

HIF USA and Idemitsu Kosan sign LOI for eMethanol sale and purchase from Texas eFuels facility

HIF Matagorda eFuels Facility expected to produce 1.4 million tonnes per year of eMethanol, representing approximately 80-90% reduction in CO₂ emissions for ~400,000 cars, ~40 container vessels, or ~12 billion air passenger miles

Tokyo, Sydney and Houston, December 1, 2023 – HIF USA, affiliate of [HIF Global](#), the world's leading eFuels company, and the Japanese energy company Idemitsu Kosan, signed a letter of intent to negotiate a sale and purchase agreement for eMethanol from the HIF Matagorda eFuels facility currently in development in Texas, and to study the joint development of the eMethanol business.

Cesar Norton, President & CEO of HIF Global said, "carbon neutral eFuels are an immediate replacement for fossil fuels that can be used in today's cars, ships, and planes. We are already producing eFuels at the HIF Haru Oni facility in southern Chile and developing large-scale eFuels facilities around the globe. Ahead of COP28, we are moving forward with a real solution to decarbonize our planet. Idemitsu Kosan has embraced the challenge and is committed to accelerating the production of eFuels to lead Japan in the energy transition."

The HIF Matagorda eFuels Facility is currently performing engineering with Bechtel, Siemens Energy, and Topsoe and is designed to produce approximately 300,000 metric tons per annum ("mtpa") of green hydrogen and approximately 1.4 million mtpa of eMethanol. The HIF Matagorda eFuels Facility expects to purchase approximately 2 million mtpa of recycled carbon dioxide ("CO₂") for conversion to eMethanol and 2,000 megawatts of renewable energy.

HIF Global previously announced the following achievements at the HIF Matagorda eFuels Facility:

- receipt of its environmental permits to begin construction and operations
- reservation of its hydrogen production electrolyzers from Siemens Energy
- selection of Topsoe for the eFuels conversion production technology
- engagement of Bechtel to perform front end engineering design ("FEED")
- selection of ~1,000 acres in Matagorda County, Texas and investment in the project by Matagorda County and the state of Texas in the form of a 10-year property tax abatement

Renato Pereira, CEO of HIF USA, said, "The development team at the HIF Matagorda eFuels Facility has been steadily achieving the milestones required to begin construction in Texas and make decarbonization of the transportation sector a reality. Idemitsu Kosan's refining and fuels distribution capabilities are material contributions toward full commercialization of the first world scale eFuels facility. We are delighted to work with Idemitsu Kosan to pioneer a new, carbon-neutral fuels industry, accelerate the production of eFuels and decarbonize the equivalent of approximately 400,000 cars, 40 standard methanol fueled container vessels, or 24 billion air passenger miles."

Idemitsu said that they were very pleased to be working with HIF to negotiate a sale and purchase agreement for eMethanol and to study the joint development of the eMethanol business. Earlier this year, HIF Global and Idemitsu Kosan [signed an MoU](#) to accelerate the production of eFuels.

eMethanol is a carbon-neutral fuel made by combining green hydrogen and recycled CO₂. It is chemically equivalent to today's methanol and can therefore be used in existing infrastructure, or can be converted into other eFuels, such as synthetic gasoline or synthetic jet fuel.

About HIF Global

HIF Global is the world's leading eFuels company, developing projects to convert hydrogen using low cost renewable power into carbon neutral liquid eFuels that can be transported and utilized in existing infrastructure. The name HIF represents the mission of the company: to provide Highly Innovative Fuels to make decarbonization of the planet possible. HIF Latam, HIF USA, HIF Asia Pacific, and HIF EMEA are wholly owned subsidiaries of HIF Global. HIF Global is already producing eFuels in its Haru Oni eFuels Facility in Magallanes, Chile and intends to begin construction of the commercial scale HIF Matagorda eFuels Facility in Texas in 2024. HIF Global's first Australian development, in Tasmania, was announced in July 2022. For more information, visit www.hifglobal.com.

About Idemitsu Kosan

Idemitsu is working to implement diverse and environmentally friendly low-carbon energy, resource-saving, and circulation solutions in society while fulfilling its responsibility to provide a stable supply of energy, mainly fossil fuels including petroleum, under its 2030 Vision "Your Reliable Partner for a Brighter Future" and 2050 Vision "Shape the Change". As part of this plan, Idemitsu plans to establish a green supply chain for biomass-derived fuels and chemicals, such as SAF, biodiesel, and bio-chemicals, also for ammonia and eFuel by 2030. Liquid fuels such as SAF and eFuels are one of the businesses that Idemitsu Kosan should focus on because they can contribute to decarbonization by utilizing existing infrastructure. For more information visit www.idemitsu.com

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Information in this press release includes various statements that are forward-looking statements within the meaning of the U.S. federal securities laws. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements. Words such as "can," "expect," "potential," "to be," "will," and similar expressions are used to identify forward-looking statements and convey the uncertainty of future events or outcomes. Forward-looking statements in this press release relate to, among other things, our expectations of our plans, strategies, and objectives, including with respect to the timing and other aspects of the HIF eFuels facilities. Such statements are based on management's current expectations and assumptions and are subject to known and unknown risks and uncertainties that may cause actual results or events to differ materially from expectations expressed or implied in the forward-looking statements. Factors that could cause actual results or events to differ materially from those described in the forward-looking statements include (without limitation): our ability to timely obtain or maintain necessary permits to construct and develop the HIF eFuels facilities; our ability to execute operational objectives on a timely and successful basis; legislative, policy, fiscal and regulatory developments; the outcome of commercial negotiations; our ability to raise financing; consumer preferences or demand; and various economic, business, and competitive factors affecting our business. All forward-looking statements contained in this press release are expressly qualified in their entirety by the cautionary statements contained or referred to in this paragraph. HIF Global urges you to carefully review and consider the cautionary statements made in this press release and cautions you not to place undue reliance on forward-looking statements, which speak only as of the date of this press release. HIF Global undertakes no obligation (and expressly disclaims any such obligation) to update any forward-looking statements, whether as a result of new information, future events or otherwise.

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