

## **ALPHA PROSPECTS LIMITED**

(“Alpha” or “the Company”)

### **Active Energy Update**

#### **CoalSwitch™ Lumberton Site awarded US\$500,000 Government grant**

Alpha Prospects Limited, the investment management company focussed on companies with fast growth and/or recovery prospects, is pleased to inform shareholders of an update issued by its investee company Active Energy Group Plc.

“Active Energy, the London quoted renewable energy business focussed on biomass, is pleased to announce that it has been awarded a US\$500,000 building re-use and renovation grant for its new manufacturing site in Lumberton, Robeson County, North Carolina (‘the Project’ or ‘the Lumberton Site’). The grant, awarded after the North Carolina Rural Infrastructure Authority voted to support the Project on Thursday 18<sup>th</sup> April, 2019, will be allocated through the Community Development Block Grant programme of the U.S. Department of Housing and Urban Development and administered in part by the North Carolina Department of Commerce.

Working with partners in North Carolina, Active Energy is aiming to make the Lumberton Site, the primary base for all the Company’s United States CoalSwitch™ operations. It will be Active Energy’s first permanent production facility, employing up to 50 personnel and is being developed as part of an anticipated US\$50 million project finance investment plan at the Lumberton Site. The Project, acquired on 27 March 2019, includes up to 415,000 sq ft of covered factory space and circa 151 acres of surrounding land. It is strategically located adjacent to AEG’s joint venture partner Georgia Renewable Power LLC (“GRP”) and in prime lumber districts from which AEG will secure feedstock for its revolutionary CoalSwitch™ product.

CoalSwitch™, a biomass-based fuel that utilises low-value forestry and agricultural residues and other feedstocks, is the world’s only drop-in biomass fuel that can be mixed at any ratio with coal or completely replace coal in existing coal-fired power stations without requiring plant modifications.

**Michael Rowan, CEO of AEG, said,** “We are delighted to receive this grant from the North Carolina Rural Infrastructure Authority and their vote of confidence as we continue to make progress on delivering our first commercial CoalSwitch™ product to market, which is our primary focus. The Lumberton Site gives AEG an ideal base in the heart of the lumber production region in North America. Importantly, the Lumberton Site provides a foundation for our onward expansion as it benefits from proximity to multiple power stations as well as the U.S. Eastern Seaboard, ensuring AEG is connected to established export routes for sales of CoalSwitch™ domestically and internationally.

“We are very excited for the possibility of contributing to the development of the local community while promoting a sustainable business based on renewable technology. We

want to thank the local community as well as local and state governments for their support of our initiative."

**Channing Jones, director of the Robeson County Economic Development Commission, said,** "Robeson County welcomes this cutting-edge international company as part of its initial North American presence. I am grateful to all the individuals and organisations that stepped forward to assist with this important project, which will have a noticeable and positive impact on our local economy."

**Tony Copeland, secretary of the Commerce Department, said,** "Bringing opportunity and prosperity to all parts of North Carolina requires that we make smart investments in infrastructure in order to put rural communities in position to succeed. Rural Infrastructure Authority grants continue to be essential tools for the economic development and the creation of good jobs."

**Steve Yost, president and CEO of NC Southeast, said,** "This significant commitment by a major European company provides exciting momentum for Southeastern North Carolina's alternative energy industry sector. AEG is bringing pioneering technologies to our region and building off our strategic assets to create 21st century opportunities for our residents and putting us on the winning side of the global economy."

NC Southeast, which is based in Elizabethtown and targets global alternative energy firms as part of its regional cluster strategy, provided technical and project management assistance for the Project. Other partners included the Economic Development Partnership of North Carolina, Robeson Community College, Robeson County and the city of Lumberton.

#### **Additional Information on the Lumberton Site**

The Lumberton site includes all requisite ancillary facilities for the production of CoalSwitch™, including all relevant power supplies, water treatment facilities, an analysis lab and offices. The Directors believe that the size of the Lumberton Site ensures the opportunity for significant expansion of the initial CoalSwitch™ plant via the construction of additional CoalSwitch™ production facilities targeting capacity of up to 400,000 tonnes per annum over the next 2 years. Furthermore, the Directors expect that AEG will benefit from additional near-term commercial opportunities including complementary biomass, saw logging and other opportunities in the Lumberton and North Carolina areas.

The Company's Directors look forward to providing further updates regarding developments at the Lumberton Site and the installation of the initial CoalSwitch™ plant as soon as practicable.

For further information please see:

<https://www.laurinburgexchange.com/news/24793/renewable-energy-plant-lands-in-roberson-county>

This announcement contains inside information for the purposes of Article 7 of Regulation (EU) 596/2014.

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#### **Editors' Note**

#### **About Alpha Prospects**

The Company's strategy is to make investments in companies with fast growth and/or recovery prospects, mainly within the energy sector. Typically the companies in which Alpha Prospects will invest are in the small and micro-cap sector and the Company's approach is to be proactive. Currently Alpha has 11 investments.

[www.alphaprosects.com](http://www.alphaprosects.com)

The Directors are responsible for the contents of this announcement.

**Ends**