

Hydrogenus Energy News



WHAT'S NEW

Our achievements over the last 3 months have been commercially oriented. We

- Expect to lodge a Patent Application soon, which will cover the low-pressure feed of hydrogen into the combustion chamber and the means of our very good responsiveness;
- Have received interest from a globally significant engine manufacturer to sell hydrogen powered engines using our IP;
- Have an agreed draft Letter of Intent (LoI) with an engineering / asset management firm to use our IP in 2 of their projects;
- Have draft Lols for 2 other projects;
- Have one potential funder undertaking Due Diligence on us, which we expect to lead to a significant funding commitment; and
- Have 2 other fund raisers seeking funding for Hydrogenus Energy.

Interest in our engine Intellectual Property

HYE News #013, in September, outlined the technical achievements we have made with our engine. We shared a clip of our engine with the manufacturer from which we sourced our engine and in response they have enquired about using our IP in engines they sell.

This company has produced and sold hydrogen powered Internal Combustion Engines, but is attracted to our IP as our engine

- Uses low pressure injection, in contrast to high pressure injection used by others which is much more complex, expensive and less robust; and
- Is very responsive, both up and down, to changes in load.

Commercial discussions have yet to start and before we progress, we need to ensure we have good protection for the Intellectual Property we have developed.

Protecting our Intellectual Property

Our IP comprises a number of pieces :

- We expect to file a patent application in January for the method we have developed to inject hydrogen into the combustion chamber, at low pressure, managing issues of its mixture with air;
- We are investigating the potential for patent for our very good responsiveness, which may be able to benefit existing generators;
- We have discussed the ECU's IP with MoTeC and are preparing agreements describing those which are our property;
- The ECU is encrypted and MoTeC advised that it has been secure;
- MoTeC's ECU has secure communications so we can stay in contact with our engine

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Letters of Intent

We have demonstrated our engine a number of times, explaining our system concept.

There are 3 separate parties to which we have demonstrated that have immediately seen the potential for our system.

Letter of Intent #1

The first party is an engineering company and we have provided a draft Letter of Intent (LoI) for that company to utilise our IP in 2 of their projects.

We have been advised that the LoI is expected to be signed next week (the signing authority is absent with CoVid presently).

Progress on these projects is subject to the funding being provided by their clients which have already indicated their desire to reduce carbon emissions.

Letter of Intent #2

The second party is part of an organisation that is developing solar power plants.

The proposal needs to be formally endorsed by their Board to finalise the proposed LoI, taking into consideration funding and extent of initial programme.

Others

The third party verbally expressed interest but is currently tied up in its current projects.

We have a meeting with another company this week that has previously advised it has clients that are potentially interested.

Funding

The interest from the major manufacturer of engines is testament to the potential value of the IP that Hydrogenus Energy has developed.

The pending LoIs, plus the potential for another after a follow-up meeting we are having this week with an engineering company deeply embedded in mining, provides evidence that we can expect revenue during 2024.

We expect this will be very attractive to potential investors, as investment markets appear to be coming out of a severe "risk-off" phase, coupled with disappointment with earlier investments in the hype of hydrogen.

We have a letter from a potential significant investor requesting a 6-week due diligence period and we have established a Data Room for this purpose.

This investor could invest the entire amount we are seeking.

However, his funding has been delayed and it may be still a few months before we receive this investment.

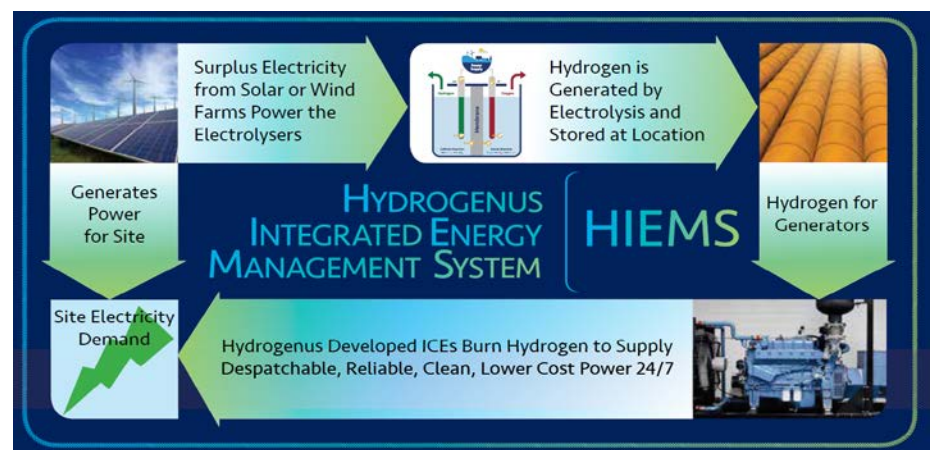
We have engaged with 2 other parties, one that is based in Europe and the other with good North American contacts, that expect to be able to raise equity investment in Hydrogenus energy.

We have been progressing through a process to look more like what each of these fund-raisers believes their base will invest in.

Corporate

Our first audited Annual Report has been distributed to shareholders.

We are holding our AGM on Friday, 22 December, at our workshop in Ringwood, from 10:00am. We will not be able to have a demonstration of our engine at that time as we have returned the load bank and much of the Hydrogen fuel to mitigate costs while our technical team takes a well-deserved break.



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