12 April 2017

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

Q1 2017 Trading Update

Hydrodec Group plc (AIM: HYR), the cleantech industrial oil re-refining group, is pleased to provide an update to the market in respect of 2017 performance to date and expectations for the year:

- Revenue growth (from continuing operations) of approximately 25% in Q1 compared to Q1 2016, on volumes of 7.7 million litres (2016: 8.2 million litres). Transformer oil sales are expected to grow to 47% of all oil sales for the quarter (2016: 24%) leading to a significant increase in margin of approximately 10c per litre on the prior year
- The Company expects to achieve positive EBITDA in the first quarter, traditionally the most difficult period of the year, particularly in respect of feedstock collection and availability
- Q2 has begun positively and revenues and EBITDA are expected to grow further throughout the year - performance at EBITDA level will be determined by the continuing improvement in margin as the price of oil continues to stabilize and overall feedstock availability improves
- The Board continues to monitor its working capital position for its current requirements whilst also looking to ensure that the Company is well positioned to take advantage of an improving market outlook

Commenting on the update, Chris Ellis, Chief Executive Officer of Hydrodec said: "I am pleased to report continued progress in establishing a profitable business with world leading technology. The increase in margins in the first quarter provide an excellent platform for a continuing improvement in profitability for the rest of the year."

2016 full year results are expected to be released on 12 May 2017.

For further information please contact:

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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.

The information contained within this announcement is deemed to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014.