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Alkemy Capital Investments Plc

Alkemy secures allocation of land for its Port Hedland Lithium Sulphate Refinery

Alkemy Capital Investments plc ("**Alkemy**") (ALK:LSE) (JV2:FRA) is pleased to advise that the Minister for State Development has announced that the Western Australian Government's Industrial Lands Panel ("**ILP**") has allocated an area of approximately 43.7 hectares within the Boodarie Strategic Industrial Area to Alkemy's wholly-owned subsidiary Tees Valley Lithium Ltd ("**TVL**") for the construction of its Port Hedland Lithium Sulphate refinery.

HIGHLIGHTS

- **Tees Valley Lithium has been allocated land to build a Lithium Sulphate (LSM) refinery at Boodarie at Port Hedland, Western Australia the largest bulk export port in the world and the largest container port in Australia.**
- **Tees Valley Lithium has been allocated land along with BP, POSCO, Fortescue Metals and Alinta Energy with the aim of making Boodarie part of an A\$70 billion globally competitive Pilbara green industrial precinct.**
- **The Port Hedland LSM refinery will offer Australian spodumene producers a significant mid-stream processing option with direct access to the premium European battery market.**

Alkemy and TVL Director Sam Quinn commented:

"We are delighted to announce that TVL has secured an allocation of land at the new Boodarie Strategic Industrial Area, alongside other global leaders in the green industrial sector, to facilitate the development of the Port Hedland LSM refinery.

Building the Port Hedland LSM refinery will provide Australian spodumene producers with a complete mid-stream lithium refining solution with direct access to the European market through TVL's Lithium Hydroxide refinery at the Wilton International Chemicals Park in Teesside, UK.

This new Pilbara to Teesside supply chain will embody the new critical minerals supply chains possible under the recently signed free trade agreement between Australia and the UK and leverage the competitive strengths of Australia in mining and critical minerals processing and the UK in chemical refining.

Importantly, the Port Hedland LSM refinery will bring major value-adding to the Pilbara region, with significant multiplier benefits for the local community and the State of Western Australia, whilst reducing the carbon footprint of the end-to-end lithium battery cell supply chain to meet new European emissions standards."

TVL announced a plan to build an LSM refinery at Port Hedland in the Pilbara region of Western Australia in August 2022 after initial discussions with the relevant Western Australian Government agencies.

Those discussions led to a formal application to the Department of Jobs, Tourism, Science and Innovation ("**JTSI**") and DevelopmentWA for an allocation of land at the Boodarie Strategic Industrial Area ("**SIA**"), located approximately 12 kilometres south-west of Port Hedland.

Following the formal application, JTSI and DevelopmentWA reviewed the Port Hedland LSM refinery project proposal and prepared a recommendation for consideration by the ILP, which is made up of the Minister for State Development, Jobs and Trade and the Minister for Lands.

Following that review process, the ILP has now agreed to allocate an area of approximately 43.7

following that review process, the ILP has now agreed to allocate an area of approximately 1,000 hectares within the Boodarie SIA to TVL to progress the Port Hedland LSM refinery project towards a final investment decision.

TVL has been included as part of a select group of five companies allocated land at the Boodarie SIA, including BP, POSCO, Fortescue Metals and Alinta Energy, with the aim of making Boodarie SIA part of an A\$70 billion globally competitive Pilbara green industrial precinct.

The land allocated by the ILP is the location applied for by TVL for the Port Hedland LSM refinery.

The Boodarie SIA is an optimal site for an LSM refinery for a number of reasons:

- Proximity to existing and planned spodumene producers in the Pilbara;
- Well located for the import of spodumene production from other parts of Australia for conversion to primary LSM prior to export to the UK;
- Access to critical infrastructure, including skilled labour, the Great Northern Highway, the 210MW Alinta gas fired power station operating in the Boodarie SIA, existing gas pipeline infrastructure, existing water pipeline infrastructure and telecommunications (refer Figure 1 below);
- Adjacent to the world's largest bulk export port and Australia's largest container port at Port Hedland; and
- Ability to source renewable energy and energy storage from new developments planned in the region, delivering low carbon energy sources for the new LSM plant.

Figure 1 - Boodarie Strategic Industrial Area Overview To view the image, click on the following link: https://www.alkemycapital.co.uk/images/2023/Boodarie_Strategic_Industrial_Area_Overview.jpg

TVL will now commence discussions with DevelopmentWA regarding the terms of an option to lease the site at Boodarie as well as the precise footprint within the land allocated by the ILP. This option to lease is expected to be signed in the first half of 2023.

Downstream processing of Australian critical mineral production is a key focus of the Australian Federal Government and the Western Australian State Government and TVL is extremely appreciative of the support shown by the Western Australian Government Ministers and their agencies for the Port Hedland LSM refinery project.

Train 1 of the Port Hedland LSM refinery is set to process spodumene from Australian lithium miners to produce 40,000 tpa of primary LSM, with Trains 2-4 adding a further 120,000 tpa primary LSM production in future expansions.

Construction of Train 1 of TVL's LHM processing facility at the Wilton International Chemicals Park in Teesside, UK, the first of 4 trains planned for the site, is due to commence in 2023.

Initial production of 24,000 tpa of battery-grade LHM is planned for 2025. Once completed, all 4 trains will produce a total of 96,000 tpa LHM, representing around 15% of Europe's projected demand by 2030.

The Port Hedland LSM plant, together with TVL's planned LHM processing facility at the Wilton International Chemicals Park in Teesside, UK, will deliver a low carbon, de-risked lithium supply chain between Australian spodumene producers and the burgeoning European lithium battery cell market.

Further information

For further information, please visit Alkemy's website: www.alkemycapital.co.uk or TVL's website www.teesvalleylithium.co.uk.

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NOTES TO EDITORS

Alkemy is seeking to establish the world's leading independent and sustainable lithium hydroxide production by developing state-of-the-art Lithium Sulphate and Lithium Hydroxide facilities in Australia and the UK.

Alkemy, through its wholly-owned subsidiary Tees Valley Lithium, has secured a 9.6 ha brownfields site with full planning permission at the Wilton International Chemicals Park located in Teesside, a major UK Freeport to build Europe's first and largest Lithium Hydroxide processing facility.

Alkemy has completed a Class 4 Feasibility Study for its proposed lithium hydroxide facility which will process feedstock imported from various sources to produce 96,000 tonnes of premium, low-carbon lithium hydroxide annually, representing around 15% of Europe's projected demand.

The company has also secured a site near Port Hedland, Western Australia to build a world-class sustainable Lithium Sulphate refinery that will provide reliable feedstock for Tees Valley Lithium.

Forward Looking Statements

This news release contains forward-looking information. The statements are based on reasonable assumptions and expectations of management and Alkemy provides no assurance that actual events will meet management's expectations. In certain cases, forward-looking information may be identified by such terms as "anticipates", "believes", "could", "estimates", "expects", "may", "shall", "will", or "would". Although Alkemy believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those projected. Mining exploration and development is an inherently risky business. In addition, factors that could cause actual events to differ materially from the forward-looking information stated herein include any factors which affect decisions to pursue mineral exploration on the relevant property and the ultimate exercise of option rights, which may include changes in market conditions, changes in metal prices, general economic and political conditions, environmental risks, and community and non-governmental actions. Such factors will also affect whether Alkemy will ultimately receive the benefits anticipated pursuant to relevant agreements. This list is not exhaustive of the factors that may affect any of the forward-looking statements. These and other factors should be considered carefully and readers should not place undue reliance on forward-looking information.

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