scheduled for use, at more than 30 sites around the world.”

The announcements follow a year of strong and sustained growth in the UK biofuels market with major forecourt operators, businesses and fleet managers responding to customer demand and government expectation by including a biofuel component in their standard fuel mixes. Greenergy currently supplies in excess of 250 million litres of blended biofuels per month to forecourt and fleet operators from Tesco and Sainsbury to BAA and Eddie Stobart.

For further information on Greenergy products and services visit www.greenergy.com

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At Cereals 2006

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About Greenergy Fuels Ltd

Greenergy clients include supermarkets, oil majors, bus companies, hauliers, resellers and distributors and fleet end users with clients including Tesco, Morrisons, Asda, Sainsbury's, Iceland Foods, Conoco-Phillips, BAA, Arriva, Eddie Stobart, Lafarge, the Metropolitan Police and a wide variety of Local Councils and UK Government departments.