

Plantic Technologies Limited (“Plantic”)

Plantic to Establish European Manufacturing Operation

MELBOURNE, Australia – 3 September 2008 – Plantic Technologies Limited, manufacturer of unique biodegradable polymers made from starch for packaging and other applications, has announced that it will build a manufacturing plant in Jena, the second largest city in the state of Thuringia, Germany.

Plantic will receive a grant from the German Government, which is expected to contribute up to 45% towards capital investment in developing the European plant. This funding contribution will assist Plantic in establishing its operations in a growing bioplastics market and is an indication of Germany’s overarching commitment to the environment.

Plantic Technologies already exports rigid sheet product from Australia to European thermoforming contractors and, finally, to packaging manufacturers for supply to brand owners in the UK and Continental Europe. Based on Plantic’s success to date, the Company now plans to establish a manufacturing presence in Europe with the aim to deliver greater value to customers.

In phase one of a two phase strategy, Plantic will establish, by the first quarter of 2009, a thermoforming operation in a newly leased factory in Jena. This operation will allow for rapid prototyping, more efficient customer trials, and increased production capacity. This will accelerate Plantic’s entry into the European thermoforming market and, most importantly, further improve Plantic’s competitiveness and response to customers and brand owners. The total investment in this first phase, before subsidies, is €1.2 million.

Once sufficient thermoforming volume is established, based on imported sheet, it is planned that a second phase of the strategy will be implemented by installing rigid sheet production. This strategy will eliminate sea freight, thereby streamlining the supply chain and, ultimately, lowering Plantic’s production costs. Extruded Plantic® materials will not only be utilized by Plantic’s thermoforming business, but also by third party thermoformers and processors.

Mr. Brendan Morris, Chief Executive Officer, Plantic Technologies Limited, commented, “Plantic’s decision to establish a manufacturing operation in Europe is a very important and exciting development, not only for the Plantic team, but for all Plantic stakeholders.

Media Release

“The European plant will allow us to deliver greater value to our customers, brand owners and thermoformers through improved local development capability, lower costs, and greater service efficiency. Establishing Plantic’s European manufacturing operation is another step towards enabling our European customers to receive products with an even smaller carbon footprint.”

Thuringia’s Minister of Economy, Jürgen Reinholz, welcomes Plantic’s decision to establish a manufacturing operation in Jena, “Plantic’s investment brings innovative, sustainable-driven technology to Thuringia, showing that Thuringia is an attractive location for international investors.”

About Plantic Technologies Limited

Plantic Technologies Limited is engaged in the development and commercialisation of a range of environmentally friendly plastics made from renewable resources.

Plantic’s novel polymer manufacturing technology is based on the use of high-amylose corn starch, a material derived from annual harvesting of non-GM, but specially selected (hybrid) corn. The unique chemical and film-forming properties of this type of starch allow for development of a range of applications across conventional plastics markets. In addition to being renewably sourced, users can take advantage of excellent end-of-life properties such as biodegradability and compostability.

Plantic has several patents covering its technologies, formulations and applications. The Company’s objective is to commercialise its plastic technologies across a broad range of applications, with a particular focus on the packaging industry. Plantic Technologies has won numerous international awards for their innovations in biodegradable plastics.

Plantic is listed on the London Stock Exchange (AIM) under the symbol ‘PLNT’. For more information visit the company’s website www.plantic.com.au

ENQUIRIES

Plantic Technologies Limited:

Brendan Morris, Chief Executive Officer	+61 (0)3 9353 7983
Fleur Wilkins, Marketing & Communications	+61 (0)3 9353 7920

Nomura Code Limited:

Juliet Thompson	+44 (0)20 7776 1204
-----------------	---------------------

Pelham PR:

Archie Berens	+44 (0)207 743 6679
Candice Sgroi	+44 (0)207 743 6376