

March 2024 Quarterly Report

HIGHLIGHTS

- Ongoing expansion of sales pipeline for hydrogen/electric vehicle fleet, highlighted by additional purchases order for a HFC garbage truck to Solo Resource Recovery and the EV70 mini-bus from Wilba Transport, a regional NSW transport provider, on behalf of the NSW government.
- Continued execution of capex-light hydrogen infrastructure strategy, including development milestones for the first green hydrogen 'microhub' and turquoise hydrogen commercial demonstration plant.
- Successful delivery of two EV70 mini-buses to Sapphire Coast Buslines in NSW, with confirmation of funds received for ~\$700,000 in accordance with terms of initial purchase order.

Key activities post-balance date

- Binding agreement for the sale of Pure Hydrogen's strategic 30% interest in the Serowe CBM project in Botswana to the project's operator and 70% owner, Botata Energy Ltd (ASX: BTE).
- Confirmation of five-year lease at Archerfield Airport, Queensland to develop the first demonstration microhub for the production of green hydrogen to serve commercial transport vehicles and the aviation sector.
- Additional purchase order from Solo Resource Recovery, a leading Australian waste management company, for the supply of a hydrogen fuel-cell (HFC) waste collection vehicle manufactured by Pure subsidiary Hdrive International.
- Final ADR (Australian Design Rules) testing for Pure's vehicle fleet, including the Taurus prime mover, continue to advance towards completion.
- Pure Hydrogen remains well-funded with cash of \$7.99M million as at 31 March 2024, leaving it well positioned to advance its hydrogen development strategy with an ongoing focus on capital management.

Pure Hydrogen Corporation Limited (ASX: PH2)

Pure Hydrogen is a clean energy-focused company seeking to become the leader in the development and supply of Hydrogen and Hydrogen Fuel Cell vehicles through the use of cutting-edge technology and processes. The group's vehicle sales are complemented by its strategy to supply hydrogen fuel to customers through the production of Green, Emerald, and Turquoise Hydrogen.

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.

Concurrently, the Company is developing natural gas projects directly in Australia and Botswana.

Pure Hydrogen has Independently Certified Contingent Methane Gas Resources in its three gas projects, net to the company of 326 BCF of 1C, 622 BCF of 2C and 1,130 BCF of 3C.

Directors

Hon Adam Giles - Non-Exec Chairman
Scott Brown – Managing Director
Lan Nguyen – Non-Executive Director
Ron Prefontaine – Non-Executive Director

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Pure Hydrogen Corporation Limited (ASX: PH2 and “Pure Hydrogen” or “The Company”) is pleased to provide this Activities Report to shareholders for the quarter ended 31 March 2024 (Q3 FY2024). During the period, Pure Hydrogen continued to execute on its stated development strategy for the ongoing rollout of its market-leading hydrogen fuel cell (HFC) and electric vehicles, complemented by the growth of network infrastructure for targeted hydrogen supply.

March quarter operations were highlighted by additional purchase orders for the Company’s hydrogen vehicle fleet, with the ongoing strength of Pure Hydrogen’s sales pipeline highlighted by additional vehicle deliveries and purchase orders post quarter-end. These initiatives were complemented by another round of key milestones in connection with Pure Hydrogen’s hydrogen infrastructure strategy which led to the establishment post quarter-end of the first demonstration hydrogen ‘micro-hub’ in collaboration with the Archerfield Airport.

Pure Hydrogen overview

Pure Hydrogen is a clean energy focussed company developing a portfolio of hydrogen and energy projects using cutting edge technologies. Its objective is to become a leading supplier of Green, Emerald and Turquoise, hydrogen fuel and hydrogen powered commercial vehicles and other infrastructure such as generators to customers in Australia and International.

Concurrently, Pure Hydrogen is developing natural gas projects directly in Australia and Botswana, and through strategic investment holds an interest in a Botswana focussed energy company, Botala Energy (ASX:BTE) During the quarter and up to the date of this report, Pure Hydrogen has the following updates and commenced a number of initiatives including:

Successful Delivery of Electric Mini-Buses in NSW

Pure Hydrogen announced the successful delivery of two EV70 mini-buses to Sapphire Coast Buslines in New South Wales, in accordance with the terms of its original supply agreement (*refer to ASX Announcement 12 September 2023*).



Image 1: The EV70 Minibuses being readied for delivery

Pure Hydrogen's zero emissions EV70 mini-buses have a range of 300km powered by a 127kWh CATL battery system. Configured to carry 18 passengers, they feature a low floor design for improved accessibility and reduced stop times – particularly for customers requiring mobility access with a weight capacity for wheelchairs of up to 350kg.

The sale generated revenues of ~\$700,000 and was completed within the stated development timeline prior to the end of Q1 CY2024, following a rigorous testing phase that was carried out in accordance with Australian Design Rules (ADR) standards. Funds from the sale have now been received.

Investor Drive Day and hosting a Delegation from Brazil

During the Quarter the Company hosted investors at a Drive Day on 19th March 2024, which was well attended by investors and shareholders. The event was held at Pure Hydrogen's equipment and repairs partner Wales Truck Repairs Wales. The Drive Day showcased the HFC Taurus Prime Mover and EV70 Minibus which received good feedback from investors and industry participants.

In addition, Pure Hydrogen hosted a delegation of officials led by the State Governor of Piauí, Brazil, Mr Rafael Fonteles on 20th March 2024. Mr Fonteles took a test-drive of the Taurus Prime Mover and signed a Memorandum of Understanding (MOU) on behalf of the State Government of Piauí in Brazil to assist in the development of hydrogen solutions as part of the State's clean energy transition.



Image 2 – HFC Taurus Prime Mover and EV70 Minibus (in background) at the Drive Day

The MOU sets out the framework for Pure Hydrogen to leverage its expertise in the manufacturing and design of hydrogen fuel cell vehicles (HFCV), alongside appropriate hydrogen infrastructure solutions, which aligns with policymakers' stated strategy to establish Piauí as a green hydrogen hub in the Brazilian economy.

Set for an initial term of two years, the wide-ranging MOU will facilitate collaboration between the parties for the development and rollout of several HFCV's that are currently manufactured by Pure Hydrogen.

The agreement is the first of its kind for Pure Hydrogen in the South American market, following a recent North American order for two hydrogen fuel cell electric vehicles by California-based hydrogen vehicle distributor Nutchter Hydrogen (refer ASX Announcement 30 November 2023).

Vehicle purchase order from Wilba Transport on behalf of the NSW government

During the quarter, Pure Hydrogen achieved another sales milestone with the first vehicle purchase order from Wilba Transport, a regional NSW transport provider operating north of Bourke. The sale was on behalf of the NSW Government, as part of an initiative to expand On-Demand Transport Services in Regional NSW.

Key Activities Post Quarter-End

Throughout the March quarter, Pure Hydrogen continued to advance the development of its dual-focused strategy for hydrogen vehicles and associated hydrogen infrastructure. These initiatives included further extensive testing of its vehicle fleet to meet the highest standards of safety and quality in accordance with Australian Design Rules (ADR). In addition to vehicle sales, the company is progressing the rollout of hydrogen infrastructure solutions in collaboration with its development partners. Achievements in these areas resulted in several material announcements post quarter-end are set out below.

Additional Vehicle Purchase Order from Solo Resource Recovery

Along with the delivery of the EV70 Mini-Buses, Pure Hydrogen executed an additional sale agreement post quarter-end with Solo Resource Recovery, a leading Australian waste management company with operations in NSW, South Australia, Queensland, Victoria and Western Australia.

The Agreement is for the sale of a rear-loading HFC Waste Collection Truck that will be deployed in Adelaide, South Australia by the City of Adelaide Council. Subject to final approvals, it is expected that the vehicle will be deployed in the second half of CY2024. This will be one of three demonstration HFC Garbage Trucks operating later this CY.

The sale will generate further revenues for Pure Hydrogen and adds to the Company's growing earnings profile in its core target market, providing hydrogen/electric solutions for the heavy vehicle transport sector.

Separately, waste management business Solo Resource Recovery is also taking delivery of two HFC Garbage Trucks from Pure. One Truck, which is a side loader, will be deployed in a variety of council areas in Northern NSW for kerb side collection. The truck is undergoing testing and will go to Bucher in Melbourne to add the Garbage Body to the Cab and Chassis. The other HFC Truck, pictured below, has already been fully fitted and will go to Adelaide once the testing is complete for ADR, where it will be deployed by the City of West Torrens Council (refer ASX Announcement 22 April 2024). Pure Hydrogen continues to note ongoing significant interest across Australia and international markets among established businesses in the waste management and transport industries to transition away from conventional ICE powered vehicles in favour of HFC vehicles.



Image 3: Solo general waste collection truck to be delivered in 2024

JJ's Waste and Recycling HFC Demonstrator completed and tested

Pure Hydrogen also achieved an important milestone in the development and construction of its demonstration hydrogen fuel cell electric waste removal truck for JJ's Waste and Recycling (*refer ASX Announcement 20 August 2023*). The vehicle has been completed by Municipal in Australia, a division of the global Swiss engineering conglomerate Bucher Industries. Extensive testing was carried out to meet the national standards for road vehicle safety in accordance with the designated Australian Design Rules (ADR) for the manufacture of new road vehicles in Australia, with Pure receiving confirmation that the vehicle has passed all tests with final approval from the Federal Government required before it can go into service.

The Company is holding two Investor Drive Days for its first HFC Garbage Truck in Melbourne on 1 May 2024 and the following week on 8 May 2024 in Sydney for the Truck. If you would like to attend please contact the Company at : investor@purehydrogen.com.au

It is intended that the Truck will go into service for JJ's Waste & Recycling, which is one of Australia's largest waste management companies with a fleet of ~2,000 waste collection trucks. Pure Hydrogen will commence a 12-month trial with JJ's Waste & Recycling.

Demonstration Hydrogen Micro-Hub at Archerfield Airport

Alongside vehicle sales, Pure also made key advancements to its low-capex development strategy for hydrogen infrastructure. Work in this area resulted in a key milestone post quarter-end, with confirmation that Pure has signed a lease on a 4,000m² commercial site at Archerfield Airport, approximately 11km from the Brisbane CBD.



Image 4: Pure Hydrogen's first micro-hub refuelling site at Archerfield Airport – elevated view

The lease marks Pure Hydrogen's first step in developing a network of 'capex-lite' micro-hubs that can produce green hydrogen using green electricity sourced from the grid. Pure Hydrogen will generate green hydrogen at the site with a state-of-the-art electrolyser which on order, and will be combined with compression and storage facilities for manufacturing and sales.

The lease followed an extensive period of collaboration between Pure and representatives of Archerfield Airport, with continued interest from the aviation sector in the use-case for hydrogen as a clean energy fuel source – particularly in the growing market for unmanned commercial flights.

In partnership with Archerfield, Pure Hydrogen will now turn its focus to commissioning the electrolyser and advancing site works with the goal of producing green hydrogen in late-2024. The demonstration H2 Micro-Hub establishes an operating template for the planned future network of hydrogen hubs to supply the growing market for hydrogen vehicles.

Pure Hydrogen is leading the charge with Hydrogen Fuel Cell Generators with a generator built by Mynt Technologies in co-operation with Pure Hydrogen now ready for deployment. Mynt Technologies is a leading Australian power generator manufacturer, manufacturing hydrogen electric power generators as announced in our investor presentation on 12 February 2024. The HFC Generator will be subject to a Factory Acceptance Test likely to commence in the next month before being put into Trial with Australian Meat Processing Corporation to be used in an Abattoir in Qld to help reduce carbon emissions in the Red Meat industry.

Turquoise Group (TG) - Commercial Demonstration Hydrogen Plant

During the quarter, the construction phase of the commercial prototype demonstration plant of a methane plasma pyrolysis prototype designed to convert methane into hydrogen and carbon to be continuously reformed into graphene was completed. The plasma technology is licenced to Turquoise Group while the reformation of the carbon to graphene technology is being developed by Turquoise Group. Pure Hydrogen owns 40% of the Turquoise Group. This important step now marks the start of an extensive testing phase to optimise the production of high-quality graphene and hydrogen fuel.

The demonstration prototype is expected to be operational in the June quarter and the output of the Plant would be tested with the results expected to be announced in the next few months.

Pure Hydrogen Gas Projects

In addition to its hydrogen business, Pure Hydrogen has three significant gas-based energy projects at end of the quarter which represent significant value for shareholders. Pure Hydrogen has a net total 12.4 TCF of Prospective Gas Resources, 1,038 BCF of 3C and 548 BCF of 2C Contingent Gas Resources across its asset suite in Queensland and Botswana.

Serowe Gas Project

During the quarter, ASX-listed Botata Energy Limited (ASX: BTE) advised that it had commenced a coring and desorption testing programme on Project Pitse and undertook some geophysics on 3 exploration wells. Post quarter-end the Botata advised that they have record the following results:

- Excellent initial desorption testing results – 2.0 scc/gram at day 61: Ongoing gas desorption testing to continue for a further 2 months until rates plateau;
- Recertification currently underway - previous modelling targeted a desorption rate of 2.4scc/gram and 5 exploration wells (vs 11 currently drilled);
- Exceeding the 2.4scc/gram threshold has potential to further increase gas volumes within the acreage.



Image 5: of Core samples taken during the quarter at Serowe Gas Project

Sale of Strategic 30% interest in Botata Energy

Post quarter-end, Pure Hydrogen announced that it has entered into a binding agreement to sell its 30% interest in the Serowe CBM project to Botata, the project operator and incumbent owner of the remaining 70% interest in the project. As consideration for the sale, Botata will issue 14.5 million shares to Pure Hydrogen across two tranches, along with a milestone payment of \$750,000 contingent on reserve certifications.

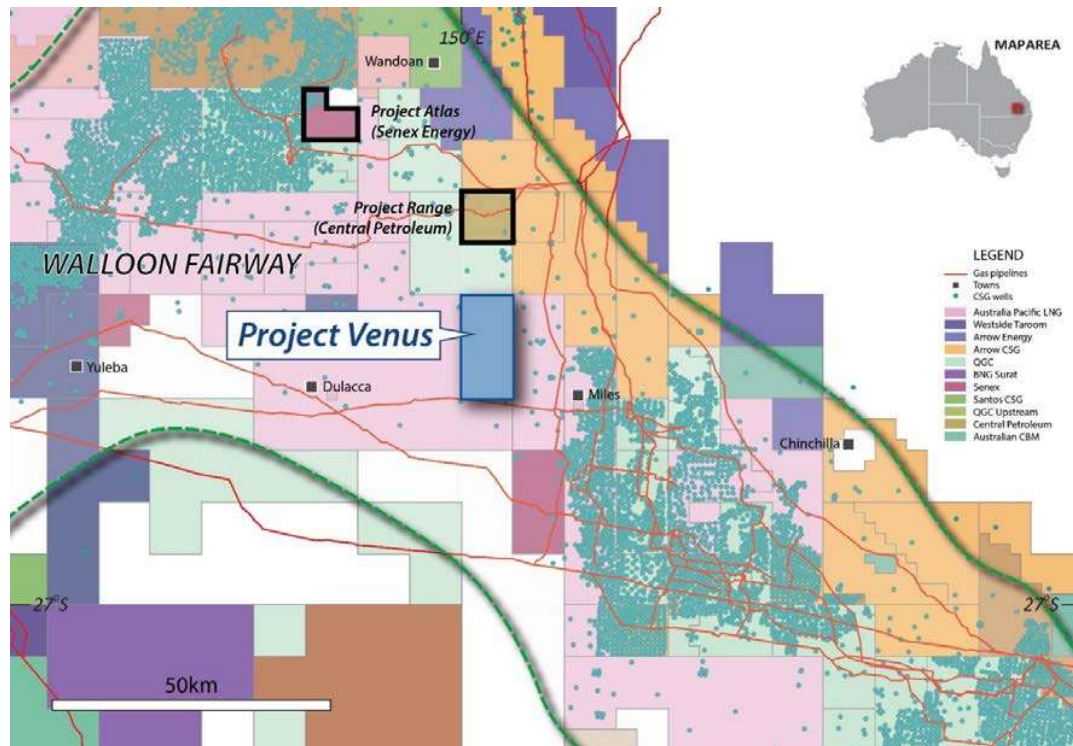
The shares to be issued will be subject to an escrow period until the end of 2024 calendar year and will take Pure Hydrogen's shareholding in BTE to approximately 21.2%. The transaction removes the requirement for Pure Hydrogen to invest in Serowe's ongoing development at the asset level, while maintaining the investment upside to be realised from its increased shareholding in Botata.

Pure Hydrogen and Botata have an agreement in place to work together to develop hydrogen infrastructure and HFC Truck and Bus sales in southern Africa.

Project Venus Surat Basin Walloon CSG:

Project Venus, permit ATP2051 is 100% owed by Pure Hydrogen. Project Venus contains high quality and very prospective acreage covering 154km² within the main Walloon Coal Seam Gas Fairway and close to gas infrastructure including gas pipelines. There is significant coal in this permit and the Company believes it can turn these into significant gas resources.

Pure Hydrogen's Project Venus is located within the proven Walloon CSG Fairway and immediately adjacent to gas pipeline infrastructure in the Surat Basin. It offers relatively low risk and a lot of value with its 130PJ of 2C Contingent Gas Resources and 536 PJ of Prospective Gas Resources.



The independent review of the data for Project Venus (ATP2051) has the following Contingent Gas Resources:

Project Venus

Contingent Resources PJ

Walloon Subgroup

Upper Junandah Coal Measures

1C

2C

3C

87.7

130.3

157.9

Tenement schedule at end of quarter:

Permit	PH2 ownership %	Location
ATP927P	100	Cooper Basin, South West Queensland
ATP2051P	100	Surat Basin, Southern Queensland
Serowe CSG	30 - sold post quarter ¹	Botswana
ATP1194P	100 ²	Cooper Basin, South West Queensland

1. Subject to completion of farm out
2. Subject to agreement to sell the permit

Corporate

As at 31 March 2024, Pure Hydrogen held \$7.99 million cash at bank and no debt. During the quarter the Company invested \$715,000 in Pure Hydrogen's business and its net operating cash outflow was \$22,000, which includes a significant increase in revenue of \$732,000 and \$135,000 on directors' fees and related party consulting remuneration.

At balance-date, the Company has 358,480,818 shares outstanding and over 12,000 shareholders on its register. The Company had 8,650,000 unlisted options as at the end of the reporting period.

For further information, please contact:

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Managing Director

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Or visit our website at www.purehydrogen.com.au

On our website you can register for email alerts.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Pure Hydrogen Corporation Limited

ABN

27 160 885 343

Quarter ended ("current quarter")

31 March 2024

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	733	1,012
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	(226)	(230)
	(d) staff costs	(402)	(1,515)
	(e) administration and corporate costs	(194)	(908)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	67	276
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and R & D tax incentives	-	-
1.8	Other – costs in relation to R & D tax incentive	-	(89)
1.9	Net cash from / (used in) operating activities	(22)	(1,454)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(494)	(1,492)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
	(d) exploration & evaluation	(32)	(156)
	(e) investments	(189)	(1,686)
	(f) other non-current assets	-	-
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	200
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (deposit received for sales of a tenement)	-	-
2.6	Net cash from / (used in) investing activities	(715)	(3,134)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	8,564	12,626
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(22)	(1,454)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(715)	(3,134)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	7,988	7,988

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	4,422	1,869
5.2	Call deposits	3,566	6,695
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	7,988	8,564

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	135
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(22)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(32)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(54)
8.4	Cash and cash equivalents at quarter end (item 4.6)	7,988
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	7,988
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	147.93
	<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer:	
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer:	
8.8.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Answer:	
	<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here: 
Director/~~Company secretary~~

Date: 30/04/2024

Print name: Scott Brown

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg *Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".