ADVANCED HYDROGEN TECHNOLOGIES
G R O U P

QUARTERLY SHAREHOLDER UPDATE Q4 2022

ADVANCED HYDROGEN TECHNOLOGIES GROUP LIMITED
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Shareholder Update Number: **002**

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CHIEF EXECUTIVE OFFICER OPENING STATEMENT

BEN KATTENHORN

May I start by wishing you a Happy New Year. I hope you had an enjoyable time over the festive period, and that 2023 has got off to a good start.

With this Q4 shareholder update we draw a close to 2022, a year in which the Company has been the recipient of the clichéd, '…right place…right time…' at the conclusion of almost every individual and corporate that has been introduced to this business. It is now more pertinent than ever that as a Company, and now with the support of our shareholders, that we not only rise to the occasion but truly appreciate the consistency in that message, which is that we are developing a business at a time where the long-term underlying fundamentals of the market we are seeking to pierce demonstrate incredible opportunity.

The nucleus of our business is our Intellectual Property, the objective of our business is to develop the best path for controlled and economic scalability of IP that can have a truly positive impact in society without the need to sacrifice commerciality. A rare, unique, and needed message in a globally uncertain environment.

In summation, 2022 has been a year of understanding what the Company looks like outside of the founding Directors and Management. It is only with experience that you can truly appreciate the insulated nature of businesses and the difference in internal and external evaluation.

This has been a key exercise for the Company, and I am delighted to say one that has been met with great support and encouragement. We have continued to work on our overarching strategy, which is in effect to:

- Increase the value of our Asset (IP) through consistently reducing engineering, technological, software, and legal risk (business elements that forever be ongoing)

- Streamline our channels of revenue to ensure that the scalability of our model is non-capital intensive in the short-medium term (formation of potential strategic partnerships, franchisee models, which as examples have the ability to generate recurring and long-term revenue in non-capital-intensive environments, which in turn represent the importance of capitalising and developing the value of our IP, our "Asset")

- Create sustainable partnerships to enhance and scale our technology

- Maintain strong corporate governance and to deliver shareholder value

- To contribute to a greener planet without sacrificing commerciality and at net gain to the consumer

To the year-end, much of the Company's focus has been on creating clarity as to the requisite regulatory framework we must adhere to in order to better define our route to commercialisation, concurrent with the consistent de-risking and optimisation of our core technology that at present includes, heating and power, carbon particulate matter reduction, and our overarching data and software arm. In addition, the Company continues to work on innovative technologies that can either complement existing products and/or in time substitute.

Ben Kattenhorn, Chief Executive Officer
January 2023

AHTGL – 2023 KEY OBJECTIVES AND DELIVERABLES:

- Following appointment of Mathy's & Squire (IP/Patent Specialists), the successful submission of AHTGLs Patent Application; this will result in direct attributable value to the shareholders of the Company and future commercial discussions

- Final De-Risking of central heating and energy technology ahead of anticipated test-installations

- Completion of Test Installations of Chimera

- To progress (with the objective of securing) all key accreditations from all requisite UK regulatory bodies

- Create a team that operates, augments, and grows our current revenue-generative asset being Engine Carbon Clean, enabling management to focus purely on product development and commercialisation

- Continue our ongoing R&D efforts and develop new technologies and concepts for the Group

- Bring in a Strategic Investor with the preferred investor being an entity able to generate exponential growth opportunities for AHTGL

CORPORATE & PROJECT UPDATE TO MONTH ENDING DECEMBER 2022

BEN KATTENHORN

AHTGL: PRODUCTS, TECHNOLOGY, AND APPLICATIONS

1. CHIMERA
2. ATHENA
3. ENGINE CARBON CLEAN AND CARBON CAPTURE – H2GOGO

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1. CHIMERA

Chimera is a miniaturised Hydrogen generator, that can supply energy, on demand, to power a standard gas boiler. Cheap, Carbon Neutral Central Energy to supply central heating and hot water.

During 2022 we made great strides with the development of Chimera. I am pleased to set out those developments made in the final quarter as follows:

- Implementation of a “wash system”, which cleans the internal metal plates inside the cell (that create the hydrogen) and is a new addition to the overall cleaning system that is actioned every 48 hours.

- So as to improve the speed at which the wash and water replacement could be achieved, a new drainage system has been designed, which is targeted for installation and testing in Q1 of 2023.

- Design and creation of the “Cradle”, which houses the metal plates inside of the cell, and which allows for the efficient removal of old plates and replacement with new ones. This serves as a key aspect of the maintenance of Chimera that will be on a 24-month scheduled timeframe.

- Successful site visits from multiple leading boiler manufacturers, which have led to meaningful discussions, whilst their guidance has led to us moving forward with the required testing with key governmental and external agencies, including, but not limited, to KIWA.

- Testing of multiple housing options. The original 500mm cabinet was deemed too small and resulted in heat and future maintenance issues being highlighted. Following testing, the CTO and his team have determined an 800mm cabinet to be the best option that negates such issues.

Chimera actions and targets for 2023:

- To replace/remove the “hive”, which has enabled us to ensure the gas boiler accepts the hydrogen Chimera is creating. However, for Chimera to be commercial, the hive must be upgraded and ultimately either replaced or removed.

- To engage with testing agency, KIWA, for the universally recognised CE Mark. All of the preliminary work has been completed, and we are now awaiting a start date for the testing, which will be held in the UK & Holland. - We also note that KIWA are fellow finalists in the upcoming Hydrogen Awards, which provides a great reflection of the standard of entities selected as finalists.

- Engage with Government agencies to ensure that Chimera is accredited and meets all industry standards to pave the way for commercialisation.

- Engage with external companies that are developing hydrogen-based products in different arenas, as such products could also help us move forward without the time and cost delay of going it alone.

- Further engagement with boiler manufacturers across the industry, with a view to considering potential collaborations.

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 on demand, 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 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.

What have we achieved over the previous quarter, and what are our targets for this quarter?

As Chimera (and future projects) evolve(s), so does Athena. The control of what the hardware does is of utmost importance - ensuring safety and control. As a small example of this, the internal wash system of Chimera needed more time to make sure that the plates were washed to the standard that our CTO and his team were happy with, as this prolongs the life of the system, and in turn defers the servicing schedule to the timeline that we as a Company want to achieve.

3. ENGINE CARBON CLEAN & CAPTURE (ECC&C) – H2GOGO

What is ECC&C – H2gogo?

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, and is commercialised through 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 the company that AHT uses to engage with commercial clients such as the removal firm, which gives a clear separation between the two similar companies that utilise the same AHT Technology.

What were the goals for ECC&C and H2gogo to year-end 2022?

With regards H2gogo, the board were focussed on concluding the engagement of a management company to assist with growing the franchisee count and to engage with potential new commercial clients. I am pleased to report that this engagement was concluded at the end of the quarter. On the ECC&C side we continued the testing for the removal company, and continued talks with the rail company, the shipping company, and the Chemicals company.

What have we achieved over the previous quarter, and what are our targets for this quarter?

The management engagement has moved forward very well. It was agreed that for the Company to attract new clients and franchisees the overall marketing had to be addressed. This process has begun and over the next quarter you will see the current Engine Carbon Clean website (enginecarbonclean.com) updated and revamped. Once this has been completed and signed off, the next stage will be implemented.

The testing of ECC&C, which we have been carrying out with the removal company we are engaged with, is spilt across four reports. We received the first of these reports this quarter and we are pleased, but not surprised, with the results that we received from the independent tester, “Analize” (trading as Boston Garage Equipment Group). The report shows that with the use of ECC&C there is a substantial reduction in the carbon particulate matter emissions, with the report stating this reduction to be 68% through the cleaning alone. This reduction is after a singular clean, and we are confident that over the following six months that these figures will, at a minimum, not only remain at these levels, but increase (decrease emissions), as a result of the additional cleans that the vehicle’s engine will receive.

We have just passed the 6-month timeline of the testing, and last week the team, including the independent testers, were on site to take additional readings, and the ECC team provided the vehicle with its bi-annual clean. Each report takes a few weeks to compile, and each quarter I will be able to give further updates on the progress made with ECC&C.

Over the past three months, commercial discussions with a company that hires out diesel locomotives have progressed very rapidly, moving from being very broad based to very specific within the space of a few weeks. The client was looking at ways to reduce his fleets’ carbon emissions, which had been a growing concern raised by clients. In December, the client placed

an order for two locomotives to be fitted with our Engine Carbon Clean & Capture system. The first will be fitted ASAP, which will allow us to gather the data (in the same manner as the removal firm) so as to demonstrate the system reduces emissions of carbon particulate matter.

CORPORATE DEVELOPMENTS

Mathys & Squire

Following the increased recognition and scrutiny that AHT will experience after the Hydrogen Awards, and as it moves forward with the commercialisation of its product suite, it is imperative that the Company's intellectual property is suitably protected. Accordingly, I am pleased to advise that we have appointed Mathys & Squire, a full-service IP firm, to progress patent protection over the Company's intellectual property.

In the UK it can typically take between three to four years from the time a patent application has been made to the patent being granted, whilst in Europe this process can be up to six years or more. Therefore, whilst this is a lengthy process, based on the advice received from Mathys & Squire, we are confident that the exercise will yield suitable protection over AHTGL's IP.

Presentation

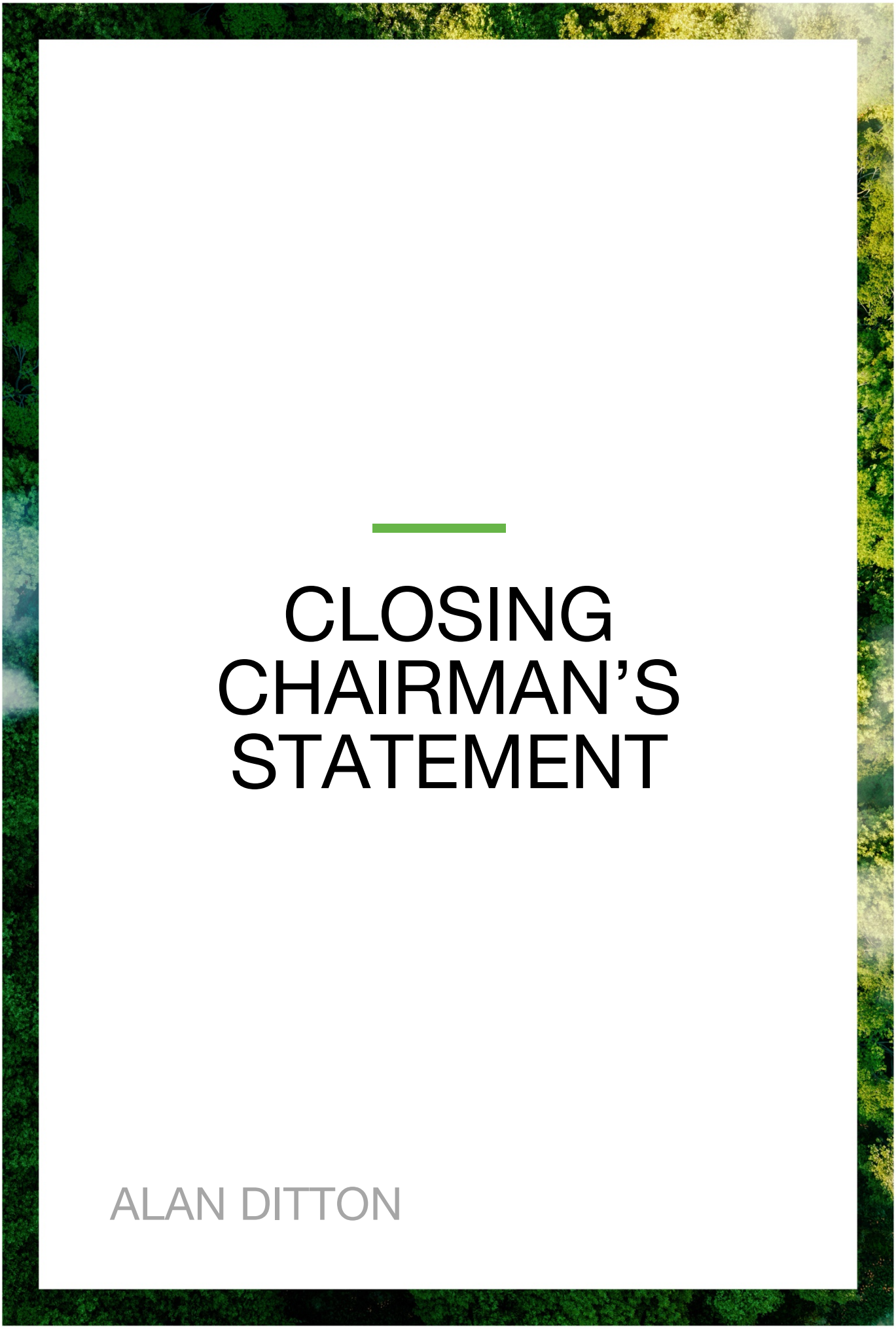
Transparency and strong communication with investors is paramount to my modus operandi as Chief Executive Officer. I would therefore encourage you to visit the Company's website to read the latest announcements, and also to view the corporate presentation released in January. The presentation compliments our quarterly updates, and will provide you with further insight and information on the macro and geopolitical backdrop that underpins the commercial attractions to the deployment of AHTGL's product suite.

H2 Awards

In my previous update, I informed that AHT had entered the inaugural Hydrogen Awards, which the Board felt would serve as a prestigious platform to broaden the awareness of the Company. To this end, I am delighted to advise that in mid-November, AHT received confirmation that it had been chosen as a Finalist in four categories of Domestic / Utility with Chimera, and Automotive / Road Haulage through its Engine Carbon Clean and Capture product.

Judging of all Finalist companies is currently underway, and the winners of the first Hydrogen Awards will be announced at a black-tie ceremony on 23 February at The Slate venue at Warwick University.

Being chosen as a Finalist provides independent validation of AHT and its technology, and my team and I are greatly looking forward to the ceremony next month.



CLOSING CHAIRMAN'S STATEMENT

ALAN DITTON

The new year is upon us, but, whilst reflecting on the 2022 achievements of AHTGL, it is pertinent to acknowledge that we have made the huge strides Ben has articulated. It would be remiss to ignore the inputs of all the team, which very much include the high calibre professional team we have in place and continue to expand selectively to meet our specialist requirements.

Our journey is fundamentally driven on developing a variety of specific uses for our green technology, but at the same time building a sustainable, profitable business, of which the Board, Management, and Shareholders may all be proud. Our greatest challenges are to enhance the team, become cash generative, and deliver our environmentally attractive solutions in this highly competitive global marketplace.

Finalists in four categories! This feels like something out of a storybook. We are participants and all of our endeavours will be evaluated and scrutinised by the judges. These acknowledgements can only enhance AHTGL's achievements and aid progress in our various chosen markets.

2023 is challenging, but exceptionally exciting, and I look forward to sharing our progress as the months pass.

Alan Ditton, Chairman
January 2023

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=WghU4WKHI-M