Press release: December 20, 2019

Correction: Azelio initiates collaboration in Oman

The correction refers to previously incorrect reference to the EU Market Abuse Regulation.

Azelio and Omani company Al Mashani have signed a Memorandum of Understanding (MoU) to jointly work on establishing a small-scale project in Oman. The goal of the installation is to demonstrate Azelio's system in a realistic commercial setting and start a broader implementation of Azelio's technology in the country together with Al Mashani, for an aggregated project pipeline of about 25 MW between 2021 and 2024. This capacity is forecasted along the following timeline: 50 kW in 2021, 5 MW in 2022, 7 MW in 2023, and 13 MW in 2024.

The initial project is a system of 50 kW with 13 hours of storage, intended to become operational in 2021 in Oman. A preliminary end-user has been identified for the project and has submitted an Expression of Interest (EoI) for assessing Azelio's solution for its mining operations. Azelio's storage will leverage the excess energy produced by a PV field during peak hours of the day, being effectively charged at zero cost. By doing so, it will be able to produce electricity during nighttime and cover the PV park's auxiliaries and self-consumption.

Based on the outcome of the feasibility study, financial terms for this initial project and following projects will be determined. Azelio will receive some revenue from the initial project but it is primarily of strategic importance.

Oman has set a target for renewable energy to cover 30 per cent of its electricity demand by 2030, of which solar power is expected to account for a large share. Moreover, major industrial companies in the private sector are switching away from conventional sources to renewables for power procurement, with several Independent Power Producer (IPP) contracts being awarded recently.

In this context, Al Mashani is interested in deploying Azelio's equipment both in on-grid and off-grid settings. Both companies aim through their collaboration to offer a reliable solution for expanding the use of solar energy beyond sun hours, essential for the full adoption of renewable technologies by industrial customers.

"Azelio has a great role to play in expanding the use of renewable energy sources around the globe in general and in countries in the sun belt in particular. We see great potential for our solution in industrial settings, something this initial project and the intended broader implementation shows," says **Azelio's CEO Jonas Eklind**.

"Expanding the use of solar energy beyond sun hours is key to significantly expand the use of renewable energy in Oman and neighboring countries. We very much look forward to the collaboration with Azelio," says **Al Mashani's CEO Said Al-Mashani**.

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About Azelio

Azelio is a public Swedish company, specializing in thermal energy storage with dispatchable Stirling-based electricity production when and where it is needed, modular and to a low cost. The technology is revolutionary for its unique ability to store thermal energy for production of electricity at nominal effect for 13h. The company has well over 100 employees, headquartered in Gothenburg with production facilities in Uddevalla and development centres in Gothenburg and Åmål in Sweden, as well as international presence in China, Spain and Morocco. Since the start in 2008, the company has invested over one billion SEK in technical development. In June 2018, the company changed its name from Cleanergy to Azelio and in December 2018 the company was listed on Nasdaq Stockholm First North. FNCA Sweden AB, +46(0)8-528 00 399, info@fnca.se, is Certified Adviser.