

Armstrong was founded to make investments that deliver a social and environmental impact, as well as an attractive financial return.

Ethanol is often considered to be a ‘clean’ fuel. However, the production of ethanol from sugarcane produces significant volumes of toxic effluent. Armstrong has been looking for technologies that reduce this effluent problem.

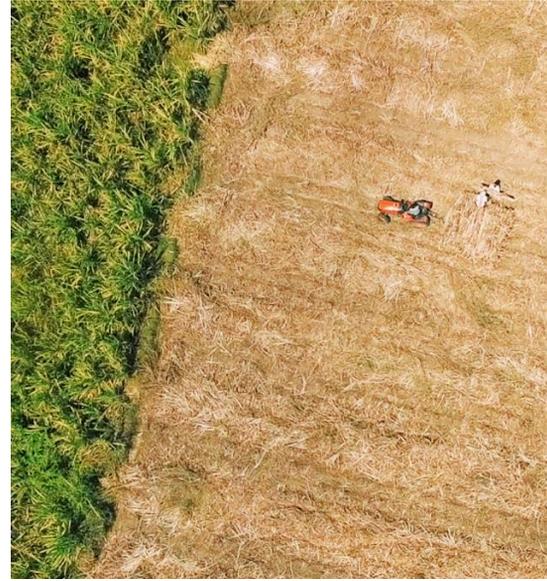
- Sugarcane Bioproducts (SBH), is a UK company that is seeking to reduce the environmental impact of ethanol production.

- Ethanol production from sugarcane produces circa 11 litres of a toxic effluent called ‘spent wash’ for each litre of ethanol produced. This not only results in the pollution of huge volumes of water, but can significantly damage the water table if the spent wash is not treated. Existing spent wash treatments (e.g. incineration), can themselves be energy inefficient and significantly increase the CO2 footprint of ethanol production.

- SBH has reviewed a large number of effluent treatment plants to try and identify technologies that could potentially be applied to spent wash. The company has now identified a new Indian technology which extracts valuable chemicals from the spent wash in the process of cleaning the effluent to a relatively pure water that can be released into the water table. This process makes the treatment of spent wash a potential revenue stream to ethanol plants, rather than a cost.

- SBH is looking to manufacture and sell spent wash treatment plants to sugar factories in India and other sugarcane producing countries. In addition, SBH intends to undertake an R&D programme to see if the effluent produced by other industries (e.g. palm oil and whiskey) can also be treated in a similar way.

- Funds raised would be used to fund the manufacturing and installation cost of the first plant, and the company’s working capital requirements.



Key Facts

EIS Status	Received with updated assurance in progress
Capital Raise	Total capital raise of c.£3.8m over two years
Target Return	£1.40 for each £1.00 invested
Business Status	Pre-revenue
Region	Operations: UK, Market: UK, then global
Sector	Agriculture Technology
Liquidity	Non-quoted
Patent Status	No patents currently filed

Important Notice