



Sale of 30% interest in Botswana Serowe CBM project

- Pure Hydrogen has entered into a binding agreement to sell its 30% interest in the Serowe CBM project in Botswana to the project's operator and 70% owner, Botala Energy Ltd (ASX: BTE)
- Botala Energy will issue Pure Hydrogen 14.5 million fully paid ordinary shares to Pure plus a milestone payment of \$750,000 in exchange for its 30% share of the project over 2 tranches
- Pure already holds 16.5% of Botala and this transaction will take its holding to 23.2% of Botala subject to shareholder approval; Pure remains a very supportive and committed shareholder in Botala
- Transaction removes the requirement for Pure to invest in Serowe's ongoing development at the asset level with upside to be realised from its increased shareholding in Botala
- Pure Hydrogen and Botala will continue to advance its 50:50 Joint Venture Botswana H2, a renewable energy business targeting 50MW power generation from hydrogen, solar and other green energy projects being pursued
- Pure will bring its hydrogen -focused technologies and partnerships to develop hydrogen production and refuelling hubs, and the supply of commercial vehicles and hydrogen-powered generators

Sydney, 4 April 2024: Australian clean energy company Pure Hydrogen Corporation Limited (ASX: PH2 or 'Pure Hydrogen') is pleased to announce that it has entered into a binding agreement to sell its 30% interest in the advanced Serowe CBM project in Botswana to 70% owner and project operator Botala Energy Limited (ASX: BTE) in exchange for 14.5 million fully paid ordinary shares being issued to Pure Hydrogen over 2 tranches. In addition, there will be a milestone payment of \$750,000 if the project independently certified gas reserves greater than 50Pj of 2P.

The shares to be issued will be subject to an escrow period until the end of 2024 calendar year and will take Pure Hydrogen's shareholding in BTE to approximately 23.2%

The merits of the transaction are highlighted above and allow Pure Hydrogen to simplify our activities and focus on expanding its hydrogen and Hdrive operations and potentially provide an entry into Africa through the renewed 50:50 Joint Venture it has formed with Botala, Botswana H2. The key points include:

- **Sale of Pure Hydrogen's 30% Interest in Serowe CBM Project:** simplify Pure Hydrogen's activities and allowing Botala to gain 100% of the Serowe Project.
- **Strategic MOU with Botala :** MOU with BTE solidifies the collaborative efforts to investigate and develop hydrogen projects, leveraging the Serowe Project for hydrogen production and refuelling business expansions.

- **Share Issuance and Milestone Payment:** As consideration for the sale, Botala will issue 14.5 million shares to Pure Hydrogen across two tranches, along with a milestone payment of \$750,000 contingent on reserve certifications.
- **Joint Venture and Hydrogen Highway Development:** Botala's joint efforts with Pure Hydrogen in the Botswana H2 venture aim to establish a hydrogen and renewables joint venture to manufacture, store, market and distribute hydrogen and clean energy in Southern Africa, based in Botswana.
- **Conditions Precedent and Key Considerations:** All agreements and ventures are subject to customary conditions precedents. The MOU remains subject to proving the Serowe CBM project can deliver gas at an agreed price.

The Botswana H2 joint venture will draw on Pure Hydrogen's established partnerships and operations in the Australian hydrogen sector and will be matched with Botala Energy's growing energy interests in Botswana. The Hydrogen Hub, contemplated for Botswana, is expected to be one of the largest in Africa with the Botswana government signalling a significant commitment to developing clean energy projects. The joint venture parties will initially focus on developing the Serowe Hydrogen Hub (see image 1 below).

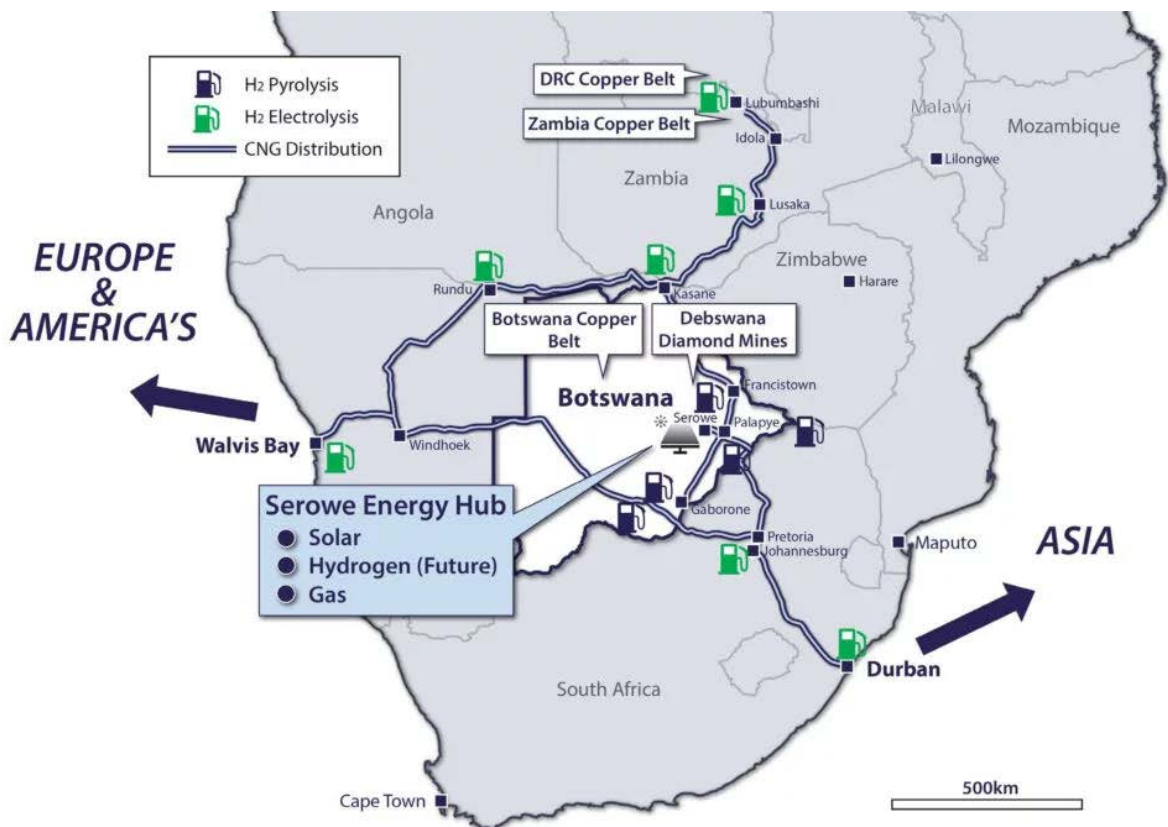



Image1: Planned Serowe Hydrogen Hub and refueling network

Pure Hydrogen Managing Director Scott Brown commented: "Converting our 30% interest in Serowe into an increased shareholding in Botala strengthens our equity interest in what is an excellent company and allows us to simplify our activities and focus our efforts and funding commitments to our hydrogen business including Hdrive. We have effectively minimised and limited our funding for this project but still maintained an upside exposure to the Serowe Project through our shareholding in Botala."



We are excited by the rapid development of Botswana H2. We can very readily bring the best technologies to the Joint Venture in terms of hydrogen fuel production and all the associated transport infrastructure to develop the full value chain from fuel, refuelling infrastructure and commercial vehicles. Botswana is strategically located in Africa and it is a great market to commence our operations here, underpinned by a government committed to developing clean energy projects. We will update shareholders on the JV's progress as key events materialise."

Kris Martinick, CEO of Botala Energy said: *"This acquisition comes at an ideal time as we continue to progress the pilot project with the aim to convert to a commercial development upon success. PH2 have been an amazing partner company from providing support on our IPO through to technical support and reviews of the exploration and appraisal programmes. However, we have now come to a rational separation point for PH2 allowing both companies to focus on their core objectives. Owning the project outright allows us to negotiate with potential partners for the next growth step in the project's development."*

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

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

General Disclaimer and Forward-looking Statements

This document is not intended and does not purport to provide all of the information an interested party may require in order to investigate the affairs of Pure Hydrogen Corporation Limited ("Company"). The data and information herein are subject to change. This document may contain forward-looking statements. Forward looking statements are only predictions and are subject to risks, uncertainties and assumptions which may be outside the control of the Company and could cause actual results to differ materially from these statements. These risks, uncertainties and assumptions include (but are not limited to) funding, technology, exploration, commodity and electricity prices, currency fluctuations, economic and financial market conditions in various countries and regions, envi-

ronmental risks, legislative, fiscal or regulatory developments, political risks, project delay or advancement, approvals, cost estimates and other risk factors described from time to time in the Company's reports filed with the ASX. Actual values, results or events may be materially different to those expressed or implied in this document. Given these uncertainties, readers are cautioned not to place reliance on forward looking statements. Any forward-looking statement in this document is valid only at the date of issue of this document. Subject to any continuing obligations under applicable law and the ASX Listing Rules, or any other Listing Rules or Financial Regulators' rules, the Company, its agents, directors, officers, employees, advisors and consultants do not undertake any obligation to publicly update or revise any information or any of the forward-looking statements in this document if events, conditions or circumstances change or that unexpected occurrences happen to affect such information or statement.