

## FuelPositive Corporation (NHHH: TSX)

Canada

A Green Energy Solutions Company

<https://fuelpositive.com/>

Valuation Report | Equity Research

March 23, 2023

**FuelPositive Corporation** is a Canada-based company engaged in providing commercially viable and sustainable cradle-to-cradle clean energy solutions, including carbon-free ammonia (NH<sub>3</sub>), for use across a broad spectrum of industries and applications. The Company's lead product is a containerized, green ammonia production system that decarbonizes and decentralizes ammonia production, providing end users with energy and supply chain independence. The FuelPositive system will revolutionize clean energy through a patent-pending, first-of-its-kind technology invented in Canada. The Company's green ammonia system takes air, water, and sustainable electricity and synthesizes it into pure, anhydrous ammonia for multiple applications, including fertilizer for farming, fuel for grain drying and internal combustion engines, and a solution for grid storage. Its systems are designed to provide for green ammonia production on-site and eliminate wildly fluctuating supply chains and offer end-user energy and supply security. The Company is also focused on the acquisition of other sustainable energy storage and fuel technologies through licensing and/or purchase of qualifying assets. The Company owns the rights to certain proprietary hydrogen and ammonia technologies.

### Key Highlights:

- The world's first onsite, containerized Green Ammonia production system
- Approximately ~200 million tons of traditional, grey ammonia are produced yearly around the world with an annual market value of about \$70 billion (US) and CAGR of about 5% per year.
- Cost is approximately CA\$560 per metric tonne compared to the current average cost of CA\$900 per metric tonne of grey ammonia.
- Huge potential in the clean energy, sustainability, and global food security space.
- Exploring new, complementary technologies and Developing partnerships.

**Financial Strength:** FuelPositive closed CA\$12-million in financing throughout 2021, all of which was fully subscribed with U.S. institutional investors it has also received CA\$300,000 through the Canadian Agricultural Partnership. The result is a strong balance sheet, which has funded their first three containerized Green Ammonia production systems. FuelPositive will generate significant revenue from the sale of carbon credits. As well, pre-sales will bring in some revenue in the form of deposits and ultimately, completed sales.

**Management has a Long History of Research, Business Development, and Financial Strength,** The Company is led by an excellent management team with a proven track record of discovery and value creation. FuelPositive is headed by Mr. Ian Clifford in his capacity as Board Chair and Chief Executive Officer. Ian has 25 years of experience in the fields of technology and marketing and has successfully led the company to global brand recognition through its unique energy solutions. Ian has raised more than \$80 million in equity financing for the company. Mr. James is definitely an asset to the company. Joining him is Mr. Nelson Leite, the Chief Operating Officer and Board Member of FuelPositive. Mr. Nelson has over 30 years of experience in the high-tech automation and robotics industries.

**FuelPositive** has the technology, the team, and the model to drive the share price considerably higher economically and efficiently, in the short term. The Company is committed to an accelerated growth strategy and is backed by a team of experienced business experts and a strong financial position. The Company is poised for rapid expansion through quick response to new opportunities and changes in the market. The main objective of FuelPositive is to build shareholder value by evaluating and acquiring groundbreaking technologies. It is said to offer an investor with a five-year time horizon an advantageous risk-reward profile characterized by a multi-bagger potential of capital appreciation at moderate risk. We are initiating valuation coverage on FuelPositive (NHHH) and expect the company's market capitalization to reach Canadian Dollar (C\$) 160 million, with a corresponding target stock price of C\$0.45 over an 18 to 24-month horizon.

### Share price:



### Stock information

Sector/Country	Energy Canada
Fair value (CAD\$)	
Share price close(24 March'23)	0.114\$
Market cap (\$ mln)	39.06m
Target Market Cap CAD(\$mln)	160m
52-week range	0.105 - 0.230
Dividend yield (%)	

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