

EcoSecurities Group - AGM Statement

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Dublin, Ireland - EcoSecurities Group plc ('EcoSecurities', or the 'Group'), one of the world's leading companies in the business of originating, implementing and commercialising carbon credits from greenhouse gas emission reduction projects, will hold its Annual General Meeting in Dublin, Ireland today at 08:30 am. At the meeting Mark Nicholls, Chairman, will give the following update on trading:

In the period to date in 2008, EcoSecurities has continued to make progress as follows:

- CDM project implementation continues to progress. The enhanced focus on implementation initiated in late 2007 is already showing results with 18 new registrations being achieved in April and May. The benefits of the improved prioritisation process can also be seen with the average size of the newly registered projects being 720,000 CERs per project.
- At 30 April 2008, 119 projects had been registered with the CDM Executive Board, up from 101 projects at the end of February. On a net basis to EcoSecurities these 119 projects are capable of producing 25 million CERs, representing 21% of the Group portfolio (an increase from 10% at the end of February). At 30 April 2008, 147 projects had been validated and these projects are capable of producing 37 million CERs on a net basis, representing 31% of the portfolio.
- The Group's contracted projects and portfolio CERs on a net basis can be analysed as follows:

Project cycle landmark (cumulative values)	30 April 2008		29 February 2008	
	No. of projects	Million CERs	No. of Projects	Million CERs
Contracted	517	143	479	150
Due diligence	83	23	68	28
Portfolio	434	120	411	122
Operational stage:				
Financed	373	104	351	102
Construction started	314	90	305	89
Operation started	177	50	163	41
CDM stage:				
PDD complete	273	77	250	74
Submitted to validation	251	73	235	68
HNA obtained	229	73	195	63
Validated	147	37	131	30
Submitted to registration	145	36	129	29
Registered	119	25	101	13

- Due to movements in the price of vegetable oil, EcoSecurities believes a number of biodiesel portfolio projects may be uneconomical. Accordingly, on a prudent basis, projects capable of generating 5.4 million CERs to 2012 have been removed from the portfolio at this stage
- More than 96% of EcoSecurities' portfolio is derived from projects with approved methodologies. In addition, EcoSecurities does not have any JI projects within its project portfolio.
- Most of the CERs anticipated to be issued in 2008 will arise from projects undergoing their first verification and thus projections of CER production from the portfolio in the year will, as usual, be constantly reviewed and updated throughout the year. As expected, given CER issuance will be concentrated around the year-end, it is difficult to be precise at this stage in relation to the number of CERs that will fall to be accounted for in 2008, as opposed to 2009.
- Given the anticipated high level of verifications being undertaken in the final quarter of 2008 and the continuing uncertainties surrounding the time taken by the CDM process and DOEs, the Company has brought forward the times of its planned verifications for projects to allow additional time for the issuance process in order that the Company is best placed to meet its ongoing delivery schedule.
- Recognising the Group's expectations of an active market beyond 2012, the Group's post-2012 CER portfolio amounted to 115 million CERs representing an increase of 7 million CERs since 29 February 2008. In relation to the voluntary markets, the Group's VER portfolio at 30 April 2008 was 13 million VERs.
- The earthquake that struck Sichuan province, China on 12 May 2008 appears to have had limited impact on the Group's projects in the region and, fortunately, none of its employees was hurt. The region continues to suffer aftershocks but currently of 46 of its projects in Sichuan, 41 are confirmed to be operating normally, including all the projects in Sichuan due to issue CERs this year. It is anticipated that four projects in Sichuan will be delayed, representing a reduction of under 450,000 CERs in 2009 and 2010. No information is available on the Miyaluo small hydro project, which is capable of producing 294,000 CERs to 2012, located near the epicentre of the earthquake.
- EcoSecurities cash balance at 30 April comprised €53m, including €22m of restricted cash. €7.2m of restricted cash was released back to the Company in May 2008 and a further €11.6m is due to be released by June 2008. Use of cash since 29 February 2008 included the purchase of CER inventories for secondary trading activities. EcoSecurities stock of CERs at 30 April 2008 comprised 1,390,000 CERs and 1,590,000 VERs.
- On 20 May 2008, Cargill Inc. exercised its warrant to subscribe for 3,248,720 ordinary shares at a price of US\$1.1543 per share. The proceeds for EcoSecurities amount to US\$3.75m.

CDM = Clean Development Mechanism, the provision of the Kyoto Protocol that governs project level carbon credit transactions between developed and developing countries.

CER = Certified Emission Reduction, carbon credits created by Clean Development Mechanism projects. One CER corresponds to 1 tonne of CO₂e emission reductions.

DOE = Designated Operational Entity is an organisation accredited by the CDM Executive Board. A DOE has two key functions, to validate and subsequently request registration of a proposed CDM project and to verify Emission Reductions from a registered CDM project activity.

EU ETS = European Union Emissions Trading Scheme, a market based 'cap and trade' system for green house gases adopted by the European Union member states.

JI = Joint Implementation – The provision of the Kyoto Protocol that governs project-level carbon credit transactions between entities located in Annex 1 countries (i.e. those developed countries with emission reduction commitments under the Kyoto Protocol).

Net Trading Margin = The resulting gross profit on the sale of CERs less the direct purchase cost.

VER = Voluntary or Verified Emission Reduction, carbon credits created by emission reduction projects. One VER corresponds to 1 tonne of CO₂e emission reductions.

- Ends -

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About EcoSecurities:

EcoSecurities is one of the world's leading companies in the business of sourcing, developing and trading carbon credits. EcoSecurities structures and guides greenhouse gas

emission reduction projects through the project cycle, working with both project developers and buyers of carbon credits.

EcoSecurities has experience with projects in the areas of renewable energy, agriculture and urban waste management, industrial efficiency and forestry. With a network of offices and representatives in over 25 countries on five continents, EcoSecurities has amassed one of the industry's largest and most diversified portfolios of carbon projects.

Utilising its highly diversified portfolio, EcoSecurities is able to structure carbon credit transactions to fit any buyers' needs, and has executed transactions with both private and public sector buyers in Europe, North America and Japan.

Working at the forefront of carbon market development, EcoSecurities has been involved in the development of many of the global carbon market's most important milestones, including developing the world's first CDM project to be registered under the Kyoto Protocol. EcoSecurities Global Consulting Services has been at the forefront of all significant policy and scientific developments in this field. EcoSecurities has been voted 'Best Advisory Firm - Kyoto Project Credits' over the last seven years by reader surveys conducted by Environmental Finance magazine.

EcoSecurities Group plc is listed on the London Stock Exchange AIM (ticker ECO). Additional information is available at www.ecosecurities.com.