



ECOSSAUS Limited

Crowd-sourced funding offer document

Dated 27 June 2024

Offer of fully paid ordinary shares in ECOSSAUS Limited at per \$0.18 share to raise a maximum of \$1,000,000

This crowd-sourced funding (CSF) offer document relates to the Offer of fully paid ordinary shares in ECOSSAUS Limited

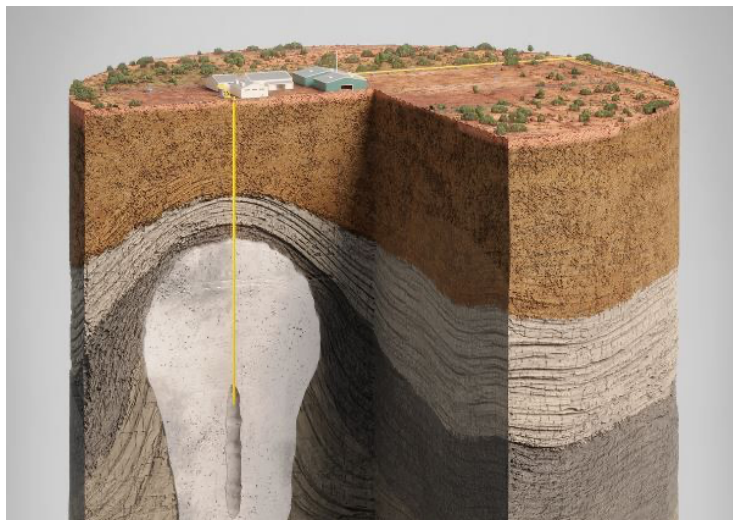
This Offer is made under the CSF regime in Part 6D.3A of the Corporations Act 2001 (**Corporations Act**).

Issuer

ECOSSAUS Limited ACN 653 988 419

Intermediary

Birchal Financial Services Pty Ltd ACN 621 812 646 AFSL 502618



Source: PV Magazine, April 12th, 2023

Always consider the general CSF risk warning and offer document before investing

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Section 1: Risk Warning

Crowd-sourced funding is risky. Issuers using this facility include new or rapidly growing ventures. Investment in these types of ventures is speculative and carries high risks.

You may lose your entire investment, and you should be in a position to bear this risk without undue hardship.

Even if the company is successful, the value of your investment and any return on the investment could be reduced if the company issues more shares.

Your investment is unlikely to be liquid. This means you are unlikely to be able to sell your shares quickly or at all if you need the money or decide that this investment is not right for you.

Even though you have remedies for misleading statements in the offer document or misconduct by the company, you may have difficulty recovering your money.

There are rules for handling your money. However, if your money is handled inappropriately or the person operating the platform on which this offer is published becomes insolvent, you may have difficulty recovering your money.

Ask questions, read all information given carefully, and seek independent financial advice before committing yourself to any investment.

Section 2: Information about the company

Letter from the founders

We are on a mission to lead Australia in green hydrogen production and storage using underground salt caverns. The green energy transition requires substantial increases in domestic green hydrogen production and storage capacity to meet forecast demand. We recognised this opportunity and have been working to establish a profound first mover advantage in the sector.

The new hydrogen economy in Australia is coming and fast, backed by billions in private and investment and government support as part of Australia's ambitions to become a renewable energy super power. Australian-made hydrogen will be essential to making this ambition a reality.¹

The new hydrogen economy needs mega scale storage solutions for the hydrogen industry to be viable. Salt caverns are a proven and trusted technology overseas and the CSIRO has declared that they are the preferred domestic option for industrial sized purposes.²

Salt cavern storage is also critical for the scaling up of green hydrogen production. It allows for the most efficient utilisation of electrolyzers and can provide consistent energy supply, serving as a buffer between variable renewable energy production and final delivery of green hydrogen.

We saw this opportunity over 2 years ago and have been working hard to create a strong early mover advantage in this space by securing strategically located project areas, building a diverse and experienced management team and establishing partnerships to help advance our projects.

Meanwhile, the momentum for these projects has been rapidly increasing across the globe. American energy giant Chevron recently bought a majority stake in the world's largest green hydrogen production and salt cavern storage complex in Delta, Utah, co-developed by Mitsubishi power.³ And Tripple Point, spin out from North American Atlas Salt, continues to advance the first large scale clean energy and underground salt cavern project in Newfoundland, Canada.⁶

With the advancement of the new hydrogen economy in Australia, the timing is ideal for a project like this to capitalise on a rapidly growing market and help to contribute to Australia's clean energy ambitions.

Now, a bit more detail on ECOSSAUS and our plans...

How?

ECOSSAUS aims to be the first in Australia to utilise underground salt caverns for the scaleable, long term and stable storage of hydrogen. Salt caverns are a proven technology overseas, having been used for decades in North America and Europe for storage of various liquids and gasses including hydrogen on large scales.⁷ We plan to produce green hydrogen via electrolysis using excess renewable energy from the grid or contracted suppliers.

Where?

ECOSSAUS has over 10,000km² of minerals exploration and gas storage licences in South Australia, Queensland and the Northern Territory. Our projects are strategically located over significant salt structures which are close to industry, infrastructure, renewable energy sources and port facilities. Our project areas have been independently assessed as having prospectivity for salt at the right depths.

Why?

The CSIRO has identified large-scale salt cavern storage as the most viable option for Australia's new hydrogen economy, with a requirement for 5 million tonnes of hydrogen storage needed to complete the transition.² This represents a market potentially worth \$60 billion per annum based on independently estimated daily storage costs of hydrogen in salt caverns at US\$0.023/kg/day.⁷

Further, the recently announced ~A\$8 billion in Federal Government funding to support the production of renewable hydrogen and the heavily oversubscribed ~\$7 billion Federal Treasury "Green Bond" demonstrates substantial support for renewable projects and the energy transition.⁸

We believe that the time is right to bring this proven technology to Australia and we have positioned ECOSSAUS with a profound early mover advantage in this space. It is estimated that one 7,000 m³ salt cavern could store the hydrogen energy equivalent of 231 GWh, which is 500 times Australia's biggest battery the 450 MWh VBB facility at Moorabool in Victoria.⁹ This demonstrates the enormous potential these projects have in making a marked impact on Australia's renewable energy supplies.

Who?

As founders we have significant, decades long experience in geology, geophysics and engineering. Whilst working as consultants on a hydrogen storage project we recognised the opportunity that existed in the Australian green hydrogen market. This led us to assemble a strong and experienced management team which includes proud Arrernte elder, Robert (Bob) Liddle, Order of Australia medal recipient. Bob is Australia's most experienced and well-respected indigenous land consultant and is highly focused on driving our commitment to ESG (environmental, social and governance) principles. Also on the Board is geology and geophysics specialist, Antony (Tony) Rudge, and highly regarded minerals and energy professor, Dr Eric Lilford, who is our nominee CEO.

What?

Our business model is based on developing mega-scale underground salt caverns for hydrogen storage at our project areas in Australia. Salt caverns offer many advantages over the current

options for hydrogen storage, such as batteries and above ground tanks. These advantages include their minimal environmental impact, structural stability and high storage capacity.

Salt produced from the cavern making process can be sold to offset the project costs from an early stage of development. Revenue can also be derived from green hydrogen production and the underground storage of hydrogen for ECOSSAUS and third-party clients.

What your investment means to us...

The funding we are seeking will help us continue with our project development, with a focus on our flagship project in South Australia. Funding will also assist our ongoing project analysis, business development and marketing activities as we look to further this opportunity for our shareholders.

Join us on our journey!

We are delighted to offer the opportunity for investors to join ECOSSAUS and help turn our vision of building Australia's first green hydrogen production and salt cavern storage project a reality!

Yours sincerely

John Heugh & Mitchell Ellis

Co-founders

2.1 Company details

This offer of shares is made by ECOSSAUS Limited ACN 653 988 419 (**Company**).

Company name	ECOSSAUS Limited
ACN	653 988 419
Date of incorporation	26/09/2021
Date of conversion to public company	11 October 2022
Registered office	MINERVA CORPORATE, Level 8, 99 St Georges Terrace, PERTH WA 6000
Principal place of business	Level 8, 99 St Georges Terrace, PERTH WA 6000
Directors	John Heugh Mitchell Ellis Robert (Bob) Liddle Antony (Tony) Rudge
Company secretary	Dan Smith
Website	ecossaus.com

2.2 Our business

2.2.1 Company overview

ECOSSAUS is committed to driving positive change in Australia's energy sector by aiming to provide mega-scale, sustainable, and cost-effective green hydrogen production and energy storage solutions using underground salt caverns.

ECOSSAUS was founded over 2 years ago when John Heugh and Mitchell Ellis met on a hydrogen project and discovered the opportunity to help lead Australia in renewable energy storage leveraging proven and sustainable salt cavern storage technologies.

Salt caverns have been used for decades in North America and Europe, with a proven history of success for large-scale storage of various liquids and gasses including hydrogen.⁷

Salt caverns also provide many advantages over the current options for energy storage in Australia, such as in above ground tanks.

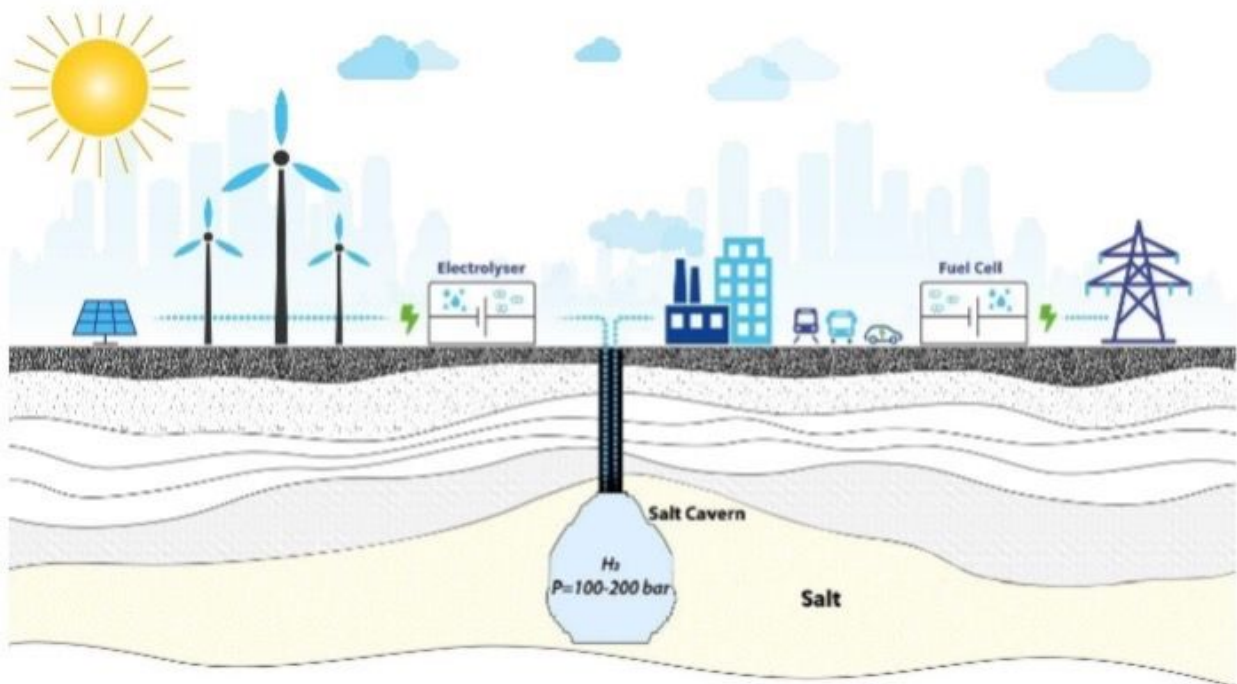


Figure 1: Hydrogen storage in salt cavern

Source: Hydrogen Underground Storage: Status of Technology and Perspectives. Carlo Cappelani, Snr Geoscientist HydrogenPortal.com, June 2024

Since its incorporation, ECOSSAUS has secured a large (>10,000km²) acreage position in three key project areas - South Australia, Queensland and Northern Territory, each with different strategic benefits. The projects were secured over known or interpreted salt structures close to key infrastructure and resources.

ECOSSAUS seeks to capitalise on its early mover advantage in Australia and develop underground salt caverns on its projects to create mega-scale hydrogen storage capacity in Australia. We believe this technology will be critical in addressing the storage challenges faced by the new hydrogen economy in Australia and the CSIRO has already identified large-scale salt cavern storage as the most viable option for the new hydrogen economy.²

The Company has extensive acreage with appropriate salt cavern development potential close to infrastructure. The CSIRO forecasts 5 million tonnes of hydrogen storage capacity will be required to successfully transition to the new hydrogen economy in Australia.² This would equate to hundreds of average sized salt caverns.

The time is right to bring this technology home to Australia and ECOSSAUS is strongly positioned to lead the market in this space.

2.2.2 Milestones & timelines to date

September 2021

ECOSSAUS was founded to capitalise on the opportunity to lead Australia in large scale underground energy storage using salt caverns.

November 2021

Applications made for minerals exploration licences over key project areas in South Australia, Northern Territory and Queensland over known or interpreted salt structures close to industry and infrastructure.

January 2022

Strong and accomplished team comprising of industry professionals pulled together to help drive ECOSSAUS on its mission to develop the first underground salt cavern project in Australia.

March 2022

Heavily oversubscribed series A seed raise (A\$415K) completed to help progress initial project, economic and marketing analysis and progress project applications to grant.

June 2022

Over 25% of applications progressed to grant and detailed project and economic analysis commissioned and reports received, including project prospectivity/JORC assessment, salt and hydrogen production economics , regulatory and business development activities.

July 2022

Completed seismic remapping of the Boree Salt in EPM 28152, the Rosebank salt dome and review of State and Territory mining and gas storage tenement regulations across project jurisdictions.

August 2022

Completed independent review of large volume water resources available in all tenement areas, together with preliminary review and assessment of salt cavern construction in Australia with experienced salt cavern experts from Europe and Australia.

October 2022

Further applications made to expand Northern Territory project footprint by 41% and South Australian project footprint by 430% including critical gas storage and exploration licences in South Australia.

December 2022

Completed seismic reprocessing and remapping of the NT Camel Flat tenement data.

January 2023

Completed preliminary environmental assessment and regulatory review over all tenement areas.

February 2023

Completed assessment of current large scale salt cavern hydrogen storage technologies and economics.

May 2023

Completed initial field mapping of the Camel Flat Syncline in the NT tenements with an emphasis on halotectonic structures and field mapping of the Chandler Salt structures, confirming extensive salt structures.

July 2023

Over 50% of applications progressed to grant. Completed further detailed field mapping of the Carrieton, Spalding and Ooladdie salt breccia structures in the SA tenement areas, confirming the presence of interpreted salt cored anticlinal structures together. Received independently assessed JORC Exploration Target of 2.3 trillion tonnes of salt resources at appropriate depths on ECOSSAUS NT and Qld projects.¹⁰

September 2023

Existing shareholders support ECOSSAUS with +\$70K of bridge financing via convertible notes to fund ECOSSAUS through grant of the remaining applications and continued project and business development activities.

October 2023

Additional South Australian applications progressed to grant, taking ECOSSAUS' total granted project area to over 72%. Detailed project analysis and economic modelling continues together with market testing for off take interest for high grade salt products, including preliminary economic assessment of conceptual multi-cavern salt extraction, sales of high grade salt, storage of client company hydrogen and green hydrogen production.

December 2023

Completed preliminary assessment and planning for an airborne gravity gradiometry (AGG) survey including detailed aeromagnetics over SA tenements, to be conducted prior to on-ground seismic.

January 2024

ECOSSAUS secures grant of final gas storage and exploration licence in South Australia, taking secured project area to over 95%.

March 2024

Completed preliminary assessment of novel Danish developed pressure retarded osmosis green power technology and commenced discussions on collaboration to enable continuous 24/7 power generation aimed at uninterrupted PEM electrolytic green hydrogen production.

May 2024

Federal Government announces over \$8 billion of funding in new Federal budget to support the production of renewal hydrogen in Australia.⁸ Birchall crowd sourced funding EOI campaign commences.

2.2.3 Projects

Highlights

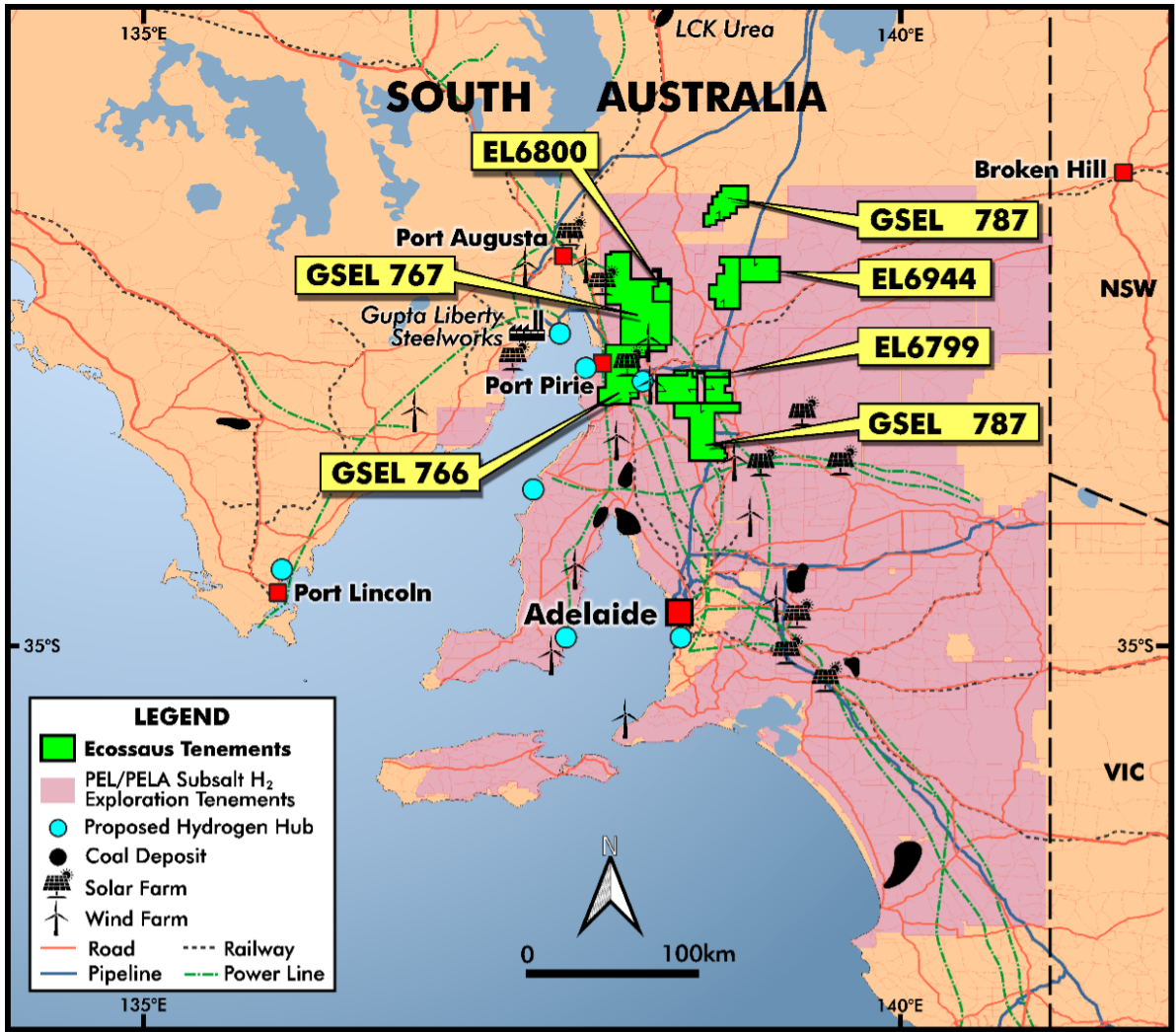
ECOSSAUS has over 10,000 km² of granted mineral exploration licences (ELs) and gas storage exploration licences (GSELs) in known salt provinces.

ECOSSAUS' project areas have been interpreted using 2D seismic, historical drilling and geological mapping to correlate with underlying salt domes and/or salt layers with 95% halite up to 500-700m thick.¹⁰ Our project areas are also strategically located acreage close to industry and infrastructure, roads, rail, pipelines and in SA, port facilities and hydrogen hubs, as well as renewable energy sources.

ECOSSAUS' project areas have been independently assessed with prospectivity having been described as "strong and exciting" with significant known salt deposits and large portions of the ECOSSAUS acreage having potential to host salt over 500m in thickness.¹⁰ ECOSSAUS has also received an independently assessed JORC Exploration Target of 2.3 trillion tonnes of salt resources at appropriate depths on our NT and Qld projects.

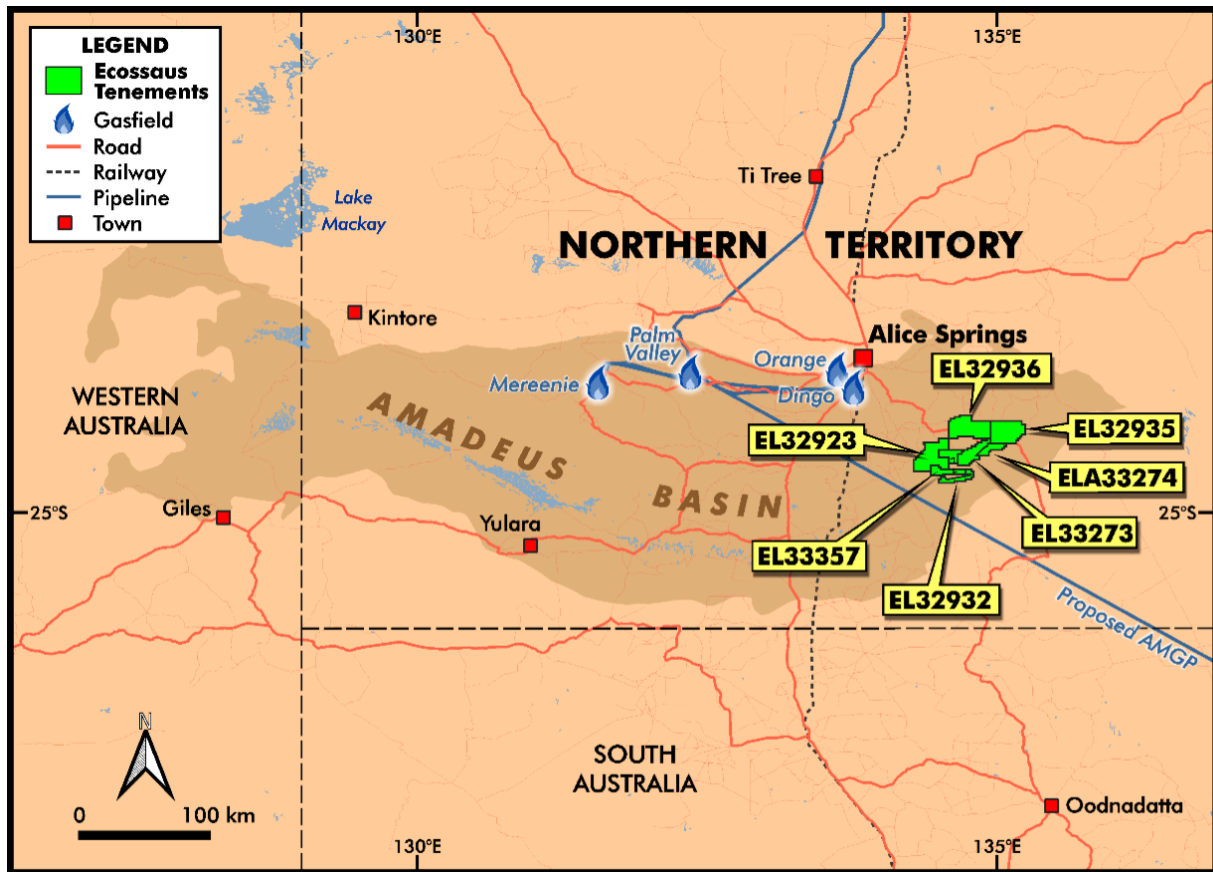
Access to the right ingredients to build Australia's first salt cavern on ECOSSAUS' project areas provides ECOSSAUS with an opportunity to be a green hydrogen producer. This is because access to salt caverns for storage is also critical for the scaling up of green hydrogen production. It allows for the most efficient utilisation of electrolyzers and serves as a buffer between variable renewable energy production and final delivery of green hydrogen.

To produce green hydrogen, ECOSSAUS plans to use excess renewable energy from the grid,¹¹ or from contracted suppliers, coupled with the new but proven Danish technology, "Pressure retarded osmosis" (which has been commercialised in industrial salt extraction plant in that country) has the potential to deliver a 24/7 supply of adequate green renewable power for green hydrogen production via electrolysis using the by ultra-pure water byproduct of salt extraction using the MVR plant.¹² The proximity of ECOSSAUS' project areas to existing gas pipelines, powerlines and industry provides added benefits for these purposes.



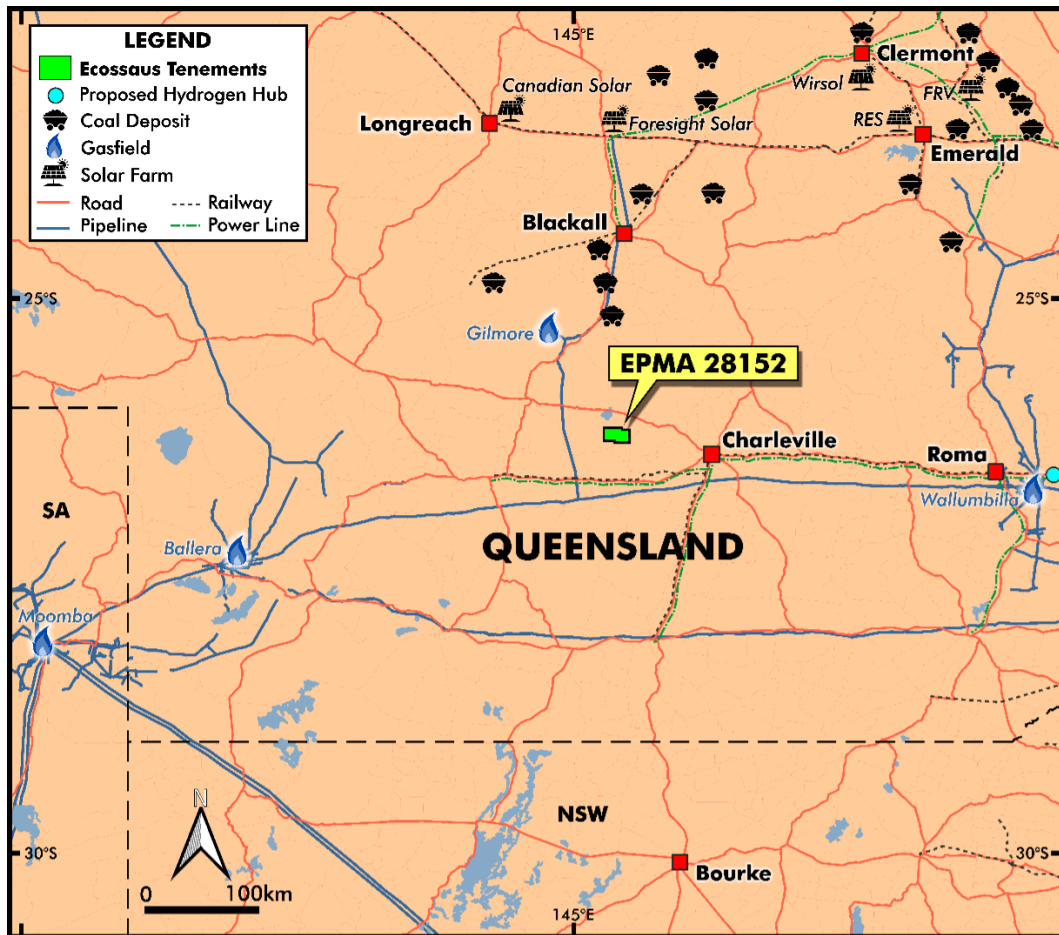
South Australia

The Company's South Australian tenements are located adjacent to Port Pirie, close to rail, road, industry and infrastructure. The State produces enormous amounts of cheap excess renewable energy throughout most days,¹¹ which could be used to produce green hydrogen. In addition, hydrogen blending into gas pipelines in the early phases of transition to the new hydrogen economy is a viable option as there are a number of gas pipelines running either through and/or close to the Company's tenements.



Northern Territory

The Company tenements are located in the Amadeus Basin where subsalt helium and hydrogen concentrations of extraordinary levels have been discovered-these gases are both viable candidates for salt cavern storage. Extensive natural gas fields are also already producing and soon as part of the transition to the new hydrogen economy will be piped via the proposed AMGP gas pipeline to Moomba where the giant markets of the East Coast are accessible. Up to 15% hydrogen is normally feasible to transport in natural gas pipelines.¹³ The area is eminently suitable for the production of renewable solar and wind power with some of the highest solar radiation in the world and clear skies with abundant wind resources



Queensland

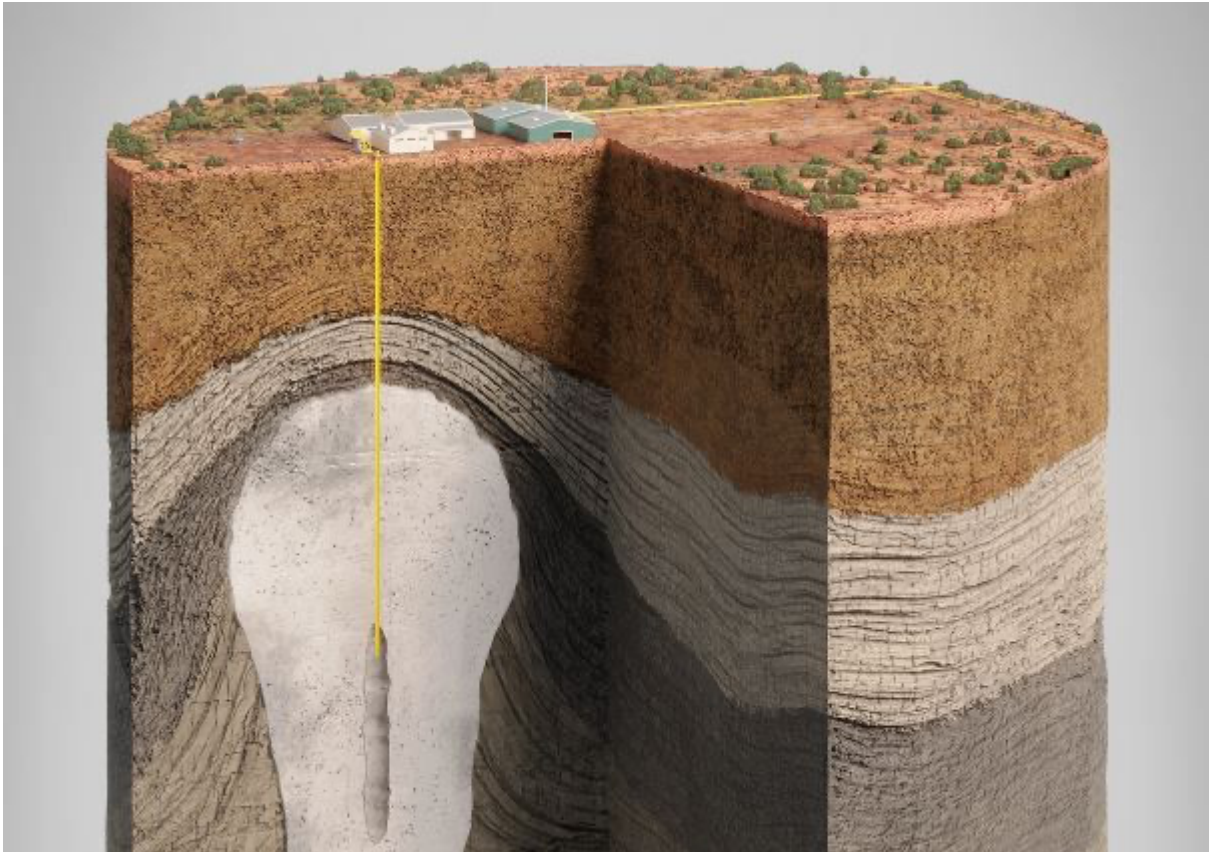
The Company's Queensland acreage is close to already established or planned solar power hubs and a growing number of hydrogen hubs. Natural gas pipelines run in close proximity to the tenement as well as rail and road facilities. Blending of hydrogen with natural gas in these pipelines appears to be a viable option going forward. As well because of the favourable location with respect to the right conditions for wind and solar power it may be possible to produce green hydrogen to power electrical generation to gradually replace coal fired generation currently being the dominant source of grid power in Queensland.

Tenement Schedule:

Tenement	State	Area (km ²)	Application Date	Grant Date	Expiry Date
EL32923	NT	637.53	5/10/2021	1/09/2022	31/08/2028
EL32932	NT	148.51	6/10/2021	1/09/2022	31/08/2028
EL32935	NT	588.69	8/10/2021	1/09/2022	31/08/2028
EL32936	NT	676.34	8/10/2021	2/09/2022	1/09/2028
EL33273	NT	328.66	15/07/2022	24/01/2023	23/01/2029
EL33274	NT	152.6	15/07/2022	Pending grant	N/A
EL33357	NT	369.6	20/10/2022	30/05/2023	29/05/2029
EPM28152	QLD	320	26/11/2021	Pending grant	N/A
EL6799	SA	717	8/10/2021	7/07/2022	6/07/2028
EL6800	SA	168	8/10/2021	7/07/2022	6/07/2028
GSEL 767	SA	1995	8/07/2022	8/05/2023	7/05/2028
GSEL 766	SA	1823	8/07/2022	20/07/2023	19/07/2028
GSEL 787	SA	2491	28/06/2023	24/01/2024	23/01/2029
EL6944	SA	463	13/07/2023	17/10/2023	16/10/2029
Total		10,879			

2.2.4 Salt caverns and green hydrogen

Salt Caverns



Source: PV Magazine, April 12th, 2023

Salt caverns are formed by injecting water into a salt body to dissolve the salt into a highly concentrated brine for extraction to the surface - this produces a cavern. The brine is processed through a Mechanical Vapour Recompression ("MVR") plant to produce high grade vacuum salt for sale and ultra-pure fresh water outflow for hydrogen production and recirculation into the solution mining process.

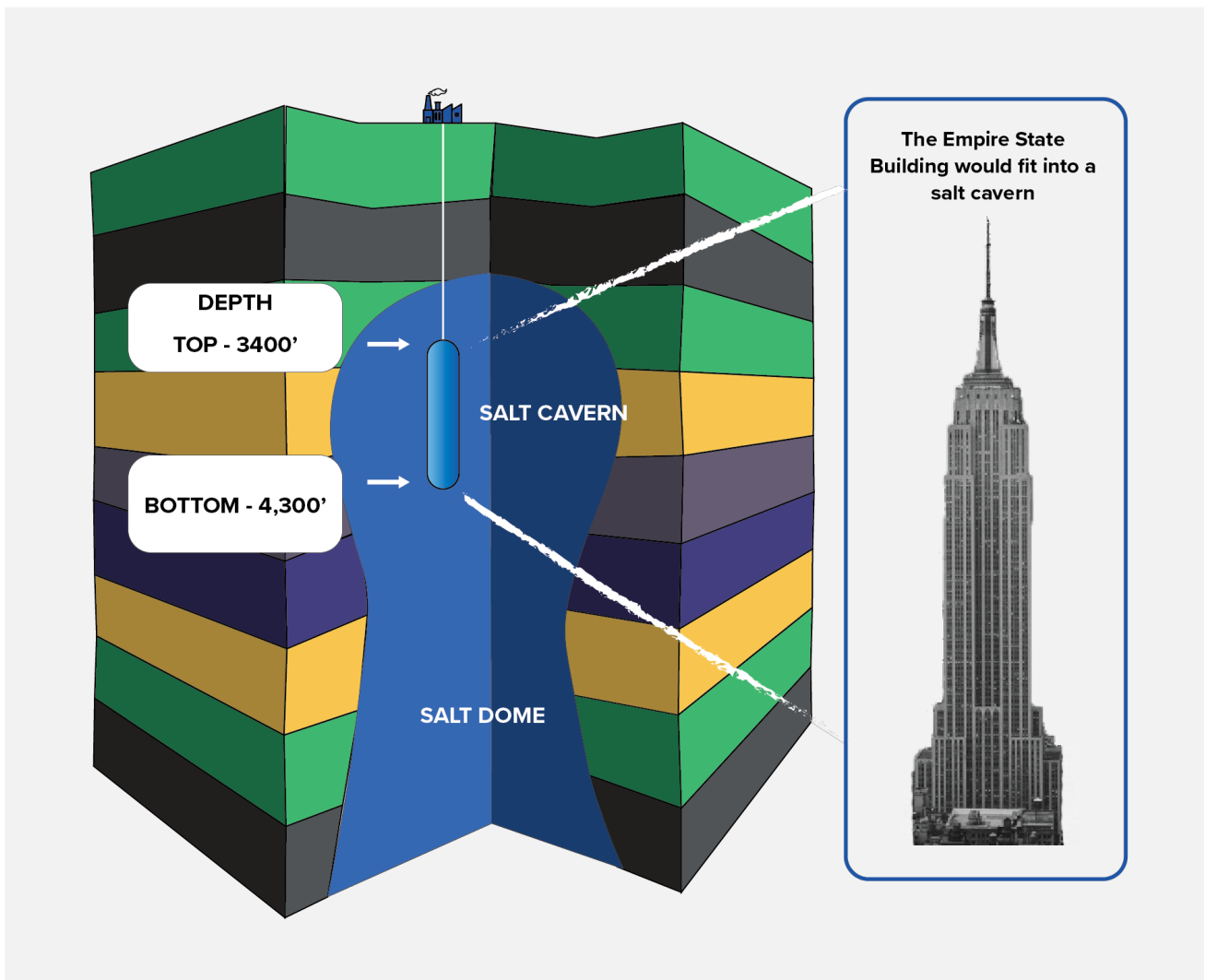
This process is called in-situ leaching or solution mining. For storing non-aqueous gases such as hydrogen, the caverns are constructed in salt dome structures from at least 800m below the surface. At this depth, salt changes to a form that is impervious to all known non-aqueous gases and liquids that do not contain water.

Salt caverns offer numerous advantages for energy storage, particularly for hydrogen. In North America and Europe, a number of companies have been utilising this technology for decades. The first large scale salt cavern hydrogen storage facility began operating at Teeside in the UK since 1972. Salt caverns are structurally stable, have a high storage capacity, are impermeable, (ie leakproof) and they can quickly dispatch stored hydrogen energy when required, making them a superior option for renewable energy deposits.¹⁴

Compared to traditional energy storage methods like batteries which can have profound negative environmental impacts on disposal, salt cavern storage has virtually zero. Salt caverns do not generate rare or harmful materials, have no disposal problems and are constructed at great depth in naturally occurring salt diapirs or alternatively, thick salt layers. It is possible to construct multiple salt caverns in one salt body utilising common project infrastructure above surface, creating mega-stale storage potential with minimal surface disturbance.

Overall, salt cavern renewable energy storage provides a reliable and flexible way to store excess renewable energy and deliver it when needed, contributing to a more sustainable and resilient energy system.

ECOSSAUS plans to be the first company in Australia to leverage this method, providing us with a profound early mover advantage.



Source: Conversion of Inter-Mountain Power Project to Green Hydrogen (Green Hydrogen Coalition-June, 2024)

Green Hydrogen

Hydrogen is the most abundant chemical element in the universe.¹⁵ Hydrogen is contained in water, plants, animals and even people. But while it's present in nearly all molecules in living things, it doesn't really exist on its own.

The most obvious element in which hydrogen exists is "water". Water is simply H₂O –meaning two hydrogen molecules to one oxygen molecule.

Green hydrogen refers to hydrogen gas that is produced using renewable energy sources, such as wind and solar power, through a process called electrolysis. This method involves splitting water molecules into hydrogen and oxygen atoms, with the hydrogen being collected as a green energy source.

Green hydrogen is considered environmentally friendly because it does not produce carbon emissions during its production process and has a thermal energy content equivalent to ~70% that of natural gas.

Hydrogen gas produced can either be stored as a compressed gas or liquefied, and since hydrogen is an energy carrier, it can be used to power any hydrogen fuel cell electric application, or hydrogen combustion engine application, whether its trains, buses, trucks, cars, aircraft, or electrical generators.¹⁶ The major advantage of hydrogen fired turbine generators is their ready ability to switch on when required to meet peak demand and to be switched off when not required.

When using green hydrogen as a fuel source there are no emissions. When hydrogen interacts with the oxygen in air via a fuel cell, it generates power. In doing so, the only "emission" is water.

2.2.5 Project scope

Project comparisons

Australia's biggest battery, the VBB facility at Moorabool in Victoria, features 450 MWh of installed capacity.¹⁷ One single salt cavern of 7,000m² could provide store the hydrogen energy equivalent of 500 times this amount.¹⁸

The quantity of green hydrogen from one single cavern could be used to electrically power 60,000 average households for 1 year or 30,000 EVs for 140,000 km each.¹⁸

Each salt diapir may potentially host multiple salt caverns.

Salt cavern examples

Salt caverns have been used since 1972 for storing large volumes of hydrogen.

The Clemens Dome, Moss Bluff, Spindletop and Teeside storage facilities total 10.7 million kg of hydrogen capacity.¹⁹

The Chevron/Mitsubishi 300 GWH Hydrogen Storage Advanced Clean Energy Project (ACES) with two salt caverns is also well under way in Utah.²⁰

The Fischell Salt Dome hydrogen storage project in Canada plans to use multiple caverns in one salt dome.²¹

German energy company Uniper plans to operate salt caverns as large-scale hydrogen storage within 6 years.⁴

Texan start-up Green Hydrogen international plans to build a 60-gigawatt green hydrogen project in South Texas using salt caverns.⁵

2.2.6 Salt production

ECOSSAUS plans carbon neutral in-situ leaching of salt domes utilising the MVR process to consistently and sustainably produce Grade 1 salt.

We expect this high grade salt will provide the earliest revenue stream, enabling the company to offset, or substantially offset, the engineering and construction of the caverns.

The project(s) have the potential to capture Scope I, II and III emissions.

The Grade 1 (>99.98% purity) global salt market is expected to cross the US\$10 billion mark in 2029 on the back of increased demand for high purity salt from the chemical and pharmaceutical industries.²⁷ Grade 1 salt is made via two main methods, "Vacuum Pan" or "MVR" (Mechanical Vapour Recompression). The MVR system has lower power requirements than the Vacuum Pan method.

Most global salt production is from solar evaporation of seawater in large ponds and in general produces a lower grade industrial salt. This was selling in the US in 2021 in the region of US\$120/t. The MVR method is capable of producing salt of 99.9% purity selling in the US in 2021 in the region of US\$220/t.²⁶

An early initial annual production step of 670,000 tpa is planned, building to subsequent steps of 1,000,000 tpa with 2,000,000 tpa being the optimal production volume at each of its chosen solution mining sites.

Seismic and drilling information has been analysed independently and the prospectivity described as "strong and exciting" with large portions of the ECOSSAUS acreage having potential to host salt over 500m in thickness. There is additional assessed potential in some tenement areas to host potash minerals such as sylvinite or sylvite and carnalietite or carnallite.

1 km² of a 250m thick salt layer is capable of producing 250 million m³ or c.570 million tonnes of salt. ECOSSAUS plans additional focused gravity, seismic & surface mapping programmes to de-risk its exploration drilling programme & subject to successful exploration, solution mining and salt production at several sites.



2.2.7 Green hydrogen production

ECOSSAUS plans to utilise Danish designed Pressure Retarded Osmosis technology and excess grid renewable energy to produce green hydrogen.

ECOSSAUS will use saline water, produced from deep aquifers unsuitable for animal or human consumption, in the in-situ leaching of salt in creation of a cavern.

Following the in-situ leaching of the salt cavern, a Mechanical Vapour Recompression (MVR) salt refining technology extracts the salt from the post in-situ leaching stream, which results in a produced water stream suitable for drinking water, hydrogen production and further in-situ leaching

Morgan Stanley estimates that the hydrogen market will increase to US\$11 trillion per annum by the time global net zero is reached.²²

The recently announced Federal Budget has delivered a historic \$AU8.0 billion to support the production of renewable hydrogen in Australia.⁸ This includes an \$AU6.7 billion Hydrogen Production Tax Incentive, a tax credit scheme that will pay developers \$2 for every kilogram of green hydrogen produced. There is an additional \$AU2.0 billion for extension of the Hydrogen Headstart Program for early mover projects, such as those proposed by ECOSSAUS.

The substantial level of Government support for the new hydrogen economy provides further strength to ECOSSAUS business model. ECOSSAUS is ideally positioned to leverage this unprecedented level of Government support.



2.2.8 Industry and market overview

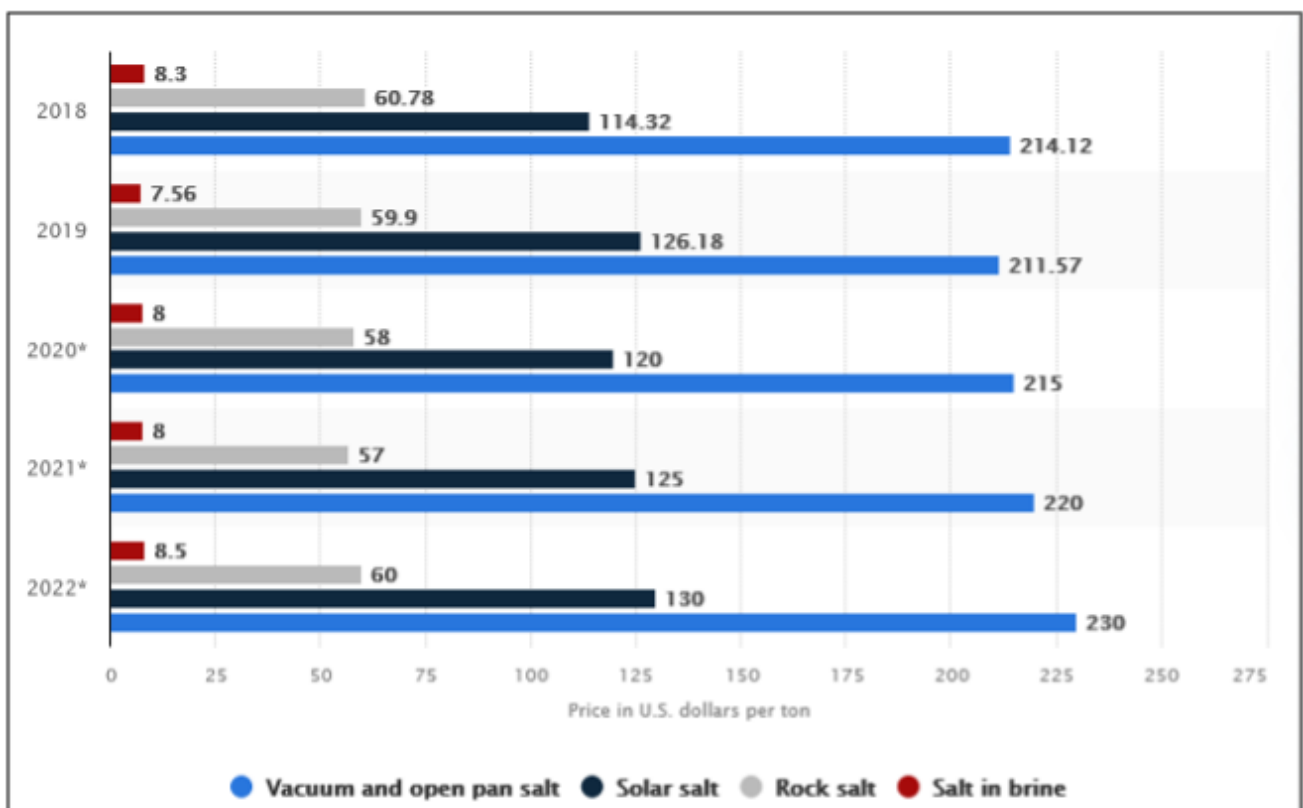
High grade salt market

Grade 1 vacuum/MVR salt market (>99.98% purity) is expected to reach US\$10 billion in 2029 driven by demand from pharmaceutical and chemical industries.²⁷ Increased demand is also projected in the food and beverage industry, animal feed business, water softening industry, low sodium content salt, crude oil production and domestic uses

Vacuum pan/MVR salt making process is one of the safest and highest-quality production processes, also allowing for recycling of water used in solution mining process and can produce up to 100% pure salt.

Top 5 countries driving demand are the US, UK, China, India and Australia.

Additional value adding through additional chemical products through vacuum salt, including chloralkali products (market forecast to almost double to US\$150Bn by 2032).²⁷



Source: Vacuum,/MVR Salt Pricing US\$ 2016 – 2022 (Source: <https://www.statista.com/statistics/916733/us-salt-prices-by-type/>)

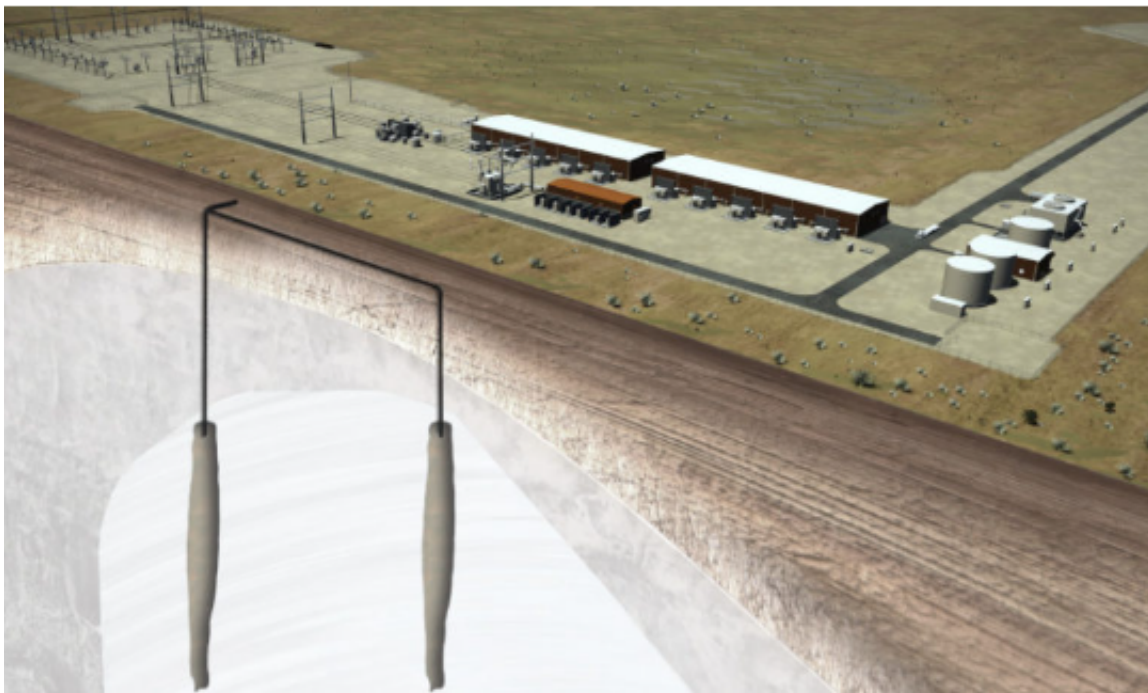
Energy storage

According to Bloomberg total energy storage deployments will grow by a sizeable CAGR of 27% from 2023 – 2030, creating a rapidly growing addressable market.²³

The CSIRO has already identified large-scale salt cavern storage in Australia as the most viable option for the New Hydrogen Economy.² The CSIRO forecasts a demand for 5 million tonnes of hydrogen storage facilities to reach the goal for a full transition to the new hydrogen economy in Australia.²

Some of the advantages of salt cavern storage include:

- Mega-scale capacity potential—a single salt cavern of 36m in diameter can hold c.5 million kg of hydrogen.
- Salt deposits at c.800m and over change to a semi-plastic state, totally impervious to all known non-aqueous liquids and gases such as hydrogen, helium and natural gas.
- Proven history of safe and secure storage for decades in Europe and North America.
- Minimal surface footprint and simple surface facilities required.
- Filling and emptying of salt caverns is rapid, easy and efficient and long term storage has no effect on structural integrity provided filling and emptying cycles are monitored and appropriately constrained.



*Source: Advanced Clean Energy Storage, ACES DELTA 300 GWh Salt Cavern Storage Project, Utah
<https://aces-delta.com/>*

By the Numbers

86%

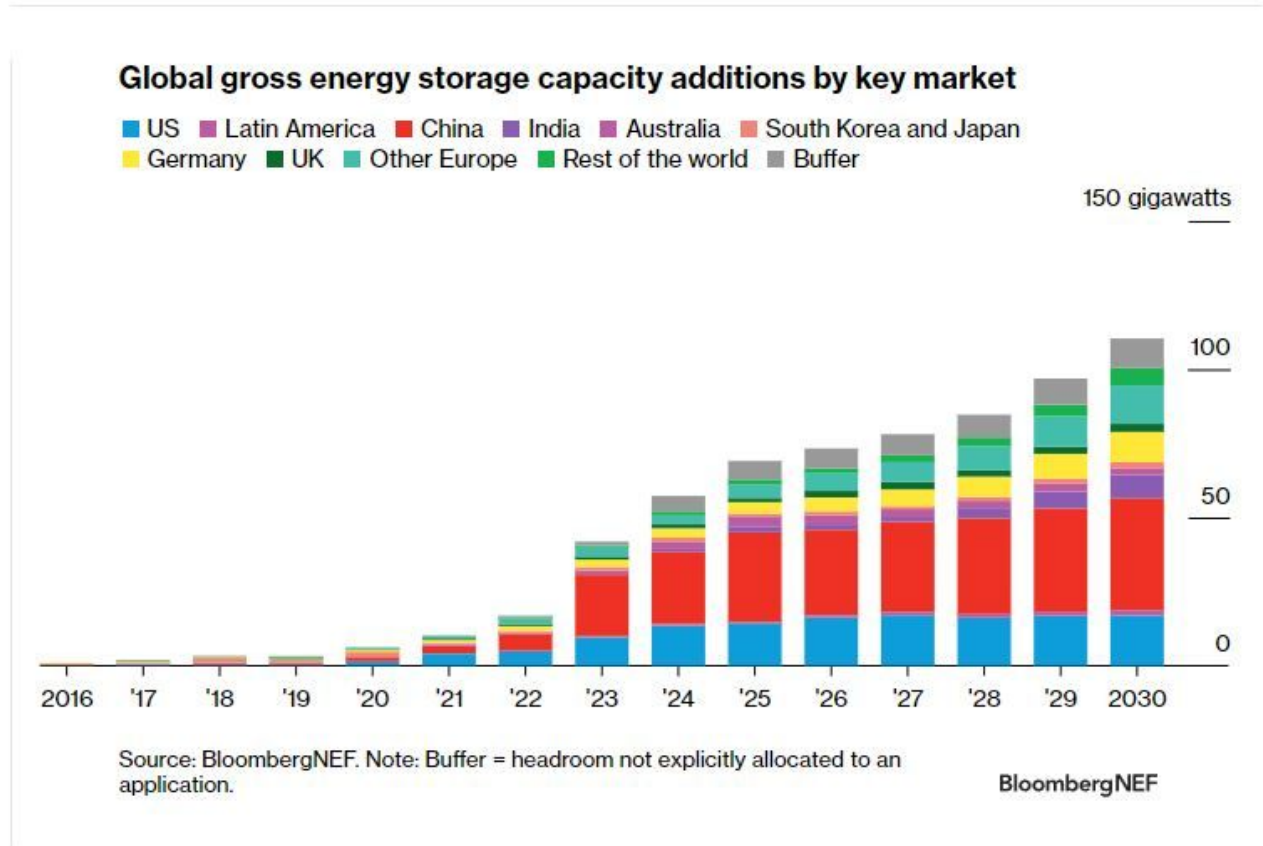
Increase in BNEF's 2030 China forecast due to targets and policy reform upside

1.4GW / 8.2GWh

Long-duration energy storage commissioned capacity worldwide in 2023

650GW / 1,877GWh

Global cumulative energy storage capacity by the end of 2030



New Hydrogen Economy

Hydrogen is being used as an alternative fuel supply across the globe. Hydrogen has a broad range of applications, across virtually all sectors—transportation, commercial, industrial, residential, and portable. Hydrogen and fuel cells can provide energy for use in diverse applications, including distributed or combined-heat-and-power; backup power; systems for storing and enabling renewable energy; portable power; auxiliary power for trucks, aircraft, rail, and ships; specialty vehicles such as forklifts; and passenger and freight vehicles including cars, trucks, and buses¹.

Global hydrogen production is predicted to rise from its current 71 million tonnes to 168 million tonnes by 2030 – that’s more than a doubling production in 10 years. Over the same period, Frost &

Sullivan predicts that revenue generation within the market is expected to jump from US\$177.3 billion in 2020 to US\$420 billion in 2030.²⁸ Further, as mentioned previously, Morgan Stanley estimates that the hydrogen market will increase to US\$11 trillion by the time global net zero is reached.²²

According to 2021 national survey found 90% of Australians already support using hydrogen as a fuel. More generally, Australians agree that hydrogen should be used for Australia's energy supply.²⁵ The same report found that 75% of Australians believe that climate change is already happening.

The opportunity for Australia to capitalise on this industry growth is significant.



2.2.9 Other opportunities

In addition to our current focus on building Australia's first green hydrogen production and salt cavern storage project, ECOSSAUS' large and strategically located project areas provides other potential business opportunities.

UPS/CAES

A review of potential for underground pumped hydrostorage (UPS) and/or Compressed Air Energy Storage (CAES) supplementing power supplies to enable 24/7 PEM electrolyser operation is under way.

CCS

Very large scale CCS opportunities exist in the thick, highly porous Rhynie Sandstone which lies under ECOSSAUS' South Australian project area, estimated to be up to c.20 billion m³/10 km² absolute volume ie up to c. 8 billion tonnes CO₂/10 km² at 1,000m depth via pumped supercritical CO₂ – ie, effectively infinite; 500-1,000m thick, 20% porosity is estimated independently.

CO₂ synthesis

The Company and Rockwell Australia, (www.rockwellaustralia.com.au) are collaborating to evaluate potential for the application of nano-filtration techniques in water purification, atmospheric and industrial CO₂ capture and the chemical synthesis of CO₂ into products such as synthetic fuels, ammonia and methane. Synergistic energy co-generation as part of these processes is also under consideration.



2.3 Business strategy and business model

Proposed development of integrated renewable energy solutions

In-situ leaching of salt caverns is planned to produce net zero emissions, high grade salt, which is proposed to offset the costs of integrated project development.

A Mechanical Vapour Recompression (MVR) plant on the surface, utilising low priced excess renewable power from the grid or contracted providers and other green sources such as the pressure retarded osmosis by SaltPower, Compressed Air Energy Storage and Underground Pumped Hydro, is planned to extract the salt and output high purity water, enabling 24/7 production of green hydrogen.

Once the salt caverns are developed, they are structurally stable, impermeable systems available for extremely large scale storage of energy, creating another revenue stream.

Salt cavern storage and hydrogen production development pathway

A combined salt cavern storage and hydrogen project is estimated to take 4-5 years to develop from the start of definition drilling. However, there is an opportunity to produce revenue within a few months of salt cavern in-situ leaching via salt sales and hydrogen offtake into existing natural gas pipelines which initially will not require salt cavern storage.

An MVR plant is proposed to be built to extract high grade salt from the inflow of highly concentrated brine from in-situ leaching and will need to be installed before leaching operations begin. As part of the salt extraction and purification process in the MVR plant about 85% of the water inflow will be recovered but as ultra-pure water, some of which can be used for the electrolytic production of green hydrogen. This process will be powered by low price excess renewable power supplemented by the Danish "Saltpower" pressure retarded osmosis green power production method.

Early production of initially low volumes of hydrogen can potentially be used to assist in powering the plant and there is potential for some can be injected at up to 15% into the existing gas pipeline grid which runs through or close by the Company tenements.

As the first cavern is completed, it can be used for hydrogen storage at market storage and pumping rates for third party clients. As one individual cavern has the potential capacity to store 5million plus kilograms of hydrogen, this represents a considerable market opportunity.

As more caverns are constructed, more hydrogen can be produced and stored for later sales income. This strategy may diversify into other hydrogen products such as green urea fertilizer, methanol and ammonia.

In summary, the main revenue streams for the Company are planned to consist of early high grade salt sales, followed by relatively low volume hydrogen sales into nearby pipelines, followed by very large scale hydrogen storage in the 5-6 million kg class followed by larger scale hydrogen production.

Business model

ECOSSAUS' business model is dependent on success through collaboration and partnerships with domestic and international partners that can provide expertise, opportunity and support across the salt cavern storage, high grade salt and green hydrogen industries.

ECOSSAUS has positioned itself with competitive advantages over other known players in the new salt cavern industry in Australia, including:

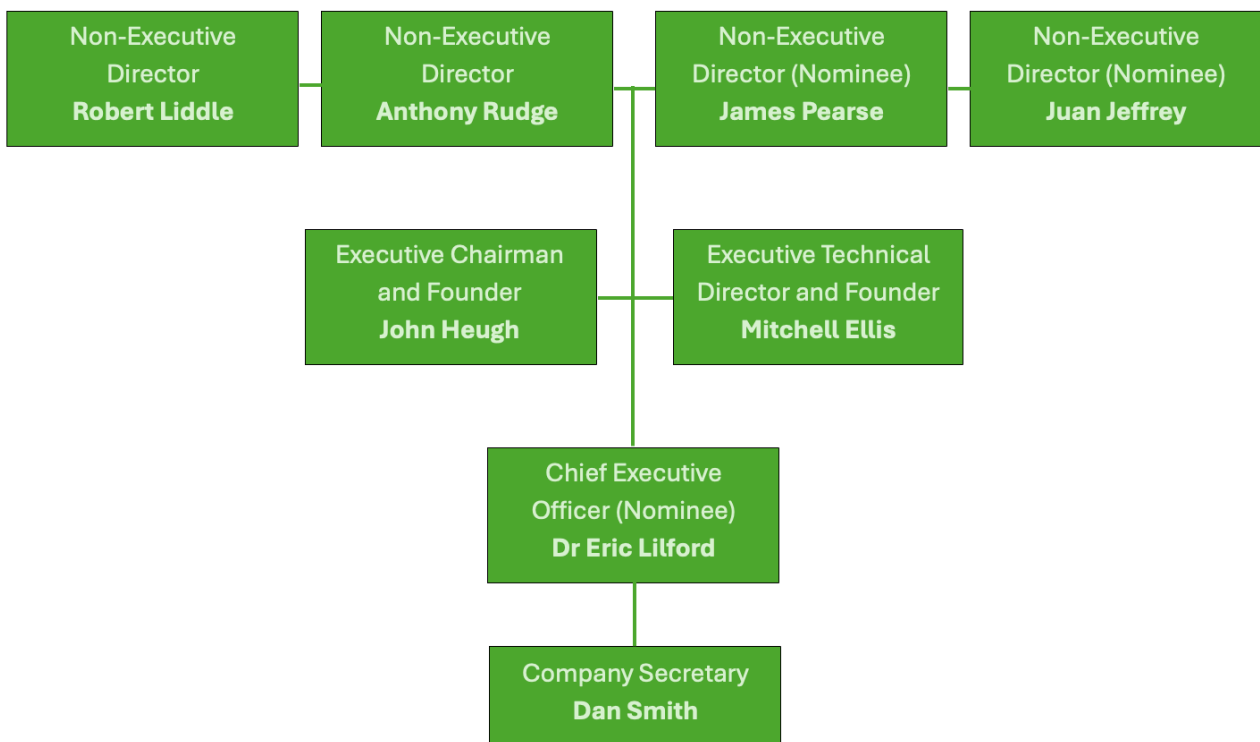
- Early mover advantage - We plan to be the first company to bring this technology to Australia, giving ECOSSAUS an early mover advantage that will help to position us as a leader in the field.
- Strong and experienced team - We have built a strong and experienced team of industry professionals with broad skill sets across exploration, development, corporate and innovation.
- Strategic landholdings - With an expansive >10,000km² landholding spread across several states, and independent certification of their prospectivity for salt caverns, ECOSSAUS is well positioned to leverage this opportunity in the market.
- Viable revenue streams - Through our unique revenue model that plans to utilise the sale of ultra high-grade salt and commercial production of green hydrogen, revenue is aimed to be generated as early as the construction phase. Once completed, the caverns will generate additional revenue as storage facilities.
- Strategic Partnerships - ECOSSAUS is establishing partnerships with leading players in the energy storage and technology sectors, including experienced salt cavern builders in Europe and salt cavern experienced advisors in Australia, positioning us to scale rapidly.



2.5 Our team

2.5.1 Organisational structure

The Company has a highly experienced board with diverse skill sets, led by co-founders John Heugh and Mitchell Ellis, together with Antony Rudge and Robert Liddle, who manage and oversee the Company's activities. As the Company is still in its early phases of project development, it has a lean organisational structure and is supported by external consultants. The Company has agreements in place with additional nominee directors and executives, who will be appointed when the Company's activities increase or their services are otherwise required. The Company's indicative organisational structure is shown below.



2.5.2 Directors and managers



John Heugh

Role

Executive Chairman, Director and Founder

Description of duties

Overall management, operations, strategy and business development.

Skills & experience

John has a Bachelor of Science (Honors) majoring in Geology with an AIM Certificate of Management, and certificates in drilling engineering from PETEX- the University of Texas.

John has over 45 years of international and domestic exploration and production experience in the petroleum and minerals industries.

He holds consulting positions with Georgina Energy PLC, focusing on subsalt hydrogen and helium.

He was a project consultant to the HXG blue hydrogen project in central Australia and has over 25 years' corporate management experience including being Managing Director of Central Petroleum Limited for over 15 years.



Mitchell Ellis

Role

Executive Technical Director and Founder

Description of duties

Overall management, operations, technical and strategy.

Skills & experience

Mitchell holds a Bachelor of Science and a Master in Engineering Management qualifications, and has over 35 years professional experience in the energy resources industry, including high level technical and management roles with Australian and international companies within Australia and overseas.

He was the co-founder of Sustainable Hydrogen Energy Australia, and is the principal of Conundrum Energy Consultants. He is a specialist reservoir engineer, and is currently completing a Master of Philosophy research degree on the topic of Cycling Production and Storage of Hydrogen in Porous Media, at Curtin University in Western Australia.



Robert (Bob) Liddle OAM

Role

Non-Executive Director

Description of duties

Indigenous and community relations and land access.

Skills & experience

Bob, as an indigenous man, has over 50 years of relevant experience in Australian indigenous and corporate relationship building, specialising in land access and community relations.

Bob is the most experienced consultant in indigenous relationships with resources companies in Australia.

He has consulted to Santos, Hexagon Energy Materials, CRA Ltd, Western Mining Corporation, BHP Gold, TNT and numerous other companies.

He was awarded the Order of Australia Medal in 2013 for his services to the Indigenous community and the Oil and Gas industry.



Antony (Tony) Rudge

Role

Non-Executive Director

Description of duties

Technical and project development.

Skills & experience

Tony holds a Bachelor of Science in both Geology and Geophysics as well as a Master of Science from Monash University.

He has over 25 years' experience in exploration in minerals and petroleum across most major basins within Australia, as well as assignments in Indonesia and Texas.

He is the principal of consulting company Thunderstone Energy Consultants, specialising in both hard rock and soft rock seismic planning, surveying and analysis.

He has worked at a senior level for companies including Buru Energy, Estrella Resources, Central Petroleum, CGG and the Australian Crustal Research Centre.



Dr Eric Lilford

Role

Senior Manager, Chief Executive Officer
(Nominee)

Description of duties

Business development and innovation.

Skills & experience

Dr Lilford is an Associate Professor and the Head of the Minerals and Energy discipline at the Curtin Institute for Energy Transition.

He has extensive international experience in senior management and MD/CEO roles in investment banking, M&A, finance, stockbroking and securities analysis in both energy and advanced technical industries. These include positions with companies such as Deloitte, Infinity Lithium, Rand Mines and Investec.

Dr Lilford holds a PhD in Mineral Economics and he is a panel member of the WA Chamber of Minerals and Energy. Dr Lilford also has extensive specialist experience in solution mining of various salt products.



James Pearse

Role

Non-Executive Director (Nominee)

Description of duties

Legal, governance, financing and transactions.

Skills & experience

James is a corporate lawyer with over 10 years' experience working for national, international and boutique law firms advising Australian businesses in the mining, energy and technology sectors.

He holds Bachelor degrees in both Law and Commerce, majoring in finance, and is a director of various public and private companies.

James has significant capital markets and transaction experience as both director and advisor.



Juan Jeffrey

Role

Non-Executive Director (Nominee)

Description of duties

Business development and innovation.

Skills & experience

Juan is a globally experienced Board Director, Corporate and Operations Executive, Management and Change Agent.

He has worked across finance, resources, energy, manufacturing, utilities, civil infrastructure, technology, government and research organisations.

Juan is a Director of Rockwell Australia Pty Ltd, commercialising mesoporous carbon for energy storage, energy generation, CO2 capture and fine chemical synthesis applications.

He has also held senior positions at Chalice, Rio Tinto, BHP, the Chamber of Minerals and Energy, the Committee for Economic Development of Australia and the CSIRO.

He has special expertise in technology and innovation, commercialisation, and strategic planning. Juan holds a PhD in Chemical Engineering, a Bachelor of Science in Geology (Honors) and Geomechanics, and a Graduate Diploma in Finance.



Dan Smith

Role

Company Secretary

Description of duties

Compliance and reporting.

Skills & experience

Dan is a highly experienced Company Secretary and Company Director. He is currently the Commercial Director of Minerva Corporate and the Company Secretary of Oceana Lithium, GreenTech Metals, Alien Metals, Lachlan Star, Artemis, Taruga Minerals, Europa Metals and the Director, Corporate Finance of Mahe Capital.

Dan holds a Bachelor of Arts and a Graduate Diploma Applied Corporate Governance.

2.6 Capital structure

2.6.1 Issued capital (before and after the Offer)

As at the date of this Offer Document, the Company has 36,883,500 ordinary shares and the Company has also issued convertible notes. The majority of shares are held by the Company's founders and directors.

Table 1 below sets out the issued capital of the Company before the Offer.

Table 1: Issued capital of the Company before the Offer

Founding Shareholders	Share Type	Shares
John Philip Heugh <John Heugh Victory Trust A/C>	Ordinary	8,257,657 (22.39%)
MH Ellis Nominees Pty Ltd <MH Ellis Trust A/C>	Ordinary	8,257,658 (22.39%)
Thunderstone Energy Pty Ltd <TNT Rudge Trust A/C>	Ordinary	2,702,703 (7.33%)
Robert Liddle	Ordinary	1,681,982 (4.56%)
Sub-total	Ordinary	20,900,000 (56.56%)
Seed / other shareholders (x16)	Ordinary	15,983,500 (43.34%)
Total	Ordinary	36,883,500 (100.00%)

Table 2 below sets out the issued capital of the Company following the Offer (on a fully-diluted basis).

Table 2: Issued capital of the Company following the Offer (on a fully diluted basis)

Shares	Minimum Subscription	Maximum Subscription
Existing Ordinary Shares	36,883,500 (94.87%)	36,883,500 (84.59%)
Convertible Note Shares	1,162,500 (2.99%)	1,162,500 (2.67%)
Offer Shares	833,333 (2.14%)	5,555,555 (12.74%)
Total Shares	38,879,333 (100%)	43,601,555 (100%)

Notes to Tables 1 and 2:

- *Founding shareholders MH Ellis Nominees Pty Ltd <MH Ellis Trust A/C> and Robert Liddle are holders of convertible notes with a face value of \$12,000 and \$2,000 respectively (see section 2.6.2 for further details). Accordingly, their shareholdings above will increase on conversion of their convertible notes.*
- *The Company has an agreement with an advisor to which will result in the issue of shares equivalent to 1% of the issued capital of the Company on completion of an IPO (see section 2.6.2 for further details).*

2.6.2 Rights and liabilities associated with securities

As at the date of this Offer, the only class of shares on issue are ordinary shares. The Company has also issued convertible notes.

Set out below is a summary of the rights and liabilities associated with the securities in the Company. A copy of the Company's Constitution is available on the Intermediary's platform.

Ordinary Shares

The rights and liabilities associated with the ordinary shares are set out in the Company's constitution, including:

- All ordinary shares have the same voting rights and the same rights to receive dividends.
- The sale and transfer of shares is subject to restrictions, including drag and tag rights and exit provisions.
- The Board has the power to refuse a transfer of shares to a third party in certain circumstances, including where applicable laws prevent the Company from doing so.
- The Constitution includes a definition of a 'Substantial Shareholder' which means a shareholder that holds at least \$5,000 worth of the Shares at the relevant time (calculated by reference to the issue price for such Shares issued to the relevant Shareholder).
- Only Substantial Shareholders have preemption rights on the sale of shares to which the preemption process applies or on the new issue of shares. Only Substantial Shareholders are required to go through the preemption process when selling their shares.

The shares offered under this Offer are ordinary shares.

A more detailed description of the rights and liabilities associated with the ordinary shares is set out in Section 3.3.

Convertible Notes

The Company raised \$93,000 from existing shareholders via the issue of convertible notes which may convert into ordinary shares if conversion triggers are met. Key terms of the convertible notes are as follows:

- Maturity - 29 September 2024
- Interest rate - 10%pa
- Conversion price - 80% discount to the price of ECOSSAUS' next capital raising / exit or 8c per share (whichever is lower)
- Conversion terms -
 - At the election of the holder on ECOSSAUS' next capital raising of at least \$500K during the term
 - Automatically upon an exit (sale or IPO) during the term
 - At election of either holder or ECOSSAUS at maturity

- Repayments - Notes that remain unconverted at end of term are repaid by ECOSSAUS in cash

If the Offer completes and more than \$500,000 is raised, ECOSSAUS intends to exercise its rights to convert all convertible notes on completion of the Offer. This will result in the issue of 1,162,500 ordinary shares under the convertible notes.

Agreements with advisors

The Company has entered into an agreement with Larri Legal Pty Ltd (an entity related to nominee Non-Executive Director James Pearse) for the provision of advisory and project management services. Should the Company undertake an IPO, the Company has agreed to issue such number of ordinary shares equal to 1% of the Company's post-IPO shares on issue. If the Company or its assets are sold prior to completion of an IPO, the parties will consult in good faith to ensure the advisor receives consideration on the same basis as its shareholders equal to such fees.

2.6.3 Sources of financing, including debt financing and other financing

To date, the business has been funded through a combination of equity placements and convertible notes.

Equity

The Company has raised approximately \$415,000 from professional investors. See section 2.6.1 for more information.

Convertible notes

The Company has issued convertible notes to existing shareholders to raise \$93,000. See section 2.6.2 for more information. As the Company can elect to convert the convertible notes into shares in the Company at maturity, they are treated as equity in the financial statements of the Company. The Convertible Notes will not be repaid with the funds raised under the Offer.

2.7 Key risks facing the business

An investment in the Company should be seen as high-risk and speculative. A description of the main risks that may impact the Company's business is below. Investors should read this section carefully before deciding to apply for shares under the Offer. There are also other, more general risks associated with the Company (for example, risks relating to general economic conditions or the inability to quickly or easily sell your shares).

New development and operational risks

Exploring for, developing and operating salt caverns has not yet been done in Australia. While salt caverns are a proven and trusted technology overseas, the exploration, development and operation of salt caverns in Australia involves substantial risk and will require substantial funding to pursue. Until a salt cavern is actually built and operated, the quality of the Company's projects must be considered as expresses of judgment based on knowledge, analysis and advice from third parties, rather than from the Company's experience.

Project title risk

The Company's operations are subject to receiving and maintaining licences and permits from appropriate governmental authorities. There is no assurance that delays will not occur in connection with obtaining all necessary grants or renewals of licences/permits for the proposed operations, additional licences/permits for any possible future changes to operations, or additional permits associated with new legislation.

Prior to any development on any of its properties, subsidiaries of the Company must also receive licences/permits from appropriate governmental authorities. There is no certainty that the Company will hold all licences/permits necessary to develop or continue operating at any particular property.

Access risk

Land access is critical for the development of the Company's projects to succeed. It requires both access to the mineral or subsurface rights and access to the surface rights. The Company's access to its project tenements can be affected by many factors including regional restrictions, surface land title ownership, permitting for activities, natural occurrences and other infrastructure.

While the Company will have the potential to influence some of these access issues, and retain staff to manage those instances where negotiations are required to gain access, is not possible for the Company to predict the extent to which all such risks and uncertainties may adversely impact on the Company's operations.

Results of further studies

The Company plans to progressively undertake a number of studies in respect to its projects. These studies may include scoping, pre-feasibility, definitive feasibility and bankable feasibility studies.

These studies will be completed within parameters designed to determine the economic feasibility of its projects within certain limits.

There can be no guarantee that any of the studies will confirm the economic viability of these projects or the results of other studies undertaken by the Company (e.g. the results of a feasibility study may materially differ to the results of a scoping study). Even if a study confirms the economic viability of a project, there can be no guarantee that this project will be successfully brought into production as assumed or within the estimated parameters in the feasibility study (e.g. operational costs and commodity prices) once production commences.

Funding risk

The Company is in the process of raising funds to achieve its strategic business objectives and to cover its projected operating expenses. The Company may not raise all of the required funding and therefore not achieve all of its business objectives.

The Company will also need to raise additional funds in the future from investors or third parties to pursue its stated objectives in addition to the funds raised under the Offer. There is no assurance that the Company will be able to obtain additional rounds of funding on substantially the same terms as outlined in this Offer Document or at all. The Company's value may be materially affected if the required additional funding is not available.

Competition risk

The Company operates in a competitive market with other known competitors. There is a risk that existing competitors as well as new competitors, will have greater access to capital, economies of scale, resources and distribution compared to the Company.

If the Company is unable to successfully compete with existing and/or new competitors, this would have a negative impact on the revenue, profitability and future prospects of the business.

Insolvency risk

The Company is not yet profitable. The Company is seeking to obtain further funding to achieve its objectives. There is no guarantee that funding will be available on favourable terms or that the Company will receive any level of funding at all.

Key person risk

As an early stage business, the Company is susceptible to the loss of key team members as they are considered critical to the continued success of the Company. If a key team member was lost, due to illness for example, this could significantly affect the Company's ability to continue its operations or achieve its business objectives as the case may be.

Startup risk

The Company is a pre-revenue startup and will build the business with the funds raised through this crowd-sourced funding offer. Revenue streams are not expected until a much later stage in the Company's business plan and the Company will require further funds to progress its stated objectives.

As an early stage business, the Company is subject to all of the risks associated with early stage companies, including uncertainty around the volume and origin of revenue streams, size and existence of customers, and risks associated with new or evolving technologies. In particular, the Company is not yet profitable and is yet to generate revenue through certain anticipated revenue streams.

The commercial success of the business will depend on many factors including the Company's ability to attract and retain quality staff and loyal customers.

Brand risk

If the Company does not maintain consistent levels of quality and service in its offering, the Company's brand and reputation could be damaged. In an increasingly connected world, damage to a company's brand and reputation can be catastrophic. The Company is acutely aware of this risk and is vigilant to ensure that it maintains a consistently high level of product quality and customer service.

Business model risk

The Company is at the proof-of-concept stage of the business cycle. As such, it carries the risks of a start-up business. Given the limited trading history of the company, no assurance can be given that the Company will achieve commercial viability through the implementation of its business plan.

Intellectual property risk

The protection of the Company's intellectual property is critical to our business and commercial success. If we are unable to protect or enforce the Company's intellectual property rights, there is a risk that other companies will copy our product and technology, which could adversely affect our ability to compete in the market.

Outsourcing risk

The Company's business structure also involves several outsourced functions. If the providers of these services ceased working with the Company, they would need to be replaced. A failure to replace a suitable provider on suitable terms may have a significant adverse impact on the Company's operations and ability to execute its plans.

Recruiting risk

Attracting, training and retaining staff in our industry with a high skill level and plenty of experience can be difficult. The Company may fail to attract key personnel that are critical to the Company's growth and performance. Any delay in recruiting key personnel (or any failure to hire), may have a significant adverse impact on the management of the Company, and may, in turn, have adverse impacts on financial performance.

Limited trading history

The Company has limited trading history as it is at the proof-of-concept stage of the business cycle. As such, it carries the risks of a start-up business. Given the limited trading history of the Company, no assurance can be given that the Company will achieve commercial viability through the implementation of its roadmap.

Legal or regulatory risk

Adverse changes in government policies or legislation may affect ownership of mineral or gas storage interests or rights, taxation, land access, labour relations and exploration and development activities of the Company. The current regulatory system for the exploration for, development of and operation of salt caverns in Australia is still in its infancy and is likely to change in the future. This may result in impairment of rights and possibly loss of the Company's properties without adequate compensation. Any material adverse changes in government policies in legislation in Australia, may affect the viability, financial performance and future prospects of the Company.

Commodity prices and currency risks

The Company has plans to sell products in Australia and overseas markets. A negative movement in the Australian dollar against any currency in which the Company receives revenue which is not sufficiently hedged may negatively affect the margins and profitability of the Company. In addition, the market for the Company's products is subject to many variables and may fluctuate markedly. These factors may have an adverse effect on the Company's proposed activities, as well as on its ability to fund those activities.

Market risk

There is unproven market demand for the Company's products. The commercial success of the business will depend on many factors including the Company's ability to attract and retain customers.

Reliance on third parties

The Company relies on third party providers for software/hardware/parts/services. As such, the Company cannot guarantee the service/availability/quality of the third party/ies.

Dilution risk

If, in the future, the Company undertakes further funding activities, a shareholder's interest may be diluted (if they do not participate in future fundraising).

2.8 Financial information

Below are the financial statements of the Company for the financial year/s ended 30 June 2023 and 30 June 2022, which have been prepared and audited in accordance with the Accounting Standards.

Financial information for the 11 months ended 31st May 2024 have also been included. The information has been prepared on a consistent basis based on management accounts, and accordingly may be subject to change.

2.8.1 Balance sheet

For the 11 months ended 31 May 2024 (unaudited) and the financial years ended 30 June 2023 and 30 June 2022 (audited).

	As at 31st May 2024	As at 30th June 2023	As at 30th June 2022
Assets			
Cash and Cash Equivalents	23,712	58,190	322,618
Trade and other receivables	-	667	-
Total Current Assets	23,712	58,857	322,618
Property, Plant and Equipment	2,134	2,134	-
Total Non Current Assets	2,134	2,134	-
Total Assets (A)	25,846	60,991	322,618
Liabilities			
Trade & Other Payables	(148)	4,366	411,435
GST	(2,314)	-	-
Borrowings	125	-	-
Total Current Liabilities	(2,018)	4,366	411,435
Non current liabilities	-	-	-
Total Non Current Liabilities	-	-	-
Total Liabilities (B)	(2,018)	4,366	411,435
Net Assets (A-B)	27,864	56,625	(78,817)
Equity			
Issued capital	515,767	414,680	-
Reserves	-	-	-
Accumulated losses	(487,903)	(358,055)	(78,817)
Total Equity	27,864	56,625	(78,817)

2.8.2 Profit and loss statement

For the 11 months ended 31 May 2024 (unaudited) and the financial years ended 30 June 2023 and 30 June 2022 (audited).

	For the 11 months ended 31st May 2024	For the 12 months ended 30th June 2023	For the 12 months ended 30th June 2022
Administration expenses	(24,470)	(30,578)	(23,108)
Exploration and evaluation	(105,537)	(248,660)	(55,709)
Profit/(loss) before income tax	(130,007)	(279,328)	(78,817)
Income tax expense	-	-	-
Profit/(loss) for the period	(130,007)	(279,328)	(78,817)
Other comprehensive income	-	-	-
Total comprehensive profit/(loss) for the period	(130,007)	(279,328)	(78,817)

2.8.3 Cash flow statement

For the 11 months ended 31 May 2024 (unaudited) and the financial years ended 30 June 2023 and 30 June 2022 (audited).

	For the 11 months ended 31st May 2024	For the 12 months ended 30th June 2023	For the 12 months ended 30th June 2022
Finance costs	-	(45)	(18)
GST	-	21,660	5,995
Cash receipts	3,658	16	6
Cash payments	(140,040)	(297,720)	(83,730)
Net Cash from Operating Activities (A)	(136,382)	(276,089)	(77,747)
Payment for Plant, property and equipment	-	(2,135)	-
Other cash items from investing activities	-	-	-
Net Cash flow from Investing Activities (B)	-	(2,135)	-
Proceeds from borrowings	-	-	-
Repayment of borrowings	-	-	-
Equity received	-	-	410,365
Other cash items from financing activities	101,903	3,796	-
Net Cash flow from Financing Activities (C)	101,903	3,796	410,365
Net Cash flows (A+B+C)	(34,479)	(274,428)	332,618
Opening Balance of Cash and Cash equivalents	58,190	332,618	-
Closing Balance of Cash and Cash equivalents	23,712	58,190	332,618

2.8.4 Statement of changes in equity

For the 11 months ended 31 May 2024 (unaudited) and the financial years ended 30 June 2023 and 30 June 2022 (audited).

	Issued Capital	Accumulated Losses	Total Equity
30th June 2022			
Balance as at 1st July 2021	-	-	-
Profit/(loss) after income tax expense	-	(78,817)	(78,817)
Shares issued during the year	-	-	-
Balance as at 30th June 2022	-	(78,817)	(78,817)
30th June 2023	Issued Capital	Accumulated Losses	Total Equity
Balance as at 1st July 2022	-	(78,817)	(78,817)
Profit/(loss) after income tax expense	-	(279,238)	(279,238)
Shares issued during the year	414,680	-	414,680
Balance as at 30th June 2023	414,680	(358,055)	56,625
31st May 2024	Issued Capital	Accumulated Losses	Total Equity
Balance as at 1st July 2023	414,680	(358,055)	56,625
Profit/(loss) after income tax expense	-	(130,007)	(130,007)
Shares issued during the year	101,246	-	101,246
Balance as at 31st May 2024	515,926	(488,062)	27,864

2.8.5 Management comments on historical performance and outlook

ECOSSAUS' value lies within its assets and strategic position to capitalise on opportunities within the new hydrogen economy in Australia. This position provides significant ability to scale which is reflected in our Company valuation.

Harnessing the power of renewable energy using salt caverns has a proven history of success overseas, however this technology has not yet been brought to Australia. Accordingly, using salt caverns for the production of salt and storage, together with the planned MVR, electrolysis and other facilities for the production of hydrogen, is a new industry in Australia and does not yet have market acceptance. Significant further capital will be required for the Company to achieve its stated objectives.

Like any new startup, particularly one in a new or emerging market like ECOSSAUS, we expect to be loss making for the foreseeable future until our projects reach an advanced stage of development. While our business model has many opportunities of potential revenue streams, including primarily from the sale of salt and from the storage and production of hydrogen using salt caverns, and encouraging indicative economics, we remain at the proof-of-concept stage so carry the risks of a start-up business.

With the above in mind, we have kept our management and operational costs low since founding the Company over two years ago to ensure available funding was utilised to advance our projects. Material advancements in our projects have been achieved during this time, including securing the grant of over 95% of our project licences, completing detailed project and economic analysis and pursuing business development and market testing activities. The majority of this expenditure is captured as exploration and evaluation expenses, which includes outsourced consultancy fees.

We now must enter an exploration and further project assessment phase to capitalise on our early mover advantage in Australia. Up to \$1 million in funding will see ECOSSAUS use known exploration techniques, being airborne geophysics, to better image the salt structures under our flagship South Australian project. Funding will also be deployed to maintain our other projects in good standing and amounts have been budgeted for ECOSSAUS' management and operational costs as we pursue our further project and business development and marketing activities. Less than \$1 million in funding will see a reduced project development budget, and we will only be able to plan (and not execute) the airborne geophysical work in South Australia, together with smaller operational, management and business development budget.

Comments on revenue outlook are inherently uncertain and should not be solely relied upon as they are subject to change, uncertainty and unexpected events, many of which cannot be controlled. Accordingly, actual results are likely to differ from the forecasts. No representation or assurance is or can be given that the forecasts will be achieved. Past performance is no guarantee of future performance. This revenue outlook has been prepared by the Company and has not been validated by an independent third party.

Section 3: Information about the Offer

3.1 Terms of the offer

The Company is offering up to 5,555,555 shares at an issue price of \$0.18 per share to raise up to \$1,000,000. The key terms and conditions of the Offer are set out below.

Term	Details
Shares	Fully paid ordinary shares
Price	\$0.18
Minimum Subscription	\$150,000
Maximum Subscription	\$1,000,000
Opening date	27 June 2024
Closing date	11 July 2024

A description of the rights associated with the shares is set out in Section 3.3.

To participate in the Offer, you must submit a completed application form together with the application money via the Intermediary's platform. The Intermediary's website provides instructions on how to apply for shares under the Offer at www.birchal.com.

The Intermediary must close the Offer early in certain circumstances. For example, if the Maximum Subscription is reached, the Offer must be closed. If the Minimum Subscription is not reached or the Offer is closed but not completed, you will be refunded your application money.

Retail investors may withdraw their application during the Cooling-off Period. Further information on investor cooling-off rights can be found in Section 4 of this CSF offer document.

The Offer is not underwritten and there is no guarantee that these funds will be raised.

3.2 Use of funds

The table below sets out the intended use of funds raised under this Offer based on the minimum and maximum subscription amounts.

Intended use	Minimum Subscription	Maximum Subscription
Annual tenement fees, rentals, administration	\$50,000	\$80,000
Desktop studies, native title, environmental and regulatory	\$10,000	\$40,000
Marketing and IR	\$15,000	\$25,000
Airborne gravity gradiometry in South Australia	\$15,000	\$400,000
Director, senior manager and promoter remuneration	\$20,000	\$150,000
Working capital	\$24,550	\$225,800
Offer costs	\$15,450	\$79,200
Total	\$150,000	\$1,000,000

The Offer costs includes the Intermediary's fees under the hosting agreement between the Company and the Intermediary. These fees are up to 7.5% of all funds raised by the Company through Birchall Financial Services Pty Ltd (Intermediary), plus \$4,200 for administration and setup costs. The Offer costs are exclusive of GST.

Other than as specified above, no other payments from the funds raised will be paid (directly or indirectly) to related parties, controlling shareholders, or any other persons involved in promoting or marketing the Offer.

We expect that the Maximum Subscription amount will be sufficient to meet the Company's short-term objectives over the next 12 months.

If this CSF Offer is unsuccessful, or if only the Minimum Subscription amount is raised, the Company will require further funding to be able to carry out our intended activities over the next 12 months.

Further, if only the Minimum Subscription amount is raised, the Company will be limited to planning its airborne gravity gradiometry work contemplated in South Australia and will not be able to execute this work until additional funding is secured. In such circumstances, the Company will need

to consider alternative sources of funding, such as undertaking a further CSF offer under the CSF regime or other debt or equity funding. Until additional funding is obtained, we will scale back our project development activities, director/manager remuneration and our marketing/IR budget, and continue to focus our cash resources on maintaining our projects in good standing under applicable laws.

3.3 Rights associated with the shares

Immediately after issue, the shares under this Offer will be fully paid ordinary shares. There will be no liability on the part of shareholders and the shares will rank equally with the shares currently on issue. The rights associated with the shares are set out in the Company's constitution. A summary of these rights is set out below. A copy of the constitution is available on the Intermediary's platform.

3.3.1 Voting rights

Each shareholder has one vote on a show of hands and, on a poll, one vote for each share held.

3.3.2 Dividends

All shareholders have a right to receive any dividends declared and paid by the Company. The directors have a discretion and may resolve to pay dividends, subject to their obligations under the Corporations Act (for example, they cannot pay dividends unless the Company's assets are sufficiently in excess of its liabilities immediately before the dividend is declared and where it may materially prejudice the Company's ability to pay its creditors).

3.3.3 General meetings and notices

Directors have the power to call meetings of all shareholders or meetings of only those shareholders who hold a particular class of shares. Shareholders who hold at least 5% of the votes which may be cast at a general meeting of the Company have the power to call and hold a meeting themselves or to require the directors to call and hold a meeting. For the purposes of a general meeting, a quorum is at least 2 voting shareholders.

3.3.4 Election and removal of directors

Shareholders may vote to elect and remove directors at a general meeting by way of ordinary resolution (50%).

3.3.5 Winding-up

If the Company is wound up and there are any assets left over after all the Company's debts have been paid, the surplus is distributed to shareholders after secured and unsecured creditors of the Company.

3.3.6 Restrictions on sale and transfer

Drag & tag rights

The Constitution contains drag and tag-along rights, as follows:

- Drag rights - If Shareholders who together hold 60% of the shares on issue propose to sell all of their shares to a third party, they can 'drag' the remaining 40% to sell their shares on the same terms. The pre-emptive rights process does not need to be undertaken in order for the drag along to be triggered.
- Tag rights - If Shareholders who together hold 60% or more of the shares on issue propose to sell their shares to a third party under one transaction (or series of transactions) the remaining 40% may also 'tag'-along and sell their shares on the same terms unless the above drag rights have been exercised.

If the Company has no CSF shareholders and is regulated under Chapter 6 of the Corporations Act, the Constitution contains a mechanism to 'turn off' the drag along and tag along provisions (as these provisions cannot functionally apply if the Company is regulated by Chapter 6 of the Corporations Act).

IPOs

Where the Board approves an exit via an IPO, each shareholder must use reasonable endeavours to ensure the IPO is effected or completed as soon as possible, including actions for related board and regulatory approvals, agreeing to escrow restrictions required by law, the rules of any recognised stock exchange or as may be recommended by the underwriter or financial adviser to enable success of the IPO.

Pre-emptive rights on transfer

If a Substantial Shareholder (being a shareholder who holds, along with its affiliates, shares valued at a minimum of \$5,000) provides a notice to transfer its shares (other than as a permitted disposal), the Company must first offer each other Substantial Shareholder the right to purchase those shares. The Board may vary this procedure, provided that each Substantial Shareholder has an opportunity to acquire their pro rata entitlement to the Sale Shares and there is no material adverse impact on a Substantial Shareholder. The Constitution also includes carve outs for CSF offers and capital raisings up to 20% of the capital of the Company and strategic issues.

Discretion to refuse to register a transfer of shares

The Board has the power to refuse a transfer of shares to a third party in certain circumstances, including where applicable laws prevent the Company from doing so.

On-sale restrictions under the Corporations Act

Shares acquired under the Offer may not be on-sold within 12 months of their issue without a prospectus or other disclosure document, unless an exemption under section 708 of the Corporations Act 2001 (Cth) applies (e.g. sales to sophisticated or professional investors) or unless ASIC gives relief from the requirement to provide such prospectus or other disclosure document.

3.3.7 Pre-emptive rights / anti-dilution on issue of shares

If the Board resolves to issue new securities (which includes shares, options, warrants, convertible notes or any other instrument convertible into shares), it must first offer the new securities to each Substantial Shareholder (as defined in the Constitution) unless one of the following exceptions apply:

- The Board resolves to make a CSF offer
- Shareholders approve the issue
- The Board resolves that the issue is of strategic value or is otherwise of material benefit to the Company pursuing its commercial objectives
- The securities are issued as part of an approved ESOP
- The securities are issued pursuant to the terms of an agreement, option or warrant or other convertible security existing before the Constitution was adopted or issued in accordance with the Constitution
- The securities are issued as part of a commercial agreement
- The securities are issued as part of the consideration for an acquisition of an interest in any business, entity or company approved by the Board
- The securities issued are not greater than 20% of the fully diluted capital of the Company and provided that the securities are issued on arm's length terms

3.3.8 Amendments to the Constitution

To vary the Constitution or adopt a new constitution, the Company must pass a special resolution at a general meeting. At least 75% of the voting members of the Company must vote in favour of the resolution for it to pass.

3.4 What can I do with my shares?

Shares in the Company are considered illiquid as they cannot easily be transferred or sold.

However, there are numerous possible circumstances that may create an opportunity for shareholders to exit their investment in the Company. These include:

- A trade purchase of the Company
- A listing on a registered stock exchange (eg the ASX)
- A private equity investment in the Company
- A share buy-back by the Company

There is no guarantee that any of the exit options will eventuate.

Section 4: Information about investor rights

4.1 Cooling-off rights

If you are a retail investor, you have the right to withdraw your application under this Offer and to be repaid your application money. If you wish to withdraw your application for any reason (including if you change your mind about investing in the Company), you must do so within five business days of making your application (**Cooling-off Period**).

You must withdraw your application via the Intermediary's platform. You will be able to withdraw your application within the Cooling-off Period by following the link and the instructions within your portfolio on the Intermediary's platform.

After your withdrawal has been processed, the Intermediary will refund the application money to your nominated account as soon as practicable.

4.2 Communication facility for the Offer

You can ask questions about the Offer on the communication facility available on the Intermediary's platform. You can also use the communication facility to communicate with other investors, with the Company and with the Intermediary about this Offer.

You will be able to post comments and questions about the Offer and see the posts of other investors on the communication facility. The Company and/or the Intermediary will also be able to respond to questions and comments posted by investors.

Officers, employees or agents of the Company, and related parties or associates of the Company or the Intermediary, may participate in the facility and must clearly disclose their relationship to the Company and/or Intermediary when making posts on the facility.

Any comments made in good faith on the communication facility are not subject to the advertising restrictions in the Corporations Act.

4.3 Proprietary company corporate governance obligations

4.3.1 Annual report

The Company is a public company and is required to prepare annual audited financial reports and directors' reports. These annual reports are required to be lodged with ASIC within four months of the financial year end.

The Company has a 30 June year end and its financial reports must be lodged by 31 October each year.

The Company's most recent audited annual financial report and directors' report is for the period ended 30 June 2023. The Company's next annual financial report and directors' report for the period ended 30 June 2024 is due to be lodged by 31 October each year.

At the Company's annual general meeting of shareholders, the business of the meeting must include receipt and consideration of the Company's annual financial report and directors' report. There is no requirement for shareholders to approve the annual financial report, however shareholders are offered the opportunity to consider and ask questions relating to the annual report or the management of the Company.

The Company's annual general meeting of shareholders must be held by 30 November each year.

4.3.2 Distribution of annual report

The Company will not provide a hard copy of the Company's annual financial report to shareholders unless specifically requested to do so. However, shareholders can access the annual report on the Company's website at the following address <https://ecossaus.com/> or can purchase the report from ASIC.

4.3.3 Related party transactions

As a public company, the rules on related party transactions in Chapter 2E of the Corporations Act apply to the Company (whether we have CSF shareholders or not). This means that the Company is required to obtain shareholder approval before giving financial benefits to related parties of the company (e.g. directors and their spouses, children or parents), subject to certain exceptions (such as reasonable remuneration provided to directors).

4.4 Company updates

The Company will provide regular updates to investors on the Company's website at ecossaus.com and via the Intermediary's platform.

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Glossary

Company means ECOSSAUS Limited ACN 653 988 419.

Cooling-off Period means the period ending five business days after an application is made under this Offer, during which a retail investor has a right to withdraw their application and be repaid their application money.

CSF means crowd-sourced funding under Part 6D.3A of the Corporations Act.

Intermediary means Birchal Financial Services Pty Ltd ACN 621 812 646 AFSL 502618.

Maximum Subscription means the amount specified in this CSF offer document as the maximum amount sought to be raised by the Offer. The Maximum Subscription is subject to rounding based on the share price of the Offer.

Minimum Subscription means the amount specified in this CSF offer document as the minimum amount sought to be raised by the Offer. The Minimum Subscription is subject to rounding based on the share price of the Offer.

Offer means an offer of fully paid ordinary shares by the Company under this CSF offer document.

Retail investor has the meaning given to the term “retail client” under the Corporations Act.