



carbonenergy

Carbon Energy Limited | ABN 56 057 552 137

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Carbon Energy (Operations) Pty Ltd

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Carbon Energy Hydrogen Production Strategy Update

- **Hydrogen production forms part of the CNX strategic focus for commercial production**

Carbon Energy Limited (ASX:CNX,) ('Carbon Energy' or 'Company') today announces an update on Carbon Energy's commercial strategy to include hydrogen production as a key product along with ammonia and synthetic natural gas.

Utilising Carbon Energy's existing *keyseam*® technology, which has been acknowledged independently as being safe and effective, Carbon Energy is placing focus on pursuing opportunities of hydrogen production as a key use and commercial strategy for its *keyseam*® syngas production.

The recent growth of the hydrogen fuels market, coupled with increased global focus on hydrogen production for passenger vehicles, trucks, buses and other automobiles, has contributed to this strategic focus for Carbon Energy's existing technology.

Carbon Energy's *keyseam*® technology is ideally suited to hydrogen production as the produced gas output has a high composition of both hydrogen (25-30%) and methane (10-20%). This makes utilising the Company's existing technology for the commercial production of hydrogen or ammonia very attractive to the market.

Managing Director and Chief Executive Officer Bryan O'Donnell, who was appointed in January 2018, said the decision was playing to the Company's strengths and could help accelerate Carbon Energy to achieve successful commercial production.

"Since coming on board in January it has been a rigorous and considered journey on how best to utilise Carbon Energy's exceptional technology and what areas are most likely to gain traction for successful commercial projects.

“There is a global groundswell of vehicle manufacturers that are showing interest in hydrogen as a fuel for the transport sector. Hydrogen can be expensive to produce, however using our existing technology, we can deliver a relatively low-cost option making Carbon Energy very competitive in this market. As a result, we are actively pursuing commercial options in the area of hydrogen production.” Mr O’Donnell said.

The Company acknowledges that while it is placing focus on hydrogen production as a key product, it is also still actively working on securing its first commercial project in China.

For and on behalf of the Board.

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Keyseam® is a registered trademark of Carbon Energy Limited.