



Licence Agreement & Audit Update

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Hydrogen Future Industries PLC
("HFI" or the "Company")

Territory Licensing Agreement

Exclusivity and evaluation plans to develop a Green Energy Park in Montana

Heads of Terms for Manufacturing Licence Agreement

Audit Update

[Hydrogen Future Industries PLC](#) (AQSE: HFI), a developer of a proprietary wind-based green hydrogen production system featuring an advanced aerodynamic wind turbine and a high-performance electrolyser, is pleased to announce a licensing agreement to deploy the Company's technology in the United States of America ("the Territory") via a special purpose vehicle, HFI Energy Systems US Inc ("HFI Energy") ("Licence Agreement"). HFI Energy intends to develop a green energy park in Montana, USA utilising the Company's technology.

Territory Licence Agreement

The Company's wholly owned subsidiary, HFI IP Holdings Limited ("Licensor"), will grant HFI Energy ("Licensee") an exclusive territory licence for a minimum of 10 years upon receipt of the Initial Payment (as defined below). Key terms of the Licence Agreement are set out below:

- The Company will receive a licence fee of US\$2,000,000 payable within 4 months of signing the agreement ("Initial Payment"), conditional on HFI Energy raising the required funds;
- The Company has agreed that it will use US\$1,000,000 of the \$2m received in respect of the license fee for the development of the wind turbine energy system;
- The Licensee can renew the licence by paying a renewal fee of US\$2,000,000; and
- The Licensee undertakes to complete final development, build out and testing of a 6-metre diameter wind turbine.

HFI Energy's objective is to commercialise the HFI system (including wind turbines and electrolysers) in the USA and to construct and operate wind turbine farms for the purpose of hydrogen generation, storage, sale,

and distribution within the territory. The system's unique features include a smart hydraulic drive that improves efficiency reduces the cost of energy production. The proprietary turbine provides the ability to generate energy over a broader range of wind speeds and, significantly, the turbine can be raised and lowered for optimal wind capture, whilst also reducing maintenance and installation costs and reducing permitting and approval lead times. The system is designed to meet the needs of remote off-grid communities or energy users to ease the burden on existing national grid infrastructure.

Exclusivity for Green Energy Park

HFI Energy entered into an exclusivity agreement in early 2025 with Barrick Gold Corporation and Jefferson Local Development Corporation (JLDC) to evaluate the construction of an up to 500 MW clean energy park in Whitehall, Montana ("HFI Green Energy Park"). The project aims to set a new benchmark for clean, affordable energy and economic development in the region. The HFI Green Energy Park plans to attract energy-intensive industries, particularly AI data centres, due to its unmatched combination of low-cost, carbon-free electricity and robust infrastructure. AI operations require vast amounts of secure, reliable energy and high-speed connectivity-both of which are anticipated to be provided by the park's multiple energy inputs (wind, hydrogen, battery storage, and grid electricity) and multiple high-capacity fibre-optic networks.

HFI Energy has advised the Company that it has signed a heads of terms with a US based investor active in data centre construction to pay, subject to due diligence, US\$4 million for approximately a 10% - 20% interest in the planned HFI Green Energy Park. The due diligence is ongoing and the investor has exclusive rights until August 2025.

Heads of Terms for a Manufacturing Licence Agreement

A heads of terms for a Manufacturing Licence Agreement ("the Agreement") has been signed with HFI Energy and sets out the terms under which they, as a Licensee, are authorised to manufacture the Company's products ("Licensed Products") for distribution and installation within the United States of America. The Agreement is conditional upon executing a shareholder agreement between the Company and HFI Energy and the issue of 20% of the equity in HFI Energy to the Company.

The parties have agreed that prior to the commencement of manufacturing in the Territory under the terms of the Agreement, they will negotiate in good faith and execute a fully termed agreement covering the manufacturing procedures and standards of the Licensed Products.

Furthermore, under the heads of terms of the Agreement, the Licensee shall pay a royalty to HFI IP Holdings Limited ("HFI IP"), a wholly owned subsidiary of the Company, based on sales revenue derived from the sale of manufactured Licensed Products in the Territory:

- 5% of net sales, unless by agreement;
- 2.5% of net sales where the manufactured product has been materially designed, developed, tested, or certified by the Licensee.

Royalties are payable upon delivery and installation of the relevant Licensed Products.

Related Party Transaction

Tim Blake, the Company's CEO (non-board role) and significant shareholder in the Company, is also a director and shareholder of HFI Energy. Accordingly, he is considered a "related party" as defined under the AQSE Growth Market Access Rulebook. The entering into the Licence Agreement and the Agreement between the Company and HFI Energy and by virtue of his shareholding, Tim Blake, constitutes a related party transaction for the purposes of Rule 4.6 of the AQSE Growth Market Access Rulebook.

The directors of the Company independent of the related party transaction, Daniel Maling, Jonathan Colville and Neil Ritson, confirm that, having exercised reasonable care, skill and diligence, the related party transaction is fair and reasonable insofar as the shareholders of HFI are concerned.

Update on Audit process

Further to the Company's update on 3 February 2025 advising that there had been a delay to the completion and publication of its audited accounts for the year ended 31 July 2024, the Company anticipates that it will be in a position to publish its final results for the year ended 31 July 2024 and interim results for the period ended 31 January 2025 by 30 June 2025 (together the "Financial Accounts"). Following publication of the

Financial Accounts, trading in the Company's shares will be restored. A further announcement will be made in due course.

Neil Ritson, Executive Chairman, commented:

"The USA is an extremely large market and this licensing deal further demonstrates the value of our IP and its importance in the renewable energy sector. We are excited to be working with HFI Energy, initially in Montana, to enhance the value and opportunity of their proposed Green Energy Park which has all the attributes necessary to attract material investment from data centres and related industries. We are already seeing strong interest from various energy end-users who are keen to access sites such as that in Whitehall, Montana, that have access to clean electricity."

Enquiries:

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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.

About Hydrogen Future Industries

Hydrogen Future Industries was established to invest in projects and companies focused on the Hydrogen Economy. We are developing a proprietary wind-based hydrogen production system, incorporating hydrogen compression and storage. Hydrogen Future Industries is at the forefront of green hydrogen production with its integrated system that marries an advanced ducted wind turbine with a state-of-the-art Anion Exchange Membrane Water Electrolyser (AEMWE). This innovative pairing is designed to optimise renewable Energy for the efficient production of hydrogen.

Click [here](#) for more information about Hydrogen Future Industries.

About HFI wind turbine technology

The HFI wind turbine is at TRL (Technology Readiness Level) 6-7, showcasing an advanced design with superior aerodynamics and rotor blade technology that generates three times the Energy of a traditional open rotor design. The aim is to generate Energy at a cost below \$30/MWh and a unit CAPEX of \$700,000/MW. This innovation represents a smaller, quieter, and more efficient alternative to existing wind Energy generation technology. The turbine's unique features include a smart hydraulic drive that improves efficiency and reduces the cost of Energy production, the ability to generate Energy over a broader range of wind speeds, and versatile Energy output in hydraulic, DC, or AC forms without the need for additional AC to DC rectifiers for hydrogen production. Significantly, the turbine can be raised and lowered for optimal wind capture, reducing maintenance and installation costs, as servicing can be performed at ground level.

About HFI Anion Exchange Membrane Water Electrolyser (AEMWE) technology

At TRL 4-5, the HFI Anion Exchange Membrane Water Electrolyser (AEMWE) presents a step forward in power

efficiency, longevity, and cost-reduction for green hydrogen production. Testing has confirmed a cell efficiency of 97%, notably higher than the 80-85% of rival technologies. Constructed without platinum group metal catalysts, the AEMWE utilises more affordable and accessible materials, resulting in a projected cost that is 50% lower per kW than the PEM electrolyser. It is designed to deliver high efficiency even with variable Energy supply typical of renewable sources, and it features a unique system where individual cells can be replaced without halting hydrogen production. The AEMWE's catalysts are chemically attached to the electrodes, preventing wash-off and ensuring durability. The ongoing patent applications aim to protect the unique intellectual property developed around this technology.

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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.

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