



INFINITY LITHIUM

Investor Presentation

May 2019

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Competent Persons Statement

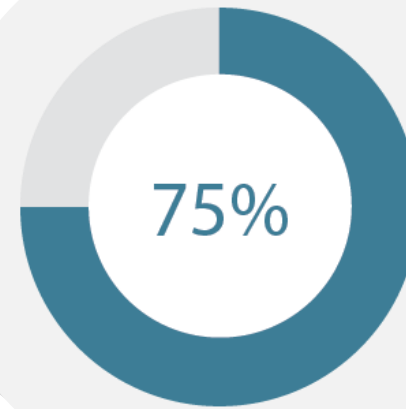
- ❖ The information in this report that relates to Exploration Targets and Mineral Resources is based on the information compiled by Mr Patrick Adams, of Cube Consulting Pty Ltd (Perth). Mr Adams has sufficient relevant professional experience with open pit and underground mining, exploration and development of mineral deposits similar to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of JORC Code. He has visited the project area and observed drilling, logging and sampling techniques used by Infinity Lithium in collection of data used in the preparation of this report. Mr Adams is an employee of Cube Consulting Pty Ltd and consents to be named in this release and the report as it is presented.
- ❖ The information in this report that relates to Exploration Results is based on the information compiled or reviewed by Mr Adrian Byass, B.Sc Hons (Geol), B.Econ, FSEG, MAIG and an employee of Infinity Lithium. Mr Byass has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the JORC Code. Mr Byass consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

San Jose Lithium Project

Europe #2 Largest
Market For EVs,
Batteries & Lithium

Fully Integrated Lithium
Project, From Mining To
Chemicals

PFS
Due In
June/July



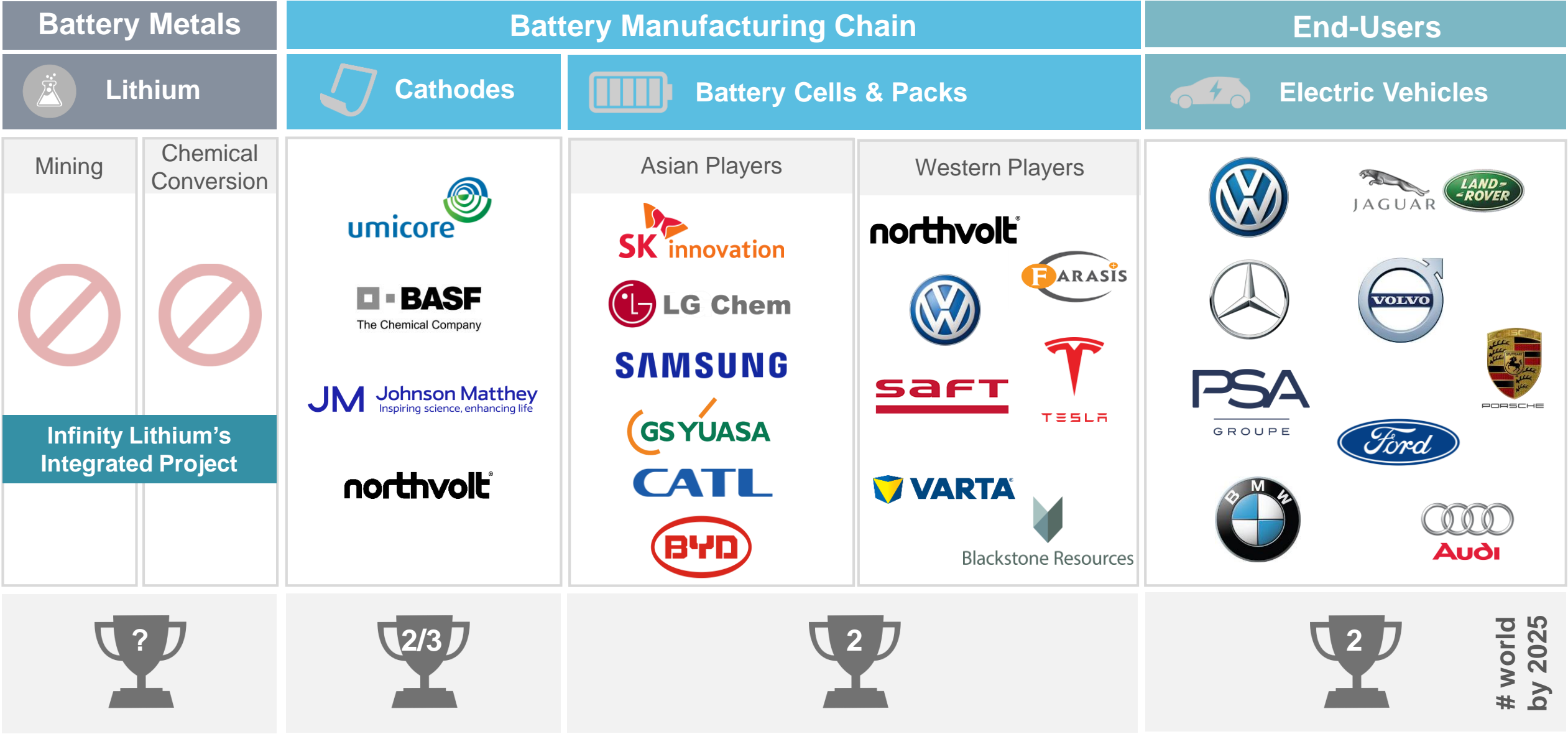
EU To Support
Development Of
Lithium Production

Moved To 75%
Ownership Of
The Project



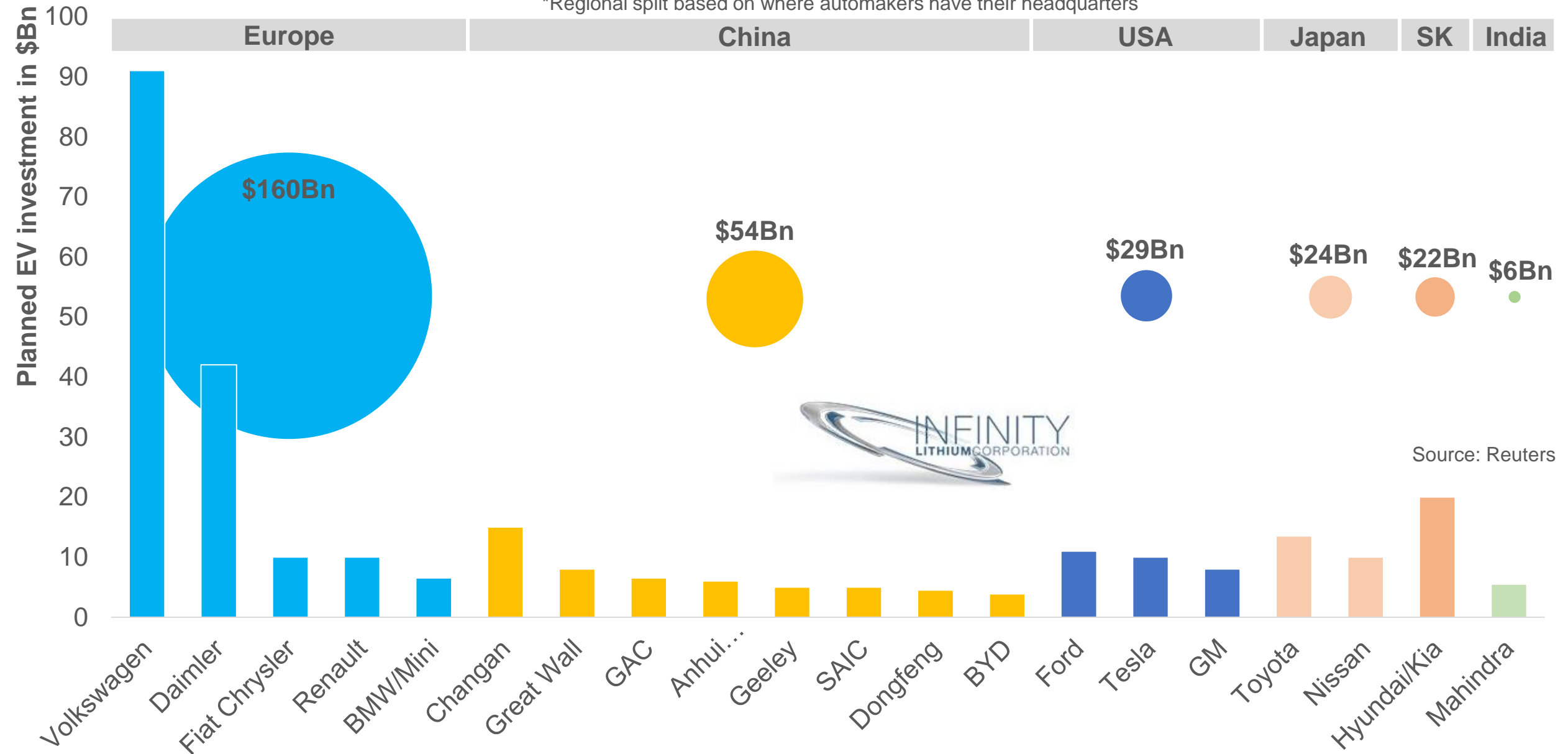
NPV ⁽¹⁰⁾ **\$717M**
IRR (pre-tax) **51%**
Pay back **2.3y**

The European Lithium-ion Battery Supply Chain



European Automakers lead the spend on EV technology

*Regional split based on where automakers have their headquarters



A Number of New Lithium-ion Factories Planned in Europe

And...



is looking at launching battery production in Europe



signed a deal to build a factory that would launch production in 2023



Blackstone Resources to invest \$230M in German EV battery factory plan



to develop a consortium to develop cell production with companies including Saft (Total) and PSA



Infinity Lithium Corporation



A Number Of Cathode Plants Planned In Europe In The Early 2020s

Northvolt is also planning to build its cathodes in-house after they start their battery factory in Sweden.

BASF and Norilsk Nickel to cooperate on raw material supply for battery materials production in Europe. BASF intends to invest up to €400M in a first step to build production plants for cathode materials in Europe.

Johnson Matthey expects to start production in 2021-22 in Poland of a battery material it has developed with improved performance and reduced cobalt content to contain costs.

Umicore is planning to build a cathode plant in Poland. The first phase of this investment is included in the €660M programme. Umicore is due to start deliveries in late 2020.



northvolt

BASF

The Chemical Company

JM Johnson Matthey
Inspiring science, enhancing life

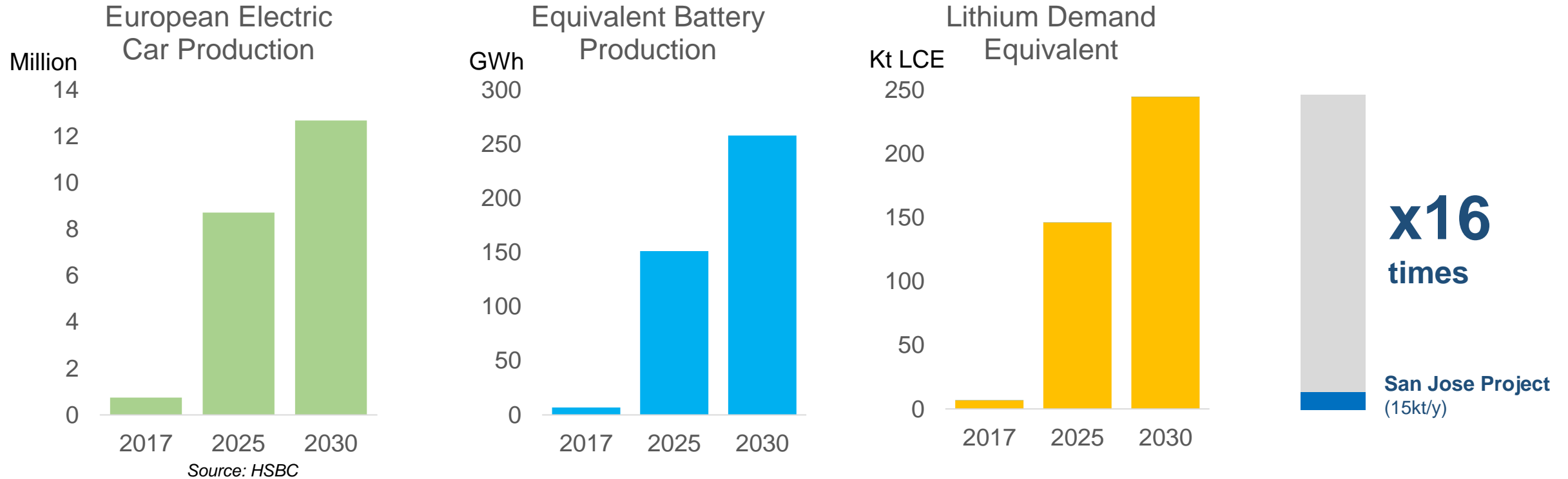
umicore

ASX: INF

A Fully Integrated European Lithium-ion Battery Supply Chain



The EU is pushing to have a fully integrated domestic supply chain, from producing EVs all the way back to producing raw materials. What would it mean for domestic lithium demand?



Notes: Electric cars include HEV, PHEV and EV. Average battery pack for EV is 33kWh in 2017, 45kWh in 2025 and 52kWh in 2030. PHEV average battery pack around 12kWh, HEV around 1kWh. LCE consumption per kWh averaging 0.9Kg.

Multilevel Of Support – Some News From The Last 6 Months



Electric Vehicles



Lithium-ion Batteries



Lithium



Industry

- **Daimler** Ambition 2039: a CO2-neutral fleet line-up
- **VW** embarks on €50Bn electrification plan
- **Audi** will invest over €14Bn in e-mobility advance

- **CATL** boosts battery cell factory in Germany – up to 100 GWh
- **VW** Board releases €1Bn for battery cell factory
- **SK Innovation** starts construction of 2nd battery factory in Hungary

- **VW** to promote lithium production in Europe in the medium term - relevant deposits in Central and Southern Europe

1



Governments

- **Germany** to introduce new EV quota & grants
- **Spain** to subsidize electric mobility
- **Italy** offers incentives for Evs

- **Germany** has set aside €1Bn to support battery cell production
- **France** will invest €700M into projects to boost the European EV battery
- **Germany** and **France** launch €2 billion kick-start for battery cells

- **Spain**: Mining in Extremadura is a key strategy in the energy transition

2



Europe

- **European parliament** backs 40% cut in vehicle CO2
- Brussels agrees 2030 carbon dioxide targets for cars

- **EIB** lends Northvolt €350M for Europe's largest battery project
- **EU** to offer billions of funding for electric battery plants

- **EC** - Lithium chemical supply within Europe has been identified as imperative
- Race for lithium illustrates **EU** drive for 'strategic' raw materials

3

1 World's Largest Automaker - Volkswagen

“VW capable of building **50 million electric vehicles**”

“Volkswagen Board releases **€1Bn for battery cell factory**”

“**Lithium is the irreplaceable element** of the electric era”

“Volkswagen has set itself the **goal of promoting lithium production in Europe**”





A European Success Story

European industrial collaboration:

- **BMW** Group, Northvolt and **Umicore** join forces to develop sustainable life cycle loop for batteries
- Truck maker **Scania** (VW) signs battery deal with Northvolt after investing €10M the company back in January
- **VW** turns to Northvolt for battery cell mass production

European support:

- Northvolt secured **€350M from the European Investment Bank** Approval to support Northvolt's Gigafactory for lithium-ion battery cells in Sweden.

3 EU New Focus on Strategic Battery Raw Materials

The **European Union** and the **European Commission** have publicly stated that they are willing to support and provide capital to develop lithium production in Europe



- Maros Sefcovic - **Vice President of the European Commission**: “The demand for processed refined lithium will be quite big in Europe, so it makes sense to have lithium refining capacities here”



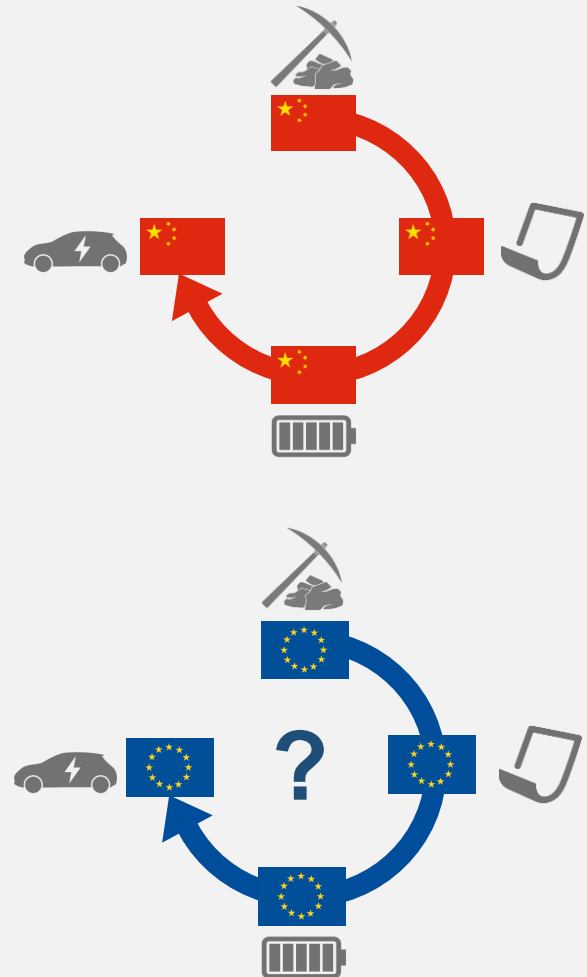
- “Develop a **strategic value chain** for manufacturing EV LIBs inside Europe” - “**Secure access** to raw materials”
- **Horizon Europe** program



- **The European Investment Bank** is committed to provide capital
- The EIB has identified the significant gap in the market for battery chemicals, reinforcing their focus on “**raw materials and refining facilities**”



Replicate the Chinese Model





INFINITY LITHIUM

Developing lithium production in
Europe to power a renewable future

Strategically Located in Extremadura, Spain



Spain

- #2 largest car manufacturer in Europe
- Proposes to veto the sales of ICE cars in 2040
- Promotes the manufacture of batteries for electric cars in Spain
- VW's CEO: "Without a battery plant it makes no sense to do EV in Spain"



Extremadura

- Region of high poverty and unemployment
- #2 largest lithium resources in Europe
- Drive to develop the industrial sector and mining proactive (230 mining projects)
- Infinity's project to offer more than 200 direct jobs and another 1,000 supporting roles, as well as >US\$1 Billion in tax for the region



A Large And Long Term Asset Supporting EV Growth

Second largest lithium resource in the European Union
& Largest open pit based project

JORC Resource 111.2Mt (Ind. 59Mt, Inf. 52.2Mt)



LCE: Lithium Carbonate Equivalent

To operate for **24 years**, including 16 years of mining but only depleting **<50%**
of JORC resource



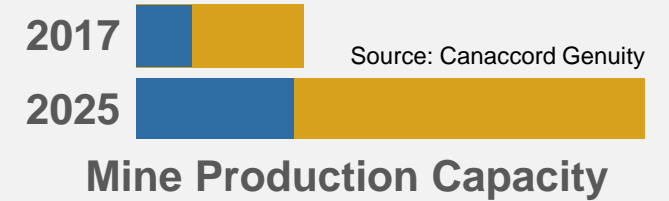
To produce around **15,000t** of lithium hydroxide battery
 grade per year

Enough to power
10 Million
Full Electric Vehicles
 over the life of the project



A Uniquely Fully Integrated Lithium Project

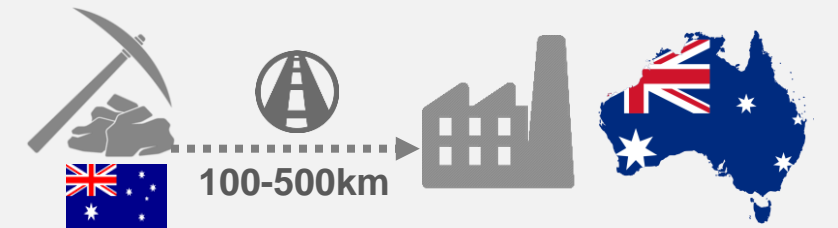
Hard-rock to dominate lithium production in the future: easier to operate, lower risk jurisdiction, cheaper to produce lithium hydroxide



Today, majority of lithium hard rock production is **exported to China** for conversion into lithium chemicals

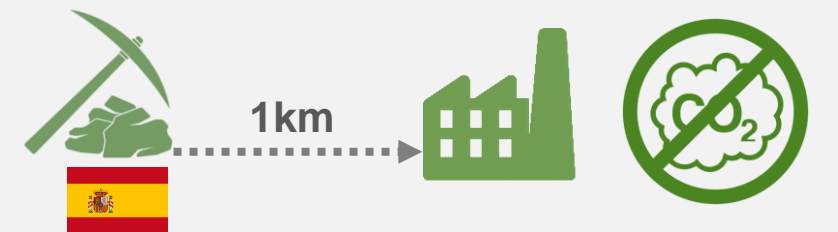


Integration is the way forward for Australian miners in order to **improve efficiency and margins**

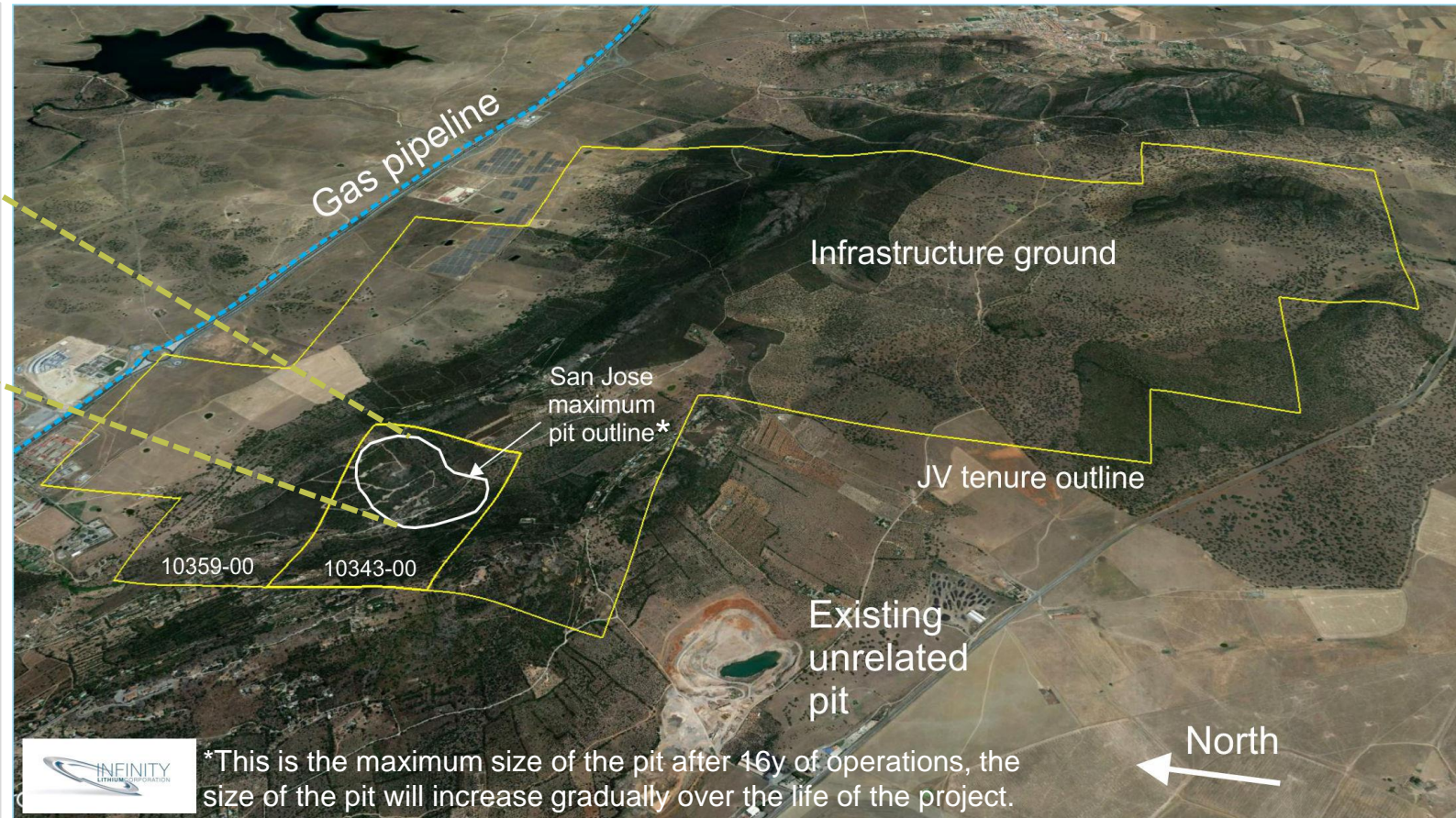
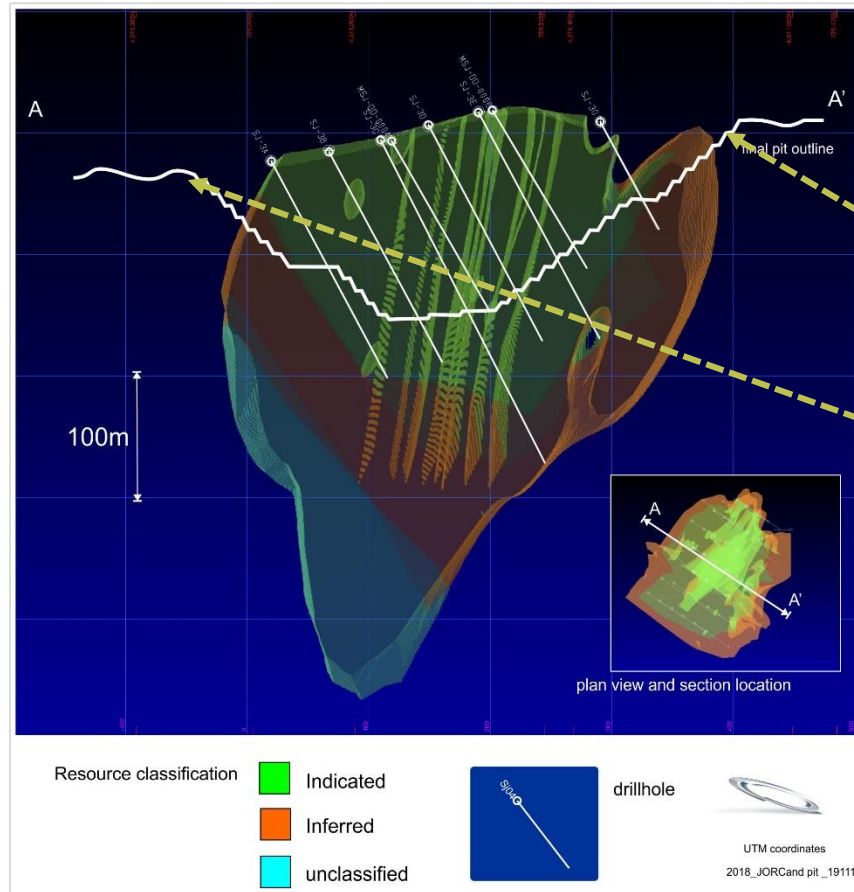


San Jose is an **industrial project** where the mine and the chemical operation are adjacent:

- No shipping
- No import duties on feedstock
- No third party converters



Fully Integrated Project - From Mining to Lithium Hydroxide



Plan view of San Jose showing drilling, distribution of resources showing indicated (lime green), inferred (orange) against drill pattern

SAN JOSE MINERAL RESOURCE, REPORTED ABOVE 0.1% LI CUT-OFF

Classification	Tonnes (Mt)	Li(%)	Li ₂ O (%)	Sn ppm
Indicated	59.0	0.29	0.63	217
Inferred	52.2	0.27	0.59	193
TOTAL	111.3	0.28	0.61	206

1.66Mt
LCE

**+90% Indicated
Resources**

Fully Integrated Project - From Mining to Lithium Hydroxide

- EU & Spain: Low investing risk
- 2nd Largest Lithium JORC in the EU

- Brownfield project & long life project - potentially decades

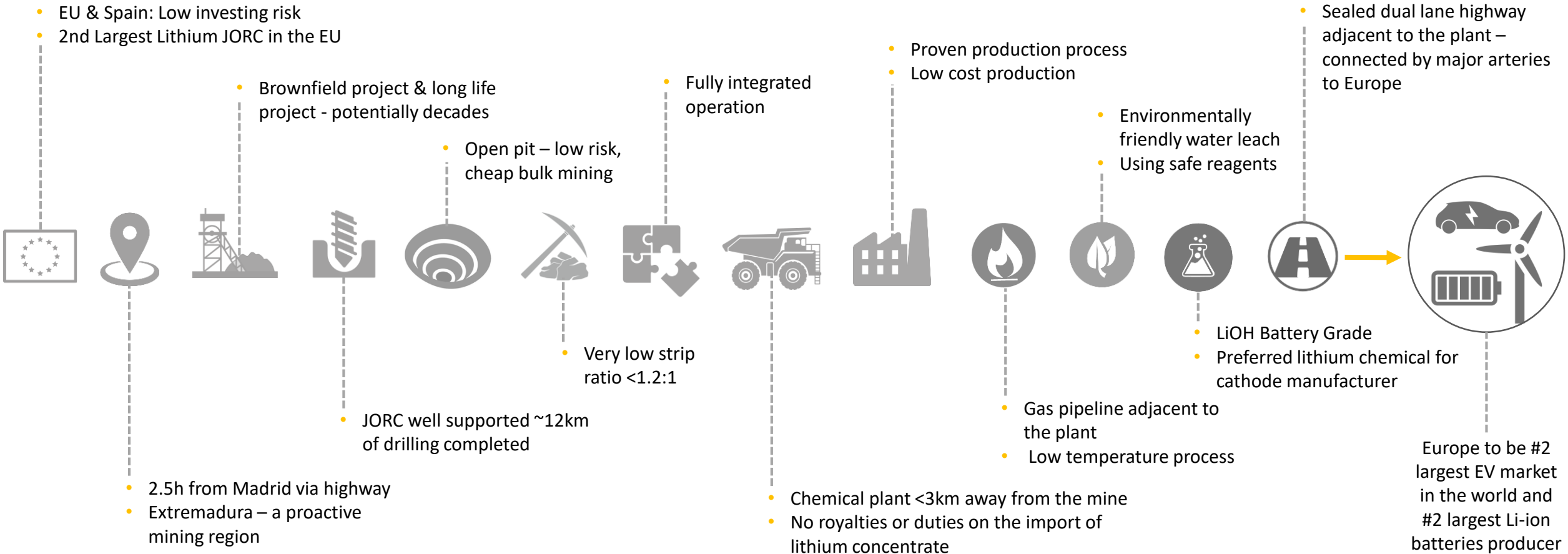
- Open pit – low risk, cheap bulk mining

- Fully integrated operation

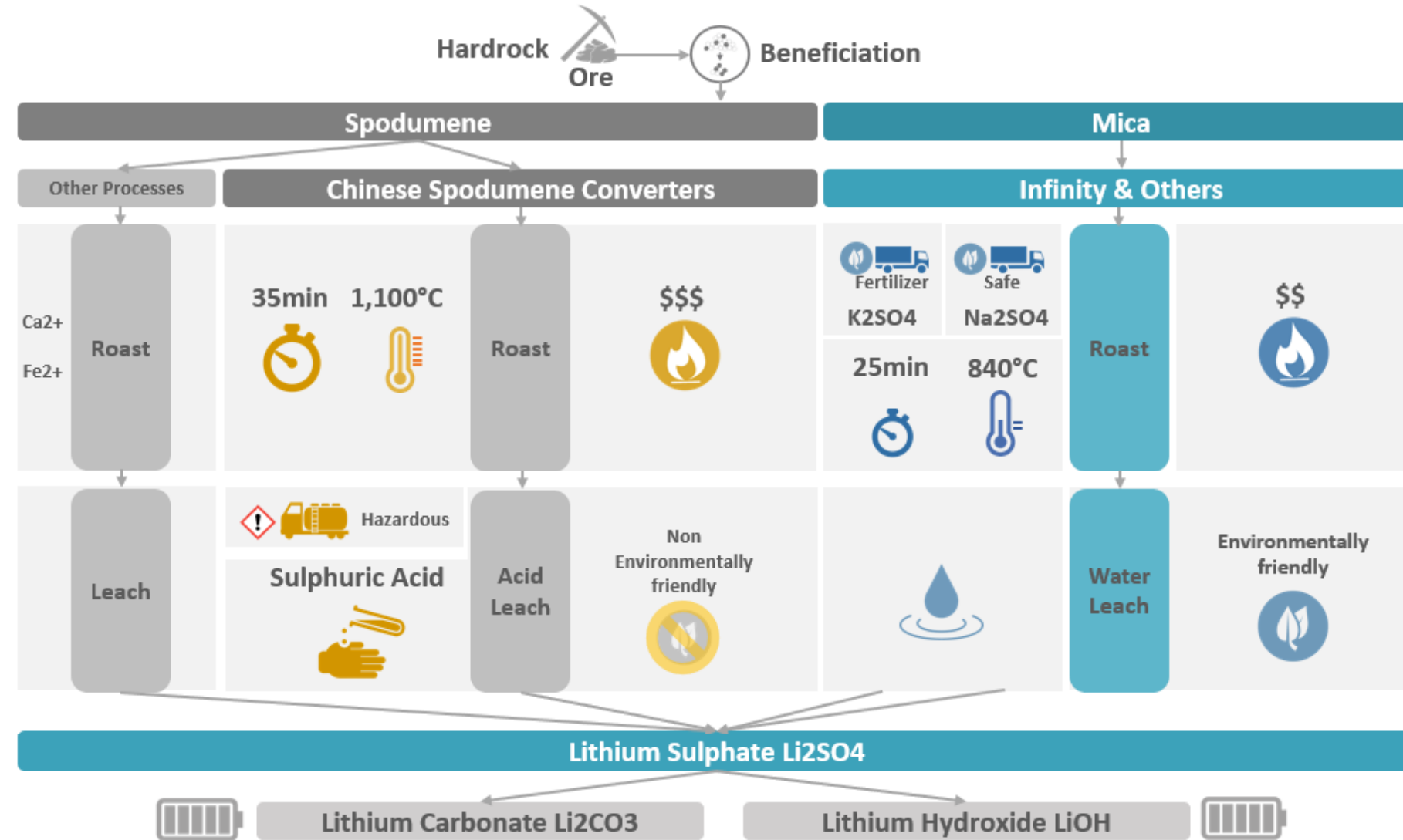
- Proven production process
- Low cost production

- Environmentally friendly water leach
- Using safe reagents

- Sealed dual lane highway adjacent to the plant – connected by major arteries to Europe



Processing Hard Rock – Different Energy and Reagents Needs



- Infinity's **energy requirements are lowered** by its shorter and lower temperature roasting process
- Infinity doesn't use sulphuric acid during the roasting and leaching process but rather **safe and readily available reagents**
- Infinity uses **recycled water** as opposed to acid during its leaching process

Lithium Production From Mica – Not A New Process



There are at least 4 conversion sites in **China** converting Mica into lithium chemicals, and they all have plans to increase capacity:

- Jiangxi Motor / Burwill Joint Venture - 5kt cap
- Jindi Lepidolite Processing Plant (Nanshi Group) - 15kt cap
- Jianjxi Nanshi Lithium New Materials – 10kt caps, target 60kt by 2020
- Jiangxi H-Zone Lithium Technology – 20kt to 30kt in 2019 and 50kt by 2020



Roughly 60kt LCE capacity today with plans to ramp up to >130kt by 2020



BASF, the largest chemical producer in the world, has concluded an MOU for an offtake of lithium hydroxide with **Desert Lion** who will be processing Mica into lithium chemicals



Fortescue Metals Group, the fourth largest iron ore producer in the world with AUD9Bn revenues in 2018, has apply for tenements in Portugal for potential lithium extraction, most likely from Mica

Lithium Project Supported by Strong Economics



NPV ⁽¹⁰⁾
\$717M



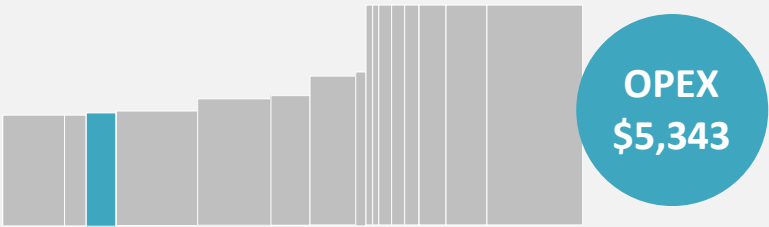
IRR (pre-tax)
51%



Pay back
2.3 years

OPEX at the bottom of the cost curve for lithium hydroxide at around \$5,343/t

Lithium Hydroxide
Cost Curve
2022
Source: Cannacord



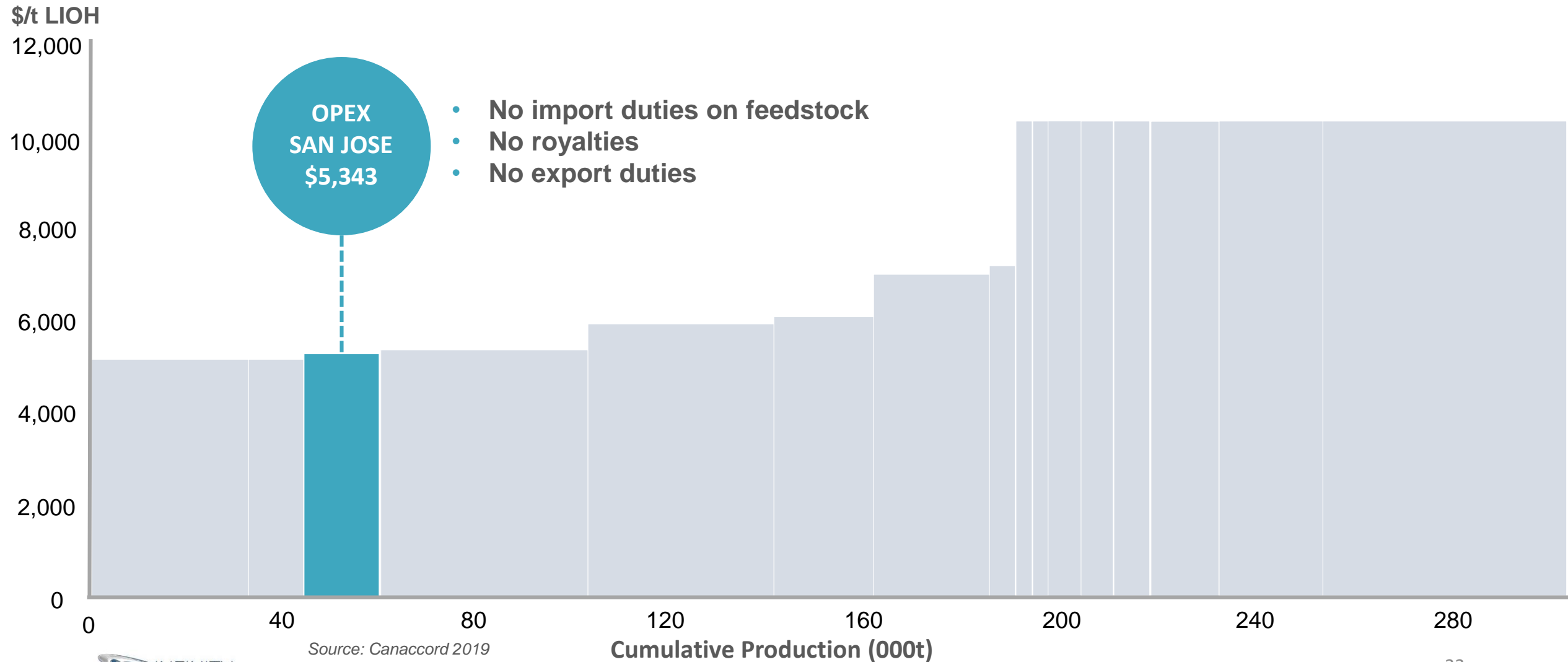
Starting CAPEX at US\$288M with a low capital intensity of \$19,200/t



Pre-Feasibility to be published late June/early July

Global Lithium Hydroxide Cost Curve In 2022













Lithium Hydroxide Cost Curve (2022, US\$/t)



Scoping Study Project Economics* - Lithium Hydroxide

(100% Project Basis)

*See Disclaimer slide

NPV ₁₀ NPV ₁₀	Pre-tax		US\$717M ¹ US\$1,017M ²	NPV ₈ NPV ₈	Post-tax		US\$631M ¹ US\$905M ²
IRR	Pre-tax		51% ¹	IRR	Post-tax		37% ¹
OPEX			US\$5,343/t	CAPEX (Start-Up)			US\$288M ³
Gross Operating Cash Flow (1 st 10 years production)			US\$122M/y	Payback Period			2.3 years
Project Life			24 years	Resource (2 nd largest in EU)			1.6Mt LCE
Annual Production of lithium hydroxide			14-15kt/y	Annual ROM			1.2Mt/y

Assumed Sales Price: (1) Average LOM LiOH US\$14,896/t
(2) Average LOM LiOH US\$17,733/t

Assumed CAPEX: (3) All CAPEX includes 10% contingencies
NPI CAPEX included at start-up US\$11M (Inception to year 2)
Ongoing CAPEX US\$17M (year 3 to 7)

A Sustainable, Low Carbon Footprint Operation

Integrated plant and proximity to end-markets lead to **very low transport footprint**, reducing **CO2 emissions** to a minimum



Using **fertilizer or safe reagents** for processing



Low water consumption, 40 times less than in brine production, most of the water is **recycled**

Hard Rock

Spain

Brine

South America

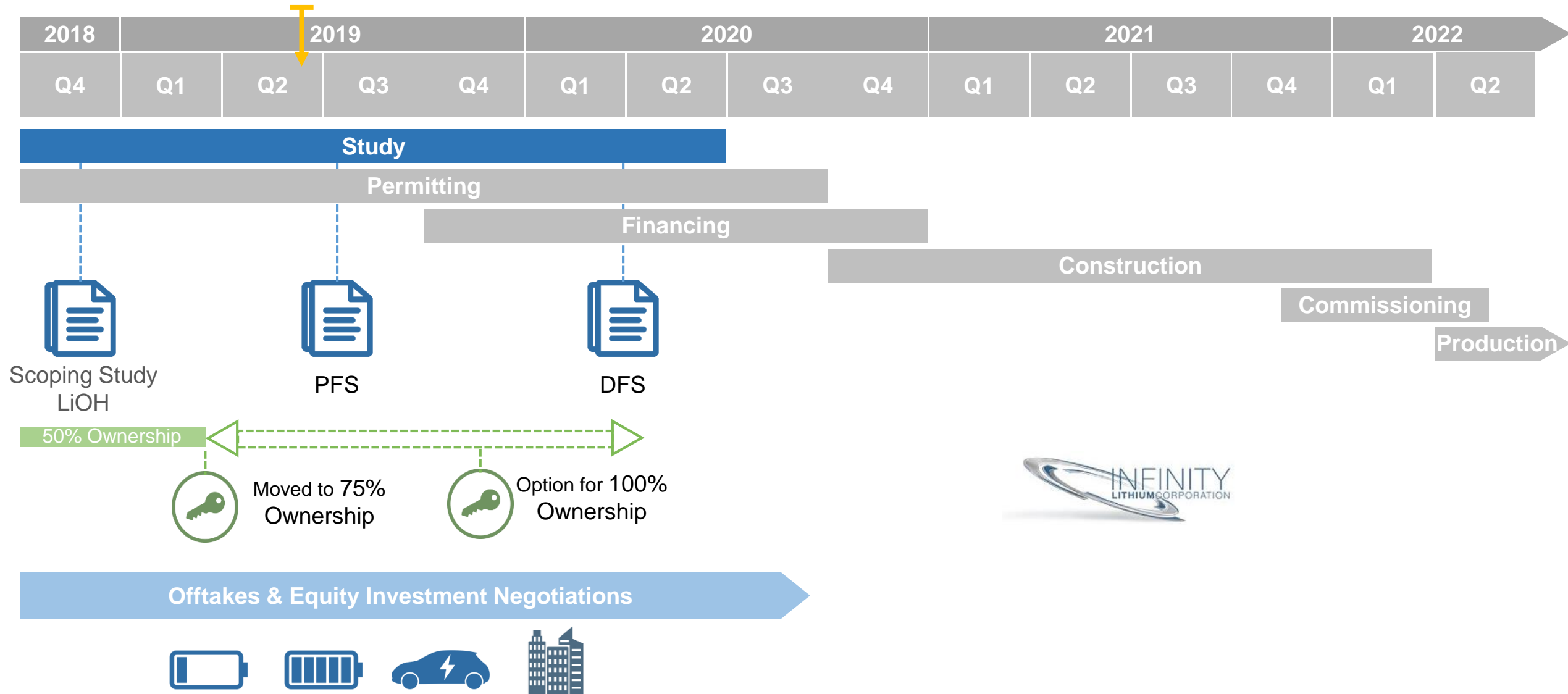
x40 water
consumption

All reagents necessary for lithium processing **available domestically** as opposed to importing them from thousands of kilometers away





San Jose Project Timeline



Infinity Lithium In 7 Points



1- Strong Demand Outlook For Lithium In Europe



2- Infinity is Strategically Located in Spain



3- Focusing On the Fastest Growing Chemical Product



4- A Uniquely Fully Integrated Lithium Project



5- A Large And Long Term Asset Supporting EV Growth



6- San Jose Lithium Project Supported by Strong Economics



7- Sustainable, Low Carbon Footprint Operation

Board of Directors & Management

Kevin Tomlinson Non Executive Chairman



MSc Geol, Grad
Dip Finance &
Investment

- +30 years experience in mining and finance within the Toronto, Australian, and London stock markets
- Background in project finance, development, and mining experience includes previous roles as Managing Director at Westwind Partners/Stifel Nicolaus and as a board member of Medusa Mining
- Currently on Boards of Centamin (LSE.CEY and dual TSX.CEE listed) and Cardinal Resources (ASX.CDV)



Ryan Parkin Managing Director/CEO



CA ANZ
BComm
Accounting &
Finance

- +15 years experience in corporate development, accounting and finance in both listed and unlisted companies
- Currently on Board of non-listed mining industry entity

Robert Orr CFO & Company Secretary



Chartered
Accountant

- Acted as Chief Financial Officer and Company Secretary for a number of ASX listed companies, with over 30 years' experience in public practice and commerce.

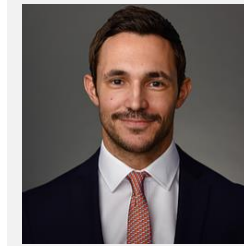
Adrian Byass Executive Director



BSc Geol Hons,
B. Econ

- +20 years in the mining industry both in listed and unlisted entities globally, Non-Executive and Executive Director of various listed and unlisted mining entities, which have successfully transitioned to production in bulk, precious and specialty metals around the world
- Currently on Boards of ASX phosphate, zinc and nickel companies.
- ASX and AIM Board experience

Vincent Ledoux Pedailles Executive Director



MA Business

- Background in consulting and research in the petrochemical industry, specialty chemicals, industrial minerals, base and minor metals
- Led the Lithium & Battery Metals team at IHS Markit and involved in the lithium industry since the early 2010's starting with Talison Lithium

David Valls Technical Manager - Spain

BSc Geology



- +10 years in the mining and exploration industry in Europe and Africa as technical manager in the development of base and energy metals projects



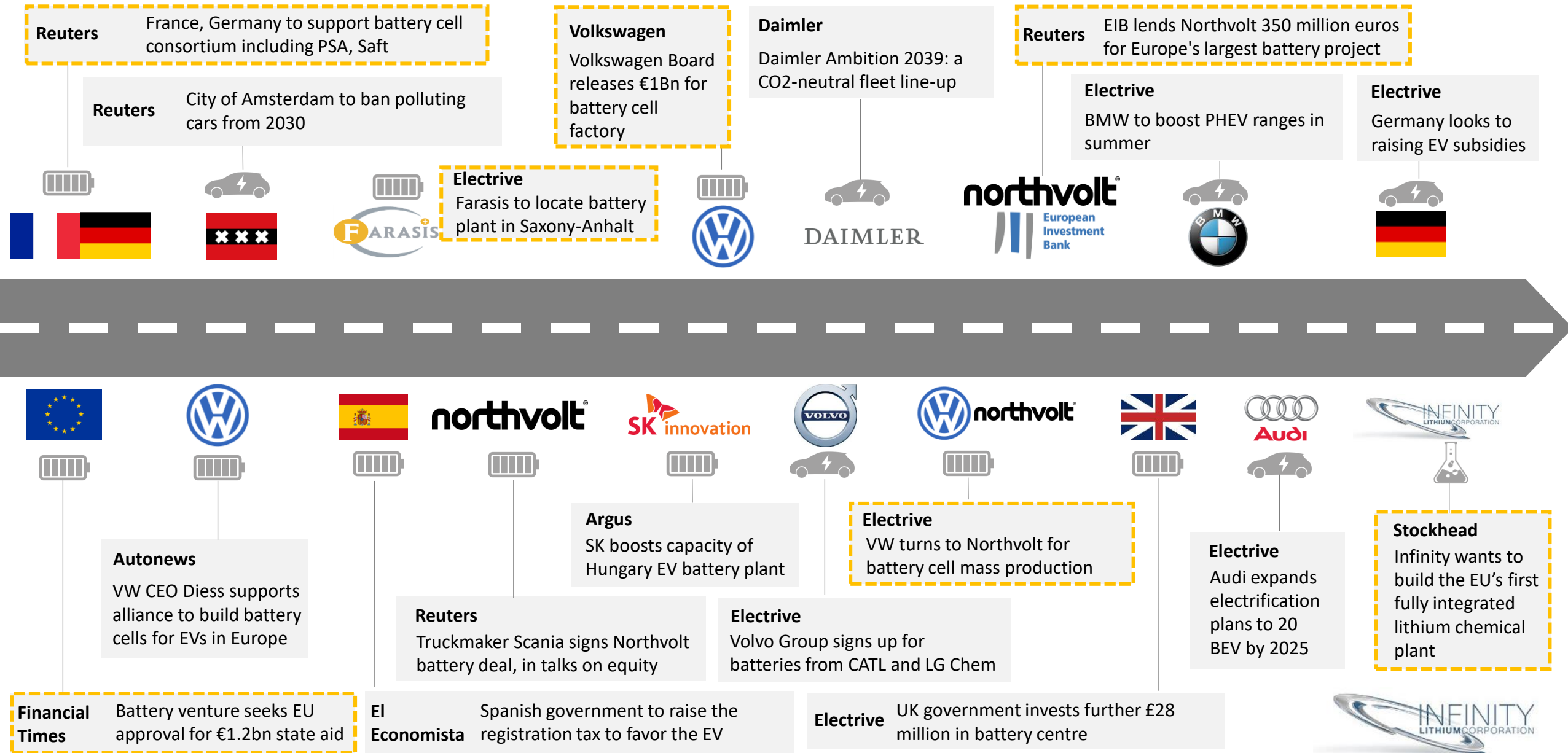
INFINITY LITHIUM

Developing lithium production in
Europe to power a renewable future

































APPENDIX

May News The European Li-ion Battery Supply Chain



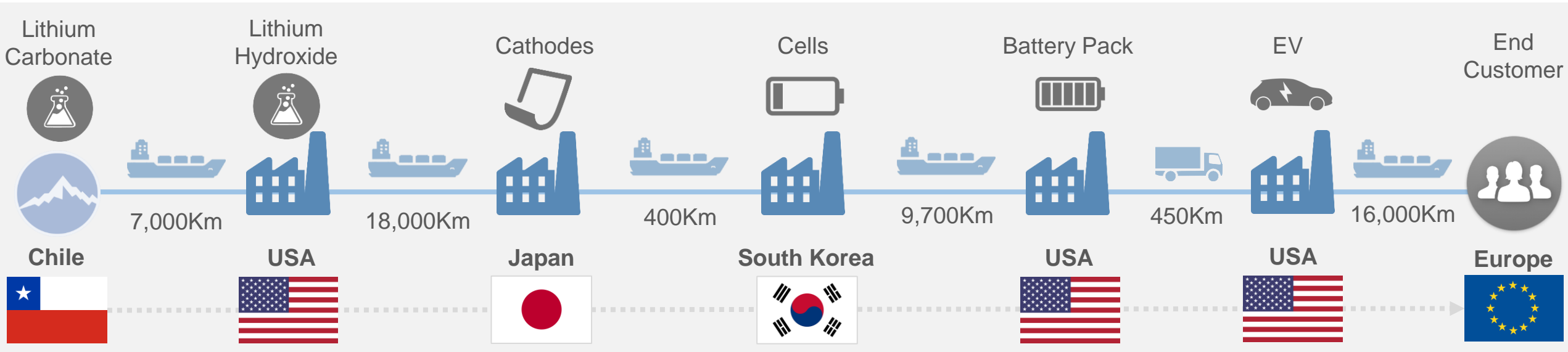
Infinity: The Best Large Scale Integrated Project In The EU

Company	European Metals	Infinity Lithium	Bacanora	Savannah Res.	Keliber	European Lithium	Lithium Australia
Project	Cinovec Czech Republic	San Jose Spain	Zinnwald Germany	Mino do Barroso Portugal	Several Finland	Wolfsberg Austria	Sadisdorf Germany
Mineral	Mica (Zinnwaldite)	Mica (Zinnwaldite)	Mica (Zinnwaldite)	Spodumene	Spodumene	Spodumene	Mica (Zinnwaldite)
Li2O (%)	0.42	0.86*	0.7	1.04	1.16	1.0	0.45
Mine	Underground 	Open pit	Underground 	Open pit	Open pit & Underground	Underground 	Underground 
Resources	7Mt LCE	1.6Mt LCE	0.66Mt LCE	0.52Mt LCE	0.29Mt LCE	0.27Mt LCE	0.27Mt LCE
Stage	Work on DFS Li2CO3 Work on PFS for LiOH	Working on PFS	FS Published	Working on FS	DFS completed	Working on DFS	Exploration
End-product	Li2CO3 or LiOH	LiOH	LiF	Spodumene	LiOH	LiOH	Li2CO3
Opex \$/t (before credits)	5,211  	5,343 	11,659***   	271 	5,358 	7,160   	n.a
By-product	Calculated Tin, tungsten & potash	Not calculated Tin & boron	Potassium sulphate	Not calculated Quartz & Feldspar	Not calculated Analcime sand & quartz- feldspar sand	Not calculated Feldspar & Quartz	n.a
Capex	\$393M	\$288M**	\$180M	\$109M	\$370M	\$424M	n.a
Project life	21y 	24y 	30y 	11y 	13y 	10y 	n.a
Production	22,500tpy	15,000tpy	7,285tpy***	175,000tpy spod.	12,000tpy	10,000tpy	n.a
Capex/t (\$/t)	17,467 	19,200 	24,708***  	n.a	30,800  	42,400   	n.a
Comment	<ul style="list-style-type: none"> High Iron Content Aggressive beneficiated feedstock at 2.7% 		<ul style="list-style-type: none"> Targeting Li Fluoride, a small market they could overflowed 	<ul style="list-style-type: none"> Export to China the only option today Not integrated 	<ul style="list-style-type: none"> To buy feedstock after 13 years Have to operate at 7 different sites 	<ul style="list-style-type: none"> High Capex High Opex Short life 	<ul style="list-style-type: none"> Using an unproven technology (SiLeach)

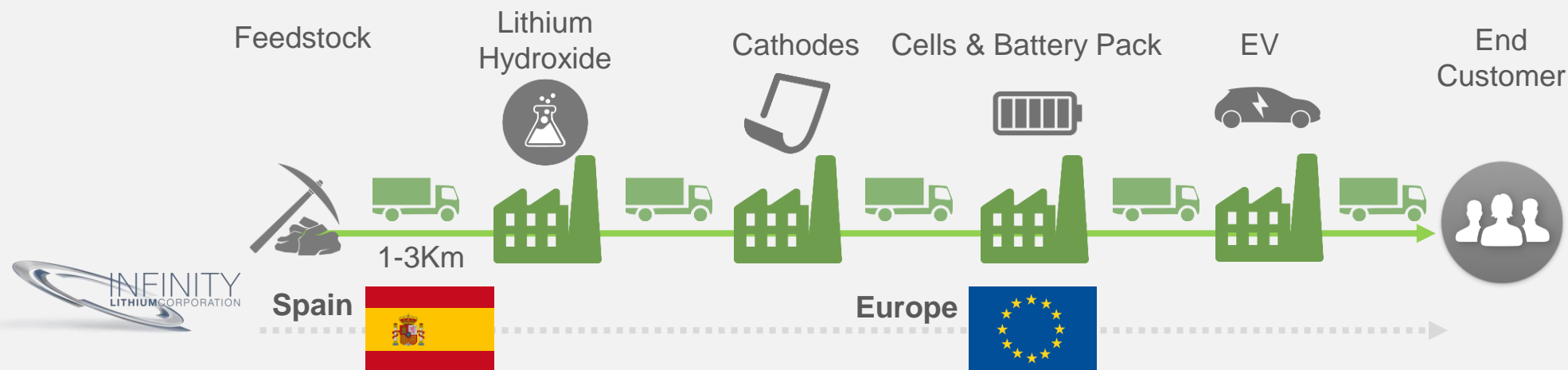
Carbon Footprint - Lithium

What is likely to happen when you buy a luxury EV in Europe

The lithium inside your car travels more than **50,000km** before you even start driving*



Integration – dramatically reducing the carbon footprint



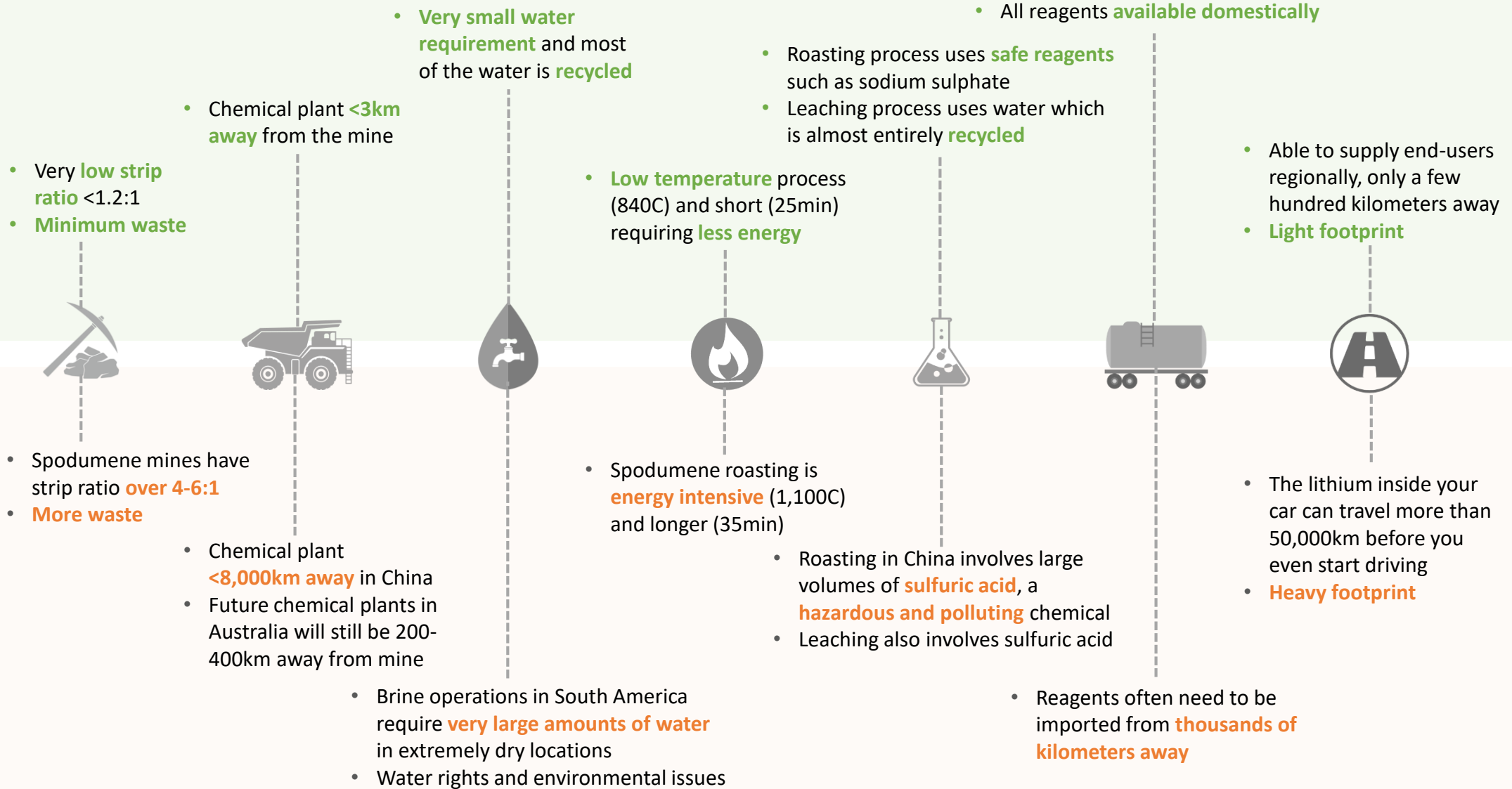
Potentially
<1/10 of
existing carbon
footprint

*Note: This is only one example of many supply paths possible across the supply chain.

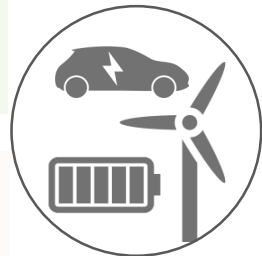
San Jose: A low Carbon Footprint & Sustainable Project

Infinity Lithium

Others



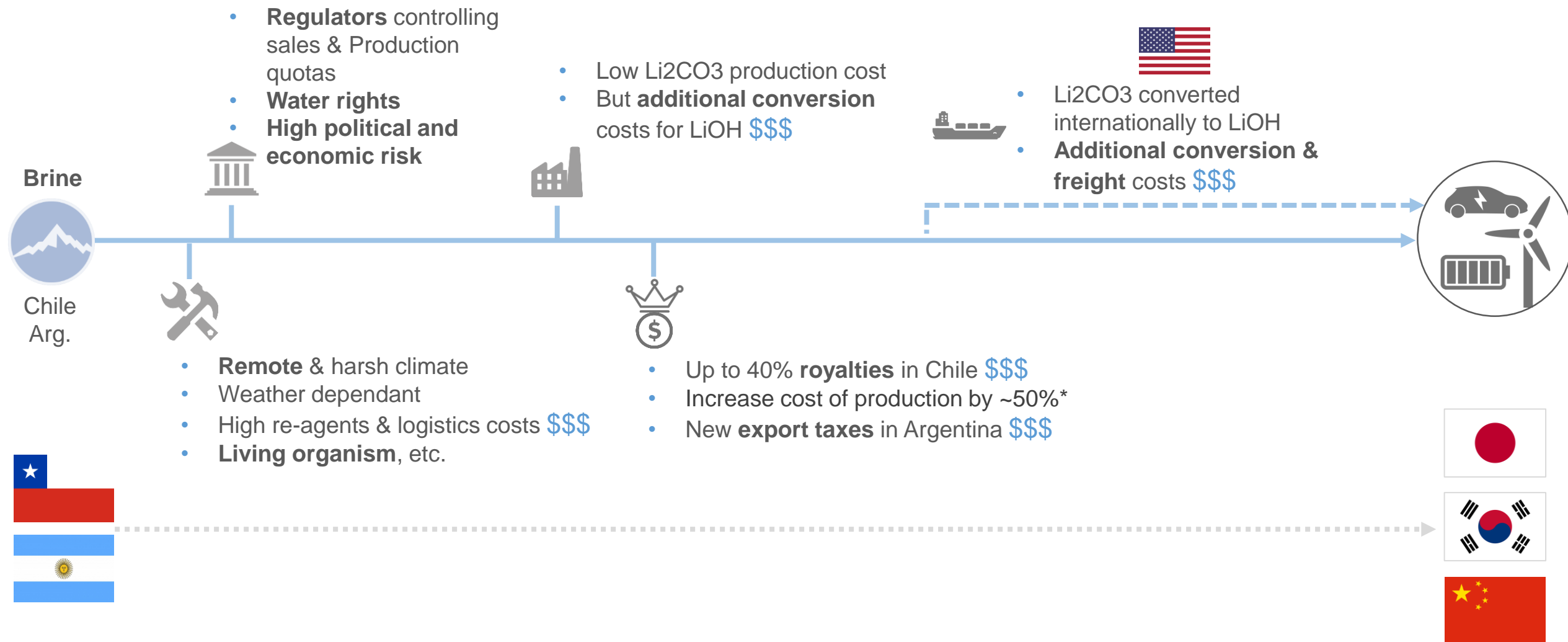
San Jose is a unique fully integrated lithium project, offering the



European lithium-ion battery industry in Europe a long term, large, and sustainable source of supply.

Many Paths to Market but Integration & Proximity is Key

1- South America to Asia

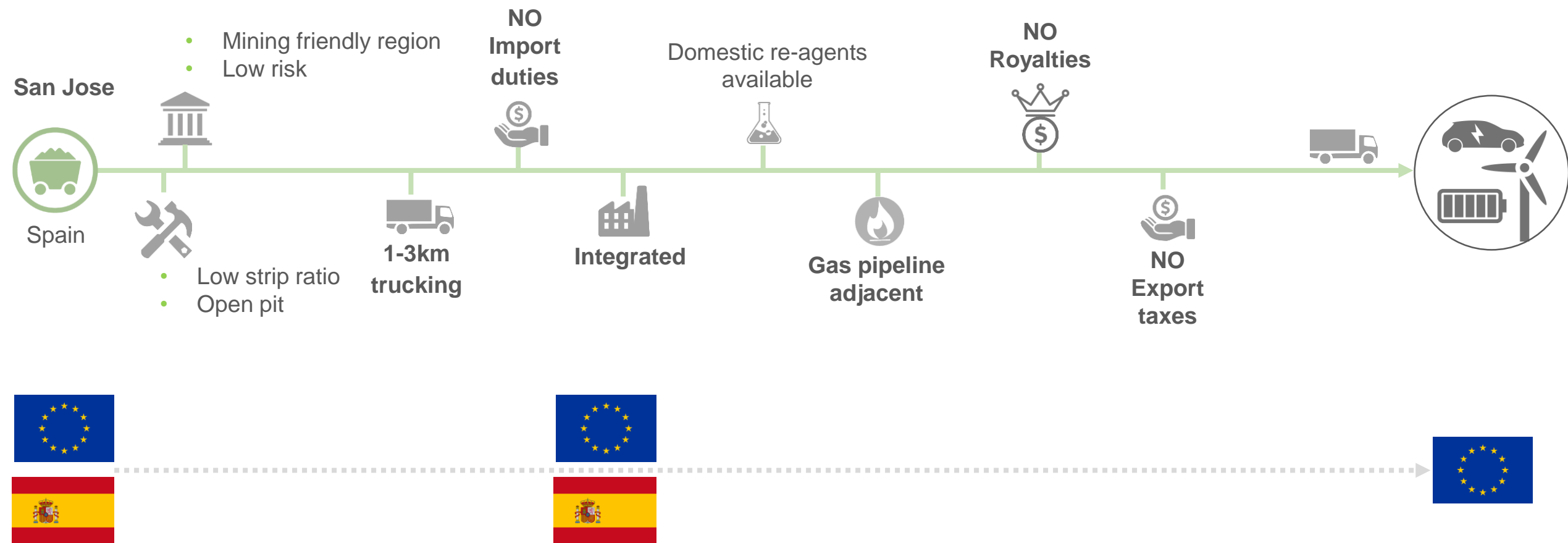


- Mining friendly
- Low political and economical risk
- Small royalties 💰

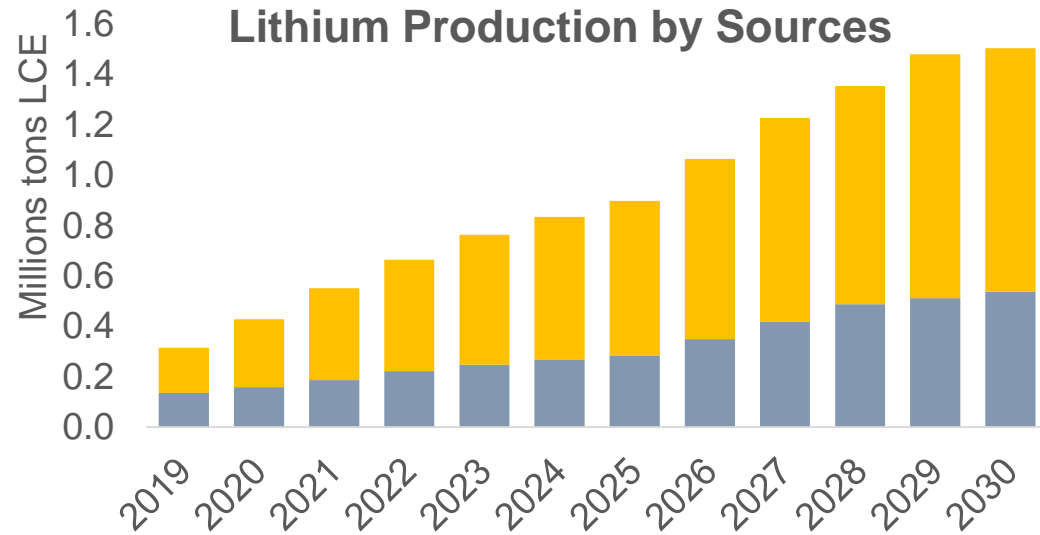


Many Paths to Market but Integration & Proximity is Key

3 – Europe to Europe



Integration: The Way Forward for Hard Rock Production



■ Lithium Chemicals - from Converted Rock

■ Lithium Chemicals - Brine



Hard rock to dominate mine supply response



Easier mining jurisdiction, lower risk

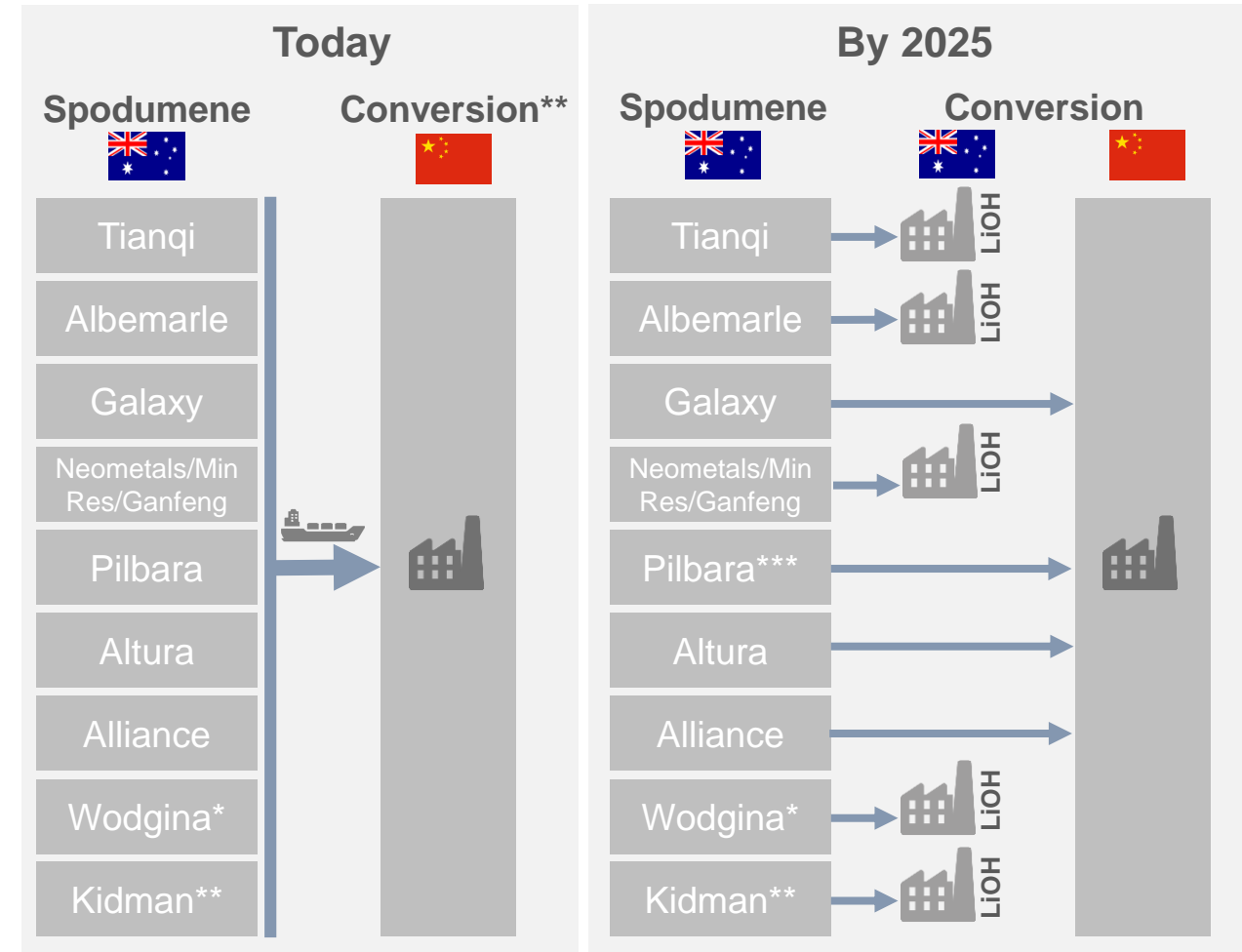


Preferred feedstock for lithium hydroxide



However, **mine production does not equal lithium chemical production**

Integration process for miners will improve efficiency

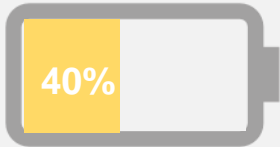


*Minerals Resources & Albemarle **SQM & Westfarmers ***Conversion in South Korea

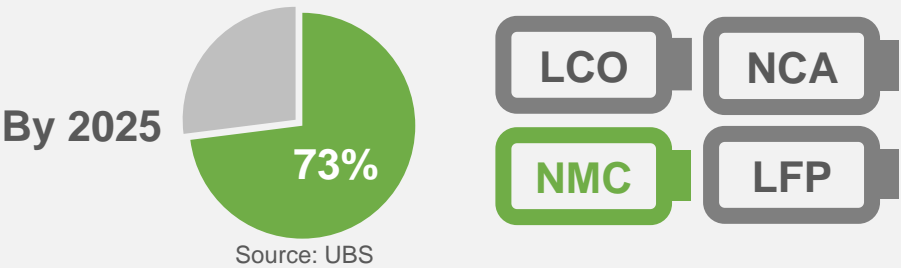
Source: Canaccord Genuity - Lithium | 2019 recharge

Focusing On the Fastest Growing Chemical Product

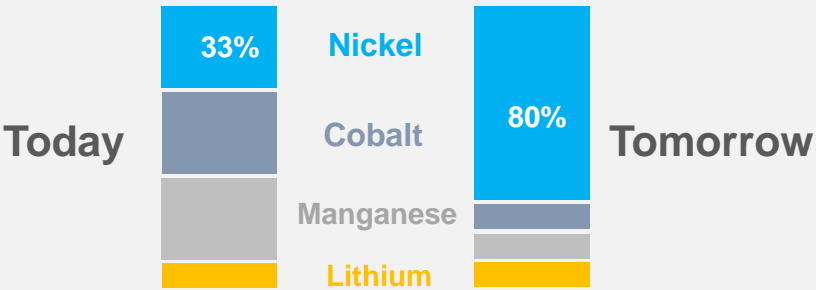
The **cathode** is a battery component which represents the **largest cost** of a battery cell and it is where lithium is used



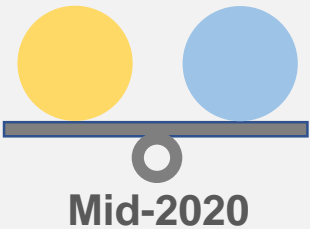
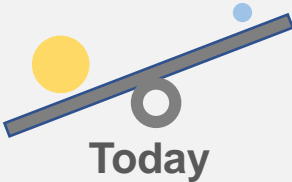
There are different types of cathode but **NMC** (Nickel, Manganese, Cobalt) will **dominate** the industry



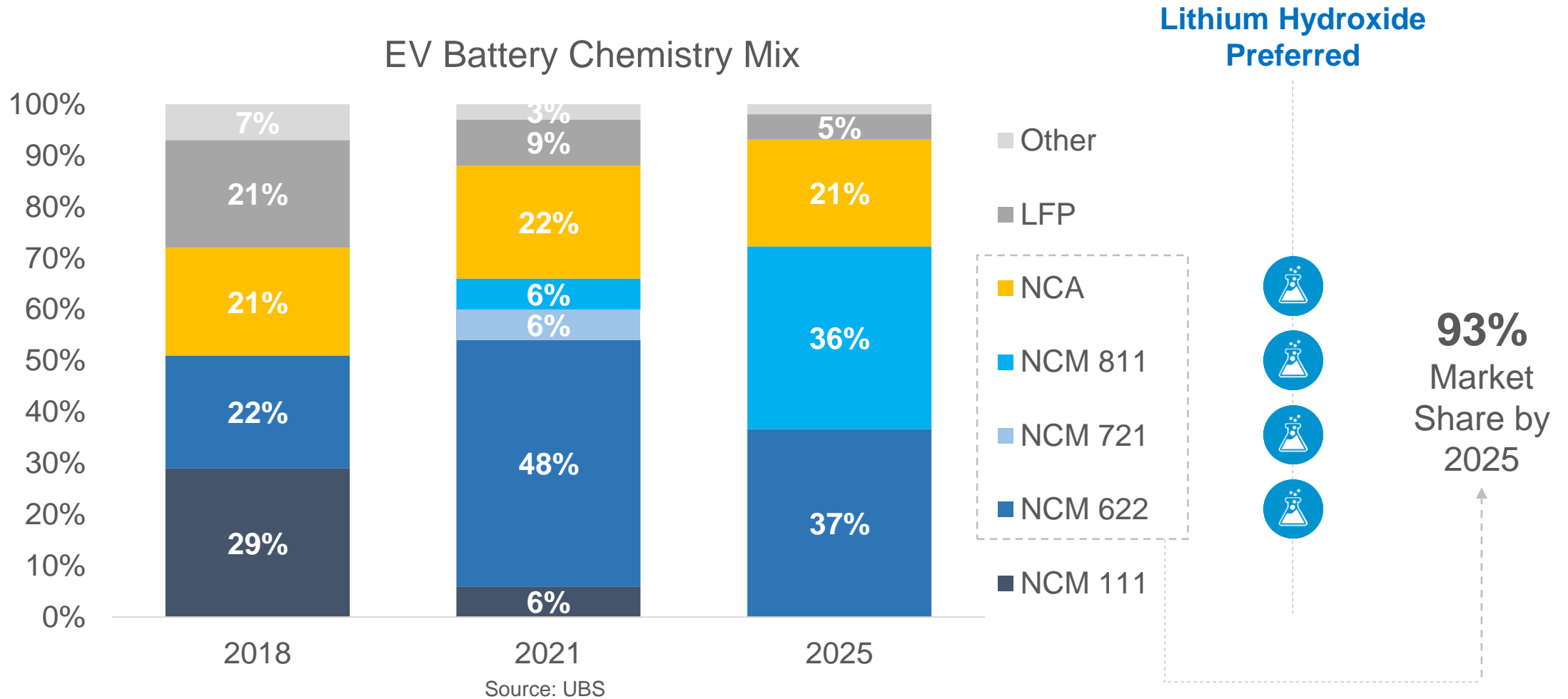
The NMC cathode is evolving and using **more nickel** and **less cobalt** to increase energy density ➡ better driving range



High nickel content cathodes require **lithium hydroxide** as opposed to **lithium carbonate** ➡ faster growth for hydroxide >30%py

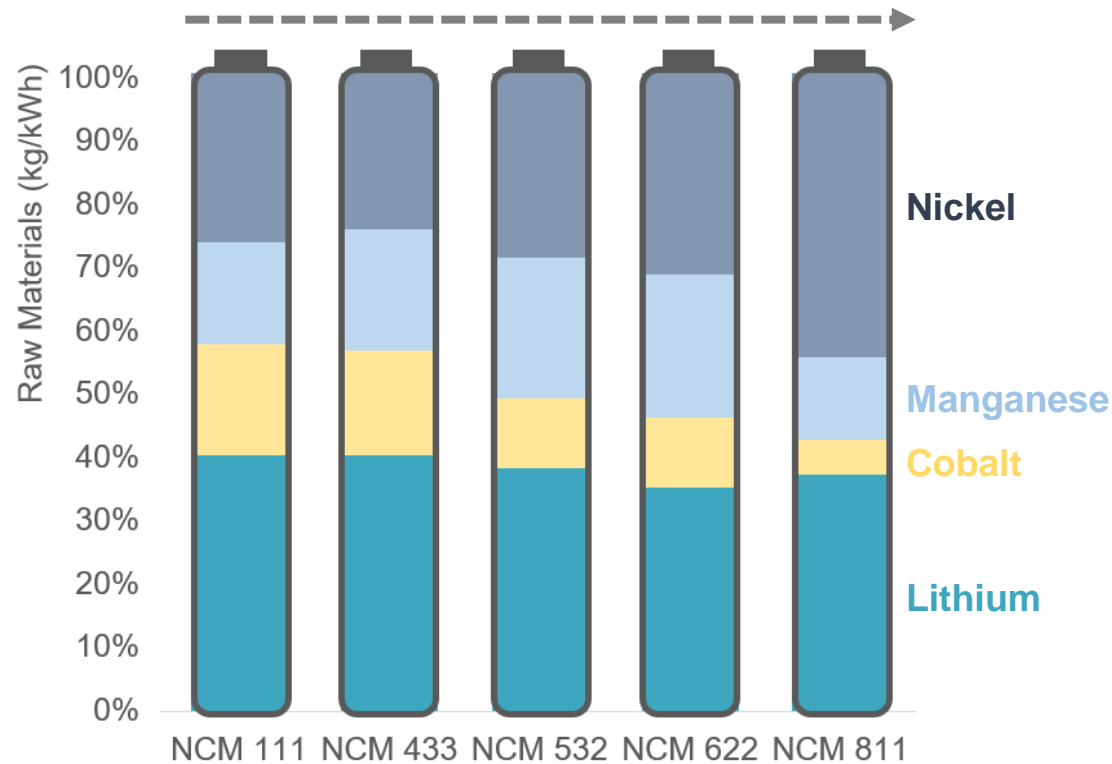


Cathode Evolution: Nickel-rich NMC to Dominate the Industry



Cathode Technology Evolution Leading To Shift In Lithium Demand

NMC – a leading technology evolving



- **NMC is set to dominate** the industry
- The NMC cathode itself is evolving and using **more nickel**
- NMC 622 & 811 but also NCA **require lithium hydroxide**

Source: BNEF, Canaccord

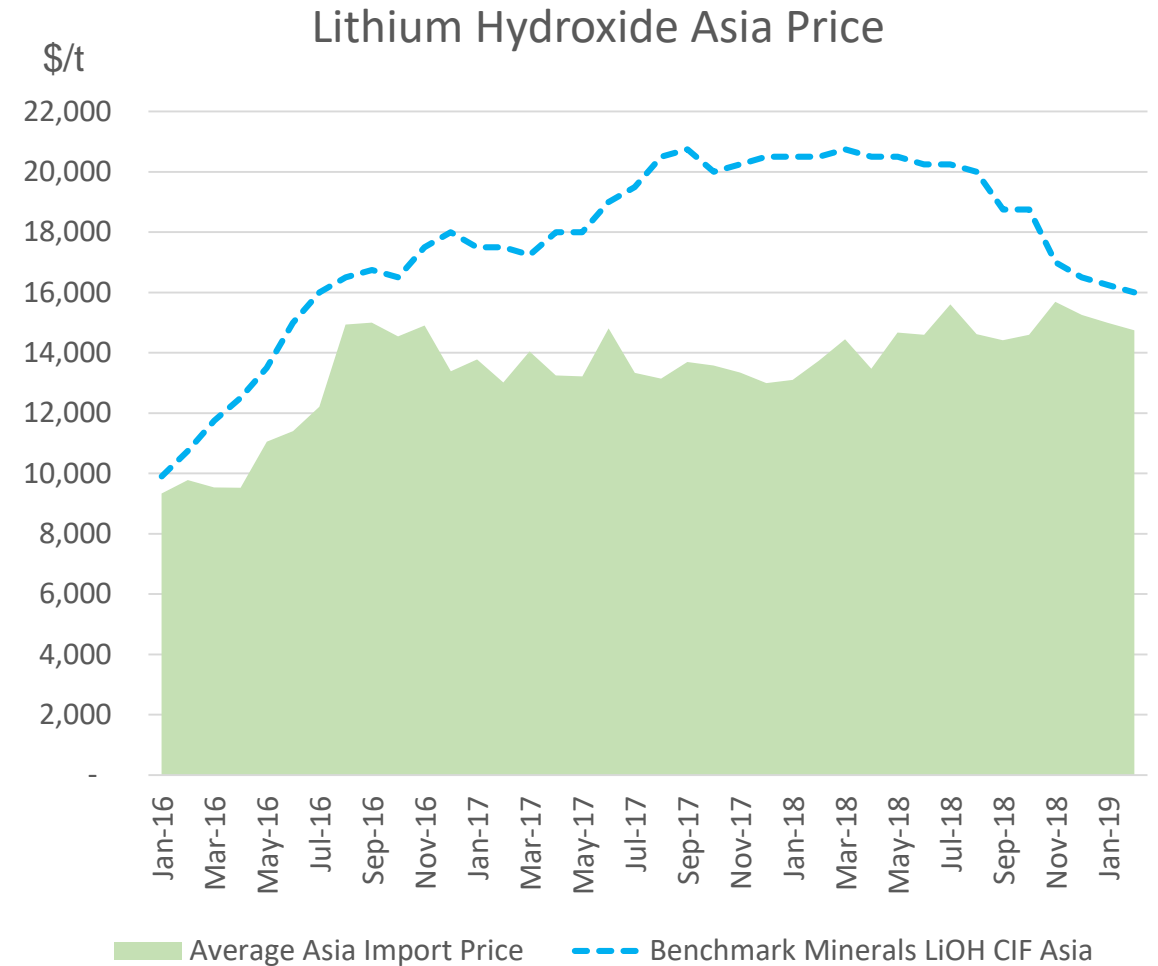
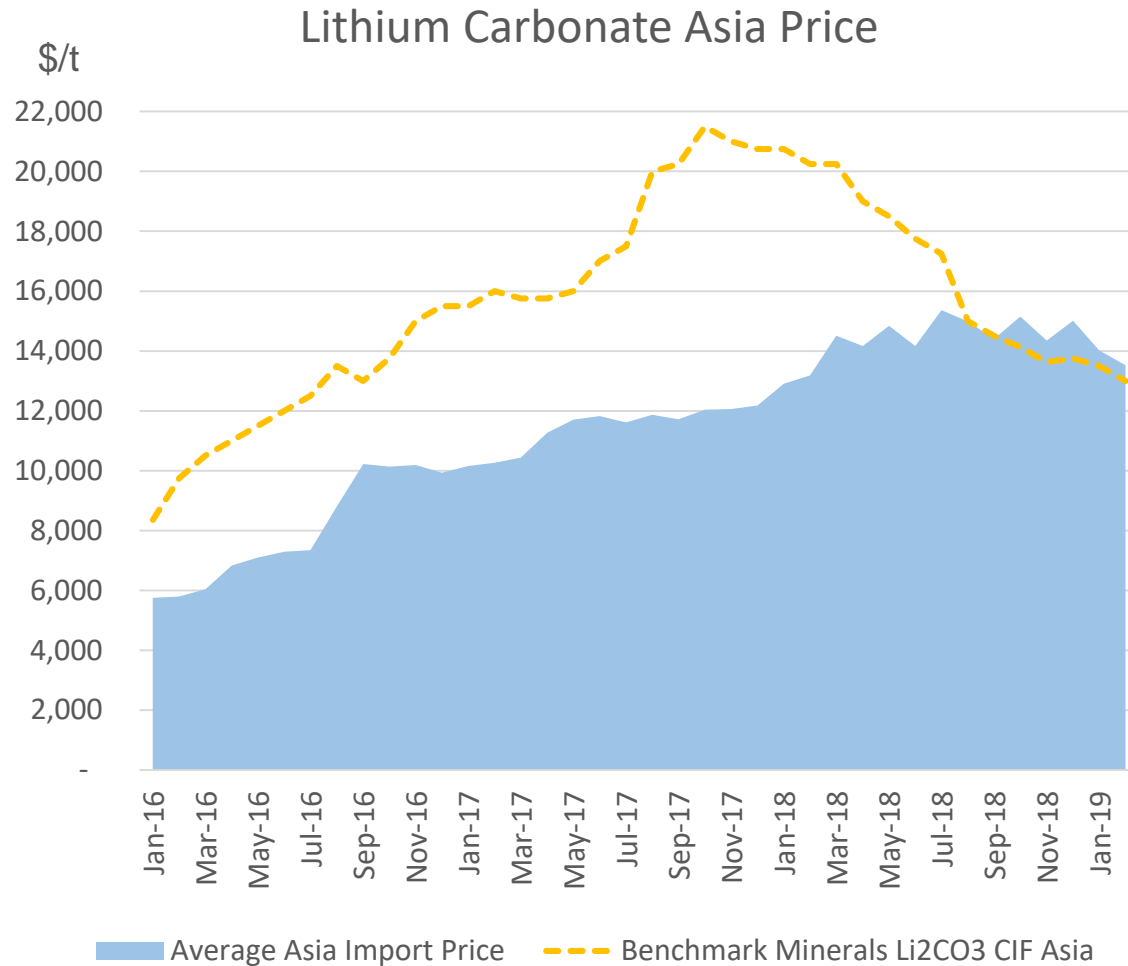
Lithium Demand: Carbonate vs. Hydroxide



- **Lithium hydroxide demand is growing faster than lithium carbonate** and most of the recent investments in lithium chemical plants have been in lithium hydroxide production

Source: Canaccord Genuity - Lithium | 2019 recharge

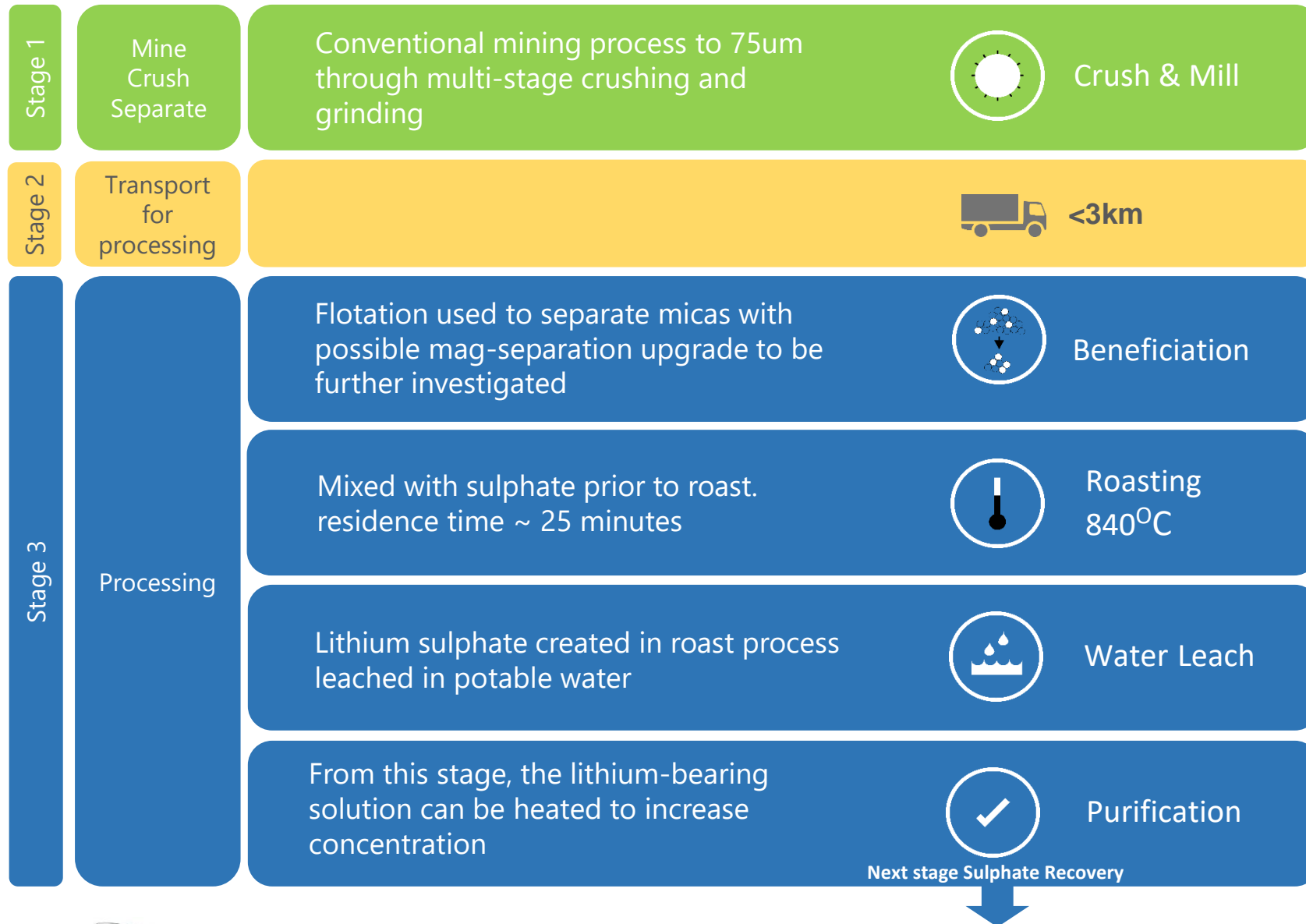
Lithium Prices – Spot and Trade In Asia



- Combining Japan, South Korea and China clearly shows the upward trend during the last three years
- Clear disconnect with reported spot prices which have now moved under or near contract prices

From Mining to Lithium Bearing Solution

1



Mineralogy

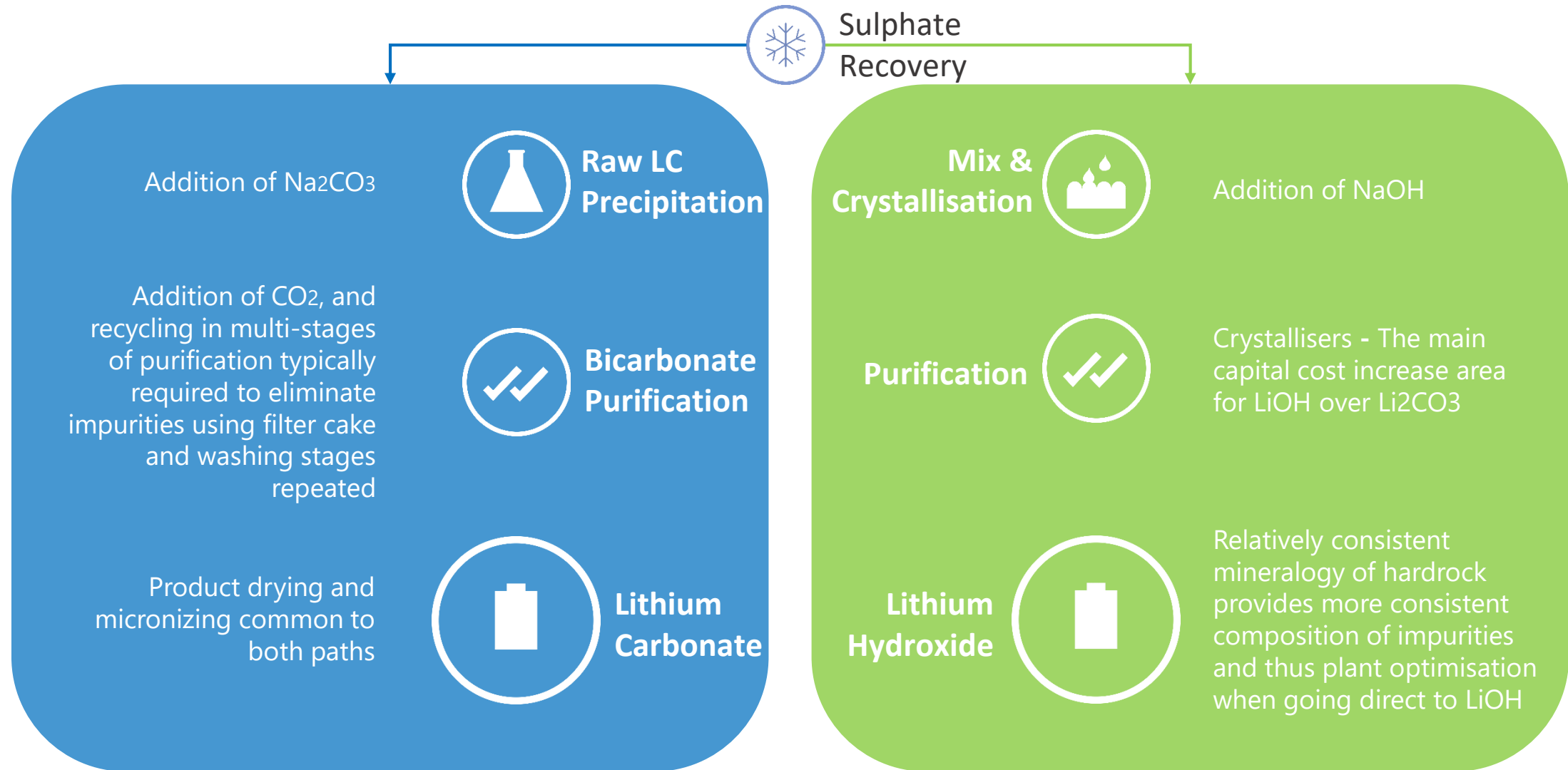


■ Mica ■ Quartz ■ Tourmaline

Ore material is approximately equal parts lithium-bearing mica, quartz and tourmaline

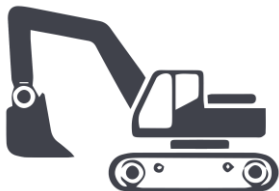
Lithium Bearing Solution to Lithium Product

2

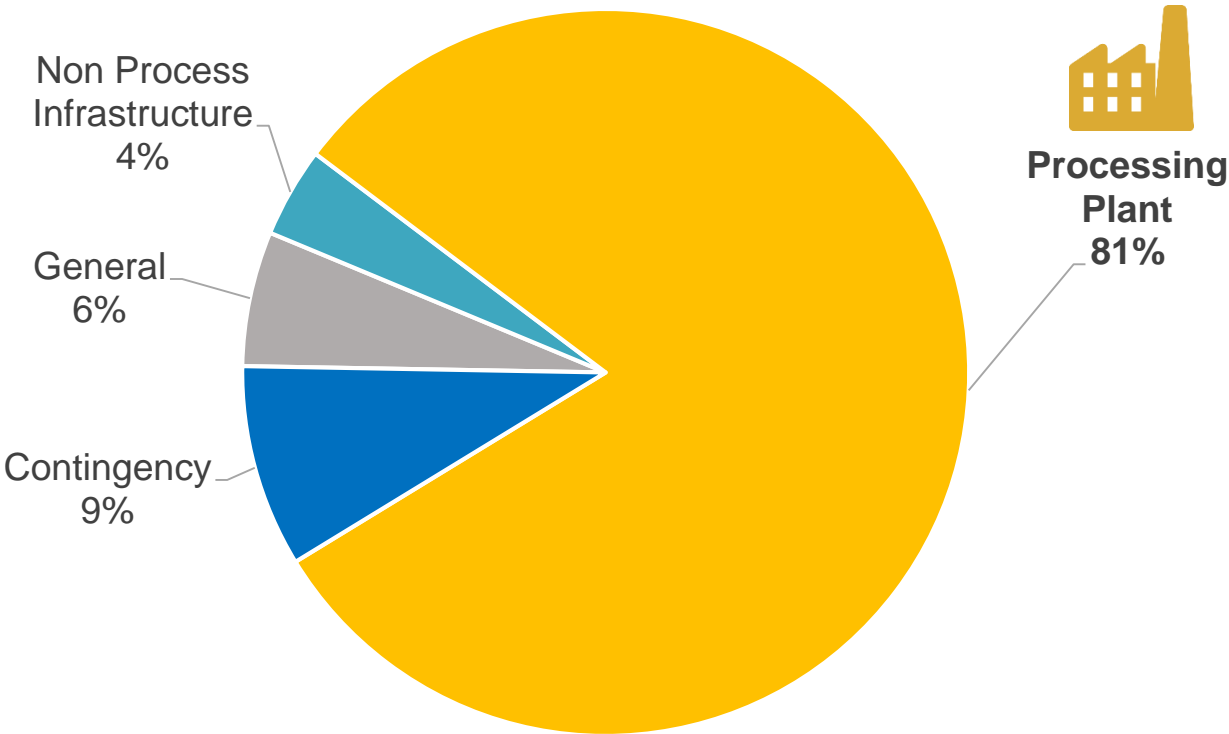


CAPEX Requirements

General	US\$18.0m
Non Process	US\$10.4
Process Plant	US\$233.7m
Contingency	US\$26.2m
TOTAL	US\$288.3m



Start-up CAPEX US\$288



Opex & Processing Costs

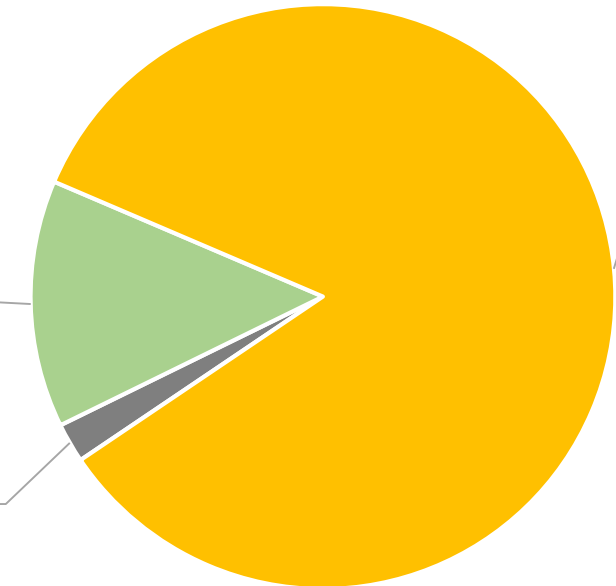


OPEX \$5,343/t LiOH



Mining
14%

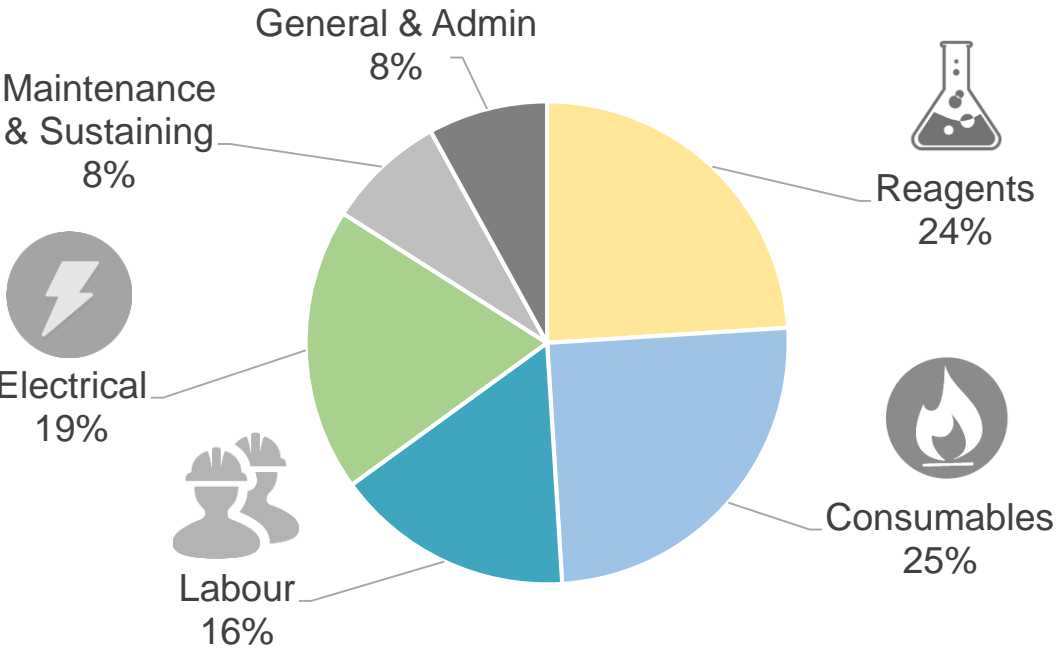
General
2%



Processing
84%



Processing \$4,494/t LiOH



General	US\$117/t
Mining	US\$731/t
Processing	US\$4,494/t
TOTAL	US\$5,343/t

Reagents	US\$1,101/t
Consumables	US\$1,117/t
Labour	US\$731/t
Electrical	US\$860/t
Maintenance & Sustaining	US\$339/t
General & Admin	US\$346/t
TOTAL	US\$4,494/t

San Jose Lithium Project - Joint Venture Structure

