

2 March 2021

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"). This inside information is now considered to be in the public domain.

MYCELX TECHNOLOGIES CORPORATION (AIM: MYX)

Trading Update

MYCELX Technologies Corporation ("MYCELX" or the "Company"), the clean water and air technology experts, supplying customers with cost-effective, future-proof solutions that optimise production and protect the environment, is pleased to announce a trading update on the Company's operations.

MYCELX has made a strong start to the year with two project extensions signed with customers in the Kingdom of Saudi Arabia. These projects confirm that MYCELX's superior solutions continue to support its customers' efforts to optimise production, increase cost savings and improve energy efficiency. During Q1, the Company will commence delivery of the equipment for its third sale to Nigeria.

Following product development initiatives in 2020, carried out to enhance its REGEN solution, the Company has secured a paid trial. This will demonstrate REGEN's superior performance over other water treatment offerings for Enhanced Oil Recovery ("EOR") production. The Company has commenced fabrication of this system in Q1 and anticipates that a successful outcome of this trial will lead to heightened interest in the REGEN product offering by leading EOR producers.

The value of these project extensions, trial and capital sale amounts to \$3.5m in revenue for 2021.

As previously reported, the impact of the COVID-19 pandemic and the resulting disruption to its core markets meant that 2020 was an extremely challenging year for the business, with generated revenue of \$7.1 million during the year. The Company's strong start to this year demonstrates it has successfully navigated the downturn by focusing on supporting customers, advancing product development initiatives and implementing cost controls. The Company notes the recent increase in activity in core markets, and is well positioned to progress new contracts as the global economy begins to recover.

MYCELX also recently announced the sale of its building in Duluth, Georgia, USA, to right-size its office space needs across its main operating locations, as part of the cost reduction program. The sale enables MYCELX to achieve a financial gain of approximately \$2.5 million. After the sale closes, the Company will have circa \$6 million of cash and cash equivalents on the balance sheet.

Commenting on the market update, Connie Mixon, CEO, said:

"Following a challenging year, I am pleased to report that we are seeing an increase in activity in the markets in which we operate. This can be seen with the two contract extensions we have signed in Q1 2021, alongside the exciting opportunities arising from the paid trial for REGEN and our development of novel product applications. While we expect it to take time for the wider energy and industrial markets to normalize, we anticipate bidding activity by customers to increase, bolstered by the global economic recovery."

The Company continues to benefit from being in a financially robust position, following the cost reduction measures implemented in 2020 and the sale of the building in Duluth, and we look forward to keeping our stakeholders updated on our business progress over the coming months.”

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Notes to Editors

MYCELX is a revolutionary oil-free water technology company solving the world's toughest oil removal problems in the Oil and Gas industry. The systems are based upon scientific breakthrough for a completely different approach to permanent oil removal. The Company created the patented MYCELX polymer using innovative molecular cohesion for removing oil from water far beyond what conventional systems have ever achieved. MYCELX systems remove oil to critically low levels in a much smaller physical footprint than conventional systems and in a virtually fail-safe process.

www.mycelx.com