

Press Release

18 December 2014

Shanks awarded Preferred Proponent status for Surrey Organics Biofuel Processing Facility project in Canada

International waste-to-product business, Shanks Group plc (LSE: SKS) announces that Iris Solutions, a consortium led by Orgaworld Canada, part of Shanks' Organics Division, has been selected as the preferred proponent for the Surrey Biofuels Processing Facility project in Canada.

Shanks will build the biofuel processing facility, which will process 115,000 tonnes of residual kitchen and garden waste from Surrey each year. The process will create a renewable natural gas which can then be used to power the city's natural gas waste collection trucks. The facility will also produce a compost product that will be suitable for landscaping and agricultural applications. Once the facility is operational, Surrey will have the first closed-loop fully-integrated organics waste management system in North America.

Under the contract, Orgaworld Surrey will design, build, maintain and operate the facility. When completed, the facility will be the largest of its kind in Canada with a capacity to process 100% of the City's organic waste, along with commercial organic waste, helping Metro Vancouver 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. Orgaworld Surrey will also use advanced technology developed from Shanks' current operations in Ontario.

Peter Dilnot, Group Chief Executive of Shanks, said:

"I am delighted that the Shanks team has been awarded Preferred Proponent status for the Surrey Organics Biofuel Processing Facility project, which is in line with our strategy to expand our Organics Division in target geographies. In parallel, it also underlines Shanks' compelling offering which combines organic and municipal contracting expertise with a growing footprint in Canada. We look forward to continuing to work with the City of Surrey to develop our plans to deliver the first closed-loop integrated organics waste management system in North America."

City of Surrey Councillor, Bruce Hayne said:

"Council is pleased to move forward with this exciting and environmentally sustainable project. We look forward to continuing Surrey's positive growth within clean energy industries, as laid out in our Sustainability Charter."

Iris Solutions, led by Orgaworld Canada, was one of three businesses shortlisted for the contract, which originally comprised eleven different bidding companies. The final contracts are expected to be signed early next year, with design-build activities getting underway shortly thereafter. The facility is expected to become fully operational by late 2016.

For further information:

Brunswick Group

Mike Smith

Justine McIlroy

+44 207 404 5959

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