



ASX Announcement | 6 May 2022  
Hexagon Energy Materials Limited (ASX: HXG)

## Completion of Placement

Hexagon Energy Materials Ltd (“Hexagon” or “the Company”) announced on 27 April 2022 that it had completed a capital raising of \$1.911 million (including \$50,000 by Directors subject to shareholder approvals) at \$0.028 per fully paid ordinary share (“Placement”) before costs.

The Company advises that it has issued 66,496,668 ordinary shares under Tranche 1 of the Placement. Tranche 2 of 1,785,714 of the placement shares for directors will be issued following shareholder approval at a general meeting to be held later in the year.

Funds raised under the Placement will be expended by Hexagon on the following:

- A now fully funded exploration program, including completion of drilling programs during the 2022 field season and all associated exploration works and drill sample analysis both at Hexagon’s McIntosh Ni-Cu-PGE and Halls Creek Au-Base Metals-PGE Projects which are located in the East Kimberley of Western Australia,
- Drill program result evaluation and further exploration program of work planning,
- Support of Graphite exploration and project development at McIntosh and at the Ceylon Graphite Project, Alabama, USA being undertaken by third parties under Earn-in Agreements, and
- Minor working capital associated with these Projects.

### Notice under Section 708A

Hexagon issued the Placement shares to institutional and sophisticated investors, and they are part of a class of securities quoted on the Australian Securities Exchange Limited (ASX).

The Company gives this notice pursuant to Section 708A(5)(e) of the Corporations Act. The shares were issued without disclosure to the investors under Part 6D.2, in reliance on Section 708A(5) of the Corporations Act. The Company, as at the date of this notice, has complied with:

- a) the provisions of Chapter 2M of the Corporations Act as they apply to the Company, and
- b) Section 674 of the Corporations Act.

There is no excluded information as at the date of this notice, for the purposes of Section 708A(7) and (8) of the Corporations Act.

### Authorisation

This announcement has been authorised by the Board of Directors.

#### HEXAGON ENERGY MATERIALS LIMITED

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**ABOUT HEXAGON ENERGY MATERIALS LIMITED**

Hexagon Energy Materials Limited (ASX: HXG) is an Australian future clean energy project development and future energy materials exploration and project development company.

Part of Hexagon's business comprises of the development of a large scale decarbonised, using Carbon Capture and Storage (CCS), Clean Hydrogen project to meet growing export and domestic markets requirements. Hexagon's production and end market focus is Blue Ammonia for co-firing in Coal fired power stations and use as a shipping fuel. A Pre-Feasibility Study for the Pedirka Clean Hydrogen located in Australia's Northern Territory, utilising gasification and CCS was completed by Hexagon in February 2022, leading to Hexagon's North Western West Australian Clean Hydrogen project, WAH<sub>2</sub>, being established. WAH<sub>2</sub> on a risk, cost and potential return on investment basis is a more attractive project for Hexagon to focus its development resources on, to get a 'foot hold' in and substantially grow, as the global Clean Hydrogen market emerges.

Hexagon's strategy is to progressively increase its renewable energy use in Clean Hydrogen production and transition from blue to green Hydrogen production, on a commercial basis, over time. On this basis Hexagon has commenced building a strategic relationship with FRV Services Australia Pty Ltd (FRV Australia) as announced on 24 January 2022. FRV Australia has developed 9 solar farms investing + A\$1 B in Australia (800 MWdc generation capacity) to date in Australia and has Green Hydrogen projects already in operation globally, ranging from <1MW to 20MW. FRV Australia is 49% owned by OMERS Infrastructure (49%) – Canada's largest public pension funds which is a global infrastructure investor, and 51% owned by Abdul Latif Jameel Energy.

Hexagon also owns the McIntosh Nickel-Copper-PGE and Graphite project in the Kimberley in Western Australia (WA) and the Halls Creek Gold -Base metals – PGE project also in the Kimberley WA. In February 2022, through a Graphite Mineral Rights Only Earn-In deal with Green Critical Minerals Pty Ltd Hexagon is seeking to leverage in new expertise and secure further investment funds to develop its Graphite assets at McIntosh. A total Graphite resource of 23.8 million tonnes, grading 4.5% TGC, with 81% indicated (ASX Announcement 5 April 2019) is held at McIntosh. In the USA, Hexagon holds an 80 per cent controlling interest of the Ceylon Graphite project located in Alabama, over which South Star Battery Materials Corp. (TSXV: STS, OTCQB: STSBF) on 7 December 2021 signed an up to 75% Earn-In agreement over and is progressing development of (ASX Announcements, 8 December 2021 and 2 May 2022).

Hexagon's strategy is to actively secure and leverage technical and commercial alliances, by commodity, to underpin value creation across its portfolio of assets whilst developing core future energy and energy materials projects in-house.

Figure 1 below summarises Hexagon's Strategy and Figure 2 shows the locations of Hexagon's projects.

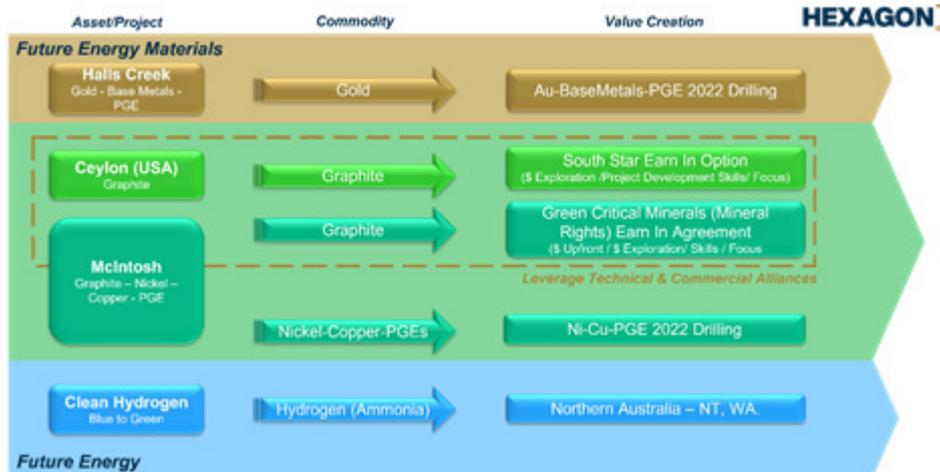
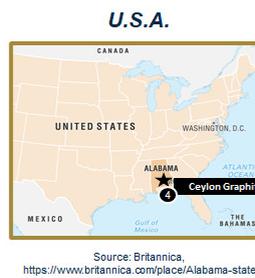


Figure 1 - Hexagon's Strategy 2022



**Future Energy: Northern Australia**

1. WA clean Hydrogen project (WAH<sub>2</sub>)
2. Clean Hydrogen at Middle Arm, Darwin in the Northern Territory, longer term

**Future Energy Materials:**

3. The McIntosh Project: Graphite, Nickel, Copper and PGEs
4. Ceylon Graphite Project in Alabama, U.S.A.

**Historic:**

5. The Halls Creek Gold and Base Metals Project

Figure 2 – Locations of Hexagon's overall asset base/portfolio of projects