

ASX / MEDIA RELEASE: 28 FEBRUARY 2023

LOYALTY OPTIONS PROSPECTUS & OFFER

HyTerra Ltd (ASX: HYT) (**HyTerra** or the **Company**) is pleased to announce that, pursuant to its prospectus dated 14 September 2022, the Company is preparing to offer all Eligible Shareholders¹ the opportunity to subscribe for Loyalty Options in the Company.

HIGHLIGHTS

- Eligible Shareholders to be offered the opportunity to apply for a 1-for-4 Loyalty Option
- Loyalty Options under the Options Entitlement Offer are priced at \$0.001 per option with an exercise price of \$0.025 and an expiry date of 30 June 2025
- The Company intends to have the Loyalty Options listed on the ASX

HyTerra intends to undertake a non-renounceable entitlement issue of options to acquire Company shares (**Loyalty Options**) to Eligible Shareholders on the basis of one (1) Loyalty Option for every four (4) Company shares held at the record date, at an issue price of \$0.001 per Loyalty Option to raise up to \$140,176 before costs (**Offer**). The Loyalty Options will be exercisable into Company shares at \$0.025 per Loyalty Option, on or before 30 June 2025.

It is expected that the Offer will close two weeks following the record date that will be used to determine the eligibility of shareholders to participate in the Offer. The record date is to be determined. Applicants should consult their brokers or professional advisors regarding undertaking an investment in the Offer.

The Company intends to apply to the ASX for the quotation of the Loyalty Options, subject to compliance with the requirements under the ASX Listing Rules. All of the Company shares to be issued on exercise of the Loyalty Options will rank equally in all respects with the Company's existing shares. Full details of the Offer will be set out in the prospectus that will be released by the Company on the ASX and despatched to the Eligible Shareholders in due course.

Executive Director, Avon McIntyre, commented: *"We are very pleased to be making this offer to Eligible Shareholders in recognition of their ongoing support of the Company. Since listing in December, we have matured our technical understanding of natural hydrogen and jointly developed a work program for flow testing of the Hoarty NE3 well at Project Geneva. With site operations now underway and the completion rig scheduled for the end of this week, we are excited to be developing the Company and its assets for the benefit of all shareholders."*

HyTerra is currently preparing a prospectus (along with its associated entitlement and acceptance form) for the Offer, which will be available for download on the Company's website, www.hyterra.com, as well as the Company's ASX announcements platform, from the date of lodgement of the prospectus with ASIC. A further announcement, including the timetable for the Offer, will be provided by the Company following the lodgement of the prospectus.

The Board recommends all Eligible Shareholders take up their Loyalty Options and each of the Directors of the Company have confirmed that they will take part in the Offer.

The Company has entered into an Underwriting Agreement with Barclay Wells Limited (AFSL 235070) to underwrite the offer up to the full amount of \$140,176 (**Underwritten Amount**). The Company will pay the Underwriter 1.5% of the Underwritten Amount for its services. The Company will also issue 6,950,000 Options to the Underwriter or its Nominee. These Options will be issued on the same terms as the Loyalty Options and are also intended to be quoted.

The Underwriter has entered into several sub-underwriting agreements, including sub-underwriting agreements with the Company's Directors Mr Brimage, Mr McIntyre and Mr Garner (or their associated entities). No fee will be payable to sub-underwriters related to the Company.

The Offer does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue a prospectus.

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number and value of Loyalty Options these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Offer is not being extended and Loyalty Options will not be issued to Shareholders with a registered address which is outside Australia.

For any further information, please address all enquiries to info@hyterra.com or contact details for Directors are set out below.

Note (1): Eligible Shareholders means those Company shareholders with a registered address in Australia at the time of the record date (which is to be determined).

This ASX announcement has been authorised for release by Alex Neuling, Company Secretary

For further information please visit the Company's website at www.hyterra.com or contact:

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ABOUT HYTERRA LTD

The first ASX listed company with a focus on pioneering the exploration and production of natural hydrogen. HyTerra has an earn-in interest in a Joint Development Agreement (JDA) with Natural Hydrogen Energy LLC which includes the world's first wildcat well targeting natural hydrogen in Nebraska, USA. Under the terms of the JDA, HyTerra has the option to acquire 51% of the assets and assume operatorship.