



ASX Announcement

1 July 2022

ReNu Energy & Tas Gas Agree Term Sheet for Green Hydrogen Production & Distribution

Highlights

- Collaboration that provides **Hobart the opportunity to introduce a low carbon gas** to customers at scale.
- Provides **industrial gas customers** in southern Tasmania an opportunity to **decarbonise their gas supplies**.
- Intention to provide **Tasmania's community** with the opportunity to **access a blend of green hydrogen and natural gas as a lower carbon gas alternative**.
- Complements the **Tasmanian Government's Renewable Hydrogen Action Plan** released in 2019.

ReNu Energy Limited (ASX: RNE) (**ReNu Energy**) and its wholly owned subsidiary Countrywide Hydrogen Pty Ltd (**Countrywide**) are pleased to announce the signing of a Term Sheet Agreement with Tas Gas Networks Pty Ltd (**Tas Gas Networks**) and Tas Gas Retail Pty Ltd (**Tas Gas Retail**).

The Term Sheet defines the responsibilities of the parties and their intention to work collaboratively to achieve 100% green hydrogen delivery to industrial customers and the blending of green hydrogen into the existing natural gas distribution network. The Term Sheet provides the opportunity for Tas Gas Networks to become an equity participant in the Project and provides ReNu Energy and Countrywide a period of exclusivity to progress the Project.

As announced to the ASX on [24 June 2022](#), Countrywide is completing the design of a green hydrogen electrolysis production facility, the Hydrogen Tasmania Brighton Project (**the Project**), to be developed 30 minutes north of Hobart. The Project includes the production of green hydrogen, the construction of a network to distribute the hydrogen, blending green hydrogen into the existing natural gas distribution network and the co-ordination with stakeholders to ensure the successful implementation of the project.

The agreement will see the parties working together to explore the options to supply both industrial and residential customers with green hydrogen produced by Countrywide at the Project, including utilising existing and new network infrastructure. The companies will explore the technical and

commercial requirements of supplying customers with both 100% hydrogen and blends with natural gas. Tas Gas's retail arm is the largest gas retailer in Tasmania supplying gas to more than 9,000 industrial, commercial and residential customers, and will become the foundation retailer for the Project. Subject to necessary approvals and finalising commercial arrangements, the Project is targeted to be online by Q4 2023.

ReNu Executive Director & Countrywide Managing Director Geoffrey Drucker said:

This partnership with Tas Gas provides Hobart the opportunity to become Australia's first capital city to significantly reduce the carbon footprint of natural gas.

Tasmania is a world leader in the renewable energy industry and this is a key milestone in the State's strategy to transition to lower carbon energy sources.

Tas Gas Chief Executive Officer Phaedra Deckart said:

Gas is crucial to Tasmania's energy security with homes, businesses and industrial customers relying on this form of energy every day. This is why we are pleased to be able to announce today that we will be working with Countrywide to explore opportunities that will introduce a new supply of low carbon gas into the Tasmanian gas network in the form of green hydrogen.

Energy distribution is often an overlooked part of an energy system, but gas network infrastructure will be critical to the success of Tasmania's and the nation's pathway to a successful hydrogen economy. We are fortunate that Tas Gas' network is one of the most modern in Australia and is ready today to support the safe and reliable supply of hydrogen to help decarbonise the State's energy supply.

The executed Term Sheet is a non-binding strategic framework that is intended to be converted into definitive arrangements as the Project progresses. It sets out the parties' intention to work collaboratively to:

- Advance the Project to the point of Final Investment Decision.
- Facilitate discussions for funding and location of the gas network infrastructure that will enable customer access to the green hydrogen produced by the Project.
- Resolve issues pertaining to the establishment of a domestic end-use market for green hydrogen, including regulatory, safety and technical considerations.
- Negotiate and agree commercial terms for Tas Gas Retail's hydrogen offtake in the Project.

This announcement has been authorised for release to ASX by the Chairman and CEO of ReNu Energy.

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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 Tas Gas

Tas Gas Holdings is owned by funds managed by the Australian company Infrastructure Capital Group including Energy Infrastructure Trust, one of Australia's largest dedicated portfolios of energy assets. Tas Gas Networks comprises an 837km network of gas pipelines across Tasmania and is one of the most modern gas distribution networks in Australia. Tas Gas Retail is also the largest gas retailer in Tasmania, supplying gas to more than 9,000 industrial, commercial and residential customers.