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ASX: INF ANNOUNCEMENT

24 October 2018

European Momentum Accelerates for San Jose Lithium Project with Key Appointment and German Exchange Listings

HIGHLIGHTS

- **Infinity's European developments continue with the appointment of lithium industry expert to lead European corporate strategy.**
- **Vincent Ledoux-Pedailles strengthens Infinity's capabilities and reinforces focus in aligning European interests.**
- **Infinity Lithium participates in LME's Electric Vehicle ('EV') Metals Advisory Group discussions and other European based battery chemicals and raw materials conferences.**
- **Listing of the Company successfully completed on the Frankfurt Stock Exchange and Stuttgart Stock Exchange under the symbol '3PM' to broaden Infinity's investor appeal and increasing exposure to European investors.**
- **Dual listing enables European shareholders to trade Infinity shares in their own time zone, and facilitates further investor interest coming out of Europe.**
- **Listing in Europe provides access to larger pools of capital and raises the profile of the strategically significant San Jose Lithium Project located west of Madrid.**

Infinity Lithium Appoints Vice President of European Corporate Strategy and Business Development

Infinity Lithium Corporation Limited ('Infinity', or 'the Company') is pleased to announce Vincent Ledoux-Pedailles' appointment as Vice President of European Corporate Strategy and Business Development. This is part of the broader locational shift as development continues to be more European and industry focused.

Vincent previously led the lithium and battery materials research team at London based global data and information service group IHS Markit ('IHS'). The IHS group employs more than 14,000 people and caters to a number of industries including automotive, energy, financial services, defence and maritime.

Infinity Managing Director, Ryan Parkin, said: *"We are delighted to welcome Vincent to Infinity to spearhead our European investment focus, and engagement with strategic partners. With*



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his unique lithium focused background and European base we are certain he will help to drive Infinity and the strategically significant San Jose Lithium Project forward.

We continue to add value through the appointment of industry experts in key geographical segments. The appointment of Vincent strengthens the capabilities of Infinity in new European markets and the underlying project.”

Vice President of European Corporate Strategy and Business Development

Vincent holds a Business Masters in Risk Management and International Purchasing from ESDES Business School in France. Vincent wrote his master's thesis on the development and deployment of electric vehicles powered by lithium-ion batteries and has studied at Copenhagen Business School, Denmark and Marshall University, US.

Vincent lithium industry experience began with Talison Lithium in Perth, Australia. Whilst at Talison he was tracking the lithium industry in China and Europe. Other positions held included monitoring various metals and industrial minerals markets at international metals and minerals research and consulting company Roskill.

Vincent then joined IHS Markit ('IHS') in 2014 where he first focused on basic chemical commodities and led the EMEA Chlor-alkali team. Vincent's responsibilities with the battery material research team at IHS covered the entire industry's supply chain from the extraction of the raw materials, their conversion to chemicals and battery materials used in cathodes, and the progression to end uses such as in electric vehicles, energy storage systems and portable electronics.

Vincent is well regarded in the battery chemicals industry. For example, he was invited to join a panel this month at the Argus Metals Forum and Battery Breakfast as part of the London Metals Exchange ('LME'). Speaking as an expert panel member, Vincent discussed the lithium industry. This complements his regular speaking appearances at various industry events across the world presenting at chemical, mining, and energy related conferences (Figure 1). A recent invitation to the closed-door LME Advisory Group saw Vincent participate in discussions on the LME's future launch of a lithium contract this month.

In mid-November Vincent Ledoux will be speaking in Chicago at the Advisory Board meeting of the CWIEME/EV Momentum attended by a number of Senior Executives from the Auto and Tech industry.



Figure 1: Vincent Ledoux-Pedailles' representing Infinity Lithium at LME Week

LME Week, October 2018

LME Week is the annual London Metals Exchange ('LME') conference held in October each year, in the city of London. Traditionally a base and precious metals conference it has now expanded to cover energy minerals and chemicals such as lithium. The LME is considered a benchmark for industry supply/demand and pricing discussion.

Infinity Lithium took part in the LME's Electric Vehicle ('EV') Metals Advisory Group meeting to discuss the development of a hedging tool for lithium contracts. The LME is currently looking for a Price Reporting Agency ('PRA') to partner with and sought feedback from the members of the advisory group including Infinity Lithium. Throughout the LME week, various discussions on the future of the lithium industry took place including the dramatic growth in demand powered by Electric Mobility and Energy Storage applications and the difficulty for lithium supply to feed this growth with sufficient volume of high-quality battery grade products. Many in the market are postulating that the lack of investment in lithium supply could potentially lead to significant shortages, and price volatility. This remained a key focus of discussions as the LME seeks to develop their hedging tool and the dynamic of attracting project finance to address projected supply deficiencies in the mid to long term.

Infinity will be participating in the Darmstadt hosted Sustainable Materials for Future Mobility Conference as organised by European Institute of Innovation and Technology ('EIT') Raw Materials. EIT Raw Materials is a body of the European Union and is one of the key actors in the European Battery Alliance.

Successful Listing on the Frankfurt and Stuttgart Stock Exchange

Infinity (ISIN Number: AU0000007627) is active on both the Frankfurt Stock Exchange (FRA:3PM) and Stuttgart Stock Exchange (STU:3PM) after successfully completing the German dual listings over the European summer period. The appointment of key Infinity personnel reinforces the Company’s desire to broaden its European investor base in conjunction with the ability to address time zone implications for European investors.

European demand for battery grade lithium chemicals is predicted to accelerate based on the rapid expansion of cathode manufacturing and battery assembly investments in Europe, driven by the rapid adoption of EVs required to align with government EV proposals and emissions targets (Figure 2). The European investor market remains well informed and aware of the innovative developments in the lithium industry and in particular the evolution of the electric vehicle market.

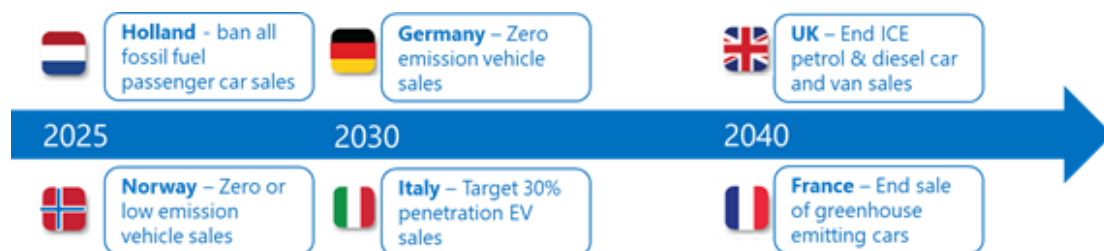


Figure 2: European EV and ICE targets

The successful listing on the Frankfurt Stock Exchange (‘FWB’) and Stuttgart Stock Exchange (‘SWB’) will provide relevant platforms for European investors with a particular focus on German and Swiss interest.

The FWB is one of the world’s largest trading centres for securities and the largest stock exchange in Germany, facilitating advanced electronic trading, settlement and information systems. It is an international trading centre that is able to meet the growing requirements of cross-border trading and have substantial market participants from countries other than Germany. The SWB is the second largest stock exchange in Germany and the 10th largest in Europe. SWB is regarded as the leading exchange for retail investors in Germany.

The sophisticated nature of the German and Swiss investment in conjunction with progressive European emission policies provides a suitable backdrop for Infinity’s Spanish based San Jose fully integrated lithium project. The European expansion of cathode manufacturers and battery assembly plants was highlighted in July 2018 when Contemporary Amperex Technology Limited (CATL) announced a €240 million investment in a German based factory as a first phase step into Europe and a €4 billion deal to supply battery cells to BMW (including



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€1.5 billion from the new German Plant). Reuters has reported BMW had provided a prepayment with regards to the CATL facilities and is sourcing raw materials for lithium-ion cells to pass on to battery manufacturers, further highlighting the supply issues major OEMs are currently addressing.

The burgeoning European demand and subsequent CATL investment in the German Thuringen region was described by the Minister of Economic Affairs, Wolfgang Tieensee, as *“the most important industrial investment in Thüringen in the last 10 years”* and believes that even more companies will choose the region for battery production and supply.

For further inquiries please contact;

Ryan Parkin
CEO, Managing Director
T: +61 (0) 429 228 857
E: rparkin@infinitylithium.com

Nick Morrison
Namcomm Consulting - Principal
T: +61 (0) 424 823 100
E: nick@namcomm.com.au

Competent Persons Statement

The information in this report that relates to Exploration Targets is based on the information compiled by Mr Jeremy Peters, FAusIMM CP (Mining, Geology). Mr Peters 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 in collection of data used in the preparation of this report. Mr Peters is an employee of Snowden Mining industry Consultants and consents to be named in this release and the report as it is presented.

The information in this report that relates to the December 2017 and updates in May 2018, updated Mineral Resources is based on the information compiled by Mr Patrick Adams, FAusIMM CP (Geology). 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. Mr Adams has not visited the project area and has relied on the documented (Peters, May 2017) drilling, logging and sampling techniques used by Infinity in collection of data used in the preparation of this report. Mr Adams is a Principal Geologist and a Director of Cube Consulting Pty Ltd and consents to be named in this release and the report as it is presented.



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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 Corporation Limited. 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.

Disclaimer

Forward-looking statements are statements that are not historical facts. Words such as “expect(s)”, “feel(s)”, “believe(s)”, “will”, “may”, “anticipate(s)” and similar expressions are intended to identify forward-looking statements. These statements include, but are not limited to statements regarding future production, resources or reserves and exploration results. All of such statements are subject to certain risks and uncertainties, many of which are difficult to predict and generally beyond the control of the Company, that could cause actual results to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. These risks and uncertainties include, but are not limited to: (i) those relating to the interpretation of drill results, the geology, grade and continuity of mineral deposits and conclusions of economic evaluations, (ii) risks relating to possible variations in reserves, grade, planned mining dilution and ore loss, or recovery rates and changes in project parameters as plans continue to be refined, (iii) the potential for delays in exploration or development activities or the completion of feasibility studies, (iv) risks related to commodity price and foreign exchange rate fluctuations, (v) risks related to failure to obtain adequate financing on a timely basis and on acceptable terms or delays in obtaining governmental approvals or in the completion of development or construction activities, and (vi) other risks and uncertainties related to the Company’s prospects, properties and business strategy. Our audience is cautioned not to place undue reliance on these forward-looking statements that speak only as of the date hereof, and we do not undertake any obligation to revise and disseminate forward-looking statements to reflect events or circumstances after the date hereof, or to reflect the occurrence of or non-occurrence of any events.

About Infinity's' Lithium Project

Infinity has partnered with the large Spanish company Sacyr and its wholly owned subsidiary Valoriza Minería in an earn-in JV over a large, lithium-tin project (San Jose) in central Spain. Infinity can earn up to 75% of San Jose by completing a Feasibility Study within 4 years (approximately A\$6 million in spend in staged increments of 50% and 75%).

San Jose is a highly advanced lithium project which is hosted in lithium-mica that hosts a JORC resource of lithium carbonate equivalent (LCE). A feasibility study completed in 1991 defined an open pit mining operation and a process flow sheet which produced lithium carbonate through acid-leach or sulphate calcine processing. This drilling, mining and processing study work highlights the advanced status and inherent advantages enjoyed by San Jose in relation to many other hardrock deposits. The Resource estimate for San Jose is shown below in Table 1;

TABLE 1: 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

Estimated using Ordinary Kriging methodology. Note: Small discrepancies may occur due to rounding

Snowden Mining (2017) and Cube Consulting estimated the total Mineral Resource for the San Jose lithium deposit using Ordinary Kriging interpolation methods and reported above a 0.1% Li cut-off grade. Full details of block modelling and estimation are contained in the ASX announcement dated 5 December 2017 and updated 23 May 2018.

Lithium (Li) mineralisation is commonly expressed as either lithium oxide (Li₂O) or lithium carbonate (Li₂CO₃) or Lithium Carbonate Equivalent (LCE). Lithium Conversion:

1.0% Li = 2.153% Li₂O,

1.0%Li = 5.32% Li₂CO₃

The Resource was announced to the ASX on 5th December 2017 and updated 23 May 2018. 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.

San Jose Lithium-Tin Project (100% basis, no by-product credits included)

NPV (8) @ US\$10,000/t LC	US\$401m	IRR 28%
NPV (8) @ US\$12,000/t LC	US\$634m	IRR 37%
Capex	US\$273m inc 10% contingency	
Grade – Lithium Carbonate LOM	1.7%	
Potential annual production (tonnes lithium carbonate)	15,000tpa LC +99.5%	
Average C1 cost year 1-10 (US\$/tonne) without credit*	US\$4,763/t	
Average gross operating cashflow p.a. years 1-10	US\$ 74.8m	

Scoping Study – Cautionary Statement

Refer to ASX announcement 18th October 2017. The Scoping Study referred to in this announcement is a preliminary technical and economic investigation of the potential viability of the San Jose Lithium-Tin Project. It is based on low accuracy technical and economic assessments, (+/- 35% accuracy) and is insufficient to support estimation of Ore Reserves or to provide assurance of an economic development case at this stage; or to provide certainty that the conclusions of the Study will be realised. Infinity confirms that all the material assumptions underpinning the production target, or the forecast financial information derived from the production target, in the initial ASX announcement continue to apply and have not materially changed. There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the determination of Measured or Indicated Mineral Resources or that the Production Target or preliminary economic assessment will be realised.