
Wood Pellets Market Growth & Associated Opportunities

Richard Smith
Balcas *brites*

Presentation Summary

- Balcas
- European market
- NI market
- The opportunities

Balcas

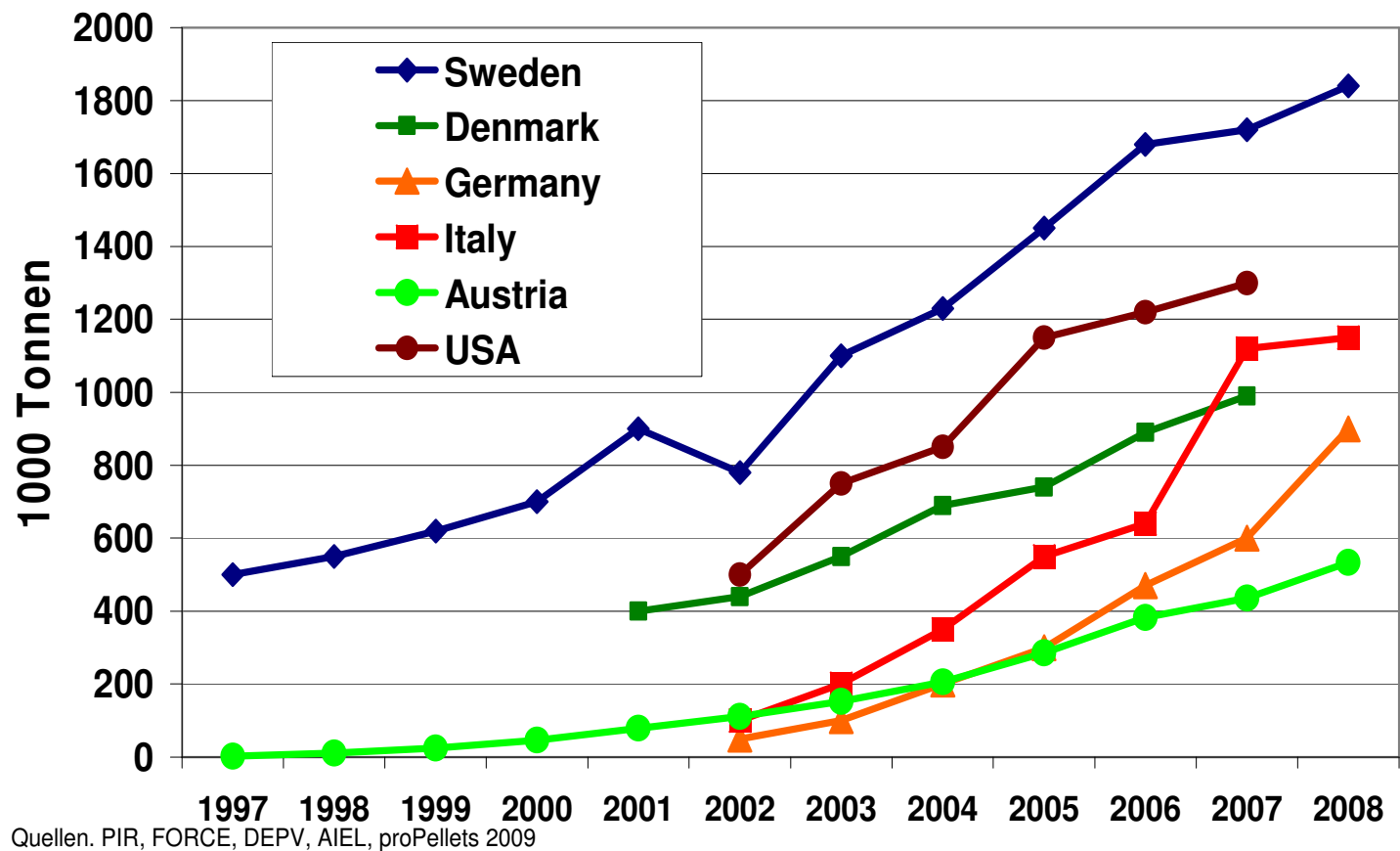
- UK/Ireland's second largest saw miller with plants in Enniskillen, Kildare, Estonia and Russia
- Pellet plants in Enniskillen (55,000t) and Invergordon (100,000t)
- Market leader through *brites* brand
- Distribution centres in Cork and Essex

Wood pellets in Europe

- Pellet boilers in use in Europe for 20 years.
- Germany installed its 100,000th boiler.
- Austria installed 82 MW of 50kw+ boilers in 2008.
- Italian market grown to 1.2 million tonnes in 2009
- Dutch Volvo plant with a 5 Mw system
- This is not new technology!

Growing Global Demand

Pellet demand in the most important markets



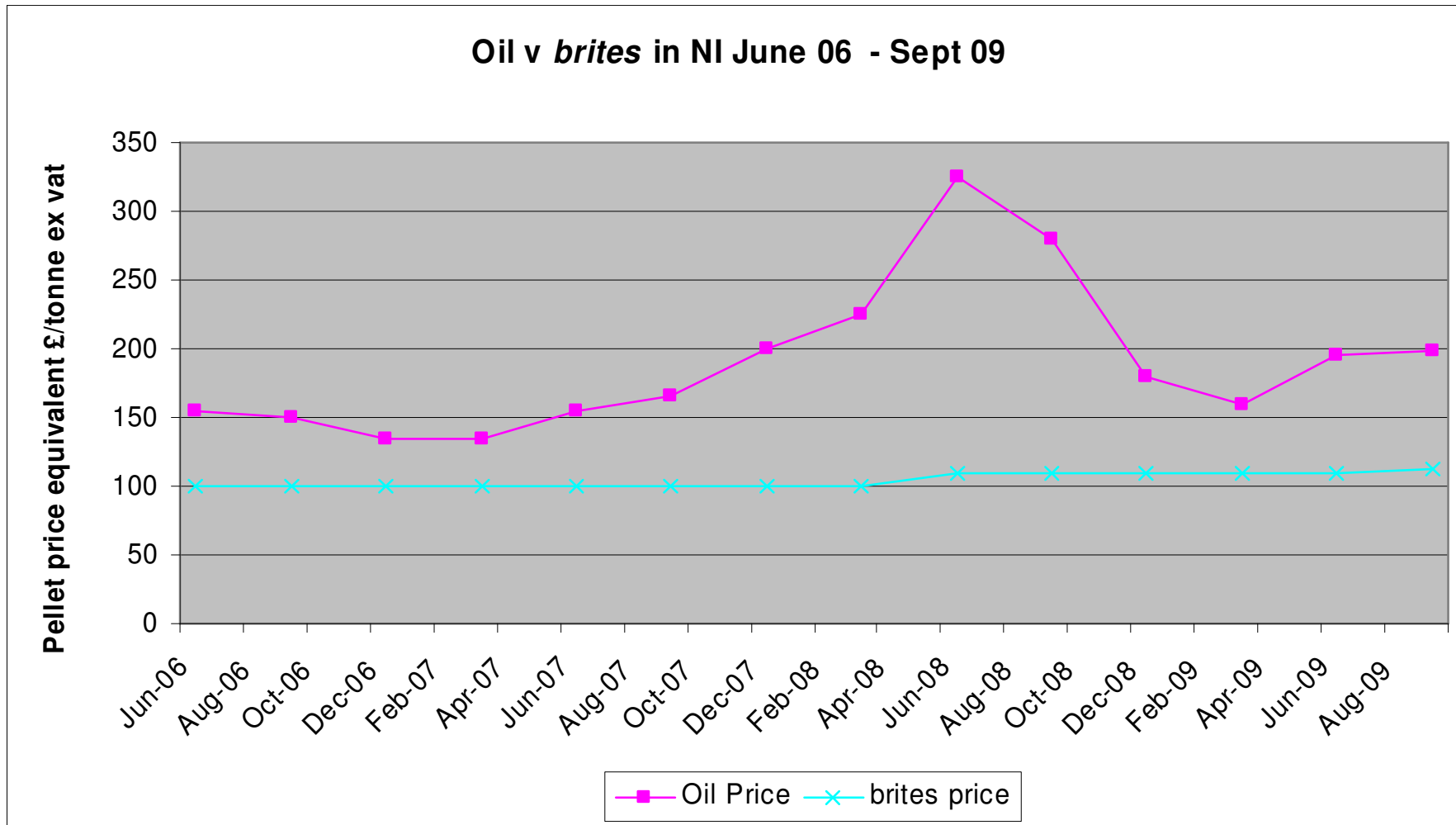
Northern Ireland *brites* examples

1000 Residential customers

Strong commercial market including:

- 11 government buildings
- 3 hotels
- 2 retail outlets including IKEA
- 13 schools

brites pricing



brites commitment to the supply chain

- Stable pricing
 - Standard, fixed or tracker
- Reliable quality of product and service
 - Quality systems, driver training & working with installers
- Security of Supply
 - Increased production plus offsite storage

NI Opportunities

- Installers
- Manufacture of boilers or stoves
- Manufacture/supply of ancillary equipment
- ESCO providers
- District heating systems