



ASX Announcement | 24 June 2021
Hexagon Energy Materials Limited (ASX: HXG)

Well-renowned Technip Energies Joins Project Team Developing Hexagon's Pedirka Blue Hydrogen Project

Highlights:

- Genesis, a wholly owned Technip Energies company, has entered into an agreement with Hexagon to undertake the pre-feasibility studies for Hexagon's Pedirka Blue Hydrogen Project.
- This Technip Energies global business unit offers quality industry experience, including highly regarded expertise in both the energy and hydrogen fields.
- Specifically, Genesis has been tasked with performing a full technical assessment of the potential concepts for development of the Pedirka project including related infrastructure.
- Longer term, Genesis is also ideally positioned to act as a Project Integrator to support Hexagon's vision to become a leading player in the emerging hydrogen industry, as Hexagon moves beyond the PFS stage.

Australian clean energy company Hexagon Energy Materials Limited (ASX: HXG) (**'Hexagon'** or **"the Company"**) is pleased to announce it has formally entered into an agreement with Genesis, a wholly owned Technip Energies company, for the Pre-feasibility studies (PFSs) pertaining to the Pedirka Blue Hydrogen Project (**Pedirka**). The scope of Pedirka's PFS, which Hexagon plans to deliver this year, covers all aspects of the project business case, from coal feedstock extraction through to transport of product to port.

Technip Energies brings quality consultancy experience, with highly regarded expertise in both the energy and hydrogen fields. It has been responsible for over 270 hydrogen production plants worldwide, which now account for more than 35% of the world's current hydrogen production. The company has also developed BlueH₂ by T.EN™, a full suite of deeply-decarbonized and affordable solutions for hydrogen production.

The Genesis agreement is part of Hexagon's efforts to assemble a top tier project team with expertise covering all aspects of the business case for Pedirka.

A number of targeted project-related studies have been prioritised including:

- Construction strategies
- Power for the facility (including renewable energy options)
- Water supply
- Waste and bi-product treatment and management
- Finalisation of technology for each process of gasification, air separation and ammonia synthesis
- CO₂ Injection locations
- Transportation solutions for coal, CO₂ and ammonia
- Rail infrastructure for mine, plant and port

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Specifically, Genesis has been tasked with performing a full technical assessment of the potential concepts for development of the Pedirka Project, to identify and/or quantify:

- Technical requirements
- Project risks and opportunities
- Scope for further development
- Capital expenditure estimates (as per Association for the Advancement of Cost Engineering (AACE) Recommended Practices).

Genesis engagement could go beyond Pre-feasibility work

Within Hexagon’s Energy transition framework, Genesis is also ideally positioned to act as a Project Integrator to support Hexagon’s vision to become a leading player in the emerging hydrogen industry. Genesis will additionally support Hexagon’s vision by maximising the economic opportunity and enhance the connectivity of the hydrogen economy in Australia.

What the evolving Pedirka Project entails

The Pedirka Blue Hydrogen Project is located some 200 kilometres south east of Alice Springs in Australia’s Northern Territory. The ‘blue’ hydrogen that could flow from this project would play a key role in the transition to decarbonisation both in Australia and overseas.

The project team for Pedirka is now being tasked with proving up Hexagon’s plans to utilise a conventional surface gasification plant to produce ‘blue’ hydrogen for export and domestic markets with ‘clean’ zero carbon emissions. The Pedirka project is conveniently located with respect to oil and gas infrastructure, to offer unique advantages for large scale hydrogen gas production with carbon capture, utilisation and storage (CCUS).

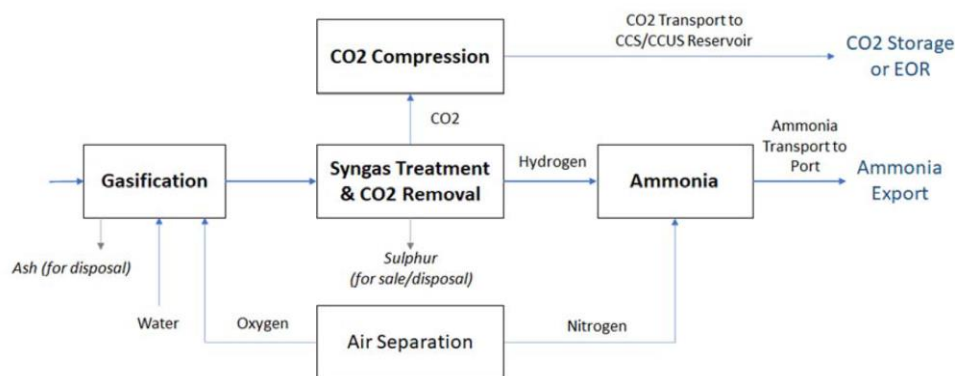


Figure 1. Schematic of Pedirka Project

Hexagon’s Chairman Charles Whitfield said: “Hexagon has been excited by the hydrogen-related expertise that Genesis brings to the table and the agreement with them to advance the PFS is a significant vote of confidence for the project. They will make a valuable contribution as we progress the Pre-feasibility studies for our Pedirka project. Genesis coming on board demonstrates Hexagon’s commitment to assembling a top tier project team with expertise covering all aspects of the business case for Pedirka, a ‘blue’ hydrogen project that will play a material role in the Australian economy’s decarbonisation process.

The potential bonus arising from our relationship with Genesis is that it could extend beyond Pedirka’s PFS stage, with Genesis well-credentialed to also act as Project Integrator. We look forward to a long and fruitful working relationship with Technip Energies’ Genesis business unit”.

Christophe Malaurie, Senior Vice President of Genesis, stated: “We are delighted to be Hexagon’s trusted advisor for the Pedirka Blue Hydrogen Project (**Pedirka**). This project represents an ideal opportunity to showcase our techno-economic skills and experience in decarbonisation, hydrogen and ammonia and to build a lasting relationship with Hexagon to bring this innovative project to fruition. It is entirely aligned with our commitment to a sustainable future and low carbon society.

Ends

About Hexagon Energy Materials Limited

Hexagon Energy Materials Limited (ASX: HXG) is an Australian company focused on the exploration and development of clean energy and energy materials projects.

Hexagon is primarily focused on developing its Pedirka blue hydrogen project in Australia’s Northern Territory. At Pedirka, Hexagon aims to produce the blue hydrogen required to support the conversion to clean energy economies over the coming decades.

In Australia, Hexagon also owns the McIntosh graphite, nickel and PGE’s project and the Halls Creek gold and base materials project. In the US, Hexagon has an 80 per cent controlling interest of a graphite exploration project in Alabama.

Hexagon actively seeks ways to progress value-added enterprises consistent with its strategy, skill set, and focus on clean energy.

To learn more please visit: www.hxgenergymaterials.com.au

Authorisation

This announcement has been authorised by the Board of Directors.

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