

ASX ANNOUNCEMENT

Tuesday 18 January 2022

ChemX Materials Commences Trading on ASX

Key Highlights

- ChemX Materials will today officially commence trading on the Australian Securities Exchange under the code **ASX:CMX** at 2.30pm AEDT / 11.30am WST
- The listing follows a successful maximum capital raising of AU \$8 million under an Initial Public Offering (**IPO**)
- Loyalty Option: 1 option for every 4 shares held, to be offered approximately 3 months after ASX listing is currently proposed
- ChemX is a materials technology company focused on producing critical materials required for global de-carbonisation and electrification
- The flagship CMX HiPurA™ High Purity Alumina (HPA) Project is an innovative, in-house processing technology to produce HPA – a critical input for lithium-ion batteries, LED & semiconductor supply chains
- The Eyre Peninsula Projects, located 115kms west of Whyalla, South Australia are focused on manganese cathode materials and kaolin / halloysite products for both established markets and for rapidly emerging de-carbonisation technologies
- Planning for drilling at the Eyre Peninsula Projects, (Kimba Kaolin / Halloysite and Jamieson Tank Manganese) is well advanced, expected to commence in Q1CY2022

ChemX Materials (ChemX or the Company ASX:CMX), a materials technology company focusing on the energy transition and decarbonization markets, is pleased to announce that the company today commenced trading on the Australian Securities Exchange (**ASX**) following an IPO which raised \$8 million (before costs) through the issue of 40,000,000 shares at an issue price of \$0.20 per share.

Through the IPO, ChemX successfully raised the maximum subscription of \$8 million under its Prospectus, placing it in a very strong position to advance its key projects:

- HiPurA™ High Purity Alumina (HPA) processing technology project, *Perth Western Australia*
- Kimba Kaolin / Halloysite mining project, *Eyre Peninsula, South Australia*
- Jamieson Tank Manganese mining project, *Eyre Peninsula South Australia*

The IPO received strong support from institutional, sophisticated and retail investors across the globe. ChemX's portfolio of projects focuses on materials for use in the battery supply chain and decarbonisation processes and are very well placed to take advantage of the expected strong growth in demand from these markets.

ChemX offers a proven management team led by Kristie Young (Non-Executive Chair), David Leavy (Managing Director), Warrick Hazeldine (Non-Executive Director), Stephen Strubel (Executive Director) and Tamara Barr (Company Secretary), backed by experienced Research & Scientific Advisors - Dr Nicholas Welham (BEng Minerals Engineering, PhD Hydrometallurgy, FAusIMM) and Mike Ware (BSc Geology).

Commenting on the achievement, ChemX's Chair, Kristie Young said, *"It is a fantastic day for ChemX as we commence trading on the ASX. I'd like to personally welcome all shareholders to the register and thank them for their support as we set about increasing shareholder value by growing a company focused on materials technology with sustainability at our core. Manganese, kaolin, HPA for lithium-ion batteries. All valuable commodities.*

I'd also like to acknowledge the hard work of our Board, executive and advisors to deliver this IPO. In particular, Ventnor Securities as Lead Manager to the IPO, Amvest Capital Inc. who provided exclusive coverage of the North American institutional market, and our legal advisors Steinepreis Paganin."

ChemX's Managing Director, David Leavy, commented *"Our ability to achieve this fantastic result speaks to the outstanding growth potential inherent in our assets, the exceptional work our team has done to date, and confirms our view of the significant opportunities in the transformational markets we are targeting.*

ChemX is well-funded to execute its strategy to develop its HPA technology and explore the Kimba Kaolin / Halloysite and Jamieson Tank Manganese projects in South Australia with the aim of supplying materials to the energy transition and decarbonization markets.

We have hit the ground running and expect to deliver a solid amount of news flow in advancing the development of our HPA business and exploration from the Kimba Kaolin / Halloysite and Jamieson Tanks exploration projects in CY2022."

HiPurA™ High Purity Alumina (HPA) Project

The 100%-ChemX owned HiPurA™ HPA technology is a unique process to produce HPA for the lithium battery and synthetic sapphire markets. The technology has been proven to produce a 99.99% pure Al₂O₃ product at a bench scale, with optimisation studies conducted over the last three months providing the basis for the design of the flow sheet. The technology is expected to have lower capital and operating costs than incumbent HPA operators.

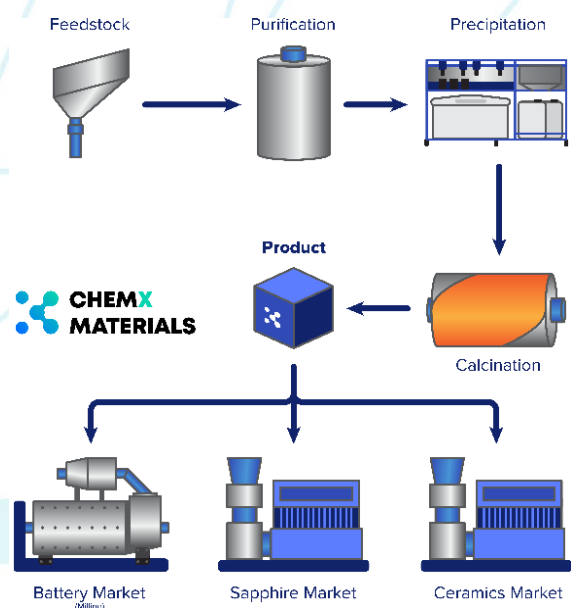


Figure 1: HiPurA™ Process Diagram

Key differentiators of the ChemX HiPurA™ technology:

- Scalable process, allowing production to grow with market and customer demand.
- Relatively low capital and operating costs.
- Modular, so production can be located close to end users. This shortens the logistics chain and reduces the carbon footprint.
- Uses a readily and globally available chemical as the key input/feedstock, i.e., HiPurA™ is not tied to specific mine production, and is therefore not impacted by mining approvals and upstream construction timeframes.

Primero, a Perth based leader in process engineering, has commenced the process design for a pilot plant to be constructed and commissioned in Perth, Western Australia within the next 12-18 months.

A “micro-plant” capable of producing 1-2 kg per day is currently under construction and is expected to be operational in Q2 CY2022. This will test the flowsheet under continuous operations and provide the initial samples for marketing and customer testing.

Kimba Kaolin / Halloysite Project

The Kimba kaolin / halloysite project is located 115kms west of Whyalla on the 100%-owned EL6634. Exploration by Pecheney, a French based multinational chemical company, has identified a number of kaolin deposits on the tenement, with the main ones being Kelly Tank, Bunora and Bunora East. Kaolin has also been identified in several areas outside of these three deposits, however these haven’t been followed up to date.

Kaolin is used in a wide range of industries from ceramics to paper coating to pharmaceuticals. In addition to these traditional, established markets, the properties of kaolin also make it possible to replace some existing materials in industrial processes to reduce their carbon footprint. ChemX has started to investigate the application of kaolin with companies in several markets focusing on carbon reduction.

In Q1CY2022, ChemX will commence a drilling program of 108 holes over the identified deposits.

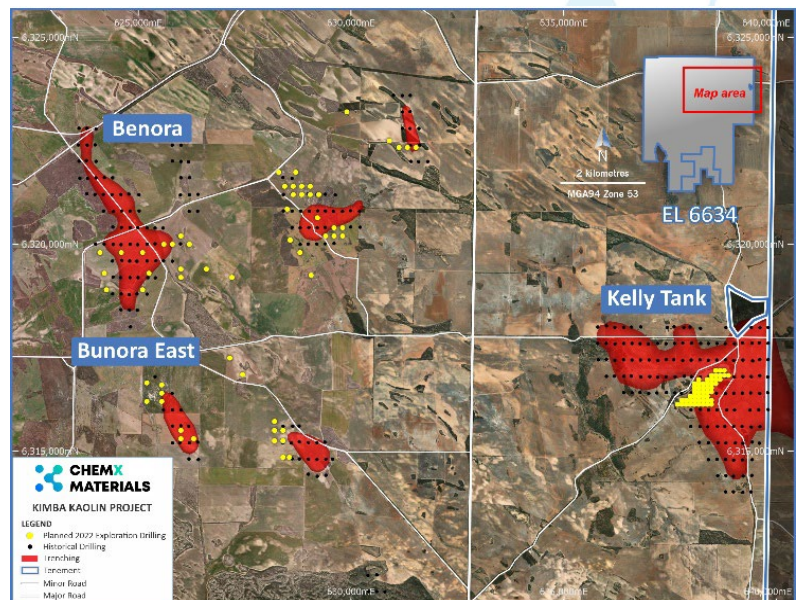


Figure 2: Kimba Kaolin/Halloysite historical and planned drilling

Jamieson Tank Manganese Project

The Jamieson Tank Manganese Project is located 115km West of Whyalla on the 100% owned EL6634 and EL5920. A geological review undertaken over the past several months has provided a greater understanding of the extent of mineralization potential and geological modelling.

There has been over 11,000m of historical drilling on the deposits identifying mineralization extending over a 6km strike length and remains open along strike.

The focus of the project is on the production of manganese cathode precursor materials. A test work program has commenced to identify the best process path to produce the specifications required by the lithium battery producers.

ChemX will commence a 61 hole drilling program in Q1CY2022.

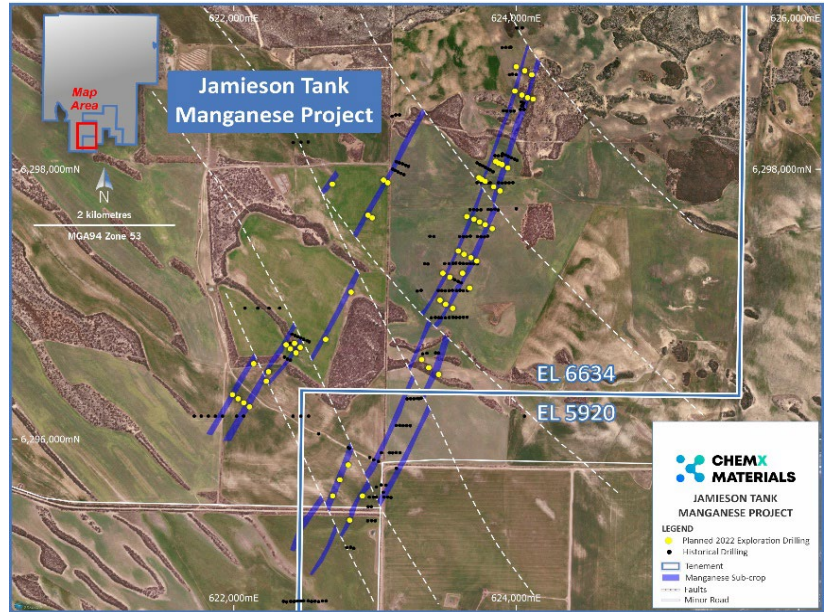


Figure 3: Jamieson Tank Manganese historical and planned drilling

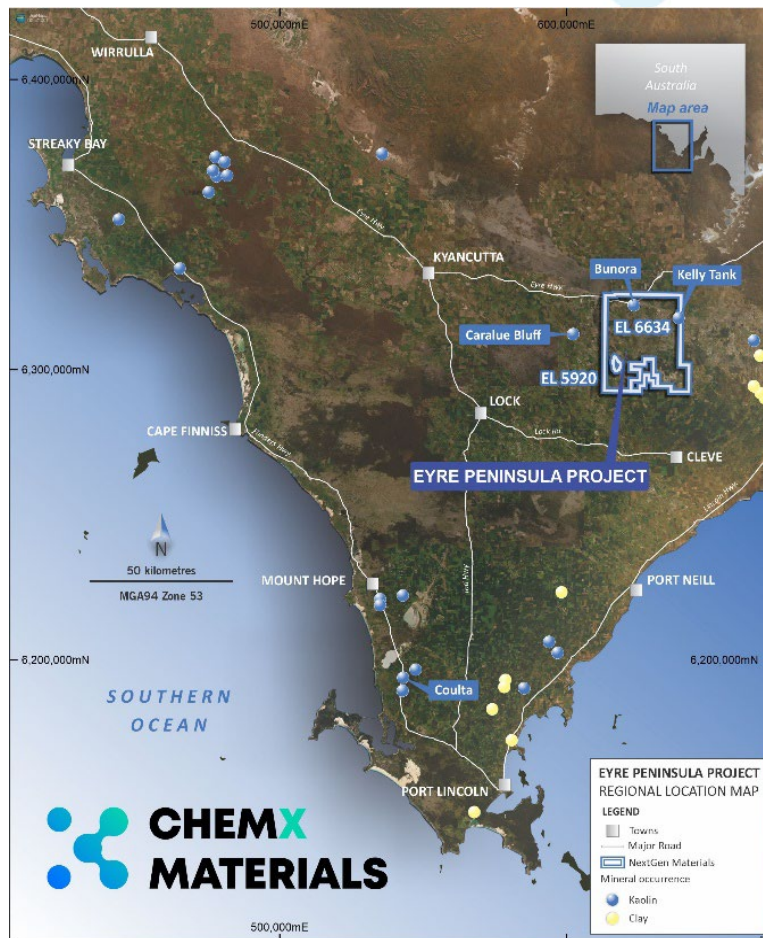


Figure 4: Eyre Peninsula Projects location map

This Announcement has been authorised for release by the Board.

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About ChemX Materials Ltd

ChemX (which stands for Chemistry X) is a materials technology company focused on providing the critical materials required for electrification and decarbonisation. The Company's vision is to support the energy transition with materials and technology that provide real solutions to lowering carbon emissions.

Developed in-house, ChemX's HiPurA™ Process is a unique technology that is able to produce high purity alumina (HPA) and high purity aluminium cathode precursor salts for lithium-ion batteries. Initial test work has indicated the process is low cost, and low in energy consumption, compared to alternative technologies, whilst a key competitive advantage is that the process is not tied to mine production - feedstock is a widely available chemical.

The Company has a footprint in South Australia and Western Australia.

The Eyre Peninsula projects include the Kimba Kaolin-Halloysite Project and the Jamieson Tank Manganese Project in South Australia.

Directors

Kristie Young

Non-Executive Chair

David Leavy

Managing Director

Stephen Strubel

Executive Director

Warrick Hazeldine

Non-Executive Directorwww.chemxmaterials.com.au[LinkedIn - ChemX Materials](#)