

RELEVANT FACT
CARBURES EUROPE, S.A.
27 April 2016

In accordance with the provisions of Notice 7/2016 from the Alternative Investment Market, the present document provides the market with the following information related to **CARBURES EUROPE, S.A.** (hereinafter "CARBURES" or the "Company").

On Saturday 23 April, from El Puerto of Bilbao, CARBURES has issued the main parts of the first linear to the Chinese company Shenyang Hengrui & Exp. Trade Co Ltd (HENGRUI).

CARBURES AND HENGRUI had a contractual relationship, that was reported in the Relevant Fact (HHRR) of July 1 and October 10, 2014. These contracts have become void in virtue of the signing of a new contract in which the parties update their relationship on linear RMCP.

According to the new contract, the first linear is delivered and created the relationship between the parties of the future negotiation of the acquisition, in its case, new linear. Thus, the parties will negotiate the manufacture and delivery of new linear demand of HENGRUI and the acceptance by CARBURES, according to their own needs of RMCP linear and the market situation. The new contract does not involve the irrevocable commitment of the purchase by HENGRUI or the Sale by CARBURES, but it is mandatory that both parties fulfill the commitment of exclusiveness. The new contractual framework affects the published business plan which will be reviewed by the Board of Directors.

The main features of the new contract are:

1.- Parties: CARBURES and HENGRUI.

2.- Quantity: The price of the first lineal machinery is six million euros. Within the framework established by the contract, HENGRUI may acquire machinery and engineering by a maximum amount of extra seventy million euros. If new deliveries are agreed, they shall be valued based on the negotiated planning in each moment, of the technical specifications of each machine and the market situation.

3.-Purpose: (a) Sale of RMCP lines, (b) technology transfer and (c) Mutual exclusivity.

3.a.- Purchase of lines. The contract covers both the delivery of the first linear (Already partially sent it) and the negotiation for the manufacture and delivery of successive linear which conditions and technical specifications will be particularly negotiated.

3.b.- CARBURES grants HENGRUI a license to use the machine with the purpose that they can manufacture carbon fiber parts with RMCP Technology.

3.c.- HENGRUI is committed to being exclusive distributor in CARBURES in the territory of China, Taiwan, Hong Kong and South Korea (hereinafter Territory);

HENGRUI will acquire RCMP technology exclusively from CARBURES and CARBURES only provide RCMP technology to HENGRUI.

HENGRUI acquires a right of preference for be a distributor and licensee of use if CARBURES will intends to appoint a new distributor or grant new licenses for use outside the Territory but within Asia.

4.- Payment method: HENGRUI, upon receipt of the first part of the machine already forward, will provide to CARBURES with a bank guarantee of an international reputable entity, 10% of this machine (600,000 euros), the payment will be made after the thirty-day trial period. The rest, 5.4 MM, will be paid in 36 installments of 150,000 euros per month.

5.- Delivery: in the premises of HENGRUI.

6.- Deadline for the first linear shipment: March 15, 2017 (already Shipped largely).

7.- The contract is subject to Spanish legislation.

8.- In case of dispute, submission to arbitration before the Court of Arbitration of the International Chamber of Commerce in Paris.

El Puerto de Santa María, 27 April, 2016

Guillermo Medina Ors
Non-executive Secretary of the Board
CARBURES EUROPE, S.A.