



5 October 2021

EPA Victoria issues Envirostream Australia with 99-year operating licence for battery recycling

HIGHLIGHTS

- The EPA Victoria-issued operating licence provides the environmental and legal framework for Envirostream Australia to continue battery recycling activities at its premises in Campbellfield, Victoria.
- The licence permits Envirostream Australia to process more than 500 tonnes of specified electronic waste annually.

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Comment from Lithium Australia managing director Adrian Griffin

"EPA licensing of our Victorian battery recycling facility for the next 99 years ensures that environmental safeguards are in place for the ever-increasing battery utilisation required to decarbonise the economy.

"Australia has an environmental duty of care to establish compliant recycling facilities that can safely process the expected increase in volume of end-of-life batteries, providing sustainable materials for this critically important manufacturing sector and reducing environmental pollution – the legacy of what has until now been a poorly-managed industry.

"As part of the process of obtaining that 99-year licence, Lithium Australia and Envirostream Australia worked together to develop specific, in-house improvements that enhance safety in the collection, storage and processing of spent batteries and further reduce any fire risk associated with their recycling. We lead the industry in that respect.

"The roll-out of a national battery stewardship scheme that commoditises spent batteries and discourages their disposal in landfill is imminent and this will certainly increase the volume of spent batteries available for recycling."

Introduction

Lithium Australia NL (ASX: LIT, 'the Company') has a 90% ownership interest in Envirostream Australia Pty Ltd ('Envirostream'). An onshore, mixed-battery recycling company, Envirostream is unique in Australia in its ability to collect, sort, shred and separate all the components of end-of-life lithium-ion batteries ('LIBs'), as well as single-use alkaline batteries. This makes it a perfect fit with the Company's critical battery-metal-processing expertise.

In July 2019, Victoria banned the disposal of spent batteries to landfill, given that many contain toxic materials capable of polluting soil, groundwater and waterways. As the only mixed battery recycler in Australia, Envirostream is focused on diverting as much battery material from landfill as possible, as well as improving the sustainability of the industry via the creation of a circular battery economy.

ASX ANNOUNCEMENT



The volumes of spent batteries available for recycling is expected to increase following recent announcements by the Battery Stewardship Council that it has secured federal government and industry funding to establish an accredited process for their collection and recycling. Scheduled to commence in January 2022, the Battery Stewardship Scheme will collect a levy on each new battery sold and use the funds to subsidise the collection and processing of end-of-life batteries.

Envirostream works closely with the appropriate regulatory bodies to ensure that its management systems and safety and environmental procedures exceed industry-accepted standards, thereby minimising any risk to local communities. Its focus on continuous improvement ensures that battery recycling in Australia remains safe, environmentally friendly and sustainable.

Operating licence

In 2020, using EPA Victoria's long-route licence pathway, Envirostream applied for an operating licence for its activity site in Berwick Road, Campbellfield, Victoria. The prescribed permission activities under section 74(1)(a) of the *Environment Protection Act 2017* allow Envirostream to reprocess specified electronic waste, including batteries, at a capacity exceeding 500 tonnes per year.

That licence is valid for 99 years, subject to several conditions, including the installation of thermal-imaging cameras and firewall protection systems for the early detection and management of any fire incidents that may arise. Conditions for air emission are also stipulated.

A change-of-land-use application for the Berwick Road premises is currently in progress at the Hume City Council. Envirostream has complied with all requests for information from the council and the Company expects that this application too will be approved.

Authorised for release by the Board.

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About Lithium Australia

Lithium Australia aims to ensure an ethical supply of energy metals to the battery industry by creating a circular battery economy that enhances both sustainability and resource security. Reprocessing spent lithium-ion batteries to create new ones is intrinsic to this plan, with the Company operating Australia's only fully integrated mixed-battery recycling business. Having rationalised its portfolio of lithium projects/alliances, Lithium Australia continues its research into, and the development of, proprietary extraction processes for the conversion of *all* lithium silicates (including mine waste), and of fines generally discarded during conventional spodumene conversion, to lithium



chemicals, from which it will produce advanced cathode materials for the battery industry globally. The Australian federal government has recognised the Company's progress through the awarding of substantial research grants designed to progress the nation's advanced battery capabilities. By uniting resources and innovation, Lithium Australia seeks to vertically integrate lithium extraction, processing and recycling.

About Envirostream Australia

Envirostream Australia is a national leader in battery collection and recycling. It operates the only commercial facility in Australia capable of shredding all types of spent batteries to efficiently recover a range of recyclable materials – in particular mixed-metal dust, which comprises the critical 'active' materials in spent lithium-ion batteries. Mixed-metal dust contains cobalt, nickel, lithium and manganese, making it a sustainable feed source for the manufacture of new batteries. Envirostream's process is designed for zero atmospheric emissions and very low soluble losses, with only minimal amounts of material consigned to landfill. Along with its high mass yields, this positions Envirostream as the planet's most environmentally credentialled battery recycler.

Forward-looking statements

This document contains forward-looking statements. Forward-looking statements are necessarily based on a number of estimates and assumptions that, while considered reasonable by the Company, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies, involve known and unknown risks and uncertainties that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in such forward-looking statements and may include, among other things, statements regarding targets, estimates and assumptions in respect of commodity prices, operating costs and results, capital expenditures, ore reserves and mineral resources and anticipated grades and recovery rates and are, or may be, based on assumptions and estimates related to future technical, economic, market, political, social and other conditions. The Company disclaims any intent or obligation to update publicly any forward-looking statements, whether because of new information, future events or results or otherwise. The words 'believe', 'expect', 'anticipate', 'indicate', 'contemplate', 'target', 'plan', 'intends', 'continue', 'budget', 'estimate', 'may', 'will', 'schedule' and other, similar expressions identify forward-looking statements. All forward-looking statements made in this announcement are qualified by the foregoing cautionary statements. Investors are cautioned that forward-looking statements are not guarantees of future performance and, accordingly, investors should not unduly rely on forward-looking statements due to the inherent uncertainty therein.