

Neometals to Increase Holding in Vanadium Recovery Project

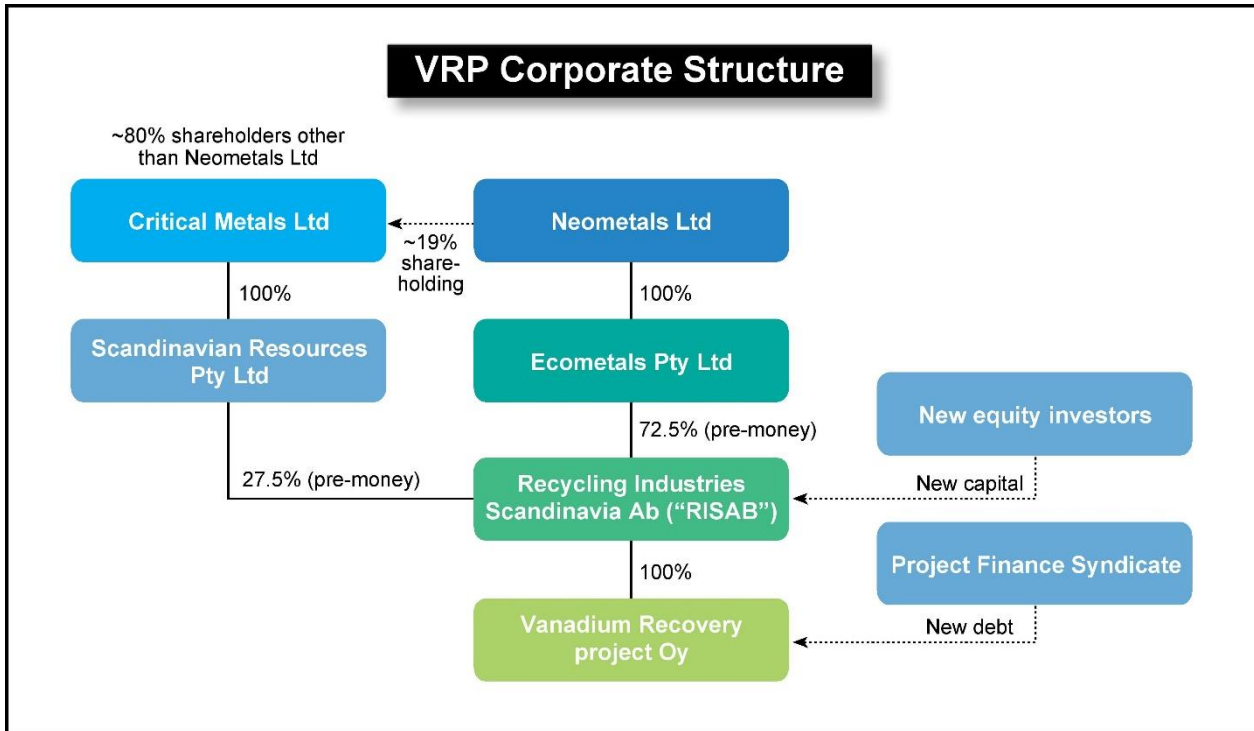
Highlights:

- Neometals' ownership to increase to 72.5% in the Vanadium Recovery Project's incorporated JV company, Recycling Industries Scandinavia AB ("RISAB");
- Critical Metals Ltd ("Critical"), via its subsidiary, will move from 50% to 27.5% ownership of RISAB after contributing A\$300k capital on 31st March 2023; and
- RISAB is advancing engineering, procurement, equity, and project financing activities to enable consideration of an investment decision by 30 June 2023.

Emerging sustainable battery materials producer, Neometals Ltd (ASX: NMT & AIM: NMT) ("**Neometals**" or "**the Company**"), announces an increase to its ownership interest in the incorporated joint venture vehicle, RISAB, that is developing the Finnish Vanadium Recovery Project ("**Vanadium Recovery Project**" or "**VRP1**"). Neometals, via its wholly owned subsidiary Ecometals Pty Ltd ("**Ecometals**"), is entitled to additional 22.5% of RISAB equity (72.5% in total) from the conversion of its A\$3,000,000 shareholder loan following Critical's contribution of A\$300,000. The change in RISAB ownership interests was contemplated in the JV shareholders agreement (*for full details refer to Neometals ASX announcement dated 2 March 2023 titled "Neometals now controlling shareholder in Vanadium Recovery Project SPV"*).

Through RISAB, Neometals and Critical are working towards a Final Investment Decision ("FID") to construct a facility in Pori, Finland to process and recover high-purity vanadium pentoxide ("**V₂O₅**") from Slag generated by SSAB in Scandinavia. Neometals' wholly owned subsidiary, Avanti Materials Ltd, has licensed to RISAB, its vanadium recovery processing flowsheet ("**VRP Technology**") for VRP1. RISAB also has a second partnership opportunity to apply the VRP Technology elsewhere in Scandinavia (H2Green Steel feedstock, Boden – Sweden location) (*for full details refer to Neometals ASX announcement dated 13 September 2021 titled "MoU for potential second, larger vanadium recovery plant"*).

Neometals, Critical and RISAB are advancing both equity and debt financing activities for VRP1 ahead of consideration of a FID for VRP1 in June 2023. The FID is subject to successful project financing outcomes and dialogues with equity and debt providers, including the European Investment Bank ("**EIB**"), which are being managed by Scandinavia's leading investment banks and advisors. It is Neometals intention to dilute its equity holding in VRP1 at either an Ecometals or RISAB level rather than dilution of its listed stock given the current market conditions. A schematic of the project ownership structure and planned project financing following conversion of shareholders loans is overleaf.



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

ENDS

Chris Reed

Managing Director

T +61 8 9322 1182

E info@neometals.com.au

Jeremy McManus

General Manager, Commercial and IR

T +61 8 9322 1182

E jmcmamus@neometals.com.au

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 Q3 2023;

- Vanadium Recovery (72.5% equity)** – to produce high-purity vanadium pentoxide via processing of steelmaking by-product ("Slag"). Targeting a 300,000tpa operation in Pori, Finland, underpinned by a 10-year Slag supply agreement with leading Scandinavian steelmaker SSAB. Finnish project investment decision with JV partner, Critical Metals, 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 25,000tpa operation in Estarreja with Portugal's largest chemical producer, Bondalti Chemicals S.A.