

9 November 2022

# ReNu Energy and HESTA agree Term Sheet for Green Hydrogen investment

## Highlight

- Australian superannuation fund HESTA agrees non-binding Term Sheet for the investment of up to \$100 million in ReNu Energy's Green Hydrogen Projects.

ReNu Energy Limited (**ASX: RNE**) (**ReNu Energy**) and its wholly owned subsidiary, Countrywide Hydrogen Pty Ltd (**Countrywide**) (together the **RNE Group**) are pleased to announce the signing of a Term Sheet with H.E.S.T. Australia Ltd as trustee for HESTA (**HESTA**) for the investment of up to \$100 million in the RNE Group's projects to produce green hydrogen (**Green Hydrogen Projects**).

## About HESTA

HESTA is the largest superannuation fund dedicated to Australia's health and community services sector. An industry fund that's run only to benefit members, HESTA has more than 950,000 members (over 80% are women) and manages over \$68 billion in assets invested around the world.

## The Term Sheet

The Term Sheet outlines:

- HESTA's intention to commit up to \$100 million for the development of Green Hydrogen Projects.
- The RNE Group will be responsible for delivery and operation of the Green Hydrogen Projects.
- The RNE Group will be entitled to a fee for originating and progressing Green Hydrogen Projects. The agreed fee will reflect the status and progress of the relevant Green Hydrogen Project at the time HESTA invests.
- The RNE Group will be responsible for securing debt and grant funding for the Green Hydrogen Projects.
- HESTA will be provided a first right of refusal to invest in existing and new Green Hydrogen Projects. The parties may otherwise agree to add additional investors to the Green Hydrogen Projects.

The executed Term Sheet is a non-binding, strategic framework that is intended to be converted into definitive arrangements, subject to HESTA completing its due diligence. It sets out the parties' intention to jointly pursue Green Hydrogen Projects on the terms summarised above and to advance to definitive agreements.

**ReNu Energy Chairman Boyd White said:**

*The agreement with HESTA follows progress the Group has made in advancing its portfolio of green hydrogen projects since the acquisition of Countrywide Hydrogen in February this year. HESTA is highly respected for its commitment to sustainability and responsible investments. With HESTA's support we look forward to delivering green hydrogen and contributing to a low carbon future.*

**HESTA Chief Investment Officer Sonya Sawtell-Rickson said:**

*We're thrilled to be investing in the development of the Group's green hydrogen projects. We continue to look for opportunities like this to invest in innovative technologies and businesses that will support the transition to a low carbon future.*

*Investments like this will help create jobs and support communities, while delivering attractive risk-adjusted returns for our members. By providing innovative climate solutions, this investment will also serve our members' best financial interests over the long-term by contributing to an equitable, orderly and timely transition to net zero emissions by 2050 in order to minimise the systemic risks of climate change.*

**ReNu Energy CEO Greg Watson said:**

*We are excited to have HESTA on board as an institutional investor in our green hydrogen projects. HESTA is recognised as a leader in responsible investment. Our task now is to advance to definitive agreements as soon as possible and progress commercial discussions with our project partners for green hydrogen offtake.*

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

*The momentum for the transition to clean energy and the decarbonisation of economies and industry is growing. Countrywide Hydrogen saw HESTA as an institutional investor whose ambition is to lead investment in tangible emissions reduction. HESTA's support will enable the RNE Group to progress its hydrogen projects from concept to production and meet its objective to be the first-mover in domestic green hydrogen production to the identified markets of road transport, decarbonising natural gas networks, and up to 100% green hydrogen use in industrial applications.*

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

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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 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. Countrywide currently has four renewable hydrogen projects under development in Australia, two in Tasmania and two in Victoria.