

Vanadium Recovery Project Update

Highlights:

- Shareholders in Neometals' vanadium recovery project have extended the timeline for Financial Investment Decision ("FID");
- Project level equity finance advancing with preferred investor; and
- Debt financing club, led by European Investment Bank, also progressing favourably with credit approval expected in October 2023.

Innovative battery materials recycler, Neometals Ltd (ASX: NMT & AIM: NMT) ("**Neometals**" or "**the Company**"), advises that the Finnish Vanadium Recovery Project ("**VRP1**") special purpose vehicle, Recycling Industries Scandinavia AB ("**RISAB**"), is making solid progress in securing debt and equity financing required to make a FID.

Neometals has a 72.5% interest in VRP1, with Critical Metals Ltd ("**Critical Metals**") holding 27.5%. VRP1 is at the financing stage ahead of a decision to construct and produce high-purity vanadium pentoxide ("**V₂O₅**") from high-grade vanadium-bearing steel making by-product ("**Slag**") generated by SSAB EMEA AB and SSAB Europe Oy (collectively "**SSAB**") in Scandinavia.

Due to the additional time required for the completion of the equity and financing streams, RISAB, Neometals and Critical Metals have extended the timeline for consideration of the FID. SSAB continues to be supportive of the progress that RISAB has made and the parties are in advanced discussions to formalise an extension to the FID deadline under the SSAB slag supply agreement to align with the updated project financing timelines.

RISAB has engaged leading Nordic investment banks, SEB and Aventura Partners, to lead VRP1 financing processes¹. Both equity and debt work streams are advancing towards having binding agreements in November 2023.

Neometals Managing Director Chris Reed said:

"Good positive progress is being made towards financing the Finnish Vanadium Recovery Project. Although it has taken longer than originally envisaged, we remain positive on a successful outcome".

¹ For full detail refer to Neometals ASX announcement dated 17th March 2023 titled "Vanadium Recovery Project Advances to Formal Finance Appraisal with European Investment Bank"

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

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About Neometals Ltd

Neometals has developed and is commercialising three environmentally-friendly processing technologies that produce critical and strategic battery materials at lowest quartile costs with minimal carbon footprint.

Through strong industry partnerships, Neometals is demonstrating the economic and environmental benefits of sustainably producing lithium, nickel, cobalt and vanadium from lithium-ion battery recycling and steel waste recovery. This reduces the reliance on traditional mine-based supply chains and creating more resilient, circular supply chains to support the energy transition.

The Company's three core business units are exploiting the technologies under principal, joint venture and licensing business models:

- **Lithium-ion Battery ("LiB") Recycling (50% technology)** – Commercialisation via Primobius GmbH JV (NMT 50% equity). All plants built by Primobius' co-owner (SMS group 50% equity), a 150-year-old German plant builder. Providing recycling service as principal in Germany and commenced plant supply and technology licencing activities as technology

partner to Mercedes-Benz. investment decision for Primobius' first commercial 50tpd plant and JV with Stelco in Canada expected end 2023;

- **Lithium Chemicals (70% technology)** – Commercialising patented ELi™ electrolysis process, co-owned 30% by Mineral Resources Ltd, to produce battery quality lithium hydroxide from brine and/or hard-rock feedstocks at lowest quartile operating costs. Co-funding Pilot Plant trials in 2023 with Demonstration Plant trials and evaluation studies in 2024 for potential 25,000tpa LiOH operation in Portugal under a 50:50 JV with Bondalti, Portugal's largest chemical company; and
- **Vanadium Recovery (100% technology)** – aiming to produce high-purity vanadium pentoxide from processing of steelmaking by-product ("**Slag**") at lowest-quartile operating cost. Investment decision with JV partner, Critical Metals pending on planned 9,000tpa vanadium pentoxide operation in Pori, Finland (NMT 72.5% equity). Feedstock sourced under 10-year Slag supply agreement with SSAB and product offtake agreement with Glencore. MOU with H2Green Steel for potential second, larger operation in Boden, Sweden.