



INVESTOR ANNOUNCEMENT
New Energy Technology Ltd

24 October 2022

**NEW ENERGY TECHNOLOGY ANNOUNCES SIGNING OF
TERMS TO INVEST IN GREEN HYDROGEN TECHNOLOGY
VENTURE NGT**

Highlights

- **NET has signed Terms to invest EU250,000 (AUD\$385,000) of seed capital into Swiss green hydrogen technology venture NGT**
- **Terms will provide NET with 10% of total equity in NGT and a board seat**
- **Innovative hydrogen storage tank technology promises to reduce hydrogen transport costs by more than 20%**

New Energy Technology (“**NET**”) is pleased to announce that it has signed a commercial Terms Sheet to invest in Next Generation Tanks (“**NGT**”), based in Switzerland.

Under the Terms, NET will be the exclusive sole investor in this seed round, providing EU250,000 (AUD\$385,000) of seed capital for 10% of total equity post-money. NET will join the NGT board of directors.

Hydrogen will be central in the new energy landscape to reduce carbon emissions but storing and transporting it is prohibitively expensive for volume applications such as electricity generation and vehicle fuel.

Current industry standard hydrogen storage and transport uses long, thin tanks made of metal or plastic. The metal tanks are extremely heavy, making transport very expensive, and the plastic tanks need an inner lining that often collapses after a short time. Hydrogen is very corrosive and damages the insides of both the metal tanks and the linings of plastic tanks.

Existing long, thin, ‘pill’ shape tanks allow very limited integration opportunities with existing hydrogen end-use systems such as cars.

NGT’s patented innovative tank technology uses much lighter composite material and woven carbon fibre threads for high strength and durability. The inner lining is unique and is



attached to the inside of the tank using a patented innovating technology that means much longer durability.

The unique production methodology allows for much larger tanks and also for custom shaped tanks to suit customer integration requirements.

Together, these benefits position NGT's tanks to undercut the existing hydrogen tank market significantly on the basis of transport cost and durability. This unlocks early market penetration and will set NGT up to be a significant player in emerging green hydrogen mid-stream markets.

NGT has a first small scale commercial vehicle customer with signed terms ready to receive initial units immediately, scaling up to thousands of units over the next two years.

NGT will use the funding from this seed round from NET to build its first small-scale manufacturing line to service this first commercial customer.

Two global hydrogen majors that are under NDA have expressed interest in NGT's products to reduce costs in their supply chains.

While NET sees the majority of mid-stream hydrogen applications using ammonia as the vector, analysis shows there will still be a very large market for cheap and efficient hydrogen storage tanks in various use cases, such as hydrogen storage within fuel cell powered vehicles.

NET will now complete final due diligence, with financial investment decision expected in January.

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About New Energy Technology

NET is a diversified hydrogen business led by a global team of green fuel experts. NET invests in and commercialises critical green fuel technologies to accelerate the hydrogen economy, develops large scale green fuel infrastructure projects, introduces suppliers with customers, and consults to ambitious majors seeking participation insights and strategy in the emerging green fuel landscape.