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Press release

Regulatory information

8 November 2019

Minesto announces rights issue of units of approximately SEK 86 million

The Board of Directors of Minesto AB ("Minesto" or "the Company") has decided to carry out a rights issue of up to 6,084,133 units at a subscription price of SEK 14.12 per unit (the "Rights Issue"), based on the authorization given by the annual general meeting on June 4, 2019. One unit contains one (1) share and one (1) warrant for subscription of shares in the Company no later than 30 April 2021.

The Rights Issue is carried out in order to give the existing shareholders of the Company the opportunity to subscribe for new shares in the Company under the same conditions as in the private placement of units of approximately SEK 60 million (the "Directed Issue") that Minesto completed in October 2019.

The Directed Issue and the Rights Issue enable Minesto to accelerate the commercialization of the Company's technology, at the same time as resolved publicly funded projects can be realized. Further, it provides Minesto with financial resources for the foreseeable future in order to facilitate the expansion to the first large-scale commercial farms.

The Rights Issue in short

- One (1) share entitles the holder one (1) subscription right, and sixteen (16) subscription rights entitle subscription to one (1) unit.
- One (1) unit contains one (1) share and one (1) warrant.
- The subscription price is SEK 14.12 per unit.
- The subscription rights which will be assigned to Midroc New Technology AB will be discarded in accordance with the principle communicated in connection with the Directed Issue. This results in total proceeds of approximately SEK 86 million before transactions costs, provided that the Rights Issue is fully subscribed.
- The expected subscription period runs from 4 December 2019 until 18 December 2019.
- The expected record date for the detachment of the subscription rights in the Rights Issue is 2 December 2019.
- The subscription period for the warrant included in the unit will expire on 30 April 2021. Each warrant gives the holder the right to subscribe for one (1) new share in the Company. For information on the subscription price for the warrant, see "Terms for the Rights Issue" below.
- The prospectus for the Rights Issue is expected to be published on or about 3 December 2019. The indicative time table below assumes that the prospectus is published within the stated time.
- Minesto's largest shareholder, BGA Invest AB, has committed to subscribe for units to a total value of SEK 20 million in the Rights Issue, corresponding to approximately 23 percent of the total number of units in the Rights Issue.

Indicative time table of the Rights Issue

28 November 2019	Last day of trading in the Minesto share with the right to participate in the Rights Issue
2 December 2019	Record date. Shareholders who are registered in the share register on this day will receive subscription rights for participation in the Rights Issue
3 December 2019	Estimated date for publication of the prospectus
4 December – 16 December 2019	Trading in subscription rights
4 December – 18 December 2019	Subscription period
4 December 2019 – 10 January 2020	Trading in paid subscribed shares (Sw. betald tecknad aktie, BTA)
On or about 20 December 2019	Announcement of the outcome of the Rights Issue

Background and reasons

In connection with Minesto's completion of the Directed Issue on 28 October 2019, the Company also announced its intention to carry out a rights issue of identical units in order to give existing shareholders the opportunity to subscribe for new shares in Minesto on the same terms as in the Directed Issue, and thus maintain their relative shareholding in relation to Midroc New Technology AB.

With the capital injection from the Directed Issue, the cash position is estimated to be sufficient to finance the Company's working capital requirement during the coming twelve-month period. The Rights Issue is expected to raise proceeds of approximately SEK 86 million to the Company, before transaction costs, which are expected to amount to approximately SEK 4 million. Assuming the completion of the Rights Issue, the net proceeds will be distributed according to the following order of priority and scope:

- Completion, further development and expansion of the first production facilities in the Company's current projects in the UK, the Faroe Islands, Taiwan and France (approximately 60 percent); and
- Other product and market development activities focusing on customer collaboration and installation projects (approximately 40 percent).

Upon full exercise of all the warrants in the Directed Issue and the Rights Issue, and provided that any conversion of the subscription price is not carried out in accordance with current conditions, the Company will receive additional proceeds of approximately SEK 201 million, before transaction costs, no later than April 30, 2021. The Company intends to use the net proceeds from the warrants according to the following order of priority and scope:

- Enable the expansion of the first large-scale commercial parks, partly through initial project investments in-house and in combination with external parties, and partly to ensure the Company's capacity to deliver products (approximately 70 percent); and
- Other product and market development activities (about 30 percent).

The transaction costs for the Directed Issue, the Rights Issue and the exercise of warrants are estimated to amount to approximately SEK 12 million in total, upon full subscription.

Terms for the Rights Issue

Shareholders registered in the share register kept by Euroclear Sweden AB on 2 December 2019 have the right to subscribe for units in relation to the previous holdings of shares. One (1) held share as of this date entitles one (1) subscription right and sixteen (16) subscription rights entitle one (1) unit. One unit contains one (1) share and one (1) warrant (TO3).

In addition, investors are offered the opportunity to subscribe for units without the support of subscription rights.

In the event that not all units are subscribed for by subscription rights, the Board of Directors shall, within the frame for the maximum amount of the Rights Issue, decide on allocation of units subscribed for without the support of subscription rights. In that case, units shall: (i) first be allocated to those who have also subscribed for units with subscription rights, whether or not they were shareholders on the record date, pro rata in relation to the number of subscription rights that has been used for subscription; (ii) second, be allocated to others who have expressed interest to subscribe for units without subscription right, pro rata in relation to their registered interest, and, to the event that this cannot be done, by lottery.

Subscription of units supported by subscription rights shall be made by cash payment from 4 December 2019 up until 18 December 2019. Application for subscription of units without support of subscription rights shall be made in a specific application form during the same period. Payment for units subscribed for without support for subscription rights shall be made in accordance with the instructions in the settlement note which will be sent to those who receive allocation. The Board of Directors of the Company reserves the right to extend the subscription period and the time for payment under all conditions. Such extension shall be announced no later than the last day of the subscription period and published by the Company.

Full subscription in the Rights Issue implies that the number of shares in the Company increases from 119,471,630 shares to 125,555,763 shares, which corresponds to a dilution of approximately 4.8 percent of the number of shares and the votes in the Company. Upon full exercise of the warrants in the Directed Issue and the Rights Issue, the number of shares will increase by 10,333,423 to a maximum of 135,889,186 shares, corresponding to a dilution of approximately 7.6 percent of the number of shares and the votes in the Company.

The strike price for the warrant will be set to the lower of (i) SEK 19.42 or (ii) the volume weighted average price of the Company's share on the trading day following the record date for the detachment of the subscription rights in the Rights Issue multiplied by 1.10.

Furthermore, should the subscription price for the warrant be more than 10% higher than the volume weighted average price during the period April 20–30, 2020, the subscription price will be reset to the volume weighted average price during the period April 20–30, 2020, with an addition of 10 percent. However, the strike price for the warrant can never be less than SEK 9.71.

Prospectus

A prospectus with full terms and conditions regarding the Rights Issue will be available prior to the start of the subscription period on Minesto's website (www.minesto.com), Pareto Securities' website (www.paretosec.se) and Aktieinvest's website (www.aktieinvest.se).

Advisor

Pareto Securities AB is the financial advisor and MAQS Advokatbyrå is the legal advisor in connection with the Rights Issue.

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The information in this press release is such that Minesto AB (publ) shall announce publicly according to the EU Regulation No 596/2014 on market abuse (MAR). The information was submitted for publication, through the agency of the contact person set out above, at 17:30 CET on 8 November 2019.

About Minesto

Minesto is a marine energy technology company with the mission to minimise the global carbon footprint of the energy industry by enabling commercial power production from the ocean.

Minesto's award winning and patented product, Deep Green, is the only verified marine power plant that operates cost efficiently in areas with low-flow tidal streams and ocean currents.

With more than €40 million of awarded funding from the European Regional Development Fund through the Welsh European Funding Office, European Innovation Council and InnoEnergy, Minesto is the European Union's largest investment in marine energy to date.

Minesto was founded in 2007 and has operations in Sweden, Wales, Northern Ireland and Taiwan. The major shareholders in Minesto are BGA Invest and Midroc New Technology. The Minesto share (MINEST) is traded on the Nasdaq First North Growth Market. Certified Adviser is G&W Fondkommission, email: ca@gwkapital.se, telephone: +46 8 503 000 50.

Read more about Minesto at www.minesto.com

Press images and other media material is available for download via bit.ly/Minesto_media.

Important information

This press release does not constitute an invitation to subscribe for shares, warrants, units in Minesto and investors shall not subscribe or acquire any securities other than based on the information provided in the prospectus which Minesto will publish on its website after approval and registration with the SFSA.

Subscription rights, paid subscribed shares (Sw. betald tecknad aktie, BTA) or newly issued shares may not be sold in the United States absent registration or an exemption from registration under the US Securities Act of 1933, as amended (the "Securities Act"), and may not be offered or sold within the United States absent registration or an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. There is no intention to register any securities referred to herein in the United States or to make a public offering of the securities in the United States. This press release, as well as the prospectus, the application form and other documents related to the Rights Issue may not be announced, published, copied,

reproduced or distributed, directly or indirectly, in whole or in part, within or into Australia, Hong Kong, Japan, Canada, New Zealand, Singapore, South Africa, the United States or in any other jurisdiction where such announcement, publication or distribution of the information would not comply with applicable laws and regulations or where such actions are subject to legal restrictions or would require additional registration or other measures than what is required under Swedish law.

The Company will not apply for approval of any offer to the public regarding the securities referred to in this press release in any member state within the European Economic Area ("EEA") other than Sweden.

This press release contains forward-looking statements that reflect the Company's intentions, beliefs, or current expectations about and targets for the Company's future results of operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies and opportunities and the markets in which the Company operates. Forward-looking statements are statements that are not historical facts and may be identified by words such as "believe", "expect", "anticipate", "intend", "may", "plan", "estimate", "will", "should", "could", "aim" or "might", or, in each case, their negative, or similar expressions. The forward-looking statements in this press release are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurances that they will materialize or prove to be correct. Because these statements are based on assumptions or estimates and are subject to risks and uncertainties, the actual results or outcome could differ materially from those set out in the forward-looking statements as a result of many factors. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations expressed or implied in this release by such forward-looking statements. The Company does not guarantee that the assumptions underlying the forward-looking statements in this press release are free from errors and readers of this press release should not place undue reliance on the forward-looking statements in this press release. The information, opinions and forward-looking statements that are expressly or implicitly contained herein speak only as of its date and are subject to change without notice. Neither the Company nor anyone else undertake to review, update, confirm or to release publicly any revisions to any forward-looking statements to reflect events that occur or circumstances that arise in relation to the content of this press release.