



Pure Hydrogen to receive R&D tax incentive of ~\$5.9M

- Pure Hydrogen has settled a dispute to repay R & D tax incentive refunds with the Department of Industry and Science (ISA) and the Australia Taxation Office (ATO)
- The matter was taken to the Administrative Appeals Tribunal over 3 years ago and now the parties have consented to orders whereby Real Energy's R&D tax incentive claims for the financial years ended 30 June 2014, 2015, 2016, 2017, 2018 and 2019 have been upheld and the adverse finding of ISA have been set aside
- Real Energy is no longer required to repay any R&D tax incentive refunds and there is no income tax liability for past years
- Accordingly Pure Hydrogen will have turnaround of approximately \$13.1M – it will no longer liable for a claim from the ATO of \$7.2M to repay R & D tax incentive refunds and instead be entitled to a refund estimated at \$5.9M

Sydney, 23 June 2022: Australian clean energy Company Pure Hydrogen Corporation Limited (ASX: PH2 or 'Pure Hydrogen') is pleased to advise that it has received a orders from the Administrative Appeals Tribunal (AAT) dated 20 June 2022 that has the effect of restating the R&D tax registration for Real Energy Corporation Pty Ltd (Real Energy), (a 100% owned subsidiary of Pure Hydrogen), for the financial years ending years ended 30 June 2014, 2015, 2016, 2017, 2018 and 2019 and setting aside previous adverse findings of ISA in relation to the eligibility of R & D tax incentive for these years.

The Company has been advised by KPMG in respect to its R&D tax incentive claims and the Company always believed that it fully complied with the Industry Research and Development Act (IRDA) 1986 and was confident in the eligibility of the R&D activities of the Windorah Gas Project located in the Cooper Basin, Queensland.

Background

Real Energy had been paid about \$7.2 Million for the R&D Tax incentive claims for the three years ended 30 June 2016 and in 2019 it received an adverse finding from ISA relating to these years and the ATO requested the Company repay the funds received. The Company appealed the decision to the AAT and since that time merged with Strata-X to form Pure Hydrogen. The matter has taken over 3 years to resolve. In that time there is additional 3 years' worth of R&D tax incentive claims Pure Hydrogen will now be able to receive following the AAT decision.



Managing Director of Pure Hydrogen Scott Brown said: *“This is a huge win for Pure Hydrogen. We were always confident that we have complied with all the requirements to successfully claim the R&D tax incentive.”*

“The decision of ISA to deny what was then Real Energy’s eligibility of the R&D tax incentive did adversely affect the share price of Real Energy and its ability to raise capital. While we are disappointed that it took this long, Pure Hydrogen is now pleased to bring the matter to a close and as a result we will receive ~\$5.9M which significantly strengthens our balance sheet and our ability to fund current opportunities.”

This announcement is authorised by the Managing Director

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About Pure Hydrogen Corporation Limited

Pure Hydrogen is a focused Clean Energy Company with Hydrogen, Gas and mobility businesses including a strategic interest in H2X Global Limited. 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

