

Finnish Vanadium Recovery Project Receives Second Tranche Capital Investment from EU Co-Funded Group EIT RawMaterials

HIGHLIGHTS

- Recycling Industries Scandinavia AB (NMT 87.1%; “**RISAB**”), executes project agreement with EIT RawMaterials GmbH (“EIT RawMaterials”) to provide a second tranche of funding to support the development of the Finnish Vanadium Recovery Project (“**VRP1**”);
- EIT RawMaterials is co-funded by the European Union (“**EU**”) and will provide an additional €0.494M (c. A\$818k¹) in grant funding and increase its minority shareholding in RISAB to 2.2%, at a Pre-Money Valuation of €50M (c. A\$82.8M¹) with potential for up to a total €10M investment within 18 months;
- Funding to advance technical work programs in parallel with project financing process now underway, and
- Second round follows EIT RawMaterials €0.5 million first investment in VRP1 in Pori, Finland in September 2024.

Sustainable process technology developer, Neometals Ltd (ASX: NMT) (“**Neometals**” or “**the Company**”), is pleased to announce the execution of a project agreement (“**the Agreement**”) providing additional funding and services to Novana Oy (“**Novana**”; indirect NMT 87.1% interest through RISAB). Novana is commercialising Neometals’ patent-pending vanadium recovery process (“**VRP Technology**”) through the development of the VRP1 in Finland.

EIT RawMaterials is based in Berlin Germany and is a legally independent part of the European Institute of Innovation and Technology, an EU entity. EIT RawMaterials is mandated by the European Commission to lead and manage the European Raw Materials Alliance (“**ERMA**”). As previously announced, EIT RawMaterials became a minority shareholder in RISAB through an earlier investment of €0.5M (c. A\$829k²).

Under the Agreement, EIT RawMaterials will provide Novana with a second capital injection of €0.494M in grant funding and be issued an additional 1.1% (for a new total of 2.2%) of the issued capital of RISAB at a Pre-Money Valuation of €50M (c. A\$82.8M). EIT RawMaterials funding and services, which are contingent on the application of funds to pre agreed activities and milestone dates, will support certain project technical programs whilst the financing process continues for the development of a plant to produce high-purity vanadium pentoxide (“**V₂O₅**”) from vanadium-bearing steel slag in Pori, Finland.

¹ Reserve Bank of Australia 0.6034 Aud: Euro exchange rate, 13th February 2025.

² For full details refer to Neometals ASX announcement dated 16 September 2024 titled “Finnish Vanadium Recovery Project receives EU supported capital injection”.

As previously announced² EIT RawMaterials have the option, at the earliest of a) a period of 18 months from signing the Agreement or b) the execution of a binding agreement on an equity commitment for at least €160M into RISAB from one or more (existing or new) investors, to subscribe for up to an additional €10M (c. A\$16.6M¹) in equity funding in RISAB at the Pre-Money Valuation.

Neometals previously announced the results of the VRP1 feasibility study which confirmed the potential for V₂O₅ production at lowest-quartile operating costs, with a low-to-negative carbon footprint³.

Novana is currently conducting a project financing selection process seeking approximately €400M (targeting c. 40% equity, 60% debt) with leading Nordic banks SEB and Aventus managing the equity and debt packages respectively, with assistance from EIT RawMaterials.

Novana holds the exclusive licence to Neometals' wholly owned VRP Technology in the Nordics⁴ and a non-exclusive licence for areas outside the Nordics and is required to pay a 2.5% gross revenue royalty to Neometals from all products and sales generated from its use. Novana holds a long-term lease over the proposed VRP1 plant site, has secured the project's environmental permit⁵ and has entered a binding offtake for 100% of VRP1's V₂O₅ products with Glencore International AG⁶. Neometals does not intend to provide further material funding to RISAB/Novana to develop VRP1 and expects to dilute its current holding to a minority equity position.

This investment highlights EIT RawMaterials' growing role as an impact investor in raw material innovation in Europe. Speaking on the investment, Bernd Schäfer, CEO, Managing Director, EIT RawMaterials, stated:

"The second round of investment reflects our confidence in Novana's team and technology, and EIT RawMaterials' commitment as an impact investor to accelerate raw materials innovation and industrialisation in Europe. We are proud of our role in supporting Novana on the journey to become the first domestic European producer of high purity Vanadium, helping secure a vital resource for Europe's leading industries."

Neometals Managing Director Christopher Reed said:

"We welcome the continued support of EIT RawMaterials through this second tranche of funds to maintain the ongoing technical work programs in parallel with the project financing process. With the VRP1 conditionally confirmed for EIB debt financing, we look forward to formally securing the remaining equity and debt funding. We hope to capitalise on the significant support from the Finnish State and EU to deliver Europe's first domestic producer of high-purity vanadium, a critical material for the production of high-strength steel, aerospace titanium alloys and stationary energy storage batteries."

³ For full details refer to Neometals ASX announcement dated 8 March 2023 titled "Vanadium Recovery Project Delivers Strong Feasibility Results".

⁴ Limited to Finland, Denmark, Sweden and Norway.

⁵ For full details refer to Neometals ASX announcement dated 24 October 2022 titled "Vanadium Recovery Project Environmental Permit Granted".

⁶ For full details refer to Neometals ASX announcement dated 12 July 2023 titled "Vanadium Recovery Project Offtake Executed with Glencore".

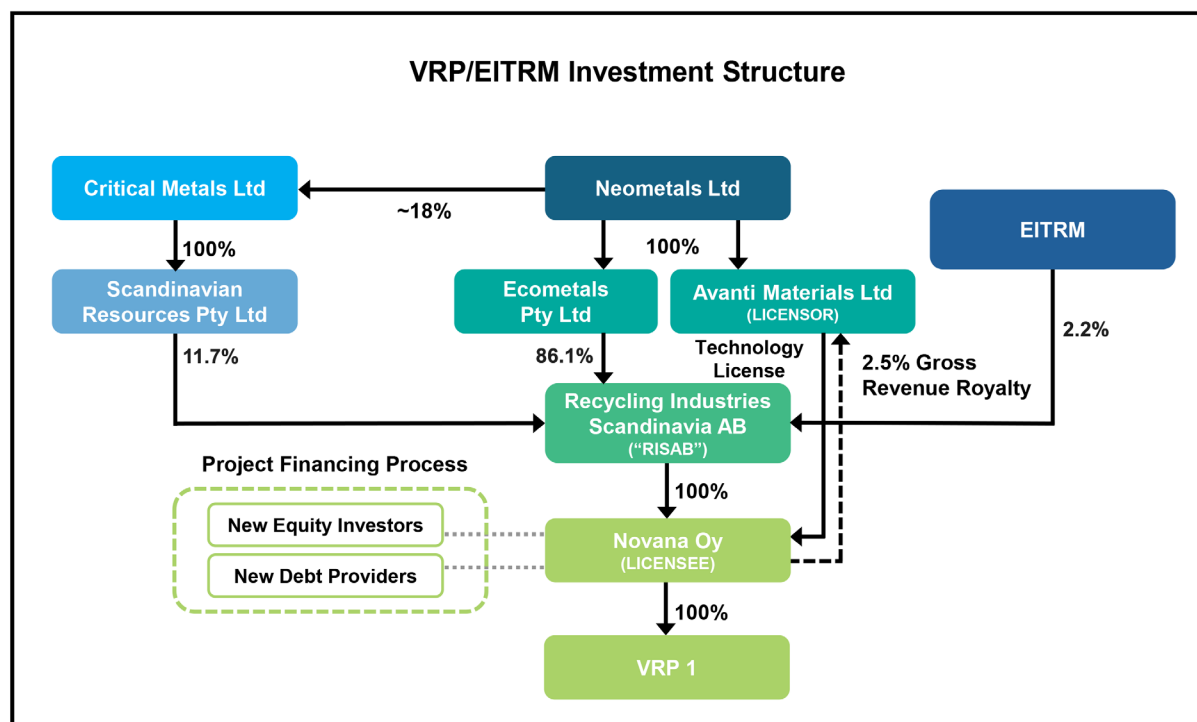


Figure 1 – Overview of Royalty and Corporate Structure post EIT RawMaterials second investment.

Authorised on behalf of Neometals by Christopher Reed, Managing Director.

ENDS

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About Neometals Ltd

The Company is commercialising a portfolio of sustainable processing solutions that recover critical materials from high-value waste streams. Plant supply and/or technology licensing business models are preferred given lower risk and capital required.

- Neometals' core focus is its patented, **Lithium-ion Battery ("LiB") Recycling technology (50% NMT)**, being commercialised (via Primobius GmbH) with 150-year-old German plant builder, SMS group GmbH. Primobius is supplying Mercedes-Benz a 2,500tpa recycling plant for Mercedes-Benz, which is currently being commissioned. This industrial validation will precede the offer of commercial ~20,000tpa integrated recycling plants to its business development pipeline.
- **Lithium Chemicals (70% NMT)** – Patented ELi™ electrolysis process, co-owned 30% by Mineral Resources Ltd, aiming to produce battery quality lithium hydroxide from brine and/or hard-rock feedstocks at lowest quartile operating costs. Successfully completed Pilot scale test work and planning industrial validation with funding partners through continuous demonstration plant trials, targeting a technology licensing business model; and

- **Vanadium Recovery (100% NMT)** – Patent pending hydrometallurgical process, aiming to produce high-purity vanadium pentoxide from steelmaking by-product (Slag) at lowest-quartile operating cost and carbon footprint. Planning to exploit under a technology licensing business model. Project financing process for first commercial plant in progress (86.1% NMT).

The Company's remaining upstream mineral asset has two separate styles of mineralisation and mineral resources:

- **Barrambie Titanium and Vanadium (100% NMT)** – The world's second highest grade hard-rock titanium and vanadium deposit is currently in a divestment process; and
- **Barrambie Gold (100% NMT)** – Historic high-grade gold producer early 1900s, no modern exploration. Maiden gold exploration target highlighted potential for camp-scale brownfields gold discoveries. Maiden gold exploration programs planned for March Q 2025. Barrambie is proximal to a number of camp-scale gold projects with existing processing infrastructure.

About EIT RawMaterials

EIT RawMaterials is the largest and most active raw materials knowledge and innovation network globally, comprising over 300 partner organisations across the entire raw materials value chain. EIT RawMaterials demonstrates its dedication to advancing and supporting a circular economy in Europe by fostering innovation, collaboration, and sustainable practices. Mandated by the European Commission, EIT RawMaterials leads the European Raw Materials Alliance (ERMA), which includes more than 750 members and an advanced project pipeline of over 40 projects, representing an investment potential of more than €25 billion.

Supported by the European Institute of Innovation and Technology (EIT), a body of the European Union, EIT RawMaterials was established in 2015 to advance Europe's transition to a sustainable economy. Its mission is to secure a sustainable supply of raw materials for Europe, close material loops, and design innovative product solutions, with the goal to position raw materials as a strategic strength for Europe through innovation, education, and entrepreneurship.

Since its founding, EIT RawMaterials has deployed over €600 million in direct strategic funding to support more than 800 projects and start-ups. These initiatives, including ERMA projects, have leveraged additional funding of €5 billion from external sources, creating a cumulative impact of more than €5.5 billion in critical and strategic raw materials projects, technologies, and programmes across Europe and beyond.

Visit www.eitrawmaterials.eu

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