

23 March 2010

WILLIAM SINCLAIR HOLDINGS PLC
("William Sinclair" or "the Company")

Bolton Fell update

William Sinclair is pleased to announce that it has reached an interim agreement with Natural England over the future of its peat bog operations at Bolton Fell Moss in Cumbria. The main terms of the agreement are as follows:

- An advance initial payment of £9 million will be made to William Sinclair by 12 April 2010. William Sinclair will continue to work with Natural England to assess the level of full compensation payable. This compensation will be calculated in accordance with the principles set out in the National Parks and Access to Countryside Act as well as the Compulsory Purchase Act and the Land Compensation Act.
- William Sinclair's professional advisors calculate the value of compensation due to the Company to be substantially greater than the £9 million advance payment.
- William Sinclair will implement a phased withdrawal of peat harvesting from Bolton Fell commencing immediately and completing by November 2013.
- During this period William Sinclair will continue to harvest peat while working toward a restoration scheme agreed with Natural England. This scheme will accelerate regeneration of the peat bogs and ensure the ecological value of the site is sustained.
- In the event that compensation cannot be agreed between the parties before 30 November 2011 the matter can be referred by either side to the Lands Tribunal, specifically the Upper Tribunal (Lands Chamber), for a decision. In such circumstances, it is possible that payment of further compensation could be delayed by a further year or more.

Bernard Burns, William Sinclair Chief Executive, said:

"We are delighted to have clarity on the Bolton Fell issue. William Sinclair is half way through a £3 million, three year investment programme in peat free technology to improve the quality and availability of this growing material.

"Our 'New Horizon' peat free product is substantially better in terms of performance and reliability than competing products. Part of the compensation we are receiving for the Bolton Fell bog will be used to consolidate our leading position in the peat free market. This sector of the market will become increasingly important following the announcement by the Environment Secretary on 8 March 2010 about the phase-out of peat in compost material.

"William Sinclair can continue to meet customer demand for its peat based products via the Company's remaining peat reserves at other UK sites."

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About William Sinclair

William Sinclair Holdings PLC is one of the UK's leading producers of commercial horticulture and branded garden products. William Sinclair's well established brands include J Arthur Bower's, Silvaperl and New Horizon - the leading brand in the fast growing peat free garden compost and organic plant foods sector. William Sinclair's customers include national accounts such as The Garden Centre Group (formerly Wyevale), Wilkinson, Homebase and B&Q as well as an extensive range of independent garden centres.

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