

Topell Energy BV
PRESS RELEASE

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Topell Energy closed B-Round with existing investors and starts construction of solid biofuels production plant in Gelderland.

The Dutch company Topell Energy B.V., the merged entity of the two technology companies Polow Energy Systems B.V. and Topell B.V. has successfully closed a B-Round of 7mEUR in Q1 2010. The round was lead by return investor RWE Innogy Venture Capital.

Topell Energy has started the construction of a modern solid biofuels plant in Duiven, located in the Dutch province of Gelderland. The company has developed a highly innovative and efficient process for the production of high-grade solid biofuels from woody biomass residuals. The cooperation with RWE Group extends further: Topell Energy has concluded a 5 year contract with Essent Trading for the purchase of solid biofuels from the new plant which Essent N.V. will be the first to burn for the sustainable generation of electricity. The province of Gelderland is supporting the innovative new plant with a subsidy of € 1 million. This subsidy enables Topell Energy to invest in additional equipment as needed to upgrade low-value biomass feedstock's such as grasses to high-grade solid biofuels.

The process used by the new plant is known as torrefaction, which means the rapid heating of biomass to eliminate water and substances having a low calorific value, thereby enhancing the combustion properties of the biomass. Torrefied biomass can be used on a larger scale and more economically than untreated biomass in the sustainable generation of heat and electricity by power stations and for other purposes. The new plant is expected to begin operating end of 2010 and will create 25 jobs.

Ewout Maaskant, managing director of Topell Energy, explains: "It would be impossible to generate sustainable energy on a significant scale in the Netherlands without using biomass. If this country is to make the transition to sustainable energy generation, it will be necessary to make large quantities of biomass available as economically as possible. Torrefaction is an important step in that process. Topell Energy is delighted that RWE Innogy and Essent Trading have shown such confidence in our company and our biofuel".

Crispin Leick, executive director of RWE Innogy Venture Capital, adds: "Torrefaction is a key conversion step to create a biomass based commodity, which has the potential to accelerate the decarbonisation of electricity generation considerably.

Topell Energy has the right technology and people to make industrial scale torrefaction happen.”

Note for editors

Topell Energy BV, based in The Hague (The Netherlands), is a world leader in the development of torrefaction technology. Its first commercial plant in Duiven (in the Dutch province of Gelderland) is expected to begin producing torrefied biomass at the end of 2010. Topell Energy was founded on 1 January 2010 as a result of a merger between the Dutch technology companies Polow Energy Systems BV and Topell BV. Further information can be found at www.topellenergy.com.

RWE Innogy pools the renewable energy expertise and power plants of the RWE Group. The company plans, builds and operates facilities generating power from renewable energies. RWE Innogy aims to vigorously grow renewable energies in Europe. In addition, the company invests venture capital into young European technology companies to commercialise innovative renewable technologies. Further information can be found at www.rweinnogy.com.