



14 February 2023

Tivan Announces Return to the Middle Arm Sustainable Development Precinct for TIVAN® Processing Facility

- **TIVAN® Processing Facility to return to Middle Arm in Darwin**
- **Board fully committed to heightened stakeholder, regulatory and community engagement**
- **Darwin office to commence in February**
- **Green hydrogen initiative terminated**
- **Project review to continue through March quarter**

The Board of Tivan Limited (ASX: TVN) (“Tivan” or the “Company”) is pleased to announce that it has reached agreement with the Northern Territory Government (“NTG”) to return to the Middle Arm Sustainable Development Precinct (“MASDP”) in Darwin for the Company’s planned TIVAN® Processing Facility (the “TPF”).

The decision is supported by a “do not deal” commitment agreed with NTG regarding the Southern Lode of Section 1817, Hundred Ayers in the MASDP. Section 1817, Hundred Ayers was the site previously proposed for the TPF prior to the Company’s previous Board of Directors moving the planned location from Middle Arm to the Mount Peake mine site in central Australia.

MASDP is a sustainable development precinct of strategic national importance, with strong planning and funding commitments from all levels of Government. This includes a commitment of \$1.5 billion from the Australian Government for common use infrastructure in the precinct, announced in the Federal Budget in September 2022.

MASDP provides Tivan and the TPF with material advantages that are not available at the Mount Peake mine site, detailed further below. The Company’s new Board views this decision as highly supportive of project facilitation, including in terms of expediting project delivery timeframes. The strong profile of proponents across multiple industries that are competing for tenure at MASDP will provide significant commercial opportunities and synergies for Tivan across various time horizons.

The Board sees strong economic and societal benefits for the Darwin area in locating the TPF at MASDP. This includes fostering the sustainable development of critical minerals processing at scale, and contributing to the emergence of Darwin as a research and development hub. Based on the Company’s previous planning at Middle Arm, the TPF is expected to generate 1,500 jobs during construction, and approximately 1,000 highly skilled long-term employment opportunities.

Registered Office

Suite 20, 22 Railway Road, Subiaco WA, 6008 Australia
+61 8 9327 0900
engagement@tivan.com.au
tivan.com.au

tivan Limited

ABN 12 000 817 023
ASX Code: TVN



Background

Prior to September 2021, the Company had spent several years and considerable funds progressing design, engineering, permitting and planning processes for a two-site development strategy for its flagship Mount Peake Vanadium-Titanium-Iron Project (“the Project”) in the Northern Territory.

The Company had planned to develop an open pit mining operation and beneficiation process at the Mount Peake mine site, located 235km north-west of Alice Springs, and a second site for critical mineral processing comprising the TPF at Middle Arm in Darwin.

On 30 September 2021, the Company’s then Board of Directors announced that it had resolved to change the development strategy for the Project and instead progress with the development of a fully-integrated mining, beneficiation and a downstream processing operation at the Mount Peake mine site, resulting in a move away from Middle Arm (refer to ASX announcement of 30 September 2021). In that announcement, the previous Board advised that an assessment of alternative locations for the TPF had identified the Mount Peake mine site as the preferred location based on a number of commercial and regulatory drivers.

The decision by the previous Board followed a series of announcements from the Company commencing in May 2021 in relation to further requests for information from the Northern Territory Environment Protection Authority (“EPA”) pertaining to the Company’s environmental approval submission (the “Supplement to the Draft Environment Impact Statement”) for the TPF at Middle Arm.

First finding of Project Review

The Company’s new Board commenced a detailed strategic review of all aspects of the Project following the Annual General Meeting (“AGM”) at the end of November 2022. This included a thorough assessment of the development strategy for the TPF, and the rationale behind the consolidation decision made by the former Board in September 2021.

The Board quickly formed the view that the Company’s exit from Darwin was principally due to deficiencies in stakeholder and regulatory engagement, rather than tangible commercial considerations. As the strategic review proceeded, the Board also identified and assessed serious concerns as to the viability of the TPF at Mount Peake, both from a commercial and social licence perspective. The Board noted as well that over the past eighteen months the MASDP had been developed significantly by NTG, including in terms of advanced planning, proponent submissions, funding for sustainable development and enhanced regulatory pathways, particularly environmental.

Heightened engagement with government, regulators and stakeholders

There followed an extensive program of engagement and outreach, conducted in person by Mr Grant Wilson, Executive Chairman of Tivan Limited, with key stakeholders in the Northern Territory, including across government, First Nations, regulatory and community portfolios. An important purpose of this program was

Registered Office

Suite 20, 22 Railway Road, Subiaco WA, 6008 Australia
+61 8 9327 0900
engagement@tivan.com.au
tivan.com.au

tivan Limited

ABN 12 000 817 023
ASX Code: TVN



to ensure that the incoming Board listened to and learned from key stakeholders in relation to the Company's previous conduct and decisions.

Tivan then commenced detailed briefings and provision of information to NTG across multiple departments and agencies, and provided various ministerial briefings regarding its proposal to return the TPF to Middle Arm. This included heightened engagement with key regulators in the Northern Territory, the EPA and the Department of Environment, Parks and Water Security ("DEPWS").

Discussions with the EPA have focused on information sharing and identification of key risk factors, as well as on the appropriate regulatory pathways for environmental approval for the TPF at the MASDP. This includes the potential for the TPF to be included within the scope of the Strategic Environmental Assessment ("SEA") of the MASDP. The SEA is a framework under the *Environment Protection Act 2019 (NT)* to facilitate environmental protection and planning outcomes for proponents in a common precinct accounting for their impacts on a cumulative basis. Impacts of the MASDP on matters of national environmental significance will also be assessed by a strategic assessment under Part 10 of the *Environment Protection and Biodiversity Conservation Act 1999 (Cth)*, under a Strategic Assessment Agreement between relevant Ministers of the Territory and the Commonwealth.

Having reviewed and evaluated the significant progress made at MASDP, the Board is firmly of the view that NTG is pursuing a highly rigorous approach in respect of master planning and the SEA. The level of planning and assessment is expected to provide the local community with a transparent and robust process in progressing to the required environmental approvals for the MASDP.

The Board confirms that NTG welcomed and facilitated Tivan's program of engagement and outreach across the Territory, and has affirmed its support for the Company returning the TPF to the MASDP. On 13 February 2023 the Company was provided a 'do not deal' letter by the NTG Department of Infrastructure, Planning and Logistics ("DIPL"), with a commitment for an initial period of 6 months.

This period will enable the Company to continue with its current phase of project review, and to realign its planning and development program back to the MASDP. Tivan will concurrently continue to progress discussions with NTG and relevant agencies, to advance along an established and integrated pathway to secure long-term tenure.

Optimal strategic location

The Board views the MASDP to be the optimal strategic location for the Company in delivering the TPF, with the MASDP offering significant commercial and strategic benefits most aligned to the nature and scale of the TPF relative to a remote location. These include:

- A commitment from the Australian Federal Government of not less than \$1.5 billion for common use infrastructure, planned as equity investment
- Recognition of MASDP as a nationally-significant investment priority area by Infrastructure Australia

Registered Office

Suite 20, 22 Railway Road, Subiaco WA, 6008 Australia
+61 8 9327 0900
engagement@tivan.com.au
tivan.com.au

tivan Limited

ABN 12 000 817 023
ASX Code: TVN



- Close proximity to key civil infrastructure, including the Port of Darwin, the Darwin to Adelaide railway and freight terminal, Darwin Airport and the existing Darwin road network.
- Proximity to key Asian export and investment markets
- Extensive utilities infrastructure, including gas and electricity
- Access to large-scale water infrastructure, including common-use facilities, and to non-aquifer based sources of water in a high rainfall zone (average annual rainfall in Darwin exceeds Alice Springs by a factor of six)
- Potential access to electricity from large-scale solar resources, and strong relationships with key proponents in the renewables sector
- Access to construction and operations workforces, including opportunity to recruit for residential based positions and for Tivan to foster large-scale workplace policies as an employer of choice
- Proximity to Charles Darwin University as a centre of excellence and a tertiary institution pathway for education, training and recruitment
- Potential to streamline environment approval within the framework of the Strategic Environmental Assessment
- Opportunities for commercial synergies with proponents within the MASDP, including in the area reagents, which are an important input to the TIVAN® process
- Capability to utilise prior site and layout planning to expedite project facilitation
- Opportunities for enhanced cooperation with Northern Territory Government, and ongoing enhanced engagement with key regulatory bodies and community-based stakeholders
- Opportunities to contribute to a research and development hub in Darwin, including in areas of mineral processing, renewable energies and vanadium redox flow batteries

Middle Arm Sustainable Development Precinct

By way of background, the MASDP covers an area of 1,500 hectares located 13km south of Darwin and adjacent to Darwin Harbour. The MASDP is planned to develop into a major sustainable development precinct for various industries, including critical minerals processing.

One of the world's most significant industrial facilities, the Japanese owned INPEX Ichthys Onshore LNG plant, is located at Middle Arm, as is Santos's Darwin LNG plant.

MASDP is being coordinated by DIPL on behalf of the Northern Territory Government in a whole-of-government approach. In promoting MASDP as a sustainable 'development ready' industrial precinct, DIPL highlights that it will:

- Capitalise on the Territory's strategic location and world-class solar resources
- Be designed to attract industries reflective of the Territory's future economy including hydrogen, carbon capture, advanced manufacturing and minerals processing
- Drive industry diversification, exports, job creation and population growth
- Play a pivotal role in growing the Northern Territory economy

Registered Office

Suite 20, 22 Railway Road, Subiaco WA, 6008 Australia
+61 8 9327 0900
engagement@tivan.com.au
tivan.com.au

tivan Limited

ABN 12 000 817 023
ASX Code: TVN



Online resources for MASDP, including the current project overview fact sheet and map, may be found at the following link: <https://dipl.nt.gov.au/projects/middle-arm-sustainable-development-precinct>

For reference, Tivan's 'do not deal' letter pertains to the southern lode of the area marked 'Wirraway Estate'.

Darwin office to commence

Consistent with remarks of Executive Chairman, Mr Grant Wilson at the AGM late last year (see webcast replay link in ASX announcement of 29 November 2022) the Company is commencing an office in the central civic district of Darwin this month. The details will be announced separately.

A Darwin office will provide Tivan with an important presence in the Territory, with close proximity to government, regulatory agencies and community-based stakeholders. The Board views an ongoing and substantial presence in Darwin as necessary step in earning and maintaining a social licence to operate.

Beyond this, Tivan will be seeking to create economic and social opportunities in the Territory, including by facilitating local employment and training opportunities, by prioritising local procurement, by supporting community-based programs and by accelerating digital transformation in research and industry.

Termination of Green Hydrogen Agreements

Following the previous Board of Directors' decision to move the TPF to the Mount Peake Mine Site, the Company had pursued a concept stage green hydrogen production project at the MASDP. With the TPF's return to the MASDP, all previous initiatives for green hydrogen projects not directly related to the Company's critical mineral strategy have now been terminated. This includes termination of two agreements with Malaysian company AGV Energy & Technology - a Heads of Agreement for green hydrogen (see ASX announcement of 21 June 2021); and a Project Development Agreement for a proposed green hydrogen project at the MASDP (see ASX announcement of 3 September 2021).

Consistent with Tivan's recent submission to the refresh of the Critical Minerals Strategy (see ASX announcement of 1 February 2023), specifically Thematic 8 regarding 'Climate Transition', the Board is supportive of continuing the Company's evaluation of integrating hydrogen as a reducing agent into the TIVAN® flowsheet, including with Metso Outotec (see ASX announcement of 12 September 2022). The Board reiterates that 'while a relatively new technology, hydrogen-based reduction is certainly within scope for the emerging critical minerals sector, and a highly legitimate aspirational goal, from a social, environment and commercial perspective'.

Project Review Continues

The Board confirms that the current phase of Reset, Review, Renew continues, and is expected to conclude in line with previous guidance, being not later than the end of the March quarter. The Board highlights that this is the **first** finding of the review, and that further substantive announcements will follow.

Registered Office

Suite 20, 22 Railway Road, Subiaco WA, 6008 Australia
+61 8 9327 0900
engagement@tivan.com.au
tivan.com.au

tivan Limited

ABN 12 000 817 023
ASX Code: TVN



tivan
Critical. Vertical. Sustainable.

asx announcement

Comment from Executive Chairman

Mr Grant Wilson commented:

“On behalf of the Board, I extend my sincere thanks to the Northern Territory Government for facilitating the Company’s request to return to Middle Arm, and to the Middle Arm Sustainable Development Precinct.

This is an important strategic step for Tivan. It is a result of deep dialogue and engagement with key stakeholders throughout the Territory over recent months, and extensive and constructive exchanges with key regulators, including the NT EPA and DEPWS. It also reflects the broader and ongoing commitment of the Board to heightened stakeholder and community engagement, and the shared vision of sustainable development in the Territory.

I fully expect Middle Arm will emerge as the preeminent sustainable development precinct in Australia in the decade ahead. Tivan has a key role to play in diversifying its industrial footprint, in contributing meaningfully to the local economy and in delivering a forward-facing project of national significance. With this opportunity comes responsibility, and an overriding obligation to earn and maintain a social licence to operate.

I am looking forward to working with all stakeholders in the Territory as this journey commences.”

This announcement has been approved by the Board of the Company.

Inquiries

Tony Bevan

Company Secretary: + 61 8 9327 0900

Email: corporate@tivan.com.au

Elena Madden

True North Strategic Communication (Darwin): + 61 8 8981 6445

Email: elena@truenorthcomm.com.au

Ends

Registered Office

Suite 20, 22 Railway Road, Subiaco WA, 6008 Australia
+61 8 9327 0900
engagement@tivan.com.au
tivan.com.au

tivan Limited

ABN 12 000 817 023
ASX Code: TVN