

# Huge land deal paves the way for £100m green jet fuel investment into BA-backed Velocys plant

Green jet fuel developer Velocys has completed a major deal that could unlock a £100 million investment in its South Humber Bank plant.

The AIM-listed sustainable aviation specialist has sold its consented site at Stallingborough to energy infrastructure investor Foresight Group for £9.75 million.

It comes with a first refusal to invest big in the £350 million project, being developed in collaboration with British Airways.

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Foresight, founded in 1984 and headquartered in The Shard, operates across five European countries and Australia, with £8.4 billion of managed assets at the last year-end.

The 300-plus projects it has interests in include solar, onshore wind, bioenergy and waste, as well as enabling infrastructure. It has been listed on the main market of the London Stock Exchange since February last year.



The Portlink 180 site at Hobson Way, Stallingborough, set to be home to Velocys' green jet fuel refinery.

(Image: GrimsbyTelegraph)

Velocys chief executive Henrik Wareborn welcomed the proven track record the investment manager brings.

He said: "Velocys is pleased to have Foresight involved in the Altalto project, alongside British Airways. This is a further step in bringing our SAF enabling technology solution to market.

"The Velocys technology pathway utilises domestic non-fossil feedstocks from sustainable carbon sources which have no

alternative use, such as municipal solid waste and forestry residue. Sustainable aviation fuel has the same composition as conventional jet fuel, is globally approved and is suitable for immediate use. We firmly believe our technology will play a key role in helping to decarbonise the aviation sector, meet net zero targets, and improve the energy and fuel security of the UK.”

Velocys retains an option to buy back the land off Hobson Way for £12.95 million with any new project partners within three years, with the £100 million investment window opening when full funding is required.



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It will retain access rights for maintenance and pre-development activities, with the deal set at the same price Velocys acquired it for. It had already paid £2.5 million, with the balance now to be settled.

Velocys said commencement of construction remains subject to further clarification of government policy support for such projects.

David Hughes, partner and chief investment officer at Foresight, said: “Foresight is delighted to become involved in the Altalto project through the acquisition of the proposed site. “The project is consistent with our aims of investing in sustainable businesses that are looking to advance the energy transition.”

Across London, and the news was also welcomed by British Airways chair Sean Doyle.

Supply of sustainable aviation fuel from Phillips 66 Humber Refinery is due to start imminently, [following a major deal being signed late last year](#) on the back of a £20 million investment at South Killingholme, with the plant proposed for the opposite flank of Port of Immingham to bolster capacity for the switch.

Mr Doyle said: “It’s great to have Foresight with us to help deliver the Altalto project, as we make our way on our journey towards net zero by 2050.

“The development of sustainable aviation fuel is an important part of our near to medium-term plan to decarbonise, alongside carbon capture technology. We believe the UK can be a world leader in this, and it’s crucial we work with both private industry and Government to drive forward this ambitious and hugely important work.”

Velocys shares were up 7 per cent in early trading.

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