

Newsletter from the CEO

Denmark gets Cassandra Oil AB's first production plant in Scandinavia

Cassandra Oil AB has agreed to form a corporation jointly with REAKTOR APS. The resulting venture will be owned with equal shares by both parties. REAKTOR APS is part of a family held group of companies, which through the generations has been active in the Danish waste and scrap metal markets.

The new JV Company will process waste plastic and tires, ~~not only~~ from Denmark ~~but~~ as well as from neighbouring countries. The first CASO plant will have a capacity to process approx. 12,000 mt of tires and will be located at the REAKTOR APS site in Fredriksværk in Zealand or at a new site in Lolland.

Both sites have deep sea harbours, close to international maritime transportation routes, for efficient transport and future expansion.

REAKTOR APS has access to large stock of waste tires. Further collection in Denmark will commence in the near future.

Revenue for the new JV company will be generated from:

- A gate fee of up to DKK 2.1 per kg waste tires, from a governmental compensation system.
- The sale of oil. 48% of the oil produced from tires is classified as non-fossil.
- The sale of scrap metal and carbon black.

Income from gate fees and related sales will be higher than sales of the produced oil. The JV company will therefore not be dependent on fluctuating oil prices. In effect, the production cost for oil is negative.

The CASO machine from Cassandra will replace an Asian built pyrolysis reactor that has recently exploded. This is a common problem with conventional pyrolysis reactors, since several tonnes of material is processed at a time during many hours at high temperature. Cassandra's reactor offers many benefits, one of which is the ability to process waste material faster than the through-put reference mentioned at the onset of this letter. The produced oil is designed to work through the CASO process efficiently and safely, enabling a client to manage an on-going and uninterrupted process. Safe in the knowledge that it can also scale up machines over time. There is no more than a few kg of material in the reactor at any one time, therefore no danger of any explosions or other similar damages.

Anders Olsson CEO:

"We are very pleased to place a first reference production site in Scandinavia which would be the breakthrough after a start inherent with long, hard and time consuming development."

Ongoing negotiations in other markets including Sweden and Spain continue.

For further information contact:

Anders Olsson, VD Cassandra Oil AB, tel: +46 761 63 21 00

This information is information that Cassandra Oil AB is obliged to make public pursuant to the EU Market Abuse Regulation and the Security Markets Act. The information was submitted for publication, through the agency of contact person set out above, at 8am CET on April 3, 2017.

This is Cassandra Oil AB

Cassandra Oil is a Swedish company which, with the help of new technologies, recovers oil from hydrocarbon-containing materials, such as used tires, plastic waste, oil sludge, waste oil and, eventually, oil sands, oil shale and electronic scrap. Cassandra Oil's share is listed on Nasdaq First North, Stockholm with the short name CASO with Remium AB as Certified Adviser. The number of shareholders is about 8000.