

ASX Announcement

ASX: CMG

6 December 2024

Federal Government announces that CMG is to be awarded a \$2.7 million grant

Key Highlights

- **\$2.7 million to be awarded to CMG as a grant under the Australian Government's International Partnerships in Critical Minerals Program**
- **CMG will collaborate with Idemitsu to launch a domestic vanadium electrolyte production chain for the vanadium flow battery industry**

Critical Minerals Group Limited (**ASX:CMG**) (**CMG** or **Company**) is pleased to announce that the Australian Government (through the Department of Industry, Science and Resources) has notified the Company and made a public announcement today¹ that it will be awarded a grant of approximately \$2.7m through the Australian Government's International Partnerships in Critical Minerals (**IPICM**) program (**the Grant**).

Funds received under the IPICM program will be used by CMG, in collaboration with CMG's largest shareholder Idemitsu Australia Pty Ltd (**Idemitsu**), to launch a domestic vanadium electrolyte production chain for battery-grade chemical minerals. The Grant will support several key development activities including the commissioning and operation of a vanadium electrolyte production facility, the extraction of mineralised material from a proposed test pit on the Lindfield Vanadium Project and the processing of this material in the QLD government operated common user facility in Townsville.

¹ [New grants to build Australia's critical minerals sector | Ministers for the Department of Industry, Science and Resources](#)

The Grant will enable CMG to fast-track the development of the vanadium electrolyte value chain. While the detailed terms of the grant will be forthcoming in the formal grant documentation, it is understood that co-contribution to the project of an equal amount to the grant will be required, which the Company will fund from its available cash.

CMG is proud to have been approved as a recipient of funding in this round of the IPICM program and looks forward to entering into a binding agreement with the Australian Government to formalise the terms of the grant. Further details regarding CMG's project and all other relevant information in relation to the grant will be released to ASX once the grant agreement has been signed.

CMG's Managing Director, Scott Winter, commented:

"Being approved for the award of this grant is a key milestone for CMG, and we are thrilled to be supported by the Australian Government to advance the role of vanadium in the establishment of the domestic vanadium flow battery manufacturing supply chain.

Idemitsu is our largest shareholder and have been a key supporter in the development of the business to date. We look forward to working with them further to grow and create a mine and processing facility, downstream electrolyte manufacturing plant and a robust value chain that supplies vanadium flow batteries for long duration energy storage needs both domestically and internationally.

This is an exciting time for CMG, and I would like to thank the Australian Government for its support and endorsement which will enable us to fast-track our production outcomes".

Idemitsu Australia's CEO and non-executive director of CMG, Steve Kovac, commented:

"The IPICM Program is a fantastic initiative from the Federal Government, and we welcome the opportunity to partner with CMG to deliver this project.

Idemitsu is committed to supporting the growing Critical Minerals sector and working with CMG to develop its operational and production capabilities".

Grant funding

The IPICM Fund has been established to support early to mid-stage critical mineral projects of mutual interest to international partners, which, in CMG's case, is Idemitsu Australia, a subsidiary of Japanese conglomerate, Idemitsu Kosan. The Grant supports the growth of global supply chains for critical minerals and will help to grow processing and downstream supply chain operations in Australia.

The Grant will be received in three tranches between 31 December 2024 and 31 December 2026 (or, in each case, such later date as notified by the Federal Government). The

agreement otherwise contains provisions commonly found in government grant agreements of comparable size, nature, and type, including customary preconditions regarding operating and financial arrangements, capacity to carry out the project, and reporting requirements.

This announcement was approved for release by the board of CMG.

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Forward Looking Statements

This announcement includes forward-looking statements. These statements relate to the Company's expectations, beliefs, intentions or strategies regarding the future. These statements can be identified by the use of words like "will", "progress", "anticipate", "intend", "expect", "may", "seek", "towards", "enable" and similar words or expressions containing same. The forward-looking statements reflect the Company's views and assumptions with respect to future events as of the date of this announcement and are subject to a variety of unpredictable risks, uncertainties, and other unknowns. Actual and future results and trends could differ materially from those set forth in such statements due to various factors, many of which are beyond our ability to control or predict. Given these uncertainties, no one should place undue reliance on any forward-looking statements attributable to the Company, or any of its affiliates or persons acting on its behalf. The Company does not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Neither the Company nor any other person, gives any representation, warranty, assurance, nor will guarantee that the occurrence of the events expressed or implied in any forward-looking statement will actually occur. To the maximum extent permitted by law, the Company and each of its advisors, affiliates, related bodies corporate, directors, officers, partners, employees and agents disclaim any responsibility for the accuracy or completeness of any forward-looking statements whether as a result of new information, future events or results or otherwise.