

Hexagon's WAH₂ Project

Low Emissions Ammonia

Investor Briefing

July 2024

DISCLAIMER

The purpose of this presentation is to provide background information to assist in obtaining a general understanding of the Company's proposals and objectives. This presentation may contain some references to forecasts, estimates, assumptions and other forward-looking statements. Although the Company believes that its expectations, estimates and forecast outcomes are based on reasonable assumptions, it can give no assurance that they will be achieved. They may be affected by a variety of variables and changes in underlying assumptions that are subject to risk factors associated with the nature of the business, which could cause actual results to differ materially from those expressed herein. This presentation is not to be considered as a recommendation by the Company or any of its subsidiaries, directors, officers, affiliates, associates or representatives that any person invest in its securities. It does not take into account the investment objectives, financial situation and particular needs of each potential investor. Investors should make and rely upon their own enquires and assessments before deciding to acquire or deal in the Company's securities. If you are unclear in relation to any matter or you have any questions, you should seek advice from an accountant or financial adviser.

All references to dollars (\$) in this presentation are to Australian dollars, unless annotated otherwise e.g. US\$ for USD.

Forward Looking Statements

Forward looking statements can generally be identified by the use of forward-looking words such as, 'expect', 'anticipate', 'likely', 'intend', 'should', 'could', 'may', 'predict', 'plan', 'propose', 'will', 'believe', 'forecast', 'estimate', 'target', 'outlook', 'guidance', 'potential' and other similar expressions within the meaning of securities laws of applicable jurisdictions.

There are forward looking statements in this document relating to the outcomes of the Pre-Feasibility Studies and ongoing work on the WAH₂ Project. Actual results and developments of projects and the market development may differ materially from those expressed or implied by these forward-looking statements. These, and all other forward-looking statements contained in this document are subject to uncertainties, risks and contingencies and other factors, including risk factors associated with the hydrogen business. It is believed that the expectations represented in the forward looking statements are reasonable but they may be affected by a variety of variables and changes in underlying assumptions which could cause actual results or trends to differ materially, including but not limited to price fluctuations, actual demand, currency fluctuations, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory changes, economic and financial market conditions in various countries and regions, political risks, project delay or advancement, approvals and cost estimates.

Any forward-looking statement is included as a general guide only and speak only as of the date of this document. No reliance can be placed for any purpose whatsoever on the information contained in this document or its completeness. No representation or warranty, express or implied, is made as to the accuracy, likelihood or achievement or reasonableness of any forecasts, prospects, returns or statements in relation to future matters contained in this document. Hexagon Energy Materials Limited does not undertake to update or revised forward looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this document, except where required by applicable law and securities exchange listing requirements. To the maximum extent permitted by law, Hexagon Energy Materials Limited and its associates disclaim all responsibility and liability for the forward-looking statements, including, without limitation, any liability arising from negligence. Recipients of this document must make their own investigations and inquiries regarding all assumptions, risks, uncertainties, and contingencies which may affect the future operations of Hexagon Energy Materials Limited or its securities.

Gas Supply

Hexagon has not secured a long-term gas supply agreement. There is no guarantee that current discussions will convert into firm commitments to supply gas over the long term. It should be noted that the WAH₂ Project is contingent on securing long term gas supply in line with the assumed volumes, timing and price. If this cannot be achieved, there is a risk that the WAH₂ Project may be downgraded, deferred or may not go ahead.

Financing

Hexagon has not secured funding for the WAH₂ Project and accordingly to achieve the range of outcomes required for Phase 1, Hexagon will need to secure between A\$405M and A\$567M in funding for the project (assuming farmout of 65% - 75% project, leaving Hexagon with a 25% - 35% project share). There is no certainty Hexagon will be able farm out the Project or to raise the amount of funding when required. It should also be noted that any raise may only be available on terms that may be dilutive to shareholders or otherwise affect the value of Hexagon's shares. If the proposed farm-out or funding cannot be achieved, there is a risk that the WAH₂ Project may be downgraded, deferred or may not go ahead.



Hexagon Energy Materials Limited

ASX listed **project developer** (HXG)*

Competitive, **low-emissions ammonia** export project (WAH₂), annual net CF A\$244 million (100% project)¹

Targeting **substantial growth market** opportunity, ~US\$10 Bn pa market by 2035²

Leading clean ammonia project with ideal site secured, PFS completed, Pre-FEED well underway

Multiple near term rerating events – on track for FEED entry Q3 2024 and partner MOUs/Agreements

FID target 2025

*HXG.ASX. Shares on issue 512,915,901. Market capitalisation \$5.6 million at 3 July 2024, \$1 million convertible note (ASX: 20 June 2024), cash of \$0.4 million at 31 March 2024 which does not include proceeds of \$1 million convertible note.

¹WAH₂ Project Pre-Feasibility Study Updated Announcement (ASX: 2 August 2023); annual net CF estimate from 2028

²Low-emissions ammonia market opportunity expected to reach 20 MTPA in Japan by 2035 based on 20% ammonia co-firing of coal-fired fleet

The opportunity – NH₃ the hydrocarbon substitute

Ammonia set to play a significant role in decarbonising power generation and shipping

Clean ammonia will play an essential role in the energy transition.

Increasingly recognised as the pragmatic choice for decarbonisation.

And an opportunity to decarbonise Australia's energy exports.

Power Generation

- Currently 1/3 of Japan's electricity needs are met from coal-fired generation¹
- Japan has committed to reduce greenhouse gas emissions by 46% in 2030²
- Government and industry plan that by blending ammonia with coal, Japan can meet low-emissions targets with existing power plants

Marine Fuel

- Substituting ammonia for marine fuel oil and diesel
- IMO³ driving decarbonization, 30% emissions reduction by 2030, 80% by 2040⁴
- Australian iron ore exports a priority, highest tonnage trade route globally

Huge Demand Growth

Huge growth in market for low-emissions ammonia, expected to reach 20 MTPA⁵ with a value of US\$10 Bn/yr⁶ by 2035

Increasing Government Support

Strategic investment and policy support for clean ammonia

Strong market pull for clean ammonia is being driven by Government support in Japan and elsewhere.

While Australian Government support is encouraging supply development.

Japanese Government

US\$60 B allocated to support establishment of clean ammonia and hydrogen supply chains¹

Includes supply Chain subsidies to incentivise producers

- To bridge the gap between the ammonia price that producers and consumers require

Includes financial support for import infrastructure support

- 8 locations to be selected

Revised JOGMEC Act² enables capital contributions and debt guarantees to clean ammonia production projects

Australian Government

Northern Australia Infrastructure Facility (A\$7 B)³

- Potential concessional finance

A\$140 million State and Federal funding for the Pilbara Hydrogen Hub⁴

- To position Pilbara as a global hub for ammonia/hydrogen production and export

Australian Federal Government's Future Gas Strategy⁵

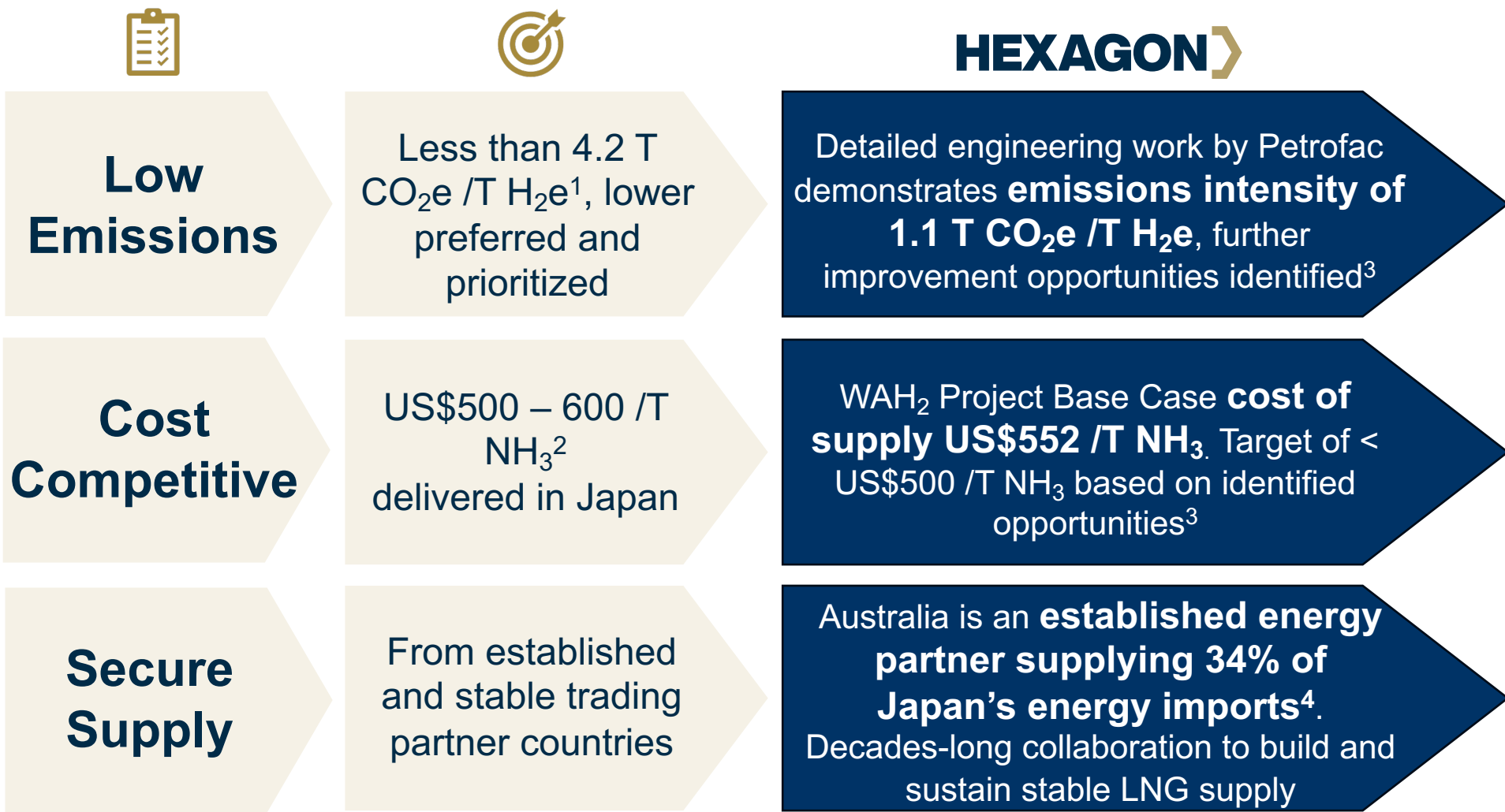
- Recognises gas as a crucial energy source past 2050
- Emphasis on continued domestic gas supply to ensure energy security
- Support for CCS as a key element in Australia's energy transition.

Japan's criteria for clean Ammonia

Australia well-placed, Hexagon best-placed

Japan has specified key criteria for potential suppliers to meet its future energy needs.

Hexagon meets or exceeds all the criteria and is regarded by many potential customers as the best-placed Australian project.



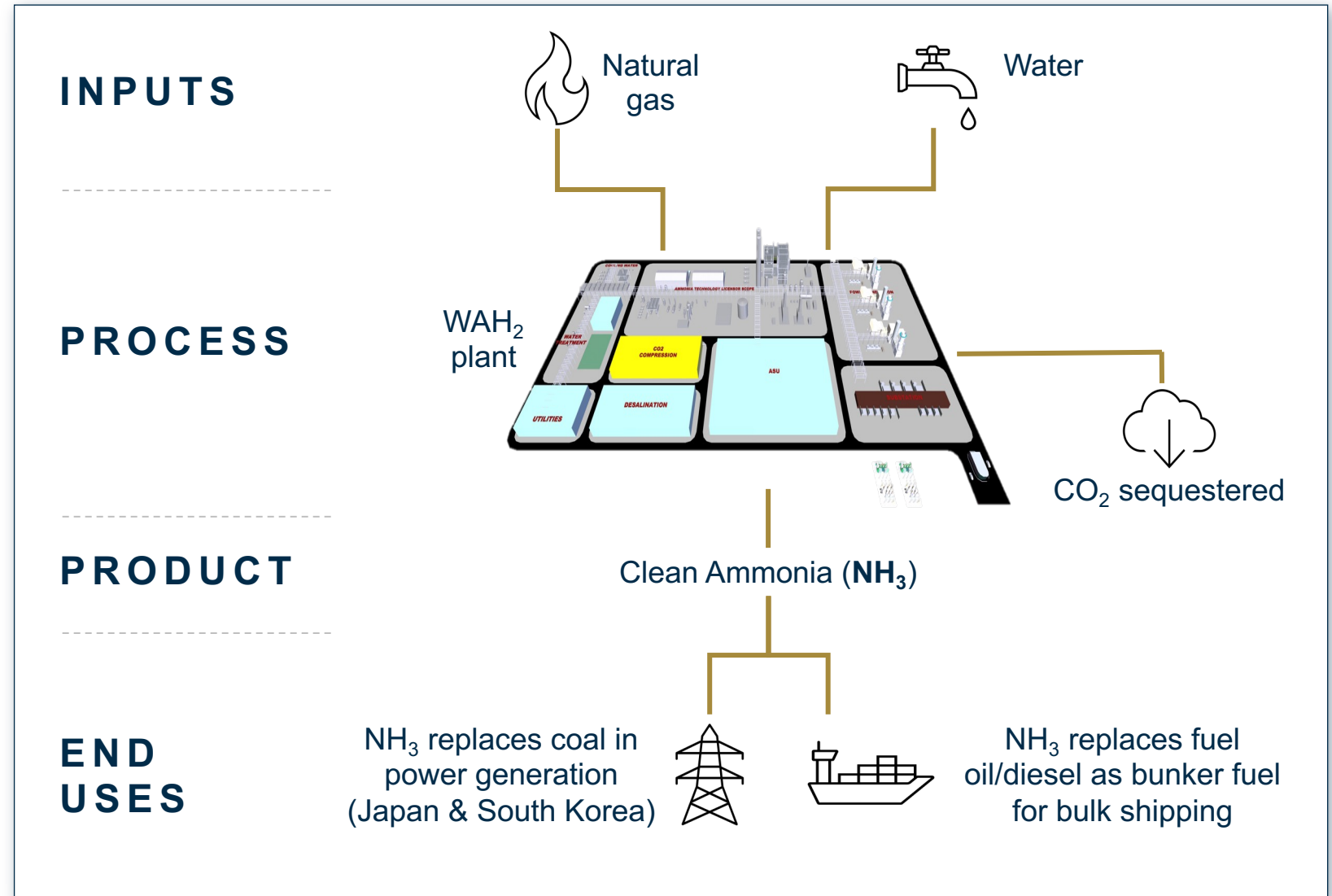
Project overview - Hexagon's WAH₂ export plant

Low-emissions, cost competitive ammonia

The WAH₂ Project uses established technology to decarbonise gas and produce clean ammonia which can be used in existing infrastructure to replace coal for power generation, and to replace hydrocarbon marine fuels.

Effectively decarbonising Australian gas to help the energy transition.

Material volumes (600 kTPA) targeted to be online before 2030.



Partnering with experienced industry players

Hexagon is seeking the fastest, lowest-cost, lowest-risk pathway to production

Before initiating WAH₂, Hexagon identified how to deliver the lowest-cost, lowest-risk and fastest path to market:

1. Securing a site in the Maitland Strategic Industrial Area;
2. Working with established input providers; and
3. Leveraging existing infrastructure wherever possible.

This strategy is proving successful.

In this way a small company can build out a large project



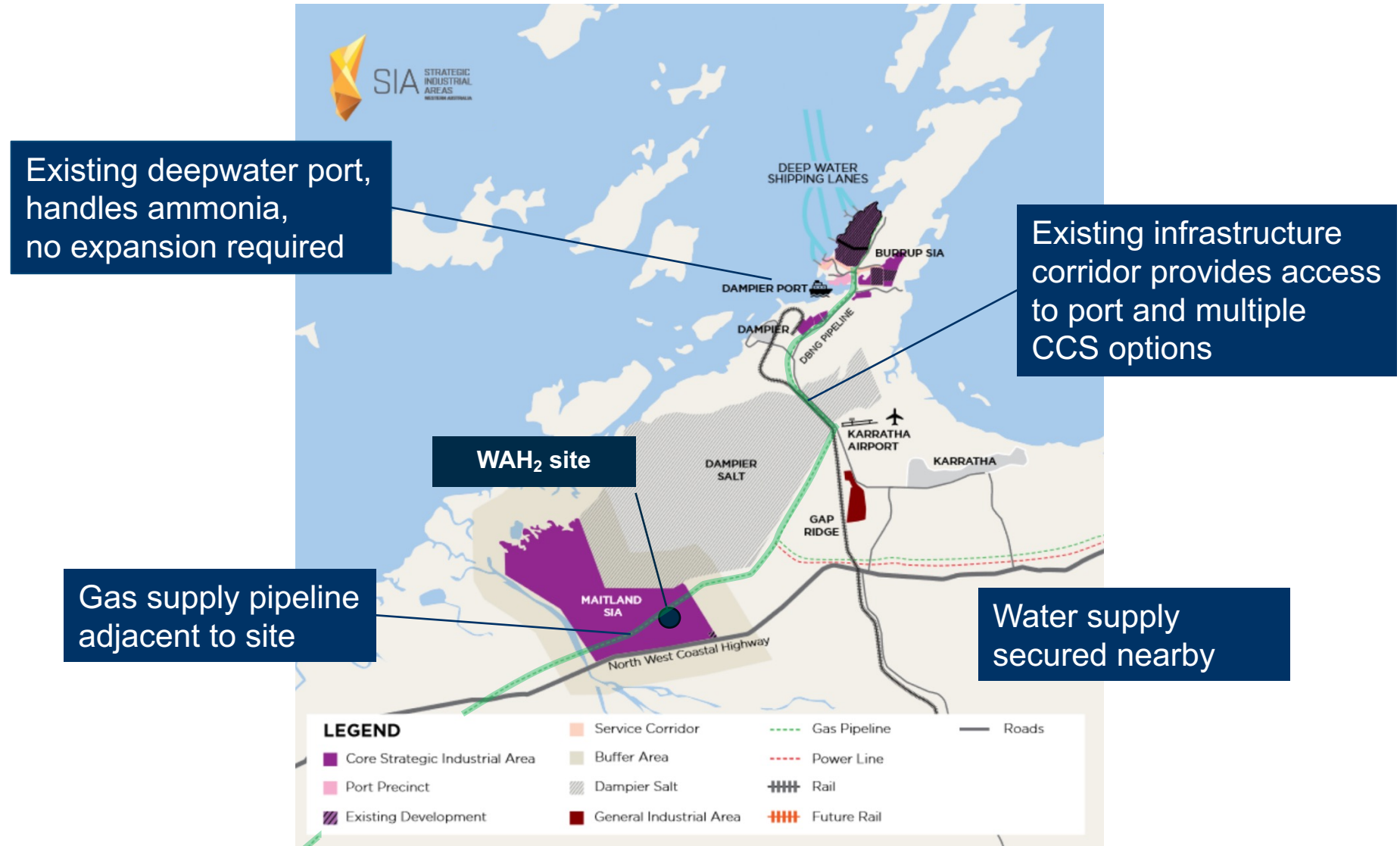
Project site – in optimal location of Maitland SIA¹

Proximity enables lower cost access to required services and infrastructure

Hexagon's site is a key asset, providing access to existing infrastructure that is located nearby.

With significant additional opportunities to share infrastructure with the proponents of other projects.

Together, underpinning the competitiveness of the WAH₂ Project.



Note: (1) Strategic Industrial Area; (2) Dampier to Bunbury Natural Gas Pipeline
Source: Image - DevelopmentWA

World class execution team

Team with track record and experience of building and leading major energy businesses

Wealth of experience in **developing projects and businesses** from inception to multi-billion-dollar enterprises

Board of Directors



Charles Whitfield
Chairman

CIO of Drumrock Capital
Turnaround and growth company specialist Ex **Citibank** MD & **Deutsche Bank**



Andrew Kirk
Commercial Director

Head of LNG for Power Co., Bangkok.
Ex-17 years **Woodside** LNG Strategy
Co-founder Green Hydrogen Asia



Garry Plowright
Non-Exec Director

Land Access and Approvals Manager at **Pilbara Minerals**
History in Mining law, regulatory process and mine development.



Philipp Kin
Non-Exec Director

investment banking (M&A, DCM and ECM) and energy research roles including Lead WA LNG Asset Economist at **Shell**

Combined experience over 80 years with focus on **technical & commercial development of projects in joint venture with Japanese corporates**

Project Team



Stephen Hall
CEO/ Project Leader

30 years-experience energy sector
Ex-**Woodside Energy** VP Strategy, Power & New Markets
Ex-VP North-West Shelf Development



Reinhardt Matisons
Business Development

35 years commercial experience Energy sector. Ex-EVP Marketing, Trading & Shipping at **Woodside Energy** Ltd. Ex-Senior Consultant Poten & Partners



Neil Theobald
Business Development

Snr Adviser Asia Natural Gas & Energy Asscn - Senior Advisor to **McKinsey & Co.** -Ex-**Chevron** VP Global LNG, Gas & Trading Ex-Non-Exec Chair North-West Shelf Gas



Liz Sully
Regulatory Approvals

25 years regulatory approvals experience in energy sector
Ex-**Santos & Woodside** Regulatory Approvals Specialist

World class technical advisors to provide **detailed technical and costing analysis**

Industry partners



Leading energy services company with expertise in engineering consultancy to design, build, and operate world-class low emissions energy facilities.



Industry leader with SynCOR Ammonia™ utilizes stand-alone autothermal reforming for the production of syngas instead of conventional tubular reforming.

WAH₂ Project is best-placed

Early mover project with competitive advantages related to tech. choice and secured site

Hexagon's WAH₂ Project is considered the most advanced clean ammonia export project in Australia.

This is due to its competitive cost of production and ability to supply before 2030.

Each reflect Hexagon's choice of technology and location.

140+

Australian Hydrogen Projects More than 140 hydrogen-related projects have been announced in Australia

30

Low-emissions Ammonia Of these, only 30 are targeting low-emissions ammonia as the product

23

Majority Electrolysis-based challenges Proving technology at scale, supply chain constraints, cost of supply

5

Based on gas reforming with CCS¹ Others use coal, with emissions challenges; or biomass, unproven at scale

1

WAH₂ is Unique The only proposed gas-based project with access to an existing deep-water port and multiple, mature CCS projects nearby

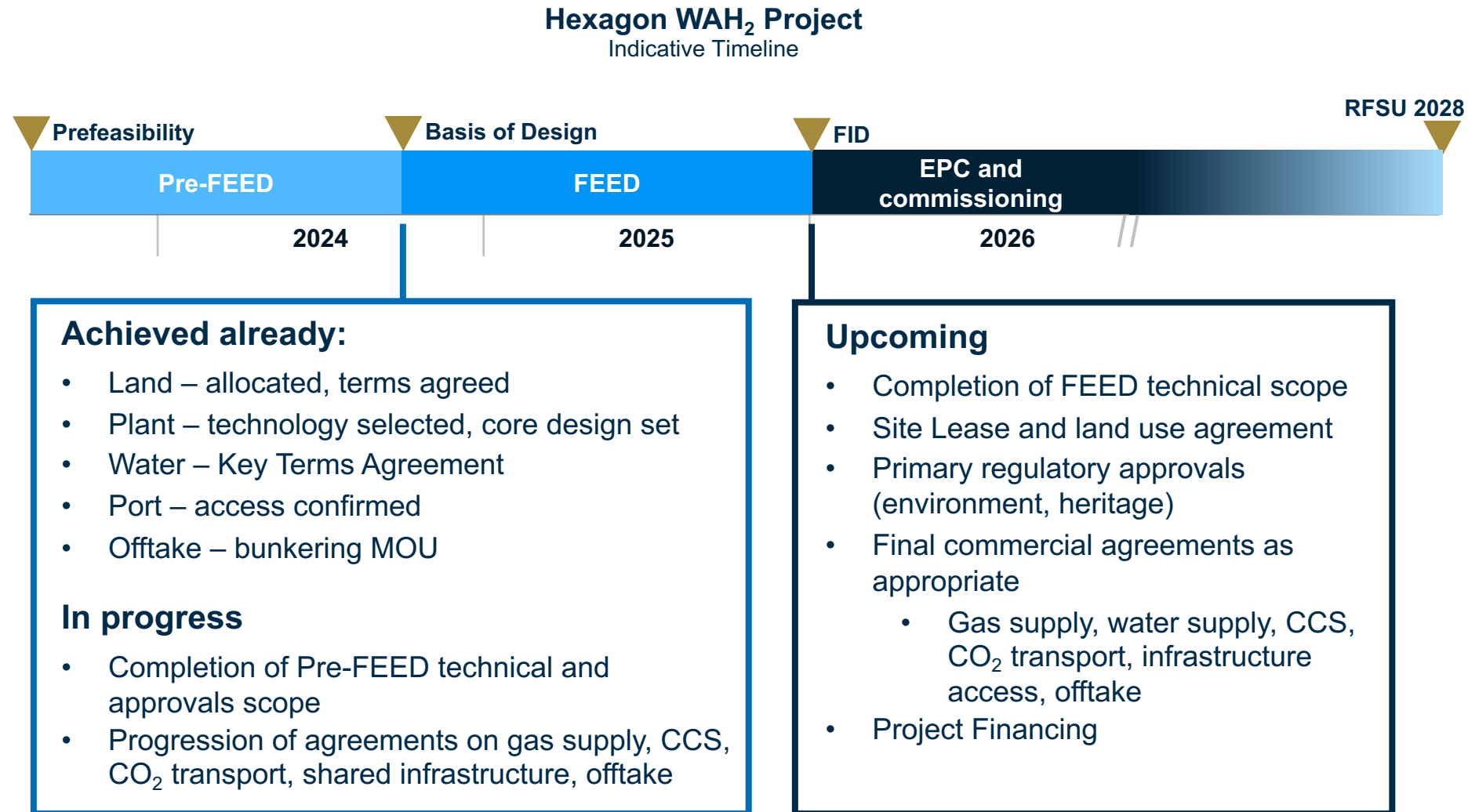
Timeline

Multiple near-term revaluation events as project advances

Hexagon has already achieved major milestones to establish the project.

Active negotiations are progressing on the next stages of key inputs and partnerships.

As results become announcable a flow of agreements is expected which will de-risk WAH2 economics and, in turn, re-rate Hexagon's valuation.



Substantial progress since Pre-feasibility

Reducing uncertainty and suggesting improved economics relative to PFS Base Case¹

Site	• Option to Lease agreed in-principle with DevelopmentWA • Baseline surveys suggest no significant issues²
Plant	• Design basis set for core process, detailed engineering and vendor engagement progressing to plan
Gas supply	• Confidential discussions progressing with several potential gas suppliers, potential for equity participation
Water supply	• Key Terms Agreement³ executed with Water Corp. • Desalination plant, seawater supply and brine return pipelines deleted from base case
Infrastructure corridor	• Govt Plan⁴ accommodates future NH₃ and CO₂ pipelines • Govt Hydrogen Hub funding allocated to multi-user NH₃/H₂ pipeline
CO ₂ transport	• Confidential discussions progressing with 3rd-party pipeline provider, indicative pricing provided
CCS	• Confidential discussions progressing with nearby sequestration projects, indicative pricing provided
Port	• Availability of existing bulk liquids loading berth confirmed, no expansion required for WAH₂ Phase 1
Offtake	• Confidential discussions progressing with multiple parties, several considering equity participation in project as well as offtake • MOU executed with Oceania⁵ to provide ammonia bunkering for bulk carriers

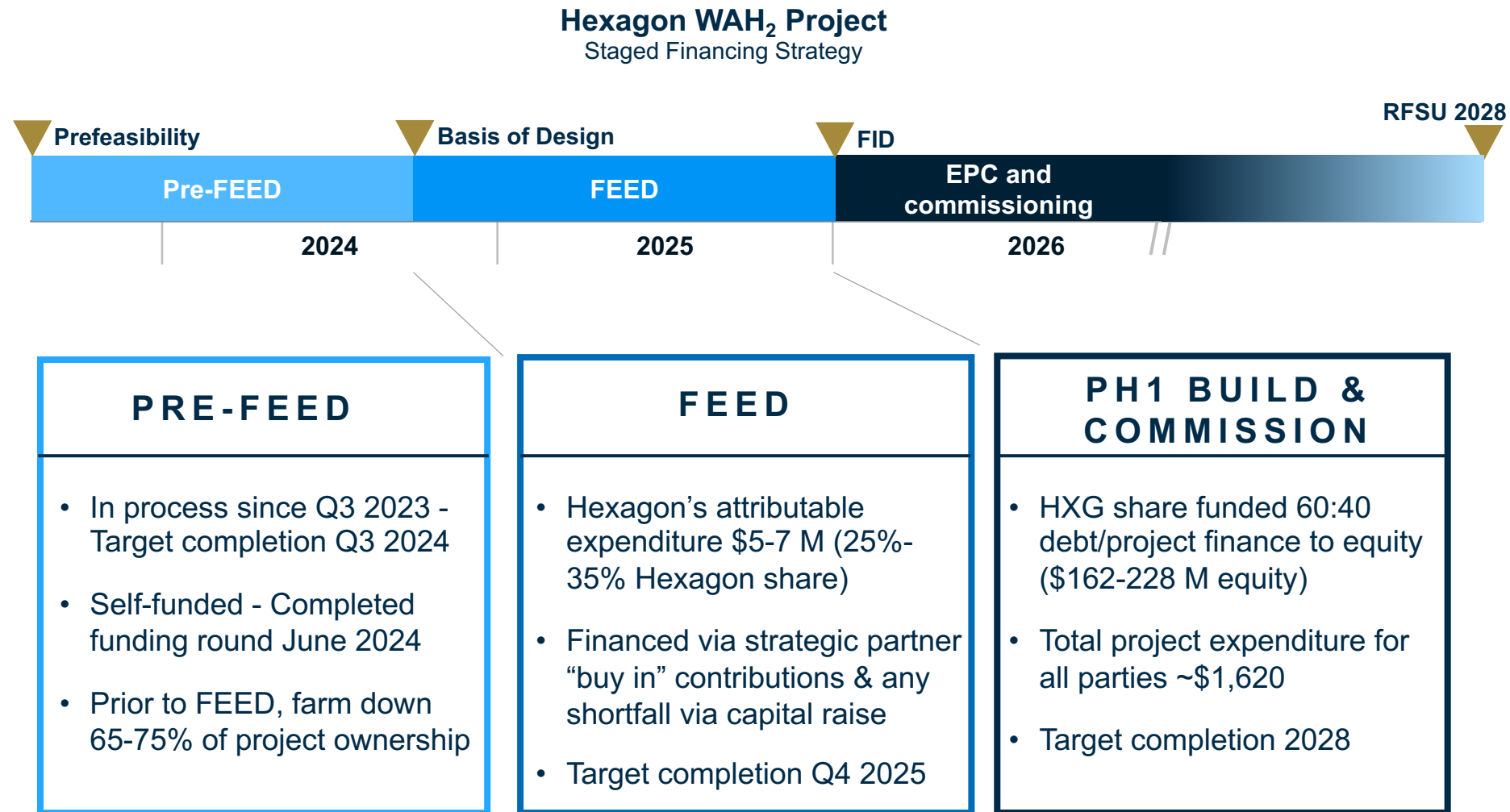
Note (1) HXG ASX updated announcement 2nd August 2023; (2) Maitland SIA baseline studies provided by DevelopmentWA; (3) WAH2 Project – Water Supply Key Terms Agreement Announcement (ASX: 11 March 2024); (4) Maitland to Burrup Corridor Development Plan, as provided by JTSI; (5) WAH2 Project Ammonia Bunkering Memorandum of Understanding (ASX 13 May 2024)

Funding path to production

Preserving shareholder value by staged approach

WAH₂ will be progressed in combination with equity partners who will represent ~2/3 of project equity from FEED forwards.

Management is focused on progressing with minimum dilution of existing shareholders.



Compelling proposition

FEED on WAH₂ the next key milestone, pathway to Project partnerships

Early mover, large market

Hexagon is a front runner in accessing a high growth, government backed market

Advantaged project

Secured project site with access to key existing infrastructure and inputs

Near-term catalysts

Multiple near-term milestones (FEED, partners) expected to be catalysts for revaluation

Attractive returns

Accessing government and subsidized funding would leverage shareholder payoffs

Growth upside

WAH₂ Phase 2 (double production) and additional project cost saving opportunities¹



Fuelling the Future

Low Emissions Ammonia
From Australia to APAC

This announcement has been authorised for release to the ASX
by the Board of Hexagon Energy Materials Ltd.

FOR FURTHER INFORMATION, please contact:

Stephen Hall

stephenh@hxgenergymaterials.com.au

hxgenergymaterials.com.au