



21 December 2022

ASX Limited  
Level 10  
20 Bridge Street  
Sydney, NSW 2000

### **Clean Hydrogen Technologies Corporation Hydrogen Investment**

As advised to ASX on 24 May 2022 BPH Energy Ltd (**BPH or Company**) (ASX: BPH) advised that, subject to shareholder approval, it intended to pursue an investment in a hydrogen technology company, Clean Hydrogen Technologies Corporation (**Clean Carbon or Vendor**). Shareholder approval for this investment was obtained on 21 June 2022.

#### **Term Sheet**

The Company and its 36.1% (direct interest) investee company Advent Energy Limited (together, the **Purchaser**) entered into a binding term sheet (**Term Sheet**) with Clean Carbon pursuant to which the Purchasers agreed to subscribe for fully paid shares in Clean Carbon (**Subscription Shares**), representing a total of 10% of the total issued share capital of clean Carbon after the issue of the Subscription Shares (**Subscription Shares Tranche 1 (Proposed Transaction)**), subsequent to which 8% of the Subscription Shares Tranche 1 were issued to BPH and the remaining 2% issued to Advent.

As advised to ASX on 24 May 2022, the Purchaser had a right of first refusal (**ROFR**) where the Vendor (at its sole and absolute discretion) proposes to seek additional funding for the development and operations of the Technology on or before 31 December 2022 (**Additional Funding**) it must first offer the right to subscribe for additional Subscription Shares representing an additional 10% (**Subscription Shares Tranche 2**) to the Purchaser and on the same terms and conditions as the Subscription Shares Tranche 1 (**Right**). In the event that the Vendor secured additional investments in excess of \$US3,000,000 on or before 31 December 2022, the Right is relinquished.

The ROFR conditions have now been amended such that it exists when (i) the Vendor does not seek a Series A investment in its equity securities comprising a minimum investment of US\$3,000,000 by 30 April 2023, where such investment values the Vendor in excess of US\$20,000,000 (such investment, a "Qualified Financing"), and (ii) the Vendor determines, in its sole and absolute discretion, that it requires at least a further US\$1,000,000 investment for continued development and operations.

Subject to the above, should the Purchaser exercise the ROFR, it must do so within 1 month of the Vendors request for the Additional Funding. The consideration payable is an aggregate of US\$1,000,000, comprising of \$US800,000 by BPH and US\$200,000 by Advent

**(Additional Cash Consideration)** subsequent to which BPH shall hold a total 16% interest in Clean Carbon and Advent shall hold a total 4% interest in Clean Carbon (based on the assumption that Clean Carbon has not issued any additional Clean Carbon Shares prior to the Right being exercised).

Authorised for release by

A handwritten signature in black ink, appearing to read 'D. Breeze'.

David Breeze  
Executive Director