



25 November 2022

Alkemy Capital Investments Plc

Planning permission granted to develop Europe's largest Lithium Hydroxide Refinery in Teesside

Alkemy Capital Investments plc ("Alkemy") (ALK:LSE) (JV2:FRA) is pleased to announce that its wholly owned subsidiary Tees Valley Lithium Ltd ("TVL") has received full planning permission to build Europe's largest lithium hydroxide refinery at Teesside, UK, to supply the burgeoning electric vehicle battery industry.

HIGHLIGHTS

- **TVL has been granted full planning permission from Redcar & Cleveland Borough Council to establish Europe's largest - and the UK's first - world-class lithium hydroxide refinery, located at the Wilton International Chemicals Park in the Teesside Freeport.**
- **Following completion of a full Environmental Impact Assessment (EIA), in conjunction with local consultation over an eighteen-month period, TVL's US\$300 million zero waste facility is now shovel-ready with production forecasted to commence in 2025, generating over 1,000 local jobs.**
- **Utilising state-of-the-art electrochemical processing and powered by 100% certified green energy, TVL's zero waste lithium refinery will be the largest in Europe – producing 96,000tpa of low-carbon battery-grade lithium hydroxide once in full production - equivalent to 15% of projected European demand.**

Following detailed studies, which included the completion of an Environmental Impact Assessment (EIA), TVL has received full planning permission from Redcar and Cleveland Borough Council to construct the UK's first world-class lithium hydroxide refinery at the Wilton International Chemicals Park in the Teesside Freeport.

A key driver for TVL's site selection at the Wilton International Chemicals Park is the 'plug & play' advantages of the site, which boasts a plethora of existing infrastructure and readily accessible utilities including water, gas, steam and electricity. This, in turn, will allow TVL to begin construction without delay.

The refinery will be capable of producing both lithium hydroxide and lithium carbonate sourced from imported high grade feedstock from South America and lithium producers located in Australia and elsewhere.



Building a European lithium processing facility will reduce the regional dependence on China, which currently controls 90% of the world's lithium refining capacity, however, is expected to require all of this production domestically in order to deliver its US\$11 trillion Carbon Neutral 2060 plan.

To meet the demand for the switch to electric vehicles within Europe, over 700GW of gigafactory capacity has been announced with an annual projected demand of 650,000 tonnes for locally refined lithium chemicals.

TVL's processing refinery is expected to produce enough lithium hydroxide to supply 100% of the forecasted automotive demand in the UK by 2030, with a further 35% of its total production available for export to other countries in Europe and elsewhere.

TVL is currently in advanced discussions with a number of offtake customers, including European gigafactories and electric vehicle OEMs. These customers are increasingly focussed on price, transparency and low embedded carbon, when sourcing high grade lithium products.

To address this challenge, the Company plans to import high-grade lithium feedstock in the form of technical grade lithium carbonate and lithium sulphate from spodumene producers in Australia and elsewhere. This, in turn, helps to avoid loading up the world's shipping fleets with low grade spodumene concentrates and reduce waste.

By sourcing low carbon feedstock and powering an electrochemical refining process with offshore wind and green hydrogen supplied by energy multinational bp's HyGreen Teesside project, TVL aims to supply its UK and European customers with the world's lowest-carbon lithium hydroxide.

TVL has appointed Wave International, a specialist process engineering and project delivery company, as its lead engineering and technology partner, a company with over twenty years mining industry experience and boasts an industry-leading skillset in lithium refining.

Wave has already completed a Class 4 Feasibility Study for TVL into establishing a multi-train lithium hydroxide refinery at the Wilton International Chemicals Park in the Teesside Freeport. As part of these studies, metallurgical testwork has been completed yielding ultra-pure lithium hydroxide exceeding industry standards and validated by two third party cathode active material manufacturers.

Sam Quinn, Director of Alkemy commented:

"The full endorsement from the Redcar & Cleveland Borough Council is a critical step in taking TVL to its next phase of developing the UK's first lithium hydroxide refinery and spearheading a brand-new industry in Europe and a vital part of the Fourth Industrial Revolution.



This decision allows us to rapidly advance with our engineering studies ahead of construction, due to commence in 2023. The burgeoning demand from electric vehicle OEMs highlights the urgent need for significant lithium refinery capacity in Europe, which currently does not exist.

Our strategic decision to locate in the Wilton International Chemicals Park, with direct access to comprehensive infrastructure and services and within the Teesside Freeport enables us to get into first production by 2025 and begin supplying our low carbon battery-grade lithium to customers spanning the UK and Europe.”

Ben Houchen, Tees Valley Mayor commented:

“Tees Valley Lithium is yet another multi-million-pound project, creating good-quality jobs on the Teesside Freeport. With plans now approved this shovel ready project will create 1,000 jobs and should be up and running in just a couple of years.”

Frans Caljé, Chief Executive Officer of PD Ports commented:

“It’s absolutely fantastic to see more inward investment coming to the Tees Valley, this time in the form of the Tees Valley Lithium project. PD Ports absolutely welcomes any project that is going to generate real jobs and prosperity for our region and we look forward to seeing the Lithium Hydroxide refinery brought to fruition to aid growing demand as we all work towards a more sustainable future.”

Ryan Hanrahan, Director and CEO of Wave International commented:

“This approval is a significant milestone for the combined UK/European green energy industry, with the TVL refinery being the first merchant lithium converter to achieve full approval status in the region. With a secured site, full approvals and a feasibility study TVL are now an advanced project and a leader amongst their peer group.”

Further information

For further information, please visit Alkemy’s website: www.alkemycapital.co.uk or TVL’s website www.teesvalleylithium.co.uk.

-Ends-



Alkemy Capital Investments Plc

Sam Quinn

Tel: 0207 317 0636

info@alkemycapital.co.uk

Buchanan

Oonagh Reidy/Abigail Gilchrist

Tel: +44 (0)20 7466 5000

TVL@buchanan.uk.com

VSA Capital Limited

Andrew Monk (Corporate Broking)

Andrew Raca (Corporate Finance)

Tel: 0203 005 5000

Shard Capital Partners LLP

Damon Heath

Isabella Pierre

Tel: 0207 186 9952

damon.heath@shardcapital.com

Tel: 0207 186 9927

isabella.pierre@shardcapital.com

NOTES TO EDITORS

Alkemy is seeking to establish the world's leading independent and sustainable lithium hydroxide production by developing state-of-the-art Lithium Sulphate and Lithium Hydroxide facilities in Australia and the UK.

Alkemy, through its wholly-owned subsidiary Tees Valley Lithium, has secured a 9.6 ha brownfields site with full planning permission at the Wilton International Chemicals Park located in Teesside, a major UK Freeport, to build Europe's first and largest Lithium Hydroxide processing facility.

Alkemy has completed a Class 4 Feasibility Study for its proposed lithium hydroxide facility which will process feedstock imported from various sources to produce 96,000 tonnes of premium, low-carbon lithium hydroxide annually, representing around 15% of Europe's projected demand.

The company has identified a site at Port Hedland, Western Australia to build a world-class sustainable Lithium Sulphate refinery that will provide reliable feedstock for Tees Valley Lithium.

Forward Looking Statements

This news release contains forward-looking information. The statements are based on reasonable assumptions and expectations of management and Alkemy provides no assurance



that actual events will meet management's expectations. In certain cases, forward-looking information may be identified by such terms as "anticipates", "believes", "could", "estimates", "expects", "may", "shall", "will", or "would". Although Alkemy believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those projected. Mining exploration and development is an inherently risky business. In addition, factors that could cause actual events to differ materially from the forward-looking information stated herein include any factors which affect decisions to pursue mineral exploration on the relevant property and the ultimate exercise of option rights, which may include changes in market conditions, changes in metal prices, general economic and political conditions, environmental risks, and community and non-governmental actions. Such factors will also affect whether Alkemy will ultimately receive the benefits anticipated pursuant to relevant agreements. This list is not exhaustive of the factors that may affect any of the forward-looking statements. These and other factors should be considered carefully and readers should not place undue reliance on forward-looking information.