Neometals’ Primobius JV Stelco Update

Neometals (ASX / AIM: NMT)

Announced that Primobius GmbH, the joint venture company owned 50:50 by Neometals and SMS group GmbH, has executed revised agreements with Stelco Holdings Inc.

Stelco Holdings Inc. and Primobius have agreed term extensions for the technology license and lithium-ion battery recycling JV option agreements entered into in late 2021

Neometals	**ASX / AIM : NMT**
Stage	**Production + development**
Metals	**Titanium + Vanadium + lithium + nickel**
Market cap	**A$442 m @ A$.80**
Location	**Western Australia, Germany, Finland, USA**



Neometals Primobius JV official opening

Primobius Commercial Update

Neometals Ltd (ASX: NMT & AIM: NMT) ("Neometals" or "the Company"), is pleased to announce that Primobius GmbH ("Primobius"), the joint venture company owned 50:50 by Neometals and SMS group GmbH ("SMS group"), has executed revised agreements with Stelco Holdings Inc. ("Stelco").

Highlights

- Stelco Holdings Inc. and Primobius have agreed term

extensions for the technology license and lithium-ion battery recycling JV option agreements entered into in late 2021; and
• Stelco 'Spoke' plant supply agreement and option exercise decision timelines adjusted to align with completion of 'Hub' engineering cost study in June Q 2023.

Under the revised technology licensing agreement ("Revised Stelco License") and option agreement ("Revised Stelco Option") ("together Revised Stelco License and Option"), Stelco has extended the option exercise timeline for Primobius to buy-in to its lithium-ion battery ("LiB") special purpose vehicle ("Stelco SPV").

Since 2021, the parties have been conducting due diligence, front-end engineering studies and building the business case for a long-term commercial recycling relationship (for full details refer to Neometals ASX announcement titled "Primobius to enter North America with Stelco for Recycling of Electric Vehicle Batteries" dated 31st December 2021 **here**).

The Stelco SPV plans to process LiB's from end-of-life vehicles in North America that Stelco secures for its scrap steel requirements. Its first 50 tpd integrated LiB recycling operation is planned to be located at Stelco's former Hamilton Works outside Toronto, Canada.

Primobius' offer of a plant supply contract to Stelco SPV is now planned for the September Q 2023 following the completion of customer trials and engineering cost studies in the June Q 2023 (for full details refer to Neometals ASX announcement titled "Primobius Operations Update" dated 25th November 2022).

Under the Revised Stelco License

and Option:

• Primobius has the right to acquire between 25% and 50% of the equity in the Stelco SPV (a Canadian domiciled corporation) on or before 31 December 2023.
• If Primobius acquires equity in the Stelco SPV the technology license becomes royalty free, if not exercised the royalty remains at 10% gross sales basis.
• The date upon which termination rights arise if the Stelco SPV has not obtained executable term sheets for battery feedstock and critical reagents has been extended to 31 December 2023.

To read the full news release, please click HERE

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If you need clarification of any information contained in this note, or have any questions, I will be delighted to assist – Please email andrew@city-investors-circle.com

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