

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION FOR THE PURPOSES OF REGULATION 11 OF THE MARKET ABUSE (AMENDMENT) (EU EXIT) REGULATIONS 2019/310

23 December 2022

SulNOx Group Plc

(the "Company" or "SulNOx")

Nistadgruppen AS investment and Shipping Evaluation with Myklebusthaug Management Norway

(Aquis Stock Exchange: SNOX)

The board of the directors of the Company (the "**Board**") is excited to announce an additional investment by its already largest shareholder Nistad AS ("**Nistad**") into SulNOx of £80,000 as part of the fund raise, announced yesterday, taking their total holding in the company to 13,195,652 ordinary shares of 2 pence each ("**Ordinary Shares**"), equivalent to and 13.08% of the Ordinary Shares to be in issue. Nistad has also agreed to become an introducer of the SulNOx products to the Scandinavian shipping market, already organising a significant shipping evaluation with 2 vessels from the Myklebusthaug Management AS ("**Myklebusthaug**") fleet including "Andrea", a container ship managed on behalf of Nistad.

Myklebusthaug is a traditional manager of self-discharging, container and offshore support vessels primarily owned by companies within the Myklebusthaug Group. At present, Myklebusthaug Management AS operates 6 Container feeder vessels, 5 self-discharging general cargo vessels, and 7 offshore support vessels. The total number of employees is about 350.

Myklebusthaug has proposed evaluations on the two container ships with a view to demonstrating reductions in fuel consumption and emissions. Emissions monitoring will be on both Greenhouse Gases and Particulate Matter and will specifically focus on nitrogen oxides ("**NOx**") decreases due to the Norwegian NOx tax. This tax is payable by vessels within Norwegian territorial waters and domestic shipping. The tax is calculated based on fuel consumption and engine performance data, with a full rate of NOK 23.79 / c. £2 per kg NOx in Norway and on the continental shelf.

Depending on the type of vessel, the fleet is consuming c.5-15 tonnes of fuel per day and provides another significant milestone opportunity for SulNOx in the shipping space. Upon adoption, this evaluation would equate to significant revenues per annum and a well-known name in the region from which to expand the SulNOx presence.

Ben Richardson, CEO of SulNOx said *"This is a very meaningful evaluation and the start of a realisation by the shipping industry that they need to embrace the SulNOx green emulsification technologies of today to reduce fuel consumption and emissions. With the advent of the Carbon Intensity Indicator (CII) Regulation from January next year and the NOx Tax, it is clear that our innovative solutions will help provide the necessary tools as part of the energy transition, without capex or "dry-dock" expense."*

Lord Nicholas Fairfax, Non-Executive Director and Head of Marine at SulNOx added, *"Scandinavia is a very significant market for SulNOx given the size of the maritime industry associated with the oil activity*

in the region. The reduction in Particulate Matter, the black carbon emitted from poor combustion is also especially important in these high latitudes. We are now also starting to see ports across the globe looking to SulNOx as a solution to reduce air-pollution – once again demonstrated by the NOx tax in Norway.”

Espen Samsonsen and Birgit Nistad, Directors at Nistad, and Roald Myklebusthaug, Director of Myklebusthaug collectively added, *“We are extremely keen to see how emissions are reduced, especially NOx given the tax costs and the impact on air quality for the port of Bergen where we live. We can see the SulNOx products becoming very popular, very quickly with the Norwegian market and wider across Scandinavia. We have therefore decided to become a sales agent for SulNOx across the region in addition to looking to adopt SulNOx across the Myklebusthaug fleet and demonstrating to our clients that we are looking for green, innovative solutions.”*

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For further information please contact:

SulNOx Group plc
Steven Cowin, Director

steven.cowin@sulnoxgroup.com

Allenby Capital Limited
(AQSE Corporate Adviser)
Nick Harriss / John Depasquale

Tel: 020 3328 5656