

08 May 2017

**Hydrodec Group plc**  
("Hydrodec" or the "Company")

**Initial Sale of Carbon Credits**

Hydrodec Group plc (AIM: HYR), the clean-tech industrial oil re-refining group, is pleased to confirm that it has successfully agreed its first trade of carbon credits in respect of the credits recognised by the American Carbon Registry ("ACR") under its accreditation granted last year.

The sale, whilst nominal in value, is in respect of a proportion of those credits generated by Hydrodec of North America ("HoNA") and recognised by the ACR for HoNA's previous production between 2009 and 2014. The Company anticipates that going forward it will generate 50,000 to 60,000 tons of carbon offset annually and expects it could earn up to \$5 per ton from the ongoing generation of such credits based on recent industry publications.\*

Commenting on the sale, Chris Ellis, Chief Executive Officer of Hydrodec said: "At the time of the announcement of the approval our expectations were that we should only expect a nominal sum for the credits recognised by the ACR for our past production in the US. However, what this sale does provide is evidence that there is an active market for our carbon credits and this important incremental revenue stream can begin to be realised. Over time the ability to sell carbon credits will enable Hydrodec to further develop commercial relationships with key transformer manufacturers and utilities in our target markets."

\*Source: Carbonomics

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**Notes to Editors:**

Hydrodec's technology is a proven, highly efficient, oil re-refining and chemical process initially targeted at the multi-billion US\$ market for transformer oil used by the world's electricity industry. MarketsandMarkets forecasts that the global transformer oil market is expected to grow from US\$1.98 billion in 2015 to US\$2.79 billion by 2020 at a CAGR of 7.14%. Spent oil is currently processed at two commercial plants with distinct competitive advantage delivered through very high recoveries (near 100%), producing 'as new' high quality oils at competitive cost and without environmentally harmful emissions. The process also completely eliminates PCBs, a toxic additive banned under international regulations. Hydrodec's plants are located at Canton, Ohio, US and Bomen, New South Wales, Australia.

Hydrodec's shares are listed on the AIM Market of the London Stock Exchange. For further information, please visit [www.hydrodec.com](http://www.hydrodec.com).