



ASX Announcement 11 March 2024
Hexagon Energy Materials Limited (ASX: HXG)

WAH₂ Project - Water Supply Key Terms Agreement

Hexagon Energy Materials Limited ('Hexagon') is pleased to provide further information on its Key Terms Agreement ('KTA') with Water Corporation announced on 1 March 2024¹, including the basis and next steps for negotiations regarding water supply for its WAH₂ low-emissions ammonia export project ('WAH₂ Project').

As previously advised, Hexagon's target remains WAH₂ FEED entry in mid-2024. This will require the completion of planned technical work and execution of conditional commercial agreements for key aspects of the project.

Hexagon continues to progress multiple confidential discussions with key input providers, potential offtakers and strategic partners. Under the terms of non-disclosure agreements, confidentiality must be maintained until such time as it is lifted by mutual consent or discussions progress to a point where an agreement can be announced (as in the case of the current agreement with Water Corporation). It is anticipated that there will be a series of announcements over time that will allow Hexagon to provide further guidance as these discussions deliver initial non-binding agreements and later definitive agreements.

As part of this, under the KTA:

- (a) Hexagon and Water Corporation have committed to negotiate in good faith with the intention of executing a definitive agreement for the supply of water to the WAH₂ Project;
- (b) the negotiations are being conducted on the basis of non-binding, commercial-in-confidence terms which are set out in the KTA; and
- (c) to support the negotiations, Hexagon and Water Corporation have agreed that Hexagon will not seek alternative supplies of water for, and Water Corporation will reserve the capacity required to supply, the WAH₂ Project (this reserved capacity would be forfeited if no definitive agreement is ultimately executed).

Hexagon's and Water Corporation's intent is to progress the definitive agreement for water supply as soon as reasonably practicable based on the KTA.

Hexagon looks forward to updating the market upon the definitive agreement being executed.

Authorisation

This announcement has been authorised by the Board of Directors.

¹ HXG ASX announcement 'WAH₂ Key Terms Agreement' dated 1 March 2024



FOR FURTHER INFORMATION,

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