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Collaboration with DGA Energy Solutions Australia to study Hydrogen Portland opportunity

Highlights

- **DGA Energy Solutions Australia to collaborate with ReNu Energy to conduct studies for Countrywide Hydrogen's Hydrogen Portland project opportunity.**
- **DGA Energy Solutions Australia is Mitsubishi Corporation's Australian arm for renewable energy and green hydrogen development.**

ReNu Energy Limited (**ASX: RNE**) (**ReNu Energy**) is pleased to announce that its wholly owned subsidiary, Countrywide Hydrogen Pty Ltd (**Countrywide Hydrogen**) is collaborating with DGA Energy Solutions Australia Pty Limited (**DGA**) to conduct joint studies for Countrywide Hydrogen's green hydrogen project opportunity at Portland in Victoria.

DGA is wholly owned by Mitsubishi Corporation (**Mitsubishi**) and is the Australian arm responsible for renewable energy and green hydrogen related business development.

The scope and commercial principles of the collaboration, which are reflected in a letter of agreement between ReNu Energy and DGA, are:

- To fund and conduct studies jointly to determine the feasibility to deliver at Portland, Victoria: (i) a Stage 1, 10MW green hydrogen production facility and refuelling station for domestic supply for road transport and mobility decarbonisation, and natural gas blending; and (ii) a Stage 2, large-scale project for hydrogen and/or ammonia exports to North Asia (the **Project**).
- To apply for funding jointly under the Portland Diversification Fund, a \$7.5 million Victorian State Government program with the aim of facilitating diversification of the economic base of the Glenelg Shire by attracting new investment and supporting businesses.
- To share study costs according to their participating interest.
- ReNu Energy and DGA will initially each have a 50% participating interest in the Project. If HESTA decides to participate in the Project¹, HESTA's participation interest will be provided out of Countrywide Hydrogen's 50% participation interest.
- The parties will aim to complete the Project studies and, if the studies are successful, negotiate arrangements for joint development of and investment in the Project, by 31 December 2024.

¹ In accordance with the Platform Agreement with ReNu Energy and HESTA announced on 7 June 2023.

Countrywide Managing Director and ReNu Energy Executive Director Geoffrey Drucker said:

This collaboration with DGA endorses Countrywide Hydrogen's strategy of hydrogen production for the decarbonisation of the domestic transport and mobility sector to be followed by large scale hydrogen export production when the markets are in place. In terms of the latter, the power of DGA's parent, Mitsubishi Corporation, will be instrumental in securing offtakes in Japan and Korea for Stage 2 delivery.

DGA Managing Director Kentaro Matsumura said:

We believe Australia will be a key market to address the demands in North Asia as well as Japan, given its proximity to the region. The end goal for DGA is to export hydrogen from Australia to Japan, but it is important to note we believe it is critical to start with local production for local consumption, focusing on the Australian domestic market initially.

Councillor Karen Stephens, Mayor of Glenelg Shire Council said:

Our "Green Triangle" which embraces Glenelg Shire and several neighbouring municipalities spanning across the South Australia and Victorian borders welcomes Countrywide Hydrogen's initial plan to decarbonise heavy road transport with hydrogen because it complements our common goals and quest to deliver tangible emissions abatement. And an export-scale development promises jobs, investment and growth for our community.

In 2021, DGA's parent, Mitsubishi Corporation announced its "Roadmap to a Carbon Neutral Society"², which includes establishment of energy-transformation investment guidelines and commitment to new greenhouse-gas emissions reduction targets, including halving greenhouse-gas emission by 2030 and net zero emission by 2050. Under these investment guidelines, a total JPY2 trillion (equivalent to approximately A\$20 billion) is budgeted for energy-transformation related investment by 2030. One of the key focus areas is renewable energy and hydrogen/ammonia. Under this initiative, DGA as a power business arm of Mitsubishi, has been assigned to focus on exploring green hydrogen and ammonia production for both domestic and export use.

The precise details of the Project, the nature and scope of the studies, associated study costs and commercial development terms, have not been agreed and will be developed and negotiated in the ordinary course.

The letter of agreement does not oblige either party to carry out any specific study, to develop or implement the Project, or incur any specific costs, but contains mutual legally binding obligations as to confidentiality of information and use and ownership of intellectual property.

This market announcement has been authorised for release to the ASX by the Executive Chairman and CEO. For more information, please contact:

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² <https://www.mitsubishicorp.com/jp/en/pr/archive/2021/html/0000047907.html>

About ReNu Energy

ReNu Energy's purpose is to strategically drive the transition to a low carbon future. It does this by investing in renewable and clean energy technologies and identifying and developing hydrogen projects to create stakeholder value, enabling the transformation to a low carbon future through collaboration and innovation. ReNu Energy's vision is to be a leader in the renewable and clean energy sector in Australia striving for a sustainable future, producing hydrogen for domestic use and with a portfolio of domestic and international projects.

About Countrywide

Countrywide originates and develops renewable hydrogen projects in Australia with a primary focus on supplying hydrogen to the road transport sector and for use in decarbonising operations and natural gas networks. Countrywide's vision is to be a major green hydrogen supplier domestically and then to use its Australian learnings to expand to export and offshore projects.

About DGA Energy Solutions Australia Pty Ltd

DGA Energy Solutions Australia Pty Ltd (**DGA**) was founded in 2023 as a wholly owned subsidiary of Mitsubishi Corporation. DGA is responsible for Mitsubishi Corporation's Power Solution Group renewable energy and green hydrogen/ammonia production project investment and development in Oceania regions.