



Alpha **HPA**

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The Manager Companies - ASX Limited
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ASX: **A4N**
ASX Announcement
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(2 pages)

OFFTAKE, MARKETING AND FINANCING MOU WITH TRAXYS

- **Memorandum of Understanding (MOU) signed with Traxys with respect to the HPA First Project**
- **The Traxys MOU sets the framework for Project-wide cooperation on:**
 - **HPA Offtake and/or marketing agreements**
 - **Working capital financing and logistics**
 - **Potential direct investment**

The Board of Alpha HPA Limited ('Alpha HPA' or 'the Company') is pleased to provide an update on activities for its HPA First Project, representing the evaluation and intended commercialisation of the production of ~10,000tpa of high purity alumina (HPA) using the Company's proprietary licenced solvent extraction (SX) and HPA refining technology.

TRAXYS MOU

Alpha HPA has executed an MOU with Traxys North America ("Traxys") regarding a series of potential agreements in support of the commercialisation of the HPA First Project ("Project").

The MOU provides the framework for Alpha HPA and Traxys to progress discussions towards definitive agreements on the following:

1. Product Marketing and Offtake

Joint engagement with respect to prospective customers, with a view to engaging in a long-term offtake and/or marketing agreement.

2. Finance and Logistics Support

To jointly develop credit and logistics solutions to assist in closing commercial agreements with Alpha HPA's customers.

3. Working Capital Facilities

The provision of working capital and/or pre-payment facilities in consultation with, and in support of, potential senior lenders to the Project, including Australian Government and commercial lenders.

4. Direct Investment

The potential direct investment in Alpha HPA by Traxys and/or its affiliates, including debt, equity or quasi-equity.

Managing Director, Rimas Kairaitis, commented; *"Alpha HPA is delighted to be working with Traxys on the next stage of commercialising the HPA First Project. The ability of Traxys to provide both offtake/marketing as well as financial solutions, combined with their global reach, and intimate working knowledge of the battery supply chain make Traxys the ideal partner for Alpha HPA"*

Traxys's Managing Director, Kevin P. Smith, commented; *"We are very happy to enter into this memorandum with Alpha HPA, which is well-positioned to provide high purity alumina products to two important supply chains: lithium-ion batteries for electric vehicles and sapphire glass for energy-efficient LED lighting. We believe that jointly Traxys and Alpha HPA will offer an enhanced and holistic value proposition to prospective customers and Alpha HPA's stakeholders once Alpha HPA moves towards its final investment decision (FID) stage."*

About Traxys - Traxys North America is part of the Traxys Group, an international client-focused commodities merchant that provides market access and solves complex supply chain, distribution and financing challenges for a wide range of clients. Traxys operates from a network of over 20 locations worldwide, employees approximately 450 personnel and has an annual turnover in excess of USD 6 billion. The Traxys Group is deeply imbedded in the global lithium-ion battery supply chain from mine to market. In addition to its merchant activities, Traxys has formed a joint venture focused on the development of responsibly sourced battery materials projects with UK-based natural resources investor The Pallinghurst Group.

Traxys is a privately held company that is owned by Traxys' management team, the Carlyle Group (NASDAQ: CG), and affiliates of Louis M. Bacon, the founder of Moore Capital Management, LP and Moore Strategic Ventures, LLC., Mr. Bacon's privately held investment company.

To learn more about Traxys, go to: www.traxys.com

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About the HPA First Project

The Company's HPA First Project represents the evaluation and intended commercialisation of the production of ~10,000tpa of high purity alumina (HPA) using the Company's proprietary licenced solvent extraction and HPA refining technology. The technology provides for the extraction and purification of aluminium from an industrial feedstock to produce 4N (>99.99% purity) alumina for the intended use within the lithium ion battery and LED lighting industry. Following a successful testwork program and completion of a Pre-Feasibility Study (PFS), updated in March 2019, Alpha HPA has now completed Definitive Feasibility Study (DFS) based on the successful completion of its Pilot Plant program at its dedicated laboratory facility in Brisbane.

The Company has commenced full permitting, market outreach and project financing processes, with the expectation of positioning the HPA First Project to Final investment Decision.