

28 November 2023

Nicola Lombardi
Adviser, Listings Compliance (Sydney)
ASX Compliance Pty Ltd
20 Bridge Street
Sydney NSW 2000

By email: ListingsComplianceSydney@asx.com.au

Dear Nicola

ReNu Energy Limited – Response to ASX query letter

ReNu Energy Limited (ASX: RNE) (**RNE** or the **Company**) refers to ASX's Query Letter dated 23 November 2023 and responds as follows.

Capitalised terms which are defined in ASX's Query Letter have the same meaning when used in this letter, unless the context requires otherwise.

1. Regarding RNE's Brighton Project:

1.1. Does RNE have a legally-binding right, under the agreement described in paragraph D, to lease land in Brighton from Bullock Civil?

No. There are agreed, non-binding commercial principles for Countrywide Hydrogen Pty Ltd (**Countrywide**) to secure a lease of land owned by Bullock Civil, which, as announced on 24 June 2022, is intended to be converted into definitive agreements as the project progresses.

1.2. Please detail all the material terms in the option to lease, and the extent to which those terms are legally binding, including:

(a) The land and the size of the land subject to the option to lease;

(b) The expiry date of the option;

(c) The price or the mechanism to determine the price of the lease; and

(d) The initial lease term.

The option to lease comprises non-binding commercial principles which are intended to be converted into definitive agreements as the project progresses. The commercial principles are for Countrywide to lease up to 2ha of land at the Brighton site owned by Bullock Civil and for both parties to use reasonable endeavours to agree and execute a binding lease in respect of the site within 30 days of commencing negotiations. There are no binding obligations to determine the price of the lease or the initial lease term.

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1.3. Are there any other material and legally-binding agreements underpinning the Brighton Project? If so, please provide details of those agreements.

No. Countrywide is currently negotiating legally binding agreements with its preferred suppliers for each of its Tasmanian hydrogen projects – comprising:

- an Equipment Supply Agreement with Plug Power, Inc for procurement of a 5 mega-watt Proton Exchange Membrane electrolyser for each project; and
- an Engineering, Procurement and Construction Agreement with Fabrum Solutions Limited for installation of the electrolyser, H35 Hydrogen Refuelling Station and grid and water connections for each project.

Countrywide is also in discussions directly with TasNetworks and TasWater in relation to the grid and water connections (respectively) for the projects.

Countrywide is party to legally binding agreements with HESTA¹ and Walkinshaw Automotive Group,² and non-binding terms sheets with 7R Logistics³ and Tas Gas,⁴ which are intended to support Countrywide's Tasmanian hydrogen projects.

2. Regarding RNE's Launceston Project:

2.1. Does RNE have a legally-binding right to lease, purchase or occupy land in Launceston for its Launceston Project? If so, please provide details.

No. As announced on 17 November 2022, Countrywide is party to a Memorandum of Understanding with Australia Pacific Airports (Launceston) Pty Ltd (**APAL**) which is a '*non-binding strategic framework that is intended to be converted into definitive agreements*'. The Memorandum of Understanding does, however, include mutual legally binding obligations of exclusivity in respect of the project. Countrywide is currently negotiating an option to lease agreement with APAL in respect of the proposed project site.

2.2. Are there any material and legally-binding agreements underpinning the Launceston Project? If so, please provide details of those agreements.

See above response to question 1.3.

3. ASX observes that prior to the September 2023 Presentation, the proposed site for RNE's third project was, as recently as at the time of the June 2023 Presentation (paragraph C), located in Burnie rather than Devonport. Please:

3.1. Confirm if the Burnie Project is still on foot. If not, please identify the announcement that discloses any change to the Burnie Project.

The project (being a proposed hydrogen production, storage and refuelling facility) remains on foot, but has been relocated from Burnie to Devonport (approximately 46km) after analysing transport volumes, heavy vehicle movements and grid connection costs at the proposed site locations. The decision to relocate the project was made by RNE in September 2023 and the updated site location was disclosed in RNE's quarterly activities report for the September quarter, dated 31 October 2023.

3.2. Were there any material and legally-binding agreements underpinning the Burnie Project at the time of the June 2023 Presentation? If so, please provide details of those agreements.

No. At the time of the June 2023 Presentation, Countrywide had a reasonable commercial basis for considering that it could secure land access at the proposed Burnie site with the appropriate connections to the electricity grid and water.

¹ Per announcement dated 7 June 2023 – parties entered into a platform agreement for Countrywide to develop green hydrogen projects and present investment opportunities to HESTA for evaluation.

² Per announcement dated 28 June 2023 – parties entered into an agreement to jointly develop a business case and undertake a feasibility assessment on developing hydrogen-based trucks and prime movers for the Australian market.

³ Per announcement dated 15 May 2023 – parties entered non-binding terms sheet to promote the use of green hydrogen by heavy transport vehicles in Tasmania.

⁴ Per announcement dated 1 July 2022 – parties entered non-binding terms sheet to collaborate to achieve green hydrogen delivery to industrial customers and blending of green hydrogen into the existing natural gas distribution network.

4. Regarding RNE's proposed project in Devonport (paragraph B):

4.1. Please outline the material and legally-binding agreements that underpinned the Devonport Project at the time of the September 2023 Presentation.

See above response to question 1.3. As announced in the September 2023 Presentation, at the time of the announcement, Countrywide's engineers, Wood plc, were evaluating two operational sites – at Devonport Airport and Wesley Vale Mill. Countrywide has selected Wesley Vale Mill as the preferred project site, received indicative support from the landowner, conducted management site visits and is currently negotiating an option to lease in respect of the site.

4.2. Outline any material and legally-binding agreements or resources that [are] currently in place at the Devonport Project.

See above response to question 1.3.

5. Please outline the material and legally-binding agreements that underpin the pipeline of projects described in the September 2023 Presentation (paragraph B(1)).

The pipeline described in the September 2023 Presentation (i.e. in addition to the three Tasmanian projects) are project opportunities identified by Countrywide which are presently in the concept phase and not subject to any material and legally binding agreements. Countrywide's intention is to secure indicative offtake interest from customers in these areas, then complete a feasibility review for each of these opportunities in collaboration with its engineers to determine the project parameters (e.g. electrolyser size, power and water requirements).

6. Regarding the WIRSOL Agreement (paragraph:

6.1. What was the initial Exclusivity Period (as defined in the WIRSOL Agreement) and when did that period come to an end?

Under the WIRSOL Agreement, during an initial exclusivity period (which ended on 1 January 2023):

- WIRSOL was required to assess the viability of developing behind-the-meter-solar power and battery energy storage system projects at Countrywide's hydrogen projects in Tasmania (**Solar and BESS Projects**), including conducting a grid study, site visits, financial analysis, design engineering and land constraint analysis; and
- Countrywide was required to deal exclusively with WIRSOL in relation to Solar and BESS Projects.

6.2. Were there any material obligations under the WIRSOL Agreement that persisted following the expiry of the Exclusivity Period? If so, please provide details of those obligations.

No. The WIRSOL Agreement is still in force, but WIRSOL's assessment obligations and Countrywide's exclusivity obligations ended on 1 January 2023. Customary legally binding mutual confidentiality obligations continue.

6.3. Why was this Exclusivity Period not disclosed in the announcement disclosing the WIRSOL Agreement as required by section 4.15 of Guidance Note 8?

RNE considered that the disclosures made in its announcement dated 5 September 2022 provided sufficient detail to enable investors or their advisers to understand and assess the impact of the WIRSOL Agreement on the value of RNE's securities.

7. Regarding the HESTA Agreement (paragraph G):

7.1. Is HESTA under any obligation to make any investment without both HESTA and RNE agreeing to do so at the end of the process described in the HESTA Agreement?

No. All investment decisions are to be made by mutual agreement by HESTA and RNE on a project-by-project basis.⁵

⁵ Per announcement dated 7 June 2023.

7.2. Are there any tangible and legally-enforceable conditions imposed on HESTA's discretion to agree to make an investment at the end of the process described in the HESTA Agreement?

No. All investment decisions are to be made by mutual agreement by HESTA and RNE on a project-by-project basis, subject to a detailed and legally binding decision making process.

8. Regarding the Strategy Announcement (paragraph H):

8.1. Please confirm if the only new information in the Strategy Announcement is that should refuelling stations be constructed at RNE's proposed sites, those stations will be operated directly by Countrywide Hydrogen under the "H2Co Energy" brand. If not, please provide details.

Confirmed. Countrywide's Strategy Announcement disclosed its strategic intention to target a low hydrogen fuel cost through its customers purchasing green hydrogen directly from Countrywide, under the H2Co Energy brand, rather than via third-party resellers (who would add a margin to the wholesale price).

8.2. Does RNE still consider the information in Question [8.1] to be information that a reasonable person would expect to have a material effect on the price or value of RNE's securities?

Yes. The material information was the intention to adopt a retail distribution and sales strategy in addition to a wholesale distribution strategy.

Elements of the retail strategy include:

- potential for direct engagement with the company's customers and additional end user revenue stream – which may deliver a return on investment for shareholders;
- additional requirements such as design and delivery of physical retail distribution outlets and consumer branding; and
- reduced reliance on third parties (ie retailers) for distribution and sale.

Countrywide has commenced marketing and communications in relation to the refuelling strategy and H2Co Energy brand (including potential end customers) to confirm this approach and develop value in the brand. Countrywide has also engaged external consultants to assist with marketing and brand design and protection.

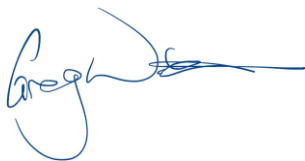
9. Please confirm that RNE is complying with the Listing Rules and, in particular, Listing Rule 3.1.

RNE confirms that it is complying with the Listing Rules and, in particular, Listing Rule 3.1.

10. Please confirm that RNE's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of RNE with delegated authority from the board to respond to ASX on disclosure matters.

This letter and the responses within have been authorised for release to ASX by the Board of Directors.

Yours sincerely



Greg Watson
Chief Executive Officer



23 November 2023

Mr Greg Watson
CEO & Company Secretary
ReNu Energy Limited
Level 2, 52 McDougall Street,
Milton QLD 4064

By email: greg.watson@renuenergy.com.au

Dear Mr Watson

Renu Energy Limited ('RNE'): Query Letter

ASX refers to the following:

- A. ASX's earlier queries and requests for information, along with RNE's responses to those queries and requests.
- B. RNE's investor presentation titled "Compelling ESG Investment Opportunity", marked price sensitive and released on ASX's Market Announcements Platform ('MAP') on 22 September 2023 (the 'September 2023 Presentation') that disclosed:
 - (1) RNE, through its wholly-owned subsidiary Countrywide Hydrogen, has three Tasmanian projects consisting of Brighton, Launceston and Devonport (collectively the 'Projects'), and hydrogen opportunities pipeline consisting of Melbourne, Portland, Indonesia, India, New Zealand and North America.
 - (2) The Projects benefits to Tasmania include "Green hydrogen production at scale" and "Industrial customers operating on 100% green hydrogen"
- C. RNE's investor update presentation titled "Update Webinar – Tasmanian Green Hydrogen Projects – June 2023" (the 'June 2023 Presentation'), marked sensitive and released on MAP on 27 June 2023, disclosing:
 - (1) The sites for RNE's projects were Launceston and Brighton, with a third proposed site in Burnie (Heybridge).
 - (2) Production and sales of green hydrogen would occur in Q3 2025.
- D. RNE's price-sensitive announcement titled "Southern Tasmania Green Hydrogen Project" and released on MAP on 24 June 2022, disclosing in relation to the Brighton Project (relevantly, emphasis added):
 - (1) *Term sheet and **option to lease land** at Brighton, north of Hobart.*
 - (2) *"[RNE] has agreed a term sheet and executed an option to lease land owned by Bullock Property Developments Pty Ltd (Bullock Civil) and is negotiating supply of an electrolyser. The term sheet and **option to lease set out the strategic framework for the parties to agree the commercial terms for the lease** and to convert into definitive arrangements as the Project advances"*
 - (3) *"Potential to be the first mover in commercial production of green hydrogen by electrolysis in Tasmania – **targeted to be online by Q4 2023.**"*
 - (4) *[RNE]... is completing the design of a green hydrogen electrolysis production facility, the Hydrogen Tasmania Brighton Project (the Project)...*

(5) *The Project will also **be able to service growing demand for a zero-carbon gas alternative** within the Brighton area with the potential to **supply industry with 100% clean hydrogen** instead of carbon-based natural gas.*

(6) *The Project scope will **involve procurement and installation of the electrolyser, grid and water connection and production of green hydrogen.***

- E. RNE's price-sensitive announcement titled "Countrywide Hydrogen & WIRSOL to assess Solar-to-Hydrogen Opportunities" and released on MAP on 5 September 2022, disclosing an agreement with WIRSOL (the 'WIRSOL Agreement') to assess "co-development of behind-the-meter solar power and battery energy storage systems (BESS) at Countrywide's hydrogen projects in Tasmania".

ASX observes that RNE has not provided any further updates on the WIRSOL Agreement.

- F. RNE's price-sensitive announcement titled "Countrywide Hydrogen & Launceston Airport Sign Green Hydrogen MOU" and released on MAP on 17 November 2022, disclosing that Countrywide had signed a MoU to commence project design for a 5 MW electrolyser (the 'Launceston Airport MoU'). The bottom of the announcement further disclosed (relevantly):

"The executed MOU is a non-binding strategic framework that is intended to be converted into definitive arrangements as the project progresses."

- G. RNE's price-sensitive announcement titled "HESTA signs definitive Platform Agreement for investment in ReNu Energy's Green Hydrogen Projects" and released on MAP on 7 June 2023, disclosing a definite agreement (the 'HESTA Agreement') that:

"...provides for the RNE Group identifying, developing and presenting Green Hydrogen Projects to HESTA in accordance with agreed development plans and milestones, for HESTA to decide whether to co-invest. Investment decisions will be made on a project-by-project basis.

If the parties agree to progress a Green Hydrogen Project, and jointly invest, the Platform Agreement sets out the process and framework for the co-investment, development and funding of such projects..."

- H. RNE's price-sensitive announcement titled "Countrywide Hydrogen Refuelling Strategy: H2Co Energy" (the 'Strategy Announcement') and released on MAP on 17 July 2023, disclosing (relevantly, emphasis added):

*"[Countrywide] has **today announced its refuelling strategy** and the launch of its refuelling brand: H2Co Energy.*

*This follows the Company's announcement on 12 July 2023 of Plug Power Inc as the preferred contractor to supply 5-megawatt PEM (Proton Exchange Membrane) electrolysers and Fabrum Solutions Limited as the preferred contractor to provide its H35 Hydrogen Refuelling Stations (HRS). The HRS are planned for each of Countrywide Hydrogen's proposed sites in Tasmania at Brighton (Hobart), Western Junction (Launceston) and Heybridge (Burnie). **The strategy to be the operator of the HRS conveys Countrywide Hydrogen's intention to target a low hydrogen fuel cost through customers purchasing green hydrogen directly from Countrywide Hydrogen rather than via third-party resellers.**"*

Disclosure Obligations

- I. Listing Rule 3.1, which requires a listed entity to immediately give ASX any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities.
- J. Section 4.15 of Guidance Note 8: *Continuous Disclosure* which states:

“Wherever possible, an announcement under Listing Rule 3.1 should contain sufficient detail for investors or their professional advisers to understand its ramifications and to assess its impact on the price or value of the entity’s securities...”

Entities should not use an announcement under Listing Rule 3.1 as a guise to publish material that is really promotional, political or tendentious in nature rather than being information that a reasonable person would expect to have a material effect on the price or value of the securities.”

- K. Section 7.10 of Guidance Note 8: *Continuous Disclosure* which cautions entities against releasing announcements for the purpose of “ramping up” the price of their securities.

- L. Section 14 of Guidance Note 14: *ASX Market Announcements Platform* which states:

“An announcement for release to the market must be accurate, complete and not misleading.

To not be misleading, opinions expressed in an announcement should be honestly held and balanced and should be clearly identified as a statement of opinion rather than a statement of fact. Any forward looking statements in an announcement... must be based on reasonable grounds or else by law they will be deemed to be misleading...”

MAP should only be used to publish information that is appropriately given to ASX... It should not be used as a guise to publish material that is really promotional, political or tendentious in nature.”

- M. Section 1041H(1) of the Corporations Act 2001 (Cth) which states:

“A person must not, in this jurisdiction, engage in conduct, in relation to a financial product or a financial service that is misleading or deceptive or is likely to mislead or deceive.”

Request for information

Having regard to the above, ASX asks RNE to respond separately to each of the following questions and requests for information:

1. Regarding RNE’s Brighton Project:
 - 1.1 Does RNE have a legally-binding right, under the agreement described in paragraph D, to lease land in Brighton from Bullock Civil?
 - 1.2 Please detail all the material terms in the option to lease, and the extent to which those terms are legally binding, including:
 - (a) The land and the size of the land subject to the option to lease;
 - (b) The expiry date of the option;
 - (c) The price or the mechanism to determine the price of the lease; and
 - (d) The initial lease term.
 - 1.3 Are there any other material and legally-binding agreements underpinning the Brighton Project? If so, please provide details of those agreements.
2. Regarding RNE’s Launceston Project:
 - 2.1 Does RNE have a legally-binding right to lease, purchase or occupy land in Launceston for its Launceston Project? If so, please provide details.
 - 2.2 Are there any material and legally-binding agreements underpinning the Launceston Project? If so, please provide details of those agreements.

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3. ASX observes that prior to the September 2023 Presentation, the proposed site for RNE's third project was, as recently as at the time of the June 2023 Presentation (paragraph C), located in Burnie rather than Devonport. Please:
 - 3.1 Confirm if the Burnie Project is still on foot. If not, please identify the announcement that discloses any change to the Burnie Project.
 - 3.2 Were there any material and legally-binding agreements underpinning the Burnie Project at the time of the June 2023 Presentation? If so, please provide details of those agreements.
 4. Regarding RNE's proposed project in Devonport (paragraph B):
 - 4.1 Please outline the material and legally-binding agreements that underpinned the Devonport Project at the time of the September 2023 Presentation.
 - 4.2 Outline any material and legally-binding agreements or resources that is currently in place at the Devonport Project.
 5. Please outline the material and legally-binding agreements that underpin the pipeline of projects described in the September 2023 Presentation (paragraph B(1)).
 6. Regarding the WIRSOL Agreement (paragraph:
 - 6.1 What was the initial Exclusivity Period (as defined in the WIRSOL Agreement) and when did that period come to an end?
 - 6.2 Were there any material obligations under the WIRSOL Agreement that persisted following the expiry of the Exclusivity Period? If so, please provide details of those obligations.
 - 6.3 Why was this Exclusivity Period not disclosed in the announcement disclosing the WIRSOL Agreement as required by section 4.15 of Guidance Note 8?
 7. Regarding the HESTA Agreement (paragraph G):
 - 7.1 Is HESTA under any obligation to make any investment without both HESTA and RNE agreeing to do so at the end of the process described in the HESTA Agreement?
 - 7.2 Are there any tangible and legally-enforceable conditions imposed on HESTA's discretion to agree to make an investment at the end of the process described in the HESTA Agreement?
 8. Regarding the Strategy Announcement (paragraph H):
 - 8.1 Please confirm if the only new information in the Strategy Announcement is that should refuelling stations be constructed at RNE's proposed sites, those stations will be operated directly by Countrywide Hydrogen under the "H2Co Energy" brand. If not, please provide details.
 - 8.2 Does RNE still consider the information in Question 7.1 to be information that a reasonable person would expect to have a material effect on the price or value of RNE's securities?
 9. Please confirm that RNE is complying with the Listing Rules and, in particular, Listing Rule 3.1.
 10. Please confirm that RNE's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of RNE with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **4:00 PM AEDT Tuesday, 28 November 2023**. You should note that if the

information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, RNE's obligation is to disclose the information 'immediately'. This may require the information to be disclosed before the deadline set out in the previous paragraph and may require RNE to request a trading halt immediately.

Your response should be sent to me by e-mail at **ListingsComplianceSydney@asx.com.au**. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Trading halt

If you are unable to respond to this letter by the time specified above, you should discuss with us whether it is appropriate to request a trading halt in RNE's securities under Listing Rule 17.1. If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

Suspension

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in RNE's securities under Listing Rule 17.3.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to RNE's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure*: Listing Rules 3.1 – 3.1B. It should be noted that RNE's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Release of correspondence between ASX and entity

We reserve the right to release a copy of this letter, your reply and any other related correspondence between us to the market under listing rule 18.7A.

Questions

If you have any questions in relation to the above, please do not hesitate to contact me.

Kind regards

Nicola Lombardi
Adviser, Listings Compliance (Sydney)