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22 August 2023

Powerhouse Energy Group Plc
(the "Company" or "PHE")

Placing to raise £1,000,000 and issue of equity

Powerhouse Energy Group Plc (AIM: PHE), a company pioneering integrated technology that converts non-recyclable waste into low carbon energy, is pleased to announce that it has raised £1 million, before expenses, through a placing at a price of 0.5p per share ("Issue Price") (the "Placing" or "Fundraising"). The Placing was arranged by the Company's broker, Turner Pope Investments (TPI) Ltd ("TPI"). A total of 200,000,000 new Ordinary Shares of 0.5p each in the capital of the Company ("Ordinary Shares") has been placed by TPI at the Issue Price ("Placing Shares") with clients of TPI.

Use of Funds

The Directors have undertaken the Fundraising to increase the Company's cash reserves following a revision of the business model and to cover a significant proportion of the build and fit-out costs for the Company's new Technology Centre in Bridgend. The Technology Centre will become the Company's new head office as well as housing a scale version of the Company's new feedstock testing unit utilising the Company's proprietary DMG® technology, which will serve as a reference site for potential customers, and for development and project funding partners.

Broker Fee Shares

TPI will receive 8,000,000 new Ordinary Shares ("Broker Fee Shares"), having elected to receive Ordinary Shares at the Issue Price instead of cash in respect of certain professional fees.

Placing Agreement and issue of warrants

The Company and TPI have entered into a Placing Agreement pursuant to which TPI has agreed, subject to certain conditions, to use its reasonable endeavours to procure subscribers for the Placing Shares at the Issue Price. The Company has given customary warranties and undertakings to TPI in relation to, *inter alia*, its business and the performance of its obligations. In addition, the Company has agreed to indemnify TPI in relation to certain liabilities that TPI may incur in undertaking the Placing. TPI has the right to terminate the Placing Agreement in certain circumstances prior to Admission (as defined below) and, in particular, in the event that there has been, *inter alia*, a material breach of any of the warranties. No part of the Fundraising is being underwritten. The Placing is conditional upon Admission (as defined below) taking place by no later than 8.00 a.m. on 1 September 2023 (or such later date as TPI may agree in writing with the Company, being not later than 8.00 a.m. on 31 October 2023) and the Placing Agreement entered into between TPI and the Company not being terminated prior to Admission.

Under the terms of the Placing Agreement, TPI will receive warrants to subscribe for 16,000,000 new Ordinary Shares ("Broker Warrants"). The Broker Warrants are exercisable at the Issue Price for a period of three years from the date of Admission. The Broker Warrants will not be admitted to trading on AIM or any other stock exchange.

Admission to AIM

Application will be made to London Stock Exchange plc for the 200,000,000 Placing Shares and 8,000,000 Broker Fee Shares to be admitted to trading on the AIM market of the London Stock Exchange ("Admission"). It is currently anticipated that Admission will become effective and that dealings in the Fundraising Shares will commence on AIM at 8.00 a.m. on or around 1 September 2023.

Total voting rights

On Admission, the Company will have 4,165,414,135 ordinary shares of 0.5p each in issue, each with one voting right. There are no shares held in treasury. Therefore, the Company's total number of ordinary shares in issue and voting rights will be 4,165,414,135 and this figure may be used by shareholders from Admission as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the Company under the FCA's Disclosure Guidance and Transparency Rules.

Keith Riley, Acting CEO of PHE, commented:

"This placing comes at an exciting time for PHE, as the Company pursues its first commercial developments as a partner as opposed to a licensor. The net funds will be applied to general working capital, including ongoing works to deliver our new Technology Centre in Wales".

Tony Gardner-Hillman, Non-Executive Chairman of PHE, commented:

"The ability to raise these funds demonstrates faith in the Company's progress and enables us to move forwards with the consolidation of our staff and technology into one location. Potential customers, and development and project funding partners, will be able to meet the team and see for themselves the proof of the Powerhouse concept. This is a milestone for the Company."

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The information contained within this announcement is deemed to constitute inside information as stipulated under the retained EU law version of the Market Abuse Regulation (EU) No. 596/2014 (the "UK MAR") which is part of UK law by virtue of the European Union (Withdrawal) Act 2018. The information is disclosed in accordance with the Company's obligations under Article 17 of the UK MAR. Upon the publication of this announcement, this inside information is now considered to be in the public domain.

About Powerhouse Energy Group plc

Powerhouse Energy has developed a process technology which can utilise waste plastic, end-of-life-tyres, and other waste streams to convert them efficiently and economically into syngas from which valuable products such as chemical precursors, hydrogen, electricity, heat and other industrial products may be derived.

Powerhouse Energy's process produces low levels of safe residues and requires a small operating footprint, making it suitable for deployment at enterprise and community level.

Powerhouse Energy is quoted on the London Stock Exchange's AIM Market under the ticker: PHE and is incorporated in England and Wales.

For more information see www.powerhouseenergy.co.uk

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