

ASX ANNOUNCEMENT

28 APRIL 2022

ASX: INF | FRA: 3PM



QUARTERLY ACTIVITIES REPORT PERIOD ENDING 31 MARCH 2022

HIGHLIGHTS

- Infinity subsidiary Extremadura New Energies appointed highly credentialed and experienced Ramón Jiménez Serrano as CEO in line with the strategic expansion of Spanish leadership and management.
- Successful production of battery grade lithium carbonate & hydroxide in upscaled batch processing.
- Submission of writ in the Contentious-Administrative Court in Cáceres as part of the Company progressing action in relation to Investigation Permit Valdeflórez.
- Extremadura New Energies and major Cáceres business association Círculo Empresarial Cacereño signed co-operative agreement.
- Extremadura New Energies and local business clusters LOABRE and CarEX launch Cáceres lithium-ion battery training and development program.
- Extremadura New Energies signed a collaboration agreement to implement European Battery Academy training programs in Extremadura.

Corporate

- Available cash as at 31 March 2022 of A\$17.67 million.

CORPORATE DIRECTORY

RYAN PARKIN Managing Director & CEO
ADRIAN BYASS Non-Executive Chairman
REMY WELSCHINGER Executive Director
JON STARINK Executive Director

CONTACT

Level 3, 22 Railway Road
Subiaco WA 6008
T: +61 (8) 6146 5325
E: admin@infinitylithium.com



San José Produces Increased Volumes of Battery Grade Lithium Chemicals

During the quarter Infinity Lithium Corporation Limited ('Infinity', or 'the Company') announced the production of increased quantities of battery grade lithium chemicals from the completion of metallurgical test work from the San José Lithium Project ('San José', or 'the Project').

This test work was conducted at Dorfner Anzaplan's facilities in Germany under the terms of the Project Agreement with EIT InnoEnergy to facilitate the development of the sustainable, novel and innovative sulphate roast process (refer to ASX announcement 18 June 2020). This development work at Dorfner Anzaplan has been funded by EIT Innoenergy, with an aim of creating more sustainable refining technology for lithium mineralogies.. EIT InnoEnergy is supported by the European Institute of Innovation and Technology ('EIT'), which is a body of the European Union.

The Project Agreement and ensuing test work program provided successful results and confirmation of the production of battery grade lithium carbonate and hydroxide in the advancement of the Project's advancement.

The production of battery grade lithium carbonate and hydroxide was successfully achieved under the guidance of recognised lithium industry experts and Infinity Technical Advisory Committee ('TAC') members Jon Starink (TAC Chairman and Infinity Chief Technical Officer) and Dr David Maree (TAC Chief Process Engineer), Infinity retained approximately 0.8 kg of battery grade lithium hydroxide for future product verification to be conducted by potential offtake partners.



Images 1 & 2: Dorfner Anzaplan Labs - Test work flotation evaluation & IX columns

Infinity and its technical partners produced this increased volume of battery grade lithium chemicals in line with both the requirements for Feasibility Study level endorsement (open circuit), and for samples of end products for verification purposes in the advancement of offtake discussions.

Optionality of battery grade end products have been reiterated as a requirement by multiple EU end users in response to their target end markets. The varying cathode requirements for LIB producers are in response to automaker OEMs' demands and alignment of specific requirements for market segments.

The pilot-scale test work confirmed the scalability of the process emerging from the bench-scale test work, confirming key process design criteria.

The next stage of test work will progress locked cycle test work ('LCT') and advancement of the engineering design criteria for Feasibility Study level studies for processing in combination with an underground operation providing lithium bearing mica ROM to feed a fully integrated, on-site lithium chemical conversion plant capable of producing both battery grade lithium carbonate and hydroxide. Underground studies are at Scoping Study level currently with processing testwork and design significantly advanced, thus de-risking the Project greatly. The Company continues to progress the Project in response to societal engagement and improved environmental credentials that are aligned to the significant renewable energy opportunities in Extremadura.

Tranche 3 funding under the Project Agreement will be committed upon completion of reporting and verification under the Terms and Conditions of the Warrant Deed and Project Agreement detailed in the Notice of Annual General Meeting (ASX announcement 24 June 2020).

The finalisation and optimisation of the test work provides pathway to lodge provisional patents covering the novel aspects of the sulphate roast process flowsheet. The Company will progress freedom-to-operate searches and lodgement of provisional patent applications for the novel aspects of the process. The Company and its project partners under the Project Agreement retain rights to any resulting licencing revenues applicable from the future implementation of the process for lithium bearing mica ores.

The sulphate roast and water leach process, which includes recirculation of key reagents, significantly reduces the environmental impact of the lithium chemical conversion process when compared to traditional sulphuric acid leaching practices common in the conversion of spodumene concentrates. The sustainable production of battery grade lithium carbonate and hydroxide and decarbonisation of the conversion process will be advantageous in EU markets,

with the implementation of the EU Battery Passport providing regulatory and compliance requirements for the measure of the carbon footprint of all materials used in lithium-ion batteries.

Status of Appeal in the Contentious-Administrative Court in Cáceres

Infinity, through San José Joint Venture ('JV') entity *Technologia Extremeña Del Lito S.L.* ('TEL') and with authority under the revised JV amendment with Project JV partners *Valoriza Minería S.L.U.* ('VM'), continued to contest the cancellation of Investigation Permit *Valdeflórez* ('PIV') through a contentious-administrative appeal. The Company strongly disputes the basis of the decision regarding the cancellation of PIV and reserves all legal rights against the *Junta of Extremadura* ('Junta'). The contentious-administrative appeal continued to progress through the Contentious-Administrative Court in Cáceres ('CAC', or 'the Court'). Initial writ submissions were lodged with the CAC with the final writ of conclusions to follow. The Court will determine whether the contentious-administrative appeal will be considered by the judge presiding over the CAC or by trial.

Extremadura New Energies Appoints Highly Experienced CEO

During the quarter the Company announced the appointment of highly experienced Spanish executive Mr Ramón Jiménez Serrano as CEO of the Company's wholly owned Spanish subsidiary *Extremadura New Energies*.

Ramón brings a wealth of experience in leadership and management in the industrial and services sectors, with CEO and Managing Director roles leading major Spanish companies. Ramón oversaw 7 years of significant growth as CEO of world leading development infrastructure and construction company *Acciona Industrial*. This included the growth into new business lines such as waste to energy, biomass, biofuels, photovoltaic and hydrogen projects globally.

Furthermore, Ramón was CEO of *Acciona Service* in parallel for 5 years, leading 18,000 employees globally in facility management, energy services, waste and environmental management. Ramón previously held the Managing Director and CEO roles for *Tedagua* and *Cobra* (ACS Group), where he oversaw the permitting and construction of numerous water and energy infrastructure projects under EPC and O&M contracts both in Extremadura, Spain and internationally. Local stakeholder engagement and progress of large investments with community alignment and support were critical in the success of these businesses.

During the quarter members of the Board of Infinity spent several weeks in Spain engaging with local stakeholders, including major business associations (see ASX announcement 3 March 2022), whilst also finalising the extensive executive search process leading to the appointment of the new CEO of Extremadura New Energies.

This appointment was part of the increasing Spanish leadership which the Company believes will drive the project forward for the benefit of all stakeholders.

Extremadura New Energies Joins the Círculo Empresarial Cacereño

During the quarter the Company, through its wholly owned Spanish subsidiary Extremadura New Energies, announced its membership access to the Círculo Empresarial Cacereño ('CEC').

The CEC is one of the preeminent business groups in the town of Cáceres and represents 3,500 businesses in the Cáceres province. The CEC provides a voice for local businesses to enable growth, opportunity and accessibility for its members.

In addition to membership access, Extremadura New Energies signed a co-operative agreement outlining collaboration opportunities for the benefit of the people of Cáceres.

The primary purpose of this agreement is to promote economic development in the general interest of Cáceres through the promotion of business initiatives within the lithium-ion battery value chain. The groups will also be looking towards any other business and/or industrial initiatives which could generate an ideal ecosystem for economic growth.

CEC President, Diego Hernández, said *"this is an opportunity for the city and for the province, this project is a generator of employment and wealth, and it can also provide an opportunity on the future for the retention of talent and a way to combat depopulation"*.

Extremadura New Energies and the CEC will continue to look to involve its members in events which will provide regular project updates, introduce local businesses to Extremadura New Energies, and highlight some of the employment and services opportunities the Project will bring to the town. The two groups will also work together on identifying relevant skills shortages locally and collaborate with local training and education institutes to develop future programs or opportunities.

Local Training and Development Agreement Signed

During the quarter the Company, through its wholly owned Spanish subsidiary Extremadura New Energies, also announced the signing of a collaboration agreement with the Group of Innovative Companies (**‘the Group’**). The Group is founded by the Extremadura Electric Mobility Cluster (**‘CarEX’**) and the business association LOABRE.

The Group reinforced its support for Extremadura New Energies’ integrated industrial lithium processing project in Cáceres, leading and supporting the establishment of business initiatives within the value chain of lithium-ion batteries, and collaborating with Extremadura New Energies to promote and progress the economic development of industrial projects in Cáceres.

Following the announcement made by Maroš Šefčovič from the European Battery Alliance (**‘EBA’**) meeting on 24 February 2022, the EBA allocated €10m to accelerate training and development in the lithium-ion battery value chain and established the EBA Battery Academy. Extremadura New Energies and the Group are collaborating to allocate the first licences for upskilling and reskilling programs under the EBA Battery Academy for local members of the Group.

In addition, Extremadura New Energies and the Group will work to offer specific training within the energy storage, electric mobility and renewable energy sectors, generating an ideal ecosystem for economic growth, the fight against unemployment and depopulation, and the generation of economic and social opportunities and benefits for the local population of Cáceres and the region of Extremadura. The collaborative agreement represents another important commitment to the locality of Cáceres and investment in programs aligned to the progression of the Extremadura New Energies integrated industrial lithium processing project.

Extremadura New Energies, Loabre and CarEx will provide a series of events aligned to the integrated industrial lithium processing project and energy transition including storage sector, eMobility and renewable energies.

Extremadura remains ideally positioned to capitalise on Europe’s move to accelerate sustainable energies (currently producing close to one quarter of Spain’s total photovoltaic generated electricity). The collaboration with Loabre and CarEx provides the first step in developing the necessary skills and capabilities for energy transition industries in the locality of Cáceres.



Image 3: Infinity Chairman Adrian Byass and CEC President, Diego Hernández



Image 4: Extremadura New Energies CEO Ramón Jiménez, CarEX President Tomás Sánchez, and Infinity Lithium CEO Ryan Parkin at the signing of the collaboration agreement in Madrid

Extremadura New Energies Signed Collaboration Agreement with EIT InnoEnergy to Implement European Battery Academy Training Programs in Extremadura

After the quarter, the Company through its wholly owned Spanish subsidiary Extremadura New Energies, signed a collaboration agreement with EIT InnoEnergy to implement training courses of the European Battery Academy in Extremadura. EIT InnoEnergy has been designated by the European Commission to manage and lead the industrial development program of the European Battery Alliance under "EBA250".

Through this agreement Extremadura New Energies will be a priority partner for the distribution, promotion and delivery of the courses covering a wide variety of topics related to technology, business and innovation in the battery and hydrogen sector in the Extremadura community.

This complements the local agreement with Cáceres local business association LOABRE and CarEX and provides the framework for Extremadura New Energies, EIT InnoEnergy and the Group to offer specific training in energy storage, electric mobility and renewable energies, generating an ideal ecosystem to boost economic growth, and the fight against unemployment and depopulation in the region, while supporting the generation of social and economic opportunities in Cáceres and Extremadura.

Corporate

Related Party Disclosure

Payments to related parties during the quarter as outlined in sections 6.1 and 6.2 of the Appendix 5B consisted of \$162,822 in directors' fees and payments to executive directors under respective service agreements.

Cash at Bank

As at 31 March 2022 Infinity had available cash of A\$17.67 million. The cash balance is exclusive of the funding commitments under the Project Agreement with EIT InnoEnergy, who have paid €600,000 (approximately A\$1,000,000) tranche 1 and 2 payments directly allocatable to phase one test work. The final tranche 3 payment, totalling up to €200,000 (approximately A\$333,000), will be payable upon completion of phase one test work.

The announcement was authorised by the Board. For further inquiries please contact.

Ryan Parkin
CEO, Managing Director
T: +61 (8) 6146 5325
E: rparkin@infinitylithium.com

Lucas Robinson
Investor Relations Manager
T: +61 (0)408 228 889
E: lrobinson@infinitylithium.com

About Infinity Lithium

Infinity Lithium is an Australian listed minerals company who is seeking to develop its 75% owned San José Lithium Project in Spain. The proposed fully integrated industrial Project is focused on the production of battery grade lithium chemicals from a mica feedstock that represents the EU's 2nd largest JORC compliant hard rock lithium deposit.

The Company is contesting the cancellation of Investigation Permit Valdeflórez ('PIV') and has lodged a contentious-administrative appeal. The Company strongly disputes the basis of the decision of the cancellation of PIV and retains all legal rights against the Junta of Extremadura. Infinity retains subsequent rights of applications over and including the PIV area through other applications. These are summarised in the ASX announcement 19 July 2021.

The Project would provide an essential component in the EU's development of a vertically integrated lithium-ion battery supply chain. The availability of critical raw materials and the production of battery grade lithium hydroxide in the EU is essential to ensure the long-term production of lithium-ion batteries for electric mobility and the transition of the EU's automotive industry towards electric vehicles.

Competent Persons Statement

The Mineral Resource estimates for the San José Lithium Project referred to in this announcement were reported by Infinity Lithium Corporation Limited in accordance with ASX Listing Rule 5.8 in its announcement of 23 May 2018. Infinity Lithium Corporation Limited is not aware of any new information or data that materially affects the information included in the ASX announcement of 23 May 2018 and confirms that all material assumptions and technical parameters underpinning the resource estimates in the announcement of 23 May 2018 continue to apply and have not materially changed.

The Mineral Resource estimates underpinning the production targets disclosed in this announcement have been prepared by a competent person in accordance with the requirements of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code), 2012 Edition.

The information in this announcement that relates to the Scoping Study was reviewed by Adrian Byass, an employee of Infinity Lithium Corporation Limited. Adrian Byass is a member of Australian Institute of Geoscientists. Adrian Byass has provided written consent to the form and context in which the outcomes of the Scoping Study and the supporting information are presented in this announcement.

Infinity Lithium Corporation Limited has also engaged Mining Sense S.L. to complete an Underground Option Desktop Review in August of 2021 which informs this Scoping Study. Jesús Montero is a Mining Engineer at Mining Sense Global S.L.

The information in this report that relates to Exploration Results is based on the information compiled or reviewed by Mr Adrian Byass, B.Sc Hons (Geol), B.Econ, FSEG, MAIG and an employee of Infinity. Mr Byass has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the JORC Code for Reporting of Exploration Results, Exploration Targets, Mineral Resources and Ore Reserves. Mr Byass consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

Disclaimer

Forward-looking statements are statements that are not historical facts. Words such as “expect(s)”, “feel(s)”, “believe(s)”, “will”, “may”, “anticipate(s)” and similar expressions are intended to identify forward-looking statements. These statements include, but are not limited to statements regarding future production, resources or reserves and exploration results. All of such statements are subject to certain risks and uncertainties, many of which are difficult to predict and generally beyond the control of the Company, that could cause actual results to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements.

These risks and uncertainties include, but are not limited to: (i) those relating to the interpretation of drill results, the geology, grade and continuity of mineral deposits and conclusions of economic evaluations, (ii) risks relating to possible variations in reserves, grade, planned mining dilution and ore loss, or recovery rates and changes in project parameters as plans continue to be refined, (iii) the potential for delays in exploration or development activities or the completion of feasibility studies, (iv) risks related to commodity price and foreign exchange rate fluctuations, (v) risks related to failure to obtain adequate financing on a timely basis and on acceptable terms or delays in obtaining governmental approvals or in the completion of development or construction activities, and (vi) other risks and uncertainties related to the Company’s prospects, properties and business strategy.

Our audience is cautioned not to place undue reliance on these forward-looking statements that speak only as of the date hereof and we do not undertake any obligation to revise and disseminate Forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of or non-occurrence of any events.

Table 1: SAN JOSÉ MINERAL RESOURCE, REPORTED ABOVE 0.1% LI CUT-OFF

Classification	Tonnes (Mt)	Li (%)	Li2O (%)	Sn ppm
Indicated	59.0	0.29	0.63	217
Inferred	52.2	0.27	0.59	193
TOTAL	111.3	0.28	0.61	206

Estimated using Ordinary Kriging methodology. Note: Small discrepancies may occur due to rounding Snowden Mining (2017) and Cube Consulting estimated the total Mineral Resource for the San José lithium deposit using Ordinary Kriging interpolation methods and reported above a 0.1% Li cut-off grade. Full details of block modelling and estimation are contained in the ASX announcement dated 5 December 2017 and updated 23 May 2018. Lithium

(Li) mineralisation is commonly expressed as either lithium oxide (Li₂O) or lithium carbonate (Li₂CO₃) or Lithium Carbonate Equivalent (LCE). Lithium Conversion:
 1.0% Li = 2.153% Li₂O,
 1.0%Li = 5.32% Li₂CO₃

The Resource was announced to the ASX on 5 December 2017 and updated 23 May 2018. Infinity is not aware of any new information or data that materially affects the information included in this ASX release and Infinity confirms that, to the best of its knowledge, all material assumptions and technical parameters underpinning the resource estimates in this release continue to apply and have not materially changed.

Table 2: SAN JOSÉ JORC ORE RESERVE STATEMENT

Classification	Tonnes (Mt)	Li (%)	Li2O (%)	Sn ppm
Proven	-	-	-	-
Probable	37.2	0.29	0.63	217
TOTAL	37.2	0.29	0.63	217

100% of the material in the PFS mining schedule is included in the Probable Ore Reserves category. The Ore Reserves were calculated assuming the mining and processing methods determined for the PFS.

The Reserve was announced to the ASX on 22 August 2019. Infinity is not aware of any new information or data that materially affects the information included in this ASX release and Infinity confirms that, to the best of its knowledge, all material assumptions and technical parameters underpinning the reserve estimates in this release continue to apply and have not materially changed.

Tenement Schedule in accordance with Listing Rule 5.3.3

San José Lithium Project Spain

Infinity has a 75% beneficial interest in the San José Lithium Project (Applications) from Valoriza Minería and Castilla Mining S.L. All tenure is held under the current Joint Venture.

The San José tenements:

- Valdeflópez: 10C 10343-00 Cancelled – subject to contentious-administrative appeal
- Ampliación a Valdeflópez: 10C 10359-00 Granted

Other applications;

- Extremadura S.E. 10C10386-00 Castilla Mining S.L. Exploration Permit Application
- San José 10C10368-00 Valoriza Minería S.L.U Investigation Permit Application