

Spot sale linked to hydroxide chemical pricing

Pilbara Minerals Limited (**Pilbara Minerals** or **the Company** – ASX: PLS) is pleased to advise that it has entered into a sales arrangement for a 15,000 tonne cargo of spodumene concentrate for delivery in the March Quarter. This is the first sale of its kind for the Company utilising a new commercial model based on lithium hydroxide tolling. The Company selected this model for this cargo having explored various other sales pathways including short-dated off-take and spot sales through the BMX platform.

The sale, which was made to a chemical converter, was structured to be based on a tolling arrangement under which Pilbara Minerals will receive the value of lithium hydroxide price for the product sold less an agreed amount for conversion and other costs. This is the first time Pilbara Minerals has utilised such a pricing methodology, which has the potential to be highly favourable to the Company and opens the door for future tolling arrangements.

Under the terms of the agreement, based on today's pricing for lithium hydroxide, pricing for the cargo would be aligned with previous spot sales including those achieved on the BMX platform. The actual price received for this cargo will however be calculated using future lithium hydroxide pricing at the time of conversion to lithium hydroxide.

Pilbara Minerals had intended to sell a cargo of spodumene concentrate via a BMX auction. However, it opted not to proceed with the auction after receiving the strong offer from the chemical converter.

As part of its sales strategy, the Company will continue to run parallel processes exploring various avenues to sell its unallocated tonnes which includes the BMX platform, spot sales and other commercial opportunities which maximise value creation. In doing so the Company will continue to provide updates on its sales and production in accordance with its disclosure obligations, including in respect of overall pricing outcomes achieved for product sold each quarter as part of its Quarterly Activities Report.

Release authorised by Dale Henderson, Pilbara Minerals Limited's Managing Director.

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ABOUT PILBARA MINERALS

Pilbara Minerals is the leading ASX-listed lithium company, owning 100% of the world's largest, independent hard-rock lithium operation. Located in Western Australia's resource-rich Pilbara region, the Pilgangoora Operation produces a spodumene and tantalite concentrate. The significant scale and quality of the operation has attracted a consortium

of high quality, global partners including Ganfeng Lithium, General Lithium, POSCO, CATL and Yibin Tianyi.

While it continues to deliver a quality spodumene concentrate to market, Pilbara Minerals is pursuing a growth and diversification strategy to become a sustainable, low-cost lithium producer and fully integrated lithium raw materials and chemicals supplier in the years to come.

Through execution of this strategy, Pilbara Minerals has become a major player in the rapidly growing lithium supply chain, underpinned by increasing demand for clean energy technologies such as electric vehicles and energy storage as the world pursues a sustainable energy future.