

Green Gas Connect

September 2010



Welcome!

This is our third edition of Green Gas Connect and I hope it facilitates communication in the Group. For a business of its size, Green Gas' operations are quite spread out and communication across the regions and cultures is very important. We now have a presence in all of the following countries: The Netherlands, Czech Republic, Germany, Switzerland, United Kingdom, United States of America, Colombia, China and Ukraine. I trust you will use this publication to learn more about the Group, and to use it as a tool to get your own message out there.

Since our last edition, I am happy to report that the construction of the Krasnodonugol flaring project in Ukraine is substantially complete and we expect to be fully operational towards the end of September 2010. We will shortly be submitting the El Guacal project for approval to the UNFCCC in order to generate carbon credits and expect to start construction before the end of the year.

We have also signed a further landfill gas project in Colombia, El Guabal (as distinct from El Guacal), and with it established a strategic relationship with Interaseo, which is a company operating several landfills across Latin America. We expect this to lead to further projects. In addition, Hofstetter signed up a significant order for the supply of equipment to Goldfields of South Africa.

We have refinanced the Group's debt with the help of ING in syndicate with Unicredit and Komerčni Banka resulting in a healthy cash position for the Group, ready to invest in new projects. I thank our shareholders, Green Gas DPB and the Finance team for the hard work in completing this transaction.

Operationally we are on track for the year, but significant effort is required for the rest of the year to develop new projects and relationships.

I should like to thank each person in the Green Gas Group for their contribution to the success of the Group.

Chris Norval
Chairman & CEO

ARTICLES IN THIS ISSUE

**Past meets present
Green Gas DPB is proud
to house a national
treasure...**

By Antonin Kunz

**Green Gas repeats
its success in Colombia**

By Duncan Cox

**Hofstetter wins contract
from major gold mining
company**

By Roland van der Vlist

**First Green Gas flare
in Ukraine**

By Bob Shekleton

**Hofstetter focused on
improving its services**

By Roland van der Vlist

**Interview with
Duncan Cox**

*President of
Green Gas Americas*

**Interview with
Claudia Mennen-Vermuele**

CFO of Green Gas Group

Past meets present

Green Gas DPB is proud to house a national treasure...

By Antonin Kunz

Ostrava region of the Czech Republic – Green Gas DPB uses a former ventilation shaft at the Vrbice site as a degasification unit for coal mine gas drainage and to house a CHP plant generating some 4,500 MWh per annum of clean electricity.

It is here that the past meets the present. These premises not only hold the modern CHP and drainage equipment, but also accommodate a national treasure, from one of the most remarkable and historic coal mines in the country. The machine room was built in 1919, a building with a mine tower dates from 1930, and a vintage electrical reciprocating compressor with mine winder brings history to life. All have been recognised as a Czech national treasures awaiting UNESCO recognition.



Past meets present – The Vrbice ventilation shaft and a CHP unit

Excavated in 1911, the ventilation shaft was used by local coal mines until 1990 when it was closed down. The property was then bought by Green Gas DPB in 1992, and the following year the premises of the ventilation shaft were declared a national treasure by the Czech Ministry for Culture.

One of the most striking features is undoubtedly the vintage electrical reciprocating compressor constructed by Skoda during the last century. At an output of 545kW and 121rpm the compressor produced around 6,600 m³/hour of compressed air until 1993, when it was closed down.

Although the maintenance of this national treasure is required by law, Green Gas DPB takes its responsibility very seriously. In addition to receiving some grants from the Czech Government, Green Gas DPB invests considerable sums of its own money and resources into the conservation of such a remarkable inheritance.



An electrical reciprocating compressor – A Czech national treasure

Green Gas repeats its success in Colombia

By Duncan Cox

Following the successful implementation of the La Pradera project in Medellin, Green Gas has won another contract in Colombia for the development of a Clean Development Mechanism (CDM) project at the El Guabal landfill in the Yotocó municipality of Cali.

As the strategic partner to Interaseo Del Valle SA ESP (Interaseo), the owner and operator of the El Guabal landfill, Green Gas will provide expertise for the construction and operation of an active degassing system, and installation of flares for landfill gas flaring. The landfill site currently receives around 1,800 tonnes of municipal waste per day and has a capacity of more than 2,000 tonnes per day. The project will have a positive impact on the environment by flaring the landfill gas that would otherwise escape into the atmosphere. Green Gas will also undertake the process for registration of the project under the United Nations Framework for

Climate Change Convention (UNFCCC), in order to receive the associated Certified Emission Reductions (CERs). The project duration is 21 years and construction is expected to start in 2011.

According to Jorge Gómez, the General Manager of Interaseo, Green Gas was awarded this project on the basis of our skills and extensive experience in the field of CDM project development and our local presence in Colombia, giving them high confidence in Green Gas' ability to successfully develop these type of projects.

Chris Norval, CEO of Green Gas International, said: 'Green Gas is delighted to be working as a strategic partner with Interaseo. The combination of our project development and landfill gas mitigation expertise, together with the track record and local knowledge of Interaseo, will be of commercial benefit to the project partners and, importantly, will provide significant safety and environmental benefits at and around the El Guabal landfill. This project adds to the expanding Green Gas business in the Americas and is our third project in Colombia alone.'

Hofstetter wins contract from major gold mining company

By Roland van der Vlist

Hofstetter Umwelttechnik AG (Hofstetter) has been awarded the contract to build a high quality degassing and flaring unit for the leading global mining company Gold Fields, at its Beatrix gold mine in the Free State Province 240km southwest of Johannesburg, South Africa. As the technical partner to Group Five Engineering and Construction (Group Five), Hofstetter provides a reliable solution for the collection, transportation and disposal of methane. The plant consists of a degassing station and a high temperature flare. The key feature is the monitoring, measuring and recording unit for monitoring Certified Emission Reductions for the United Nations Framework for Climate Change

Convention (UNFCCC). Winning such a prestigious project, in a competitive market, once again proves Hofstetter's ability to provide high quality technology solutions for the reduction of greenhouse gas emissions.

Dirk Van Greuning, the Environmental Engineering Manager of the Beatrix Gold Mine commented: 'Through their specialised knowledge in gas flaring technology, Hofstetter offers the perfect partnership for the mine's methane extraction project. What I find reassuring is that Hofstetter conducted a detailed survey of the mine to assess the local conditions, in order to provide the best possible solution for our mine.' Anne Wright, the Operations and Systems Advisor of Group Five, adds: 'We selected Hofstetter because they are recognised as a major supplier of quality degassing and flaring equipment and have an excellent track record. We look forward to working with them.'

First Green Gas flare in Ukraine

By Bob Shekleton

Green Gas Krasnodon has taken delivery of its first flare from Hofstetter. Assembly and Installation is now well underway. Three trucks left Hindlebank on 17 August heading for the Polish-Ukrainian border with the flare, control container and an assortment of pipes, valves, measuring the devices and spares for our first project in Ukraine at the Sukhodilska Skhidna Mine, part of the Krasnodonugol group of mines in Krasnodon, Eastern Ukraine.

Having passed the border control successfully they then made their way across country to the customs control point in Lugansk. Customs clearance took just three days, somewhat of a record for Ukraine with our trucks finally arriving on site late in the afternoon of 27 August. We were well prepared and the Green Gas convoy was met by Falko Harff and the local construction crew. Before darkness descended all three containers had been offloaded and the precious cargo stored ready for construction to begin in earnest on 30 August. Since then, progress has been swift and in just a few days the site rapidly began to take shape.



Control Container



Control Container



Staff Container

Hofstetter focused on improving its services

By Roland van der Vlist

Ensuring customer satisfaction is one of the key objectives of Hofstetter in fulfilling the company strategy. Measuring customer satisfaction on a regular basis is vital for the continuous improvement of all our products and services as well as for the development of our people. In view of that, Hofstetter conducted its first customer satisfaction survey between 1 and 18 June 2010, focused on product quality, sales and order processing. All Hofstetter sales representatives, customers as well as some potential customers were invited to take part in the online survey and the

company obtained a satisfying 10% response rate. The results show that while the majority of our clients are satisfied with our products and services, there is always room for improvement. Whilst we were pleased to receive very good feedback on our product performance, spare parts and customer service, we identified that sales, order processing and local services (including maintenance, spare parts delivery, trouble shooting) required improvements. As a result, Hofstetter has taken a number of measures to address those areas. The company has introduced a 24-hour response time policy and response monitoring. It is implementing a service network that offers local service with the aim of reducing costs for commissioning and to improve response time. Additionally, it is planning to evaluate production plants in Asia and South America in order to provide a lower price for our services in these markets.

Interview with Duncan Cox

President of Green Gas Americas



What does your role at Green Gas involve?

As the President of Green Gas Americas, I am responsible for the Green Gas activities in North and South America. This includes developing the market, securing projects, executing projects and the O&M of these projects. This responsibility focuses on ensuring a profitable operation in accordance with the Green Gas values.

What are your main priorities as President of Green Gas Americas for 2010 and beyond?

The main priority is to focus everything we do on building a sizeable business in the Americas to support the Green Gas vision of being a leading company in the development and BOO of clean energy and climate mitigation projects in our niche market. We currently have the start of a good business with two operating projects, three projects won and in the execution phase and some very good projects in development that we believe that we will win. Behind this success we must now build a professional organisation to ensure our successful growth.

What are you working on and what projects are in the pipeline?

The operating projects we have are Pioneer in USA and Medellin in Colombia. The projects in execution phase are El Guacal and El Guabal in Colombia and Atotonilco in Mexico. We are working on developing additional projects in Colombia, Mexico, Canada and USA. We hope to win three more projects before the end of the year.

There have been a number of projects signed up in the last year in Latin America alone. What makes Green Gas attractive to the local businesses and how does Green Gas differ from its competitors?

Green Gas is attractive in Latin America because we are a complete solution to their problem. We are not just a middleman but in fact do all phases of the work ourselves. It is also very helpful to have the reference plants of Medellin and Pioneer which are both world class installations that we can use for demonstration purposes.

What are the challenges of doing business in the North/South American market?

The challenges of doing business in Mexico and South America are very different from the USA and Canada. In Mexico and South America we are dealing with all the typical cultural dynamics of fast developing countries. This includes the speed at which things are done and the difficulty of travel, to being constantly aware of your personal safety. In addition all written and spoken communication is in Spanish, with few people having a command of English. In the USA the market is mature and with many competitors – so finding the optimum way to do business has been a challenge.

What are your interests outside Green Gas?

I enjoy the outdoors; camping, hiking, fishing, diving, boating, and skiing. I have two middle school children who are very active so between family life and Green Gas there is not a lot of time to do other things. I also enjoy travelling, and am interested in understanding the different cultures throughout the world.

Interview with Claudia Mennen-Vermuele

CFO of Green Gas International



What does your role at Green Gas involve?

As the CFO, I am responsible for Finance within Green Gas International, including Accounting and Control, Treasury, Corporate Finance, Risk and Compliance, Group Human Resources and IT.

What attracted you to Green Gas?

The energy circulating through the company is what attracted me to Green Gas. I really felt the entrepreneurial atmosphere and the energy amongst the people I met.

Which aspects of your previous experience have enabled you to bring something different to the table to Green Gas?

My experience as an Auditor at Pricewaterhouse Coopers and my Finance experience at Dockwise resulted in my in-depth knowledge of financing, reporting, control, treasury and the capital markets. All this makes me contribute, together with my team.

What are your main priorities as the CFO for 2010 and beyond?

I have a number of priorities for 2010 and the most important ones are making sure that the company has sufficient capital available, either through (project) financing and/or equity to grow. Furthermore, I should like to further professionalise the group's services and make sure Green Gas is compliant with rules and regulations on a timely basis.

What are you currently working on?

I am currently working on a number of strategic initiatives to grow the Group and making sure it has enough capital to execute on its strategy.

What are your interests outside Green Gas?

Outside Green Gas I spend a lot of time with my children (6 year old twins) and husband. Apart from that I enjoy cycling, going out for dinner, going to the movies and reading books.