



Pure Hydrogen

ASX Announcement

Excellent Preliminary results at the Serowe 3 CBM well

- Serowe-3 has been drilled to a total depth of 477 metres and encountered 41 metres of interpreted gassy coal seams - greater than 200% thicker than pre-drilling estimates
- A short-term stabilised flow test produced an estimated 54 bbls of water per day indicating natural permeability in the coals.
- The thicker coal intersections and permeability encountered in Serowe-3 enhances the potential for commercial development of the prospective 2.38 TCF^{1,3,4} high-grade CBM gas resources certified in the Serowe Project.

Sydney: 12 August 2021, Australian East Coast Clean Energy Company, Pure Hydrogen Corporation Limited (ASX: PH2 or 'Pure Hydrogen') is pleased to report that BotsGas, its JV partner on the Botswana Coalbed Methane (CBM) Serowe Gas Project, have advised that Serowe-3 encountered 41 metres of gassy coals with an estimated flow rate of 54 bbls per day of water. The coal thickness is more than double the pre drilling estimates.

With the natural permeability and proving high gas contents in the thicker coals encountered in Serowe-3, the risk of the commercial development using inexpensive vertical well completions methods along with pathways to proving a multi TCF coal seam gas field in central southern Africa would be substantially reduced. This well stepped out 26 kms from Serowe 2 well so get these results is very encouraging.

Wireline logging included a new tool and method which, after post logging processing, can estimate gas contents of the coals. If the method is successful, it can reduce the number of expensive core holes and analysis normally required to certify reserves – thereby allowing fast tracking of reserves certification. Pure Hydrogen is free carried on the first \$6 million expenditure in the Serowe Gas Project. The team in country will now take a short break before commencing drilling of Serowe-4.

Managing Director Scott Brown commented: *"This excellent result for Serowe-3. The well encountering much thicker coals and natural permeability has exceeded our pre-drill expectations. This bodes very well for the remainder of the Serowe Project Appraisal program which continues in the next few weeks. The current drilling program is looking more likely to confirm the presence of a very large and potentially commercial gas field at the Serowe Project. The Serowe Project is well supported by the Botswana government and other stakeholders who are keen on divesting from coal and imported fuels thereby creating strong demand for natural gas."*

Image 1: Serowe CBM Project Location

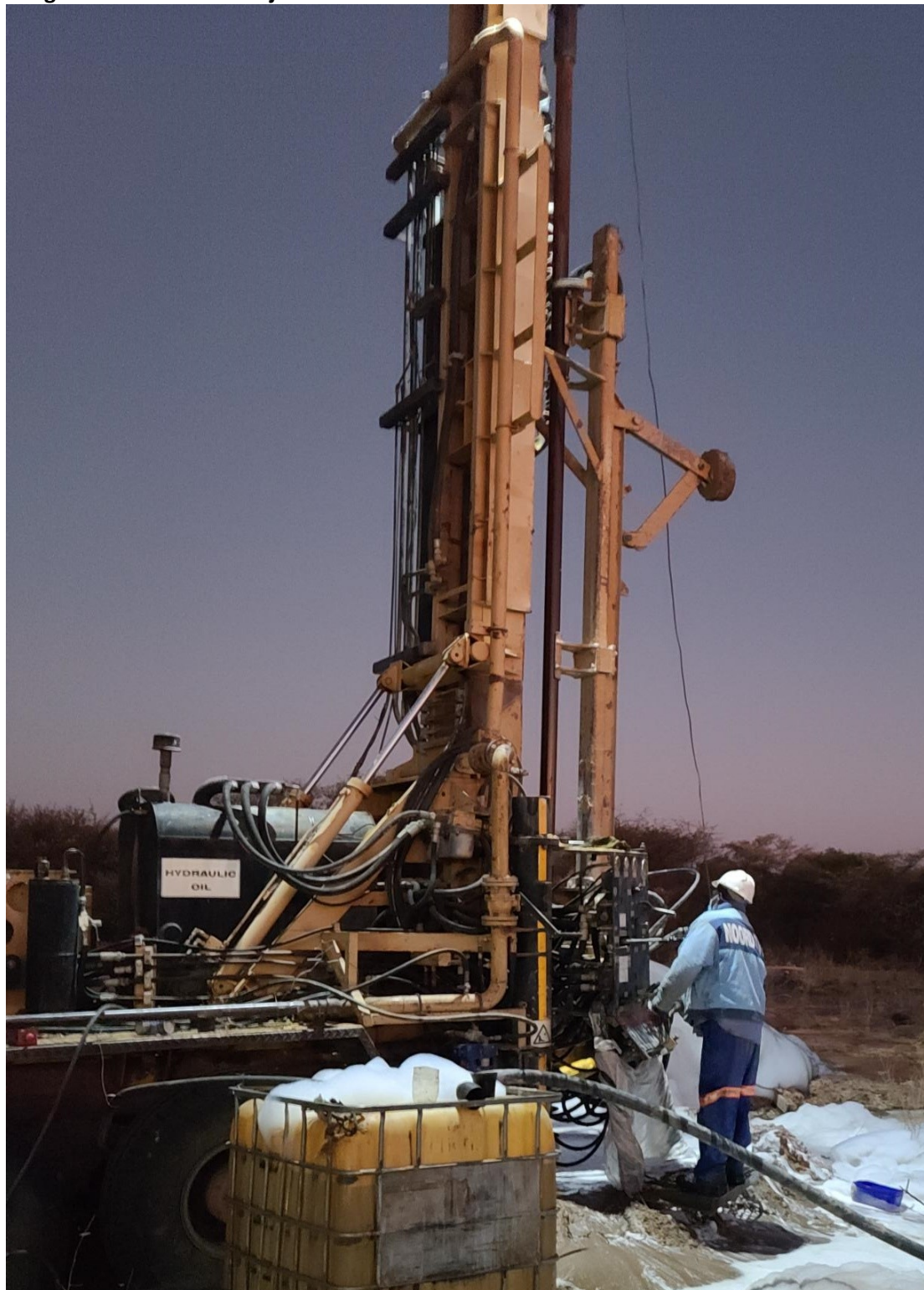



Image 2: Drilling in Botswana of Serowe-3

This announcement is authorised by the Managing Director

Pure Hydrogen Corporation Limited
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1. See Strata X Energy Announcement dated 14 May 2019 – 83% increase in Prospective Gas Resource in the Serowe CSG Project. The Announcement disclosed 6.08Tcf Prospective Resource (best estimate) net to the Company and 2.38Tcf Prospective Resource (best estimate) net to the Company within the Company's interpreted high-grade area, an increase of 40%.
2. 'Pure defines high grade CBM as coals of sufficient thickness and ideal CBM depths with high gas saturations'
3. ASX disclosure note - 5.28.2 – Prospective Resources - The estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.
4. **SEROWE CSG PROJECT** *Prospective and Contingent Resources figures are from an audit report prepared by Timothy Hower Senior Technical Advisor of MHA Petroleum Consultants, a qualified independent reserves auditor, dated and effective 10 May 2019 following MHA's audit in accordance with the COGE Handbook of the available technical data including the geological interpretation, information from relevant nearby wells, Company drilled wells, analogous reservoirs and the proposed program for the Project, prepared and presented to MHA by Strata-X. Tim Hower is a member of the Society of Petroleum Engineers and has consented to the resources estimates in the context they appear. Stated Prospective and Contingent Resources are based on, and fairly represents, information and supporting documentation prepared and/or audited by, or under the supervision of Timothy Hower. Prospective Resources are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from undiscovered accumulations by application of future development project. Prospective Resources have both an associated chance of discovery and a chance of development. A high level of uncertainty exists with the Prospective resources given the lack of historical drilling, available data and other productivity factors that limit the economic viability of coal seam gas deposits. The reports Prospective and Contingent Resources are over Prospecting Licenses Pure Hydrogen (Strata-X) holds for methane production in the Republic of Botswana. Actual sales from the Prospecting License cannot begin until converted by Pure Hydrogen (Strata-X) election and environmental filings to the Republic of Botswana. Stated Prospective Resource figures are Best Estimate estimated using deterministic method – unrisksed, undiscovered natural gas quantities and net of a royalty and are shown at a 100% working interest in the Project and are derived from coal characterization data from the 19B-1 well comprised of 10 net metre of coal, gas saturation yields of 120 cubic feet per ton, coal density of 1.7g/cm and using a 75% recovery factor. Stated Contingent Resource figures are Best Estimate – natural gas quantities and net of a royalty and are shown at a 100% working interest in the Project and are derived from coal characterization data from the 19B-1 well comprised of 10 net metre of coal, gas saturation yields of 120 cubic feet per ton, coal density of 1.7g/cm and using a 75% recovery factor. Contingent Resources stated are estimated using low, best and high analytical inputs, using deterministic method. Contingent Resources were extrapolated over an area of 15km² using the coal characterization of the 19B-1 well which area assumes consistent coal characterization as seen in the 19B-1 well over this area. Contingent Resources stated are prevented from being reserves until sufficient production tests are carried out and to date these tests have not been carried out. The total costs associated with establishing the commerciality of this project are unknown.*

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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