

Press Release

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Shanks achieves Financial Close for Surrey Organics Biofuel Processing Facility project in Canada

International waste-to-product business, Shanks Group plc (LSE: SKS) announces that Orgaworld Canada, part of its Organics Division, has achieved financial close for the Surrey Organics Biofuels Processing Facility project in Canada.

Reaching financial close on the contract signals the end of negotiations and the finalisation of a fixed-price, performance-based partnership agreement. The contract is underpinned by a public-private partnership (P3), with the Government of Canada contributing up to 25% of the capital costs through its P3 Canada Fund.

Located in Surrey's Port Kells industrial area, the facility will receive and process 115,000 tonnes of organic waste annually. It will convert the City's kitchen and yard waste, along with commercial waste from across the Region, into renewable natural gas. The natural gas will be used to power the City's natural gas waste collection trucks, natural gas service fleet and new district energy system. The facility will also produce a compost product that will be suitable for landscaping and agricultural applications.

Shanks will design, build, finance, operate and maintain the facility for 25 years after the construction period, which will start this spring. Once completed in early 2017, Surrey will have the first closed-loop fully-integrated organics waste management system in North America. The facility will be the largest of its kind in Canada with the capacity to process 100% of the City's organic waste over the 25 year contract term, along with commercial organic waste, helping Metro Vancouver to achieve its regional 70% waste diversion target.

The world-class facility will leverage Shanks' extensive international experience of organic processing, which includes market leadership in the highly advanced Dutch organics market and proven capability to deliver value to municipal customers both in Europe and in Canada. It will also use advanced technology developed from Shanks' current operations in Ontario.

Peter Dilnot, Group Chief Executive of Shanks, said:

"We are delighted to take this important step forward for the contract with the City of Surrey, which is in line with our strategy to expand our organics footprint in Canada and invest in infrastructure which is underpinned by long-term contracts. We look forward to continuing to work with the City of Surrey to begin construction of the first closed-loop integrated organics waste management system in North America."

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Notes to editors

Shanks Group is a leading international waste to product business.

The Group uses a range of cost-effective sustainable technologies to make valuable products from what is thrown away. We produce green energy, recovered fuel, recycled commodities and organic fertiliser.

Shanks meets the growing need from public and private sectors to manage waste sustainably without damaging the environment. Our solutions reduce greenhouse gas emissions, recycle natural resources and limit fossil fuel dependency.

Shanks operates in four divisions that reflect its markets: Solid, Hazardous, Organics and UK Municipal. It has operations in the Netherlands, Belgium, UK and Canada and employs around 3,600 people.

For more information, visit: www.shanksplc.com