

*Building the pre-eminent vertically integrated **Lithium** business in Ontario, Canada*

# TRANSFORMATIONAL INVESTMENT & STRATEGIC FRAMEWORK AGREEMENT WITH ECOPRO

## HIGHLIGHTS

- **Corporate Investment Subscription of A\$8m and Framework Agreement executed with world-leading South Korean EV battery metals producer EcoPro Innovation Co., Ltd (EcoPro or EcoPro Innovation)**
- **Provides a foundation for partnering in co-operation across GT1's projects as part of GT1's strategy to become the first integrated lithium producer in Ontario**
- **The executed agreements cover proposals for both upstream (mining and raw material extraction) and downstream (processing and conversion) activities, including the development of potential mines and the proposed Lithium Conversion Facility through the following potential pathways:**
  - **Corporate equity investment** – at a significant premium to the last closing price and a 40% premium to the 90-day VWAP for an investment of A\$8m via a two-tranche placement
  - **Asset level investment options** – up to 12-months exclusive rights to negotiate and agree staged asset-level investments in the Seymour and Root mine developments (**Projects**) in anticipation of negotiation of joint venture agreements to drive project advancement
  - **Conversion Facility PFS Cooperation Agreement** – negotiation of a comprehensive agreement outlining the execution and co-funding of a Pre-Feasibility Study (**PFS**) on the proposed Lithium Conversion Facility in Canada, leading to the negotiation and formation of a joint venture for the completion of a Definitive Feasibility study (**DFS**) and co-development of the facility
- **EcoPro brings extensive experience in lithium hydroxide production along with patented technology for lithium extraction**
- **The partnership validates the Company's integrated strategy to become Ontario's first lithium concentrates and chemicals company**
- **Joint funding application submitted to Invest Ontario for government funding on the proposed Lithium Conversion Facility – in progress**
- **Proceeds from the subscription agreement will be allocated to a Definitive Feasibility Study to reach a Final Investment Decision (FID) on the Seymour Lithium project, funding the Lithium Conversion Facility PFS and supporting general working capital**

Green Technology Metals Limited (ASX: GT1) (**GT1** or the **Company**), a Canadian-focused multi-asset lithium business, is pleased to announce the execution of a Framework Agreement and corporate Subscription Agreement with leading South Korean EV battery metals producer EcoPro Innovation Co., Ltd.



**Figure 1: EcoPro Innovation CEO Yoontae (Anthony) Kim and GT1 Managing Director Cameron Henry and Non-Executive Director Patrick Murphy at EcoPro Campus 3 in South Korea.**

***"Our journey with EcoPro Innovation has been over 12 months in the making, during which time our teams have dedicated countless hours working jointly on understanding and expanding on GT1's strategy to be the first integrated lithium chemical supplier in Ontario. Attracting a top-tier partner like EcoPro along with the investment at a premium provides further validation of our company, team, assets and ability to progress our assets and projects towards production.***

***EcoPro has been assessing the North American market for some time and it's with great optimism that we enter this new phase of GT1's development and we look forward to finalising these significant agreements and developing our projects in partnership. EcoPro stands out as a top-tier strategic partner, bringing invaluable experience in owning and operating, not only successful Lithium Conversion facilities but also Nickel Pre-cursor and Cathode Active Material facilities globally. Their global scale and expertise in manufacturing and supplying battery-grade lithium chemicals will greatly benefit GT1 as we advance our integrated strategy in North America.***

***This investment and partnering strategy now paves the way forward, both financially and technically, to continue with our development strategy."***

*- GT1 Managing Director, Cameron Henry*

**"We have been evaluating the North American market for some time and has been in discussions with GT1 throughout this period. Our teams have dedicated significant effort to understanding GT1's development strategy and recognize the strategic value of their assets, which are located in a prime location with a well-established end-to-end supply chain, and the ample government support. We are looking forward to strengthening a long-term relationship with GT1 and being a part of the strategy to become a major North American lithium chemical supplier in Canada. "**

- EcoPro Innovation, CEO & President, Yoon Tae (Anthony) Kim

## Strategic Partnership – EcoPro Innovation Co., LTD

EcoPro is a leading producer of electric vehicle battery materials in South Korea and is globally recognised as the top manufacturer of cathode materials for electric vehicle batteries by production volume. GT1 and EcoPro Innovation are proposing to collaborate on building a lithium hydroxide facility in Canada. By leveraging EcoPro Innovation's technological expertise in lithium conversion processes and their experience in operating mass production plants for lithium hydroxide, along with their patented technology for lithium extraction, GT1 and EcoPro anticipate a successful outcome in designing and constructing the proposed Lithium Conversion Facility (which is to produce lithium hydroxide).



Figure 2: EcoPro company structure

In 2023, EcoPro's parent company, EcoPro Co., Ltd was one of the world's best-performing stocks, with a market capitalisation of ~A\$14B largely due to its subsidiary EcoPro BM, South Korea's largest cathode producer for electric car batteries. EcoPro Innovation, a subsidiary of the EcoPro Co., Ltd group of companies, showcases expertise in lithium hydroxide production with advanced technology for converting (from industrial carbonate lithium and recycled lithium) the lithium hydroxide used in cathode materials. Globally, EcoPro Innovation is recognized as the first and only producer with a fully established value chain for lithium cells, covering development, manufacturing, and processing of lithium compounds. The company is actively expanding its value chain with the planned production expansion, from the current 180,000 tons of battery materials, expected to reach 710,000 tons by 2028.

Since October 2021, EcoPro has been operating a commercial production facility that annually produces 13,000 tons of lithium hydroxide from industrial carbonate lithium and recycled lithium. EcoPro is currently expanding with a second plant at the Pohang campus, effectively doubling its capacity for lithium hydroxide production. Simultaneously, EcoPro is constructing two additional plants in Hungary and Canada, all scheduled to be completed and operational before construction begins on the proposed Lithium Conversion Facility in Canada (which is to produce lithium hydroxide). These developments will provide EcoPro with invaluable knowledge and experience crucial to the success of building the proposed Lithium Conversion Facility in Canada.

## Executed Agreements

### Subscription Agreement - Equity Investment

On 16 August 2024, GT1 and EcoPro signed a binding conditional Subscription Agreement, whereby EcoPro agrees to subscribe for 64 million ordinary shares in GT1 (**Shares**) at an issue price of \$0.125 per Share, totalling A\$8 million, over two tranches (**Subscription Shares**). This price represents a 40% premium over GT1's 90-day volume weighted average price (**VWAP**) of Shares of \$0.892. Following the issuance of all of the Subscription Shares, EcoPro will hold an approximate 16.6% stake in GT1.

The 31m Tranche 1 Shares will be issued out of GT1's remaining ASX Listing Rule 7.1 capacity. The issue of the 33m Tranche 2 Shares is subject to shareholder approval to be sought at a general meeting to be convened within 6 weeks of entry into the agreement (**Shareholder Approval Date**), or, if agreed by EcoPro, by no later than 4 months from entry into the agreement, being 16 December 2024 (**Sunset Date**).

### Other Key Terms:

- Escrow Period - EcoPro is required to enter into a voluntary restriction deed as the Subscription Shares will be subject to voluntary escrow for a period of 12 months from issue.
- Board Representation - at the completion of the Tranche 2 investment, EcoPro may appoint a Non-Executive Director to the Company's board.
- Capital raising participation rights - for so long as EcoPro has a 10% interest in GT1, EcoPro is entitled to be notified of, and may request to participate in, any equity capital raising undertaken by GT1, and GT1 has agreed to use reasonable endeavours to facilitate that participation.
- Conditions - completion of the issue of each Tranche of the Subscription Shares is conditional on completion (or waiver) by the Sunset Date, of the following:
  - ASX not indicating that it will not quote the Subscription Shares;
  - EcoPro obtaining clearance from the applicable designated foreign exchange bank of South Korea; and
  - for Tranche 2 only, Tranche 1 having completed, and GT1 having received shareholder approval for the issue of the Tranche 2 Shares by the Shareholder Approval Date, or, if agreed by EcoPro, by the Sunset Date.
- Standard warranties and termination rights exist, as well as a pre-completion (of either Tranche) material adverse change termination right in EcoPro's favour (subject to carve-outs for matters disclosed and other standard carve-outs).

It is anticipated that the Tranche 1 Shares will be issued within five business days of the Tranche 1 conditions being met.

### Framework Agreement

GT1 and EcoPro have entered into a Framework Agreement which outlines the structure for the parties to formalise partnering arrangements and enter into a proposed binding Conversion Facility PFS Cooperation Agreement (**Cooperation Agreement**) and proposed binding joint venture agreements on both the Seymour and Root mine assets and the proposed Lithium Conversion Facility located in Canada.

The Framework Agreement provides that during the Exclusivity Period (defined below):

- GT1 will grant EcoPro the exclusive right to conduct technical, legal, commercial, and financial due diligence on the proposed Lithium Conversion Facility and to undertake the PFS jointly with GT1 on it, and GT1 must deal

exclusively with EcoPro in relation to any disposal of its interest in the proposed Lithium Conversion Facility (and the undertaking of the PFS on it); and

- GT1 must not enter into discussions with other conversion facility operators regarding their acquiring a competing majority interest in the proposed Lithium Conversion Facility and EcoPro must not enter into discussions with other owners or developers of existing or proposed LiOH conversion facilities in Ontario; and

during the 12-month period commencing on the Exclusivity Date (defined below):

- EcoPro will be granted the exclusive right to enter into binding agreements to acquire an interest in either or both of GT1's Root and Seymour Projects. GT1 will, however, be entitled to negotiate with other parties, and if key commercial terms are not agreed after a period of at least six months of negotiations (from signing of the Framework Agreement), nothing in the Framework Agreement prohibits the directors of GT1 from complying with their statutory and fiduciary duties as directors; and
- EcoPro must not enter into any binding agreement (other than with GT1) to acquire an interest in any lithium exploration, development mining or processing project in Ontario.

The **Exclusivity Period** commences on the issue of the Tranche 2 Subscription Shares, or, if Tranche 2 does not occur by the Sunset Date solely due to GT1 shareholders voting against the issue of the Tranche 2 Shares (**Exclusivity Date**), and continues until the expiry or termination of the proposed Cooperation Agreement (if entered into, and otherwise, until 30 September 2024).

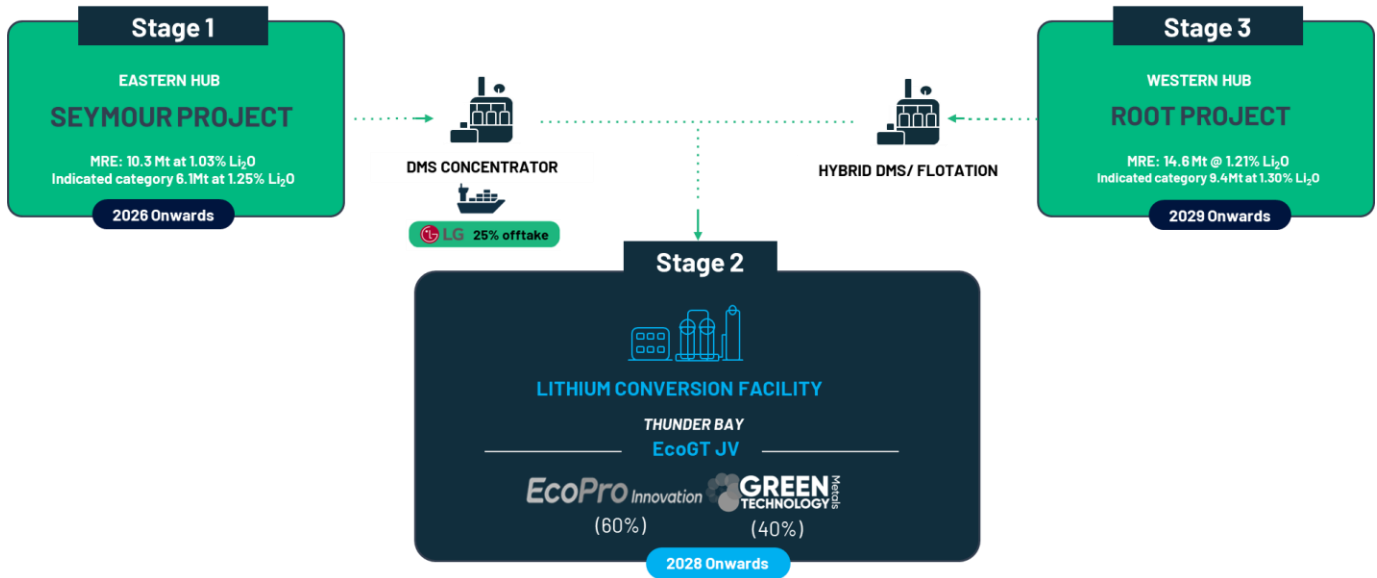
The proposed (non-binding, indicative) terms of the agreements contemplated in the Framework Agreement are detailed below:

#### **Seymour and Root - Joint Venture Agreements**

During the Exclusivity Period, the parties have agreed to negotiate in good faith binding joint venture agreements for both Seymour and Root Projects, to be prepared having regard to the following (non-exhaustive) terms (amongst others) and being subject to any ASX Listing Rule (including Chapter 10) or shareholder approvals, if required:

- EcoPro will acquire an initial 10% equity interest in each Project, with the value determined through negotiated combined valuations and market comparisons;
- EcoPro will have the option to acquire an additional 25% equity interest in each Project:
  - Seymour Project: exercisable at the Final Investment Decision (FID) stage;
  - Root Project: exercisable after the publication of the definitive-feasibility study;
- EcoPro will be entitled to standard minority shareholder joint venture rights, including nomination rights for board/management committee members, unanimous consent requirement for certain reserved matters, pre-emptive rights in case of disposal, and consultation rights on additional funding;
- Each party will receive a share of the concentrate proportional to their Project interest. EcoPro may negotiate a separate offtake agreement to acquire a portion of GT1's concentrate share;
- EcoPro and GT1 will establish capital funding committees for each Project to coordinate debt and government funding strategies; and
- Pricing formulas for Project joint ventures will be agreed upon.

A graphic outlining the proposed structure is included for reference below:



**Figure 3: EcoPro and GT1 (EcoGT) Proposed Conversion JV Structure**

### Cooperation Agreement

GT1 and EcoPro are intending to enter into a Cooperation Agreement within 2024, to undertake due diligence on, and a PFS jointly for the proposed Lithium Conversion Facility. The parties intend to complete the PFS within 12 months after the execution of the Cooperation Agreement (or such later date agreed between the parties in writing).

The Framework Agreement contemplates the terms of the Cooperation Agreement being prepared having regard to the following non-exhaustive list of terms (among others):

- the PFS will study EcoPro’s preferred hydroxide production technology and will utilise feedstock analysis from the Projects and any other nearby potential feed sources introduced by GT1;
- the PFS will evaluate the construction of the proposed Conversion Facility within Thunder Bay, Ontario and will include a comparison cost and risk analysis;
- the PFS will be funded 60/40 (Eco/GT1) on an agreed development budget currently being finalised; and
- if the parties do not agree to proceed to the DFS stage, each party will be released from their obligations under the Cooperation Agreement and GT1 shall retain the right to conduct further diligence and analysis in relation to the Conversion Facility

The parties have agreed, and it will be included as a term of the Cooperation Agreement that, subject to funding its portion of the PFS, compliance with the Cooperation Agreement, and the parties being satisfied with the PFS, EcoPro has an option to proceed to a DFS in respect of the Conversion Facility, and to negotiate with GT1 a joint venture agreement in respect of the same.

### Conversion Facility - Joint Venture Agreement

Pursuant to the terms of the Cooperation Agreement and subject to the parties being satisfied with the outcome of the PFS, the parties intend to commence good faith negotiations on an exclusive basis to form a joint venture arrangement to deliver a DFS on the proposed Conversion Facility. Non-binding terms have been contemplated within the Framework Agreement, which will be disclosed in detail once formalised. As part of the joint venture agreement, further investment from potential partners may be sought and assessed as required.

### Cautionary statement

GT1 cautions investors that, other than where stated otherwise, the Framework Agreement expresses the non-binding intentions of the parties to finalise and enter into the Cooperation Agreement and Joint Venture Agreements (together, the Definitive Agreements).

## Definitive Agreements

There can be no certainty that the Definitive Agreements will be entered. Further, any Definitive Agreements that are entered into may be subject to conditions precedent, and there can be no certainty that any such conditions precedent will be satisfied. GT1 therefore cautions investors against making investment decisions based solely on the Framework Agreement.

## Government Funding Strategy

GT1 and EcoPro have collaboratively submitted a joint application to Invest Ontario seeking funding for the potential Lithium Conversion Facility to be located in Canada. This application, in response to the Ontario government's request earlier this year, aims to secure business case approval and financial support to advance this pivotal project.

The proposed facility, with EcoPro—a global leader in advanced battery materials and technology—brings unparalleled expertise, making them the ideal partner for such a lithium hydroxide conversion facility. Their proven track record in producing high-quality lithium hydroxide, crucial for electric vehicle batteries, positions this partnership to set a new benchmark in the industry.

Establishing the proposed Lithium Conversion Facility in Ontario will strategically enhance the province's standing as a global leader in the battery electric vehicle supply chain. With Ontario already attracting unprecedented levels of investment in this sector, the establishment of a Lithium Hydroxide Facility marks the next critical step in completing the supply chain. This development will further solidify Ontario's role as a key player in the global transition to electric vehicles, reinforcing its leadership in this transformative industry.

Further engagement is planned with Invest Ontario as well as the federal government to secure complementary funding through the Strategic Innovation Fund (SIF) over the coming months. This engagement is crucial to ensuring that the project has the necessary resources to move forward rapidly and to maximize the economic and environmental benefits for both Ontario and Canada as a whole.

**This announcement was authorised for release by Green Technology Metals, Board of Directors**

For further information please visit [www.greentm.com.au](http://www.greentm.com.au) or contact

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## About Green Technology Metals (ASX:GT1)

GT1 is a North American-focussed lithium exploration and development business with a current global Mineral Resource estimate of 24.9Mt at 1.13% Li<sub>2</sub>O. The Company's main 100% owned Ontario lithium projects comprise high-grade, hard rock spodumene assets (Seymour, Root, Junior and Wisa) and lithium exploration claims (Allison, Falcon, Gathering, Pennock and Superb) located on highly prospective Archean Greenstone tenure in north-west Ontario, Canada. All sites are proximate to excellent existing infrastructure (including clean hydro power generation and transmission facilities), readily accessible by road, and with nearby rail delivering transport optionality. Targeted exploration across all three projects delivers outstanding potential to grow resources rapidly and substantially.

Project	Tonnes (Mt)	Li <sub>2</sub> O (%)
<b>Root Project</b>		
<b>Root Bay</b>		
Indicated	9.4	1.30
Inferred	0.7	1.14
<b>McCombe</b>		
Inferred	4.5	1.01
<b>Total</b>	<b>14.6</b>	<b>1.21</b>
<b>Seymour Project</b>		
<b>North Aubry</b>		
Indicated	6.1	1.25
Inferred	2.1	0.8
<b>South Aubry</b>		
Inferred	2.0	0.6
<b>Total</b>	<b>10.3</b>	<b>1.03</b>
<b>Combined Total</b>	<b>24.9</b>	<b>1.13</b>

<sup>1</sup> For full details of the Seymour Mineral Resource estimate, see GT1 ASX release dated 21 November 2023, Seymour Resource Confidence Increased - Amended. For full details of the Root Mineral Resource estimate, see GT1 ASX release 18 October 2023, Significant resource and confidence level increase at Root, Global Resource Inventory now at 24.5Mt. The Company confirms that it is not aware of any new information or data that materially affects the information in that release and that the material assumptions and technical parameters underpinning this estimate continue to apply and have not materially changed.

## About EcoPro Innovation

EcoPro Innovation Co., Ltd is a subsidiary of The EcoPro Co., Ltd Group of Companies which include EcoPro BM, EcoPro Materials and EcoPro Innovation. EcoPro Group specializes in lithium-ion batteries and environmental business. EcoPro Innovation has secured a value chain for lithium cells by developing, manufacturing and processing technologies for lithium compounds, which is a core material of lithium cells.