

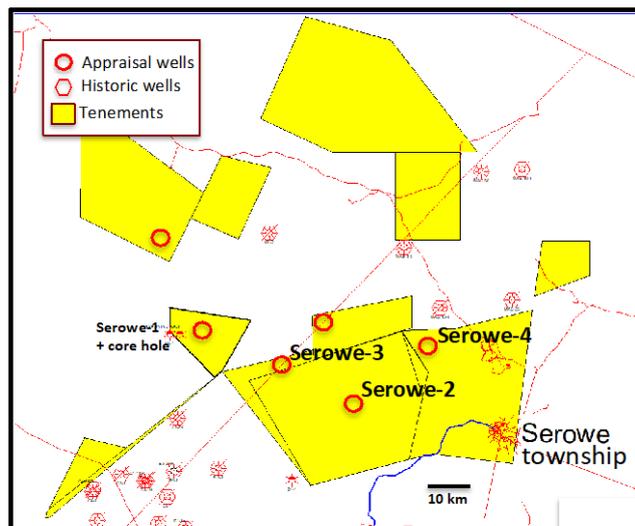


Pure to take 19.99% of Botsgas

- Pure Hydrogen will swap 21% of its share in the Serowe Gas Project for a 19.99% post IPO interest in BotsGas Pty Ltd (“BotsGas”) (to be renamed Botala Energy Ltd)
- BotsGas intends to list on ASX raising \$7 million in new funds
- Pure Hydrogen will retain a 30% stake in Serowe Gas Project which will be free carried until December 2023;
- Currently Serowe 3 is being drilled targeting the prospective high-grade CBM gas resources of 2.38 TCF^{1,3,4}
- Pure Hydrogen and Botsgas to establish the Serowe Hydrogen Hub which will be a 50/50 Joint Venture focused on developing a hydrogen project within Botswana

Sydney: 15 July 2021, Australian East Coast Clean Energy Company, Pure Hydrogen Corporation Limited (ASX: PH2 or ‘Pure Hydrogen’) is pleased to report that BotsGas, its JV partner on the Botswana Coalbed Methane (CBM) Serowe project, have agreed terms whereby Pure Hydrogen secures a 19.99% post-IPO stake in BotsGas. BotsGas is planning an Initial Public Offering (IPO) to list on ASX this calendar year.

The Serowe CBM Project is located in central southern Africa



Six (6) well Appraisal Program designed to Prove Multi TCF Resource
First three locations are labeled Serowe-2, 3 & 4



Under the Term Sheet, Pure Hydrogen will exchange a 21% interest in the Serowe Gas Project for its 19.99% stake of BotsGas on a post IPO valuation basis. Pure Hydrogen will be free carried on its remaining interest of 30% in the Serowe Gas Project until 31 December 2023 up to \$6.1 million. Pure Hydrogen's 19.99% stake in BotsGas is likely be around 28,025,616 ordinary shares. In addition, it is expected that Pure Hydrogen will receive approximately 4,313,981 options in BotsGas. A priority offer of BotsGas shares will also be made to shareholders of Pure Hydrogen.

The Term Sheet is subject to customary Condition Precedents including BotsGas completing its IPO and raising a minimum of \$7 Million and both parties signing off on necessary agreements to give effect to this transaction.

Serowe 3 coalbed methane (CBM) well is currently being drilled with a target depth of 500 metres on the Serowe Project in Botswana. It is the second well of a six well appraisal drilling campaign. The Serowe Project could provide significant energy to Botswana, which is looking to become an energy independent country and therefore greatly supports the JV activities.

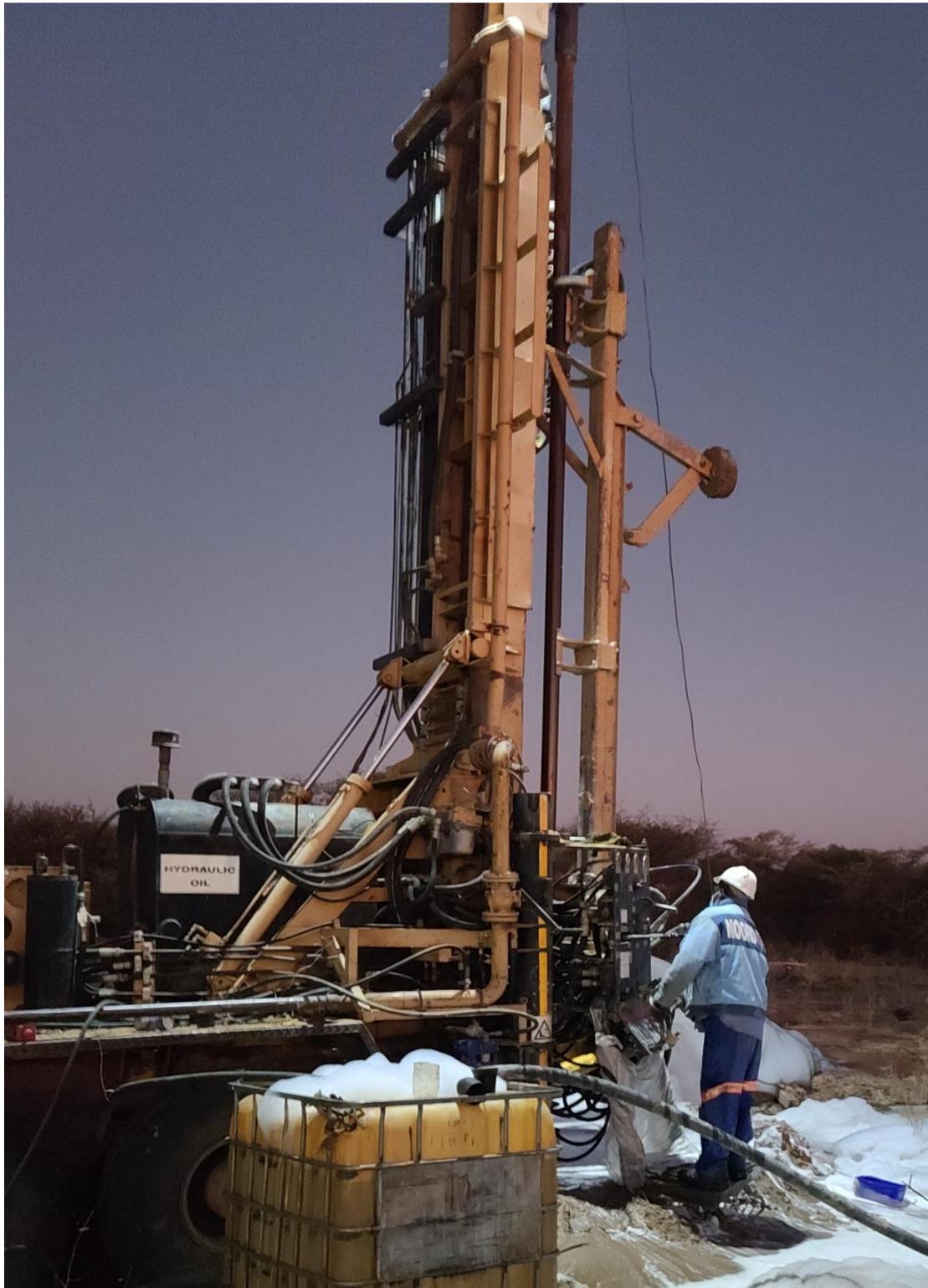
Serowe Hydrogen Hub- the formation of a 50/50 Hydrogen Joint Venture focused on Botswana

Pure Hydrogen and BotsGas are also pleased to confirm that they have executed a Term Sheet to establish the Serowe Hydrogen Hub renewable energy business targeting 50MW power generation. Hydrogen and solar projects and other green energy projects are being considered with the JV drawing on Pure Hydrogen's established partnerships and operations in the Australian hydrogen sector. The Hydrogen hub contemplated for Botswana is expected to be one of the largest in Africa. Pure Hydrogen will provide Hydrogen support for the Project which will be eligible for several financing programs that apply in country.

The market for green energy in Botswana has been strengthened after developing a renewable energy strategy alongside the World Bank. The strategy will allow the country to become energy independent from neighbouring South Africa. The country plans to add renewable energy and natural gas power generation to its portfolio through independent power producer (IPP) projects, projects which had previously not been able to operate due to regulatory framework challenges⁵.

Managing Director Scott Brown commented: *"This is good transaction for Pure Hydrogen as we secure a cornerstone stake in what will be a well-capitalised ASX-listed company dedicated to its operations in Botswana, we retain a significant free-carried portion of the large prospective Serowe project, and the transaction enables us to expand our hydrogen operations into Africa where there is considerable government support. Prior to BotsGas's IPO, we expect to report on a steady stream of updates as our renewables JV in Botswana advances as well as ongoing progress with the drilling at Serowe which is progressing to plan. Further updates on our Australian hydrogen operations are also pending."*





Drilling in Botswana = Serowe 3

This announcement is authorised by the Managing Director

1. See Strata X Energy Announcement dated 14 May 2019 – 83% increase in Prospective Gas Resource in the Serowe CSG Project. The Announcement disclosed 6.08Tcf Prospective Resource (best estimate)





net to the Company and 2.38Tcf Prospective Resource (best estimate) net to the Company within the Company's interpreted high-grade area, an increase of 40%.

2. 'Pure defines high grade CBM as coals of sufficient thickness and ideal CBM depths with high gas saturations'
3. ASX disclosure note - 5.28.2 – Prospective Resources - The estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.
4. **SEROWE CSG PROJECT** *Prospective and Contingent Resources figures are from an audit report prepared by Timothy Hower Senior Technical Advisor of MHA Petroleum Consultants, a qualified independent reserves auditor, dated and effective 10 May 2019 following MHA's audit in accordance with the COGE Handbook of the available technical data including the geological interpretation, information from relevant nearby wells, Company drilled wells, analogous reservoirs and the proposed program for the Project, prepared and presented to MHA by Strata-X. Tim Hower is a member of the Society of Petroleum Engineers and has consented to the resources estimates in the context they appear. Stated Prospective and Contingent Resources are based on, and fairly represents, information and supporting documentation prepared and/or audited by, or under the supervision of Timothy Hower. Prospective Resources are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from undiscovered accumulations by application of future development project. Prospective Resources have both an associated chance of discovery and a chance of development. A high level of uncertainty exists with the Prospective resources given the lack of historical drilling, available data and other productivity factors that limit the economic viability of coal seam gas deposits. The reports Prospective and Contingent Resources are over Prospecting Licenses Pure Hydrogen (Strata-X) holds for methane production in the Republic of Botswana. Actual sales from the Prospecting License cannot begin until converted by Pure Hydrogen (Strata-X) election and environmental filings to the Republic of Botswana. Stated Prospective Resource figures are Best Estimate estimated using deterministic method – unrisked, undiscovered natural gas quantities and net of a royalty and are shown at a 100% working interest in the Project and are derived from coal characterization data from the 19B-1 well comprised of 10 net metre of coal, gas saturation yields of 120 cubic feet per ton, coal density of 1.7g/cm and using a 75% recovery factor. Stated Contingent Resource figures are Best Estimate – natural gas quantities and net of a royalty and are shown at a 100% working interest in the Project and are derived from coal characterization data from the 19B-1 well comprised of 10 net metre of coal, gas saturation yields of 120 cubic feet per ton, coal density of 1.7g/cm and using a 75% recovery factor. Contingent Resources stated are estimated using low, best and high analytical inputs, using deterministic method. Contingent Resources were extrapolated over an area of 15km² using the coal characterization of the 19B-1 well which area assumes consistent coal characterization as seen in the 19B-1 well over this area. Contingent Resources stated are prevented from being reserves until sufficient production tests are carried out and to date these tests have not been carried out. The total costs associated with establishing the commerciality of this project are unknown.*

For further information, please contact:

Pure Hydrogen: Managing Director - Scott Brown +61 2 9955 4008

Released through: Ben Jarvis, Six Degrees Investor Relations, +61 (0) 413 150 448

Or visit the website www.purehydrogen.com.au



About Pure Hydrogen Corporation Limited

Pure Hydrogen is an Australian east coast focused Clean Energy Company with Hydrogen and Gas businesses. The Company has 5 Hydrogen projects under development and 3 gas projects, Windorah Gas Project in the Cooper Basin, Australia's most prolific onshore producing petroleum basin, Project Venus CSG in the Surat Basin in Queensland and the Serowe Project CSG in Botswana.

For further details www.purehydrogen.com.au

