

Teesside clean tech firm Nova Pangaea Technologies raises £5.25m investment

A Redcar clean tech business has landed £5.25m funding from a group of investors including the continued backing of the Northern Powerhouse Investment Fund.

Nova Pangaea Technologies' patented process converts discarded biomass material into products that are used in the production of sustainable aviation fuel and biochemicals. The Wilton-based firm's method also produces a material called biochar which is used to improve soil quality.

It is the latest of several funding rounds from the Northern Powerhouse Investment Fund via NPIF – Mercia Equity Finance and Par Equity. The recent investment was led by Mercia Asset Management Plc, Par Equity and NPIF – Mercia Equity Finance, and included private investors.

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Now the firm is planning to build its first commercial plant at Wilton, which it says will create a number of local jobs. It follows the opening of a demonstrator following initial investment in 2019, and a partnership announced last year with British Airways and LanzaJet to launch a sustainable aviation fuel initiative.

Mark Payton, chief executive officer of Mercia, said: "As industries and governments alike look to transition to cleaner energy, Nova Pangaea is part of the solution. This funding round will enable the business to invest in its growth. We are excited to be supporting the scaling of Nova Pangaea as it accelerates its commercialisation, signs new partnerships, and

ramps up its production capabilities.”

Sarah Ellerby, CEO at Nova Pangaea Technologies, said: “We are delighted to welcome Mercia Asset Management Plc as a shareholder and to receive additional support from other investors at such an exciting time for the business. This bridge funding will assist with the delivery of our first commercial plant and the required resourcing plan to execute on the next phase of the business.”

Alastair Moore, investment manager at Par Equity, added: “Nova Pangaea is one of the most exciting Clean Tech companies in Europe and one with the potential to deliver decarbonisation. What the team have achieved in the past 12 months commercially is remarkable and showcases the quality of companies that are scaling in the North of the UK. We’re very pleased to be supporting the next stage of Nova Pangaea’s growth journey.”

Ken Cooper, managing director at British Business Bank, said: “Since its launch in 2017, NPIF’s impact on businesses has been wide-ranging, providing funding to launch new products, employ new staff, enter new markets and acquire new facilities. Nova Pangaea is a clear example of a business that is doing just that, whilst playing a key role in the North’s efforts to decarbonise.”

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