



PepsiCo Australia partners with Pure Hydrogen to trial a hydrogen-powered prime mover

- Pure Hydrogen has partnered with food and beverage business PepsiCo Australia, to trial a hydrogen fuel cell prime mover in Brisbane
- The trial is an Australian first for the FMCG Industry, as Pure Hydrogen continues to pioneer the use of hydrogen fuel cell vehicles
- The arrangement covers the supply and refueling of a hydrogen powered prime mover from Pure Hydrogen to PepsiCo Australia

Sydney, 30 September 2022: Australian Clean Energy Company Pure Hydrogen Corporation Limited (**ASX: PH2** or '**Pure Hydrogen**') is pleased to advise that it has entered an arrangement with PepsiCo Australia, to trial a hydrogen fuelled prime mover at one of PepsiCo's manufacturing sites in the City of Brisbane.

Pure Hydrogen will supply PepsiCo with a Hydrogen Fuel Cell 160kW 6 x 4 Prime Mover (HFCV Prime Mover). The company will also provide additional hydrogen fuel as required, including refuelling along with arranging repair & maintenance services.

The trial will commence in 2nd Quarter of Calendar Year -2023 and will run for approximately 6 months. Following the trial PepsiCo will assess the commercial use-case with the potential to order further hydrogen powered vehicles over the period 2023-25.

The PepsiCo trial marks the latest in a number of trials that Pure Hydrogen is undertaking in the domestic marketplace. Its other partners include JJ Waste & Recycling, which is scheduled to trial Australia's first Hydrogen Fuel Cell Refuse Collection Vehicle (HFCRCV) (*See previous announcement dated 21 March 2022 titled Pure Hydrogen Corporation Announces to Develop Australia's First Hydrogen Garbage Truck*). The trial also forms part of Pure Hydrogen's broader market strategy to demonstrate the commercial use-case of affordable hydrogen and hydrogen fuel cell vehicles.

Pure Hydrogen is establishing itself as not only a leading supplier of hydrogen fuelled trucks, buses, hydrogen generators and storage pods to customers, but also as a supplier of hydrogen fuel which sets it apart from its competitors. It should be noted that no trials have yet been undertaken but the trials will allow Pure Hydrogen to demonstrate the HFCV Prime Mover's potential to a broader range of potential customers.



Artists Impression - Image of a PepsiCo branded hydrogen prime mover, supplied by Pure Hydrogen

Pure Hydrogen Managing Director Scott Brown said: *“It is exciting to be partnering with a globally recognised and respected company such as PepsiCo to commence trials for a prime mover vehicle powered by hydrogen fuel cells. This trial will further showcase the potential of Australia’s hydrogen energy markets - particularly for the commercial trucking industry which currently relies heavily on the use of diesel fuel. Pure Hydrogen is leading the way in providing use cases for hydrogen covering many different uses including hydrogen generators, hydrogen utes and now hydrogen trucks”*

PepsiCo ANZ Sustainability Manager Brent Gapes added: *“We are incredibly excited to partner with Pure Hydrogen on what is a first for the FMCG industry. This trial demonstrates our commitment to net zero emissions across our value chain by 2040 - a goal that forms an integral component of PepsiCo Positive, a sustainability framework for how we operate within planetary boundaries and inspire positive change for the planet and people. As one of the largest food manufacturers in Australia, we recognise we have a role to play in reducing our impact on the environment and I look forward to working with Pure Hydrogen on how we can extend the trial further.”*

Commercial terms

The Term Sheet is subject to customary terms including Conditions Precedents that PepsiCo must be satisfied with Due Diligence on the Hydrogen Fuel Cell Vehicle specifications at its absolute discretion and both parties signing relevant documents for the Truck and for the supply of Hydrogen.

Under the Term Sheet framework, Pure is expected to receive \$98,400 (excluding GST)¹ over the trial

¹ Based on expected monthly hydrogen usage



term of six months (with a minimum amount of \$17,400 excluding GST) for the supply of the single HFCV Prime Mover. If the trial is successful, the Term Sheet gives PepsiCo an option to lease the Hydrogen Prime Mover from Pure Hydrogen at monthly fee of \$10,554.40 excluding GST over a potential 7-year term, thus presenting a further revenue opportunity to Pure Hydrogen from the supply of the first HFCV Prime Mover. Pepsi may choose to keep the truck at the end of the trial – if that is the case, then will be responsible for the truck and payments for it. If they choose not to take the truck at the end of the trial, Pure will use the truck with another potential customer. Pure Hydrogen expects its net cost of this initiative will be about \$410,000² for the trial which if successful creates a growing H2 clean energy market.



Artists Impression - Image of a PepsiCo branded hydrogen prime mover, supplied by Pure Hydrogen

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Or visit the website: www.purehydrogen.com.au

² After allowance of a 43.5% R&D tax incentive



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

About PepsiCo

PepsiCo is proud to be one of the world's leading food and beverage companies. Every day, we are dedicated to bringing our mission to create more smiles with every sip and every bite to life. Our products are enjoyed more than one billion times a day in more than 200 countries and territories around the world. Through pep+ (PepsiCo Positive), we are charting a new course to drive positive action for the planet and people. pep+ is an end-to-end strategic business transformation with sustainability at the centre of how we will create growth and value by operating within planetary boundaries and inspiring positive change. Through our pep+ pillars, Positive Agriculture, Positive Value Chain and Positive Choices, we are working to source ingredients and make our products in more sustainable ways, leverage our connections with consumers to take sustainability mainstream and help people make choices that are better for themselves and the planet.

We have already hit two incredible milestones in line with these sustainability goals, including the use of 100% renewable electricity across all our Australian operations: both offices and manufacturing sites. We are proud to be one of PepsiCo's first 15 markets globally to achieve this. In addition, all of our snacks are now made with 100% recyclable packaging, meeting our Australian packaging target 4 years early. With our headquarters in Sydney, a corporate office in Melbourne, and manufacturing sites in Brisbane, Adelaide, and Perth, PepsiCo is equally proud to be one of Australia's leading food and beverage businesses. Our portfolio includes globally iconic brands like Pepsi, Gatorade, Doritos and Australian home-grown favourites: Smith's, Red Rock Deli and Twisties.

