

NEW ENERGY TECHNOLOGY ACHIEVES EARLY INVESTMENT RETURN AND PROGRESS ON DEALS, CAPITAL, AND COMMERCIALISATION

Summary of Recent Announcements

This document summarises a series of six investor announcements that can be found individually on the NET website, and one that will be released on August 5th.

NET Investment Achievements

- Financial close of acquisition of 9% of Starfire Energy shares for A\$2M in April 2021, Tranche 1 (A\$1.2M) paid, Tranche 2 (A\$0.8M) due on completion of Starfire Series A Milestones.
- Starfire to hit Series A Milestones a full year early by producing 100kg/day of green ammonia, triggering US\$600K Tranche 2 payment from NET due in September 2021 to retain full 9% equity.
- Starfire to launch Series B in Q1 of 2022 at between 2x – 5x valuation, delivering NET a ROI of multiples on its first investment, and within its first year of operations.
- This ROI alone increases the value of NET by A\$2–8M, lifting it from the post-Seed enterprise value of A\$6M up to a range of A\$8–14M.
- Starfire Series B (around US\$30M) investment book already oversubscribed, with Chevron, Mitsubishi, APV, and Osaka Gas committed to follow on, and 19 additional new investors wanting to participate. NET intends to utilise its follow-on rights to maintain 9% ownership.
- This validates NET's approach and demonstrates NET's ability to create value for shareholders.

Deal Achievements

- Terms Sheets with next three exciting green fuel technology investment targets, plus a fourth target in advanced negotiations.
- All four are green hydrogen production technologies – upstream in the green fuel value chain - where NET is currently most focused.
- Three are unlisted European targets in early commercialisation with suppressed valuations, and one is an off-market stock offer in a post-revenue, sector-leading listed company.
- Total of A\$2.5M of new investment opportunities to execute.

NET Commercialisation Achievements

- MoU with Norstar Shipping Pty Ltd (NORSTAR) to collaborate on developing businesses and projects for the emerging global green ammonia commodity market.

- MoU with Western Gas Corporation to jointly investigate the transition of Western Australia's Onslow energy hub from fossil fuels to green fuels at scale.
- MoU with Starfire to exclusively negotiate Australian re-seller agreement over next 12 months.

Capital Achievements

- A\$430K cash in bank.
- Convertible note for A\$200K executed in June, cash pending.
- About to launch A\$4M Series A capital raise to fund Starfire Tranche 2 payment and four new exciting technology investments.
- Ongoing open consultations with NET shareholders have revealed a preference for the agility, efficiency, and flexibility of a private equity pathway rather than listing. Both options are active.
- Discussions underway with family offices and funds to extend NET's access to investment capital up to A\$100M.

New Energy Technology ("NET") is pleased to provide investors with material progress updates on multiple fronts.

Starfire set to deliver NET early ROI, validating NET's ability to create shareholder value

Most exciting is the speedy return on investment delivered by Starfire's outstanding progress. Starfire will meet its Series A milestones a year early – producing 100kg/day of green ammonia - and will move quickly to its Series B capital raise, set for the beginning of 2022. The valuation at Series B will be between 2x and 5x, delivering NET with multiples on its first investment, and within the first year of investment operations. Their Series B will raise around US\$30M to fund the construction and demonstration of the one ton per day unit, plus pilot projects and associated commercials. NET has been offered the option of exiting at Series B to other cornerstone investors at the increased valuation, but instead intends to exercise its follow-on right and maintain its 9% ownership stake.

MoU's demonstrate NET's commercialisation business model

NET has signed a MoU with Western Gas Corporate to jointly study the transition of Western Australia's Onslow Energy Hub from a fossil fuel production and export hub to a green fuel production and export hub. The agreement has an eye to jointly originating a GW scale project together, and the parties are already progressing the study.

A MoU has also been signed with Norstar Shipping who own and operate a global fleet. The agreement is to collaborate on new businesses and projects in the emerging green ammonia commodity market. NET brings upstream project origination and downstream commodity offtake partners, while Norstar brings mid-stream capability, and strong history, credibility, and balance sheet.

A third MoU has been signed with Starfire Energy securing NET's exclusive rights to negotiate a reseller agreement in Australia for Starfire products. Definitive reseller agreement documents are premature given the developing technology and emerging market landscape, and this MoU gives

NET and Starfire the flexibility to set definitive terms over time in alignment with emergent opportunities and constraints.

Capital management validated

NET's capital position is strong, with A\$430K cash in the bank, another A\$200K imminent against a convertible note, a low cash burn rate due to almost the entire team taking no or low salaries, and Series A about to launch. Market sentiment for hydrogen investments has continued to increase strongly, while expertise in the space is still hard to come by, positioning NET as a unique opportunity for investors to get smart access to a complex but very high growth market.

NET's opportunity-focused yet risk-managed capital management philosophy is demonstrated in the selection of Starfire as a first investment, the tranche-ing of payments to Starfire, the value-adding commercialisation activities captured in the three MoU's, and the value-creating terms inside the next four investment deals. These combine to reveal the depth of expertise and capability NET has at its disposal, and demonstrate the sophistication of NET's approach to deploying capital wisely on behalf of shareholders.

NET Enterprise Value Uplift: Shareholder Balance Sheet Returns

The Starfire valuation uplift will add A\$2–8M to the NET balance sheet, alone taking NET's enterprise value from the post-seed A\$6M up to a value of A\$8–14M. That uplift delivers NET shareholders with a significant balance sheet return in the first year. This validates NET's approach and demonstrates NET's ability to create value for shareholders.

NET's view is that this combines with the three commercialisation agreements, the four new technology investment deals selected for execution, the discussions underway to access A\$100M of investment capital, and NET's current capital position, to demonstrate a significant uplift in the enterprise value of NET. This delivers significant uplift to NET's shareholders.

NET's future: Same business plan, Series A now, larger fund being progressed

Ongoing consultations with NET's shareholders have revealed that most believe NET should remain privately owned rather than list on an exchange. In support of this, NET is pursuing conversations with additional potential investors to extend the capital pool to A\$100M. Please contact Rowan if you would like to assist in any way or make introductions.

In the meantime, NET sees the Tranche 2 payment of A\$820K, due to Starfire in September, as a high-value investment, and has lined up four new exciting hydrogen technology investments to execute with combined transaction values of A\$2.5M.

To serve shareholder sentiment and take advantage of the Starfire opportunity and the four new target deals, NET is launching a Series A share offer to the value of A\$4M at 15c/share. Documents will shortly be sent to existing shareholders and those who have already expressed interest in NET.

NET Director, Rowan Logie, said, “A few months ago NET had a brilliant team and an exciting vision. To see the business plan validated in such a short time by early ROI and commercialisation is promising. NET is in the business of creating significant value by expertly deploying shareholder capital into complex technology investments in a rapidly emerging new market. We do this with great carefulness and we hold the hand of each tech company as we lead them through commercialisation. This is to speed up the development and scaling of the green fuel value chain, so we as a world can decarbonise and hit the Paris climate targets. I believe investors who contribute to this effort should be rewarded well financially. We see a lot more opportunity for creating value in this market right now, and would like to give investors the opportunity to participate.”

NET Director, Greg Stace, said, “The excellent uplift on the first investments proves the NET business model of investing in and supporting emerging Hydrogen technology. We look forward to carefully picking more winners and working with all our investee companies to help them grow and succeed.”

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For further information, please contact:

Rowan Logie, Director +61 410 124 779 rlogie@newenergytechnology.com.au

About New Energy Technology

NET is a global team of new energy technology experts that find, select, invest in, commercialise, and exit hydrogen technology ventures across a diversified portfolio. The team has deep capability across energy, renewables, hydrogen, finance, commercialisation, IP, and projects. NET bridges the gap between investors wanting to support decarbonisation and participate in the growth of the hydrogen economy, and the new technology ventures seeking to create value by solving critical value chain bottlenecks. NET invests, on behalf of investors, in high-quality green hydrogen technology ventures and creates additional value by helping to commercialise them before exiting. This provides investors with intelligent, informed, diversified, and value-added exposure to green hydrogen growth.