

Quadrise Fuels International

Key step towards a net-zero marine bunker fuel

Joint development agreement

Alternative energy

Quadrise has entered into joint development agreement (JDA) with lignin biofuel specialists Vertoro. Under the JDA, the two companies will seek to progress the use of Vertoro's advanced crude sugar oil as a cost-effective supplement or alternative to glycerine in Quadrise's bioMSAR fuel.

Year end	Revenue (£m)	EBITDA (£m)	PBT* (£m)	EPS* (p)	DPS (p)	P/E (x)
06/18	0.0	(3.3)	(3.5)	(0.37)	0.00	N/A
06/19	0.0	(2.8)	(3.0)	(0.32)	0.00	N/A
06/20	0.0	(3.0)	(3.3)	(0.32)	0.00	N/A
06/21	0.0	(2.8)	(2.8)	(0.23)	0.00	N/A

Note: *PBT and EPS are normalised, excluding amortisation of acquired intangibles, exceptional items and share-based payments.

Quadrise is creating a range of synthetic heavy fuel oils for use in industrial processes such as cement manufacture and in power generation, as a marine bunker fuel and in upstream oil production operations. Its original fuel, MSAR, emulsifies hydrocarbon residues from oil refineries with water. bioMSAR, which was launched in December 2020, is made in the same way as MSAR but uses glycerine derived from plant and animal sources as well as hydrocarbon residues. Under the new JDA, Quadrise will develop a fuel in which advanced crude sugar oil from Vertoro is used as a supplement or alternative to glycerine in bioMSAR. This crude sugar oil is a by-product of Vertoro's patented process for making a substitute for methanol from residual biomass.

Quadrise has already produced stable blends of Vertoro's crude sugar oil-based bioMSAR emulsions at laboratory scale. The two companies intend to schedule diesel engine tests during the next 12 months and have filed a joint patent for crude sugar oil-based bioMSAR.

The move potentially accelerates the supply of a low-cost, crude sugar oil-based bioMSAR for the marine sector. This is significant because Quadrise has a framework agreement with MSC Shipmanagement, which is responsible for the largest container ship fleet in the world, to carry out proof-of-concept tests and subsequent operational trials of both bioMSAR and MSAR fuel ahead of potential commercial supply of these fuels to MSC's global fleet.

21 September 2022

Price 1.26p

Market cap £18m

Net cash (£m) at end December 2021 5.6

Shares in issue 1,406.9m

Free float 85.1%

Code QFI

Primary exchange AIM

Secondary exchange N/A

Share price performance



Business description

Quadrise is the innovator and global supplier of disruptive refinery upgrading technology that produces a synthetic, enhanced heavy fuel oil called MSAR and a biofuel called bioMSAR. The technology provides a low-cost and cleaner fuel for marine, power and industrial applications.

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