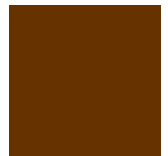
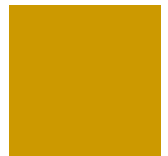
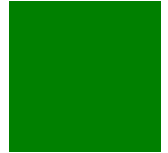


Investor Presentation

Interim Results - September 2010



The Way Forward with Organic Waste



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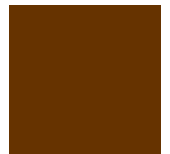
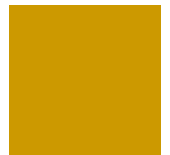
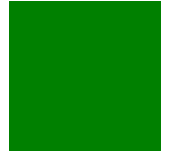
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Contents

- **Section 1** **Financial results and operational update**
 - 2010 Interim performance review
 - Update on activities
 - Strategy and future growth



Highlights

- H1 revenue growth of 96%
- Underlying EBT loss down 50% (adjusted for negative goodwill)
- Positive net cash from operating activities £152k (net cash loss in H1 2009 of £1,493k)
- Successful acquisition and integration of Simpro Limited
- Successful expansion of Carleton Rode by 25%
- Build Own Operate revenues up 58%
- Plant sales revenues up 121%
- Completion of UTS Licensing Agreement for AD technology
- Post period execution of first AD project with SPV project finance in place



2010 Half Year Underlying Results

	H1 2010 (unaudited) £'000	H1 2009 (unaudited) £'000	▲▼	FY 2009 (audited) £'000
Revenue	8,797	4,484	96.1%	15,394
Gross Profit	2,231	1,252	78.1%	3,489
Underlying EBITDA ¹	461	(273)	268.8%	418
Underlying EBIT ¹	(241)	(766)	68.5%	(720)
Underlying loss ¹	(391)	(796)	50.9%	(713)
Underlying EPS ¹	(0.715)	(1.643)	56.4%	(1.405)

¹Adjusted for negative goodwill

The Way Forward with Organic Waste

2010 Half Year Results

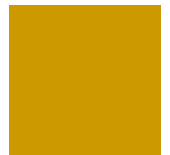
	H1 2010 (unaudited) £'000	H1 2009 (unaudited) £'000	FY 2009 (audited) £'000
Underlying EBIT ¹	(241)	(766)	(720)
Negative Goodwill	15	851	956
EBIT	(226)	85	236
Net finance costs	(150)	(30)	(81)
Loss / profit before tax	(376)	55	155
Tax credit	-	-	88
Loss / profit for period	(376)	55	243

¹Adjusted for negative goodwill

The Way Forward with Organic Waste

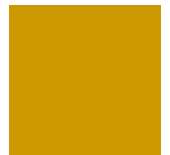
Balance Sheet

	H1 2010 (unaudited) £'000	H1 2009 (unaudited) £'000	FY 2009 (audited) £'000
Non-current assets	23,945	15,941	16,670
Current assets	9,706	4,684	9,375
Cash	4,650	5,816	3,770
Current liabilities	9,395	5,257	8,507
Non-current liabilities	4,082	3,287	3,125
NET ASSETS	24,819	17,897	18,183

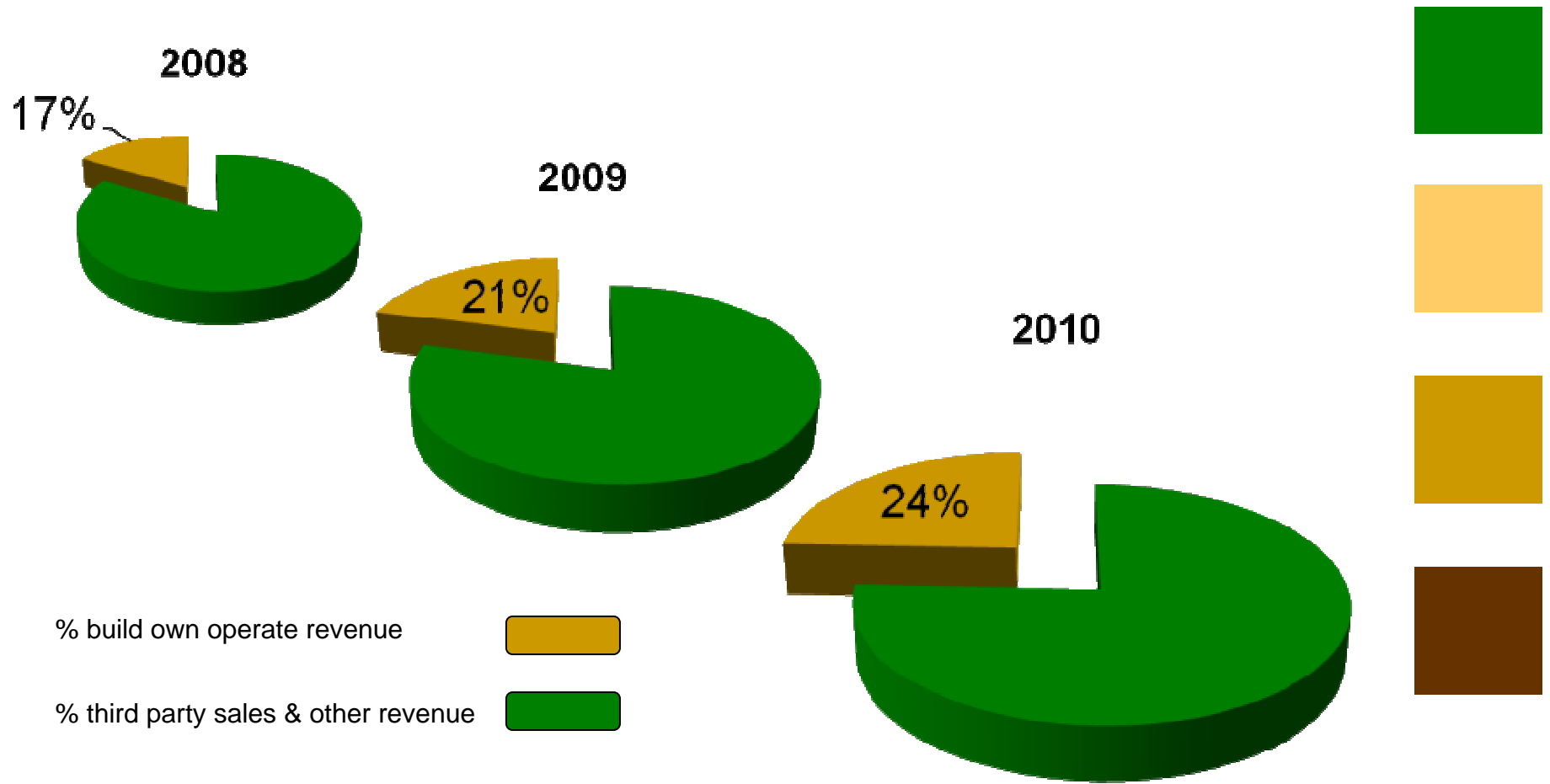


Cash Flow

	H1 2010 (unaudited) £'000	H1 2009 (unaudited) £'000	FY 2009 (audited) £'000
Net cash from operating activities	152	(1,493)	(1,934)
Net cash used in investing activities	(5,190)	(1,137)	(2,610)
Net cash from financing activities	5,918	1,615	(1,483)
Net increase in cash	880	(1,015)	(3,061)
Cash at end of period	4,650	5,816	3,770



Revenue mix



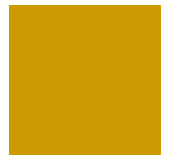
SIMPRO acquisition

- The rationale for the acquisition
 - Strong current financials and excellent platform for further growth opportunities
 - Immediate cashflow and profits
 - Multiple sites – six across the Midlands region with 180,000 tonnes per annum capacity
 - Scope on at least two further sites for IVC and AD developments
 - No geographic overlap – TEG had no presence in the Midlands
 - No competing technology to cause conflict with TEG
 - Sites currently only processing green waste - opportunity to upgrade to food waste, increasing average gate fees
 - Solid contract bank - >100,000 tonnes per annum contracted
- Deal summary
 - 100% equity purchase
 - £6.1m consideration
 - £400k in TEG shares
 - £750k deferred equity consideration against warranty items and earnout objectives
 - Directors remain for 12 months to ensure smooth handover
- Post deal progress
 - Integration has gone very well
 - New management structure in place
 - Milton Keynes contract is progressing
 - Strategic development programme now underway
 - Note charge will be made for amortisation of intangible assets

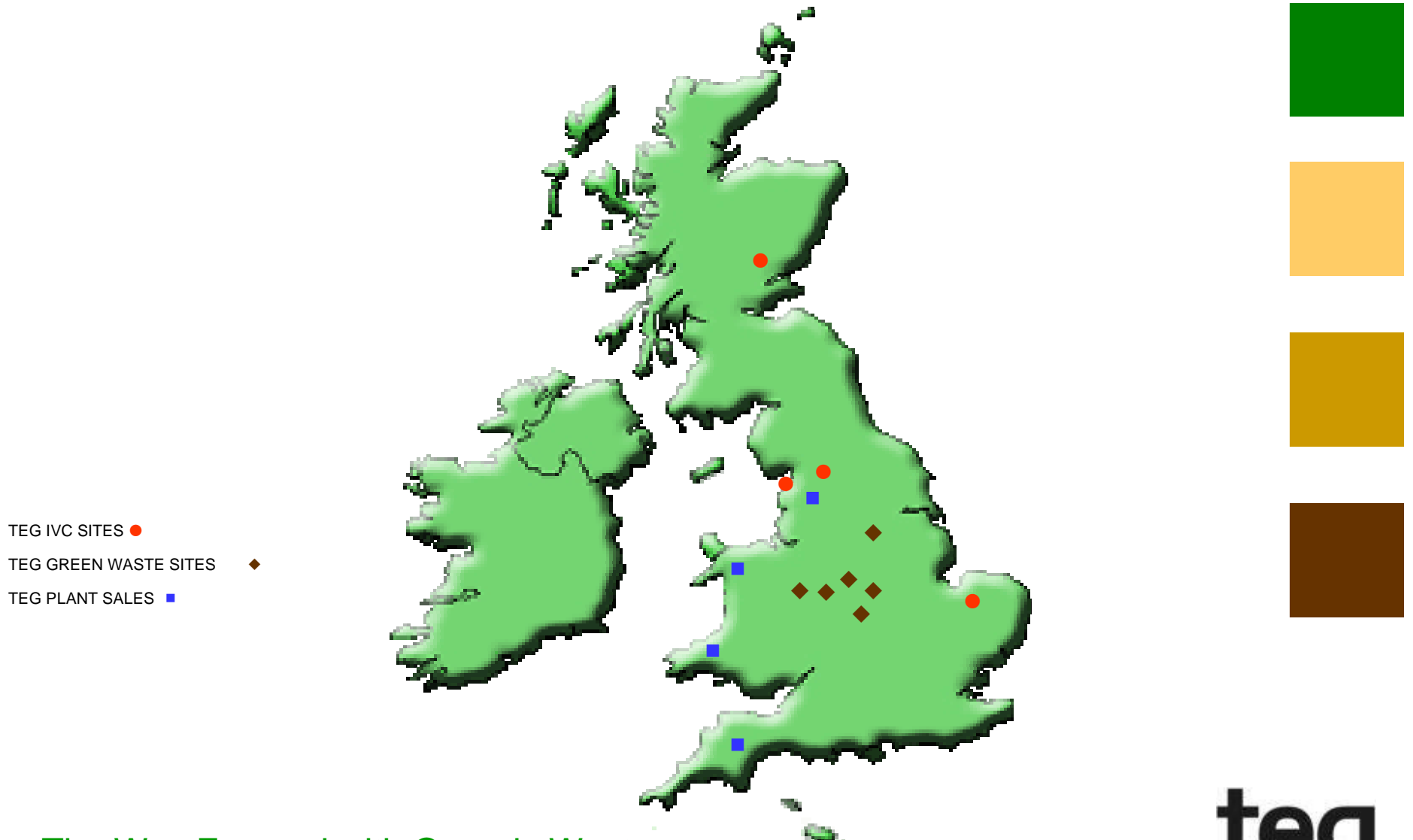


Perth AD project

- First TEG AD facility
- Summary specification
 - 16,000 tpa
 - 0.70 MW power
 - 0.25 MW heat
 - £4m facility
- Funding secured from Albion LLP
 - 50:50 JV (TEG Biogas (Perth) Limited)
 - £700k grant
 - TEG to supply plant as principal contractor
 - TEG to supply working capital loan
- Timetable
 - Contract completion 26 July 2010
 - Construction commencement 26 Sept 2010
 - Commissioning expected 31 March 2011
 - Handover July 2011
- Heat to be supplied to Binn Eco Park
 - Sustainable agriculture
 - Commercial heat supply independent of RHI



TEG at a glance

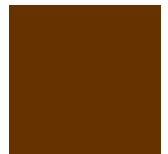
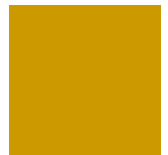
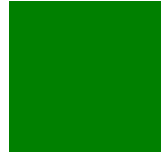


The Way Forward with Organic Waste



Operational Review - Greater Manchester

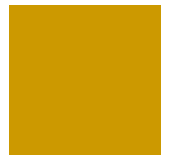
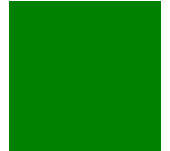
- First site (Rochdale) in operation since November 2009
 - 25,000 tpa
 - 12 month warranty and snagging period due to be completed November 2010
 - Remedial works to air management system completed
- Second site (Bredbury) construction completed July 2010
 - 54,000 tpa
 - Commissioning underway
 - Hand over expected Q4 2010
- Third site (Trafford) construction underway
 - 50,000 tpa
 - Commissioning expected Q2 2011
 - Handover Q3 2011
- Fourth site (Bolton) order expected Q4 2010
 - 50,000 tpa
 - Construction due to commence Q1 2011



Operational Review - TEG BOO Plants

A period of record performance from the IVC plants....

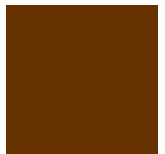
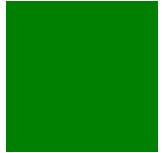
- Perth (38,000 tpa)
 - 13.7% increase in sales on H1 2009
 - Perth & Kinross and Fife contracts secured
 - Biofilter and air management system upgrade due to be completed in Q4 2010
- Todmorden (37,000 tpa)
 - Overall sales up 64% on H1 2009
 - Building and biofilter upgrade due to be completed in Q4 2010
- Carleton Rode (35,000 tpa)
 - Post acquisition upgrade to 35,000 tpa completed
 - Capacity expanded by relocating Sherdley Farm equipment
 - Sales overall for 2010 meeting expectations
 - Plant performance exceeding expectations
- Sherdley
 - Transfer station operation until end of 2010
 - Options under review for site post 2010



The Way Forward with Organic Waste

Market Background – Key Points

- Landfill tax increases confirmed by new Government
 - Rising £8 per tonne per annum to 2013
 - Likely to rise further – “floor not ceiling”
 - Landfill tax now £48 per tonne
 - Landfill prices now around £70 per tonne
- Landfill Allowance Trading Scheme (“LATS”) in place
 - Recycling and composting targets grow annually
 - Rate of increase in organic recycling outgrowing dry recycling
 - Welsh Assembly Government consulting on possible ban of organic waste to landfill
- Energy recovery gaining momentum
 - ROCS and Feed-In Tariffs established
 - RHIs still under review (TEG business plans on zero RHIs)
 - Government is placing emphasis on AD as a renewable energy option
 - Measures expected to promote “huge” growth in sector
- Regulatory environment favouring in vessel systems and PAS100 operations
 - EA has made policy statement against new open composting sites
 - EA statement confirms higher level of enforcement of current sites
 - Non PAS100 products no longer accepted for LATS
- Local Authority procurement increasingly geared towards private sector funding
 - Long term contracts being offered in return for private funding



The Way Forward with Organic Waste

Update on Projects

- >20 major projects in pipeline – from pre-qualification through to submitted tender
- Local Authority activity levels are very high
- Energy projects (AD) key part of TEG portfolio
- Acquisition opportunities provide potential for step-change in growth



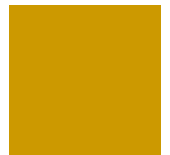
Summary of capital (BOO) projects

Name	Type	Estimated construction start	Estimated operation
Announced projects			
Anagest	IVC/AD	Q4 2010	Q2 2011
Lancashire Plant	IVC	Q1 2011	Q1 2012
Perth AD	AD	Sept 2010	Q2 2011
High priority – medium term			
Local Authority projects (5)	IVC/AD	2010/2012	2011/2014
Further BOOs (4)	IVC/AD	2011/2012	2011/2014
High priority – longer term			
Local Authority projects & BOOs (4)	IVC/AD	2011	2014
Other projects (early stage)			
Local Authority projects & BOOs (4)	IVC/AD	2011	2015

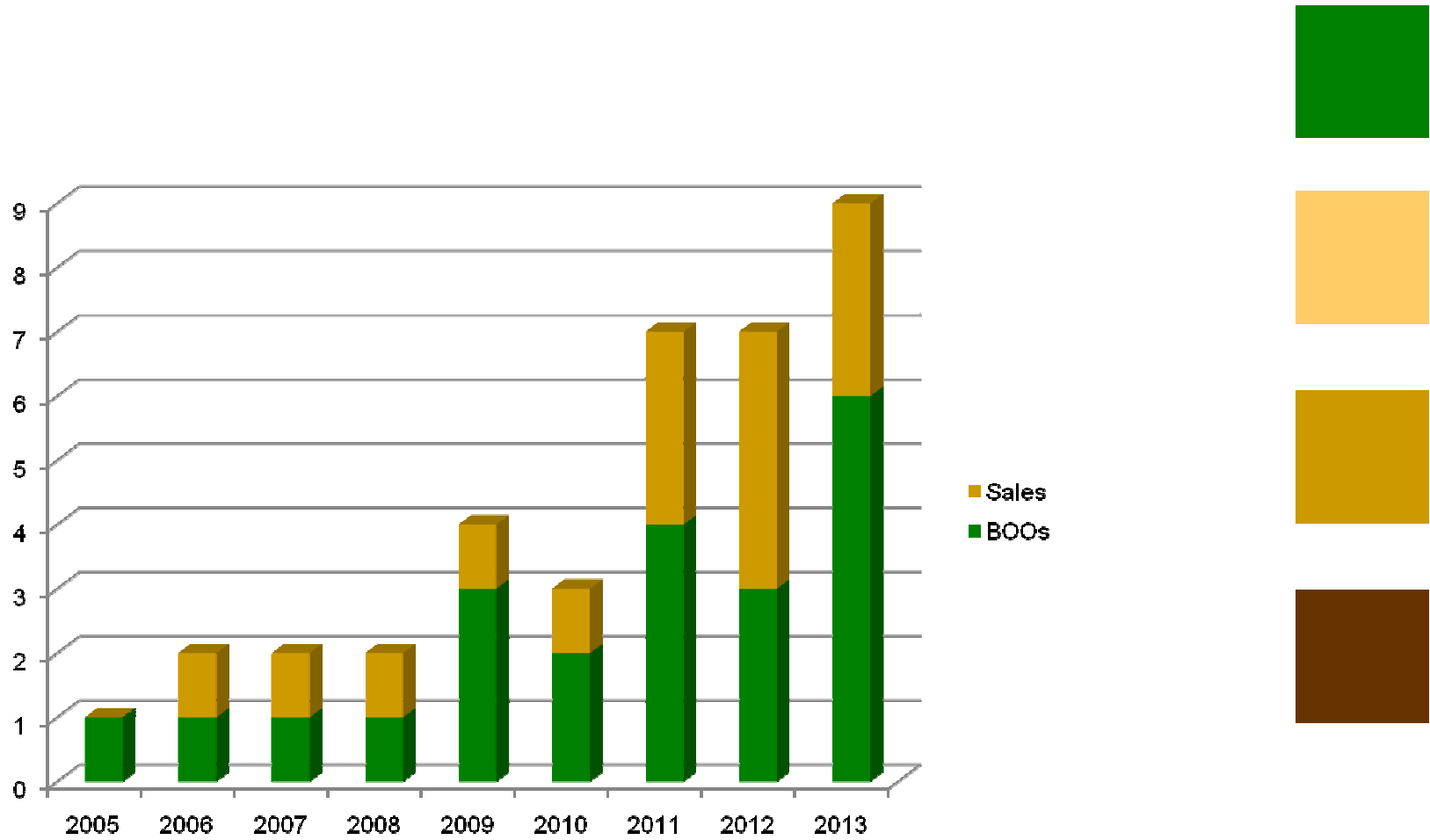


Summary of plant and technology sales pipeline

Name	Type	Estimated construction start	Estimated operation
Bredbury	IVC	Aug 2009	Sept 2010
Trafford	IVC	Apr 2010	June 2011
Taywell	IVC	Q1 2011	Q2 2011
Perth AD	AD	Sept 2010	March 2011
Bolton	IVC	Q1 2011	Dec 2012
IVC sales bids (3)	IVC	2010/2012	2011/2014
AD sales bids (4)	AD	2011/2012	2012/2014



Project execution trend – numbers completed



The Way Forward with Organic Waste

Strategy

TEG has established itself as a leader in its market

- Strong growth for five years has provided a solid platform
- Now focusing on the next phase of development of the business.....

Aim is for continued growth through

1. Build Own and Operate projects (BOOs)

- Strategy to increase proportion of long term recurring revenues
- In-line with market procurement policy

2. 3rd party plant sales

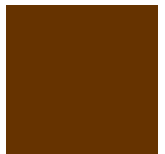
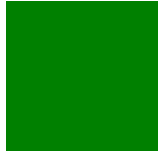
- Provide large revenues and profits
- Service market preferring to make capital investments (including PFI market)

3. IVC and AD technologies

- TEG capability to offer both technologies provides competitive advantage
- AD provides opportunity for enhanced recurring revenues through power sales

4. Opportunistic acquisition

- Success of the BCL and Simpro acquisitions demonstrate the opportunities in the market
- Strict criteria to ensure synergy and strong financial benefits



The Way Forward with Organic Waste

Strategy (2)

While ensuring consolidation and efficient performance of established business

- Turning turnover into profit
- Increasing the proportion of long term contracts

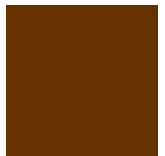
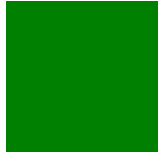
And securing robust finance streams

- Delivering the capital finance to secure expansion of BOOs
- Meeting the demands of the market and drive for private sector finance
- Exploiting TEG's established presence and track record

Key sectors remain

Local Authorities and major waste management companies – private sector adds opportunities on top

- Long Term supply agreements lock in cashflows
- Enhances ability to secure debt and project finance
- Particular focus on Wales, the Midlands and London/South East



The Way Forward with Organic Waste

Summary

- Another successful period of growth and development with positive trading cash flow
- Record plant performance from TEG IVCs
- Successful Simpro acquisition and integration brings immediate profit and further growth potential
- First AD project secured with project finance in place
- Market continues to grow and bring strong opportunities for AD and IVC
- TEG is better positioned than ever to take advantage of the market opportunities
- Drive now towards sustained profit, increasing proportion of long term contracts and further BOOs

