



ACN 147 413 956

ASX: INF ANNOUNCEMENT

19 February 2019

Infinity revises Executive Director remuneration to provide for milestone-based incentives

HIGHLIGHTS

- **Infinity to implement a performance-based incentive scheme for Executive Directors which is designed to align a proportion of the Executives' remuneration with value creation and shareholder returns**
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Infinity Lithium Corporation Limited ('Infinity', or 'the Company') wishes to advise that, as a result of its annual remuneration review, it is seeking to implement an incentive scheme for Executive Directors. These incentives are performance based and are designed to align a proportion of the Executives' remuneration with value creation and shareholder returns.

The San Jose Lithium Project ('San Jose') is an advanced, large lithium project in the European Union. The rapid evolution in cathode technologies and the lithium chemicals market has resulted in an increasing focus on opportunities for lithium hydroxide and in particular, the availability to provide product for Europe from non-Chinese based converters. The proximity of San Jose to growing European markets provides significant strategic value to European cathode producers and lithium-ion battery cell manufacturers, as Europe addresses surety of supply to support what is projected to be the 2nd largest electric vehicle market globally.

It has been determined that, subject to shareholder and any necessary regulatory approval, the Executive Directors, Ryan Parkin and Vincent Ledoux Pedailles be issued with ordinary shares in the event of successfully securing a material offtake contract for lithium chemicals and also obtaining significant strategic investment from related battery and/or automotive industry participants that advance the San Jose project. A Share Option package will also be included in Ryan Parkin's package. Full details of the proposal are outlined in Appendix A.

The Company will put these incentive packages to shareholders for consideration at the next general meeting to be held at some point in 2019.

For further inquiries please contact;

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APPENDIX A

Ryan Parkin milestone incentives:

- Performance – The higher of either A\$50,000 in value of ordinary shares at 15-day VWAP prior to date of ASX announcement or 750,000 ordinary shares for achieving the milestone of entering into an offtake deal/ MOU/ LOI achieved on or before 31 March 2020 (ordinary shares will be issued subject to Company capacity to issue the shares and shareholder and regulatory approval if required; should this not be received, the payment will be made in cash to the value of shares at the time).
- Performance – The higher of either A\$50,000 in value of ordinary shares at 15-day VWAP prior to date of ASX announcement or 750,000 ordinary shares for achieving the milestone of attracting and raising funds through the engagement of a Tier 1 industry or strategic investor before 31 March 2020 (ordinary shares will be issued subject to Company capacity to issue the shares and shareholder and regulatory approval if required; should this not be received, the payment will be made in cash to the value of shares at the time).
- The Infinity Board will consider a further discretionary performance bonus up to a value not to exceed that which would be awarded for the completion of an offtake or strategic investment bonus – in the event that offtake, strategic investor and project funding commitment be achieved through the engagement of key stakeholder or that there is material progress on the permitting and approvals component of the San Jose project.
- 1,000,000 Options to buy ordinary shares to Ryan Parkin or a nominee. These will have a 3-year term with a strike price calculated to be a 30% premium to the closing share price on the date of shareholder approval and issue. These are employee options which lapse after 90 days should his service terminate with the Company.

Vincent Ledoux Pedailles milestone incentives:

- Performance – A\$50,000 in value of ordinary shares at 15-day VWAP for achieving the milestone of entering into an offtake deal/ MOU/ LOI achieved on or before 31 March 2020 (ordinary shares will be issued subject to Company capacity to issue the shares and shareholder and regulatory approval if required; should this not be received, the payment will be made in cash).
- Performance – A\$50,000 in value of ordinary shares at 15-day VWAP for achieving the milestone of attracting and raising funds through the engagement of a Tier 1 strategic investor (ordinary shares will be issued subject to Company capacity to issue the shares and shareholder and regulatory approval if required; should this not be received, the payment will be made in cash).
- The Infinity Board will consider a further discretionary performance bonus up to a value not to exceed that which would be awarded for the completion of an offtake or strategic investment bonus – in the event that offtake, strategic investor and project funding commitment be achieved through the engagement of key stakeholder or that there is material progress on the permitting and approvals component of the San Jose project.