

**Introduction of Demonstration Project on Green Hydrogen
Production in Australia,
its Transportation to Palau
and Utilization by Fuel Cell and Fuel Cell Boat**

(Supported by Ministry of the Environment Japan)

February 2022

Sojitz Corporation

Metals, Mineral Resources & Recycling Division

Outline

1. Corporate Profile
2. Introduction of the Demonstration Project

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Corporate Statement / History

Corporate Statement

The Sojitz Group creates value and prosperity by connecting the world with a spirit of integrity.

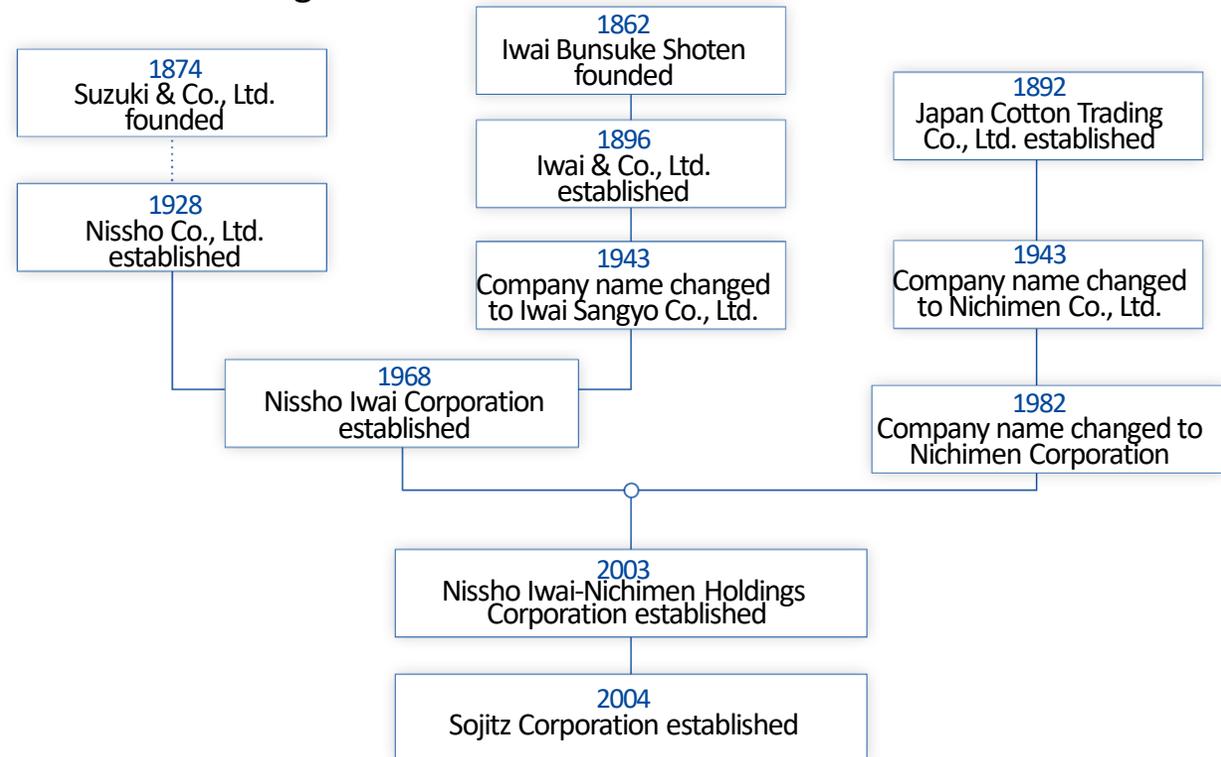
Sojitz Corporation was formed out of the union of Nichimen Corporation and Nissho Iwai Corporation, both companies that boast incredibly long histories. For more than 150 years, our business has helped support the development of countless countries and regions. Today, Sojitz Group consists of approximately 400 subsidiaries and affiliates located in Japan and throughout the world, carrying out a wide-range of general trading company operations in a multitude of countries and regions.

Sojitz Group Slogan

New way, New value

Sojitz Guiding Principles

1. *Trust* : Build enduring trust.
2. *Innovation* : Innovate with foresight.
3. *Speed* : Strive for speed.
4. *Challenge* : Take calculated risks.
5. *Perseverance* : Persevere until successful.



Corporate Profile

-Performance and Operating Bases (As of March 31, 2021)

Total assets

¥**2.3** trillion

Total equity

¥**619.0** billion

Profit for the year

¥**27.0** billion

Number of Branches & Offices

84

Domestic: **5** (Including the Head Office)

Overseas: **79**

Number of Subsidiaries and Affiliates

435

Domestic: **129**

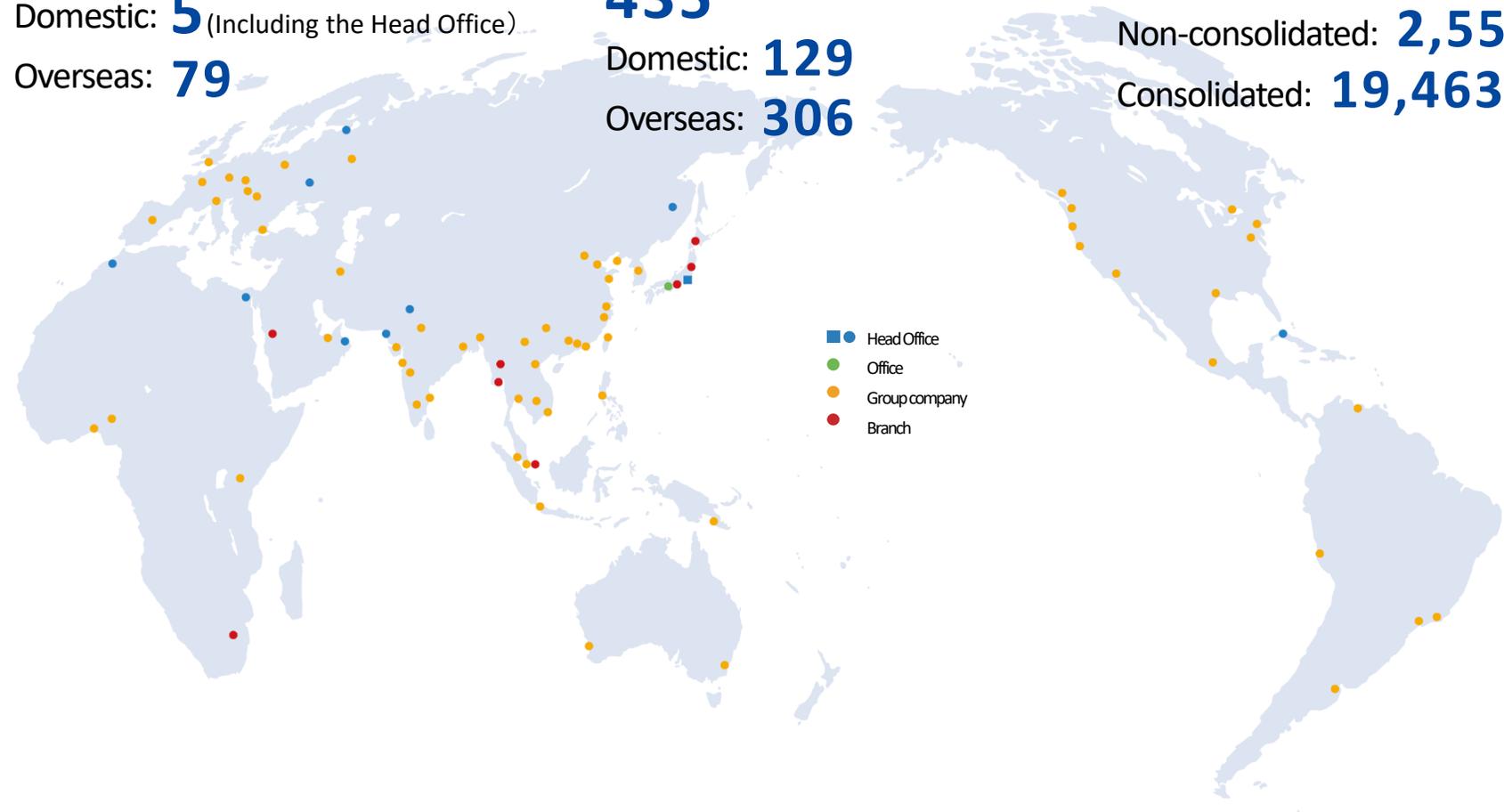
Overseas: **306**

Number of Employees

19,463

Non-consolidated: **2,551**

Consolidated: **19,463**



Corporate Profile - Business Overview



Automotive Division



Aerospace & Transportation Project Division



Infrastructure & Healthcare Division



Metals, Mineral Resources & Recycling Division



Chemicals Division



Consumer Industry & Agriculture Business Division



Retail & Consumer Service Division

Corporate Profile - Business Overview



Automotive Division



Aerospace & Transportation Project Division



Infrastructure & Healthcare Division



Metals, Mineral Resources & Recycling Division



Chemicals Division



Consumer Industry & Agriculture Business Division



Retail & Consumer Service Division

Division Overview

-Metals, Mineral Resources & Recycling Division

Against the backdrop of global warming and the accelerating shift toward a decarbonized society seen in recent years, we will transition to sustainable businesses in the metals and resources fields. We will also strengthen our efforts in the field of recycling with an eye toward the circular economies of the near future.

Strengths

Sole general trading company with expertise in coal mine operations

Aiming to utilize our accumulated expertise as owner-operator of an Australian coal mine by developing other Sojitz-owned mines and venturing into the contract mining business

Stable earnings from businesses such as those of Metal One, one of the world's largest integrated steel trading companies

Stable increases in earnings from expanding businesses in growing markets and capturing new demand

Ability to offer rare resources and develop new materials

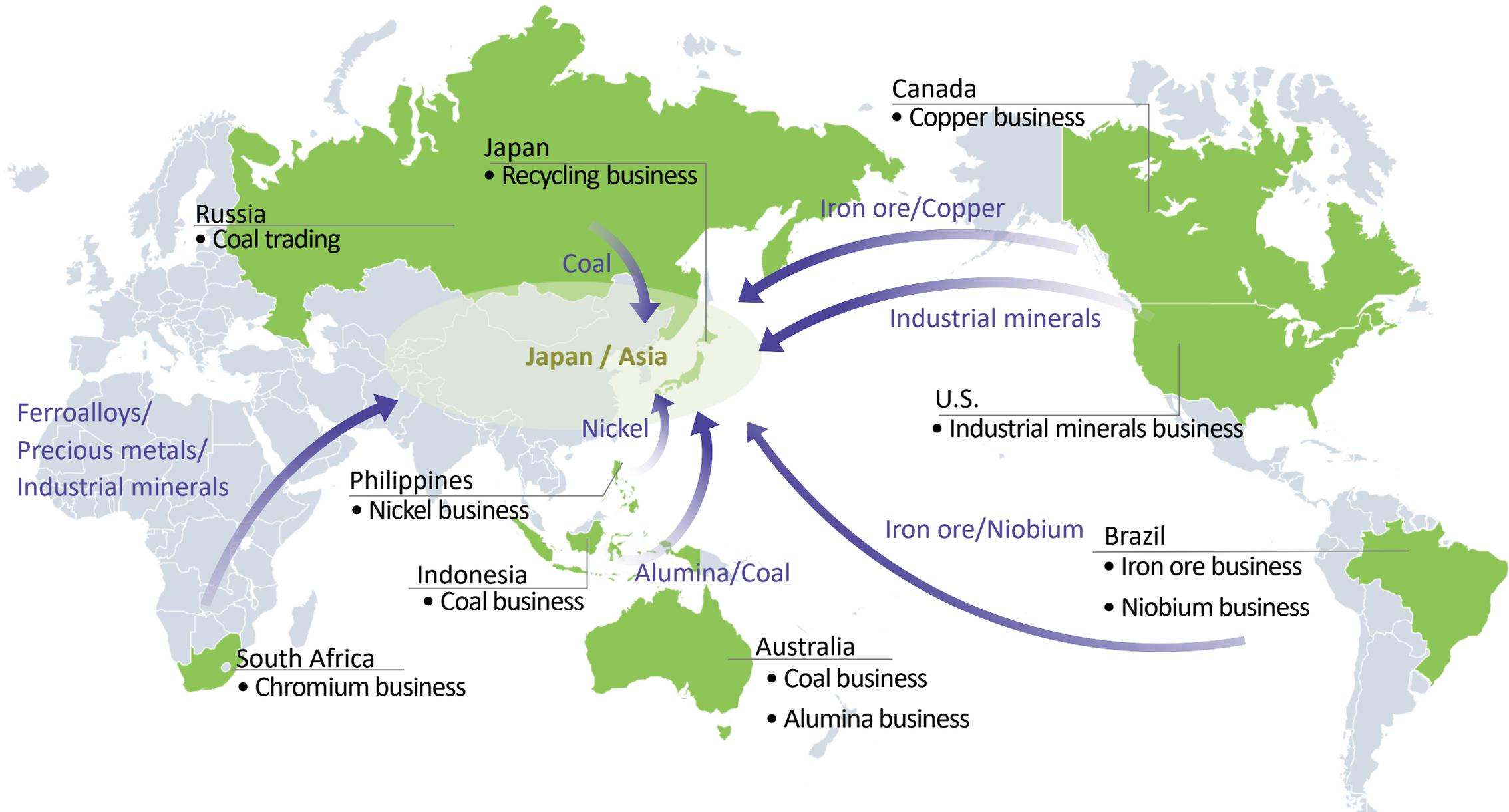
Lineup of distinctive resource offerings including niobium, chromium, and other rare metals as well as minerals like vermiculite and fluorite, development capabilities extending to graphene and other new materials with significant future potential

Main Subsidiaries and Associates (Equity Ownership)

- Sojitz Development Pty. Ltd. (100%)
 - Sojitz Resources (Australia) Pty. Ltd. (100%)
 - Japan Alumina Associates (Australia) Pty. Ltd. (50%)
 - Metal One Corporation (40%)
- Consolidated subsidiaries 28
Equity-method associates 18



Division Overview - Business Map



Outline

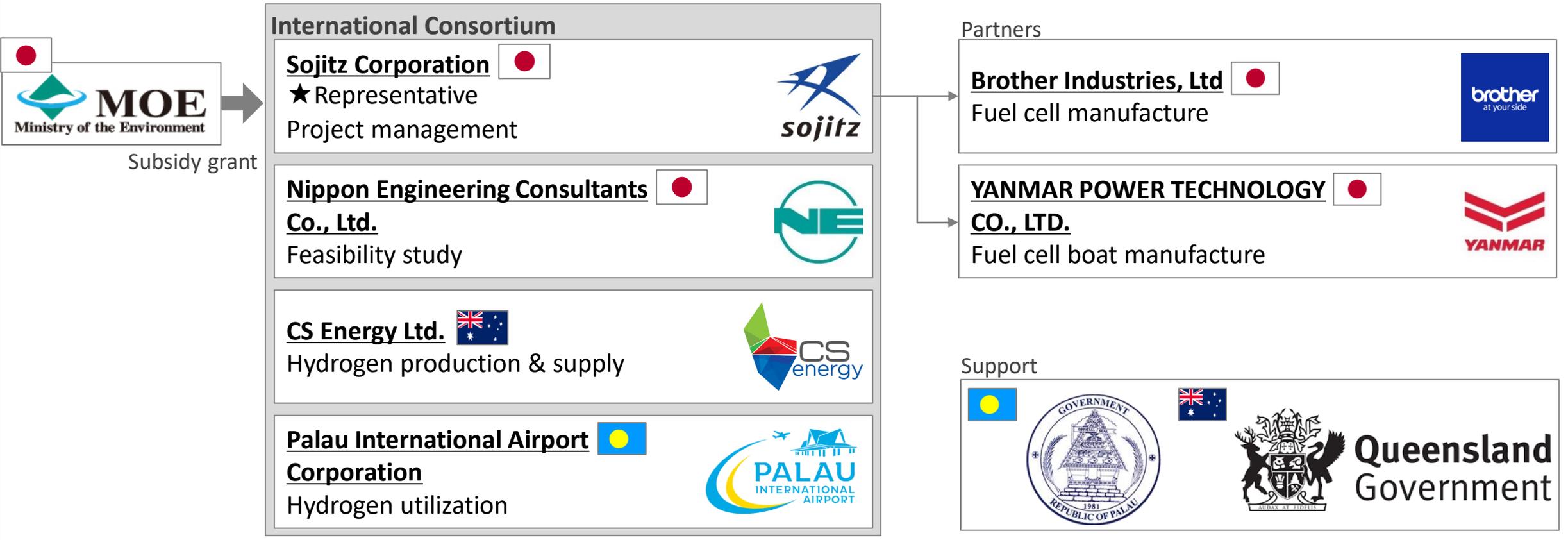
1. Corporate Profile

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Project Overview

Term	From FY2021 to FY2023
Contents	Scope 1. Hydrogen Demonstration A. Stationary Fuel Cell Battery B. Fuel Cell Boat Scope 2. Feasibility Study

Organization chart



Project Background



Maps Data: Google, ©2021

Why Palau?

A. Sojitz has a strong connection in Palau.

- Sojitz, Government of Palau, and Japan Airport Corporation Co.,LTD. have set up **Palau International Airport Corporation** and have been involved in management of the terminal building.

A. Palau is keen on decarbonization.

- Palau has committed to achieving a target of 45% renewable energy generation by 2025.



A New Terminal Building opened at Palau International Airport in December 2021

Why Queensland?

A. Sojitz has developed a wide range of businesses in QLD.

- Coal mining operation business
- Solar farm business
- Hospital operation and healthcare business

A. QLD is pursuing a green energy society.

- Queensland Government released “**Queensland Hydrogen Industry Strategy 2019-2024**”.
- **Brisbane 2032** is committed to delivering a climate positive Olympic Games.
- Queensland is expected as a green Hydrogen exporter owing to its abundant capacity of green energy source and geographical advantage that is close to island countries.

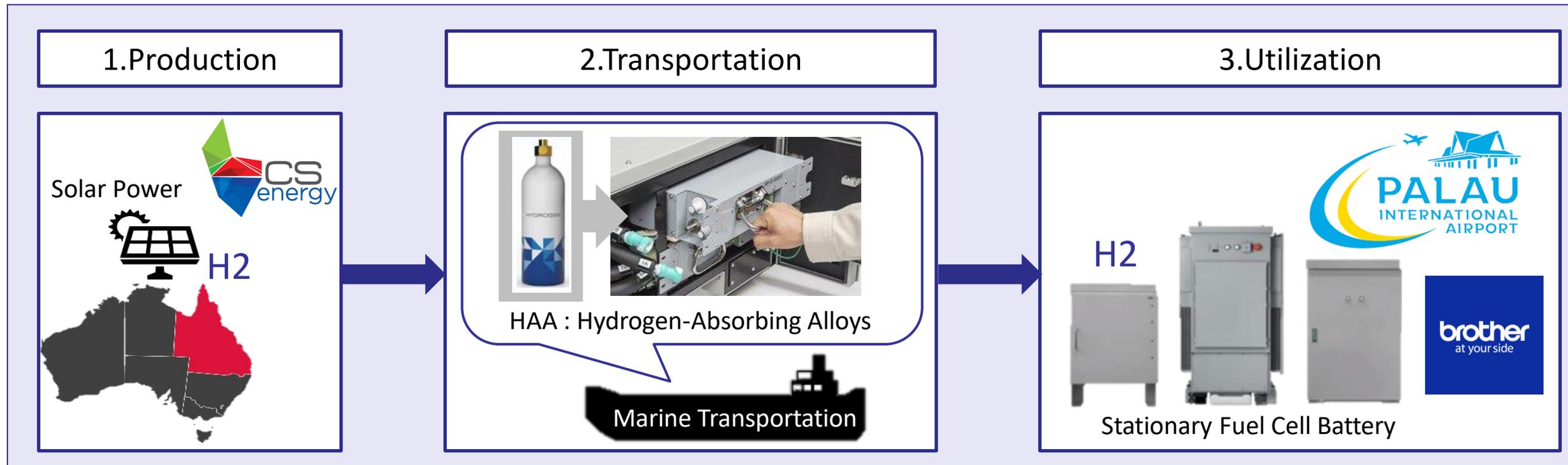
Demonstration Scheme - 1

Stationary Fuel Cell Battery

1. Use solar power to produce green hydrogen in QLD
2. Store Hydrogen to Hydrogen-Absorbing Alloy (HAA) cassettes and transport them to Palau by marine transportation
3. Insert HAA cassettes into the FC unit and demonstrate the electric generation system

Prospects at commercialization (around 2030)

Try to achieve decarbonization by implementing stationary fuel cells as a distributed power supply and a backup power source for supporting the existing poor power grid system of diesel power plants.



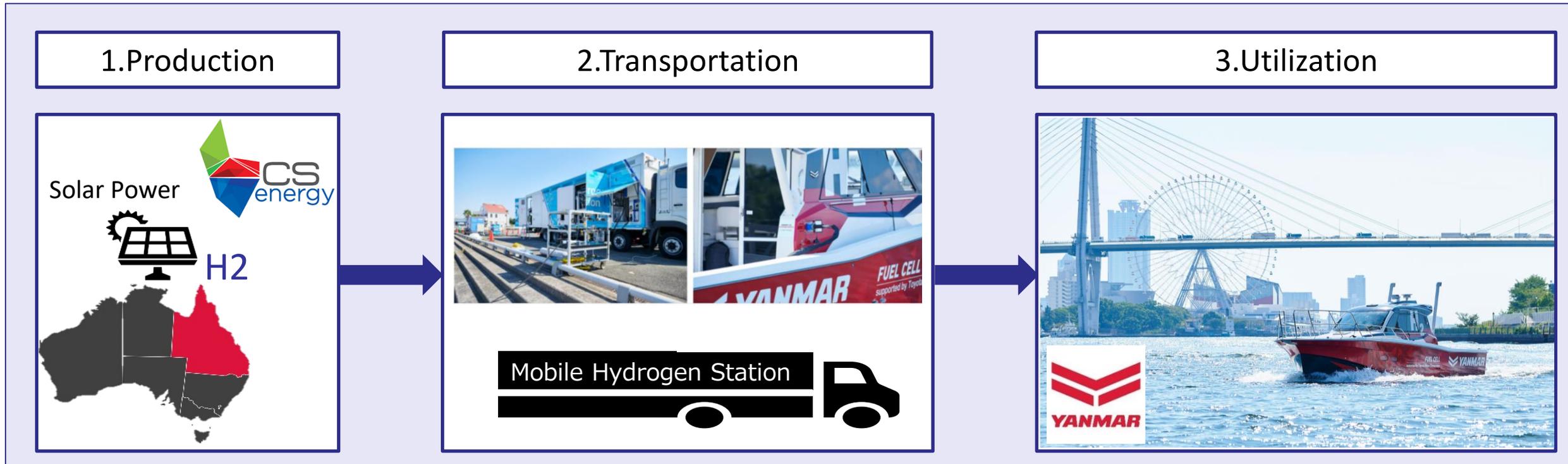
Demonstration Scheme - 2

Fuel Cell Boat

1. Use solar power to produce green hydrogen in QLD.
2. Fulfill hydrogen to mobile hydrogen station and transport to the offshore area in QLD.
3. Refuel FC boat by mobile hydrogen station and demonstrate at the offshore area in QLD.

Prospects at commercialization (around 2030)

More than 1,000 fossil fuel small boats are in operation at present in Palau as part of island tourism, daily life, and the fishing industry. Try to achieve decarbonization by converting fossil fuel boats to hydrogen fuel boats.



Summary

- Sojitz conducts the hydrogen demonstration project with Stationary Fuel Cell Battery and Fuel Cell Boat in Palau and Queensland from 2021 to 2023.
- Sojitz explores the future possibility of the hydrogen society through the feasibility study ,which examines how to commercialize the hydrogen supply chain by utilizing JCM in cooperation with Palau.



New way, New value