

Lion signs lease agreement with Port of Brisbane for hydrogen generation and refuelling hub

Key Highlights

Lion Energy Limited ("Lion"; ASX: LIO) is pleased to report it has signed a lease agreement ("Lease") with Port of Brisbane Pty Ltd for a long-term lease of land within the Port of Brisbane ("PoB"), where it will build and operate its first hydrogen generation and refuelling hub. The hub is geared towards heavy mobility fleets with an early focus on supplying hydrogen to domestic public bus fleets, truck fleets, and fuel cell gensets for the construction and mining industry. Lion's facility at the PoB will be the first of its scale in Queensland.

- Lion has announced 10-year contract for first green hydrogen hub location at the Port of Brisbane with an option to extend for a further 10 years.
- Procurement of H2 electrolysis and refuelling equipment well underway
- Expected commissioning in H2 2024.



Figure 1 – Lion's first site at Port of Brisbane

As the first site of a proposed network of hydrogen refuelling depots across eastern Australia, the Port of Brisbane project constitutes a major step in Lion's stated hydrogen strategy. Lion has undertaken extensive due diligence on the site, including proximity to target markets, and is excited that the location can be a critical part of a broader hub and spoke/depot supply system. Furthermore, the lease agreement will not have a material impact on Lion's annual operating costs.

The Port of Brisbane is Australia's third largest and fastest growing multi-cargo port, and Queensland's largest general cargo port. It handles some AUD\$55 billion worth of international cargo each year, equivalent to approximately 32 million tonnes and supplied by 5 million annual truck movements, which is expected to reach 14 million by 2040. The Port handles approximately 95% of Queensland's containers and 95% of all motor vehicles imported into the state (source: PoB).



Tom Soulsby,
Lion's Executive
Chairman

“ The location at Port of Brisbane is highly strategic due to its proximity to the majority of Brisbane 70+ bus depots, and also the significant heavy vehicle traffic to and from the Port. Our site will initially produce and dispense some 420kg green hydrogen per day, but with the ability to quickly double production to respond to increasing demand.

Diesel powered public bus fleets are being phased out across Australia with legislation supporting the shift to low emission transportation. Fuel cell powered vehicles will play a substantial roll in the replacement of the existing bus fleets and Lion is thrilled to be a first mover in the Hydrogen refueling space with the establishment of a landmark facility at the Port of Brisbane

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Lion is working with Port of Brisbane to investigate a potential investment into solar energy supply at the Port which offers substantial potential roof-top solar capacity.

The facility at the PoB will include all equipment required to generate and dispense green hydrogen, as well as the ability to load compressed hydrogen onto tube trailers for transportation to other sites/spokes/depots.

Lion has procured key equipment, including electrolyzers, compressors and the dispensing package, and is working on development approval from the Queensland Government. Based on current schedule, Lion expects to start construction in Q3 2024, with commissioning of the facility by end of 2024.

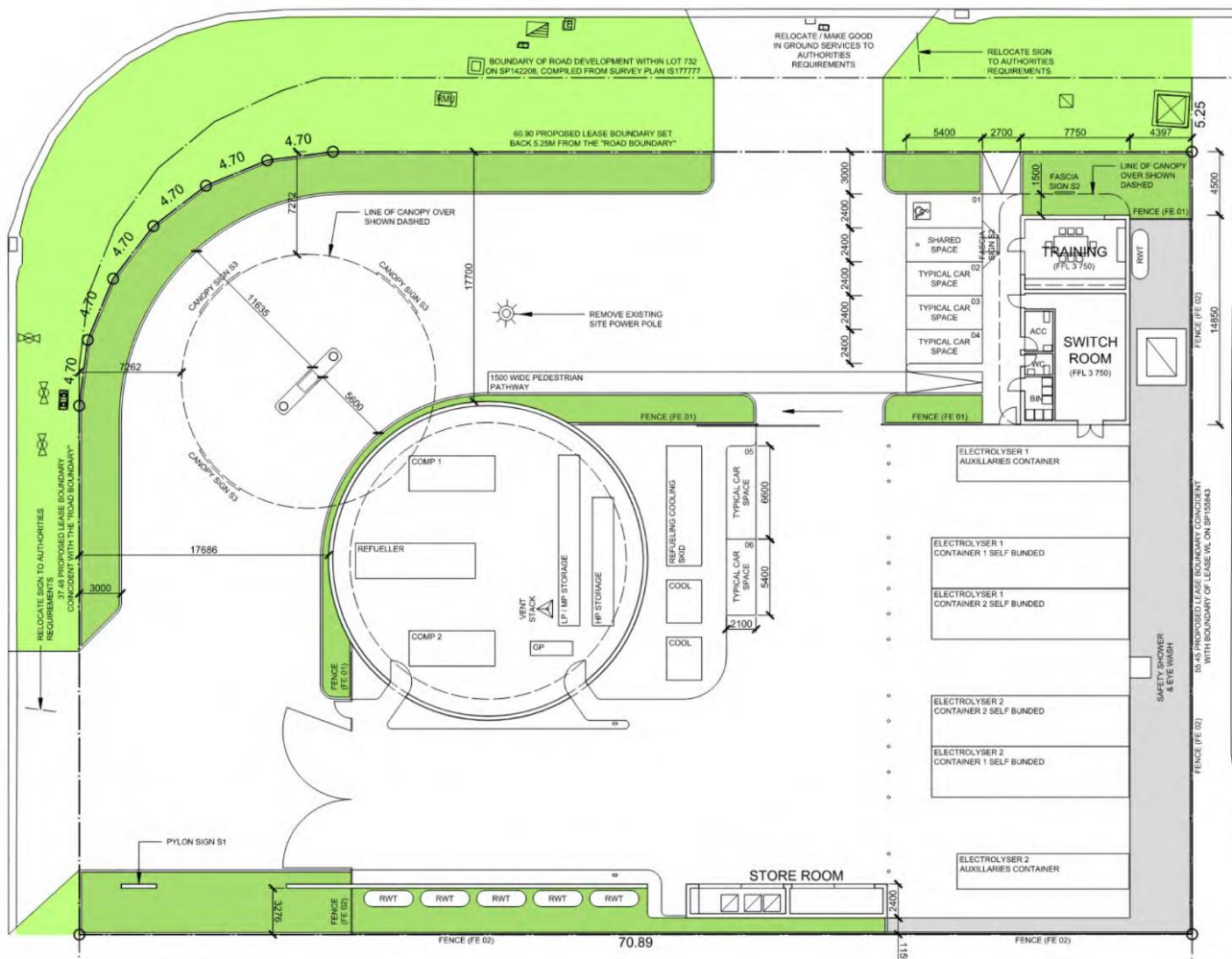


Figure 2 Key Layout of Lion's PoB H2 production and refuelling hub

Neil Stephens,

Port of Brisbane CEO commented:

“The Port of Brisbane is pleased to support Lion Energy as they execute a plan to become a significant player in the clean energy space. The space set aside for this lease provides a hydrogen generation and refuelling depot for our city’s vital public bus network as well as transportation fleets as we migrate toward a low-emissions future.

It’s a great fit for both parties and we look forward to a long partnership with Lion as they expand their ambitions in Queensland and beyond.”

In summary, Mr Soulsby said that

“We are proud to bring the first commercial sized green hydrogen facility in Queensland in 2024 at the Port of Brisbane. Our project will immediately benefit the community by allowing bus and heavy transport companies to operate clean hydrogen buses/trucks in the Brisbane metro area.

Our installation will also allow many other businesses to confidently trial various types of hydrogen vehicles soon, such as cement agitators, garbage trucks, and all other heavy vehicles for which battery technology is inadequate. Lion is also well placed to supply hydrogen to the burgeoning fuel cell genset market.”

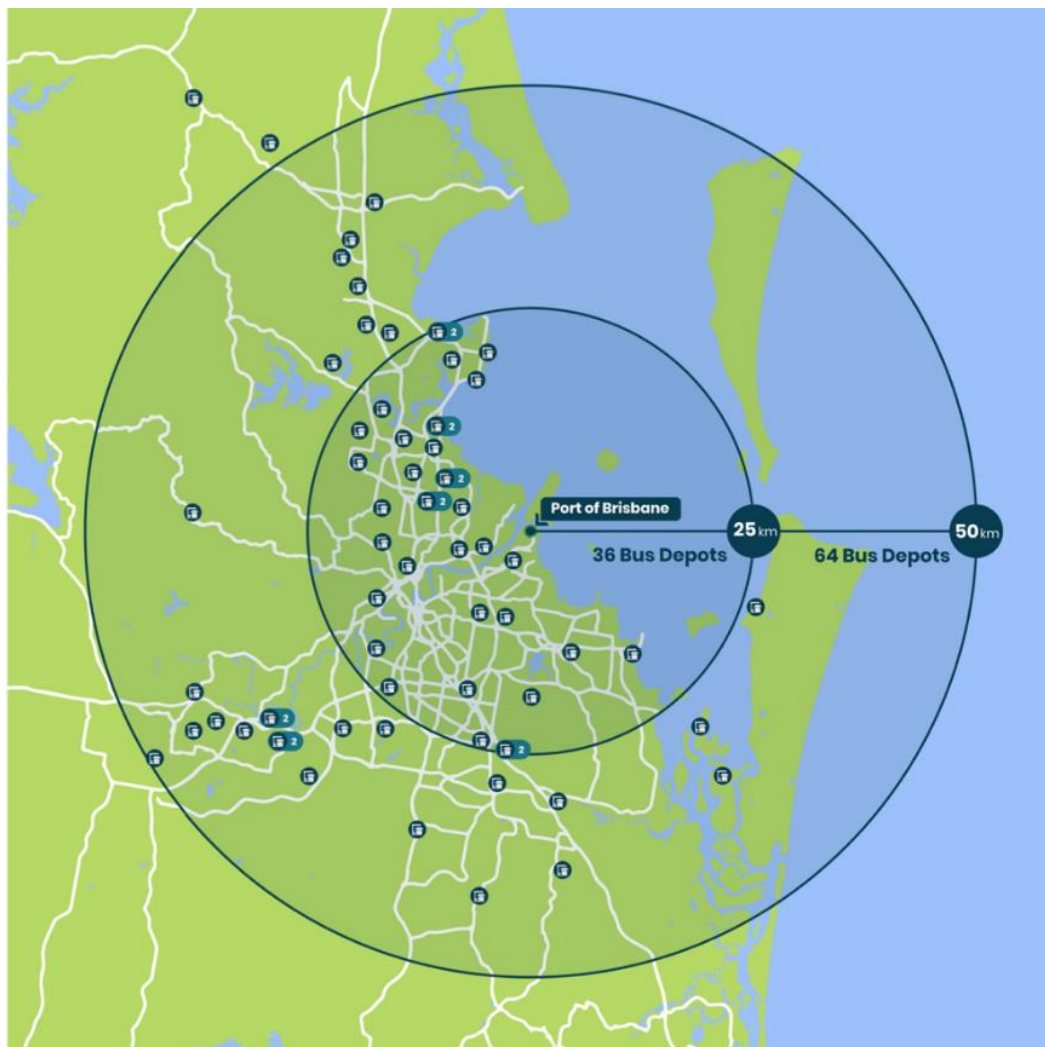


Figure 3 The Howard Smith Drive location at the Port of Brisbane is well positioned to service Brisbane’s metropolitan public bus services

This ASX announcement was approved and authorised for release by the Board of Directors.

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