



PRESS RELEASE

Verdant Fuel welcomes EU biofuels announcement

Friday 25th January 2008

Verdant Fuel Ltd, a UK-based company which produces a transport fuel that offers significant environmental benefits over conventional biodiesel, but with no risk of causing deforestation, social upheaval in developing economies or significantly impacting the price of staple foods, has welcomed the European Union's recent announcement concerning the problems associated with certain biofuels.

James Scruby, Verdant Fuel's Chief Executive Officer, comments: "We have always known that the approach which many biodiesel producers are taking is bad for the environment, and therefore unsustainable, which is why for some time we have been making the very same points as have now been raised by the European Union.

"Although an enormous amount of media coverage has been devoted to the environmental benefits of biodiesel, the fact is that it is typically blended to include just 5% to 10% of renewable fuel by volume and therefore offers very limited potential for reducing CO² emissions per vehicle over conventional diesel. Furthermore, the palm or soya oils that are often used as feedstocks are recognised as causing irreparable environmental damage through deforestation in new areas where they are being grown to meet the increasing demand. The oil then has to be transported across the world to the point of use, creating further negative environmental impact."

Verdant Fuel has a different approach. It is the cleanest, purest biofuel available and being manufactured from high-quality plant oil produced from renewable and sustainable sources, avoids the problems that now concern the EU because:

- It does not use palm or soya oil. Verdant Fuel Ltd guarantees that none of its feedstocks are sourced from tropical countries and that no forests have been cut down to produce it. Unlike palm and soya, which are traded globally and therefore impossible to authenticate in terms of their source of origin, rapeseed oil can be fully traceable, an increasingly important factor for customers operating a strong environmental policy.
- The product is manufactured from rapeseed which can be grown 'locally' on farms in Europe, thus avoiding the need for huge centralised production units and saving on global transportation. Furthermore, rapeseed is produced as part of the normal agricultural crop rotation cycle and acts as a 'break crop' after consecutive years of cereals. The rapeseed straw is chopped and

- incorporated back into the soil, which together with the root system helps put some 'goodness' back and makes it more fertile. The following cereal crop will typically yield about 20% more than it would if a break crop was not produced.
- Using rapeseed oil for fuel rather than food is not creating food shortages of staple foods. There are many substitutes for rapeseed in cooking oil or margarine production, so Verdant Fuel is not contributing to the rising prices of essential foodstuffs.
 - Conventional biodiesel is manufactured from plant oil or animal fats by a chemical reaction known as transesterification, which consumes considerable amounts of energy, hydrocarbon chemicals like methanol, and water. Verdant Fuel is manufactured from rapeseed which is either hot or cold-pressed and therefore needs no additional chemical processing, so the carbon footprint is significantly lower than that of biodiesel. After pressing, the oil is de-gummed and filtered using processes which use very little energy, while the oil-rich 'cake' left after crushing provides an excellent high-protein livestock feed or energy source.
 - Unlike many biodiesel products, Verdant Fuel really does save carbon dioxide. Preliminary results of a recent report commissioned by Verdant Fuel Ltd and carried out by a leading climate change consultancy to IPCC and Defra-approved protocols and assumptions, suggests that Verdant Fuel reduces CO² emissions per vehicle by at least 70%, compared with just 1% or 2% for a conventional B5 bio-diesel blend. The saving is a 'whole-cycle' figure which includes the greenhouse impact of fertilisers and other inputs used in the farming process.
 - Operating on Verdant Fuel, a typical heavy truck which completes 60,000 miles per year at an average fuel consumption of 7 mpg would save twice its gross laden weight, approximately 80 tonnes, in CO² emissions every year when compared with a conventional-diesel-fuelled equivalent, with almost zero emissions of sulphur dioxide (SO²).
 - Recent changes in the biofuel tax regime mean that heavy fuel users (over 2500 litres per year) still enjoy a 20p per litre tax reduction, making Verdant Fuel cheaper than both conventional and bio-diesel. Verdant Fuel has 97% of the calorific value of diesel and the two can be mixed, yet its carbon footprint is much lower than Liquefied Petroleum Gas (LPG). In April 2008 the Renewable Transport Fuel Obligation (RTFO) will lead to a further price benefit in favour of Verdant Fuel, making it the cheapest sustainable fuel option - after an initial investment – and very similar in character to LPG.
 - Verdant Fuel can be used in most diesel-powered vehicles with a simple modification to the engine. To fully harness the considerable environmental and commercial benefits of its products, Verdant Fuel Limited works closely with Elsbett UK (www.elsbett.com), which provides a range of highly-engineered technical solutions to enable almost any modern diesel-engined vehicle to operate on this exceptionally environmentally-friendly product. Elsbett has over 30 years expertise in multi-fuel diesel technology and is the world leader in this field.

Further information is available from Verdant Fuel Limited on 0845 4632679 or go to www.verdantfuel.com

Further press information is available from:

Will Sparling
Verdant Fuel Limited
Tel: 0845 4632679 or 07968 748959
Email: will.sparling@verdantfuel.com

Julian Cooksley
Kendalls Communications
Tel: 01394 610022
Email: julian.cooksley@kendallscom.co.uk

NOTES FOR EDITORS:

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Verdant Fuel has a number of key advantages over conventional diesel:

- High calorific value: highest energy density of all renewable fuels
- When burned, it emits less particles
- The particle emission is less harmful to health
- It is liquid in form and thus easy to store, transport and handle
- Its handling does not require special care
- It is neither flammable, nor explosive and does not release toxic gases
- It does not cause environmental damage if accidentally spilt
- It is produced directly by nature and does not have to be transformed
- It does not have adverse ecological effects when used
- It does not contain sulphur and therefore does not cause acid rain when used
- It has a full-cycle CO² footprint which is more than 70% lower than diesel, a figure which has been independently assessed by a leading climate change consultancy
- Verdant Fuel can be supplied to customer depots or private homes in special containers that fulfil all the environmental requirements. As the number of users grows, a network of refuelling locations will be expanded.

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Photographs are available to illustrate this press release. Please contact Jo Bowron or Diana Wells at Kendalls Communications on 01394 610022.