



SB Energy Corp. and Elixir Energy Ltd. Sign a Memorandum of Understanding to Cooperate on Research and Development of a Green Hydrogen Project in Mongolia

June 17, 2022

SB Energy Corp.

Elixir Energy Ltd.

SB Energy Corp. (“SB Energy”), a Japanese wholly-owned subsidiary of SoftBank Group Corp. and Elixir Energy Ltd. (“Elixir”), an Australian energy company today announced their signing of a joint Memorandum of Understanding (MOU) on a framework to cooperate on research and development of a green hydrogen production project in the Gobi Desert of Mongolia.

Based on this MOU, SB Energy and Elixir (the “Parties”) intend to proceed with certain pre-feasibility studies in order to first realize a small-scale pilot project with the eventual goal of jointly developing a gigawatt-class green hydrogen production project in Mongolia (the “Project”).

Elixir owns the Nomgon IX Coal-bed Methane project, which is located in the South Gobi region of Mongolia and considers that there are potential synergies between its strategy of exploring for natural gas and green hydrogen production related opportunities. SB Energy operates “Tsetsii Wind Farm”, a wind power plant generating 50MW in the Gobi Desert through a joint venture established in Mongolia and wishes to explore the possibility of utilizing renewable energy resources in Mongolia to develop green hydrogen energy. Both parties have been gathering renewable energy data in the Gobi region. The Parties will cooperate to complement each other in order to jointly develop and achieve commercialization of the Project utilizing their respective strengths. The development of this Project would mark the first entry by SB Energy into the green hydrogen business.

“In the context of ultimately achieving global carbon neutrality, there is a growing demand for green hydrogen energy which is produced by electrolyzing water using renewable energy and which produces zero carbon dioxide emissions,” said Shigeki Miwa, Representative Director & CEO of SB Energy “As a leading renewable energy company in Japan, SB Energy would like to work with Elixir to explore the feasibility of producing green hydrogen in Mongolia in order to optimally leverage Mongolia's extraordinary wind and solar energy resources.”

“We are very pleased that a company of the calibre of SB Energy shares our view of the potential for green hydrogen in Mongolia,” said Neil Young, Managing Director and Chief Executive Officer of Elixir “The country’s excellent renewable resources and proximity to potential hydrogen markets makes Mongolia a potential Tier One location for future green hydrogen production and we look forward to accelerating our efforts on this front under this new partnership.”

About SB Energy

SB Energy Corp., a Japanese wholly-owned subsidiary of SoftBank Group Corp., is a leading renewable energy company in Japan. SB Energy classifies its core business in three categories: Watts, Bits and Mobility. The Watts Business generates power using renewable energy. As of June 17, 2022, it operates power plants with a total capacity of 723.0MW (equivalent to the power demand of approximately 224,688 households) in Japan as well as the 50MW wind farm in Mongolia's Gobi Desert. SB Energy is aiming to accelerate the adoption of renewable energy, such as large scale solar and wind power generation facilities. The Bits Business aims to balance the further expansion of renewable energy and the stable operation of electricity infrastructures through the integration of AI and renewable energy. The Mobility Business combines renewable energy with battery cells of electric vehicles (EVs) etc. to develop associated services. Through these three categories, SB Energy continues to concentrate on building energy platforms in the era where all industries are redefined by renewable energy.

About Elixir

Elixir Energy Ltd is an Australian stock market listed company that is primarily focused on exploring for natural gas – and more recently developing a green hydrogen project – in Mongolia. Elixir's team has worked in the country for over a decade and in 2020 made the first discovery of coal bed methane in Mongolia. For the last couple of years Elixir has been investigating the potential for green hydrogen production in Mongolia.