



PORI, FINLAND SELECTED FOR VANADIUM RECOVERY PROJECT

HIGHLIGHTS

- Pori on the west coast of Finland chosen as location for sustainable vanadium recovery project
- MOU signed between project partner, Critical Metals, and the City of Pori which confirms their commitment to develop a vanadium processing and storage facility at Tahkoluoto port
- Pori has a long history as a hydrometallurgical centre of excellence
- Access to a 'build-ready' 20 hectare industrial-zoned site adjacent to the deep water, year-round port with rail access to the bulk import, liquid chemical and container berths
- Access to renewable power and other utilities and free access to its industrial sources of CO₂ for capture and sequestration in Neometals' proprietary process flowsheet
- Site specific data can now be included to support the PFS which is on schedule for completion in June 2021

Innovative project development company, Neometals Ltd (ASX: NMT) ("**Neometals**" or "**the Company**"), is pleased to announce successful completion of a European site selection study (refer also to media release on the Critical Metals Ltd website dated 10 December 2020), with the City of Pori in Finland chosen as the preferred location for sustainable vanadium recovery and production. Commitments by Neometals' partner, Critical Minerals Ltd ("**Critical**") and the City of Pori have been formalised in a memorandum of understanding ("**MOU**"). The MOU sets out the framework under which the parties will work together for the granting of tenure and permits required for the successful establishment of the proposed vanadium processing plant ("**Vanadium Recovery Facility**" or "**VRF**").

As previously announced (refer to ASX announcement titled "Neometals Signs High-Grade Vanadium Recycling Agreement" dated 6th April 2020), Neometals has executed a collaboration agreement with Critical, to jointly evaluate the feasibility of constructing a VRF to recover and produce high-purity vanadium products from vanadium-bearing steel by-product ("**Slag**") in Scandinavia. Neometals will fund and manage the evaluation activities up to consideration of a final investment decision, which, if positive, will earn Neometals a 50% interest in an incorporated joint venture with Critical ("**JV**").

Critical has executed a conditional agreement ("**Slag Supply Agreement**") with SSAB EMEA AB and SSAB Europe Oy, subsidiaries of SSAB ("**SSAB**"), a steel producer that operates steel mills in Scandinavia. Slag is a by-product of SSAB's steel making operations. The Slag Supply Agreement provides a secure basis for the evaluation of a potential VRF capable of processing 200,000 tonnes of Slag per annum without the need to build a mine and concentrator like existing primary producers.

Tahkoluoto port in Pori is an excellent location. It is an ice-free harbour with capacity to receive Panamax sized ships. With Pori's long history as a centre of hydrometallurgical excellence, the VRF will have access to 'best-in-class' logistics and infrastructure. Additionally, the Finnish government appears extremely motivated to provide significant support to align with EU targets for 'Net Zero' emissions and development of resilient supply chains for critical minerals.

With a location chosen for the processing site, Neometals can now rely on high quality and timely site related information to be fed into the AACE Class 4 preliminary feasibility study (“PFS”). The PFS is progressing well and remains on track to be completed by the end of June 2021. Our attention now centres on the design phase of the larger proposed pilot and assisting with site permitting in Finland ahead of a financial investment decision by the end of 2022.

Neometals Managing Director Chris Reed commented:

“Neometals is excited to be working with the City of Pori and the Finnish Government who have been exceptionally proactive in securing this sustainable critical mineral opportunity for the region. Neometals has made an active pivot towards more sustainable materials recovery and recycling projects to remove the huge carbon footprint of the supply chain that comes from traditional upstream mineral processing. The Vanadium Recovery Project demonstrates our resolve to optimise finite resources with circular practices to benefit society and the environment for a sustainable future. Together with project partners Critical, we are firmly focused on building the first European low-carbon vanadium production facility at Pori”.



Figure 1 - Location of Pori relative to the SSAB steel operations in Finland and Sweden



Figure 2 - Aerial schematic showing location for the proposed VRF processing plant at Tahkoluoto port, Pori, Finland

Authorised on behalf of Neometals by Christopher Reed, Managing Director

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About Neometals Ltd

Neometals innovatively develops opportunities in minerals and advanced materials essential for a sustainable future. With a focus on the energy storage megatrend, the strategy focuses on de-risking and developing long life projects with strong partners and integrating down the value chain to increase margins and return value to shareholders.

Neometals has four core projects with large partners that span the battery value chain:

Recycling and Resource Recovery:

- Lithium-ion Battery Recycling – a proprietary process for recovering cobalt and other valuable materials from spent and scrap lithium batteries. Pilot plant testing completed with plans well advanced to conduct demonstration scale trials with 50:50 JV partner SMS group, working towards a development decision in early 2022; and
- Vanadium Recovery – sole funding the evaluation of a potential 50:50 joint venture with Critical Metals Ltd to recover vanadium from processing by-products (“Slag”) from leading Scandinavian Steel maker SSAB. Underpinned by a 10-year Slag supply agreement, a decision to develop sustainable European production of high-purity vanadium pentoxide is targeted for December 2022.

Downstream Advanced Materials:

- Lithium Refinery Project – evaluating the development of India’s first lithium refinery to supply the battery cathode industry with potential 50:50 JV partner Manikaran Power, underpinned by a binding life-of-mine annual offtake option for 57,000 tonnes per annum of Mt Marion 6% spodumene concentrate, working towards a development decision in 2022.

Upstream Industrial Minerals:

- Barrambie Titanium and Vanadium Project - one of the world's highest-grade hard-rock titanium-vanadium deposits, working towards a development decision in mid-2021 with potential 50:50 JV partner IMUMR.