

Greenergy partners Vopak in South East expansion plan

28th November 2006

- £10 million developments to deliver 45,000cbm dedicated new storage; and
- Biofuel blends make significant contribution to growth in South East.

Greenergy Fuels Ltd, the UK's largest independent fuels company, confirmed today that it has entered into a partnership with Royal Vopak, the world's largest independent tank terminal operator. The partnership will see the development of 45,000 cubic metres of dedicated storage and blend capacity at the Vopak Terminal London.

This significant investment project comes after a period of strong and sustained growth for Greenergy, which has seen organic growth across Greenergy's core fuels business servicing oil majors, hauliers, the transport sector and supermarkets combined with rapid expansion in the biofuels sector with Greenergy now supplying around 50 per cent of the market.

The new build will expand the volume of tankage available to Greenergy for blending of petrol, diesel and biofuels by over 50 per cent. As the first significant increase in road fuel tank storage capacity in the South England for many years, it will also go some way towards alleviating the shortage in capacity that has affected the industry since the Buncefield incident.

Andrew Owens, chief executive of Greenergy commented:

"Greenergy continues to enjoy strong year-on-year growth driven by three key factors: our ability to deliver tailored fuel solutions for customers; our focus on customer service; and our leadership in the biofuels market. With the existing Vopak facilities, which offer excellent facilities both for storage and blending of petroleum and biofuels, now running at near-capacity, this is the time to invest in the future."

The new capacity will be delivered through two separate developments on the existing Vopak site. This will see the introduction of two 10,000cbm tanks on the first site and five 5,000cbm tanks on the second. The state of art tanks will be built to BS EN 14015:2004 equipped with floating decks to allow for gasoline or component storage.

A high level of automation will be built into the system including infrastructure that will allow Greenergy to further butanise its gasoline products. In line with good industry safety and operational practise, all tanks will be equipped with ROSOV's & ASOV's and high-level alarms.

An additional truck loading bay with full additivisation capability and Vapour Recovery Unit will also be built to service the additional throughputs. Preparatory ground work has now been completed with construction on the new tankage due to commence in December with tanks scheduled to come on line in July and October 2007.