



Pure Hydrogen

ASX Announcement

Update : Pure Hydrogen to become a major shareholder of Botala Energy as Botala moves to its IPO

- Pure Hydrogen to secure a 19.99% shareholding of the issued capital in Botala Energy Ltd (Botala) as part of a sale and purchase agreement
- Botala will acquire an additional 21% working interest in the Serowe CBM Project with Pure Hydrogen retaining a 30% free carried interest
- Pure Hydrogen shareholders will be given an exclusive priority offer to participate in Botala's IPO as part of the deal
- Serowe CBM Project had increased its 2C Gas Resources recently to 317.6 BCF and Prospective Resources of 8.008 Tcf (100% share)¹
- Botala intends to undertake a CBM pilot programme to demonstrate commercial gas flows at the project and a further appraisal programme to convert CBM resources to reserves, subject to a successful IPO.

Sydney, 24 May 2022: Australian clean energy Company Pure Hydrogen Corporation Limited (ASX: PH2 or 'Pure Hydrogen') is pleased to advise that it will, subject to completion of the Pure Hydrogen Sale Agreement occurring, be a substantial shareholder in Botala Energy Ltd (**Botala**) following Botala lodging its prospectus on 16 May 2022 and subject to Botala being admitted to ASX.

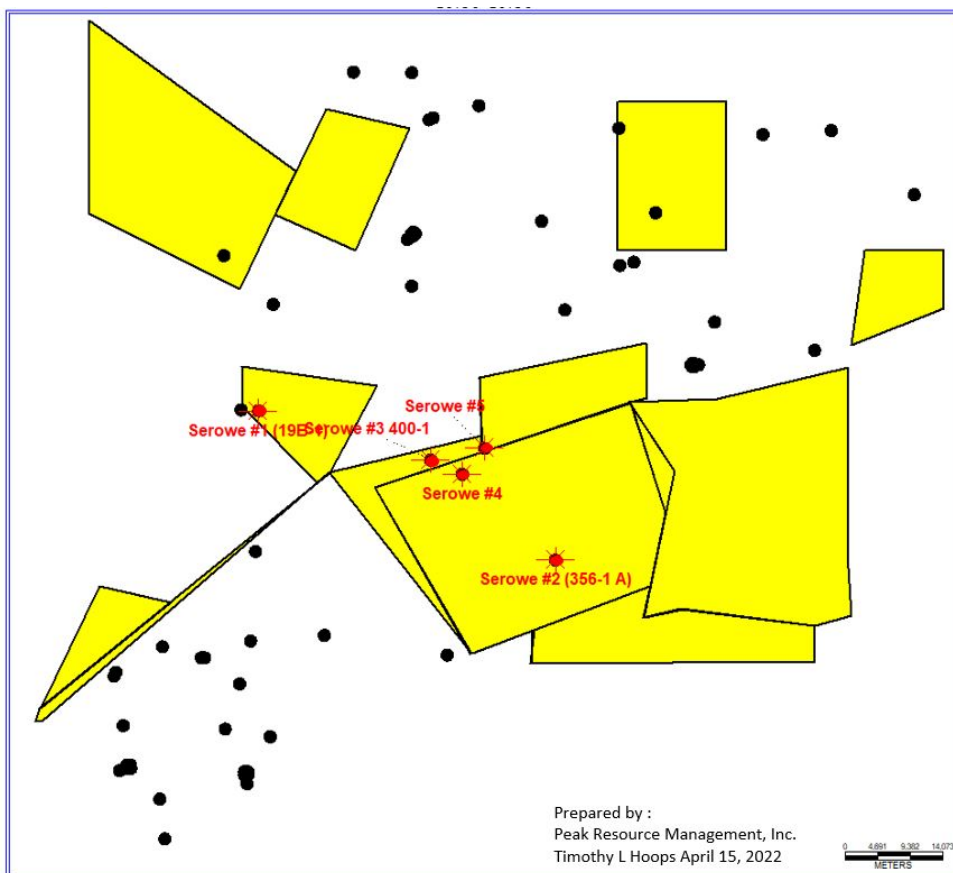
As first announced on 15 July 2021, Pure Hydrogen will own 19.99% of Botala on Botala's admission, and, in exchange, Botala will receive an additional 21% working interest in the Serowe CBM Project to increase its aggregate interest in the project to 70%. Pure Hydrogen will retain its working interest of 30% in the Serowe CBM Project, which will continue to be free carried until Botala has spent a total of \$6.1 million (of which \$3.8 million is currently outstanding) on exploration and development on the Serowe CBM Project on or before 8 December 2023.

Pure Hydrogen shareholders will have the opportunity to participate in the IPO and will be offered priority access rights. Under the Priority Offer, a total of up to 15,000,000 Shares, priced at A\$0.20 each (being up to an aggregate issue price of \$3,000,000 (before costs) has been set aside exclusively for Pure Hydrogen shareholders. Below is the link to the prospectus.

www.botalaenergy.com/site/investor-centre/prospectus

The priority offer letter, signed by the Chairman of Pure Hydrogen, Mr Ron Prefontaine is attached to this announcement, which details the offer and dates relating to the offer. The shares to be issued to Pure Hydrogen under the agreement are likely to be escrowed for 2 years, although this is not yet determined.

Botala's main undertaking is CBM exploration and development (specifically the Serowe CBM Project), but the Company is cognisant of the global transition to renewable energy and, accordingly, is actively undertaking early-stage research and development activities to assess the viability of developing renewable energy projects complementary to its main undertaking. Accordingly, the collaboration between Pure Hydrogen and Botala Energy will see the two companies drive forward their aim to produce reliable and dispatchable energy from renewables in Southern Africa.



Map of Serowe CBM Project

Serowe Hydrogen – Potential 50/50 Hydrogen Joint Venture (JV) focused on Botswana

Pure and Botala has signed a new extension until 31 December 2022 to the Serowe Hydrogen MOU already in place under which Pure Hydrogen and Botala are investigating the establishment of renewable energy businesses targeting 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. Pure Hydrogen will provide hydrogen support for the Project which will be eligible for several financing programs that apply in country.

Managing Director of Pure Hydrogen Scott Brown said: *"We are excited about the collaboration between Pure Hydrogen and Botala Energy and look forward to Botala being admitted to ASX and continuing to grow the Serowe CBM Project. This provides many more options to advance the development of Serowe CBM Project and explore potential hydrogen projects in Botswana. This is also a great opportunity for Pure Hydrogen shareholders to access direct exposure to this project in Botswana."*

Kris Martinick CEO of Botala Energy *"We are delighted to welcome existing PH2 shareholders to join Botala as we seek admission to the ASX while continuing to strengthen the working relationship between our two companies. This opportunity represents a great step forward in the development of the Serowe CBM Project with an exciting focus on further exploration and appraisal of the field providing growth potential for both companies."*

This announcement is authorised by the Managing Director

ASX disclosure

Pure Hydrogen makes the following disclosures that:

- no specific project has been identified as a result of the MOU with Botala.
- if a Hydrogen production facility is established in Botswana it may require significant capital expenditure but neither Pure Hydrogen nor its partner Botala have attempted to quantify this expenditure at this time.
- planning and construction of the Hydrogen facilities for storage, load out and production has not yet been determined.

This announcement is authorised by the Managing Director

For further information, please contact:

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Or visit the website www.purehydrogen.com.au


About Pure Hydrogen Corporation Limited

Pure Hydrogen is an Australian 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

About Botana Energy Ltd

Botala Energy Ltd is an Australian CBM exploration and development company focused on the



Serowe CBM Project in Botswana (and related early-stage renewable energy research and development). Botala aims to be a diversified energy company producing reliable and dispatchable energy from CBM and, potentially, renewables to:

- Meet Botswana's domestic energy requirements
- Export energy to neighbouring countries
- Attract industries wanting reliable, renewable energy

For further detail www.botalaenergy.com.au

1. For further details see the Company's announcement 12 April 2022



Pure Hydrogen

Dear Shareholder

I am pleased to advise that Botala Energy Ltd (ACN 626 751 620) (**Botala**) is offering priority access rights for eligible shareholders of Pure Hydrogen Corporation Limited (**Pure Hydrogen**) to participate in a priority offer (**Priority Offer**) pursuant to Botala's initial public offering (**IPO**) prospectus dated 16 May 2022 (**Prospectus**) under which it is seeking admission to ASX.

The Priority Offer is strongly supported by the directors and major shareholders of Botala, which I believe reflects the quality and caliber of Botala's projects, board, management and technical team. Botala's main undertaking is exploration and gas development, specifically the Serowe Gas Project in which the 2C contingent resource has grown to 316.7 Bcf and prospective resource of 8.008 Tcf (on a gross basis).

Under the Priority Offer, a total of up to 15,000,000 fully paid ordinary shares (**Shares**) priced at A\$0.20 each (equivalent to A\$3,000,000 in aggregate) has been set aside exclusively for shareholders of Pure Hydrogen in priority to the general public.

The strong working relationship which has been established with Botala has led to the inclusion of our shareholders in Botala's IPO capital raise via the Priority Offer.

Subject to Botala's admission to ASX, Pure Hydrogen will be one of the largest shareholders in Botala, holding 19.9% of the Shares and options in Botala, in consideration for which Pure Hydrogen has agreed to transfer Botala an additional 21% interest in the Serowe CBM Project as a condition to Botala's admission to increase Botala's aggregate interest in the project to 70%. Pure Hydrogen will retain a 30% interest in the Serowe CBM Project which is free carried until Botala has spent a total of \$6.1 million (of which \$3.8 million is currently outstanding) on exploration and development on the Serowe CBM Project on or before 8 December 2023.

I believe the investment in Botala will have the potential to produce strong returns based on the following use of funds (further details in respect of which are outlined in Section 2.6 of the Prospectus):

- Development of a CBM pilot programme to demonstrate commercial gas flows;
- Further appraisal well programme to convert CBM resources to sales gas reserves; and
- Early-stage research and development of related renewable energy opportunities.

Details of the Priority Offer

Eligible Pure Hydrogen shareholders (**Eligible PH2 Shareholders**), being shareholders of Pure Hydrogen registered as at the record date of 20 May 2022 as having a registered address in Australia and as holding a minimum of 1 share in Pure Hydrogen will be entitled to apply for Shares pursuant to the Priority Offer, subject to submitting valid applications before the Priority Offer Closing Date

(refer below) for at least 10,000 Shares, being the minimum parcel size of A\$2,000 and the allocation policy set out in the Prospectus.

There is not a guarantee that all Eligible PH2 Shareholders that apply for Shares pursuant to the Botala IPO will be able to secure an allocation (for their preferred amount or at all) in the Priority Offer given it is limited to a maximum of 15,000,000 Shares (equivalent to A\$3.0 million in aggregate).

Significant dates

Pure Hydrogen provides the following indicative timetable in respect of the Priority Offer (further details in respect of which are set out in the Prospectus):

Priority Offer Record Date	20 May 2022
Opening Date for the Priority Offer	24 May 2022
Priority Offer Closing Date	8 June 2022
Issue Date	24 June 2022
Expected dispatch of holding statements	27 June 2022
Expected date for official quotation on ASX	14 July 2022

Note: The dates shown in the table above are indicative only and may vary without notice subject to the Corporations Act 2001 (Cth), the ASX Listing Rules and other applicable laws.

Applying for the Priority Offer

Subject to the important notice at the end of this letter, as an eligible Pure Hydrogen shareholder you are entitled to submit a Priority Offer Application Form to participate in the Priority Offer. Before deciding to invest in Botala, investors should read the entire Prospectus and consider the risks of the Priority Offer.

You can visit Botala's website www.botalaenergy.com/site/investor-centre/prospectus to download a copy of the Prospectus.

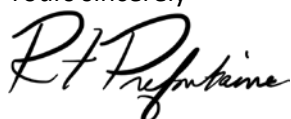
To apply now, please visit the offer website <https://botalaenergyipo.thereachagency.com> and complete the online Application Form and insert your priority access code **PH2PRIORITY** in the section "Priority Access Code" on the online Application Form.

Early lodgement of your application is recommended as the Offer may be closed early at the Directors' discretion. [If Botala receives Applications under the Priority Offer for more than A\$3.0 million, it may at its discretion treat such additional Applications as being made under the General Offer.]

Whilst we do not recommend investments to our shareholders, we do encourage you to consider the Prospectus in order to assess whether or not an investment in Botala is appropriate for your personal circumstances.

This announcement was authorised for release by the Board of Pure Hydrogen Corporation Limited.

Yours sincerely



Ron Prefontaine
Chairman