CoalSwitch®:
THE NATURAL EVOLUTION FOR BIOMASS

Active Energy – Annual General Meeting Presentation

11th July 2023
IMPORTANT NOTE

The information contained in this document (the "presentation") and the presentation made to you verbally has been prepared by Active Energy Group plc (the "Company"). The Company is a UK company quoted on AIM, a market operated by London Stock Exchange plc. This Presentation has not been fully verified and is subject to material updating, revision and further verification and amendment without notice. This Presentation has not been approved by an authorized person in accordance with Section 21 of the Financial Services and Markets Act 2000 (as amended) (“FSMA”) and therefore it is being provided for information purposes only.

While the information contained herein has been prepared in good faith, neither the Company nor any of its directors, officers, agents, employees or advisers give, have given or have authority to give, any representations or warranties (express or implied) as to, or in relation to, the accuracy, reliability or completeness of the information in this Presentation, or any revision thereof, or of any other written or oral information made or to be made available to any interested party or its advisers (all such information being referred to as “Information”) and liability therefore is expressly disclaimed. Accordingly, neither the Company nor any of its directors, officers, agents, employees or advisers take any responsibility for, or will accept any liability whether direct or indirect, express or implied, contractual, tortious, statutory or otherwise, in respect of, the accuracy or completeness of the Information or for any of the opinions contained herein or for any errors, omissions or misstatements or for any loss, howsoever arising, from the use of this Presentation.

The views of the Company’s management/directors and/or its partners set out in this document could ultimately prove to be incorrect. No warranty, express or implied, is given by the presentation of these figures herein and investors should place no reliance on the Company’s estimates cited in this document.

This Presentation may contain “forward-looking statements” that involve substantial risks and uncertainties, and actual results and developments may differ materially from those expressed or implied by these statements. These forward-looking statements are statements regarding the Company's intentions, beliefs or current expectations concerning, among other things, the Company's results of operations, performance, financial condition, prospects, growth, strategies and the industry in which the Company operates. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. These forward-looking statements are not guarantees of future performance of the Company and reflect assumptions and subjective judgements by the Company that are difficult to predict, qualify and/or quantify. These forward-looking statements speak only as of the date of this Presentation and the Company does not undertake any obligation to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date of this Presentation.

This Presentation should not be considered as the giving of investment advice by the Company or any of its directors, officers, agents, employees or advisers. In particular, this Presentation does not constitute or form part of any offer or invitation to subscribe for or purchase any securities and neither this Presentation nor anything contained herein shall form the basis of any contract or commitment whatsoever. No reliance may be placed for any purpose whatsoever on the information or opinions contained in these slides or the Presentation or on the completeness, accuracy or fairness thereof. In particular, any estimates or projections or opinions contained herein necessarily involve significant elements of subjective judgment, analysis and assumptions and each recipient should satisfy itself in relation to such matters.

The distribution of this document in or to persons subject to jurisdictions outside the UK may be restricted by law and persons into whose possession this document comes should inform themselves about, and observe, any such restrictions. Any failure to comply with these restrictions may constitute a violation of the laws of the relevant jurisdiction.

Image Disclaimer. All images used are for illustrative purposes only and have either been sourced through the Company’s image library or other sources.

Allenby Capital Limited (“Allenby Capital”), which is authorized and regulated by the Financial Conduct Authority, is acting as the nominated adviser and broker to the Company. Accordingly, the recipients should note that Allenby Capital is neither advising nor treating as a client any other person and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Allenby Capital and nor for providing advice in relation to the matters contained in this Presentation.
2022
• AEG commences strategic plan to differentiate from existing competition
• AEG focuses on Sales and Marketing
• AEG partners with PDI to create technology for first production volumes

2023
• Ashland Reference Plant - Permit / Construction
• Full CoalSwitch® fuel deliveries
• Developing production technologies for CoalSwitch®

2024
• Expand U.S. Operations and Joint Ventures
• Execute CoalSwitch® tertiary revenue streams
• Evolve CoalSwitch® pyrolysis methodologies & secure I.P.
## Financial & Strategic Activities of last 18 months

### CoalSwitch®
- Certificates
- Patents & Trademarks
- Worldwide Test Analysis
- Carbon Credit Analysis

### Ashland Reference Plant
- Re-engineering / design
- Permit Approvals
- Construction

### Active Energy Group
- Sales & Marketing
- First indicative orders

### New Team:
- Appointment of Brian Aug as Head of US Sales
- Appointment of Michelle Fagan as Interim CFO
- Appointment of Steve Schaar as COO
- Appointment of Barron Hewetson as CTO
Permit received by PDI – May 2023.
Construction underway / Key components arriving on site.

PDI confirms first production volumes scheduled for Q3 2023
Providing a superior coal replacement targeted for speciality commercial use through domestic and international partnerships

- Establish **CoalSwitch®** as the international standard for ‘black pellets’
- Actively in discussions on joint venture production opportunities
- Continue to develop customer-driven tailored technologies through evolution of the **CoalSwitch®** product and production process
About CoalSwitch®

- Fuel
- Economic Opportunity
- Product Opportunity
• **It is a better pellet**
  - Higher heating value than current white pellet production
  - Proven hydrophobic qualities
  - Handles and burns like coal, but with 90% fewer net emissions

• **Exclusive use of low value waste feedstock**
  - Beneficial re-use of waste reduces net lifecycle emissions of finished fuels
  - **CoalSwitch**® pellet fuel meets established sustainability standards
  - Identified multiple waste resources for flexibility & scale

• **Extensive Testing Program shows consistent burn test results**
  - **CoalSwitch**® has been tested for its proprietary qualities as a biomass fuel and for its co-firing performance with coal.
  - Prospective customers own testing confirms reduced emissions levels.

**The first premium pellet that can be blended with coal**
Testing proves **CoalSwitch®** compatibility with existing equipment

**Test Parameters**
- Testing performed at a test furnace designed to mimic a utility scale pulverized coal boiler
- Successfully tested with bituminous coal at 5 different blend ratios
- No measured mill or boiler modifications necessary
- No issues with flame stability during combustion

**Test Results**
Reduction in ash deposits the greater the ratio of **CoalSwitch®** used:
- Less heat transfer resistance = greater efficiency
- Less restriction of the flow of flue gas
- Less removal of ash = reduced operating cost and process downtime
- Less slagging and fouling = less damage to furnace boiler tubes
The Revenue Potential of **CoalSwitch® Production**

**CoalSwitch® 1.0**: Indicative production process

- **Reactor vessel operations**
  - Pre-washing
  - Wet Oxidation
  - Weak Hydrolysis
  - Steam Explosion
  - Hemicellulose and Salts Salvation
  - Mechanical Dewatering
  - Final Drying

- **Active Energy Revenue Opportunities:***

  - By-product revenues from pre-washing
  - CoalSwitch® revenues
  - By-product revenues from post-washing

- **ADDITIONAL SUSTAINABLE REVENUES**

  - Carbon Credits from production
  - Renewable energy credits
  - RGGIs
CoalSwitch® = eligibility for carbon credits and other programs

Compliance programs

- Renewable Portfolio Standard (RPS) Programs
- Compliance Carbon Programs
- Voluntary Carbon Programs
- Voluntary REC Programs

US States with active RPS programs and targets

- Utilities and power providers that substitute CoalSwitch® for coal can both meet requirements for emissions reduction AND qualify for Renewable Energy Credits.
- Hard to decarbonize industries that substitute CoalSwitch® for coal can reduce emissions to meet requirements as well as reduce spending on costly offset credits on markets like the VCM or RGGI.
- CoalSwitch® can turn a pure cost (feedstock) into either a cost-neutral or profitable proposition while also achieving a customer’s ESG corporate goals.

Eligibility for Credit Programs – Important Components

Source: Berkeley Lab, Karbone
The future of the technology - an industry perspective

Greater ability to tailor products to customer needs

Transforming wood toward higher value fixed carbon products
Future Active Energy Technologies

Active Energy Revenue Technologies:
- Develop additional technologies
- License tailored and proven systems

+ Develop the technology
- Focus on thermochemical transformation technologies
- Develop the production process

+ Create complementary post-treatment technology
- Recycle and develop in-process consumption technologies for wasted side-stream products
• **Technology Opportunity.** Addition of COO and CTO accelerates need to further innovate and improve core technology to produce more fuel, more efficiently and more sustainably.

• **Leverage Inflation Reduction Act.** Change of regulations by U.S. government has created significant funding or grant opportunities.

• **Worldwide Product Opportunity.** Churn within white pellet space leading to increased interest in black pellet. We must develop market share fast to establish CoalSwitch® as a market standard.

• **Corporate Opportunity.** Active Energy’s rising profile leading to increasing opportunities for joint venture acquisitions or other collaborations. We must be in a position to take advantage.