



11 March 2024

Powerhouse Energy Group plc
("Powerhouse", "PHE" or the "Company")

Update on Longford Project JV

Signing of Joint Venture with Hydrogen Utopia International Plc for the development of a non-recyclable Waste Plastic to Hydrogen facility in the Republic of Ireland (the "Longford Project")

Powerhouse Energy Group Plc (AIM: PHE), a company pioneering integrated technology which converts non-recyclable waste into low carbon energy, refers to its announcement of 30 October 2023. That announcement advised that the Company had decided to defer further progress towards committing to the Longford Project whilst it took stock of the final position in its negotiations with Hydrogen Utopia International Plc (LON: HUI) ("HUI") for the proposed joint development of a non-recyclable plastic waste-to-hydrogen facility site at Longford, County Longford in the Republic of Ireland.

Powerhouse is now pleased to report the following developments:

- (1) Powerhouse and its subsidiary, Powerhouse Energy International Limited ("PHE International") have entered into a subscription and shareholder agreement (the "Subscription and Shareholder Agreement") with HUI and its Irish subsidiaries, Alister Future Technologies Limited ("AFT") and Eranova Longford Limited ("Eranova") in connection with the building of a waste plastic to hydrogen plant on a greenfield site at Fisherstown Energy Park in County Longford, Ireland; and
- (2) AFT, PHE International, HUI and Mashup PLC (previously called Fisherstown Property Holdings Limited) ("FPHL") have agreed to amend and restate the option agreement dated 10 March 2023 entered into between Eranova and FPHL, pursuant to which FPHL (as freeholder of the land on which the Longford Project would be developed) granted an option to Eranova to lease the site for 25 years ("the Option For Lease"). Up to €150,000 is payable by Eranova to FPHL under the Option For Lease, with the timing for payment dependent on the date on which planning permission for the Longford Project is obtained.

Under the amended terms of the Subscription and Shareholder Agreement, AFT and PHE International will now each own 50% of Eranova and development costs will be contributed to on a 50:50 basis. Eranova will be the developer of the Longford Project, and each party will have the right to appoint up to two members to the board of Eranova.

Initial financing is being provided by AFT and PHE International by way of shareholder loans (for a maximum of €200,000 each) under separate loan agreements. Any future financing will be raised in accordance with the Subscription and Shareholder Agreement through further loans or (with the consent of the shareholders only) subscription for shares.

Signing of the Subscription and Shareholder Agreement requires PHE to make an immediate payment of £100,000 to HUI. This is in addition to the £100,000 already paid to HUI, as noted in the Company's announcement on 21 March 2023. A further payment of £100,000 in cash will also be made to HUI once planning permission has been granted for the Longford Project.

Under the terms agreed between the parties, FPHL has also been granted an option to acquire shares in Eranova (the "FPHL Shares Option"). Under the terms of the FPHL Shares Option, FPHL may, within 10 days of anticipated financial closure of the Longford Project or anticipated commencement of construction of the Longford Project, exercise an option for the transfer or subscription by it of new shares in Eranova. On exercise of the FPHL Shares Option, this would result in FPHL becoming the holder of non-voting shares amounting to 5% of the issued share capital of Eranova. The exercise of the FPHL Option would result in an equal dilution of the shareholdings of AFT and PHE International.

Longford, a county in the Irish Midlands, is anticipated to be one of the prime beneficiaries of the EU Just Transition Fund in Ireland. On 29 November 2022, Irish Government approval was given for Ireland's Territorial Just Transition Plan and its associated programme for the period to 2027, which will provide €169 million of funding in the Irish Midlands; the Irish Government plan was adopted by the European Commission

on 15 December 2022.

The Company sees this project as an opportunity to progress a project within a European Union Just Transition Fund area, which brings with it the potential of grant funding for the development. The next phase will be the developing the application for planning and permitting on the site and overall management of the project, which will be carried out by the JV company, Eranova.

Powerhouse looks forward to working closely with HUI to deliver this project successfully, fostering innovation and creating a positive impact on the global hydrogen landscape. Further updates will be provided as and when appropriate, with the immediate focus now being on securing planning permission.

Paul Emmitt, Chief Executive Officer of Powerhouse, commented:

"PHE has always been committed to this JV and after working with Aleksandra Binkowska and the HUI team, I am pleased that mutually agreeable terms have now been reached. I look forward to getting the Longford development moving alongside our other projects."

Aleksandra Binkowska, CEO of HUI, commented:

"Maintaining a strong allegiance with PHE has been a cornerstone for HUI, and I am thrilled about finalising the Irish joint venture agreement. Both HUI and PHE are dedicated to establishing what we believe will be one of the first plastic waste to hydrogen facilities. We look forward to working with the Powerhouse team to deliver this exciting project."

This announcement contains inside information for the purposes of the UK version of the market abuse regulation (EU No. 596/2014) as it forms part of United Kingdom domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended.

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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. The 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 Group also incorporates Engsolve Ltd, which offers Engineering Services across all sectors with speciality services in the development of new technologies and clean energy.

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

About Hydrogen Utopia International plc

HUI aims to become one of the leading new European companies specialising in turning non-recyclable mixed waste plastic into hydrogen and other carbon-free fuels, new materials or distributed renewable heat.

A HUI facility uses non-recyclable mixed waste plastic as feedstock and turns it into syngas from which new products and energy can be produced. HUI anticipates that its revenues will be derived from a variety of sources, dependent upon location and configuration of the HUI facilities, including the sale of syngas, hydrogen and other gases, electricity and heat sales, and the payment to it of fees for a given quantity of non-recyclable mixed waste plastic received at a HUI facility.

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information, please contact ms@seg.com or visit www.ms.com.

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