Pure Hydrogen executes JV funding agreement with CAC-H2 for the Moreton Bay Hydrogen Hub

- Pure Hydrogen and CAC-H2 have executed a Convertible Note Funding agreement to develop an Emerald biomass-to-hydrogen plant at Moreton Bay, QLD.
- Pure Hydrogen intends to expedite Moreton Bay’s development to secure hydrogen offtake as a clean fuel for customers in SE Queensland from 2024; development approvals advancing.
- CAC-H2 is building waste-to-energy facilities with similar operations in other markets
- Pure Hydrogen will have hydrogen offtake agreement from the facility to supply markets across south-east Queensland as part of our strategy to expedite hydrogen hub strategy for Australian and overseas markets.
- Pure Hydrogen is planning sites in Queensland and other Australian states to expand its hub and spoke hydrogen supply networks.

Sydney, 8 February 2023: Australian Clean Energy Company Pure Hydrogen Corporation Limited (ASX: PH2 or ‘Pure Hydrogen’) is pleased to announce the execution of a Convertible Note Purchase Agreement with CAC-H2 to partly fund the construction of a hydrogen plant at Moreton Bay, QLD during 2023.

Pure Hydrogen intends to expedite the plant development to secure hydrogen offtake for supply to customers in south-east Queensland during 2024.

As announced previously, the plant will deploy technology which produces hydrogen from conversion of woody biomass that would otherwise be burnt or dumped in a landfill. Moreton Bay represents the initial facility in a proposed network of hydrogen energy hubs to be developed by Pure and CAC-H2 across Australia’s east coast (refer ASX Announcement 9 November 2021 and 10 October 2022) with further sites also under consideration.

CAC-H2 and its technology partner ‘Renewables Plus’ have developed and tested a similar system and have successfully converted woody biomass to hydrogen. The success of its technology was a key catalyst for Pure Hydrogen forming this joint development agreement and providing this initial funding.

Under the terms of the agreement, Pure will initially fund 25% of the construction of the Biomass Waste to Hydrogen Plant (“Moreton Bay”) at a cost of ~A$3.2m, with an option to fund a further 25% of the Project at its absolute discretion (50% total) Key terms of the Convertible Note include:
Notes to be issued in line with EPC funding requirements for an initial amount of ~A$3.2m (25%) with an option for a further ~A$3.2m;
Interest will be payable on the notes at 12% per annum;
Principal and interest will accrue until the loan is either paid out or converted to shares.

The funds will be provided in tranches over the next 12 months and each note issued under the Convertible Loan Agreement will be secured by way of a General Security Deed and will secure the obligations of the Company for the payment of loan principal and interest and for the performance of all other obligations of the Company with respect to the notes. The notes will rank above all other present and future unsecured and unsubordinated debt of the Company and all Shares and other equity securities on the issue in the Company.

Pure Hydrogen Managing Director Scott Brown said: “This funding agreement marks an important step forward for the Moreton Bay Hydrogen Hub and has been executed within the timeline that was previously set out between the parties. Pure Hydrogen looks forward to providing more updates over the course of 2023 with respect to its Hydrogen Hub development strategy, as it establishes a first-mover advantage in the production and distribution of hydrogen in the Asia-Pacific region.

With this funding, Pure Hydrogen is seeding what is likely to be the first of many plants located on the East Coast of Australia. We are creating a template that can be easily replicated across multiple sites and this will become evident as the year unfolds.”

Subject to Approvals, it is intended that Moreton Bay’s construction will start later in the year and the plant will be operational and revenue-generating in 2024.

For further information, please contact:

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This announcement has been authorised by the Managing Director of Pure Hydrogen Mr. Scott Brown.

About Pure Hydrogen Corporation Limited
Pure Hydrogen is a clean energy-focused company seeking to become the leader in the development of Hydrogen and Energy Projects through the use of cutting-edge technology processes. It plans to supply hydrogen fuel to both Australian customers and regional Asia Pacific markets, through the production of Green, Emerald, and Turquoise Hydrogen. Concurrently, the Company is developing natural gas projects directly in Australia and Botswana and through a strategic investment it holds in a Botswana-focused energy company listed on the Australian Securities Exchange.

Strategically, Pure Hydrogen will also prioritise incubation for early-stage companies or projects within the clean energy sector, with the aim of realising profits from those investments.

For further details www.purehydrogen.com.au
About CAC-H2 Pte Ltd
CAC-H2 Pte. Ltd. is a Singapore headquartered company that has compiled an advanced team who leads in the gasification & clean energy sector primarily in Carbon removal, Renewable fuel, and Green Hydrogen production. The Group now has multiple projects in Australia and Asia for hydrogen production and green ammonia hubs for export.

For further details https://www.cac-h2.com/