

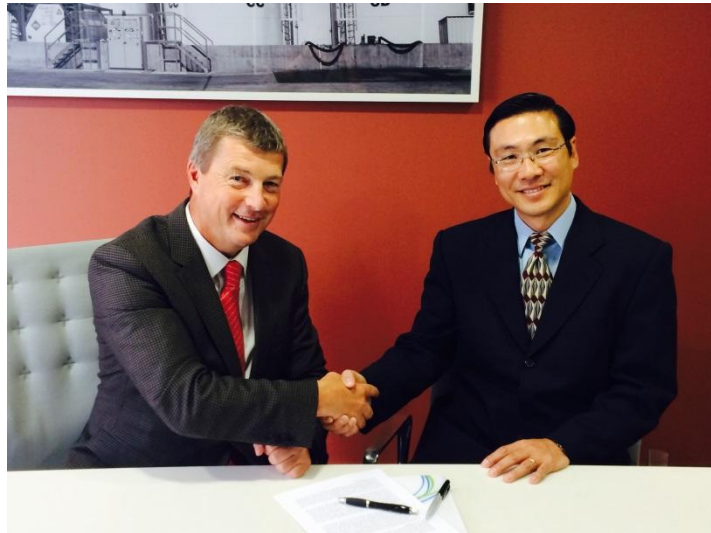


Transform your oil for good™

01 August 2014

Engineering, Licensing and Technology agreements with CEP Corporation

As stated in the RNS dated 1st August 2014, Hydrodec Group plc (AIM: HYR), the cleantech industrial oil re-refining group, is pleased to announce that it has signed an engineering and licence agreement and a technical collaboration agreement with California-based Chemical Engineering Partners (CEP). The agreements cover the engineering, planning and development for a UK lubricant oil re-refinery that will create a material source of sustainable, high quality base oil for the UK lubricant market; it will also enable the creation of a platform for further improvement in a world leading technology proposition in the field of used lubricant oil re-refining.



Ian Smale (CEO, Hydrodec) and Joshua Park (President, CEP) signing the Engineering, Licensing and Technology agreements.

Ian Smale, Chief Executive Officer of Hydrodec, commented: 'The collaboration with CEP will enable us to pursue an accelerated development of lubricant re-refining at significantly lower technology and commercial risk in the UK, thereby allowing Hydrodec to focus its own technology development on upgrading rather than re-inventing the re-refining process. We would hope that any technology improvement will be rapidly incorporated into all existing and future plants, so positioning us to offer upgrades or retrofit technology on existing re-refineries anywhere in the world. We are very excited about the opportunity of working with the exceptional team at CEP and are very confident that in combination we will be able to quickly build market share in lubricant oil re-refining in a way that complements our existing transformer oil business.'

Joshua Park, President of CEP, commented: 'We are excited to work with Hydrodec to bring CEP's state of the art re-refining technology to UK. It will provide a great environmental benefit to the UK while generating attractive economic returns. We look forward to the continuing relationship and collaboration with Hydrodec to build more re-refineries worldwide.'