

Kista, December 6, 2016

Swedish Environmental Protection Agency (EPA) grants Cortus Energy support from the Climate Leap with SEK 36.3 million for the project in Höganäs

Cortus Energy has today received a grant from the Climate-step with SEK 36.3 million for the project in Höganäs relating to an investment in a 6 MW modular WoodRoll at Höganäs AB. The support from the Climate Leap represents a major step toward establishing WoodRoll on a commercial scale.

Cortus Energy develops and markets the unique WoodRoll technology which gasify biomass in a new innovative way that results in several unique advantages over all other existing gasification technologies. Cortus Energy offers competitive green energy solutions for power, industrial and transportation applications based upon the patented WoodRoll technology.

Project Probiostål was started in 2014 and has been running in collaboration with Höganäs AB. The project also includes companies and suppliers within the Swedish steel industry (via Jernkontoret – the Swedish Steel Association). The project aims to identify and verify technical solutions that reduces the steel industry's emissions of mainly carbon dioxide. A modular 6 MW WoodRoll shall be erected in 2017 to demonstrate these capabilities during 2018. After completion of the demonstration the plant goes into commercial operation where Cortus Energy owns and operates the facility for the delivery of green (renewable) energy to Höganäs AB. This, per the preliminary agreement as communicated February 16 (2016).

The Climate Leap is part of the state budget. EPA, in collaboration with other central agencies and county administrative boards provide support to local investments. The funds invested will provide the greatest possible benefit to the climate and the main purpose is to reduce greenhouse gas emissions. Dissemination of technology, market introduction and positive impact on other environmental parameters, health and job creation are other desired effects.

EPA's decision to support the project in Höganäs ensures its commercial part and is motivated by "Based on information received for the project and the EPA estimates demonstrate one of the greatest sustained reduction of greenhouse gas emissions per invested SEK."

"EPA's positive decision is very encouraging and confirms the cost-effective climate benefits that WoodRoll have. With the support from the Climate Leap we are taking a major step forward on establishing our modularized WoodRoll on a commercial scale. We are now working to get the last parts of the financing in place to be able to take a positive investment early 2017. "says Rolf Ljunggren, CEO Cortus Energy.

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About Cortus Energy

Cortus Energy (Publ) 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 (Stockholm, Sweden). Mangold Fondkommission, phone +46 8-503 01 550, is the Company's Certified Adviser.