



14 May 2008

SYMPHONY ENVIRONMENTAL TECHNOLOGIES PLC

Settlement Agreement – Headstart Funds Convertible Loan

Symphony Environmental Technologies Plc (“Symphony” “Company” or “the Group”), the degradable plastics and waste-to-energy Group, announces that an agreement (“the Settlement Agreement”) has been reached whereby Symphony may discharge the convertible loan facility with Headstart Global Fund Limited and Headstart Global Aggressive Fund Limited (together “Headstart Funds”)

The terms of the convertible loan facility allowed for conversion of the loan, wholly or in part, into ordinary shares of 1p each on the basis of a conversion price calculated at 95% of the lowest bid price during the 15 trading days prior to the date on which notice to convert is received. Interest on the loan is 10% per annum.

Under the terms of the Settlement Agreement Symphony may repay the outstanding loan balance of £380,000 by 30 July 2008. The redemption rate will be at 105% of the outstanding capital value. Repayment will also include accrued interest.

In order to secure the Settlement Agreement and to ensure that no further conversions take place between now and 30 July 2008, Symphony has agreed that an amount of £50,000, additional to the above, will be payable to Headstart Funds by 30 August 2008. If the loan is not repaid by the Company by 30 July 2008, conversions by Headstart Funds can resume and a 5% penalty will be added to then outstanding loan balance.

For further information, please contact:

Symphony

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Further information on the Symphony Environmental Technologies Group of companies:

SYMPHONY ENVIRONMENTAL TECHNOLOGIES PLC is a world leader in oxo-biodegradable plastic technology. The technology is recognised by the d₂w[®] droplet logo on thousands of tonnes of oxo-biodegradable plastic products. In the last 12 months enough of Symphony's d₂w additive has been sold to make **more than 5 billion degradable plastic products**

Symphony has a diverse and growing customer base and has successfully established itself as an international business. Its d₂w[®] products can already be found in more than 60 countries. Symphony is proud to be a member of the Oxo-biodegradable Plastics Association (www.biodeg.org).

Symphony is also developing innovative waste-to-energy technology and is developing cost-effective processes to convert plastics, tyres and other waste streams into valuable products.

Further information on the Symphony Group can be found at www.degradable.net