

Advanced Biomass Solutions

Update re Revolutionary CoalSwitch™ Plant; Initial Full-Scale Reactor Test Completed

Advanced Biomass Solutions, is pleased to announce that the first testing of the five-tonne-per-hour CoalSwitch™ plant in Utah, United States ('the Plant') was successfully completed late on Friday 29 December 2017. The initial results met all management expectations and further testing will continue this week.

The plant is now undergoing full commissioning which ABS expects to complete in the next several weeks, which will enable the Company to deliver commercial quantities of CoalSwitch™, its revolutionary fuel that that can be mixed in any ratio with coal fines or completely replace coal in existing coal-fired power stations, without retrofit, globally.

The first successful firing of the full-scale reactors proves that the technology is scalable to full commercial production and reinforces that the proven science developed represents a disruptive force for the global biomass industry. The next stage will be to complete commercial orders for CoalSwitch™, including the first order to a full-scale coal-fired power plant in Utah, USA.

The Plant has been constructed on a modular basis allowing further scale-up to larger plant sizes giving greater volumes of production which ABS currently expects to be no smaller than 10 tonne per hour plants. In addition, the Company's decision to construct the entire Plant in a containerised format allows for demounting and moving to global locations at short notice meaning that CoalSwitch™ plants can be located near to sources of wood waste or forestry residuals wherever they may be found.

Brian Evans-Jones ABS CEO said, "The first successful test firing of the Plant proves the technology and scalability of production. Our unique biomass fuel technology will contribute hugely to the environment globally due to its unique qualities and ability to be a direct drop in coal replacement fuel, meaning that without the requirement for retrofit, coal plants anywhere can now reduce their usage of coal and decrease emissions without significant investment.

"We are now entering the next phase of our development as we produce and deliver commercial quantities of production and receive first revenues from CoalSwitch™. These are exciting times and we have already received much interest from governments and corporates alike due to CoalSwitch™'s unique qualities and ability to utilise all types of cellulosic biomass (including the lowest quality forestry waste and residuals, waste wood, and other by-products from the global forestry industry) and to blend with reclaimed coal fines or burn as a standalone coal replacement. The Group is now establishing its environmental credentials and is ready to work with governments and corporations in the near future."

CoalSwitch™, which is currently managed and operated by Advanced Biomass Solutions Plc ('ABS'), is a unique, high-calorific, high bulk density, advanced biomass pellet behaving in the logistics and generating plants of utilities just like coal, albeit with all the environmental benefits of clean biomass; produced primarily from forestry waste and other industrial cellulose waste products. Unlike the current ubiquitous white pellets and other Advanced Pellets, CoalSwitch™ can be mixed at any ratio with coal or completely replace coal in existing unmodified coal-fired power plants allowing 'dirty' plant operators to fulfil their environmental obligations without the need for extensive retrofitting of power station plant and handling/storage infrastructure.

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