



QUEENSLAND  
PACIFIC METALS

## **EGM Presentation**

Dr Stephen Grocott  
Managing Director & CEO

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ASX:QPM

[www.qpmetals.com.au](http://www.qpmetals.com.au)

***Re-energising Australia with  
critical battery metals production***

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## Company



**Stephen Grocott**

**Managing Director & CEO**

[sgrocott@qpmetals.com.au](mailto:sgrocott@qpmetals.com.au)

# World Class Partners



## Combined US\$15m equity investment

- \$0.1364 per share (16.8% premium to 1-month VWAP)
- LGES 7.5% shareholder
- POSCO 3.2% shareholder

## Binding offtake agreement signed

- 7 year term + 3 year first right of refusal after term expires
- 7,000tpa nickel / 700tpa cobalt LGES
- 3,000tpa nickel / 300tpa cobalt POSCO
- Pricing linked to commodity prices at time of sale

## Extensive due diligence undertaken

- Technical due diligence undertaken by RPM Global focusing on process, scalability, New Caledonia ore supply and approvals pathway

## *What does this mean for the TECH Project?*

- World class, bankable offtake partners secured will assist in financing
- Baseload customers – majority of nickel and cobalt production is now contracted
- Additional equity investment allows QPM to bring forward detailed engineering work in parallel with DFS
- Vote of confidence from two world class battery manufacturers

# World Class Partners



*“This is the most meaningful investment in our supply chain for LG Energy Solution since the company spun out from LG Chem. We believe the TECH Project will deliver sustainable nickel and cobalt production that is in line with LGES’ operating philosophy. And our proactive investments in the supply chain such as this will ultimately play a role in further satisfying our customers.”*



*“We are delighted to co-invest with LG Energy Solution in Queensland Pacific Metals. We look forward to building our relationship with QPM and assess other business opportunities that may arise between QPM and POSCO.”*

# QPM Update

## Definitive Feasibility Study

- Hatch remains on schedule for target completion date of Feb 2022
- Overall DFS strategy is to use proven processes for each area of the plant with known equipment vendors, which will assist in de-risking ramp-up and operational availability
- Process flow diagrams (PFDs) are currently undergoing review
- QPM's strategy is to engage key vendors now and have them undertake detailed engineering, rather than waiting for post DFS. This maximises the opportunity for vendors to provide lump sum pricing, providing greater certainty over capex, and also allows QPM to better understand lead times to develop a critical path plan
  - Early vendor engagement is critical to maintain schedule
  - Target vendors have been identified and discussions have commenced
- Key equipment packages have been developed including
  - Control system hardware
  - Sulfate crystallisers
  - Acid recovery
  - Filter bank
- Completed Australian Industry Participation plan to maximise the involvement of Australian suppliers and contractors

# QPM Update

## Project Approvals

### Commonwealth

- Department of Agriculture, Water and the Environment (DAWE)
  - Two pre-lodgement meetings have been held with positive outcomes – indication from DAWE is that the approval will not require an EIS
  - Minor seasonal fieldwork to be completed, with nothing adverse expected
  - Formal lodgement of approval documents planned for August, with a decision expected in Q4 2021

### State

- State Assessment and Referral Agency (SARA)
  - Pre-lodgement meeting scheduled for July
  - Assuming no key issues are raised, formal lodgement of approval documents will take place in August
  - State Government has been very supportive

### Local

- Townsville City Council (TCC) Development Application
  - QPM is working closely with TCC to ensure that any specific requirements they have are addressed in the approval documents lodged with SARA
- Outside of Lansdown, QPM requires an approval to construct warehousing at the Port of Townsville – this is a self-assessment undertaken by the Port of Townsville and is a code-assessed development approval. No issues are expected

# QPM Update

## Community Engagement

- Two community sessions, one at Woodstock and one in Townsville, were held in June
  - Woodstock meeting attended by landowners in the region
  - Meeting met objectives of QPM which was to provide a better understanding of the TECH Project
- Direct one-on-one engagement is being undertaken with neighbouring landowners to ensure impacts are minimised
- QPM Townsville office is being established

# QPM Update

## Corporate

- Owner's team largely complete – seeking to hire a New Caledonia in-country manager and an Operations Manager to assist in DFS and plan for commissioning in 2023
- Finance and admin team has been finalised providing QPM with deep project finance and equity capital market experience
- Key in-country meetings were scheduled this month in Korea with LG Energy Solutions and POSCO – postponed due to COVID-19

## Funding

- RFP for Debt Advisor has been sent out – seeking August appointment
- Engagement with potential debt financiers
- Ongoing engagement with equity market institutional investors



# The QPM TECH Project

