Sparc Ultra-Green Hydrogen

November 2021

ASX: SPN

Transformational Technology for Global Industries

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Sparc Ultra-Green Hydrogen

Next Generation technology to transform global hydrogen production

No Electrolysis Required

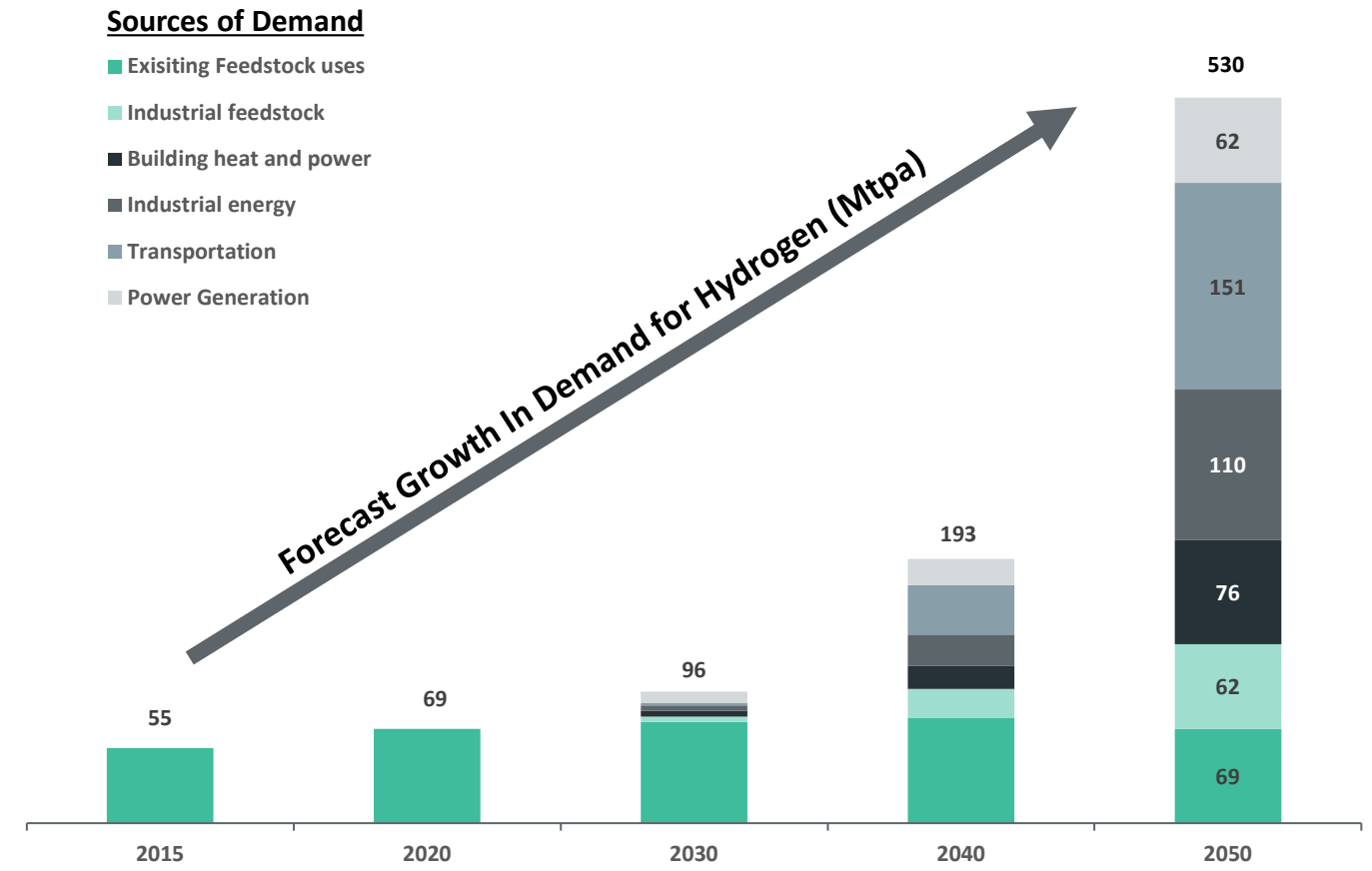
No Wind or Solar Farms Required

- **Globally Disruptive, Ultra-Green Hydrogen technology developed by University of Adelaide and Flinders University.**
- **Ultra-Green Hydrogen produced directly from sunlight and water**
  - **Photocatalytic water splitting coupled with solar radiation used to produce hydrogen**
  - **Predicted very low CAPEX and OPEX**
- **No electrolysis required**
  - **Not producing electricity to split water to produce Hydrogen**
  - **Overcomes key obstacle of green hydrogen production**
  - **Allows for massive energy efficiencies and ultra cost competitive advantage**
- **Potential low-cost alternative to current industry practice of steam methane reforming with vastly lower carbon footprint**
- **Research ongoing to incorporate graphene into the photocatalyst**

Hydrogen Opportunity

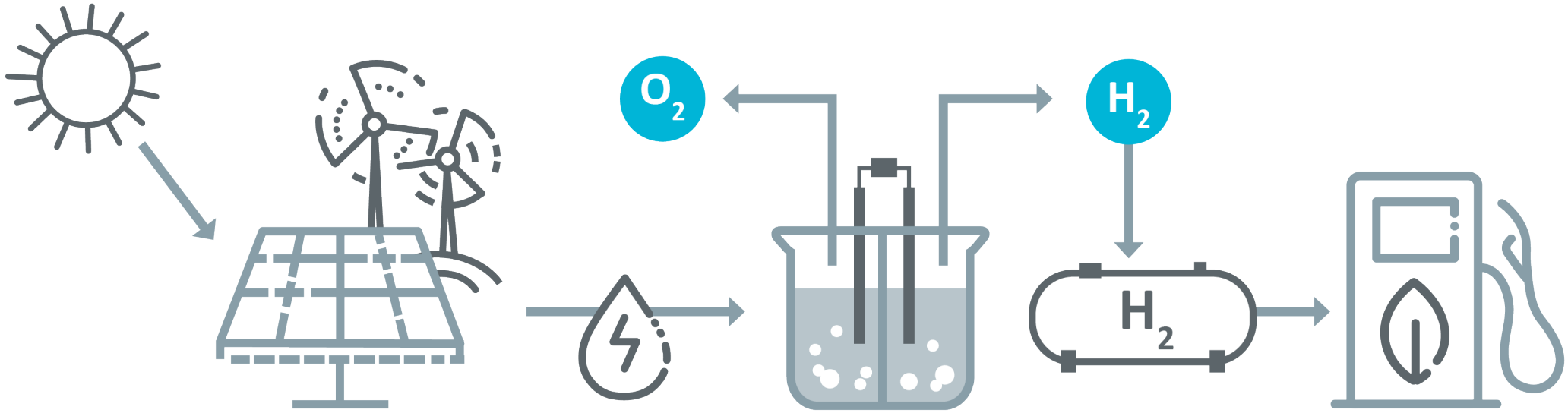
- **Demand for hydrogen expected to grow 5-fold by 2050[1] as the world transitions to low and zero carbon emissions**
  - **Clean hydrogen has the potential to aid the de-carbonization of c.45% of global anthropogenic emissions**
- **The hydrogen opportunity lies in decarbonising Australia by replacing fossil fuels with hydrogen alternatives using existing infrastructure**
- **Investment required to reach government production targets and spending projections across the value chain adds up to more than US$300 billion through 2030[2]**
- **Demand for hydrogen from existing 'hard to de-carbonize' sectors including industrial, heating, transportation and power generation industries is expected to be at the forefront of reducing these emissions**
- **Sparc's proprietary, low-cost Ultra-Green Hydrogen will be ideally suited to capture this rapid hydrogen demand growth**

Global Hydrogen Demand



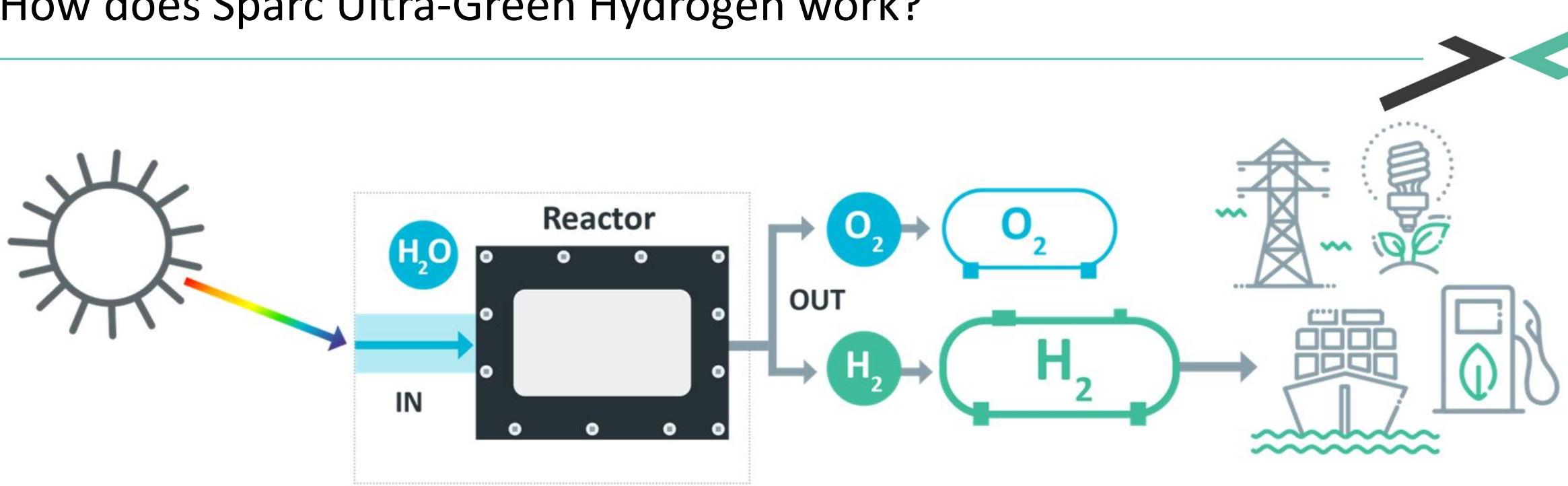
1 Hydrogen for Australia's future Prepared by the Australian Hydrogen Strategy Group, US Department of Energy research
2 Hydrogen Council – Hydrogen Insights 2021 Report (https://hydrogencouncil.com/wp-content/uploads/2021/02/Hydrogen-Insights-2021-Report.pdf)

What is Conventional Green Hydrogen Energy?



Conventional green hydrogen technologies use electricity derived from solar and/or wind farms to produce hydrogen using an electrolyser

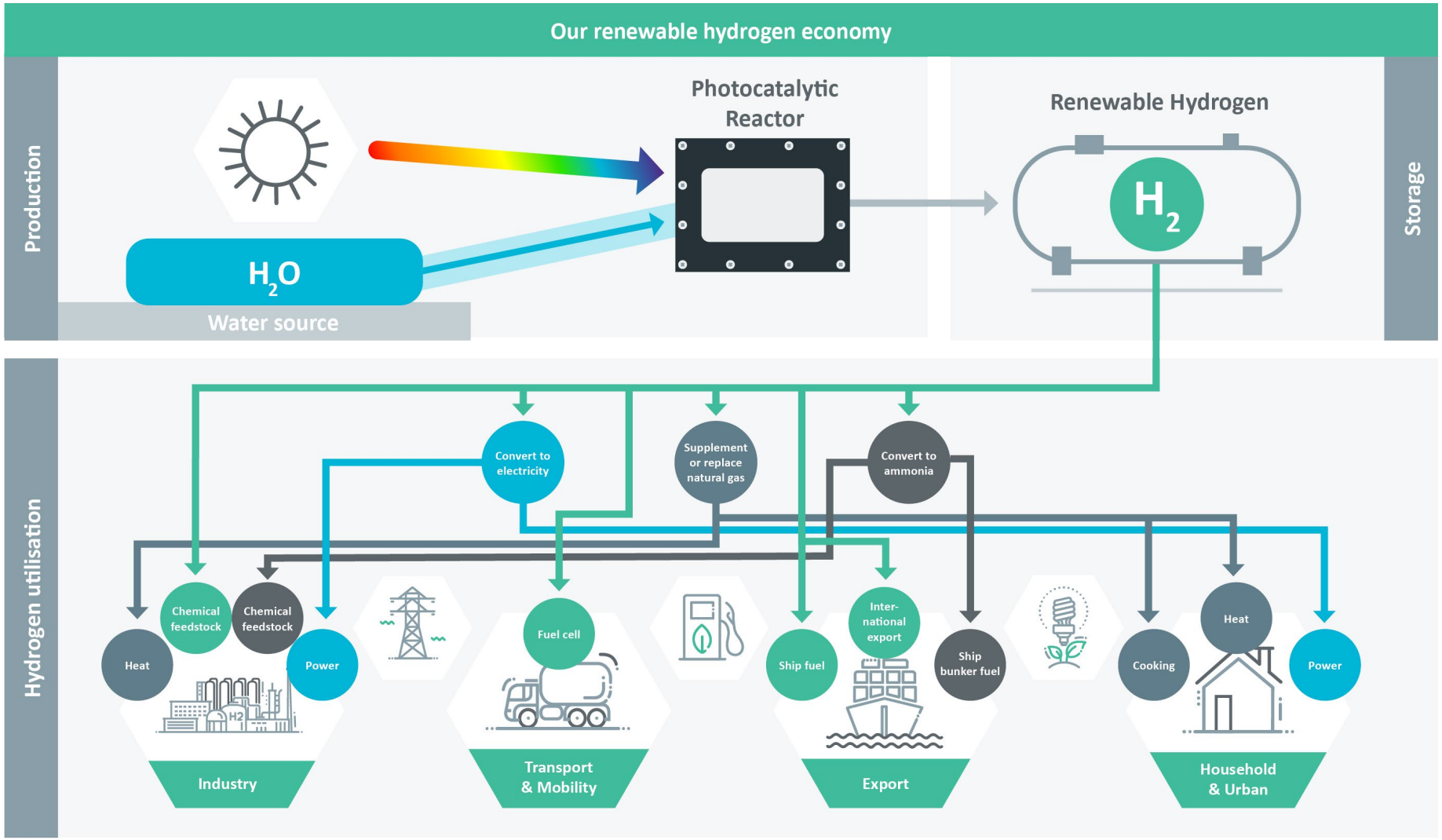
How does Sparc Ultra-Green Hydrogen work?



Solar Radiation	Photocatalytic Water Splitting	Hydrogen & Oxygen Storage	Ultra-Green Hydrogen at Work

Sparc Ultra-Green Hydrogen does not use solar and/or wind farms, nor electrolysis as with conventional green hydrogen – only photocatalyst and solar radiation.

Renewable Hydrogen Economy



Sparc Ultra-Green Hydrogen Benefits

Lower CAPEX- wind and/or solar farms not required

Lower OPEX – no electricity required to produce Hydrogen

Can be adopted on a smaller scale without wind and/or solar farms – smaller land footprint

Can be utilised directly on location e.g. mine sites, industrial locations and domestically

Sparc Hydrogen Project – Key Terms

- UoA grants Sparc Hydrogen JV an exclusive commercial licence to the relevant UoA IP and Improvements

The material terms of the proposed Joint Venture are summarised below:

- The equity structure of the Joint Venture will see University of Adelaide retain 28% of the Joint Venture, with Sparc holding 72%.
- Sparc to issue the University of Adelaide 3,000,000 SPN New Shares, plus expenditure of $4,750,000 over 4.5 years towards the Joint Venture.
- Total cash contributions of $4,750,000 to be made throughout the period of the project (4.5 years), comprising:
    - Stage 1 commitment over the first 2.5 years of $2,000,000 (“Stage 1”); and
    - Stage 2 over 2.0 years of $2,500,000 (“Stage 2”).
    - Additionally, $250,000 to be paid to University of Adelaide for operations set-up and a scholarship.

THE UNIVERSITY of ADELAIDE

Flinders UNIVERSITY

sparc TECHNOLOGIES

University of Adelaide

DR STEPHEN RODDA

Executive Director, , Innovation & Commercial

University of Adelaide

THE UNIVERSITY of ADELAIDE

"This joint venture is a perfect example of the University of Adelaide's internationally regarded research being brought to a commercial outcome, which we hope will have benefits for industry and the community. We are proud to be the leading university involved in this venture, applying our research and innovation in responding to one of the great challenges of our times: the development of green energy solutions for our planet."

Sparc Technologies - Snapshot

Corporate overview	
ASX Code	SPN
Market cap (at $1.32 per share)	$103.5m
Shares on issue	78.4m
Cash (as at 30 Sept 21)	$2.19m
Debt (as at 30 Sept 21)	$0.0m
EV	$101.3m

Major shareholders (pre placement)	% held
Adelaide University	6.6%
Hoperidge Enterprises	5.4%
Director's and Management	17.0%
Top 20 Shareholders	42.8%

SPARC TECHNOLOGIES BOARD

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Executive Chairman

Mike Bartels
Managing Director

Tom Spurling
Non-Exec Director

Daniel Eddington
Non-Exec Director

EXECUTIVE MANAGEMENT TEAM

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Released with the authority of the board – 1 November 2021