

22/12/2016 - Extension of EU INEA grant facility

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 ("MAR"). With the publication of this announcement via a Regulatory Information Service, this inside information is now considered to be in the public domain.

22 December 2017

InfraStrata
plc

("InfraStrata" or the "Company")

Extension of EU INEA grant facility

InfraStrata plc (AIM: INFA), the only UK quoted company focused on gas storage, is pleased to announce that the Innovation and Networks Executive Agency of the European Union ("INEA") has approved the Company's application to extend the availability of the previously awarded grant facility (the "EU Grant") until 20 December 2018.

The EU Grant, originally set to expire in December 2017, provides 50 per cent., up to a maximum of €4.024 million, of the costs associated with the Front End Engineering & Design ("FEED") for InfraStrata's Islandmagee gas storage project in County Antrim, Northern Ireland (the "Project").

Utilisation of the EU Grant is subject to the Company obtaining matched funding from other sources in order to carry out the FEED.

Under the terms of the EU Grant, certain activity milestones are expected to be met, including completion of the FEED engineering report by 28 September 2018 and completion of the FEED by 20 December 2018.

As previously announced, InfraStrata has completed the preliminary stage of the FEED, being the Concept Evaluation, and is seeking funding of approximately £2 million (after taking into account monies from the EU Grant and indications from FEED contractors to provide secured loans of up to £1.1 million, as previously announced) in

order to complete the FEED. The Board of InfraStrata is in discussions with contractors, technical experts and potential investors in this regard and in order to progress the FEED and long-term commercialisation of the Project.

Adrian Pocock, Chief Executive of InfraStrata, commented:

"We are extremely grateful to INEA and the UK and Republic of Ireland Governments for their support in ensuring that this facility was renewed. We consider that its availability is a major assistance to securing the funding for the FEED phase of the Project. We are aiming to commence the FEED as soon as possible in 2018, subject to funding being obtained.

InfraStrata is in detailed negotiations with its proposed contractors and funding partners and is aiming to complete documentation as soon as possible in the first quarter of 2018, with a view to commencing work immediately thereafter.

I would like to thank our partners at the European Union for their considerable assistance, together with Mutual Energy Limited and our Non-Executive Director, Matthew Beardmore."

The EU INEA Action number for this matter is 5.1.3-0036-UK-S-M-15. The amendment is ENER/M2015/1118496. The details of the original action notice may be viewed at:
https://ec.europa.eu/inea/sites/inea/files/5.1.3-0036-uk-s-m-15_16112016.pdf

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-ENDS-

The Front End Engineering & Design (FEED) and Insitu Downhole Testing programme for the Islandmagee gas storage project is co-financed by the European Union's Connecting Europe Facility.

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Notes:

Background
on InfraStrata plc

InfraStrata

is an independent gas storage company focused on the UK and Ireland.

Further information is available on the Company's website:
www.infrastrata.co.uk.

Background on the Islandmagee Storage Project

The Islandmagee gas storage project is a proposed salt cavern gas storage facility located on Islandmagee in County Antrim, Northern Ireland.

The proposed 500 million cubic metres Natural Gas Cavern Storage facility will provide over 25% of the UK's Natural Gas Storage, and is situated adjacent to the Scotland Northern Ireland (gas) Pipeline (SNIP) and the Moyle 500 Megawatt Electricity Interconnector.

Work commenced

in 2007

with the

acquisition of

3D seismic

data to

image the

Permian salt

in the Larne

Lough area.

During 2012,

planning permission

was granted

for the

project and

a gas

storage

licence was issued by the Utility Regulator. In 2015 a well was drilled to core the salt and confirm the technical feasibility of the project, supported in part by the Commission. To date approximately £11.5m has been invested in the project.

Further information is available on the project company's website:
www.islandmageestorage.com.

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