

INVESTOR ANNOUNCEMENT 15 June 2021 NEW ENERGY TECHNOLOGY ANNOUNCES SUCCESSFUL INVESTMENT IN STARFIRE ENERGY

Highlights

- NET has successfully invested A\$1,194,000 of capital into world-leading green ammonia technology company Starfire Energy
- This represents tranche 1 completed, in a total acquisition of 9% of shares in Starfire Energy. Tranche 2 of \$0.7M due in 2022
- Co-investors on same terms as NET include Chevron, Mitsubishi, Osaka Gas, and AP Ventures
- NET Director Greg Stace has taken the role of Director on the Starfire Energy board

New Energy Technology (“**NET**”) today announced that it has successfully executed investment in world-leading green ammonia production technology company Starfire Energy, based in Colorado, USA.

Starfire will use the funding to build its 100kg/day green ammonia production unit and advance commercialisation activities.

AP Ventures led the round on the same terms as NET, with Chevron, Mitsubishi Heavy Industries, and Osaka Gas coming in behind.

About Green Ammonia

The traditional ammonia production method, called Haber Bosch, uses fossil fuels and releases large amounts of greenhouse gases that contribute to global warming. It is not compatible with intermittent renewable power sources.

Ammonia is a critical input into agriculture across the world, and demand for low carbon inputs into farming is growing.

Ammonia can also be used as an energy fuel instead of oil, diesel or coal, because it contains high levels of hydrogen. It offers an energy density comparable to fossil fuels and significantly higher than Li-ion batteries or pure hydrogen. It can be stored and transported cheaply and easily, leveraging established global infrastructure and shipping networks, and is regulated by well-developed codes and standards. Ammonia can be used directly as a combustion fuel, or it can be ‘cracked’ to extract the hydrogen for end use, offering a stable, efficient, and economical method of hydrogen storage and transportation for energy and industrial uses.

About Starfire Energy’s Technology

Starfire’s game-changing ‘Rapid Ramp’ NH₃ ammonia synthesis technology produces zero carbon emissions, resulting in a true ‘green ammonia’ commodity using just renewable energy, air, and water as inputs. Unlike the traditional Haber-Bosch method of producing ammonia, Starfire’s technology process can fully accommodate being directly powered by intermittent renewable energy sources such as wind and solar.

The company has also developed the Prometheus Carbon-free Fire, a system to crack ammonia back into hydrogen, which delivers ammonia as an efficient means of storing and transporting green hydrogen.

What the parties said about the investment

Greg Stace, Director of Technology at New Energy Technologies, said, “NET sees Starfire Energy as the most advanced green ammonia production candidate in the world. We want to unlock the green fuel value chain by accelerating green ammonia production projects, and Starfire is key to that. As a key commercialisation partner, we look forward to taking Starfire’s innovative technology out of the lab and into projects as quickly as possible. This is important technology for the world because it will help us reach net zero faster. We look forward to seeing Starfire as a core part of the green ammonia production sector right around the world, as green fuels become central in the new energy landscape.”

John LoPorto, Chief Executive Officer of Starfire Energy, said, “We are very excited to be partnering with such notable global partners as we continue to scale up our systems and operations.”

“We are excited to be leading this pivotal round for Starfire Energy,” said Andrew Hinkly, Managing Partner at AP Ventures. “As an established investor in the hydrogen industry, we understand the critical role green ammonia will play in decarbonizing chemical and industry value chains. Starfire’s modular synthesis and cracking technology is uniquely positioned, and we look forward to supporting the business in its development and commercialisation. We are also pleased to collaborate with Starfire on system deployments in South Africa, where there is a promising emerging market for innovative zero carbon technologies,” said Mr. Hinkly.

“Our investment in Starfire Energy gives us visibility into green hydrogen’s potential to improve the way ammonia is produced, distributed, and consumed,” said Barbara Burger, Vice President, Innovation and President of Technology Ventures at Chevron. “This is the first investment from our new \$300 million Future Energy Fund II, which will focus on industrial decarbonization, emerging mobility, energy decentralization, and the growing circular carbon economy.”

“MHI views clean ammonia as an important new energy source for fuel use and hydrogen carriers and we are committed to expanding the hydrogen and ammonia value chain from production to utilization by developing technologies such as the hydrogen and ammonia gas turbine,” said Ricky Sakai, Vice President of new business development at Mitsubishi Heavy Industries America. “We are also eager to partner innovative technology and solution providers and have confidence in Starfire Energy’s technology to create distributed ammonia production solutions that help industries, and our customers achieve decarbonization goals.”

“Osaka Gas USA has an ongoing initiative to identify and develop new technologies that are key to decarbonization and believes that green ammonia is a promising option. We see how Starfire’s technology would accelerate efficient production of Green Ammonia to support the realization of carbon neutrality. Through collaboration with Starfire Energy, we continue to advance our commitment to decarbonization” said Sei Tamada, Senior Vice President at OGUSA.

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About New Energy Technology

NET is a global team of new energy technology experts that find, select, invest in, commercialise, and exit hydrogen technology ventures across a diversified portfolio. NET bridges the gap between investors wanting to participate in the growth of the hydrogen economy, and the new technology ventures seeking to create value by solving critical value chain bottlenecks. NET invests, on behalf of investors, in high quality green hydrogen technology ventures and creates additional value by helping to commercialise them before exiting. This provides investors with intelligent, informed, diversified, and value-added exposure to green hydrogen growth.

NET has deep capability across energy, renewables, hydrogen, finance, commercialisation, IP, and projects. This allows it to access, acquire, create value, and exit high quality hydrogen investments on behalf of investors who want intelligent and balanced exposure to the upside potential of the emerging high growth market of green hydrogen. NET's mission is to accelerate the energy sector transition to net-zero. NET is scaling up the green fuel economy by progressing technologies that solve critical bottlenecks in the value chain.

About Starfire Energy

Starfire Energy is a Colorado-based world-leading green ammonia production technology venture backed by global majors.

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