



Pure Hydrogen

ASX Announcement

Venus-1 Pilot Well Test Confirms Encouraging Gas Flows

- **Project Venus flow test confirmed early gas breakout ¹ with high gas saturations of the upper Juandah Walloon target coals**
- **Project Venus has Contingent Gas Resources 2C of 130PJ and Prospective Gas Resources of 536PJ²**
- **Commercial discussions progressing well with Potential Hydrogen Customers**
- **Gas from Venus to be converted to Hydrogen under Project Saturn**
- **Appoints experienced energy executive Andrew Thompson as Hydrogen Production Manager**



Gas flare at Venus 1 Pilot well during pressure drawdown



Sydney: 16 September 2021, Australian East Coast Clean Energy Company, Pure Hydrogen Corporation Limited (ASX: PH2 or 'Pure Hydrogen') is pleased to confirm the initial gas flow testing of its Venus 1 Pilot well ('Venus 1') located on Project Venus in central Queensland, has now been completed with very encouraging results thus far.

The well is now shut in and Pure Hydrogen's technical team and third party consultants will now engage with the Queensland Government to secure the relevant approvals to carry out the proposed stimulation of the target coals to prove commercial gas flow rates.

Project Venus contains high-quality Coal Seam Gas ('CSG') with very prospective acreage covering 154km² which is within the main Walloon CSG Fairway and close to gas infrastructure. The maiden Venus 1 pilot well was drilled late last year and completed for an initial flow test starting in late May 2021.

The initial Venus pilot well test successfully proved gas breakout after 50 barrels of water production with continued gas pressure that was built up and bleed off over the 3-month test period. The early gas breakout confirmed the interpreted high gas saturations of the target upper Walloon coals seams. The analysis of the flow test data and modelling indicates a more aggressive stimulation method needs to be applied to the target coals for commercial gas flow rates to be achieved - thereby allowing the conversion of Contingent Resources to Reserves.

Hydrogen Initiatives Update

Pure Hydrogen has been in discussions with a range of large industrial users for back to base operations that are considering using Hydrogen Trucks. Pure Hydrogen has been working closely with well known truck and bus producers and is building a Hydrogen eco system that can provide hydrogen solutions including trucks, buses and work vehicles together with the hydrogen to drive these vehicles. We expect to be announce soon offtake and supply arrangements together some additional partners to assist our solutions.

In additional, Pure Hydrogen is now assessing the possibility of converting Venus 1's gas to a hydrogen source. Work is commencing on the project and a fuller update is pending. To lead this strategy, the Company has appointed Mr Andrew Thompson as Pure Hydrogen's Hydrogen Production Manager and he will lead the team to deliver the Project.

Mr Andrew Thompson is well qualified to lead PH2's Hydrogen production having 30 years' experience including Senior engineering positions with Arrow Energy Limited and Santos Limited and has both a Master and Bachelor Degree in Engineering from Queensland University of Technology.

Managing Director Scott Brown commented: *"Pure Hydrogen is pleased with the progress on Venus 1 and the results reported today are highly encouraging. We can see a clear pathway to commercial gas flows and the certification of material gas reserves of Project Venus. Gas prices on the east coast have risen significantly in the last few months, and when coupled with the quality of the Venus project and its potential to be feedstock to create hydrogen fuel, we have multiple catalysts to advance this*





project to its next stage of development.

“Today, we are pleased to welcome Mr Andrew Thompson to our Team as we continue to strengthen it. We are making good progress with opportunities in Hydrogen in Australia with a number of exciting initiatives afoot. As well, the exploration program in Botswana is tracking to plan and more news is pending and we will continue to update shareholders on progress as the program unfolds.”

Project Venus Contingent Resources

As announced in May 2021, Contingent Resources for Project Venus were prepared in accordance with the 2018 Petroleum Resource Management System (PRMS) and are reported as follows:


1C 87.7 PJ
2C 130.3 PJ
3C 157.9 PJ

The independent certification of the Contingent Gas Resources was completed by Sproule Inc (further details are outlined in the other disclosures required under ASX rules). This resource upgrade is a portion of the 694 PJ of Prospective Resources in Project Venus with the balance of 536 PJ remaining as Prospective Resources. Continued successful drilling, simulation and testing will be required to upgrade the remaining Prospective Resources.

This announcement is authorised by the Managing Director.

Other disclosures under ASX Listing Rules

1. LR 5.25.1 – The Contingent Gas Resources are reported as at 30 April 2021
2. LR 5.25.2 – The petroleum resources are Contingent Resources in accordance with SPE-PRMS.
3. LR5.25.3 – There are currently no reserves in the permit. Estimates are for Contingent Resources - these have not been adjusted for development risk
4. LR 5.25.5 – The Contingent Resources are reported as 100%. Pure share is 100% working interest before government royalty.
5. LR 5.25.6 – The Contingent Resources volumes were obtained by calculating the potentially recoverable portion of the gas-in-place using the overall prospect area, the mapped net coal thickness, raw gas content and coal density, as well as a range of estimates of the gas recovery factor of the coals. The review was carried out in accordance with the standards in the Canadian Oil and Gas Evaluation Handbook as amended from time to time, maintained by the Society of Petroleum Evaluation Engineers.
6. LR 5.28.1 – The Contingent Resources estimate is based on best estimate and low and high estimates.
7. LR 5.28.2 - Cautionary Statement: The estimated quantities of petroleum that may be potentially recovered by the application of a future development project related to technology under development. These estimates have both an associated risk of technology under development and a risk of development. Further appraisal and evaluation are required to determine the existence of a significant quantity of potentially movable hydrocarbons. Contingent Resource assessments in this release were estimated using probabilistic methods in accordance with SPE-PRMS standards.
8. LR 5.35.1 – The Contingent Resources are reported for the area ATP2051 in the State of Queensland.
9. LR 5.35.2 – The existence of a significant moveable hydrocarbons are determined by the results of recently drilled Venus-1 by Pure and previous petroleum wells in and around the permit area and review of seismic data.
10. LR 5.35.3 – The changes of the Contingent Resources being converted to a higher PRMS designation (i.e to reserves) is high and there is a high degree of confidence however there are the usual risks associated with a gas resource of this type- see Cautionary Statement above.
11. LR 5.35.4 – NA
12. LR 5.41 - The Contingent Gas Resources are prepared by Sproule, a leading independent petroleum engineering and certification firm based in Calgary, Canada with offices in Denver, Colorado which has experience working in most of the significant petroleum provinces throughout the world. Sproule has completed reserve and resource



assessments for a number of clients in Australia and internationally including Adelaide Energy, Arrow Energy, Bow Energy, ConocoPhillips, CS Energy, Eastern Star Gas, Metgasco Ltd, Molopo Energy Australia, Pure Energy, Santos Ltd, Senex, Sunbird Energy and Sunshine Gas and Mr Tim L. Hower is the Senior Technical Advisor responsible for the estimates.

13. LR 5.42 - The information contained in this release pertaining the area ATP2051 Contingent Resources estimates are based on, and fairly represent, information prepared under the supervision of Mr Tim L Hower, Senior Technical Advisor of Sproule Inc. Mr Mr Tim L. Hower is a qualified petroleum reserves and resources evaluator within the meaning of the ASX Listing Rules and consents to the inclusion in this release of the prospective resources estimates related information in the form and context in which that information is presented.

For further information, please contact:

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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