

26 April 2023

Alkemy Capital Investments Plc

MOU with Altilium Metals for lithium sulphate feedstock and lithium hydroxide offtake

Alkemy Capital Investments plc ("Alkemy") (ALK:LSE) (JV2:FRA) and its wholly-owned subsidiary Tees Valley Lithium Limited ("TVL") are pleased to report that TVL has entered into an MOU with Altilium Metals Limited.

HIGHLIGHTS

- **Altilium Metals is a UK based clean tech group whose planned battery recycling facility in Teesside will have capacity to process scrap from 150,000 EVs and to produce 30,000 tonnes of Cathode Active Material per year, enough to power 20% of new EVs produced in the UK by 2030, making it one of the largest in Europe**
- **TVL and Altilium Metals have agreed to collaborate on the supply of lithium sulphate feedstock to TVL from Altilium Metals' battery recycling facility and will also investigate the supply by TVL of lithium hydroxide for Altilium Metals' planned Cathode Active Materials production facility, also in Teesside**
- **TVL and Altilium Metals will also work together to source further lithium feedstock and to collaborate to ensure a sustainable and robust battery supply chain of Cathode Active Materials to the North East of the UK**

Altilium Metals, a clean energy group focused on supporting the transition to net zero, and TVL, developers of the UK's first and Europe's largest lithium hydroxide processing facility, have entered into a MOU which will see the two companies collaborate to establish a sustainable and robust supply chain of critical battery minerals in the North East of England.

Under the terms of the MOU, TVL will investigate the supply of lithium hydroxide to Altilium Metals' planned cathode active materials ("CAM") production facility in Teesside. There it will be combined with critical metals recovered from end-of-life batteries and gigafactory scrap to produce CAM, the key component in the production of lithium-ion batteries, giving full battery circularity.

TVL's processing hub at the Wilton International Chemicals Park is in close proximity to Altilium Metals' planned battery recycling facility, also located in Teesside, that will have capacity to process scrap from over 150,000 EVs per year, making it one of the largest in Europe and the only one of its kind in the UK.

The two companies will also collaborate on the supply of lithium sulphate recovered from battery waste to TVL's refinery.

By sourcing raw materials recovered from battery waste in the UK, TVL will further reduce the carbon footprint of its refinery, by reducing its reliance on imported feedstocks. According to recent analysis by McKinsey, the carbon emissions of recycled battery materials are about four times lower than for newly mined battery materials. TVL aims to supply its UK and European customers with the world's lowest-carbon lithium hydroxide.

TVL plans to produce 96,000 tonnes of premium, low-carbon lithium hydroxide annually at its processing hub in Teesside. The refinery, which has been granted full planning permission, was recently highlighted by the UK's Critical Minerals Association as a project of strategic importance in the UK critical minerals midstream processing and refining sector.

In a further boost to the sustainability of both facilities, Altilium Metals plans to reuse waste sulphuric

acid produced at TVL's refinery to extract lithium and other critical metals from battery waste at its hydrometallurgical recycling facility.

The companies will also work together to source the lithium feedstock required to produce the balance of Altilium Metals' needs at its Teesside recycling facility. Designed by Hatch, the plant is designed to process a mix of different battery chemistries, including LCO, LFP and NMC, and multiple feedstocks, including gigafactory scrap and primary raw materials.

The two Teesside-based facilities look set to play a significant role in the UK's transition to electric vehicles and the development of a secure and sustainable domestic supply chain for lithium. TVL's refinery is expected to produce enough lithium hydroxide to supply 100% of the forecasted automotive demand in the UK by 2030.

Altilium Metals' planned recycling plant will produce 30,000 tonnes of CAM a year - enough to power 20% of new EVs produced in the UK by 2030.

Altilium Metals CTO, Dr Christian Marston, commented:

"We look forward to working with our neighbour in Teesside on a domestic, sustainable and low carbon source of critical minerals for a UK electrified supply chain, supporting directly the UK's net zero ambitions and its energy security."

Sam Quinn, Director of Tees Valley Lithium, commented:

"We are delighted to be collaborating with Altilium Metals and our respective Teesside facilities will play a significant role in the UK's transition to EVs and in the development of a UK domestic lithium supply chain."

TVL aims to supply its UK and European customers with the world's lowest-carbon lithium hydroxide and by sourcing lithium feedstock materials recovered from battery waste in the UK, TVL will further reduce the carbon footprint of its refinery."

About Altilium Metals

Altilium Metals is a UK based clean tech group that will reshape the UK and European automotive supply chain by offering high volume, domestic and low carbon sources of cathode and anode materials from recycling waste streams already in circulation, such as mining waste and end-of-life batteries.

In 2022, the company opened its Electric Vehicle Battery Technology Centre in Devon, to deepen and strengthen its competitive edge in the recycling of lithium-ion batteries. The scale-up processing line will provide the company with data to make informed decisions on materials handling, scalability and product quality at its planned Teesside recycling plant. It also owns a SX-EW hydrometallurgical plant on the largest copper mine waste resource in Eastern Europe and is currently developing that facility to recycle battery waste from 24,000 EVs starting end of 2023.

For more information go to www.altilium-metals.com

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 in Teesside, a major UK Freeport, to build the UK's first and Europe's largest lithium hydroxide processing facility.

Tees Valley Lithium has completed a Class 4 Feasibility Study for its proposed lithium hydroxide refinery 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.

Alkemy 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

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