

ASX ANNOUNCEMENT

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GOVERNMENT AWARDS €18.8M IN GRANT FUNDING FOR SAN JOSÉ

HIGHLIGHTS

- **€18.8 million (A\$31 million) in grant funding for San José awarded by the Spanish Government's Ministry of Industry, Trade and Tourism.**
- **Government endorsement represents a major milestone for San José and precedent for future grant funding opportunities.**
- **Government's commitment to San José demonstrated through receipt of the largest grant to a lithium mining / processing asset and the 6th largest total grant announced under this programme.**
- **Total of €528.7 million awarded to 26 major projects includes €200 million to Extremadura giga-factory.**
- **The PERTE VEC II grant funding process has been finalised with 95% of funds committed to Spain's electric vehicle battery chain.**
- **Further grant funding submissions in Spain have been announced for the beginning of 2024.**

CORPORATE DIRECTORY

RYAN PARKIN Managing Director & CEO
ADRIAN BYASS Non-Executive Chairman
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Infinity Lithium Corporation Limited (**'Infinity'** or **'the Company'**) is pleased to advise grant funding of €18.8 million has been awarded to Tecnología Extremeña del Litio (**'TEL'**) for the advancement of the San José Lithium Project (**'San José'**, or **'the Project'**).

The Spanish Government's Ministry of Industry, Trade and Tourism (**'the Ministry'**) finalised the allocation of funds under PERTE VEC II in a new batch of definitive aid for industrial projects for the production of electric vehicles, their essential components and the production or recovery of the essential raw materials required. The commitment to provide grant funding for San José was allocated under the PERTE VEC II regulations aligned to critical raw materials submissions.

The final assessment of projects under PERTE VEC II authorised the definitive commitment totalling €190.4 million in addition to other grant funding previously announced, bringing a total of €528.7 million across 26 projects for the advancement of a national electric vehicle battery chain. The funds committed to San José under PERTE VEC II were the 6th largest under the programme and are the first PERTE funds allocated to the processing of critical raw materials.

Infinity Managing Director and CEO, Ryan Parkin, commented *"We are very pleased with the significant funding support awarded for San José. This is a significant milestone for both the Company and the Project. The Company welcomes the government's commitment to recognising the critical importance of lithium and its endorsement of the Project."*

"These first funding commitments for the processing of critical raw materials in Spain places the Company at the forefront of future funding pathways at both the national and European level."

PERTE VEC II has successfully awarded funds for equipment and installations to projects representing multiple segments of the electric vehicle battery chain, and it has reinforced the country's ambitions to maintain a leading position in the EU for the development of a supply chain from locally available critical raw materials through to the manufacture of electric vehicles. Other successful applicants in the final assessment included Ford Espana, Renault Espana, Stellantis Espana, Seat S.A. and Envision AESC Spain. The recalibration of the automotive sector as supply chains move to the mass adoption of electric vehicles is critical to Spain. The automotive sector represents approximately 10% of GDP and 18% of exports in Spain.

Acting Minister of Industry, Trade and Tourism, Héctor Gómez, highlighted that *"We are proud of the success achieved in this call, the result of leadership in the new industrial revolution, dialogue with the sector and understanding of the cultural change that is taking place, what is producing in our society. As I promised at the beginning of my time at the head of the Ministry, we have fulfilled."*

The Ministry further noted that it is already working on a third call for PERTE VEC (III) which will commence the process for submissions at beginning of 2024 with more than €1.2 billion in grant funding available. The availability and cost of electricity has been highlighted as a major benefit for projects in Spain. *"Spain is extremely competitive at an energy level, with a wide deployment*

of renewable energies that makes the price of electricity very attractive to international companies. We are convinced that, thanks to the contact and intense public-private collaboration, PERTE VEC III will be as successful as the second one," Gómez assured.

The successful grant funding commitment to San José has followed the Company's recent announcement of an Updated Scoping Study ('**the Study**', refer to ASX announcement 9 November 2023). The Project has the potential to benefit from a revised energy matrix under Li-Stream RPK™ process in line with those advantages highlighted by the Ministry.

The announcement was authorised by the Board. For further inquiries please contact.

Infinity Lithium

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About Infinity Lithium

Infinity Lithium is an Australian listed minerals company who is seeking to develop its 75% owned San José Lithium Project in Spain. The proposed fully integrated industrial Project is focused on the production of battery grade lithium chemicals from a mica feedstock that represents the EU's 2nd largest JORC compliant hard rock lithium deposit.

The Project would provide an essential component in the EU's development of a vertically integrated lithium-ion battery supply chain. The availability of critical raw materials and the production of battery grade lithium hydroxide in the EU is essential to ensure the long-term production of lithium-ion batteries for electric mobility and the transition of the EU's automotive industry towards electric vehicles.