Precious Metals Recovery Option Lapse

Highlights

- Neometals Ltd to allow lapse of option to acquire 80% of private US company with proprietary technology to recover precious metals from industrial waste.
- Due Diligence has not provided sufficient confidence in technical feasibility or economic viability of the technology at its current stage of maturity.

Sustainable process technology developer, Neometals Ltd (ASX: NMT & AIM: NMT) ("**Neometals**" or "**the Company**"), announces its board has resolved to allow the option to acquire an 80% equity interest in US business, Precious Metals Recovery, LLC ("**PMR**") to expire on 31 August 2024. Pilot-scale metallurgical test work has not sufficiently confirmed the technical feasibility or economic viability of PMR's proprietary technology.

Neometals has been evaluating the acquisition of a majority stake in a proprietary precious recovery process ("**PMR Technology**") and associated processing plant (**PMR Pilot**) that targets recovery of precious metals from industrial waste streams[1]. The potential acquisition of a controlling interest in the PMR Technology and PMR Pilot is consistent with Neometals' focus on commercialising processes that produce critical materials from recycling and recovery from waste streams. The opportunity was pursued for its potential to enable Neometals to generate short-term cashflow and diversify its commodity and business model exposure from technology licensing of battery materials processes.

Neometals has now concluded its technical and financial due diligence process, which included running thirty +100kg-size batch trials through the PMR Pilot and generating a preliminary cost estimation. Highly variable batch trial results were not able to be definitively explained and operating costs were higher than expected.

Neometals Managing Director Chris Reed said:

"Despite the PMR opportunity aligning with both our core competency in the recovery of critical materials from high-value waste streams and our desire to diversify into precious metals, our due diligence results have identified risks that outweigh the potential rewards at the current stage of this technology's maturity. We would like to thank our friends at PMR for the opportunity and wish them every success in the continued development of their technology."

Authorised by the Board of Neometals

[1] *For full details refer to Neometals ASX announcement headlined "Option to acquire Precious Metals Waste Recovery Process and Plant in US" released on 27th May 2024.*

ENDS

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About Neometals Ltd

Neometals facilitates sustainable critical material supply chains and reduces the environmental burden of traditional mining in the global transition to a circular economy.

The Company is commercialising a portfolio of sustainable processing solutions that recycle and recover critical materials from high-value waste streams.

- Neometals' core focus is its patented, **Lithium-ion Battery ("LiB") Recycling technology (50% NMT)**, being commercialised in a 50:50 incorporated JV (Primobius GmbH) with 150-year-old German plant builder, SMS group GmbH. Primobius is supplying Mercedes-Benz a 2,500tpa recycling plant and operates its own LiB Disposal Service in Germany. Primobius' first 21,000tpa commercial plant will be offered to Stelco under an existing technology licence for North America.

Neometals is developing two advanced battery materials technologies for commercialisation under low-risk, low-capex technology licensing business models:

- **Lithium Chemicals (70% NMT)** – Patented ELi™ electrolysis process, co-owned 30% by Mineral Resources Ltd, to produce battery quality lithium hydroxide from brine and/or hard-rock feedstocks at lowest quartile operating costs. Pilot scale test work and Engineering Cost Study update planned for completion in DecQ 2024; and
- **Vanadium Recovery (100% NMT)** – Patent pending hydrometallurgical process to produce high-purity vanadium pentoxide from steelmaking by-product ("Slag") at lowest-quartile operating cost and carbon footprint.