



Investment in Tower Group and Issue of Equity

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Hydrogen Future Industries plc

("HFI" or the "Company")

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HFI to Become Preferred Technology Partner for UK-Based Hydrogen Company

Hydrogen Future Industries plc (AQSE:HFI), a developer of proprietary wind-based green hydrogen production systems, is pleased to announce an investment in, and collaboration with, Tower Green Holdings Limited ("Tower"), a developer of hydrogen production and distribution facilities which is establishing multipurpose hydrogen hubs in the southwest of England to provide energy storage and hydrogen as a fuel. Under the agreement, HFI's System (as defined below), which is in development, will be implemented as Tower's preferred green hydrogen production technology.

HFI has made an initial investment of £100,000 in Tower for a 20% equity stake in Tower, £50,000 of which has been paid in cash and £50,000 has been settled by the issue of 500,000 new ordinary shares in HFI at a price of 10p per share ("Investment Shares"). Daniel Maling, Non-executive Director of the Company will join the board of Tower as part of this partnership. In addition, HFI has the right to invest a further £50,000 in Tower upon Tower signing an agreement to collaborate with certain specific project partners for an additional 10% equity stake in Tower.

On 4 January 2023, a partnership was announced between Tower and Element 2 Limited, a UK-based developer of hydrogen refuelling stations and a retailer of hydrogen fuel to fleet operators and other consumers, whereby Tower will provide access to hydrogen for road transport in the southwest of England. The partnership connects Tower's locally produced green hydrogen with the infrastructure required to supply fuel to hydrogen-powered trucks and haulage vehicles.

HFI's technology in development is a wind-based hydrogen production system combined with electrolyser technologies which aims to generate hydrogen for under \$2 per kilogram (the "System"). A key element of the System is its proprietary wind turbine, which has been designed with notably distinct features which allow the turbines to be more efficient than current open rotor turbines and could increase the efficiency and ultimately lower the cost of hydrogen production for future partners such as Tower.

Admission

Application has been made for the 500,000 Investment Shares to be admitted to trading on the Aquis Stock Exchange Growth Market ("Admission"). Admission is expected to occur at 8:00 am on or around 20 January 2023.

Total Voting Rights

Following Admission, the Company's issued share capital will comprise 33,750,000 ordinary shares, with each share carrying the right to one vote.

Therefore, the total number of voting rights in the Company will be 33,750,000. This figure may be used by shareholders as the denominator for calculations by which they will determine if they are required to notify their interest in the Company, or a change to their interest in the Company, under the Financial Conduct Authority's Disclosure Guidance and Transparency Rules.

David Ormerod, Executive Director of HFI, commented:

"HFI's System aims to produce affordable green hydrogen and so is well placed to support companies like Tower as they develop downstream infrastructure and partnerships to get hydrogen into vehicles and support the decarbonisation of transport. Through this agreement, not only are we gaining early investment exposure to the massive growth opportunity in hydrogen refuelling which is analogous to the rollout of EV charging infrastructure over recent years, we are also supporting Tower's ambition to become a vertically integrated green hydrogen producer and distributor in the UK."

Inside Information

This announcement contains inside information for the purposes of the UK Market Abuse Regulation and the Directors of the Company accept responsibility for the contents of this announcement.

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About Hydrogen Future Industries

Hydrogen Future Industries was established to invest in projects and companies focused on the Hydrogen Economy. We are developing proprietary wind and water-based hydrogen production systems, incorporating hydrogen compression and storage. Through this technology, we aim to significantly reduce the cost of hydrogen production from renewable sources and provide on-demand energy storage in the form of hydrogen at a fraction of the cost of lithium-ion battery storage. Click [here](#) for more information about Hydrogen Future Industries.

Visit our website: www.hydrogenfutureindustries.com

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About Tower

Tower is a developer of hydrogen production and distribution facilities based in the southwest of England. The company is developing a number of multipurpose hydrogen hubs which provide long-term energy storage as well as hydrogen as a fuel and chemical feedstock. Tower is also developing bespoke end-to-end hydrogen systems for businesses in the hard to abate sectors. Tower is committed to reducing the South West's reliance on fossil fuels and supporting its leading role in the UK's drive towards Net Zero.

Caution Regarding Forward Looking Statements

Certain statements made in this announcement are forward-looking statements. These forward-looking statements are not historical facts but rather are based on the Company's current expectations, estimates, and projections about its industry; its beliefs; and assumptions. Words such as 'anticipates,' 'expects,' 'intends,' 'plans,' 'believes,' 'seeks,' 'estimates,' and similar expressions are intended to identify forward-looking statements. These statements are not a guarantee of future performance and are subject to known and unknown risks, uncertainties, and other factors, some of which are beyond the Company's control, are difficult to predict, and could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements. The Company cautions security holders and prospective security holders not to place undue reliance on these forward-looking statements, which reflect the view of the Company only as of the date of this announcement. The forward-looking statements made in this announcement relate only to events as of the date on which the statements are made. The Company will not undertake any obligation to release publicly any revisions or updates to these forward-looking statements to reflect events, circumstances, or unanticipated events occurring after the date of this announcement except as required by law or by any appropriate regulatory authority.