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Momentum Builds from Extremadura to the European Union - San José Lithium Project Update

HIGHLIGHTS

- The critical importance of the San Jose Lithium Project gains support at multiple levels including the Regional Government and European stakeholders.
 - The Extremadura Regional Government confirms their commitment to collaborate with Tecnología Extremeña Del Lito S.L. through the administrative procedure of the permitting process.
 - The European Battery Association, in advance of their visit to Spain this month, recognise the critical requirement to develop lithium extraction and refining in Europe, and the strategic importance of San Jose.
 - Spanish business association AEDIVE and AEPIBA publicly declare their support for the San Jose Lithium Project.
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The San Jose Lithium Project – Support Gaining Momentum from Extremadura to the European Union

The critical need for lithium extraction and its conversion into chemicals in Europe is now well understood. As work continues, it has also become clear that the San Jose Lithium Project ('San Jose', or 'the Project') in Spain is in a unique position to supply the European lithium-ion battery and electric vehicle ('EV') industries thanks to being a large, long term and environmentally friendly project. Momentum and endorsement is emerging from multiple levels within Europe, as some examples highlight below. More is expected to come with San Jose's capability to satisfy a vital component of the Spanish industry, the European battery and automotive sectors, whilst support the region of Extremadura is increasingly realised. The following endorsements have been received in the past 48 hours;

Endorsement at a Spanish Level

The Regional Government

The Extremadura Regional Government ('Regional Government', or 'the Junta') has communicated yesterday that the Regional Ministry of Economy and Infrastructure will be at the entire disposal of San Jose Joint Venture entity Tecnología Extremeña Del Lito S.L. ('TEL') and Infinity Lithium ('Infinity', or 'the Company') to collaborate, clarify and accompany the companies through the administrative procedure of the permitting process. The Junta has further clarified that the desire to simplify and monitor business projects in Extremadura, from the projects' development stages through to implementation.

Business Associations – AEDIVE & AEPIBA

San Jose has received public endorsement through various national Spanish business associations. AEDIVE, who supports and promotes the development of EVs and comprises of more than 150 members (including BMW,



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Jaguar Land Rover, Nissan, Mercedes and Total), has publicly declared its support to TEL's project in Extremadura.

This week, national group AEPIBAL, the business association for battery and battery storage in Spain, emphasised through its President, Joaquín Chacón, *"the importance of Infinity Lithium's industrial project in Spain. It is strategic for our country and for the future of the automotive sector in Europe and Spain, the second largest automaker in the region"*.

Endorsement at a European Level

European Battery Association, European Commission & European Investment Bank

The European Battery Alliance ('EBA') is a major institution in the European Union ('EU') which comprises of key stakeholders including the European Commission, the European Investment Bank ('EIB'), key industrial stakeholders and interested EU country representatives. Overnight, the EBA declared that *"the EBA is supporting the development of a European robust battery industry, notably based on Lithium-ion technologies. Lithium is a vital part of its supply chain. It is critical to develop lithium extraction and refining in Europe and to secure raw materials for Europe, including lithium. Infinity Lithium's work in Spain is an example of a project that could help the European battery and automotive sector to be more integrated and regionalized thanks to a domestic source of lithium chemicals, and to create growth and jobs in the EU."*

Politicians have been vocal about the need for lithium in Europe. For instance, Maros Sefcovic, Vice-President of the European Commission for the Energy Union, said *"the demand for processed refined lithium will be quite big in Europe, so it makes sense to have lithium refining capacities here"*.

The European Commission added that they need to *"develop a strategic value chain for manufacturing EV LIBs inside Europe" and "secure access to raw materials such as lithium"*.

The European Investment Bank has identified the significant gap in the market for battery chemicals, reinforcing their focus on raw materials and refining facilities in Europe and ready to provide capital.

Other European Associations & Industry Leaders – AVERE, Volkswagen & Roskill

European associations are working hard to support the lithium-ion battery and electric mobility ('eMobility') industries and they have readily recognised the requirements and the direction for the EU. AVERE, the European Association for Electromobility, mentioned that *"developing lithium production in Europe is critical to de-risk Automakers' supply chain and improve their carbon footprint. Infinity Lithium's project in Spain is an example of potential solution for the industry with their fully integrated and environmentally friendly aimed operation"*.

Industrial players themselves are also supportive of developing lithium production in Europe. Volkswagen announced last month that *"it has set itself the goal of promoting lithium production in Europe in the medium term - there are relevant deposits in Central and Southern Europe"*.

Furthermore, it is not only politicians and associations supporting the project, but also global experts in the field of lithium. For example, Roskill Information Services, a consulting and research company with more than 50 years' experience in metals, minerals and chemical industries, and specialising in battery metals such as lithium has expressed its position on this topic. David Merriman, Manager Battery & Electric Vehicle Materials explained *"The development of localised supply chains in the lithium industry, such as in Europe, would provide advantages economically, environmentally and geopolitically to the supply chains of battery manufactures in the region. Lithium projects, such as Infinity Lithium's San Jose in Spain, could provide a localised source of lithium raw materials to the European supply chain, supporting growth of the battery manufacturing industry"*.



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Managing Director of Infinity, Ryan Parkin commented *“The work which Infinity, it’s Spanish partners and the government authorities have been approaching with dedication and commitment is now being recognised. This is pleasing to see and important and is important when looking at the long term benefits that this project can bring.”*

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