

24 July 2024

ASX RELEASE

Drilling Contract Signed for the Nemaha Project

Highlights

- HyTerra intends to start drilling operations early September 2024
- Murfin Drilling Company has been selected as the drilling contractor for the Nemaha Project
- Murfin Drilling Company was founded in 1926 and is one of the leading drilling companies in the USA Midwest, having drilled over 20,000 wells
- Permits to Drill for two well sites have been received to date from the Kansas regulator

HyTerra Ltd (ASX: HYT) (**HyTerra** or the **Company**) is pleased to announce that Murfin Drilling Company, Inc. (**Murfin**) has been contracted to drill wells for HYT Operating LLC, a 100% owned subsidiary of HyTerra Ltd. The proposed wells in this campaign will be drilled on 100% owned and operated leases within the Nemaha Project in Kansas, USA.

HyTerra has contracted Murfin to start drilling operations on or before the 16th of September 2024. Permits to drill have been received for Sue Duroche 3 and Blythe 13-20 as recently announced by the Company. More permits to drill are being prepared for other hydrogen and helium prospects. The well drilling plans for Sue Duroche 3 and Blythe 13-20 are underway and vendor bids for the main operational services are being received to update well cost estimates. Shortly, a HyTerra representative will be in Kansas to meet with stakeholders, consultants, and contractors to finalise safety requirements for readiness to start operations.

HyTerra Executive Director and Chief Technical Officer, Mr Avon McIntyre, commenting on the contracting of Murfin and the drilling program stated;

“Murfin are widely recognised as the largest drilling and well services contractor in Kansas and we are very pleased to be working with a top-tier partner. The historical hydrogen and helium occurrences only tested the upper parts of the prognosed hydrogen and helium system and therefore we need to drill deeper into the rocks below which we predict are the primary targets with better geological properties for hydrogen and helium. The countdown to drilling and unlocking the potential of the Nemaha Project has now begun.”

For personal use only

Well Objectives

Both permitted well sites are located adjacent to historic wells with hydrogen and helium occurrences.

Blythe 13-20 is intended to confirm the hydrogen occurrence observed in the Scott 1 (1982) well in Morris County and drill significantly deeper into untested formations, including fractured Precambrian Basement rocks. Of particular interest is the Pre-Pennsylvanian sedimentary section within which multiple reservoir and seal rocks are present and are proven to be effective traps across Central and Southern USA. The fractured basement section in this well may also be prospective for helium. HyTerra has ~6500 net acres of owned and operated lease holdings geologically contiguous to this well.

Sue Duroche 3 is intended to confirm the historic hydrogen and helium occurrence observed in Sue Duroche 2 (2009) and test the deeper potential of the fractured Precambrian Basement at this location. HyTerra has ~3450 acres of owned and operated lease holdings geologically contiguous to this well.

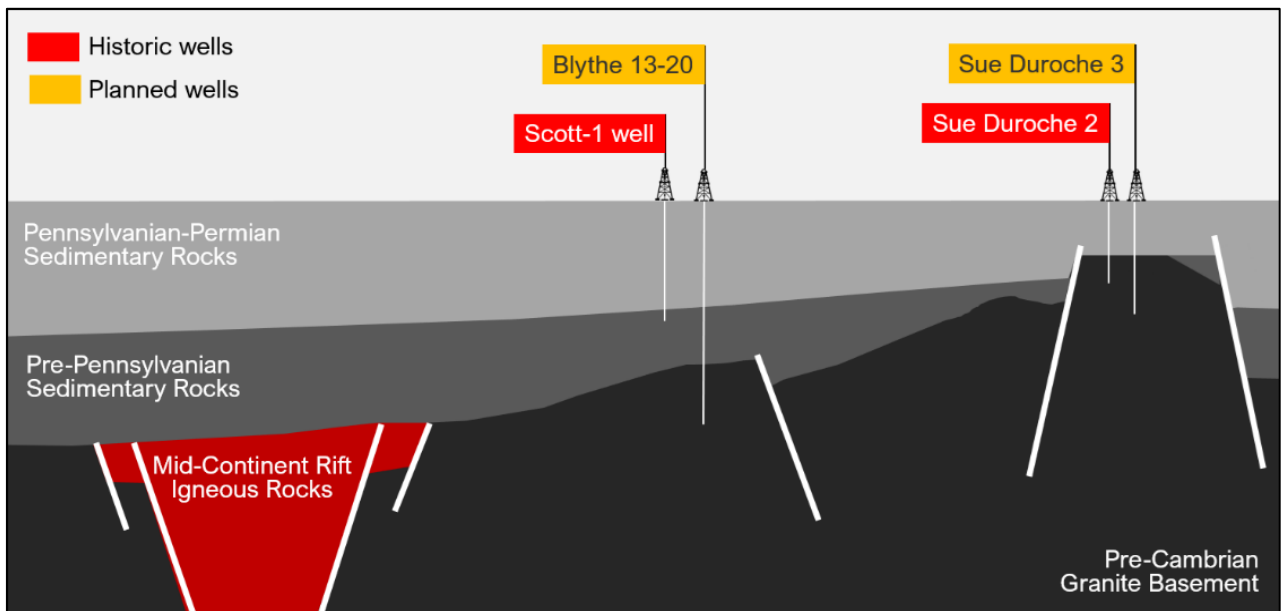


Figure 1. Cross – section of the Nemaha Project play area, extending from the Mid-Continent Rift to the crest of the Nemaha Ridge. The location of the proposed Blythe 13-20 well on the western flank of the Nemaha Ridge and the Sue Duroche 3 well on the crest of the Nemaha Ridge is shown, next to the respective historic hydrogen occurrence wells Scott 1 and Sue Duroche 2. This section also shows a general trajectory for each well, illustrated in more detail in Figure 2.

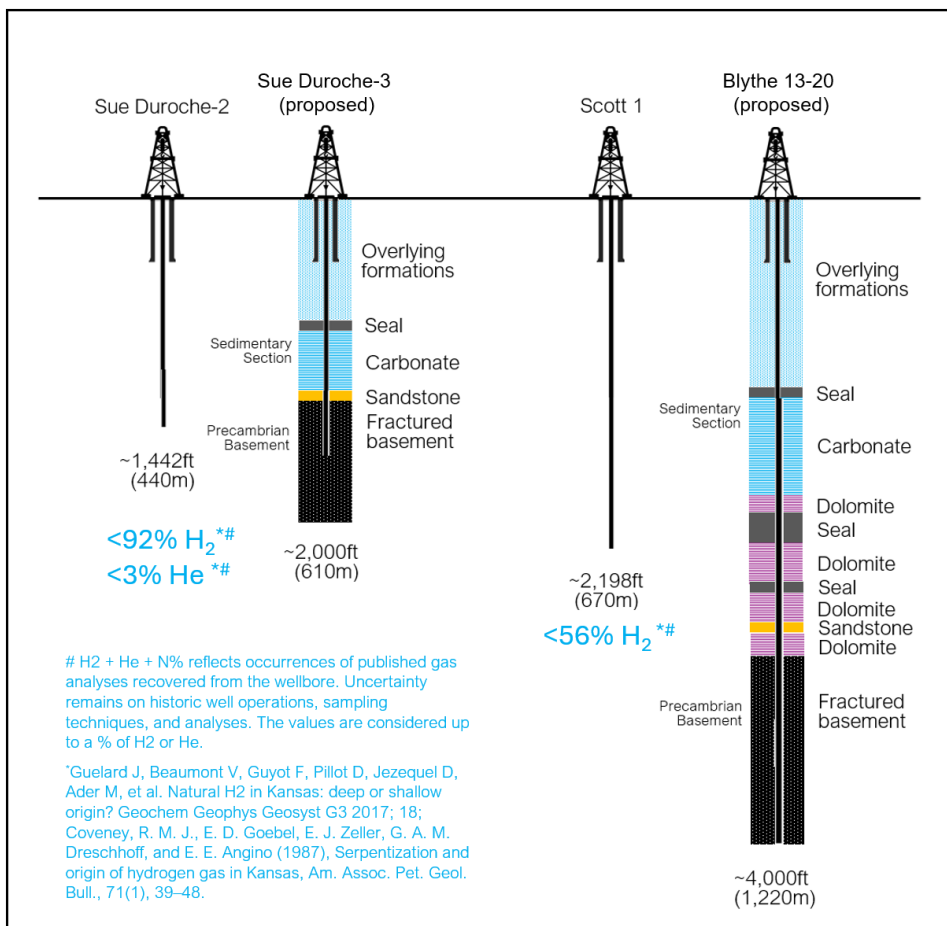


Figure 2. Prognosed geology for the proposed Sue Duroche 3 and Blythe 13-20 wells showing how each well tests deeper targets than the historical Scott 1 and Sue Duroche 2 well. Each well will also seek to confirm the historic hydrogen and helium concentrations observed in the historic wells.

About Murfin and Rig 116



Founded nearly a century ago Murfin Drilling Company, Inc. is a 4th Generation family-owned business that has been drilling since 1926. Headquartered in Wichita, Kansas, Murfin Drilling Company, Inc. has a long history of being one of the leading drilling companies in the Midwest now having drilled over 20,000 wells. They are a service industry leader with 17 active drilling rigs working in multiple states across the Mid-Continent region.

Rig 116 is a hydraulic telescoping super single drilling rig. Rig 116 incorporates a 220k lbs single mast with a 600HP hydraulic top-drive. For additional safety, the rig is fitted with a hydraulic pipe handling catwalk. For well control, the rig is supported by a 9" Regan Annular 3K PSI & Double Ram Preventer.



Figure 3. Rig 116 (Photo courtesy of Murfin Drilling Company, Inc)

The material terms of the drilling agreement are summarised below.

- The Contractor Murfin Drilling Company, Inc agrees to commence operations for the drilling of the first well on or before the 16th of September 2024.
- The contract contains costings and technical data on market rates and other terms considered customary for a contract of its kind.

This announcement has been authorised for release by the Board of Directors.

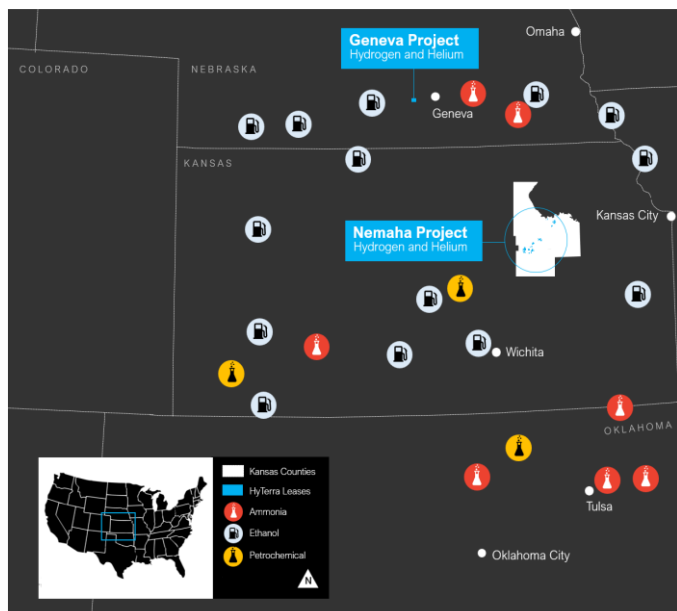
Benjamin Mee
Executive Director
ben@hyterra.com

Avon McIntyre
Executive Director + CTO
avon@hyterra.com

HYTERRA. A WORLD OF OPPORTUNITY.

Exploring for natural hydrogen and helium resources near major industrial hubs

White hydrogen's potential as a low-carbon feedstock or fuel has spurred millions in new investment and created a world rich with opportunities for first movers.



HyTerra was the first company to list on the ASX with a focus on white hydrogen, which is generated naturally by the Earth. White hydrogen potentially has much lower production costs and carbon emissions than man-made hydrogen. Our Nemaha Project in Kansas, USA, holds 100% owned and operated leases across the emerging Nemaha Ridge natural hydrogen and helium play fairway. Our Geneva Project in Nebraska, USA, is a 16% earn-in interest in a Joint Development with Natural Hydrogen Energy LLC targeting natural hydrogen and helium.

Both projects could be connected through existing transport to multiple nearby off-takers, including ammonia manufacturers and petrochemical plants.

For more information please see: www.hytterra.com

Forward Looking Statements:

This release may contain forward-looking statements. These statements relate to the Company's expectations, beliefs, intentions or strategies regarding the future. These statements can be identified by the use of words like "anticipate", "believe", "intend", "estimate", "expect", "may", "plan", "project", "will", "should", "seek" and similar words or expressions containing same. These forward-looking statements reflect the Company's views and assumptions with respect to future events as of the date of this release and are subject to a variety of unpredictable risks, uncertainties, and other unknowns. Actual and future results and trends could differ materially from those set forth in such statements due to various factors, many of which are beyond our ability to control or predict. These include, but are not limited to, risks or uncertainties associated with the discovery and development subsurface gas reserves, cash flows and liquidity, business and financial strategy, budget, projections and operating results, gas prices, amount, nature and timing of capital expenditures, including future development costs, availability and terms of capital and general economic and business conditions. Given these uncertainties, no one should place undue reliance on any forward-looking statements attributable to HyTerra, or any of its affiliates or persons acting on its behalf. Although every effort has been made to ensure this release sets forth a fair and accurate view, we do not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.