

**Nature Group PLC**  
**("Nature" or the "Company" or the "Group")**

**Proposed Sale of Gibraltar Operations**

Nature Group PLC (AIM:NGR), the provider of port reception facilities and waste treatment solutions for the oil, marine and process industries, is pleased to announce that it has entered into a non-binding letter of intent ("**LOI**") relating to the sale of its wholly-owned subsidiary, Nature Port Reception Facilities Limited ("**NPRF**"). Owing to the outstanding conditionality, neither the proposed counter party nor the indicative sale price are being disclosed at this time.

Completion of the Proposed Sale is subject to, among other things, continued negotiation, a due diligence period and the entry of the parties into definitive, binding agreements. Accordingly, shareholders are advised that there can be no certainty that the Proposed Sale will be concluded on the terms agreed under the LOI or at all.

NPRF operates the Group's reception, treatment and storage facility for maritime waste in Gibraltar. It was created as part of a long-term agreement with the Government of Gibraltar. NPRF reported a loss on ordinary activities before taxation for the year to 31 December 2014 of £1,843,751.

Following the sale of the M/V Crystalwater in the first half of 2015, the Group has operated a limited service in Gibraltar, principally using a small collection vessel for handling high flash cargoes and requiring low flash cargoes to be rejected. The decision to dispose of the M/V Crystalwater and the implementation of a new pricing policy in Gibraltar has successfully stemmed the losses which were previously attributable to the Company's operation in the region. However, the continuing delay in securing approval to rebuild the onshore integrated reception and treatment plant has continued to severely limit the scope of the service model and, as a consequence, the potential profitability of the Gibraltar operation.

As indicated in the Company's interim results statement for the 6 months to 30 June 2015, the Directors have been actively reviewing the business plan for the Group's operations in Gibraltar and, in particular, the investment that would be required to re-establish the full service model of storage and treatment that was previously operated in the region. The Board has concluded that the required investment in the region does not represent an efficient use of its capital resources. Furthermore, despite the stemming of continuing operational losses in Gibraltar following the sale of the M/V Crystalwater, the Board believes that the discontinuation of the Gibraltar activities pursuant to the Proposed Sale is in the best interests of shareholders. It is intended that the net proceeds of the Proposed Sale would be used primarily to fund the expansion plans of the Group, which could include investment in oil and gas opportunities, maritime assets and port reception facilities in new regions along major shipping lines.

Further announcements regarding the Proposed Sale will be made in due course.

Nigel Sandy, Chairman of Nature, commented:

*"After a long relationship providing port reception facilities in Gibraltar, it is with regret that the Board have decided that it is in the best interests of shareholders to progress the proposed sale, having received what we believe is a good offer for the local Nature business. After revisiting the local market opportunities and considered the cost of rebuilding the storage and treatment facilities, it was clear that this would not be a profitable use of shareholder funds when compared to alternative opportunities available to the Group"*

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