QUARTERLY SHAREHOLDER UPDATE Q3 2022

ADVANCED HYDROGEN TECHNOLOGIES GROUP LIMITED
COMPANY NUMBER 13786327

DENMARK HOUSE, 143 HIGH STREET
CHALFONT, ST. PETER, GERRARDS CROSS
UNITED KINGDOM, SL9 9QL

BOARD OF DIRECTORS

DEN KARMAL
Founder & Chief Technical Officer
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BEN KATTENHORN
Chief Executive Officer
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ALAN DITTON
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BURNS SINGH TENNENT-BHOHI
Executive Director
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KIM SANDS
Executive Director
E: KS@ahtgroup.co.uk

Date: **06/09/2022**
Shareholder Update Number: **001**

ahtgroup.co.uk

SHARE CAPITAL STATISTICS

Resulting Share Capital Structure, Post-Financing

Pre-Financing Issued Share Capital	15,100,003
Subscription Price	£0.32
Pre-Money Valuation	£4,832,001
Quantum Raised as at 06.09.2022*	£777,000
Issue of Equity Pursuant to the Financing**	2,428,126

Directors Participation	**GBP**
Burns Singh Tennent-Bhohi	£50,000
Ben Kattenhorn	£15,000
Alan Ditton	£10,000
10% of Fundraise	***TOTAL £75,000***

Resulting Share Capital Structure	17,528,129
Post-Money Valuation	£5,609,001
Capital Raised as % of Resulting Share Capital	13.85%
Financial Instruments Outstanding *(Warrants & Management Share Options)*	7,250,001
Fully Diluted Share Capital Structure	24,778,130
Fully Diluted Post-Money Valuation	£7,929,001
Capital Raised as % of Fully Diluted Share Capital	9.80%

**Whilst the Board are more than content with the financing position as at today, the company is in advanced discussions with a number of strategic investors that have expressed interest in, investing in this round. The Board have agreed to a maximum increase in financing of up to £250,000 with a long stop of the last business day of September. The company will update all shareholders in any event of change to the share capital structure of the company.*

CHIEF EXECUTIVE OFFICER OPENING STATEMENT

BEN KATTENHORN

I would like to take this opportunity to thank all existing and new shareholders for their support in our first external fundraise, and welcome all to our first shareholder update. In conjunction with this electronic update, we have sent each shareholder a welcome pack with a printed copy of this update, their physical share certificate, and general details pertaining to the Company.

As we progress, the Board will look to update all shareholders on a quarterly basis with communication coming in a visual form - a short corporate video, our first which is enclosed in this electronic update - with our media partners, and written form by way of a shareholder update. Outside of our scheduled updates, I welcome all shareholders to please contact myself and the Board by way of email or telephone at any time.

Our goal at Advanced Hydrogen Technologies Group Ltd ("ATHGL" or "the Company") is to leverage our technology and IP, developed over 12-years, harnessing and manipulating Hydrogen, across multiple applications, industries, and with a consistent theme, which is to contribute to the global mandate of reducing emissions through delivering products that enable consumers to contribute with mutual benefits.

Each of our applications in operation and development demonstrate a cost-saving to the consumer and a green benefit to the collective, demystifying the often-misunderstood perception that being "green" comes at a cost. Uniquely, the mutuality at the consumer-level, if executed by the Company efficiently, has the potential to generate substantive returns for the Company and our shareholders; the Board & Management are dedicated to achieving this goal.

Our strategy over the last 2-years has been one of rationalising the financial condition of the Company, to restructure the current operating activity/revenue, IP-Protection/Commercialisation, developing new applications and targeting the route to market for our new Hydrogen-based applications spanning the automotive, medical, energy and power sectors.

Before launching our first external fundraise in June 2022, the Board of Directors had been the sole funders of the business to date. After extensive discussions internally, and reflecting on where we want to drive the business, the Board approved terms to raise capital [£500,000] by way of equity at a pre-money valuation of ~£5,000,000 and a subscription price of £0.32.

I am pleased to report to the shareholders that our original quantum of £500,000 was dramatically oversubscribed and, after finalising scale backs, AHTGL has raised gross proceeds of £777,000. No commission/finders were paid in connection to the financing, as all capital was raised internally by the Board of Directors. The Board subscribed for £75,000, representing ~10% of the gross proceeds raised.

The closing of this financing enables the Company significant capital runway for the foreseeable future, allowing AHTGL the ability to fast-track its corporate initiatives 12-months ahead of schedule.
I would like to once again take this opportunity to thank all who participated in this fundraising, and even more so considering the current economic circumstances, for which I know is proving challenging for many.

Finally, I would like to point out that there is a link to the Company's video update of this review at the end of this overview. Until our next update, may I take this opportunity to wish you the very best over the coming weeks.

Ben Kattenhorn, Chief Executive Officer
September 2022

CORPORATE & PROJECT UPDATE TO MONTH ENDING AUGUST 2022

BEN KATTENHORN

AHTGL:PRODUCTS, TECHNOLOGY & APPLICATIONS

1. CHIMERA
2. ATHENA
3. ENGINE CARBON CLEAN
4. CARBON CAPTURE

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1. CHIMERA (APPLICATION: HARDWARE THAT ENABLES SUBSTITUTION OF NATURAL GAS FOR HEATING APPLIANCES)

What is Chimera?

Chimera is a miniaturised Hydrogen generator, which AHTGL has been able to fit inside a 500mm kitchen cabinet that can supply energy, **on demand**, to power a gas boiler. Cheap, Carbon Neutral Central Energy to supply central heating and hot water.

How was Chimera developed?

Chimera, taking an existing technology and using it to solve a different problem, the Engine Carbon Clean machine was a great base for AHTGL to solve an issue(s) that will/has begun to affect us all - the climate and energy crises.

Chimera in the Unit

After creating the Proof of Concept ("POC"), we took residence in the unit in Harlow, and undertook the fitting of six radiators to the lower-level whilst we were having the upper-level mezzanine and office installed. Once the lower-level radiator installation was complete, we installed an additional five radiators to the upper level so as to represent an "average" size house. Den and Scott worked tirelessly to understand how to maintain control of the Hydrogen flow in order to get the larger boiler to light and hold flame; thereby ensuring the heating system operated as it would in a house.

Although we have a perfectly working system (hardware), as with all white paper technologies (term used for tech that is brand new), evolution will have to happen, and whilst it works perfectly in a 500mm housing cabinet, we feel a 600mm could work more efficiently, allowing more airflow for cooling, and not looking so compressed after installation has taken place. But even in this first-generation form, interest has nonetheless been strong.

In considering the commercialisation of our technology, we recognised the importance of aligning ourselves with leading boiler manufactures. Through the Boards' network, a party who is now a shareholder of the Company, was able to make an introduction to one of the leading Boiler Manufacturers in the U.K. & Europe. To date, we have held technical calls with the team (namely the Head of R&D, and the Head of Domestic Product Development) and hosted a direct site visit at our HQ in Harlow to provide their team with a full demonstration. I am pleased to report that following the visit, communication remains ongoing, with the next stage being a follow-up visit to the HQ that will be attended by select R&D Engineers.

Following this introduction, another new shareholder of AHTGL has made a direct introduction to another of the largest Boiler Manufacturers in the U.K. & Europe. To date, we have held a technical call with their Head of R&D U.K., their Lead Technical Engineer [Germany], and the Head of Hydrogen Innovation [Germany]. We felt the call was extremely well received and has subsequently resulted in a site visit at the HQ being confirmed for the end of September. One of a number of encouraging points made on the call was confirming that academic theory has always supported the unique way in which AHTGL is harnessing and creating Hydrogen for this purpose, but never practically engineered in the manner that AHTGL has.

Following these discussions, we also have an opportunity to engage with a University to help develop our system as part of a "Match funding" grant. The basis is for students to work with companies to develop/evolve new technologies; the benefit for AHTGL would be in obtaining our BRE test and SAP rating at a fraction of the normal cost, as the students would be running the test in a controlled environment. These conversations are ongoing.

What are the goals for Chimera to year-end?

The development of Chimera is continuous and always ongoing, as touched upon earlier. As Chimera is now fully operational, we will leave the present prototype in situ and allow it to be used to develop Athena (software). The ensuing stages for Chimera will be to make it an easy fit system, to evolve the positioning of each part in the housing cabinet to increase airflow, and control noise, to name but a few points. Ultimately, the hardware works, and we need to concentrate on Athena, and to continue our commercial discussions with leading boiler manufacturers.

2. ATHENA

What is Athena and why was it created?

Athena (named after the Greek Goddess of Wisdom) is our software, developed in-house that controls Chimera, controlling how much Hydrogen is produced **by demand**, and then controlling the flow of Hydrogen to the boiler using multiple valves, pressure sensors, and flow control valves. Athena also watches over Chimera, logs the data of how much power is used, the Hydrogen that is produced, and how many times it has cleaned itself; overarching knowledge and control, with all this information being available to AHTGL in a real-time data stream.

Development timeline

As with Chimera, Athena is white paper technology and is constantly being worked on, and its development will never stop. However, in terms of taking Athena to the point where we feel confident in her to be left in total control, we are optimistic that this can be achieved by the end of the fourth quarter of 2022, which will align with the first fitting of Athena and Chimera into a test house by Q1 2023.

Athena, being our Goddess of wisdom, will know everything about her own surroundings, location, how much water is being used, the electricity consumption, and the amount of Hydrogen being produced and used. Through this data collection we will be able to evolve Athena beyond her initially intended purpose.

Currently we have Athena sending data through a "sim card" to see how reliable this method is, recognising that not all households will have/want Athena sending data, however small through their own home WiFi system is. So far it is working well, but we will know more as and when the first installations in houses take place. Again, understanding and gathering information on how Athena works in the real world are key.

Athena has provided AHTGL with the means to create a “little and often” commercial strategy, i.e. you buy your mobile phone hardware from Apple or Samsung (think Chimera), then you buy the control or ability to use the mobile phone from the network provider, such as Vodafone or EE (think Athena). This charge will be (as it sits right now) considerably cheaper than current gas prices, even if you include the modest increase in electricity cost to create the Hydrogen. As a Board, we have determined that pricing the product through council tax bands under the equivalent of a £10 per bedroom charge is a sound approach. We are targeting the first house installation by the end of Q1 of 2023.

3 & 4. ENGINE CARBON CLEAN (ECC)

What is ECC & The Target Market?

ECC (the commercial side) and H2GoGo (the franchisee side) are the two entities that control and run the Carbon Cleaning and Capture side of AHTGL. H2GoGo cleans internal combustion engines on the public facing side, currently having four franchisees, of which the clientele is comprised of individuals who have had an emissions failure on their MOT, or who are enthusiasts who see the carbon clean as an integral part of the annual service for their vehicle.

ECC is seeing an increasing amount of attention, and we are engaged with a few large companies with a heavy-duty fleet. The climate crisis is pushing the need for big industry to reduce its CO2 emissions and, with electric vehicles being on the expensive side when it comes to haulage, companies are looking for alternate means to pave their way to Net Zero.

H2GoGo is revenue generative and has been since its inception over a decade ago. The current franchisees have all been with the Company for over five years, and provide a solid stream of revenue for the Company.

AHTGL is in talks with a company (also investors in AHTGL) to take control of the H2GoGo side of this part of the business. We have been in discussions for quite some time as they expressed an interest but wanted to research the potential of H2GoGo. This research has now concluded, and we are happy to say that they would like to move forward. My Board and I feel that given the right marketing and management, we share their belief that over the next five years they can increase the business in terms of franchisees and overall revenue.

With H2GoGo having a new management team and drive, this has allowed us as a Board to concentrate on ECC and the more B2B side of carbon cleaning. We are coming towards the halfway point of a six-month test with the second largest removals company in the UK, which, as part of its tenders, asked us to show how our technology can help to reduce their CO2 emissions on their path to net zero. We have used the Cleaning and Capture systems on one of a pair of vehicles so we can show the reduction that they would see across their whole fleet if they were to engage with us.

In August, we gave one demonstration and agreed a test schedule with one of the UK’s largest Chemical companies, which is looking at AHTGL’s technology for exactly the same purpose as the removal firm, namely to assist in their pathway to net zero and also for the fuel saving that regular cleaning can achieve.

Moving away from road, we are negotiating a test programme with a company that rents diesel locomotives, which is looking to trial Cleaning and Capture, and whose clients are pushing for answers for their net zero transition and recognising that electricity is not the answer. With a train the process is more complex and heavy duty, and so this will take a little longer to agree on, but we are confident nonetheless as the first demonstration went very well, with their owner witnessing all and seemingly being impressed with the outcome.

AHTGL GOALS TO YEAR END 2022:

As mentioned above, with many industries being asked the same question as to their transition to Net Zero, within our network we will speak to all logistics companies to see if the fuel saving and the ability to reduce their carbon footprint could be useful for them. We would also ask, if you, as investors, know of any good size logistics companies that could benefit from Carbon cleaning and capture to please effect an introduction.

The results we anticipate receiving from the removal company in the coming weeks should help us prove what we can deliver. With all the test programmes we have going, and the conversations we are having, we would like to think that some contracts will be signed by close of the year.

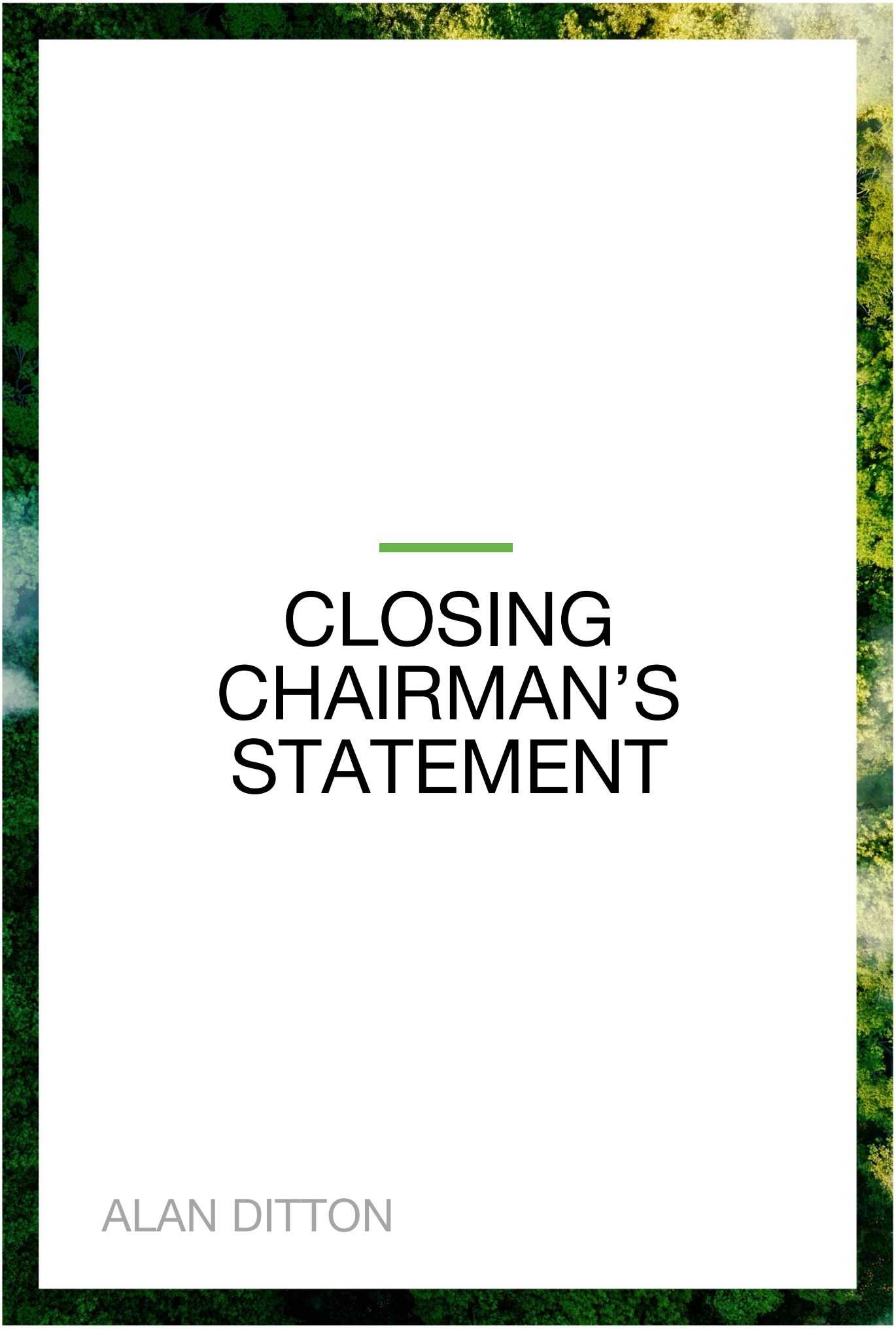
AHTGL Enters The Inaugural Hydrogen Awards

In 2021 the global hydrogen generation market size was $129.85 billion according to Grand View Research, and will continue to grow in the coming years. AHTGL plans to be a big part of this new and exciting future and aims to be known as a company that uses this abundant element to disrupt multiple industries. To start our journey to becoming known, we took the decision to enter AHTGL into the inaugural Hydrogen Awards (https://hydrogenawards.com/).

These awards will help to shine a light on what we have created and achieved and will begin our PR push to become recognised for the big company that we know are on the path to becoming. As we grow and the spotlight on us increases, we hope to be pushing into the “World Hydrogen Awards” that takes place in line with the “World Hydrogen Summit”.

The categories we entered and the system we entered are listed below, being a total of four categories:

- Domestic and Utilities (Chimera)
- Automotive and Road Haulage (Carbon Clean/Capture).



CLOSING CHAIRMAN'S STATEMENT

ALAN DITTON

It continues to be a very busy period at AHTGL as the Company actively progresses all channels for which its IP can be applied. As I address our shareholders in my first Chairman's statement, I do so with much reflection of the transformative measures that have been implemented over the last 24-months.

Of perhaps most significance to date is in AHTGLs IP demonstrating an addressable market, with our associated applications providing economic and environmental solutions globally within a macro-landscape that places substantial value in the way we collectively contribute to a greener world and how we ethically source supply of energy and power.

In what feels serendipitous, AHTGL is developing these applications against global economic challenges that stem from very serious inflationary pressures. Our objectives to the year-end remain staying diligent and focused, placing much emphasis on ensuring all applications and potential channels of revenue are structured for concurrent success rather than on a 'case-by-case' basis in order to better optimise the commercial potential for our company.

To this end, I echo Ben's gratitude to all new and existing investors and look forward to providing our next shareholder update as we enter a busy close to the year.

Alan Ditton, Chairman
September 2022

VIDEO OF BEN KATTENHORN'S QUARTERLY STATEMENT:

To view a video of Ben Kattenhorn giving his quarterly statement to shareholders, please click on the following link, or hit play on the embedded video below

https://www.youtube.com/watch?v=8COBnnDyjA0