

## Vanadium Recovery Project – Corporate Update

### Highlights

- Neometals has agreed a short extension of term for its Co-operation Agreement with Critical Metals Ltd;
- Extension allows documentation of new Slag Supply Agreement with SSAB for additional volumes contemplated in a non-binding letter of intent signed during Q3 2022 and revised timetable milestones; and
- In parallel, Neometals is negotiating a shareholders agreement to secure its 50% ownership in, and a technology licence to, the Project's special purpose vehicle, Recycling Industries Scandinavia AB.

Emerging sustainable battery materials producer, Neometals Ltd (ASX: NMT & AIM: NMT) (“**Neometals**” or “**the Company**”), is pleased to announce it has agreed an extension of its Co-operation Agreement with Critical Metals Ltd (“**Critical**”), in relation to the parties’ proposed vanadium recovery operation in Finland, to 28 February 2023 (“**Vanadium Recovery Project**” or “**VRP1**”).

Neometals is earning a 50% share in an incorporated joint venture (“**JV**”) to develop a vanadium recovery project with unlisted Scandinavian mineral development company, Critical Metals Ltd (for further details see *ASX announcement titled “High-Grade Vanadium Recycling Agreement” released on 6 April 2020*). Neometals has funded the evaluation studies to recover high-grade vanadium chemicals from vanadium-bearing steel making by-product (“**Slag**”) generated by SSAB EMEA AB and SSAB Europe Oy (collectively “**SSAB**”) in Scandinavia.

Critical’s wholly owned subsidiary, Recycling Industries Scandinavia AB (“**RISAB**”), is the VRP1 special purpose vehicle and counterparty to the original binding Slag Supply Agreement with SSAB for approximately 2Mt of Slag. RISAB and Critical are in advanced negotiations with SSAB regarding an updated binding Slag Supply Agreement to include a right of first refusal, on an as available basis, to additional Slag volumes and revised timetable milestones (*for further details see reference made to the non-binding letter of intent between the parties in the ASX announcement titled “Vanadium Recovery Study Confirms Lowest Quartile Cost Potential” released on 8 July 2022*).

Neometals is advancing negotiations with Critical regarding a RISAB JV shareholders agreement and technology licensing arrangements. Subject to mutual agreement, Neometals expects these agreements to be finalised by the end of February 2023.

The VRP1 offers a compelling business case which is underpinned by:

- Long-term supply agreement for very high-grade vanadium feedstocks without upstream mining costs/risk/carbon footprint; and
- Potentially lowest quartile operating costs from proprietary process flowsheet which uses captured CO<sub>2</sub> and chemically sequesters in potentially saleable synthetic limestone tailings by-product.

Authorised on behalf of Neometals by Christopher Reed, Managing Director.

## ENDS

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## About Neometals Ltd

Neometals is an emerging, sustainable battery materials producer. The Company has developed a suite of green battery materials processing technologies that reduce reliance on traditional mining and processing and support circular economic principles.

Neometals' three core battery materials businesses, listed below, are commercialising these proprietary, low-cost, low-carbon process technologies:

- **Lithium-ion Battery ("LIB") Recycling (50% equity)** – to produce nickel, cobalt and lithium from production scrap and end-of-life LIBs in an incorporated JV with leading global plant builder SMS group. The Primobius JV is operating a commercial disposal service at its 10tpd Shredding 'Spoke' in Germany and is the recycling technology partner to Mercedes Benz. Primobius' first 50tpd operation, in partnership with Stelco in Canada is expected to reach investment decision in H2 2023;
- **Vanadium Recovery (earning 50% equity)** – to produce high-purity vanadium pentoxide via processing of steelmaking by-product ("Slag"). Finalising evaluation studies on a 300,000tpa operation in Pori, Finland, underpinned by a 10-year Slag supply agreement with leading Scandinavian steelmaker SSAB. Decision to form 50:50 JV with Critical Metals expected Q12023 with project investment decision expected June 2023. MOU with H2Green Steel for up to 4Mt of Slag underpins a potential second operation in Boden, Sweden; and
- **Lithium Chemicals (earning 35% equity)** – to produce battery quality lithium hydroxide from brine and/or hard-rock feedstocks using patented ELi® electrolysis process owned by RAM (70% NMT, 30% Mineral Resources Ltd). Co-funding pilot plant and evaluation studies on a 20,000tpa operation in Estarreja with Portugal's largest chemical producer, Bondalti Chemicals S.A. Decision to form 50:50 JV with Bondalti expected March 2023.