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Swedish Stirling AB signs exclusivity agreement with Glencore (South Africa)

Swedish Stirling AB (“Swedish Stirling”) has signed an exclusivity agreement with Glencore Operations South Africa Proprietary Limited (Alloys Division) (“Glencore”). The agreement gives Swedish Stirling exclusivity to negotiate an installation of initially up to 25 PWR BLOK 400-F to a 9.9 MW power generation facility which, at completion, is estimated to generate annual revenue of MSEK 40 (3.75 MEUR).

On 1 October 2018, Swedish Stirling announced that Swedish Stirling had signed a letter of intent (LOI) with one of South Africa’s largest ferrochrome producers. On 30 March 2019, Swedish Stirling informed that the counterparty had requested additional time in order to fully evaluate the proposal from a technical and legal perspective.

Today, the parties have signed an agreement granting Swedish Stirling a 12 month exclusivity to negotiate the installation of initially up to 25 PWR BLOK 400-F (9.9 MW) to a power generation facility at Glencore’s smelter in Lydenburg, South Africa. At completion, the facility will reduce the carbon dioxide emissions from the smelter by more than 80,000 tonnes/year, due to the reduced need for purchased electricity. The agreement entails an in principle but non-binding agreement regarding exclusivity to all residual gas from the smelter in Lydenburg, price, delivery terms, emission credits and term of the agreement. The agreement (save for the grant of the exclusivity) is subject to definitive agreements being concluded between the parties and Glencore obtaining all required internal approvals.

The power generation facility will be owned and operated through a special purpose vehicle (SPV), established and controlled by Swedish Stirling. Swedish Stirling intends to, but has not yet secured, finance the facility in its entirety by a combination of equity, green bonds and/or bank financing.

*- Today's agreement is not only a success for Swedish Stirling and a breakthrough for PWR BLOK and Stirling technology. The fact that one of the world's largest commodity companies chooses to invest in such a large commercial project is a true quality rating for the Swedish environmental technology industry. We now have the opportunity, on a large scale, to prove commercially that PWR BLOK is the cheapest way to produce electricity that exists today, and that the technology provides greater CO₂ savings per invested Euro than any other type of energy, says **Gunnar Larsson**, CEO of Swedish Stirling.*

For further information, please contact:

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About Swedish Stirling

Swedish Stirling is a Swedish clean tech company founded in 2008 with a mission to further refine the incomparable ability of Stirling technology to convert thermal energy to electricity. The company offers a variety of solutions enabling power generation at record-low prices compared to other climate-friendly and sustainable alternatives. Swedish Stirling's Stirling engine can handle a wide range of fuels. The company's latest product, the PWR BLOK 400-F, converts industrial residual and flare gases into electrical energy at a high rate of efficiency. The company's shares are listed in Sweden (on the NGM Nordic MTF), and can also be traded on the Börse Stuttgart in Germany. Read more at www.swedishstirling.com.

<p>This information is information that Swedish Stirling AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 16:45 CET on July 2, 2019.</p>
