



Anellotech Achieves Key Process Technology Operating Milestone; Receives Additional \$6 Million Investment from Suntory

Pearl River, NY, March 28, 2018 – [Anellotech](#), a sustainable technology company pioneering the Bio-TCat™ process for production of cost-competitive renewable chemicals and fuels from non-food biomass, today announced a key operating milestone, achieving two weeks of continuous operation of its seven-story tall TCat-8 pilot plant, producing aromatics (primarily benzene, toluene, and xylenes) from loblolly pine feedstock. Anellotech also secured an additional \$6 million investment from Suntory Holdings Limited, which was part of a previously announced \$15 million package. Suntory's total investment in Anellotech's program is now more than \$30 million.

The Bio-TCat Process's cost-competitive renewable aromatic chemicals are "drop in" replacements for their identical petroleum-derived counterparts, and can be used in manufacturing plastics such as polyester, nylon, polycarbonate, polystyrene, or for renewable transportation fuels. The low carbon footprint of Bio-TCat products can help chemical producers and consumer brand owners meet challenging corporate environmental sustainability goals.

Having recently announced completion of commissioning of the TCat-8® pilot plant located in Silsbee, Texas, Anellotech has begun an extensive development program to optimize process variables, validate process economics, confirm catalyst long-term performance, and obtain the critical data for commercial plant design. As these studies continue, TCat-8 is producing evaluation quantities of renewable aromatic chemicals for conversion into bio-based polymer prototypes and for bio-fuel certification programs.

"We have demonstrated continuous, stable operation of the TCat-8 pilot unit over a two week period as the first key step in demonstrating Bio-TCat's commercial viability," said Dr. Charles Sorensen, Chief Technology Officer of Anellotech. "In a relatively short time period, our pilot plant has generated a large amount of high-quality data which gives us confidence that we will be able to achieve our longer-term operational goals. Continuous catalyst circulation, the injection of solid biomass feedstock into the reactor, and several internal recycle loops create numerous complexities that Anellotech engineers and scientists, together with our R&D partners IPEN and Johnson Matthey, have successfully addressed."

The alliance with Suntory, one of Anellotech's principal strategic investment partners, began in 2012 with the goal of enabling the development and commercialization of cost-competitive 100 percent bio-based plastics for use in beverage bottles. Suntory currently uses 30 percent plant-derived materials for its Mineral Water Suntory Tennensui brands and is pursuing the development of a 100 percent bio-based PET bottle through this alliance, as part of its commitment to sustainable business practices.

Anellotech continues to seek additional strategic partners to support its development and participate in the future success of Bio-TCat™ technology. With Suntory's strong interest in paraxylene, Anellotech's technology provides a unique complementary opportunity for companies interested in using bio-benzene or toluene to reduce greenhouse gas emissions associated with the manufacture of polymers and products such as ABS,

nylons, polycarbonates, polyurethanes, detergents, and other aromatic-containing products currently made from petroleum.

About Anellotech

Anellotech is developing the Bio-TCat™ process to produce cost-competitive renewable aromatic chemicals (benzene, toluene and xylenes, “BTX”) from non-food biomass for use in making plastics, including polyester, nylon, polycarbonate, polystyrene, or for renewable transportation fuels. Bio-TCat’s cost-competitive advantage results from the use of non-food biomass (including wood or agricultural residues), and an efficient and economical catalyst as the only significant inputs. Anellotech’s R&D program includes process studies to confirm Bio-TCat’s viable process economics, long-term operability, and carbon footprint reduction in comparison to petroleum-derived BTX. Anellotech is currently evaluating loblolly pine and eventually other sustainable bio-feedstocks at its seven-story tall TCat-8® pilot plant operated within the South Hampton Resources chemical plant in Silsbee, Texas. The R&D program will generate bio-based BTX samples for use in making prototype samples of PET polymer for bio-based bottles and bio-benzene-based polymers such as ABS, polycarbonate and polyurethane for strategic investors.

By using renewable and readily available non-food feedstock materials the Bio-TCat process is less expensive compared to bio-based processes relying on sugar as a feedstock, and avoids competition with the food chain. These renewable products are expected to be produced and sold profitably either against identical, petroleum-derived BTX counterparts, or as renewable fuel blend stocks. Anellotech complements its world-class R&D team with in-depth, highly-interactive, and long-term alliances with leaders in process development, catalysis, engineering design, and licensing to accelerate development and drive cost-competitiveness. IFPEN is our process development and scale-up partner, Johnson Matthey is our catalyst development partner, and Axens is our partner for industrialization, commercialization, global licensing and technical support. Industry-leading strategic partners in the BTX supply chain, including Suntory and Toyota Tsusho, as well as other confidential strategic investors, also have provided funding to Anellotech. To learn more, please visit: www.anellotech.com

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