

STOCKYARD BENEFICIATION TESTWORK PROGRESSES OFFTAKE DISCUSSIONS

Beneficiation Testwork Commenced on 200kg Sample

Highlights

- **IND progressing offtake negotiations with 200kg sample of Stockyard High Purity Silica Sand (HPSS) sent to China for beneficiation testwork and processing flowsheet design**
- **Focus for testwork is to confirm HPSS premium specification of <100ppm Fe₂O₃ at scale and optimise final product yield**
- **Final specification samples will be produced and provided to Potential Offtake Partners and Photovoltaic (PV) Solar Panel Glass Manufacturers**
- **Company sees significant advantages to processing HPSS in China, to meet strong global demand from the PV solar and high-end technology markets**

Industrial Minerals Ltd (ASX: **IND** or the **Company**) is pleased to provide an update on Silica Sand Product Beneficiation for its flagship Stockyard HPSS Project near Eneabba in Western Australia.

IND recently announced that samples from its flagship Stockyard HPSS Project were tested by Weifang Guote Mining Equipment Co. Ltd (**Guote**) in China and achieved final product specification of less than 100ppm Fe₂O₃, a commonly referenced minimum standard for supplying silica sand into the PV Solar Panel Glass market¹.

These early positive results have encouraged IND to send a 200kg Direct Shipping Ore (**DSO**) Silica Sand sample from Stockyard to Guote for large scale beneficiation testwork and process flow design.

The aim of the larger scale testwork is to maximise the removal of deleterious elements such as Al₂O₃, Fe₂O₃ and TiO₂, while optimising the final product yield. The work being undertaken to optimise the product yield is an essential component of the project economics, as transportation accounts for the majority of the cost of supplying Australian silica sand into China.

IND is assessing several processing options for the Stockyard Project². The process flow model resulting from this phase of testwork will assist IND with its assessment process.

At the end of the process, silica sand product samples and specification sheets will be distributed to Potential Offtake Partners and Photovoltaic Solar Panel Glass Manufacturers. IND is in ongoing advanced discussions with several potential partners who have contacted the Company with the intent to secure high purity silica sand supply.

¹ For further details on Stockyard silica sand specification, refer to ASX announcement dated 8th June 2023

² For further details on Stockyard processing options, refer to ASX announcement dated 28th July 2023

IND's Managing Director Jeff Sweet commented:

"Global renewable energy goals continue to drive the use of PV solar cells and the demand for HPSS feedstock for PV solar glass. As China remains the centre of that demand, accounting for 80% of global solar manufacturing, IND is pleased to continue progressing offtake discussions in the region.

"We look forward to receiving results of the testwork being conducted by Guote, where we aim to confirm that the premium Stockyard HPSS results can be replicated at scale to confirm its suitability for the solar PV market. Furthermore, the work being done on product yield will be key for understanding and maximising project economics, where transportation costs from Australia need to be mitigated.

"The process flowsheet will allow IND to analyse its processing options for the Stockyard Project, and further assess the benefits of processing via a third-party or strategic partner, versus IND building its own processing plant.

"Having processed end-product samples available to provide to potential offtake partners and buyers will assist IND in progressing offtake discussions, giving these parties the opportunity to confirm product suitability for their specific operations."

This announcement has been approved by the Board of Industrial Minerals.

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About IND

Industrial Minerals Ltd is a developer of high purity silica sand and quartz with advanced projects in Western Australia positioned to supply the rapidly expanding solar PV industry. IND holds 100% of 21 High Purity Silica Sand projects and seven complementary Industrial Mineral projects across Western Australia and is focused on exploring and developing these projects, which have the potential to add significant value to investors and stakeholders.

Website: www.industmin.com

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