

proactiveinvestors

Proactive Investors CEO Sessions
Australia – May 2019

INFINITY LITHIUM

Developing lithium production in Europe to power a renewable
future

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- ❖ The Production Target referred to in this announcement is based on 91% Indicated Resources and 9% Inferred Resources for the life of mine life covered under the Study. In accordance with the twenty four (24) year mine plan incorporated into the Study, the first three (3) years of production (covering payback period) will come 96% from Indicated Resources.
- ❖ The Study is based on the material assumptions outlined in the ASX announcement 29 November 2018. These include assumptions about the availability of funding. While the Company considers all the material assumptions to be based on reasonable grounds, there is no certainty that they will prove to be correct or that the range of outcomes indicated by the Study will be achieved. To achieve the potential mine development outcomes indicated in the Study, additional funding will be required. Investors should note that there is no certainty that the Company will be able to raise funding when needed however the Company has concluded it has a reasonable basis for providing the forward looking statements included in this announcement and believes that it has a “reasonable basis” to expect it will be able to fund the development of the San Jose lithium deposit.
- ❖ Infinity is not aware of any new information or data that materially affects the information included in this ASX release, and Infinity confirms that, to the best of its knowledge, all material assumptions and technical parameters underpinning the resource estimates in this release continue to apply and have not materially changed.

Disclaimer

Competent Persons Statement

- ❖ The information in this report that relates to Exploration Targets and Mineral Resources is based on the information compiled by Mr Patrick Adams, of Cube Consulting Pty Ltd (Perth). Mr Adams has sufficient relevant professional experience with open pit and underground mining, exploration and development of mineral deposits similar to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of JORC Code. He has visited the project area and observed drilling, logging and sampling techniques used by Infinity Lithium in collection of data used in the preparation of this report. Mr Adams is an employee of Cube Consulting Pty Ltd and consents to be named in this release and the report as it is presented.
- ❖ The information in this report that relates to Exploration Results is based on the information compiled or reviewed by Mr Adrian Byass, B.Sc Hons (Geol), B.Econ, FSEG, MAIG and an employee of Infinity Lithium. Mr Byass has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the JORC Code. Mr Byass consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

INTRODUCTION

Electric mobility From
Wait and See mode to
Action mode



Europe
To Become #2 Largest
EV Maker In The World



Batteries
Alliances & Long term Supply
– Strong Exposure to Asia



EU & Governments
Start To Intervene & Protect
The Region



Europe
Could Become The
#2 Largest Market
For Battery Metals



There is **no**
material lithium
mining and no
lithium refining
in Europe



Infinity's **fully integrated**
lithium chemical project
is needed

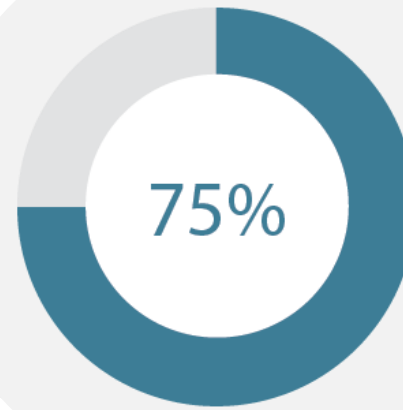


San Jose Lithium Project

Europe #2 Largest
Market For EVs,
Batteries & Lithium

Fully Integrated Lithium
Project, From Mining To
Chemicals

PFS
Due In
June/July



EU To Support
Development Of
Lithium Production

Moved To 75%
Ownership Of
The Project



NPV ⁽¹⁰⁾ **\$717M**
IRR (pre-tax) **51%**
Pay back **2.3y**

World's Largest Automaker - Volkswagen

“VW capable of building **50 million electric vehicles**”

“Last generation of combustion engines to be launched in **2026**”

“**Lithium is the irreplaceable element** of the electric era”

“Volkswagen has set itself the **goal of promoting lithium production in Europe**”



1- Strong Demand Outlook For Lithium

Electric Vehicles are expected to **take over** Internal Combustion Cars by the mid-2030s



"Volkswagen expects to build 22 million cars on its electric vehicles platforms by 2028"



Electric vehicles are not the entire story : many **E-mobility** applications but also **Energy Storage** Systems are powering lithium growth



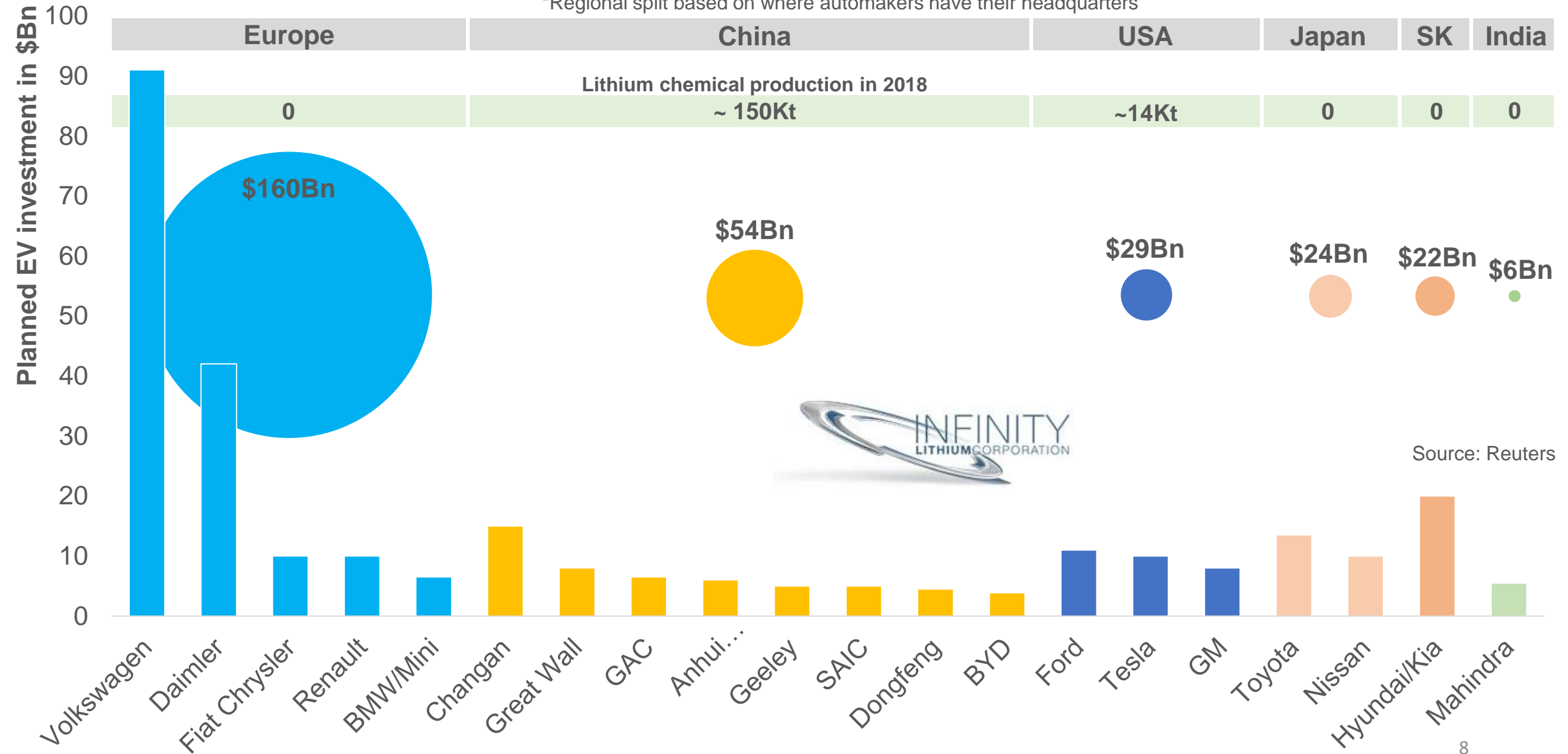
Powered by **battery** growth, lithium demand is set to **increase 8 times between today and 2030**



Source: Canaccord Genuity - Lithium | 2019 recharge

Automakers planned spending on EV technology over the next 5-10 years*

*Regional split based on where automakers have their headquarters



2 - Strategically Located in Europe

Europe to become **#2 largest Electric Vehicles** and **lithium-ion battery** producer in the world



Europe will become the **#2 largest consumer** of battery metals such as lithium – but there is **no lithium chemical** production in Europe



EC and EIB push to develop a **strategic value chain** for manufacturing EV LIBs inside Europe and want to secure access to lithium. They are committed to **provide capital**



The San Jose project a **low risk** and **strategically located** source of lithium chemicals, able to supply end-users **regionally** with a light footprint



A Number of New Lithium-ion Factories Planned in Europe

And...



is looking at launching battery production in Europe



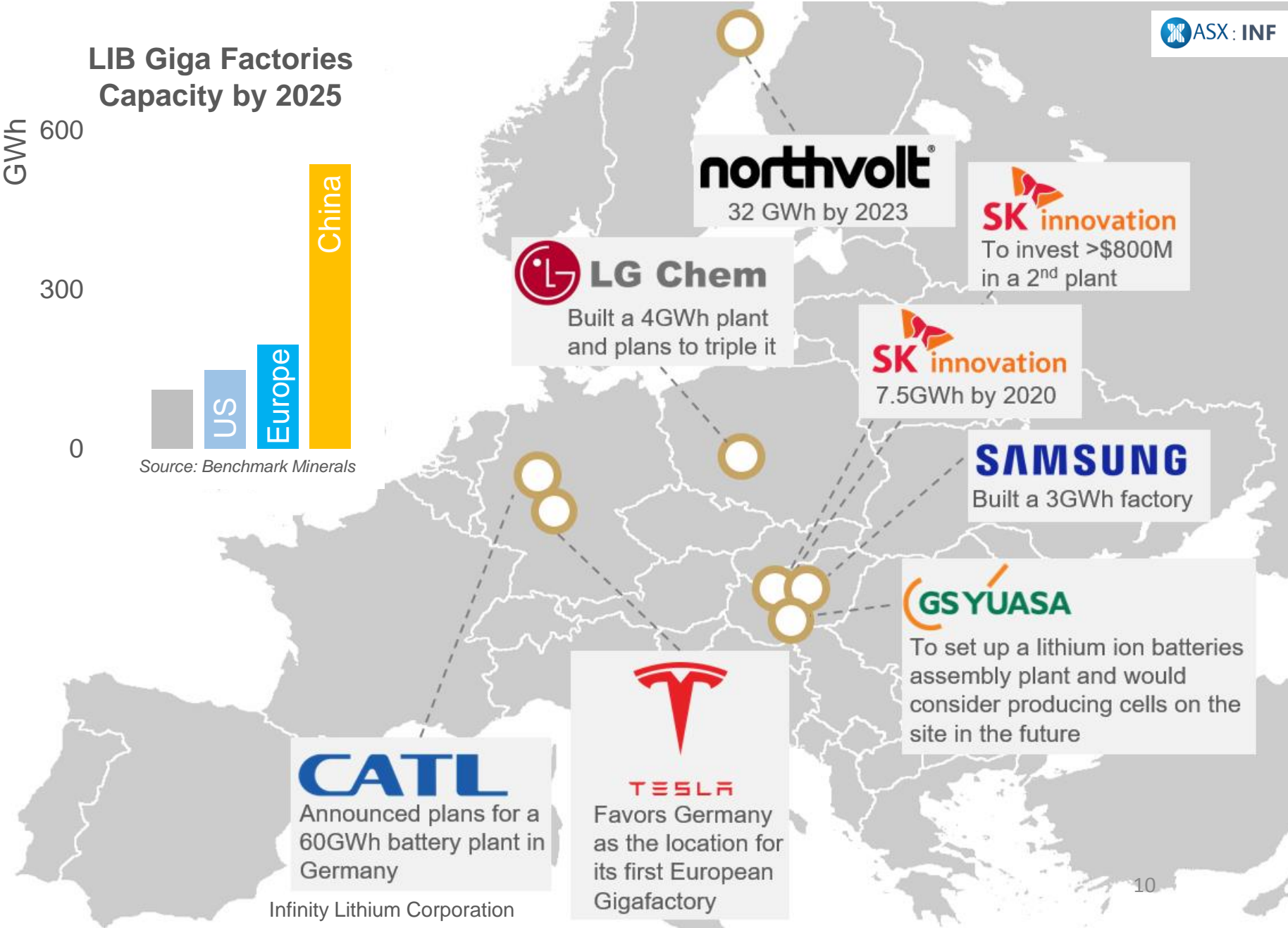
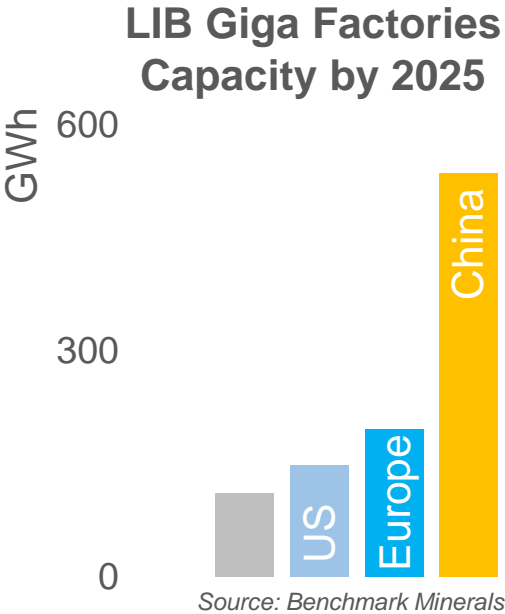
金沙江资本
GSR Capital signed a deal to build a factory that would launch production in 2023



selecting the final site for a large-scale lithium-ion cell, plant in the EU



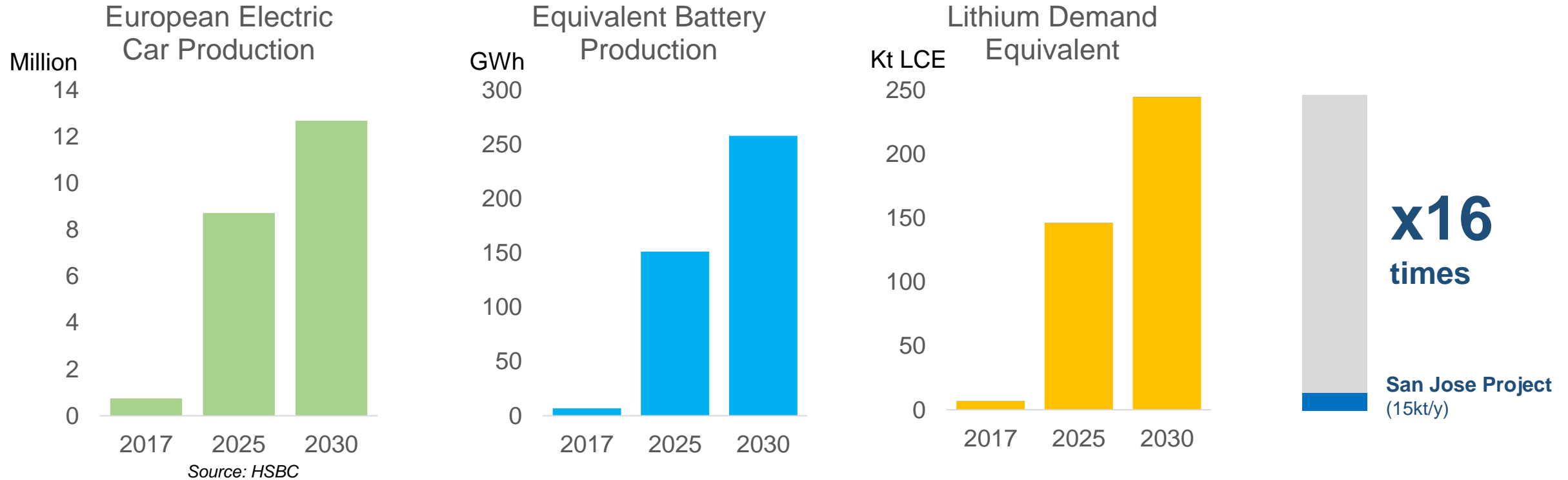
Blackstone Resources to invest \$230M in German EV battery factory plan



A Fully Integrated European Lithium-ion Battery Supply Chain



The EU is pushing to have a fully integrated domestic supply chain, from producing EVs all the way back to producing raw materials. What would it mean for domestic lithium demand?



Notes: Electric cars include HEV, PHEV and EV. Average battery pack for EV is 33kWh in 2017, 45kWh in 2025 and 52kWh in 2030. PHEV average battery pack around 12kWh, HEV around 1kWh. LCE consumption per kWh averaging 0.9Kg.

European Battery Alliance Gathering Momentum



- Infinity Lithium engaged with key European stakeholders at EBA250 with raw materials and chemical processing capabilities remaining a high priority for the European Commission, European Investment Bank, and major European automobile OEMs.



- **Primary and secondary raw materials remain a priority** for the European Commission to address the gap in the existing value chain with no current capacity to refine battery chemicals.



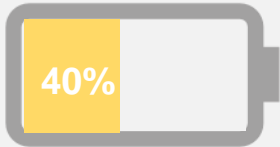
- Commitment to **provide capital** to facilitate growth EV market and European value chain participants.
- Identified the **significant gap** in the market for battery chemicals and reinforced the EIB's specific focus on "raw materials and refining facilities".
- The ability to ethically source raw materials and consideration of **CO2 emissions** remains a priority for the European market.



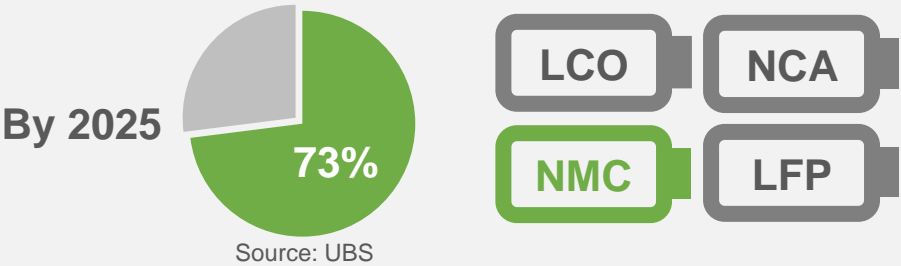
- "Volkswagen has set itself the **goal of promoting lithium production in Europe** in the medium term - there are relevant deposits in Central and Southern Europe, for example"

3 - Focusing On the Fastest Growing Chemical Product

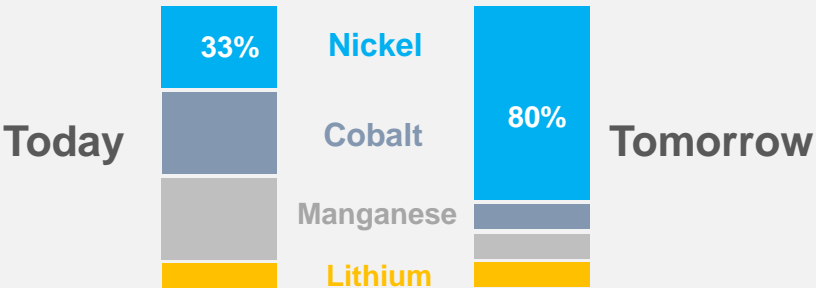
The **cathode** is a battery component which represents the **largest cost** of a battery cell and it is where lithium is used



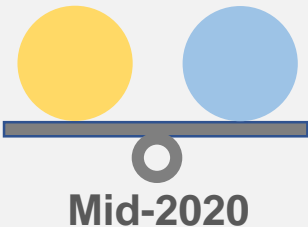
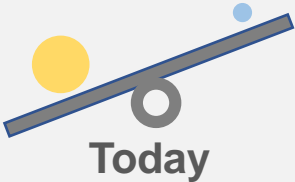
There are different types of cathode but **NMC** (Nickel, Manganese, Cobalt) will **dominate** the industry



The NMC cathode is evolving and using **more nickel** and **less cobalt** to increase energy density ➡ better driving range



High nickel content cathodes require **lithium hydroxide** as opposed to **lithium carbonate** ➡ faster growth for hydroxide **>30%py**



New Cathode Investments – One More Step Towards Back Integration

Cathode Investments in Europe



Umicore is planning to build a cathode plant in Poland. The first phase of this investment is included in the € 660 million programme announced earlier this year. Umicore is due to start deliveries in late 2020.



BASF and **Norilsk Nickel** enter exclusive negotiations to cooperate on raw material supply for battery materials production in Europe. BASF intends to invest up to €400 million in a first step to build production plants for cathode materials in Europe.



Johnson Matthey expects to start production in 2021-22 in Poland of a battery material it has developed with improved performance and reduced cobalt content to contain costs.



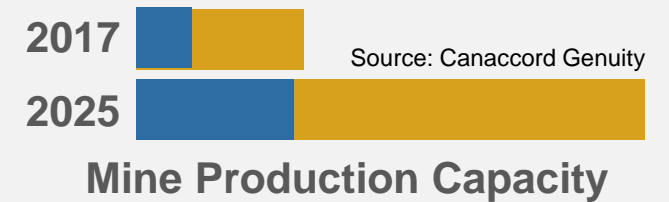
Northvolt is also planning to build its cathodes in-house after they start their battery factory in Sweden.

4 - A Uniquely Fully Integrated Lithium Project

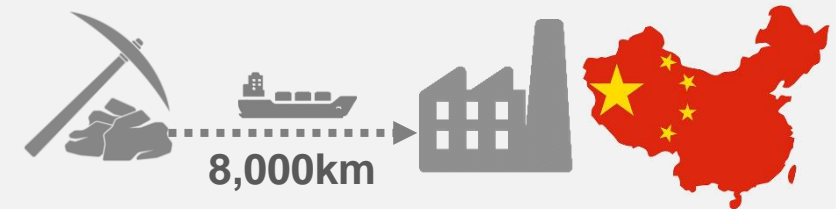
Lithium is mostly produced from either brine-based deposits in **South America** or from hard-rock mineral deposits in **Australia**



Hard-rock to dominate lithium production in the future: easier to operate, lower risk jurisdiction, cheaper to produce lithium hydroxide

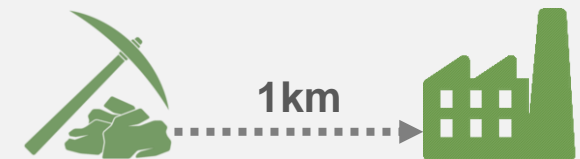


Today, majority of lithium hard rock production is **exported to China** for conversion into lithium chemicals

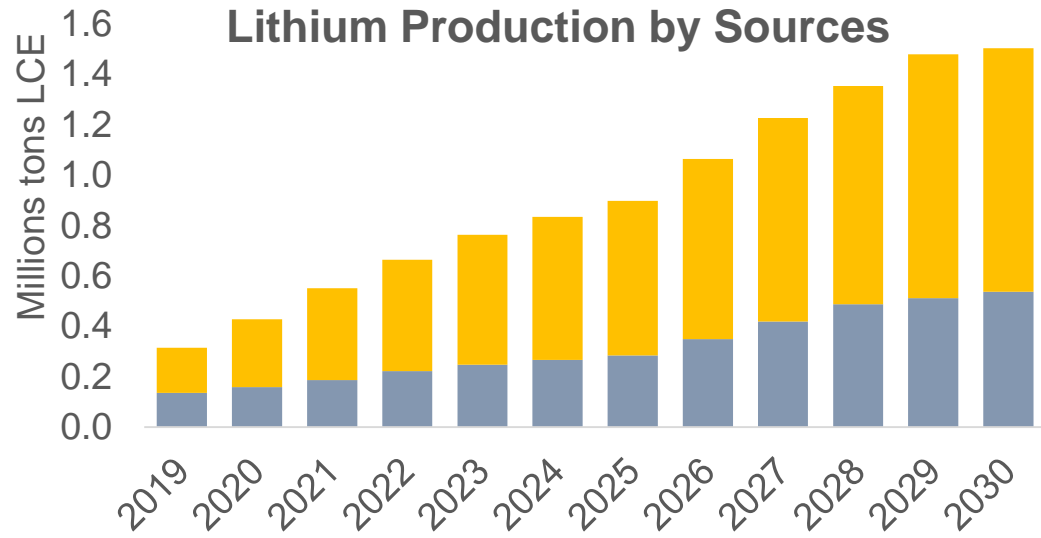


San Jose is an **industrial project** where the mine and the chemical operation are adjacent:

- No shipping
- No import duties on feedstock
- No third party converters



Integration: The Way Forward for Hard Rock Production



■ Lithium Chemicals - from Converted Rock

■ Lithium Chemicals - Brine



Hard rock to dominate mine supply response



Easier mining jurisdiction, lower risk

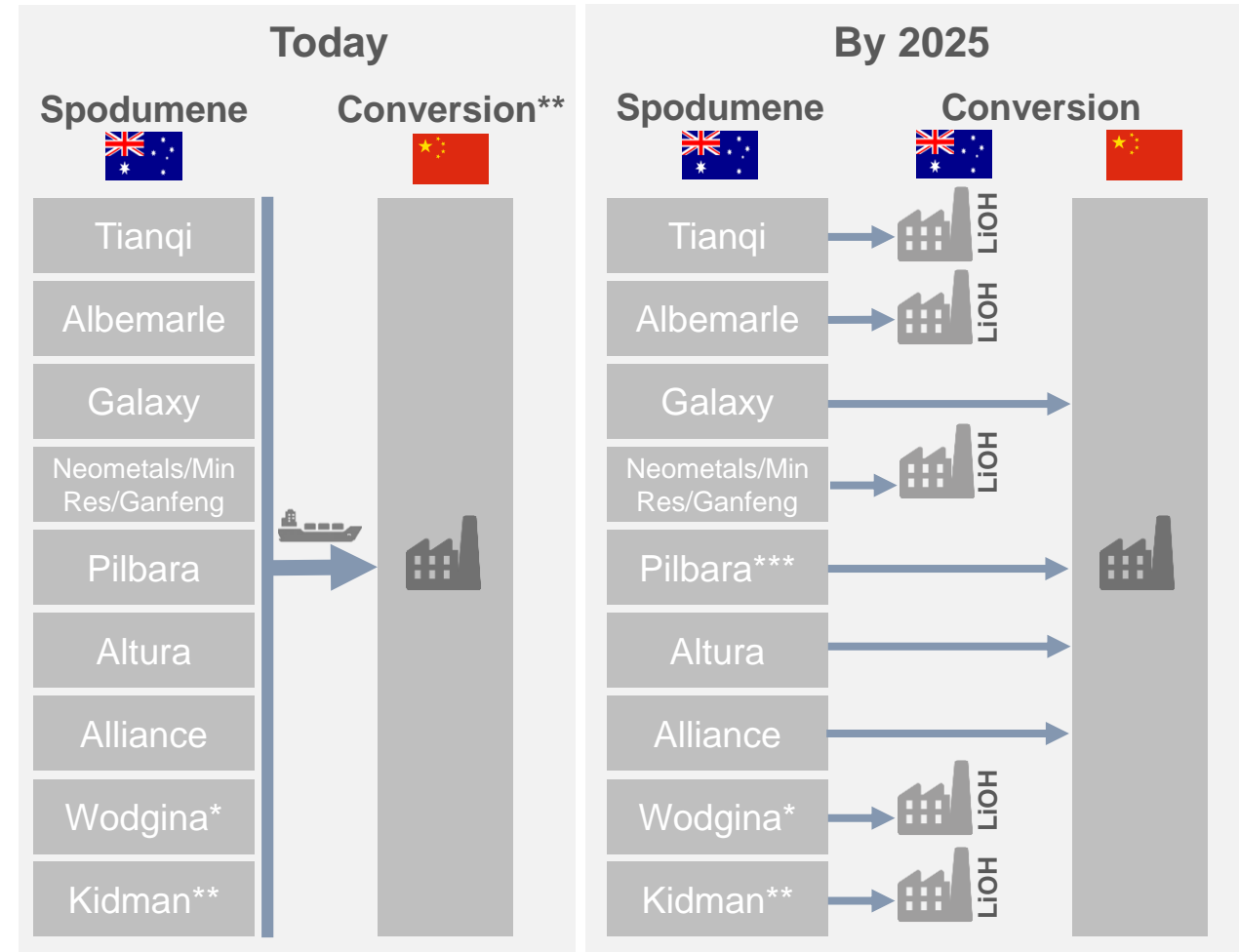


Preferred feedstock for lithium hydroxide



However, **mine production does not equal lithium chemical production**

Integration process for miners will improve efficiency



*Minerals Resources & Albemarle **SQM & Westfarmers ***Conversion in South Korea

Source: Canaccord Genuity - Lithium | 2019 recharge

5 - A Large And Long Term Asset Supporting EV Growth

Second largest lithium resource in the European Union
 JORC Resource 111.2Mt (Ind. 59Mt, Inf. 52.2Mt)



LCE: Lithium Carbonate Equivalent

To operate for **24 years**, including 16 years of mining but only depleting <50% of JORC resource



To produce around **15,000t** of lithium hydroxide battery grade per year

Enough to power
10 Million
Full Electric Vehicles
 over the life of the project



Strategically Located in Extremadura, Spain



Spain

- #2 largest car manufacturer in Europe
- Proposes to veto the sales of ICE cars in 2040
- Promotes the manufacture of batteries for electric cars in Spain

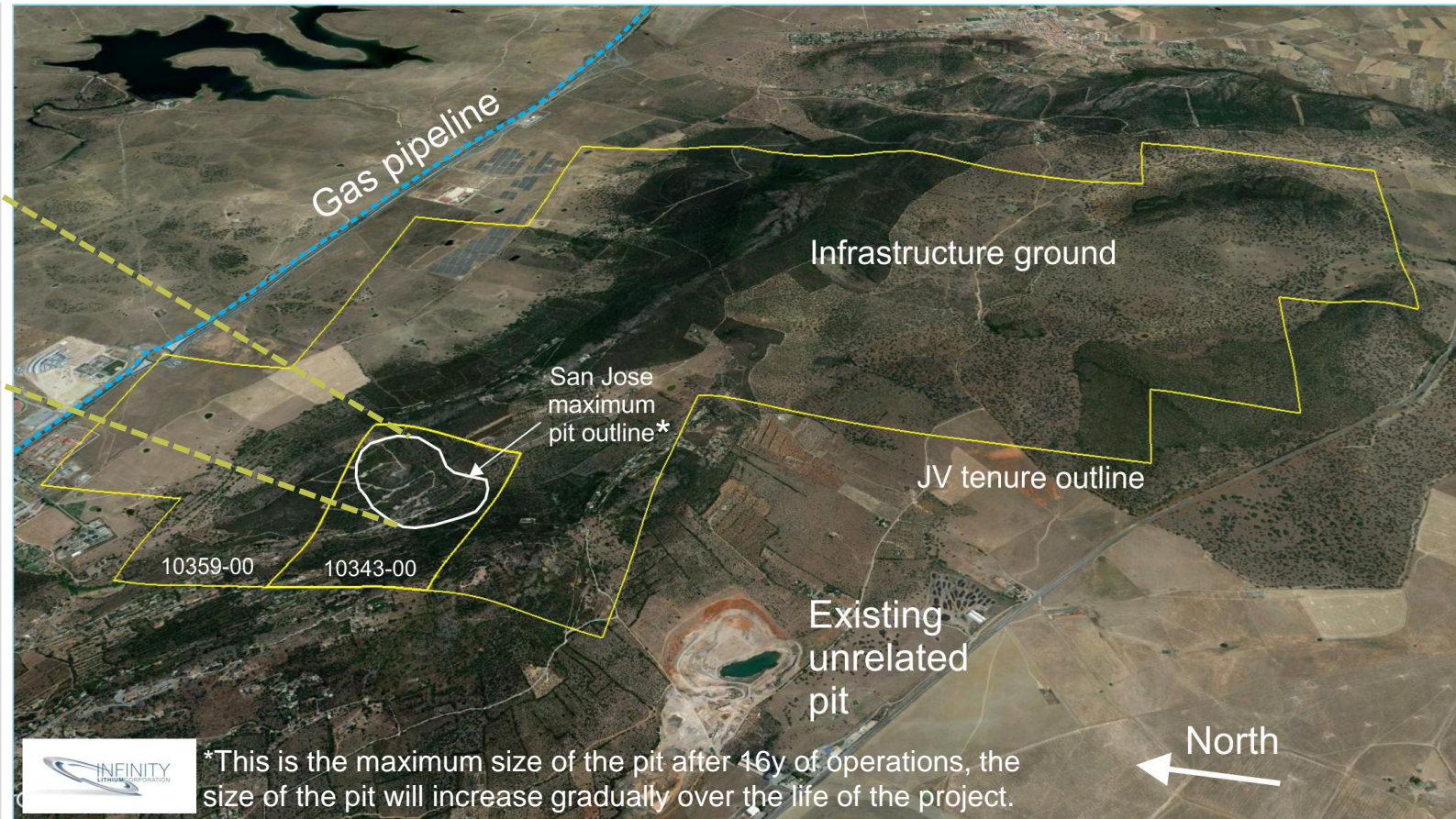
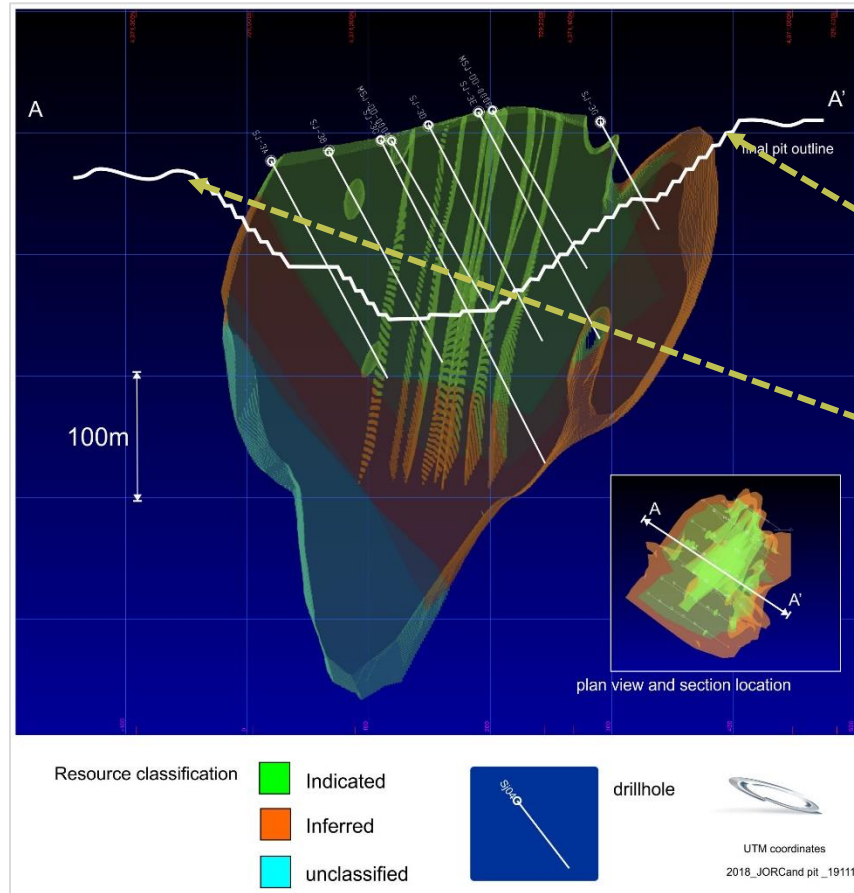


Extremadura

- Region of high poverty and unemployment
- #2 largest lithium resources in Europe
- Drive to develop the industrial sector and mining proactive (230 mining projects)
- Infinity's project to offer more than 200 direct jobs and another 1,000 supporting roles, as well as >US\$1 Billion in tax for the region



Fully Integrated Project - From Mining to Lithium Hydroxide



Plan view of San Jose showing drilling, distribution of resources showing indicated (lime green), inferred (orange) against drill pattern

SAN JOSE MINERAL RESOURCE, REPORTED ABOVE 0.1% LI CUT-OFF

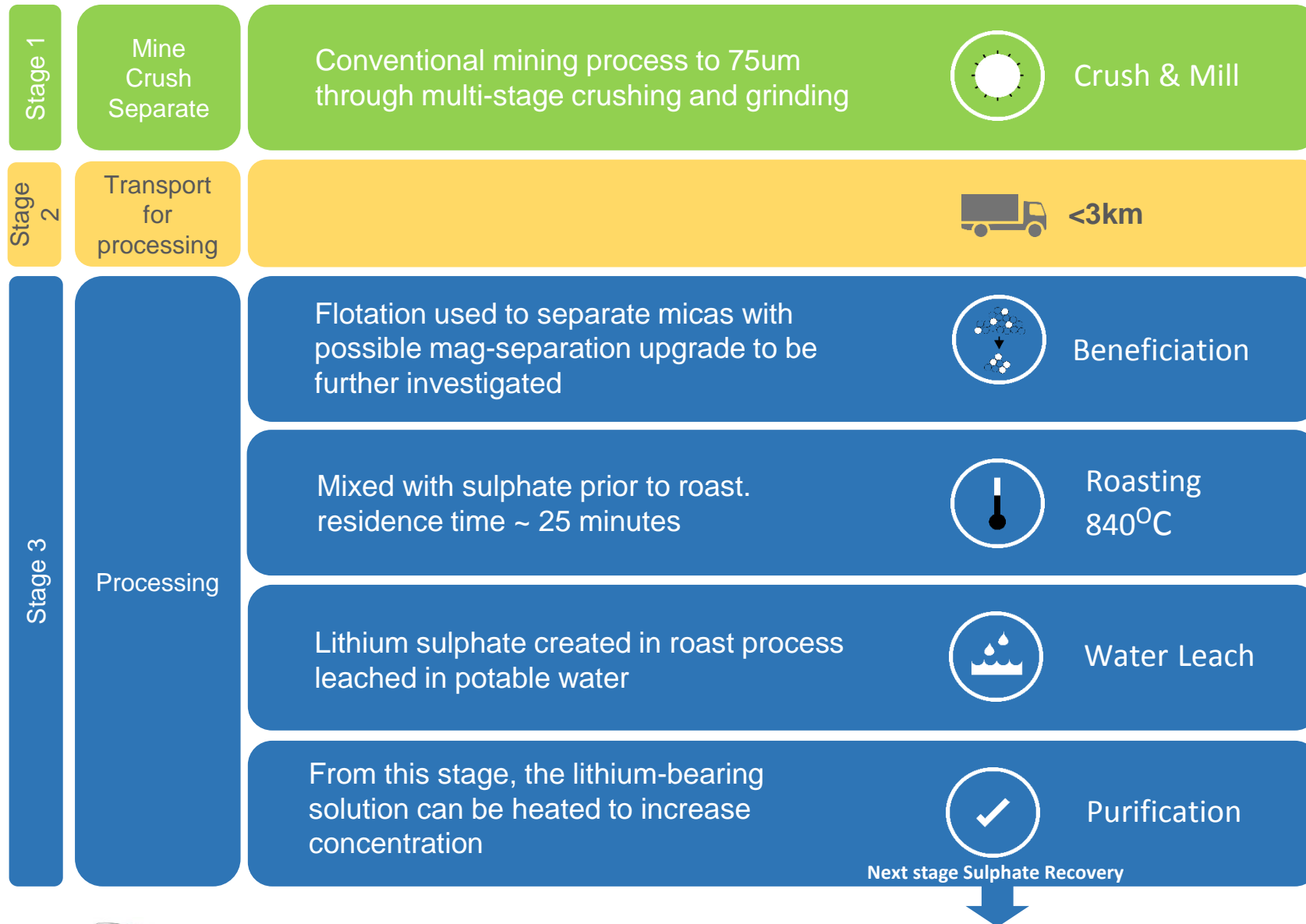
Classification	Tonnes (Mt)	Li(%)	Li ₂ O (%)	Sn ppm
Indicated	59.0	0.29	0.63	217
Inferred	52.2	0.27	0.59	193
TOTAL	111.3	0.28	0.61	206

1.66Mt
LCE

**+90% Indicated
Resources**

From Mining to Lithium Bearing Solution

1



Mineralogy

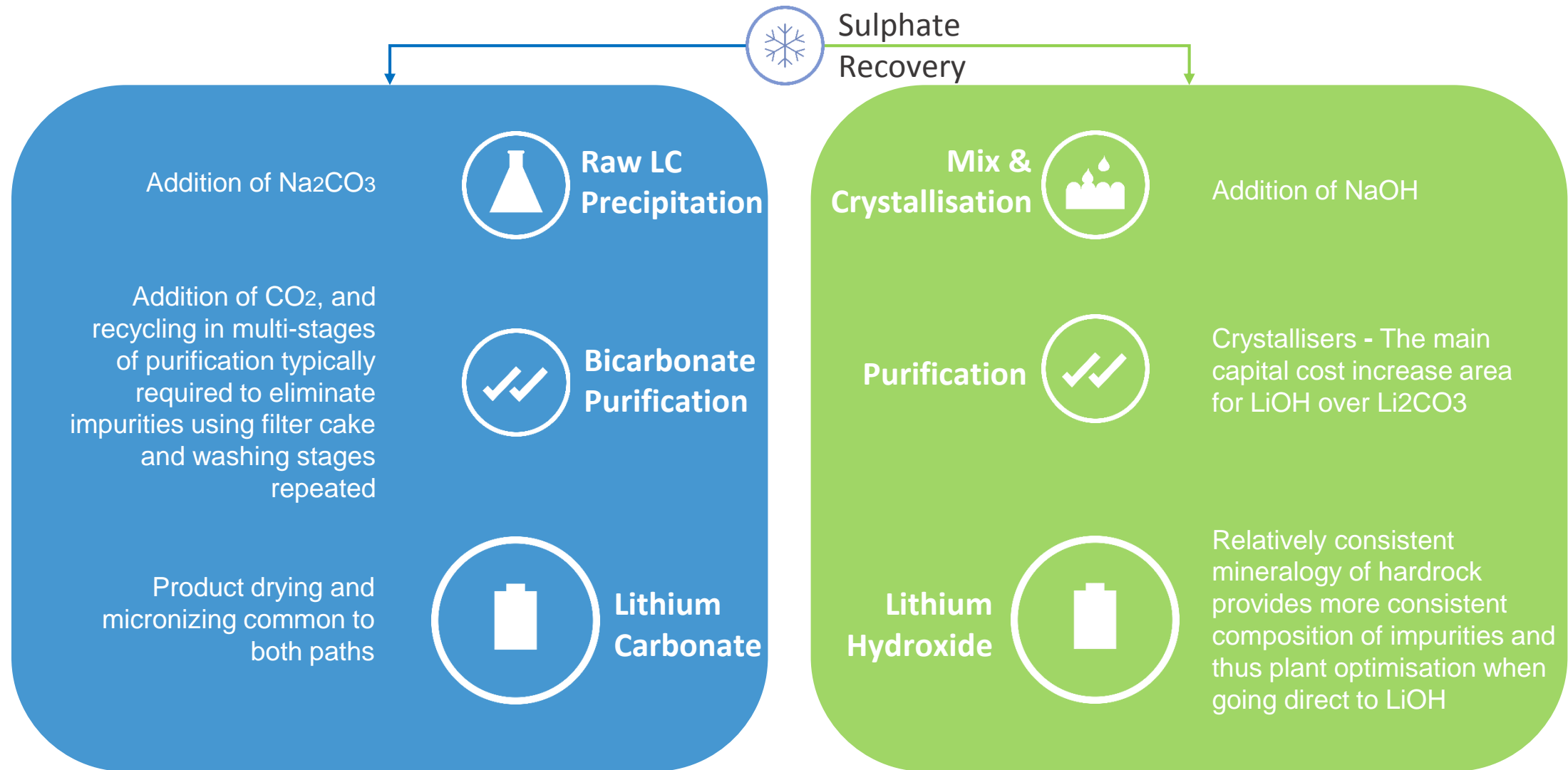


■ Mica ■ Quartz ■ Tourmaline

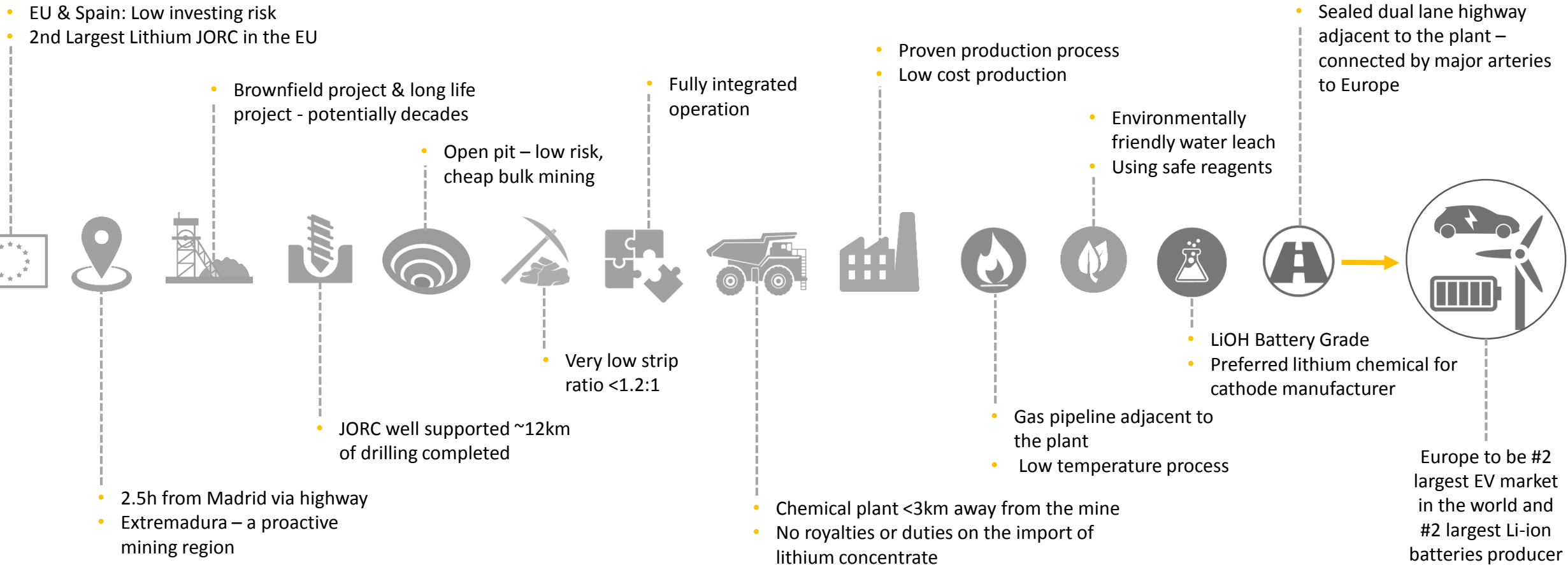
Ore material is approximately equal parts lithium-bearing mica, quartz and tourmaline

Lithium Bearing Solution to Lithium Product

2



Fully Integrated Project - From Mining to Lithium Hydroxide



Cautionary Statement

Production Target Cautionary Statement

- ❖ The Production Target referred to in this announcement is based on 91% Indicated Resources and 9% Inferred Resources for the life of mine life covered under the Study. In accordance with the twenty four (24) year mine plan incorporated into the Study, the first three (3) years of production (covering payback period) will come 96% from Indicated Resources.
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- ❖ Infinity is not aware of any new information or data that materially affects the information included in this ASX release, and Infinity confirms that, to the best of its knowledge, all material assumptions and technical parameters underpinning the resource estimates in this release continue to apply and have not materially changed.

6 - Lithium Project Supported by Strong Economics



NPV ⁽¹⁰⁾
\$717M



IRR (pre-tax)
51%



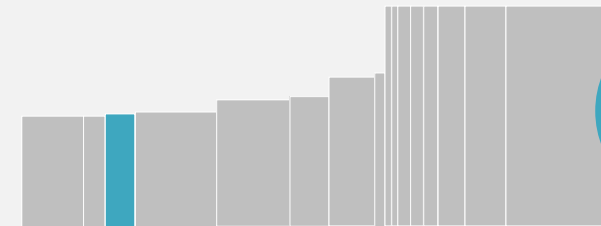
Pay back
2.3 years

OPEX at the bottom of the cost curve for lithium hydroxide at around **\$5,343/t**

**Lithium Hydroxide
Cost Curve**

2022

Source: Cannacord



**OPEX
\$5,343**

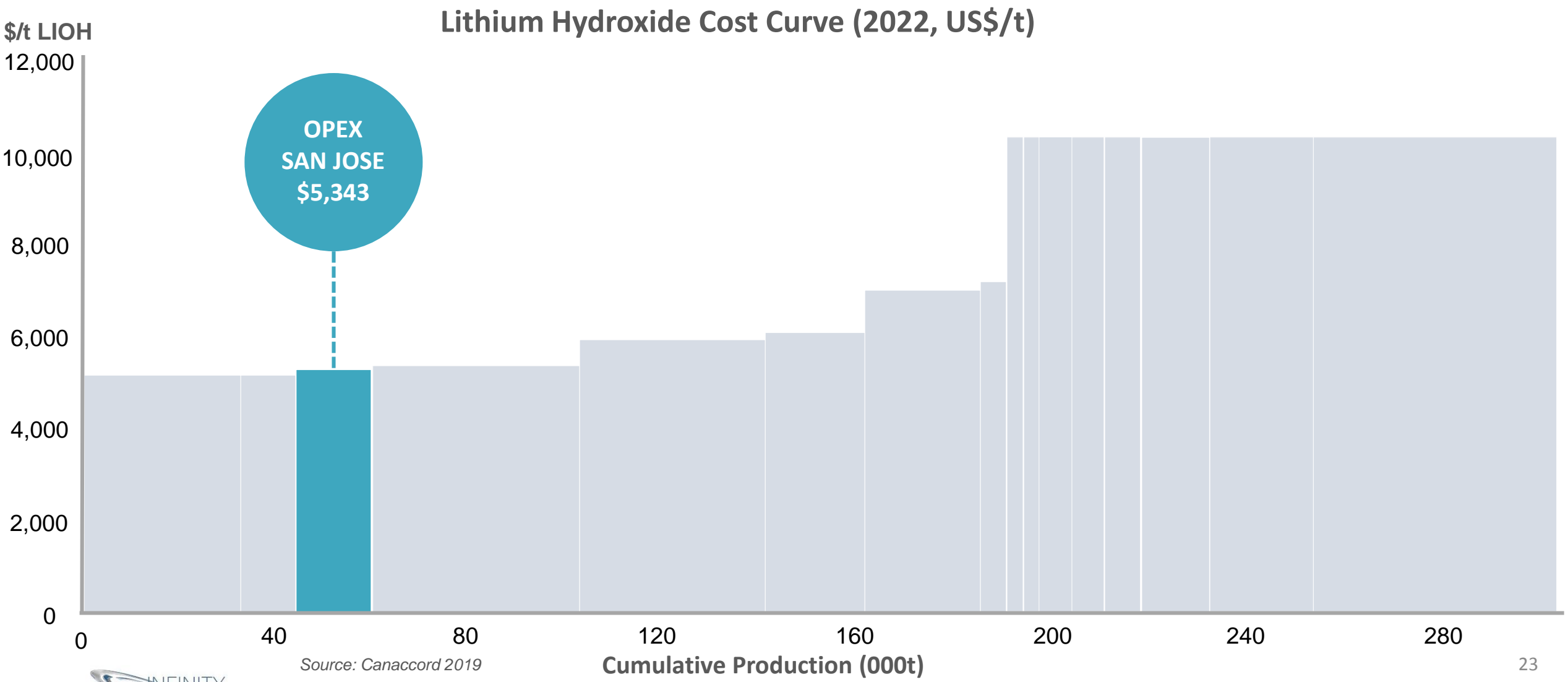
Lithium hydroxide battery grade **price** at an average of **\$14,896/t** for the life of the project



Starting **CAPEX** at US\$288M with a **low capital intensity** of \$19,200/t



Global Lithium Hydroxide Cost Curve In 2022



Scoping Study Project Economics* - Lithium Hydroxide

(100% Project Basis)

*See Disclaimer slide

NPV ₁₀ NPV ₁₀	Pre-tax	\$	US\$717m ⁽¹⁾ US\$1,017m ⁽²⁾	NPV ₈ NPV ₈	Post-tax	\$	US\$631m ⁽¹⁾ US\$905m ⁽²⁾
IRR	Pre-tax	📈	51% ⁽¹⁾	IRR	Post-tax	📈	37% ⁽¹⁾
Average OPEX		🧪	US\$5,343/t	CAPEX (Start-Up)		🏭	US\$288m ⁽³⁾
Gross Operating Cash Flow (1 st 10 years production)		📊	US\$122m pa	Payback Period		🎯	2.3 years
Project Life		⛏️	24 years	Resource (2 nd largest in EU)		🏗️	1.6Mt LCE
Annual Production of lithium hydroxide		🚚	14-15kt pa	Annual ROM		🚛	1.25Mt pa



Fully integrated hard rock based project, from mining to producing battery grade lithium hydroxide, using a proven and low cost process, and generating high margins in a low risk environment.

Assumed Sales Price: (1) Average LOM LiOH US\$ 14,896/t
(2) Average LOM LiOH US\$ 17,733/t

Assumed CAPEX: (3) All CAPEX includes 10% contingencies
NPI CAPEX included at Start-up US\$11m (Inception to year 2)
Ongoing CAPEX US\$17m (year 3 to 7)

7 - A Sustainable, Low Carbon Footprint Operation

Integrated plant and proximity to end-markets lead to **very low transport footprint**, reducing **CO2 emissions** to a minimum



Using **fertilizer or safe reagents** for processing



Low water consumption, 40 times less than in brine production, most of the water is **recycled**

Hard Rock

Spain

Brine

South America

x40 water
consumption

All reagents necessary for lithium processing **available domestically** as opposed to importing them from thousands of kilometers away



Summary

1- Strong Demand Outlook For Lithium



2- Strategically Located in Europe



3- Focusing On the Fastest Growing Chemical Product



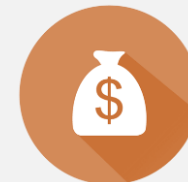
4- A Uniquely Fully Integrated Lithium Project



5- A Large And Long Term Asset Supporting EV Growth



6- San Jose Lithium Project Supported by Strong Economics

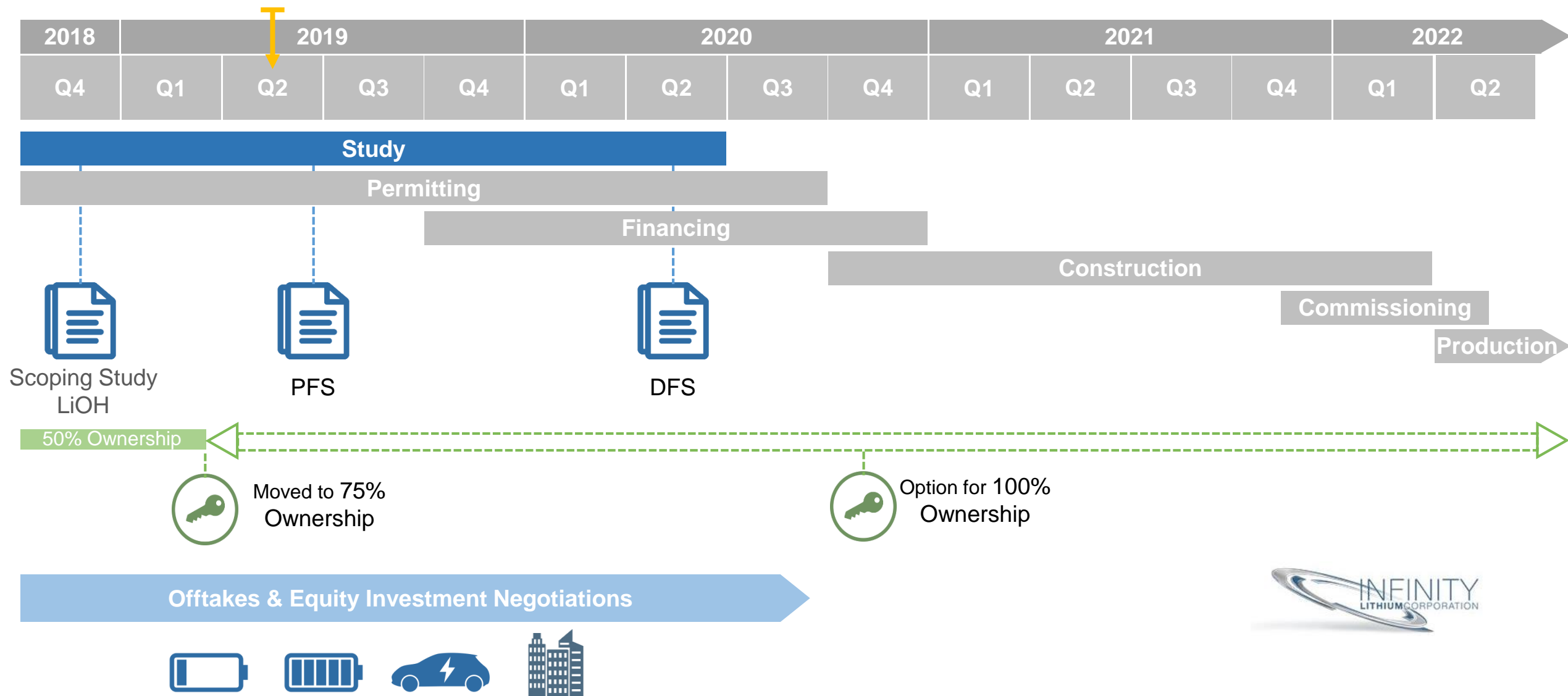


7- Sustainable, Low Carbon Footprint Operation





San Jose Project Timeline



Board of Directors & Management

Kevin Tomlinson
Non Executive Chairman



MSc Geol, Grad
Dip Finance &
Investment

- +30 years experience in mining and finance within the Toronto, Australian, and London stock markets
- Background in project finance, development, and mining experience includes previous roles as Managing Director at Westwind Partners/Stifel Nicolaus and as a board member of Medusa Mining
- Currently on Boards of Centamin (LSE.CEY and dual TSX.CEE listed) and Cardinal Resources (ASX.CDV)



Ryan Parkin
Managing Director/CEO



CA ANZ
BComm
Accounting &
Finance

- +15 years experience in corporate development, accounting and finance in both listed and unlisted companies
- Currently on Board of non-listed mining industry entity

Robert Orr
CFO & Company Secretary



Chartered
Accountant

- Acted as Chief Financial Officer and Company Secretary for a number of ASX listed companies, with over 30 years' experience in public practice and commerce.

Adrian Byass
Executive Director

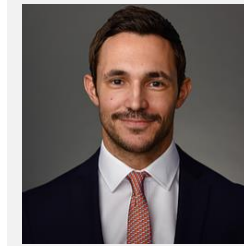


BSc Geol Hons,
B. Econ

- +20 years in the mining industry both in listed and unlisted entities globally, Non-Executive and Executive Director of various listed and unlisted mining entities, which have successfully transitioned to production in bulk, precious and specialty metals around the world
- Currently on Boards of ASX phosphate, zinc and nickel companies.
- ASX and AIM Board experience

- +10 years in the mining and exploration industry in Europe and Africa as technical manager in the development of base and energy metals projects

Vincent Ledoux Pedailles
Executive Director



MA Business

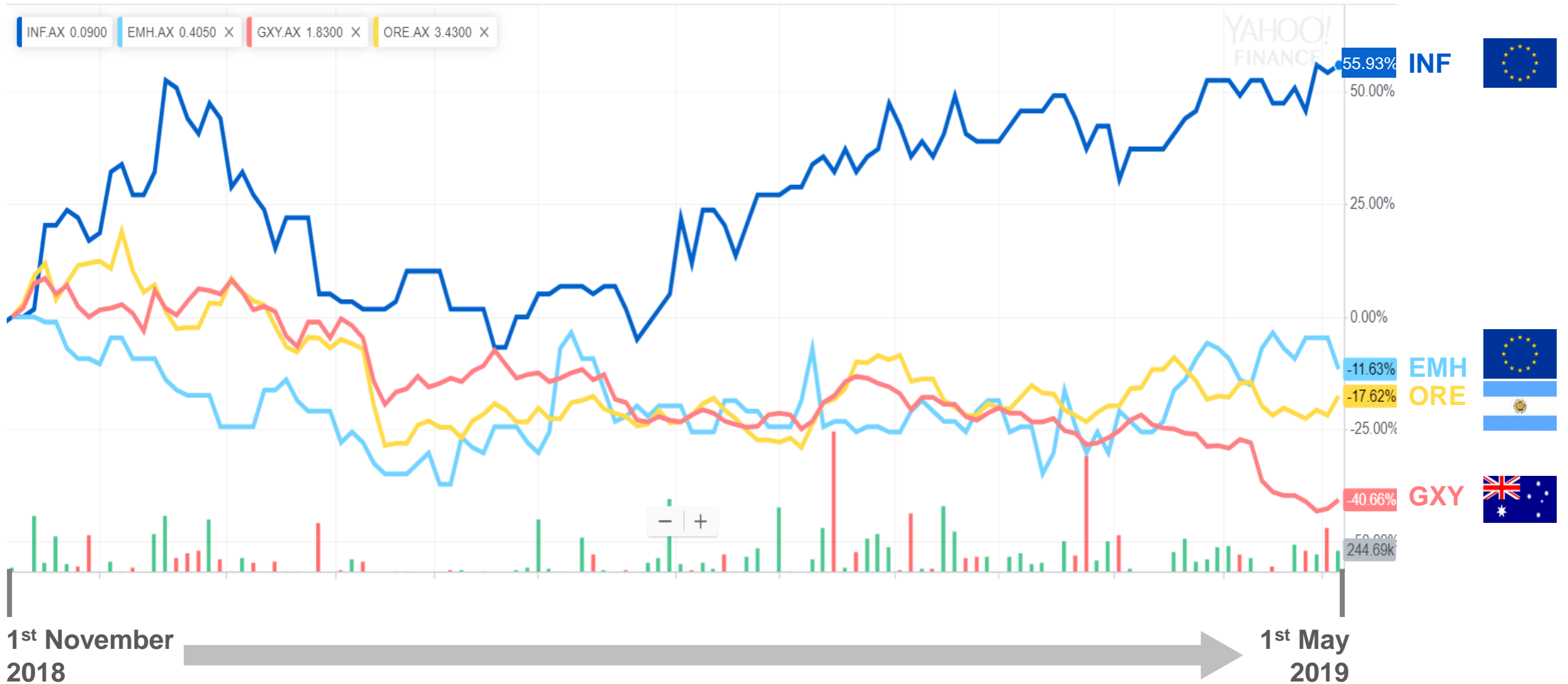
- Background in consulting and research in the petrochemical industry, specialty chemicals, industrial minerals, base and minor metals
- Led the Lithium & Battery Metals team at IHS Markit and involved in the lithium industry since the early 2010's starting with Talison Lithium

David Valls
Technical Manager - Spain

BSc Geology



Momentum Builds For Infinity Lithium



Corporate Overview

ASX Code	INF
FRA Code	3PM
Share Price	A\$0.091 ⁽¹⁾
Shares on Issue	190.17m
Market Capitalization	A\$17.5m
Cash	A\$1.6m ⁽²⁾
Debt	Nil

(1) Closing share price 1st May 2019

(2) As at 31st March 2019

Top 20 Shareholders	37.9%
Directors & Mgt	3.6%

Board of Directors & Management

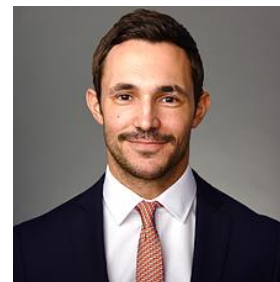
Kevin Tomlinson	Non Executive Chairman
Ryan Parkin	Managing Director/CEO
Adrian Byass	Executive Director
Vincent Ledoux-Pedailles	Executive Director
Rob Orr	CFO & Company Secretary
David Valls	Project Manager (Spain)

Discover More About Infinity Lithium

Talk to us today



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Managing Director
& CEO
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Vincent Ledoux Pedailles
Executive Director
Corporate Strategy
vlp@infinitylithium.com

Visit our website www.infinitylithium.com



Infinity Lithium director discusses
widening gap in battery su... | 05:21

Vincent Ledoux Pedailles, executive director of
corporate strategy at Infinity Lithium Corpora...



Lithium - Paths to Market | 06:00

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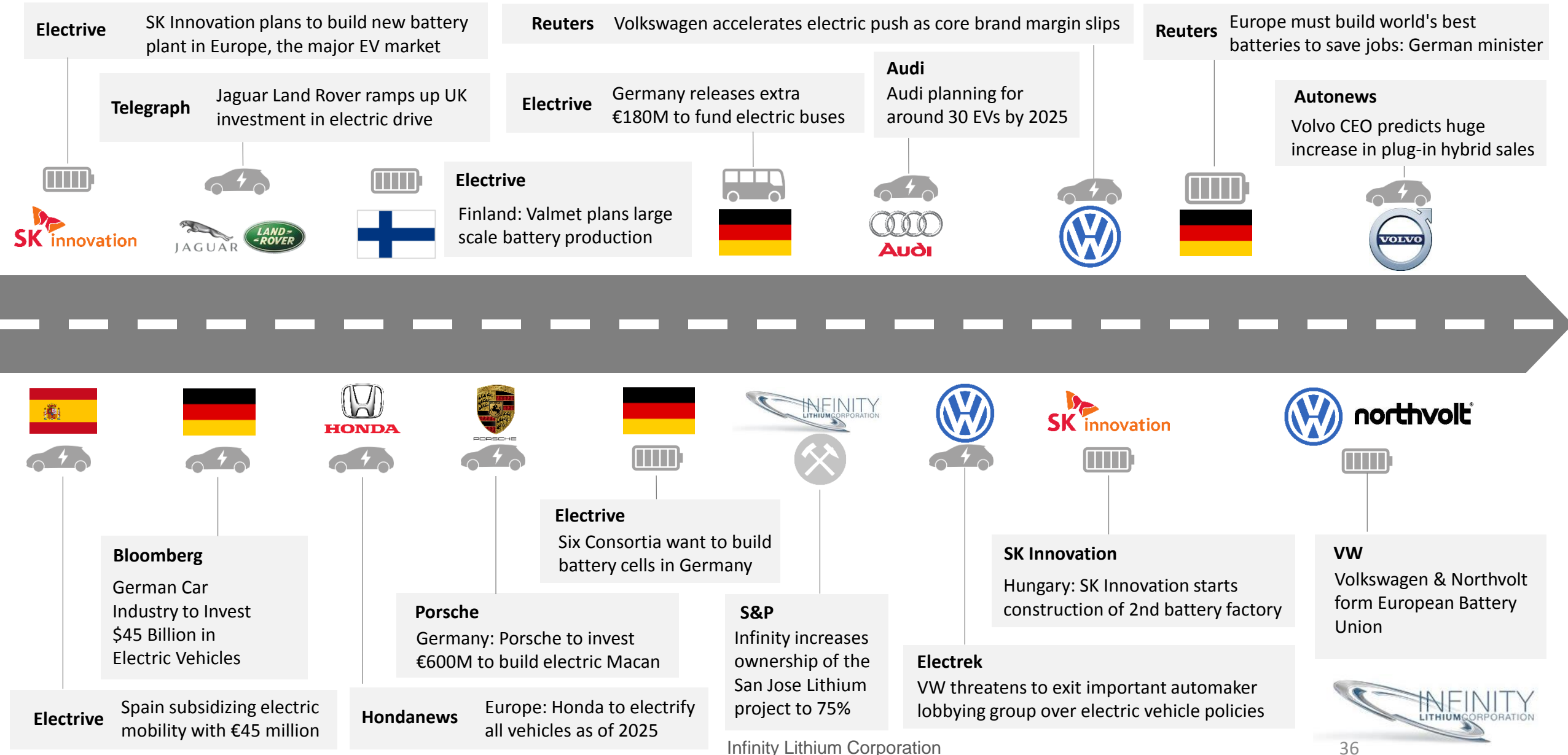


INFINITY LITHIUM

Developing lithium production in Europe to
power a renewable future

Appendix

March News The European Li-ion Battery Supply Chain



April News The European Li-ion Battery Supply Chain

Reuters

Johnson Matthey to build cathode material plant in Poland

El Mundo

VW "Without battery plant it does not make sense to do electric in Spain"

Volkswagen

Volkswagen has set itself the goal of promoting lithium production in Europe in the medium term - there are relevant deposits in Central and Southern Europe, for example

Electrek

Lotus announces 'world's first full electric British hypercar

Europa

MEPs approve new CO2 emissions limits for trucks



JM



PV Magazine

Italy offers incentives for Evs



The West Australian

Positive test work results for Infinity lithium project



DAIMLER



Bloomberg



Ford

Ford presents European electrification plans

Electrek

The world's first 24-hour Ultra Low Emission Zone goes live in London

Electrek

Paris fights smog with biggest ever EU electric bus purchase, 800 e-buses to replace diesel

Electrive

Kia considers EV production in Europe

European Commission

"Battery materials and specifically lithium chemical supply within Europe has been identified as imperative."

Bloomberg

Large electric vehicles in the #EU will become cheaper from traditional ICE cars from 2022

Bloomberg

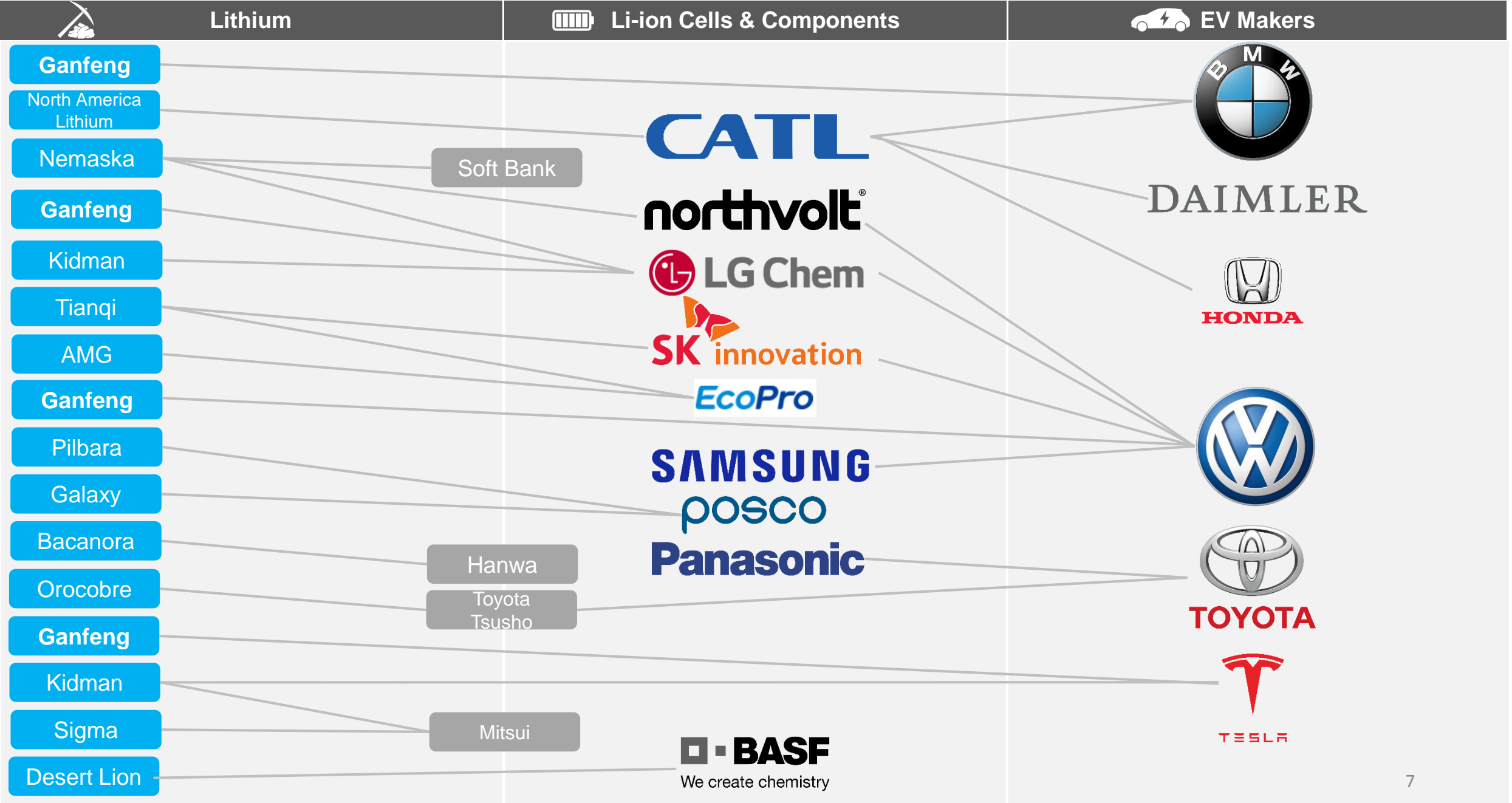
EU parliament approves higher CO2 reductions

Daimler

Daimler starts building new battery sub-plant

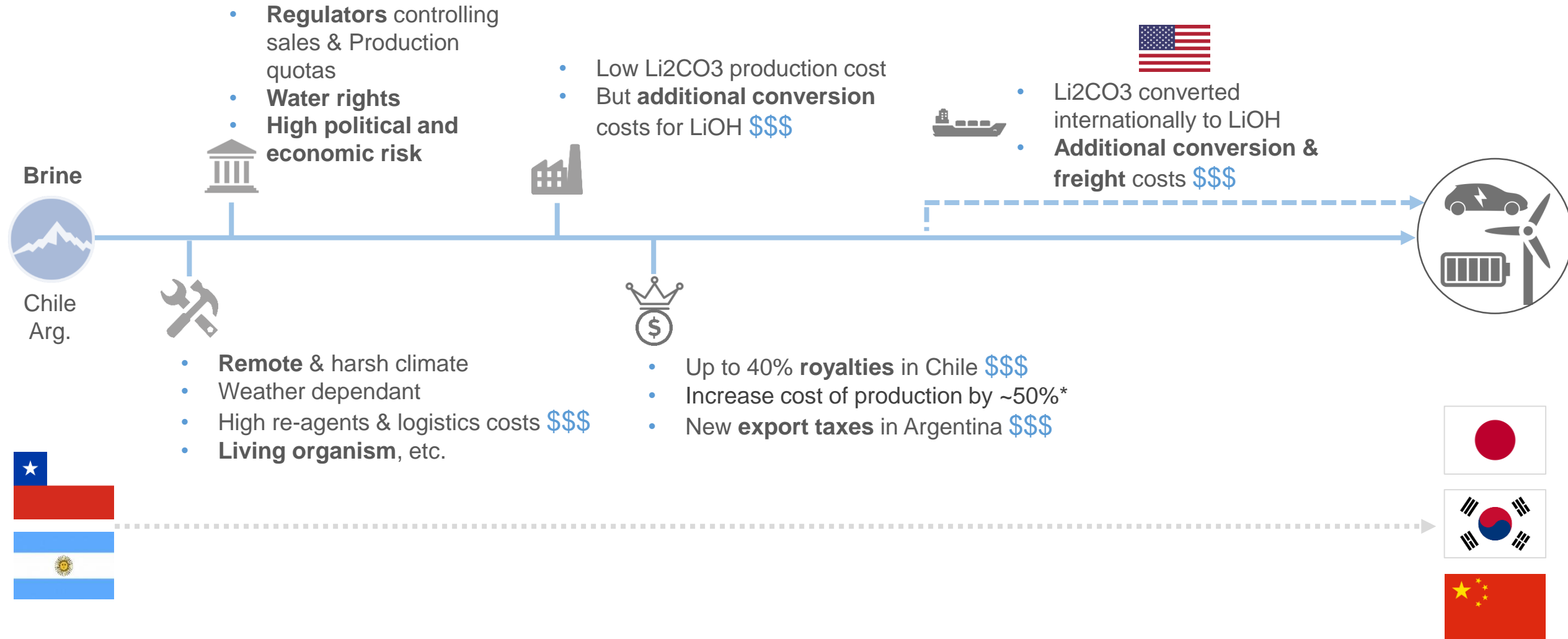


2018-2019 Key Agreements & Investments in the Lithium-ion Battery Supply Chain

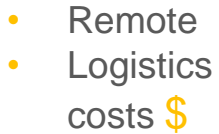


Many Paths to Market but Integration & Proximity is Key

1- South America to Asia

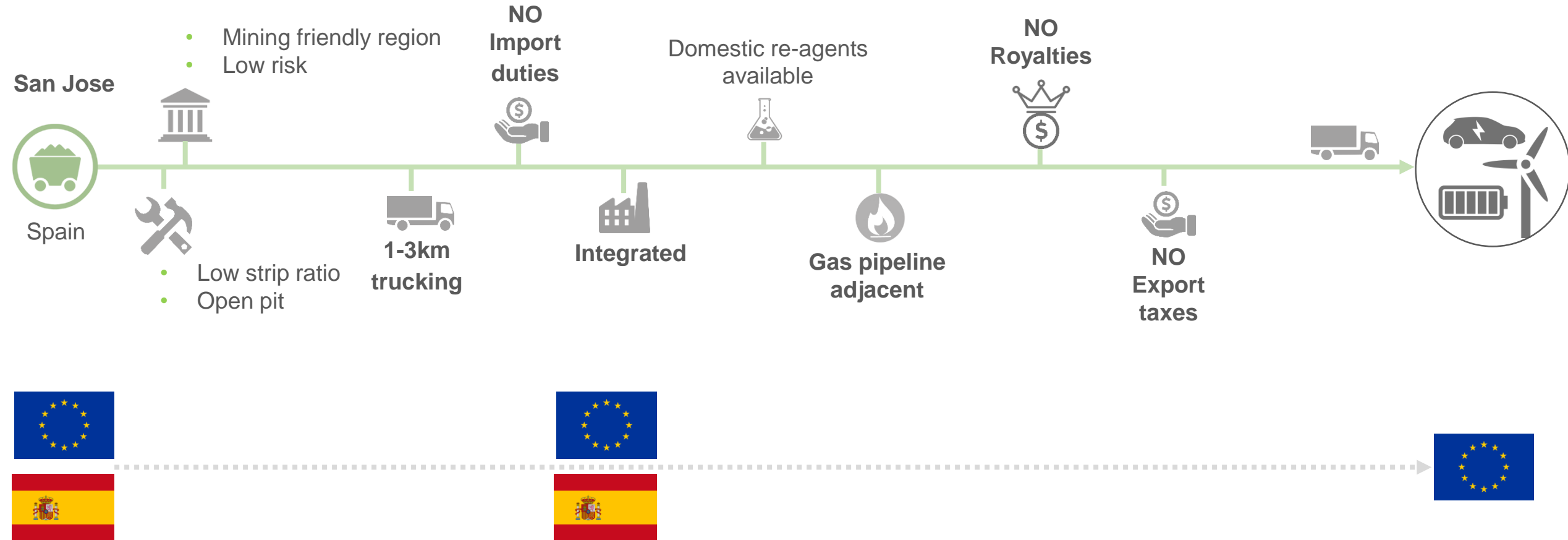


- Mining friendly
- Low political and economical risk
- Small royalties \$



Many Paths to Market but Integration & Proximity is Key

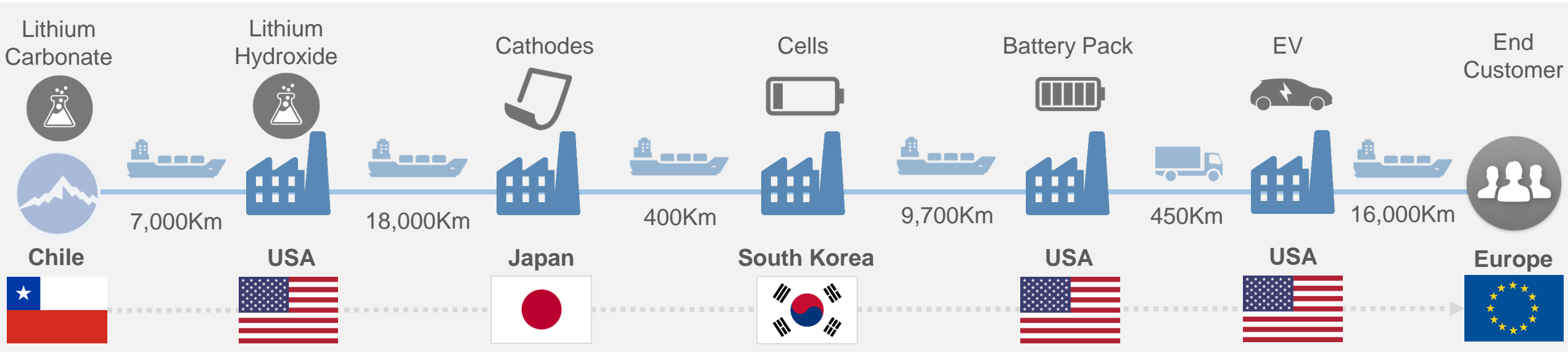
3 – Europe to Europe



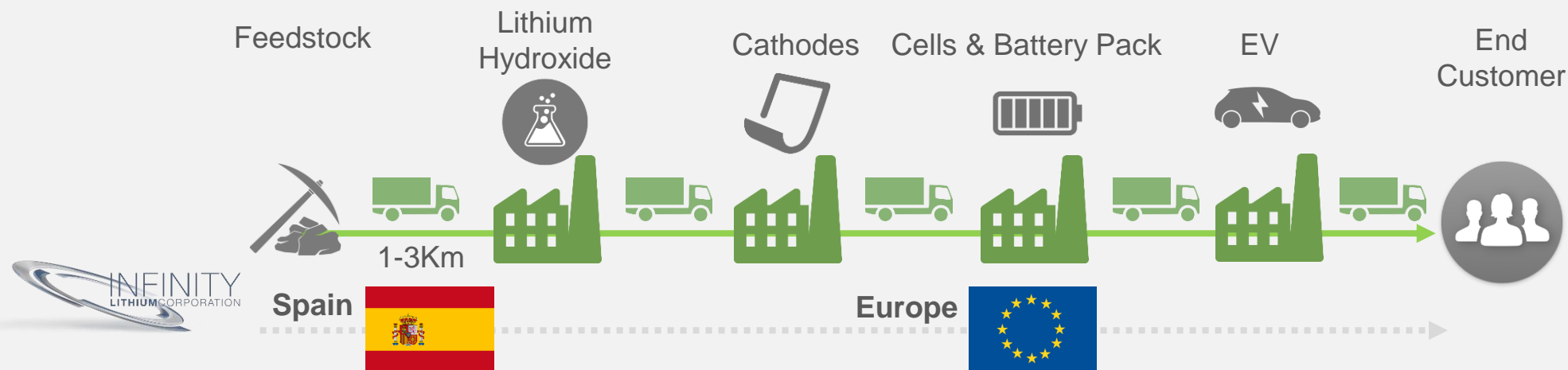
Carbon Footprint - Lithium

What is likely to happen when you buy a luxury EV in Europe

The lithium inside your car travels more than **50,000km** before you even start driving*



Integration – dramatically reducing the carbon footprint

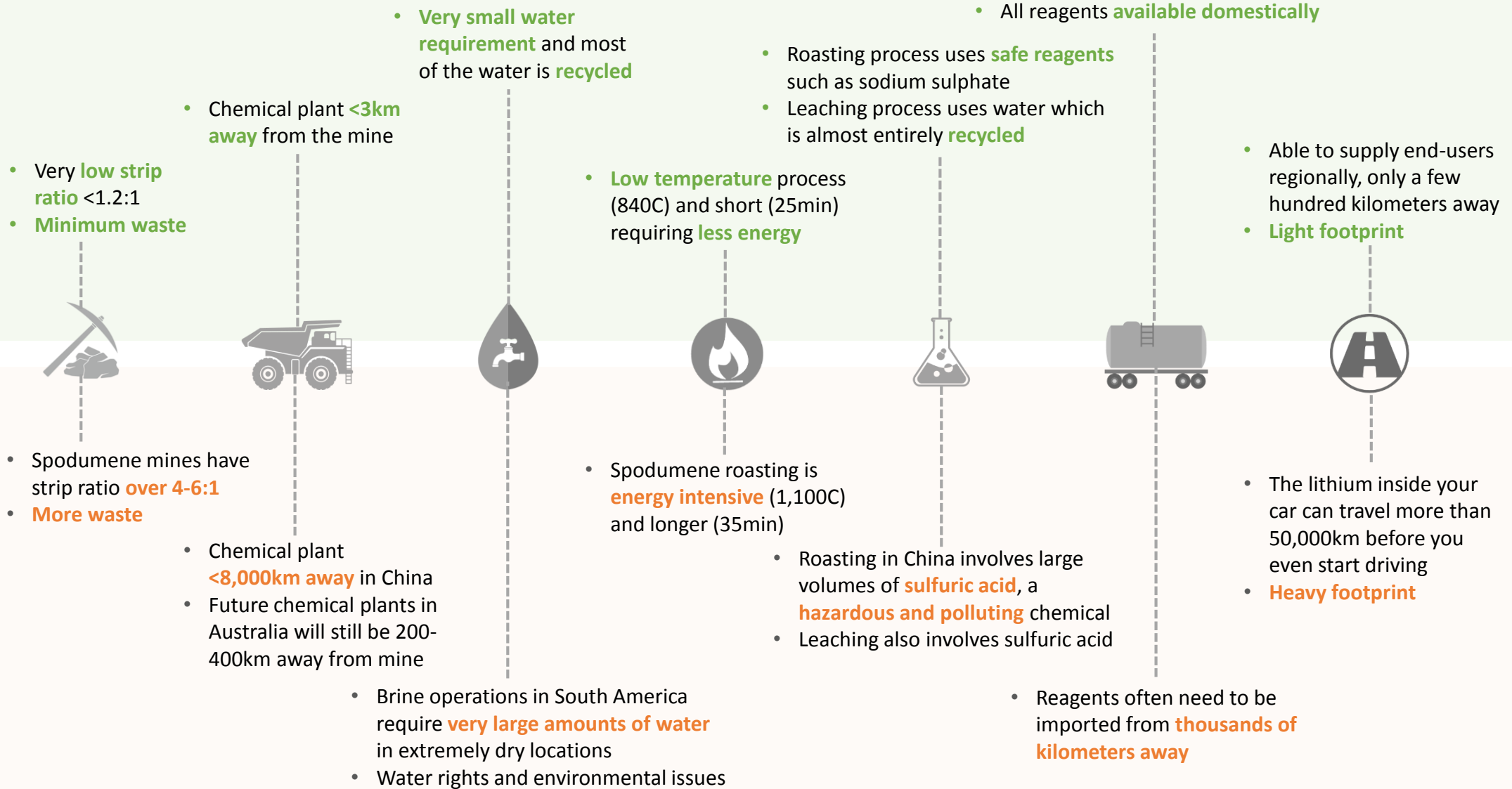


Potentially
<1/10 of
existing carbon
footprint

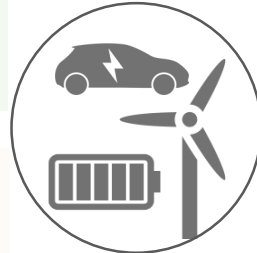
San Jose: A low Carbon Footprint & Sustainable Project

Infinity Lithium

Others



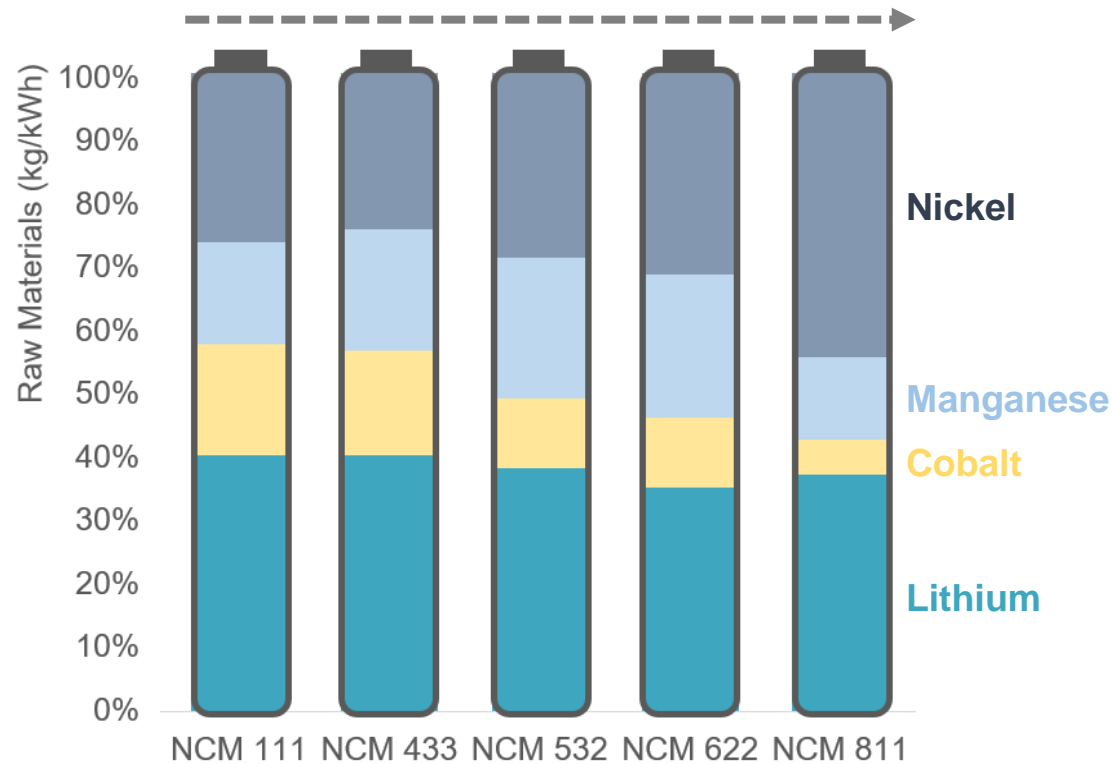
San Jose is a unique fully integrated lithium project, offering the



European lithium-ion battery industry in Europe a long term, large, and sustainable source of supply.

Cathode Technology Evolution Leading To Shift In Lithium Demand

NMC – a leading technology evolving



- **NMC is set to dominate** the industry
- The NMC cathode itself is evolving and using **more nickel**
- NMC 622 & 811 but also NCA **require lithium hydroxide**

Source: BNEF, Canaccord

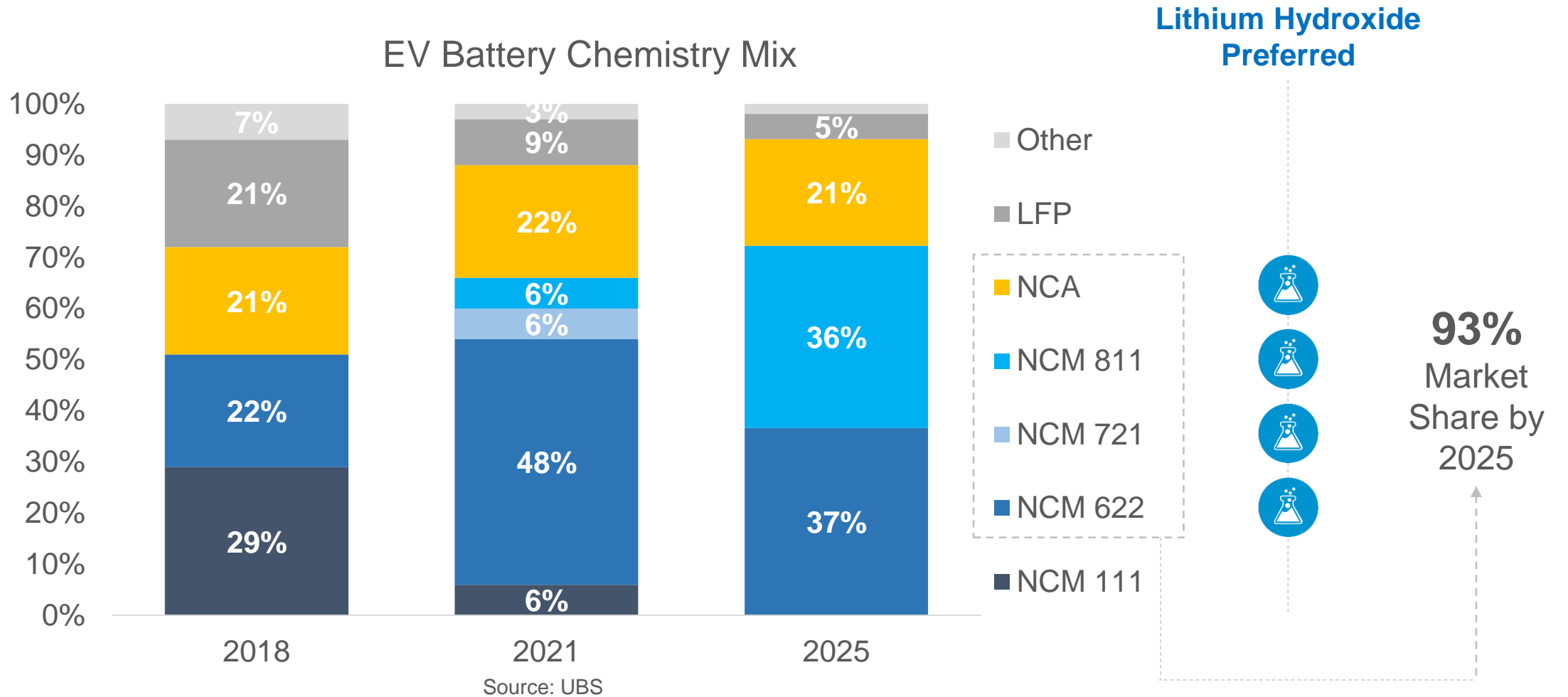
Lithium Demand: Carbonate vs. Hydroxide



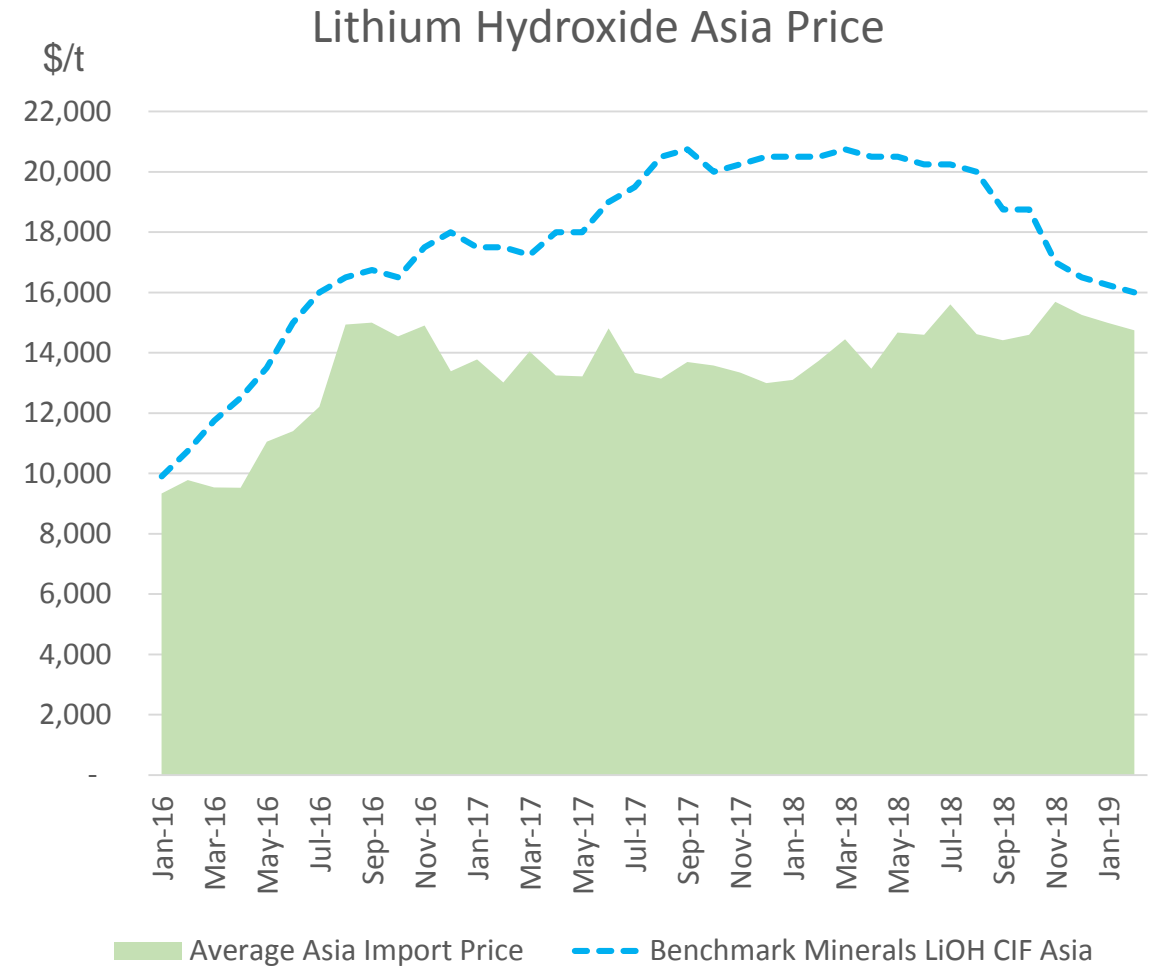
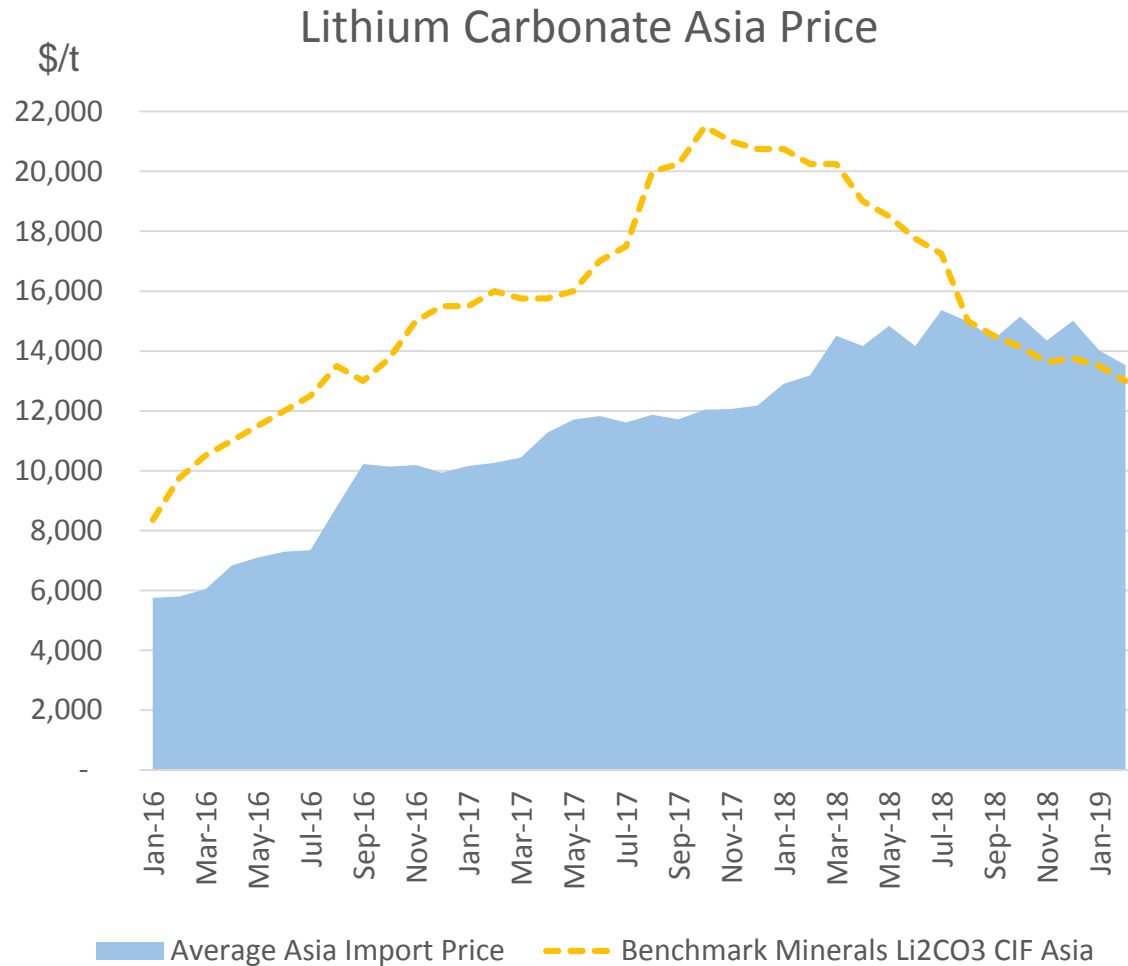
- **Lithium hydroxide demand is growing faster than lithium carbonate** and most of the recent investments in lithium chemical plants have been in lithium hydroxide production

Source: Canaccord Genuity - Lithium | 2019 recharge

Cathode Evolution: Nickel-rich NMC to Dominate the Industry



Lithium Prices – Spot and Trade In Asia



- Combining Japan, South Korea and China clearly shows the upward trend during the last three years
- Clear disconnect with reported spot prices which have now moved under or near contract prices

San Jose Lithium Project - Joint Venture Structure

