



# ASX ANNOUNCEMENT

Iron Road Ltd (Iron Road, ASX: IRD)

## RESPONSE TO ASX QUERY

To ASX Compliance,

We refer to your letter dated 15 November 2022 in relation to Iron Road Ltd (Iron Road or Company, ASX:IRD) announcement released on the ASX Market Announcements Platform (MAP) on 15 November 2022 titled “Cape Hardy Green Hydrogen EOI Attracts Multi-Billion Dollar Indicative Proposals” (Announcement) in which you have asked a number of questions in relation to the release. We provide the following responses:

- 1 Does IRD consider the contents of the Announcement to be information that a reasonable person would expect to have a material impact on the price or volume of IRD’s securities?**

No.

- 2 If the answer to question 1 is “no”:**

- 2.1 Please explain why IRD is of the view that the information was required to be disclosed under Listing Rule 3.1, commenting specifically on whether IRD considers the “concept level proposals” to be incomplete proposals or negotiations under Listing Rule 3.1A.1.**

Please see response to 2.3 below.

- 2.2 Please explain why IRD lodged the Announcement as ‘market-sensitive’ when it was submitted to MAP.**

Due to an internal administrative error during the drafting process which omitted to identify that the announcement was not market sensitive, the announcement was incorrectly marked as market sensitive when lodging the Announcement on ASX Online.

The Company considers that the more appropriate view is that a reasonable person would not expect the information in the Announcement, at this stage, to have a material effect on the price or value of its securities.

Iron Road has reviewed its internal procedures to ensure that this administrative error does not recur.

- 2.3 Does IRD consider the Announcement to contravene ASX’s guidance on ‘ramping announcements’ (paragraph F)? If not, please explain the basis for that view. If so, please outline any planned improvements to IRD’s continuous disclosure policies or procedures.**

No. Iron Road has lodged the Announcement to keep the market informed on progress related to its Green Hydrogen strategy at the proposed Cape Hardy port. The Announcement is one of a series of market updates this year in relation to the market sounding and expression of interest process undertaken in relation to the proposed Cape Hardy Green Hydrogen and Industrial Hub.

Iron Road has lodged the following announcements either directly relevant or in relation to the proposed Green Hydrogen development leading to the current market update Announcement:

1. [Cape Hardy Green Hydrogen Hub Update](#) on 25 May 2022;
2. [Cape Hardy Green Hydrogen Hub Update](#) on 27 July 2022;
3. [Cape Hardy Green Hydrogen Bid Process Opens](#) on 13 September 2022; and
4. [Australian Government Cape Hardy Grant Commitment](#) on 25 October 2022.

The market updates noted above are in addition to keeping the market informed on progress relating to future Green Hydrogen development at Cape Hardy in the Company's Quarterly Activities Reports and 2022 Annual Report.

**3 If the answer to Question 1 is "yes":**

- 3.1 **Please provide details of the identity of each of the six parties referred to in the Announcement.**
- 3.2 **Please describe the steps taken by IRD to ascertain that the parties demonstrate "requisite equity and debt financing capability".**
- 3.3 **Please provide details on any material conditions attached to the "concept level proposals" received by IRD.**

Not applicable.

**4 Please describe the remaining steps in securing partners for the Cape Hardy project. Please provide details on all steps required by IRD to secure sufficient partners to develop the Cape Hardy project.**

As stated in the Announcement, the next major step for the Company is to commence a shortlisting process that will result in a select number of preferred proponents working exclusively with Iron Road during 2023 to further de-risk and advance the proposed Cape Hardy Green Hydrogen and Industrial Hub. The Company, in this Announcement, has made clear that the six conforming proposals received at this stage are of an "indicative" and "concept level" nature which means pre-feasibility studies and various master and business planning activities, at a minimum, will be required prior to Iron Road securing sufficient partners to develop this specific Green Hydrogen and Industrial Hub project. The Company notes it continues to engage with potential partners relating to its 100% owned Central Eyre Iron Project (CEIP) which would also result in separate future development activity at the proposed Cape Hardy port.

**5 Please provide the basis for the AUD\$23 billion figure provided in the Announcement.**

The AUD\$23 billion figure is the arithmetic average of the indicative value of the six conforming proposals received (of varying fixed plant scale) including estimates of upstream renewable energy generation and transmission required.

**6 Does IRD have a reasonable basis to assume that any proportion of the approximately AUD\$23 billion development value would accrue to IRD? If so, what is that basis? If not, why did IRD make reference to this in the Announcement?**

Yes. Iron Road is the 100% owner of the Cape Hardy port site that on which the proposed Green Hydrogen and Industrial Hub development is proposed. Iron Road has not attempted to quantify the benefit that may accrue to the Company at this stage, but rather notes the very large scale of the potential developments at the port having received six concept level detailed submissions from quality domestic and international proponents. The Company reasonably assumes that progress with a select number of preferred developers during 2023, as stated in the Announcement, will result in value accretion to the Company that is yet to be determined.

**7 Please confirm that IRD is complying with the Listing Rules and, in particular, Listing Rule 3.1.**

IRD is complying with the Listing Rules and, in particular, Listing Rule 3.1.

**8 Please confirm that IRD's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of IRD with delegated authority from the board to respond to ASX on disclosure matters.**

IRD's responses to the questions above have been authorised and approved by its board.

**Authorised for release by the board of Iron Road Ltd**

**For further information, please contact:**

Larry Ingle, Chief Executive Officer  
Iron Road Ltd  
Tel: +61 8 8214 4400

Jarek Kopias, Company Secretary  
Iron Road Ltd

**ASX: IRD**  
**[admin@ironroadlimited.com.au](mailto:admin@ironroadlimited.com.au)**  
**<https://ironroadlimited.com.au>**



15 November 2022

Reference: 64222

Mr Jarek Kopias  
Company Secretary  
Iron Road Limited  
Level 3  
63 Pirie Street  
Adelaide SA 5000

By email only.

Dear Mr Kopias

### Iron Road Limited ('IRD'): Query Letter

ASX refers to the following:

- A. IRD's announcement (the '**Announcement**') released on the ASX Market Announcements Platform ('**MAP**') on 15 November 2022 titled "Cape Hardy Green Hydrogen EOI Attracts Multi-Billion Dollar Indicative Proposals" which disclosed, among other things:

*... the Company confirms a total of six conforming multi-billion dollar concept level proposals from domestic and international proponents, all of whom demonstrate requisite equity and debt financing capability.*

*A summary highlighting the average of key features of the six conforming proposals for the full value chain is provided below...*

	Electrolyser Power Design Capacity	Full Scale Hydrogen Carrier Production Rate	Project Concept Level Development Value	Proponents' Global Renewable Capacity Currently Installed
Average	4GW	~2,500ktpa NH <sub>3</sub>	~AUD\$23 billion	~30GW

(together, the '**Information**').

ASX notes that IRD indicated the announcement was 'market-sensitive' when it was submitted to MAP.

### Listing Rules

- B. Listing Rule 3.1, which requires a listed entity to immediately give ASX any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities.
- C. Listing Rule 3.1A, which states (relevantly):

*Listing rule 3.1 does not apply to particular information while each of the following is satisfied in relation to the information:*

**3.1A.1** *One or more of the following 5 situations applies: ...*

- The information concerns an incomplete proposal or negotiation...*

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- D. Section 4.15 of Guidance Note 8, which sets out ASX's expectations of the information to be disclosed in market sensitive announcements. The section states, among other things:

*In disclosing the significance of the contract to the entity, regard should be had to the guidance below about forward-looking statements. For example, a statement about the projected revenue to be derived from a customer contract or any other projection that is a proxy for revenue will be a forward-looking statement and therefore must be based on reasonable grounds or else it will be deemed to be misleading.*

*The disclosure of the name of the counterparty/customer with whom an entity has entered into a market sensitive contact is often particularly significant. It allows the market to assess the standing and creditworthiness of the counterparty/customer. In the case of a customer contract, it also allows the market to assess the quality of the customers the entity is dealing with and the quality of the revenue it is earning from them.*

And:

*An announcement under Listing Rule 3.1 must be accurate, complete and not misleading. A listed entity cannot satisfy its obligation to disclose market sensitive information under Listing Rule 3.1 by disclosing information that is materially inaccurate, incomplete or misleading. If it attempts to do so, that will likely trigger a separate obligation under Listing Rule 3.1 to correct the inaccurate, incomplete or misleading information, causing the entity to be in breach of that rule and section 674 of the Corporations Act until it does so. It will also likely cause a false market in its securities, empowering ASX to require the entity to give ASX any information ASX asks for to correct the false market.*

*To not be misleading, opinions expressed in an announcement should be honestly held and balanced and should be clearly identified as a statement of opinion rather than a statement of fact. Any forward-looking statements in an announcement must also be based on reasonable grounds or else by law they will be deemed to be misleading.*

*Any material assumptions or qualifications that underpin a forward-looking statement in an announcement under Listing Rule 3.1 should also be stated in the announcement.*

- E. Section 4.22 of Guidance Note 8, which states that:

*An entity must comply with its disclosure obligations under Listing Rule 3.1 and section 674, even where it is party to a confidentiality or non-disclosure agreement that might otherwise require it to keep information confidential.*

- F. Section 7.10 of Guidance Note 8 which states:

*"ASX is alive to listed entities making market announcements with a view to "ramping up" the price of their securities. Ramping announcements come in many forms including the release of a "business update" or something similar, which will typically be worded in an exuberant fashion but which on close examination contains little in the way of substance..."*

- G. Section 14 of Guidance Note 14 which states

*"MAP should only be sued to publish information that is appropriately given to ASX under the Listing Rules or the Corporations Act for publication to the market. It should not be used as a guise to publish material that is really promotional, political or tendentious in nature."*

## **Request for information**

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Having regard to the above, ASX asks IRD to respond separately to each of the following questions and requests for information:

1. Does IRD consider the contents of the Announcement to be information that a reasonable person would expect to have a material impact on the price or volume of IRD's securities?
2. If the answer to question 1 is "no":
  - 2.1 Please explain why IRD is of the view that the information was required to be disclosed under Listing Rule 3.1, commenting specifically on whether IRD considers the "concept level proposals" to be incomplete proposals or negotiations under Listing Rule 3.1A.1.
  - 2.2 Please explain why IRD lodged the Announcement as 'market-sensitive' when it was submitted to MAP.
  - 2.3 Does IRD consider the Announcement to contravene ASX's guidance on 'ramping announcements' (paragraph F)? If not, please explain the basis for that view. If so, please outline any planned improvements to IRD's continuous disclosure policies or procedures.
3. If the answer to Question 1 is "yes":
  - 3.1 Please provide details of the identity of each of the six parties referred to in the Announcement.
  - 3.2 Please describe the steps taken by IRD to ascertain that the parties demonstrate "requisite equity and debt financing capability".
  - 3.3 Please provide details on any material conditions attached to the "concept level proposals" received by IRD.
4. Please describe the remaining steps in securing partners for the Cape Hardy project. Please provide details on all steps required by IRD to secure sufficient partners to develop the Cape Hardy project.
5. Please provide the basis for the AUD\$23 billion figure provided in the Announcement.
6. Does IRD have a reasonable basis to assume that any proportion of the approximately AUD\$23 billion development value would accrue to IRD? If so, what is that basis? If not, why did IRD make reference to this in the Announcement?

#### Listing Rules

7. Please confirm that IRD is complying with the Listing Rules and, in particular, Listing Rule 3.1.
8. Please confirm that IRD's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of IRD with delegated authority from the board to respond to ASX on disclosure matters.

#### **When and where to send your response**

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **9.30 AM AEDT Wednesday, 16 November 2022**. You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, IRD's obligation is to disclose the information 'immediately'. This may require the information to be disclosed before the deadline set out in the previous paragraph and may require IRD to request a trading halt immediately.

Your response should be sent to me by e-mail at **ListingsComplianceSydney@asx.com.au**. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that

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it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

### **Trading Halt**

If you are unable to respond to this letter by the time specified above, you should discuss with us whether it is appropriate to request a trading halt in IRD's securities under Listing Rule 17.1. If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

### **Suspension**

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in IRD's securities under Listing Rule 17.3.

### **Listing Rules 3.1 and 3.1A**

In responding to this letter, you should have regard to IRD's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure*: Listing Rules 3.1 – 3.1B. It should be noted that IRD's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

### **Release of correspondence between ASX and entity**

We reserve the right to release a copy of this letter, your reply and any other related correspondence between us to the market under listing rule 18.7A.

### **Questions**

If you have any questions in relation to the above, please do not hesitate to contact me.

Yours sincerely

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**Angel He**  
Adviser, Listings Compliance (Sydney)