

Höganäs AB and Cortus Energy AB have signed a preliminary agreement on 6 MW modular WoodRoll®

Höganäs AB and Cortus Energy AB ("Cortus Energy" or the "Company") today signed a preliminary agreement (term sheet) for a continuation of the project PROBIOSTÅL. The preliminary agreement describes the business case in the subsequent step of project PROBIOSTÅL, where syngas replaces natural gas at Höganäs AB. The preliminary agreement also forms the basis to start development of the plant to a modular 6 MW WoodRoll®.

Cortus Energy develops and markets the patented WoodRoll® technology for the gasification of biomass in a new innovative way that results in a number of unique advantages over all other existing gasification technologies. With the patented WoodRoll® technology Cortus Energy can offer cost-effective green energy solutions for power, industrial and transportation applications.

In 2015 with support from the Swedish Energy Agency, Höganäs AB and Cortus Energy started the Basic Engineering of a plant for the project PROBIOSTÅL (see press release of 13/05/14). Together, the parties concluded that an increase in capacity of 6 MW syngas and the construction of a modular system for a future commercial operation is the best solution for the project. The parties have now entered into a preliminary agreement (term sheet) which describes the commercial basis of delivery of syngas to Höganäs starting in 2018. With that as base begin negotiations on a commercial agreement, which is expected to be concluded during the first half in 2016.

"We are delighted to have now taken the next step on a common way forward with Höganäs. With an upcoming commercial agreement and installation of WoodRoll® in Höganäs, we can, from a technical verification of the syngas to Höganäs heating furnaces in within the project PROBIOSTÅL quickly start commercial deliveries. Of course, this assumes that the verification is successful. We also expect an increased interest from other potential industrial customers and future stakeholders on WoodRoll®." Says Rolf Ljunggren, CEO Cortus Energy.

For further information, please contact:

Rolf Ljunggren, CEO

Tel: +46 (0) 8 588 866 30

www.cortusenergy.com

About Cortus Energy

Cortus Energy offers cost-effective energy gas for power, industrial and automotive applications based on its patented WoodRoll technology. WoodRoll has great feedstock flexibility, which means that the process can utilize low-grade renewable feedstock without compromising processing performance. Cortus Energy's shares are traded on Nasdaq First North. Mangold Fondkommission, phone 08-503 01 550, is the Company's Certified Adviser.