



ASX: INF | FRA: 3PM



29 APRIL 2024

QUARTERLY ACTIVITIES REPORT

PERIOD ENDING 31 MARCH 2024

HIGHLIGHTS

- Major project milestone achieved with the lodgement of the San José Exploitation Concession Application ('ECA' or 'Mining Licence Application') with the Extremadura Dirección General de Industria, Energía y Minas.
- ECA submission the result of successful & continued implementation of the Company's permitting strategy and advancement of the Direct ECA in consultation with local and regional stakeholders.
- ECA submitted less than one year following the granting of Exploration Permit Extremadura.
- Site works undertaken as part of environmental requirements and included as a component of the ECA.
- Additional long-term lease agreement made over industrial zoned land at San José which extends areas secured for the proposed lithium processing facility.
- Comprehensive Locked Cycle Test Work ('LCT') program completed at Simulus Group Laboratories confirmed exceptional recovery potential for San José.
- The LCT confirmed the successful utilisation of Li-Stream RPK™ with > 90% recoveries of the lithium from Run of Mine to the final end product.
- Discussions continue as potential strategic partnerships are considered.
- Cash at 31 March 2024 of A\$14.3 million (includes \$6.2 million restricted use PERTE grant funding held on term deposit).

Overview

Infinity Lithium Corporation Limited (**'Infinity'**, or **'the Company'**) is pleased to note the progress below in relation to the San José Lithium Project (**'San José'**, or **'the Project'**) for the quarter ended 31 March 2024.

The period saw further progress for the Company and the Project with a major milestone being met following lodgement of a Direct Exploitation Concession Application (**'ECA'**) with the Regional Government of Extremadura and its Dirección General de Industria, Energía y Minas (**'Mines Department'**). The ECA submission for the fully integrated project included the rights to mine lithium at San José and the accompanying on-site lithium chemical conversion.

The ECA submission was the result of successful and continued implementation of the Company's permitting strategy and advancement of the Direct ECA in consultation with local and regional stakeholders and was submitted less than one year following the granting of Exploration Permit Extremadura (refer to ASX announcement 12 February 2024).

During the quarter the Spanish government's Ministerio de Industria y Turismo (**'the Ministry'**) transferred the funds granted to the Project in November 2023 when it awarded the amount of €18.8million to the Project under PERTE VEC IIa (refer to ASX announcement 13 November 2023). The awarded grant is aligned to future capital expenditure and provides major direct endorsement for the strategically essential project for Spain's ambitions to facilitate investment aligned to energy transition. PERTE VEC IIb is still under review by the Ministry following the announcement of the first successful applicants during the quarter under the program.

In February 2024 the Company announced the completion of its Locked Cycle Test Program (**'LCT'**) conducted at Simulus Group Laboratories. The LCT program confirmed exceptional lithium recoveries and improvements from previously completed Heat and Mass Balance (**'HMB'**) simulations.

Prior to and during the current quarter, ongoing site work was undertaken by local private landowners to provide data for integration into the Project's Environmental Impact Assessment (**'EIA'**) as a component of the ECA (refer to ASX announcement 29 January 2024).

The work programs included geophysical surveys and sampling campaigns over areas identified for proposed tailings storage facilities (**'TSF'**). Furthermore, the Company acquired data relating to water bore drilling undertaken by the private landowners, allowing water depth measurements and sampling to update hydrogeological modelling. The holes selected for refurbishment were drilled by existing landowners.

In March 2024 the Company secured an additional long-term lease over land at San José which extended areas secured for the proposed lithium processing facility and TSF. The industrial zoned land is adjacent to previously secured land and located within the granted Exploration Permit. The acquisition is structured in a multi-year option and minimum 35-year lease.

Lodgement of the San José Exploitation Concession Application

In February 2024 the Company achieved a major project milestone with the lodgement of the ECA for San José with the Regional Government's Mines Department. The ECA submission for the fully integrated project included the rights to mine lithium at San José and the accompanying on-site lithium chemical conversion.

The formal administrative process and lodgement of the ECA was established through the initial completed submission by the Company, and the Company awaits the subsequent assessment of a viable resource at San José by the Mines Department. The formal administrative process to assess the Project's resource is the first in a series of submissions under the administrative pathway agreed with the Regional Government of Extremadura to submit a Direct Exploitation Concession Application within Exploration Permit Extremadura ('PESE').

The ECA involves a multi-stage process in which there will be continued collaboration between the Regional Government of Extremadura and the relevant departments and the Company throughout the process. The permitting and administrative process comprises a departmental assessment and public consultation following the submission of the project exploitation or mining licence application documentation, and other environmental, rehabilitation, and financial submissions through both the Mines Department and Dirección General de Sostenibilidad ('Environmental Department').

The Company is pleased to continue to successfully implement its permitting strategy and advance the Direct ECA in consultation with local and regional stakeholders. The Company's senior Executive met with Regional and Local Government representatives to finalise technical assessment of key permit applications in Q1 2023 and have collaborated through the administrative process which commenced with the EIA Scoping Document (refer to ASX Announcement 3 October 2022). The Extremadura Regional Ministry of Ecological Transition subsequently granted PESE, which applies to the grounds inclusive of the resource area relating to San José (refer to ASX announcement 29 March 2023). The Company also received a response from the government to its Environmental Impact Assessment ('EIA') Scoping Document in Q2 2023, which established the preliminary conditions for San José to be compatible with environmental and urbanistic licence requirements (refer to ASX announcement 9 May 2023).

The lodgement of the ECA has followed the completion of a combination of administrative processes outlined above including the granting of PESE, receipt of an EIA Scoping Document and receipt of a favourable urban compatibility report determination (refer to ASX announcement 15 November 2023). The ECA was submitted less than one year following the granting of PESE.

Site Works Undertaken at San José

The lodgement of the ECA followed ongoing site works by private landowners which can provide data relevant for integration into the Project's EIA. The work programs included geophysical surveys and sampling campaigns over areas identified for TSF. Furthermore, the Company acquired data relating to water bore drilling undertaken by the private landowners, allowing water depth measurements and sampling to update hydrogeological modelling. The holes selected for refurbishment were drilled by existing landowners.

The works were required as part of the EIA and were included as a component of the ECA.



Figure 1: Water bore drill holes undertaken by landowners in the area of the proposed TSF.



Figure 2: Water bore drill holes undertaken by landowners in the area of the proposed lithium hydroxide plant.

In addition to the above noted work programs, other technical work completed included:

- Lithium characterisation sampling programs;
- Water sampling campaign and hydrological studies on sources, reservoirs, and springs around the project area; and
- Soil sample campaign to establish baseline values.

Land Acquisition Rights Extended at San José

In March 2024 the Company announced the second major acquisition of rights and access of land at San José. The areas are designated for the San José lithium chemical conversion plant infrastructure and surface tailings.

The lands included in this agreement totalling 11ha were already included in the favourable urban compatibility ruling received from Cáceres Local Government (refer to ASX announcement 15 November 2023) and are located within the granted PESE.

The total estimated cost for the life of the project is approximately €0.7 million (approximately A\$1.2 million) over 37 years. (refer to ASX announcement 14 March 2024).

The Company secured the land rights adjacent to those lands previously secured for the lithium chemical conversion plant and related processing activities (refer to ASX announcement 19 July 2023).

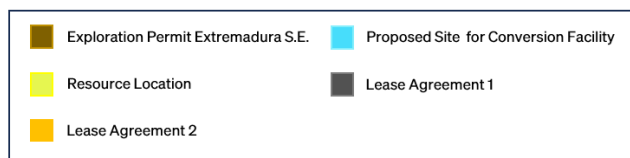


Figure 3. San José Lithium Project Aerial Overview

Li-Stream RPK™ Locked Cycle Test Program Confirmed Exceptional Lithium Recoveries

In February 2024 the Company announced the completion of its LCT program conducted at Simulus Group Laboratories. The LCT program confirmed exceptional lithium recoveries from prior Li-Stream RPK™ process test work (refer to ASX announcement 7 September 2023) and improved lithium recoveries from the previously finalised HMB simulations. All LCT test work completed at Simulus Group Laboratories were led and managed by the Infinity GreenTech Technical Advisory Committee.

The finalisation of LCT for Run of Mine ('ROM') to end product through the patent pending Li-Stream RPK™ process at San José supported recently completed engineering studies (refer to ASX announcement 9 November 2023 – Updated Scoping Study) and provided data for further process optimisation to be incorporated in the next stages of Li-Stream RPK™ process development. The Company is assessing the next steps for a demonstration plant for the confirmation of increased scale of production at San José.

The test work conducted simulated the complete process and included recycle streams to assess steady-state condition of the mass flows. No major deviations were found from the expected steady state conditions of this process, confirming accuracy of the process model and further de-risking the next stages of up-scaled test work.

The results confirmed the suitability of the Li-Stream RPK™ process at San José and the optimal technical option for lithium recovery from ROM to end product.

The test work highlighted the successful and consistent production of battery grade lithium hydroxide monohydrate utilising Li-Stream RPK™. The implementation of industry standard hard rock backend processing methods (neutralisation, evaporation, crystallisation and final production of battery grade end product) and the simplification of unit operations across the complete process (including the removal of traditional hard rock lithium chemical conversion unit operations such as the beneficiation and calcination stages) through the Li-Stream RPK™ process minimises process complexity (refer to ASX announcement 7 February 2024).

JORC Table 1 Statement

JORC Table 1 was included in the ASX announcement dated 7 February 2024 “Li-Stream RPK™ Locked Cycle Test Program confirms exceptional recoveries.”

Infinity confirms that it is not aware of any new information or data that materially affects the information included in this announcement and that all material assumptions and technical parameters underpinning the exploration results continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person’s findings are presented have not been materially modified from the original market announcement.

Infinity GreenTech

The Company, through wholly owned subsidiary Infinity GreenTech, continued the development of its Li-Stream RPK™ process for San José. The Technical Advisory Committee finalised a locked cycle test work program during the period at Simulus Laboratories to support the Updated Scoping Study and to assess further process optimisation potential. The Company is pleased with the results based on current information received.

Company Presentations and Conferences

The Company was pleased to attend and present at the RIU Explorers Conference in Fremantle in February 2024 and to attend the European Gigafactories event hosted by Benchmark Mineral Intelligence in Stockholm in March 2024. The annual event is one of the major European focused industry forums with major battery manufacturers, regional OEMs and other lithium-ion battery value chain proponents in attendance.

Corporate

Related Party Disclosure

Payments to related parties during the quarter as outlined in sections 6.1 and 6.2 of the Appendix 5B consisted of A\$308,698 in directors' fees and payments to executive directors under respective service agreements.

Cash at Bank

As at 31 March 2024 Infinity had available cash of A\$14.3 million (includes ~A\$6.2 million^① restricted use PERTE grant funding held on term deposit).

The announcement was authorised by the Board. For further inquiries please contact:

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Footnotes

1. An €18.8 million grant was awarded to Tecnología Extremeña del Litio ('TEL') in November 2023 (refer to ASX announcement 13 November 2023). Funds were transferred in full to TEL on 5 January 2024. 80% (€15.057 million) of grant funds have been retained as security against the total funds awarded from the Ministerio de Industria y Turismo. €3.764 million (~A\$6.2 million) remains on deposit in interest bearing accounts of TEL.



CONTACT DETAILS

CORPORATE DIRECTORY

ADRIAN BYASS Non-Executive Chairman
RYAN PARKIN Managing Director & CEO
JON STARINK Executive Director
RAMÓN JIMÉNEZ Executive Director
REMY WELSCHINGER Non-Executive Director

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