

Enviro and Treadcraft extend MoU by six months – includes specified plant site and Joint Venture

N.B. The English text is an in-house translation of the original Swedish text. Should there be any disparities between the Swedish and the English text, the Swedish text shall prevail.

Scandinavian Enviro Systems and Treadcraft Limited extend the [MoU that was signed on June 29th, 2018](#) by six months. The parties intend to establish a Joint Venture for co-ownership of a recycling plant with an annual capacity of 30,000 tonnes tyres. The plant is planned to be established at 1501 College Avenue, Niagara Falls, New York, USA.

“The fact that we have a specified site for the plant is an important step forward. We will now continue to formalize the terms and conditions of the project. Within the next six months, legal, financial and license issues will be clarified, and a plant order will be established. Joint ownership is in line with Enviro's new business model and it means that we will benefit from the returns that will be generated by a plant” says Thomas Sörensson, CEO of Enviro.

The contracting party Treadcraft Limited, located in Wainfleet, Ontario, Canada, was incorporated in 2007, and is today active on the North American market.

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Enviro is a company developing, building and operating industrial plants for material recovery from End of Life Tyres (ELT). The company has developed a process, based on a patented technology, where gas generated in the process is heating the tyres in absence of oxygen. This enables the materials in the tyres to decompose and be recovered instead of incinerated. Thus, a sustainable recovery of the resources Carbon black, Oil, Steel and Gas is obtained. The products are used in new products, replacing fossil resources to help the customers reach their sustainability targets. Enviro was founded in 2001, has its head office in Gothenburg and runs its own plant for ELT tyres in Åsensbruk, Sweden. The company is listed on the Nasdaq First North securities exchange with Mangold Fondkommission AB, tel. +46 (0)8 5030 1550, as its Certified Advisor. www.envirosystems.se