

Centenario

Regaining full ownership in our
flagship lithium business in Argentina

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Christel BORIES, *Chair & CEO*

Nicolas CARRE, *CFO*



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Eramet acquires Tsingshan's interest and regains full ownership in its flagship Lithium business in Argentina



Transaction highlights

Buy-out of Tsingshan's interest (49.9%)
in Eramet's subsidiary in Argentina, hosting the
Centenario-Ratones and Arizaro salars

\$699m net cash-out

Attractive resource-based valuation multiple vs. recent and comparable transactions

Limited premia to Tsingshan's contributions since 2021 of \$619m total equity injection¹

- ▶ **All cash financed** using available liquidity
- ▶ **Transaction finalized** and not subject to conditions precedent
- ▶ **Eramet now owning 100%** of its Tier-one Centenario asset

Asset perimeter



Centenario-Ratones and Arizaro lithium brine deposits in Argentina's Salta province, located in the **Lithium Triangle** with **15 Mt-LCE** resources



24kt-LCE battery-grade DLE² plant already invested & using next-generation DLE technology for a total capex of **\$870m**



Lithium offtake rights now 100% with Eramet, with a portion jointly commercialized with Glencore³



Long-term optionality over **production capacity** estimated over **75kt-LCE**

1. To fund the project development and construction costs
2. Direct Lithium Extraction
3. Pursuant to the lithium joint marketing arrangement signed in July 2023

Eramet deploys its capital to consolidate exposure to a world-class asset expected to create significant value



1 Reinforced exposure to a Tier-1 asset

World-class Centenario deposit

Abundant drainable resources of **15Mt-LCE** at an average 407mg/L of Li content

Positioned on the 1st quartile of the lithium cost curve¹

Highly competitive, new-generation DLE² technology, **successfully tested in real conditions since end-2019**

2 Transaction executed at the right time

Counter-cyclical transaction

Strong rebound expected in lithium prices from recent cyclical lows

Unchanged, appealing market fundamentals for Lithium

Key metal in the battery technology for the growing EV market

Lithium demand expected to double every 5-years³

3 Regaining full control and optionality

Lithium asset 100% owned

Full control over the scale-up of extraction activities in Argentina

Preserving a robust collaboration with Tsingshan

Now fully focused on the sustainable development of **PT Weda Bay Nickel in Indonesia**

1. See Appendix 2. Cash cost expected at \$4.5-5.0k/t-LCE ex-works, post ramp-up
2. Direct Lithium Extraction
3. See Appendix 1



Eramet will leverage on the start-up of the first extraction plant to continue the development of its lithium activities



1

Fully focused on successfully delivering and setting a benchmark with 1st Plant



1st plant (24 kt-LCE) inaugurated in July 2024



Start of production expected in the coming weeks



Project delivery & operational plan **not impacted by the transaction**

\$210-315m Forecasted annual EBITDA¹ (post ramp-up)



Expected to be ESG best-in-class within the lithium industry & aligned with IRMA standards

2

Highly disciplined in contemplating future growth in Centenario and beyond



▶ **Optimal scope, timing, and execution model for expansion** (phase 2) to be assessed in the coming months

▶ Centenario: **potential** to achieve production capacity above **75kt LCE** in the long-term

▶ **Long-term strategic optionality** underpinned by a fully-owned, world-class platform of brine assets in South America



▶ **Continuous improvement of our DLE technology**

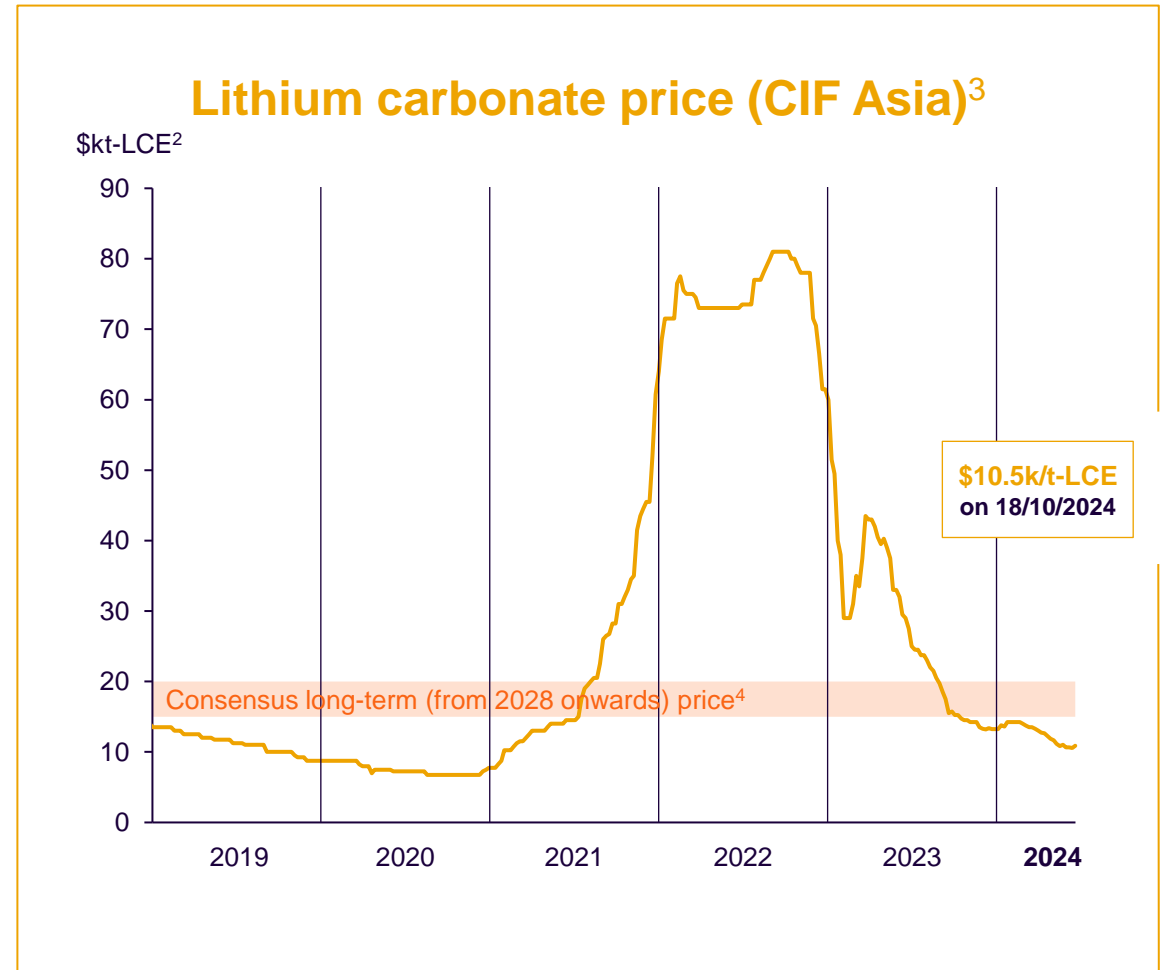
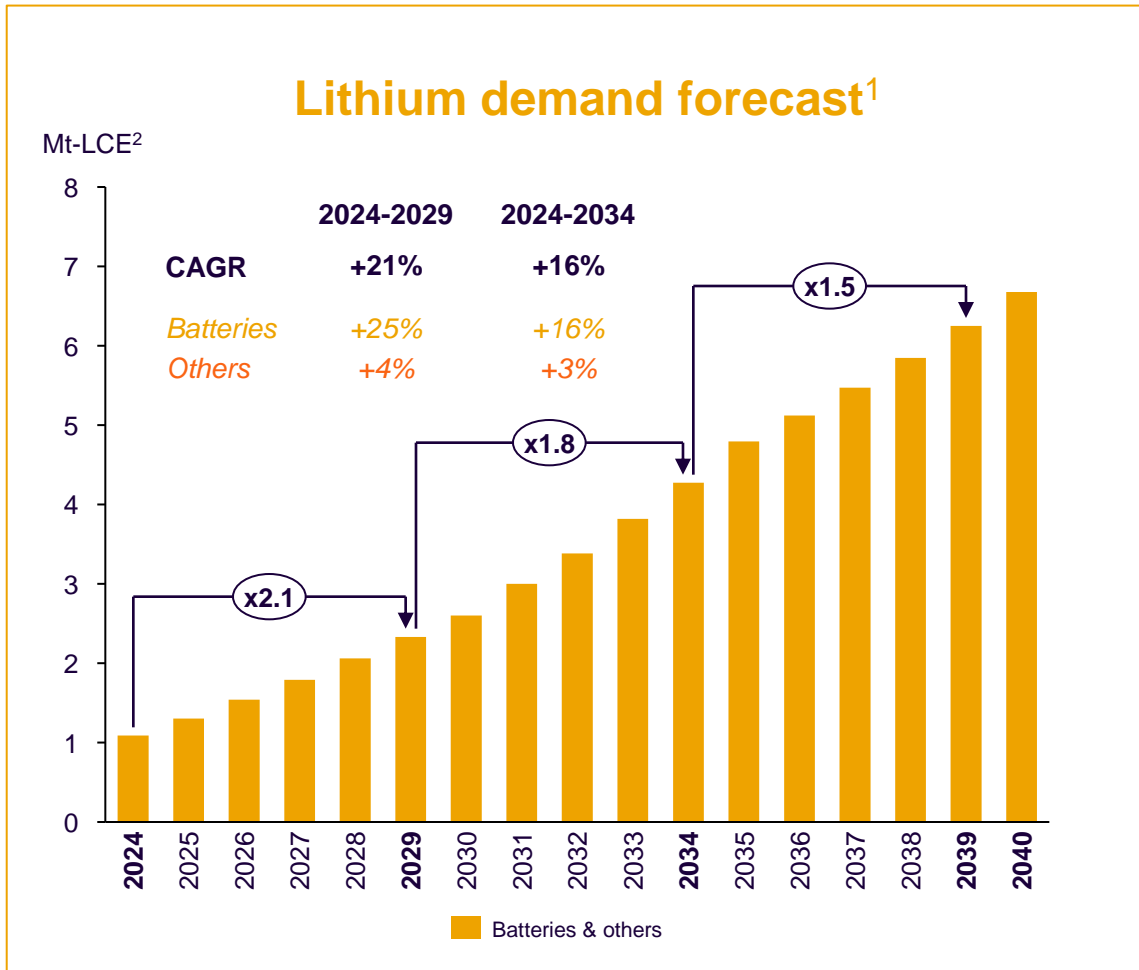
▶ **Testing of various brines** on-site and in our Research & Innovation Center

1. On a 100% basis, at full capacity, based on a long-term price assumption of between \$15,000 and \$20,000/t-LCE

Appendices

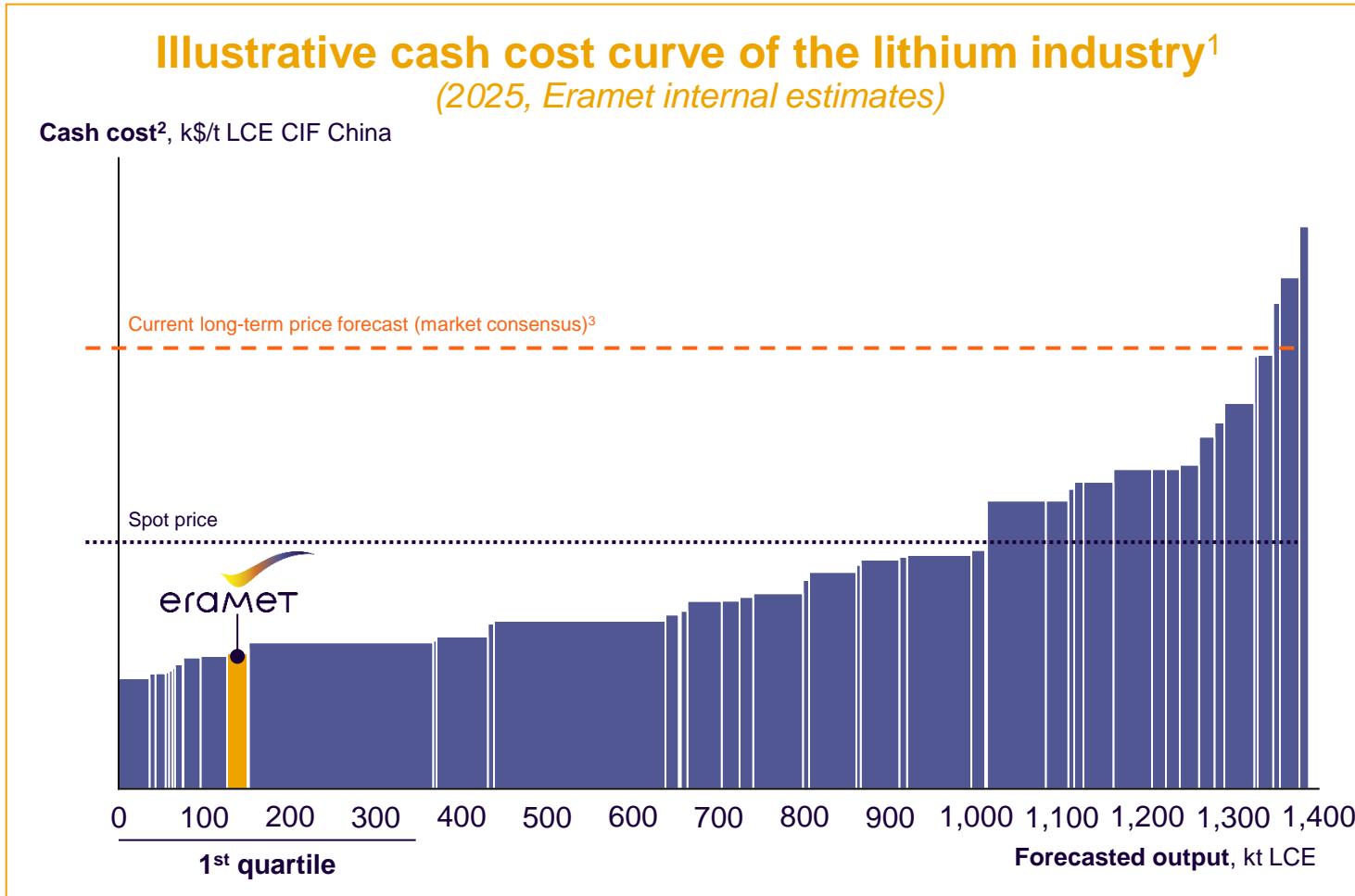


Appendix 1 - Lithium demand forecast & lithium carbonate historical price



1. Eramet internal market analysis
 2. LCE: Lithium Carbonate Equivalent
 3. Source: Fastmarket lithium carbonate, battery grade, spot price CIF Asia)
 4. Eramet analysis based on a panel of the main sell-side and market analysts

Appendix 2 - Centenario 1st plant: an attractive profitability underpinned by first quartile cost position



Expected strong resilience through-the-cycle

First quartile positioning

\$4.5-5.0k/t-LCE
 Post ramp-up cash cost⁴

\$15-20k/t-LCE
 LT price consensus

1. Based on a cash cost CIF post ramp-up (at nominal capacity) for Eramet
 2. Incl. royalties
 3. Market consensus as of October 2024
 4. Ex-works

