

INVESTOR PRESENTATION

January 2025



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Summary

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Eramet at a glance

02

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**Strategic roadmap
update**

04

**Conclusion &
outlook**

05

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Eramet at a glance

01



A global pure-play Metals & Mining Company

Four businesses

€3.8bn
2023 Group
Adjusted
turnover



Manganese
52%
of sales

Nickel
41%
of sales

Mineral sands
7%
of sales

Lithium
*1st lithium production
end-December 2024*

2023 Adjusted sales by geography



FY 2023 performance

Adjusted EBITDA¹ **€772m**

FCF generation² **€78m**

Leverage³ **0.8x**

Employees⁴ **c.10,700**

Countries **16**

1. EBITDA including Eramet's share in Weda Bay's EBITDA of €344m

2. Net of Tsingshan's capital injection to the Centenario project

3. Net debt / Adjusted EBITDA; adjusted sales, adjusted EBITDA and adjusted leverage are defined in Appendix 10 Financial Glossary of the FY2023 results press release

4. Including 1,314 employees of Weda Bay Nickel

Operating in manganese, nickel, mineral sands & ramping-up lithium

MANGANESE
In operation



ASSETS

 **Ore – Moanda (Gabon)**
World's largest manganese mine

 **Alloys, 6 metallurgical plants:**
1 in France, 1 in Gabon, 3 in Norway & 1 in the US

2023 KPIs

Sales: €1,978m
EBITDA: €499m
FCF: -€39m
Headcounts³: 4,705

NICKEL
In operation



ASSETS

 **Weda Bay (Indonesia)**
World's largest nickel mine

 1 NPI plant

SLN (New Caledonia)
5 mining sites & 1 ferronickel plant
Fully financed by French State¹

2023 KPIs

Adj. sales²: €1,567m
Adj. EBITDA²: €305m
FCF: €220m
Headcounts³: 2,381

MINERAL SANDS
In operation



ASSETS

 **GCO (Senegal)**
Titaniferous minerals & zircon extraction

World's largest single dredge operation

2023 KPIs

Sales: €275m
EBITDA: €105m
FCF: €16m
Headcounts³: 843

LITHIUM
Operating soon



ASSETS

 **Centenario (Argentina)** 
1st plant inaugurated in July 2024
1st lithium production delivered end-December 2024

Phase 2: Optimal scope, timing & execution model to be assessed in the coming months

Project KPIs

Production capacity (full ramp-up)
1st Plant: 24 kt-LCE/pa (battery-grade)
Long-term capacity: >75 kt-LCE/pa
Headcounts³: 474

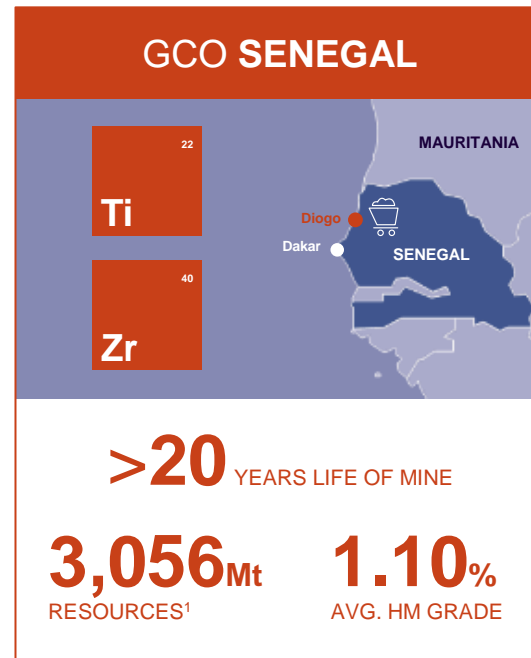
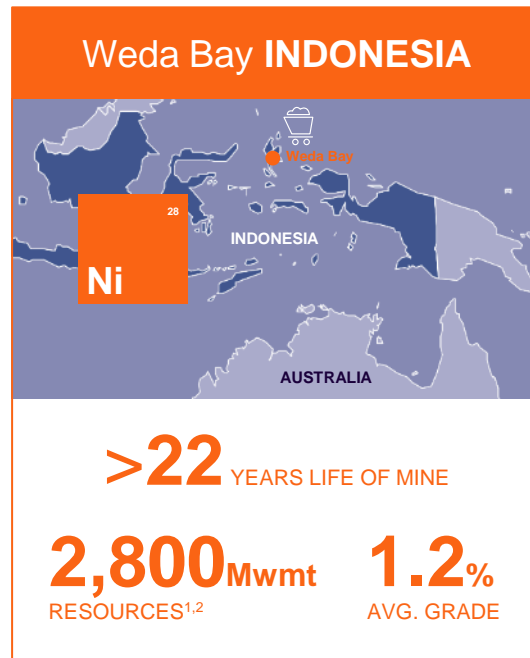
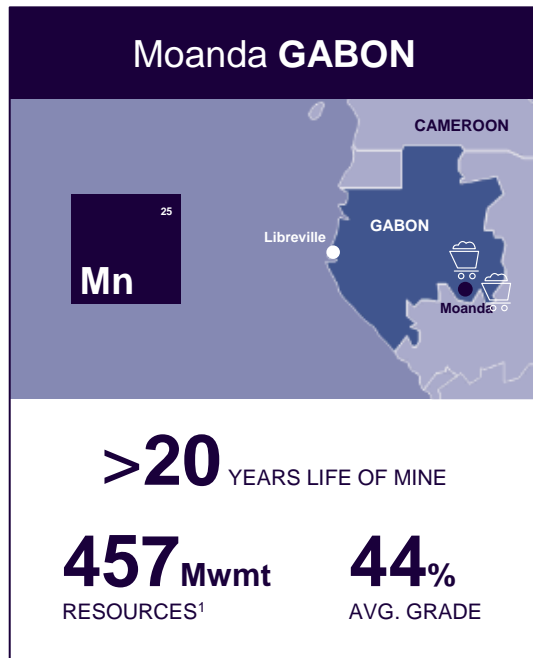
1. See Appendix p. 26

2. Adjusted sales, adjusted EBITDA and adjusted leverage are defined in Appendix 10 Financial Glossary of the FY2023 results press release

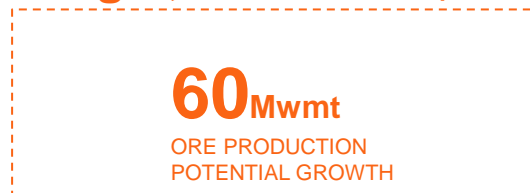
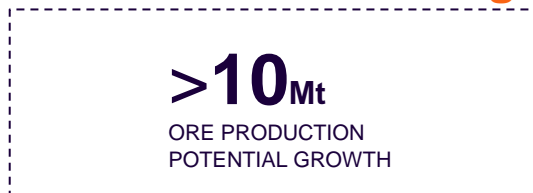
3. 9,167 total headcount based on Eramet's new perimeter, incl. 764 at holding level but excl. Weda Bay Nickel's 1,503 employees

A world-class mining portfolio, with ambitious mid-term production targets

Long-life, high-grade, scalable deposits, with a 1st quartile cost curve positioning, hence profitable at low commodity price levels



Ambitious mid to long-term target, to be flexed depending on market situation



1. Total mineral resources for Mn, Ni & Mineral sands, & drainable for lithium as of January 1, 2024, see section 1.3 of the 2023 URD

2. Target to be certified in the short term; 2,193 Mwmt on January 1, 2024

Eramet capital allocation policy

01

Balance sheet

- Maintain **adjusted leverage below 1x on average** through the cycle

02

Capex

- **Disciplined investment policy**
- **Deliver organic growth** with very quick payback and attractive returns
- **Unlock strategic greenfield projects**

03

Dividend

- Reward shareholders for their **long-term commitment**
- **Return value** created by successfully delivering our projects

Strong balance sheet and higher recurring earnings allowing temporary higher leverage to fund growth

A strategy tailored to the new era of metals

Two strategic axes aligned with global macro-trends, supported by an ambitious CSR roadmap



GROW IN METALS supporting global economic development

RESILIENT MARKETS



Manganese ore & alloys



Nickel



Mineral sands



SUSTAINABLY DEVELOP CRITICAL METALS for the energy transition

FAST-GROWING MARKETS



Lithium



Nickel/Cobalt for batteries



Battery recycling

AMBITIOUS NEW CSR ROADMAP “ACT FOR POSITIVE MINING”

A CSR commitment and performance recognized by leading ESG rating agencies



DISCLOSURE INSIGHT ACTION

B

CLIMATE CHANGE

C

WATER SECURITY

Among the **best** in the industry



B- Prime

Among the **best** in the industry



MSCI ESG RATINGS

CCC B BB BBB A AA AAA

A

2nd decile in the M&M sector



30.9

1st quartile of the industry



69/100

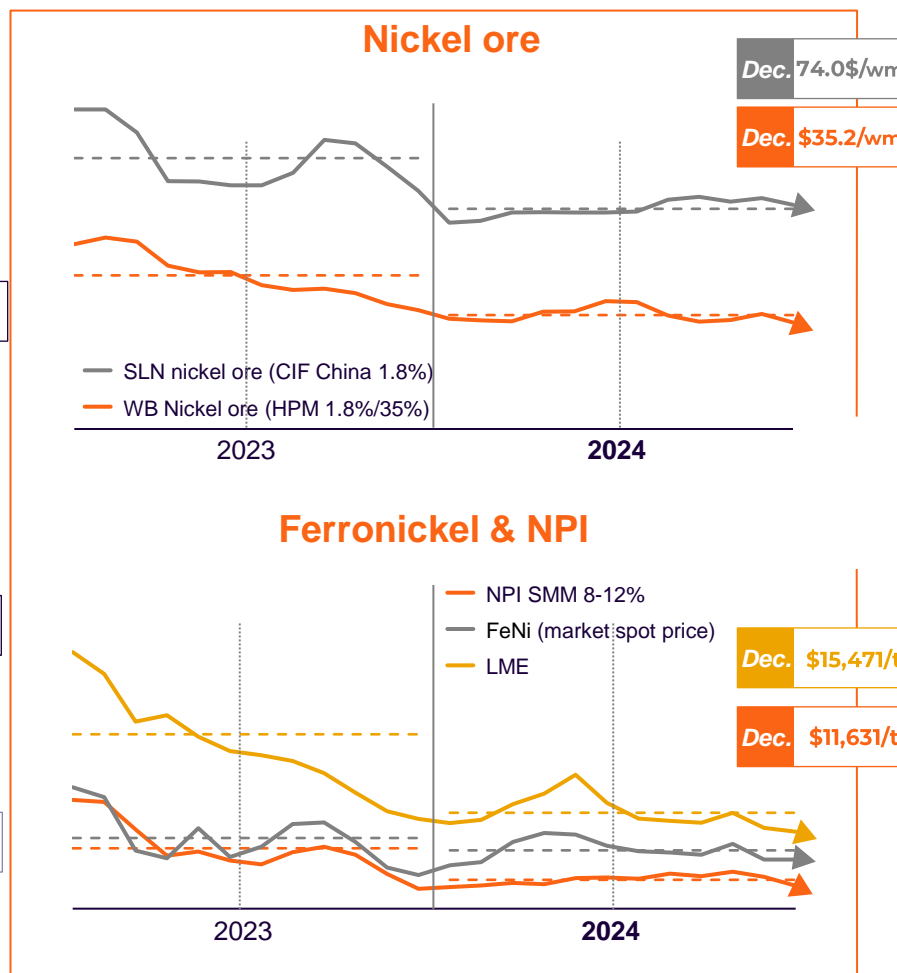
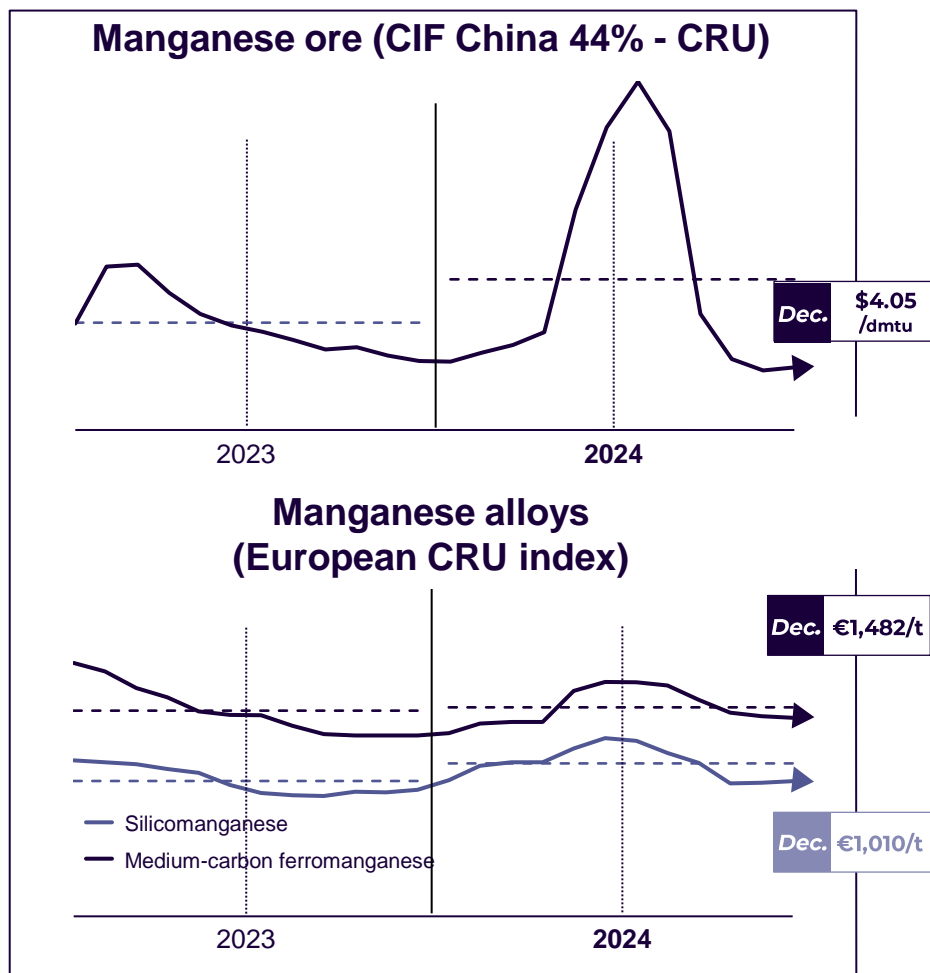
Above global average (54/100)



Business update

02

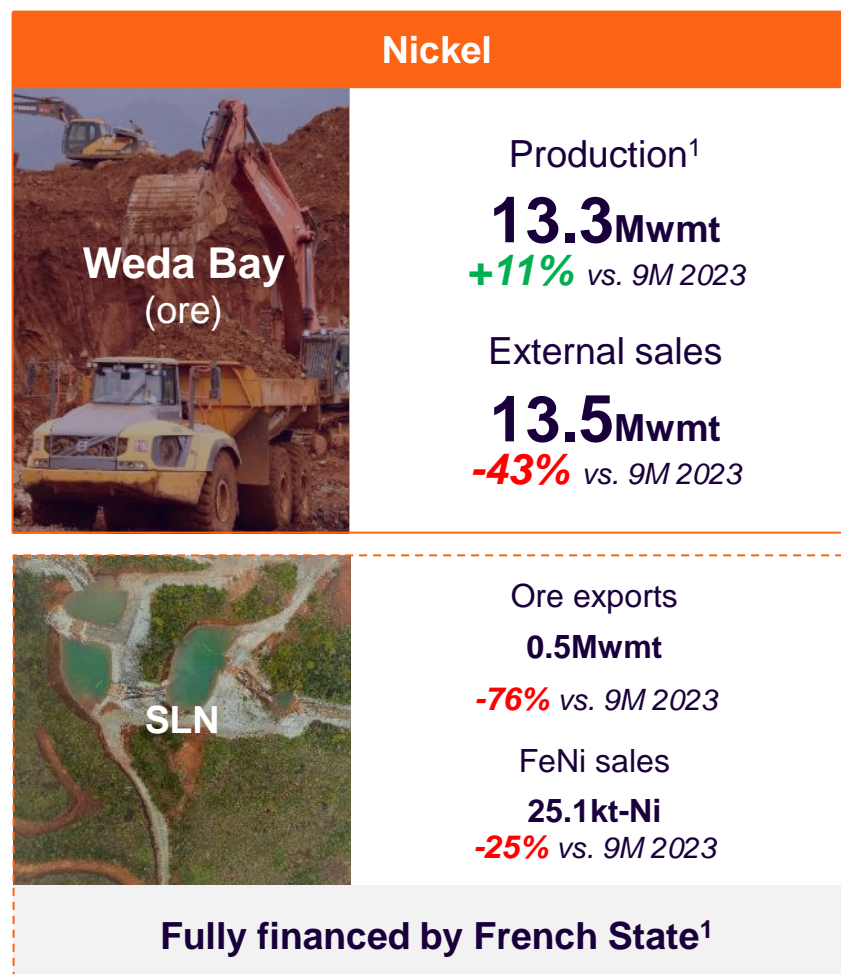
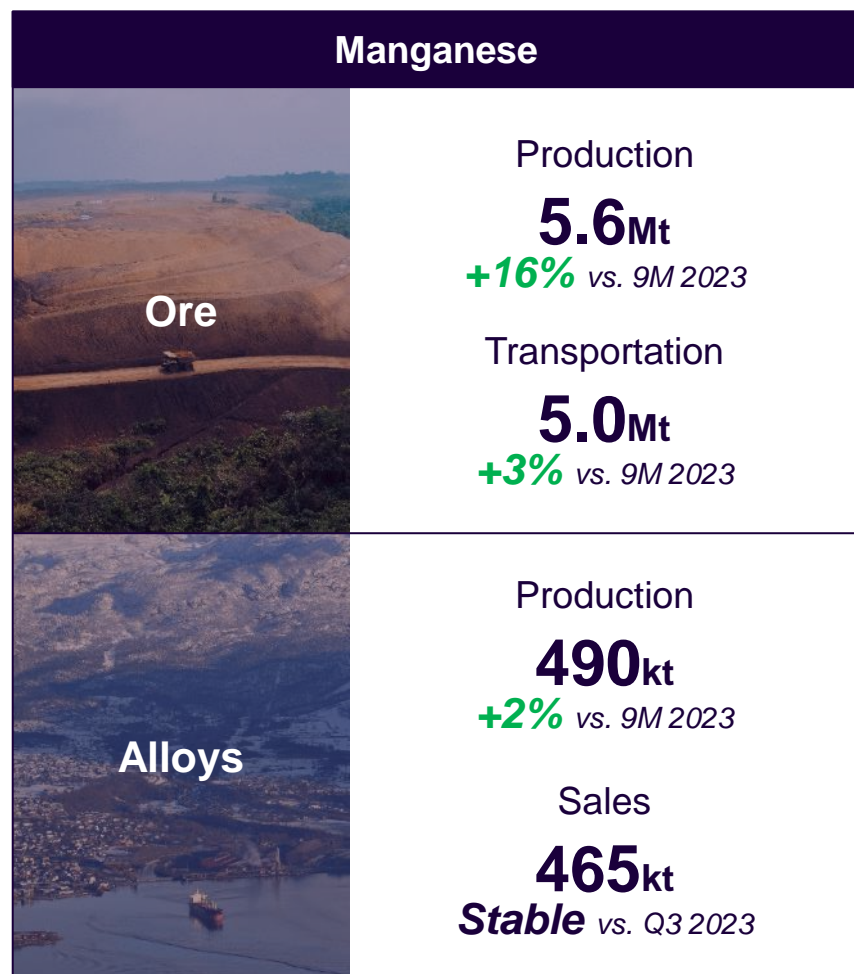
Overall low-cycle price environment; Mn high-grade ore price index sharply down since end-July (c.\$4/dmtu on average in Dec.)



Mn	12m YoY variation	H2 vs H1 variation
Mn ore	+15%	+5%
MC FeMn	+2%	+5%
SiMn	+13%	-5%

Ni	12m YoY variation	H2 vs H1 variation
LME	-22%	-8%
Ni ore WB	-26%	-2%
Ni ore SLN	-19%	+6%
NPI	-16%	+3%
FeNi	-6%	-3%

9m production up YoY, but sales (and the overall activity) impacted by depressed market conditions for Mn & delays in permitting for Ni in Indonesia; GCO printing a record year



1. High-grade saprolite

Strategic roadmap update

03




eraMet

Eramet regained full ownership in its flagship Lithium business in Argentina in October



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/pa 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/pa**

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

Phase 1: first lithium production achieved end of December 2024



1st plant inaugurated in July 2024



1st lithium production delivered end-December

Key milestone for the diversification of the Group into metals for the energy transition

Now focused on ramping up production at the plant

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/pa** 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. At full capacity, based on a market long-term price assumption of between \$15,000 and \$20,000/t-LCE and a cash cost (Ex-works) assumption of \$4,500 to \$5,000/t-LCE

Weda Bay: world's largest nickel mine supplying an extensive industrial park (IWIP³) of NPI & HPAL plants

Weda Bay mine...

- Partnership with Tsingshan (**38.7%** Eramet)
- World-class deposit operated since October **2019**
- **30-year** contract of work (COW)
- **1st quartile** cash cost
- Mine represents **85-95%** of PT Weda Bay Nickel ("PT WBN") EBITDA
- Publication of the AMDAL¹ decree in July 2024 and of the Feasibility Study¹ in August, **enabling PT WBN to target production of 44Mwmt in Nickel ore in 2024** with a progressive ramp-up to more than 60Mwmt in the medium term
- In October, issuance by the Mines Ministry of a **revised RKAB² restricting annual nickel ore sales for the 2024-2026** period to only 32 Mwmt³

29Mwmt

External ore sales to IWIP

3Mwmt

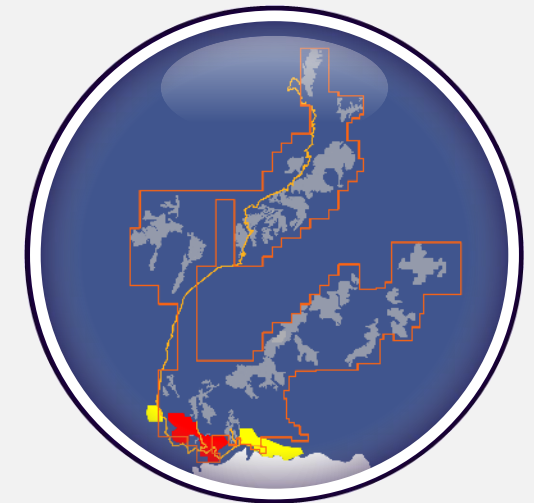
Internal ore sales for NPI production

Eramet to submit, together with Tsingshan, a request for revision of the RKAB for 2025 and 2026, in line with its environmental and mining plan authorizations

...supplying IWIP⁴

80Mwmt Ni ore demand

- **PT Weda Bay NPI⁵ Plant**
43% Eramet with offtake contract
33.4kt-Ni ferroalloy production in 2023
- **18 NPI plants**
60 RKEF production lines
640-700kt-Ni/yr NPI capacity
- **1 HPAL⁵ plant**
6 MHP⁶ production lines
120kt-Ni/yr of MHP capacity
- **Other plants under construction**



- Contract of work boundary
- Existing road
- FeNi Industrial Park
- HPAL Plants

1. AMDAL : Decree related to the Environmental and Social Impact Study issued by the Environment Ministry ; Feasibility Study: new mining Plan

2. RKAB : "Rencana Kerja dan Anggaran Biaya" (Full-year operating permit)

3. At 100%

4. IWIP: PT Indonesia Weda Bay Industrial Park

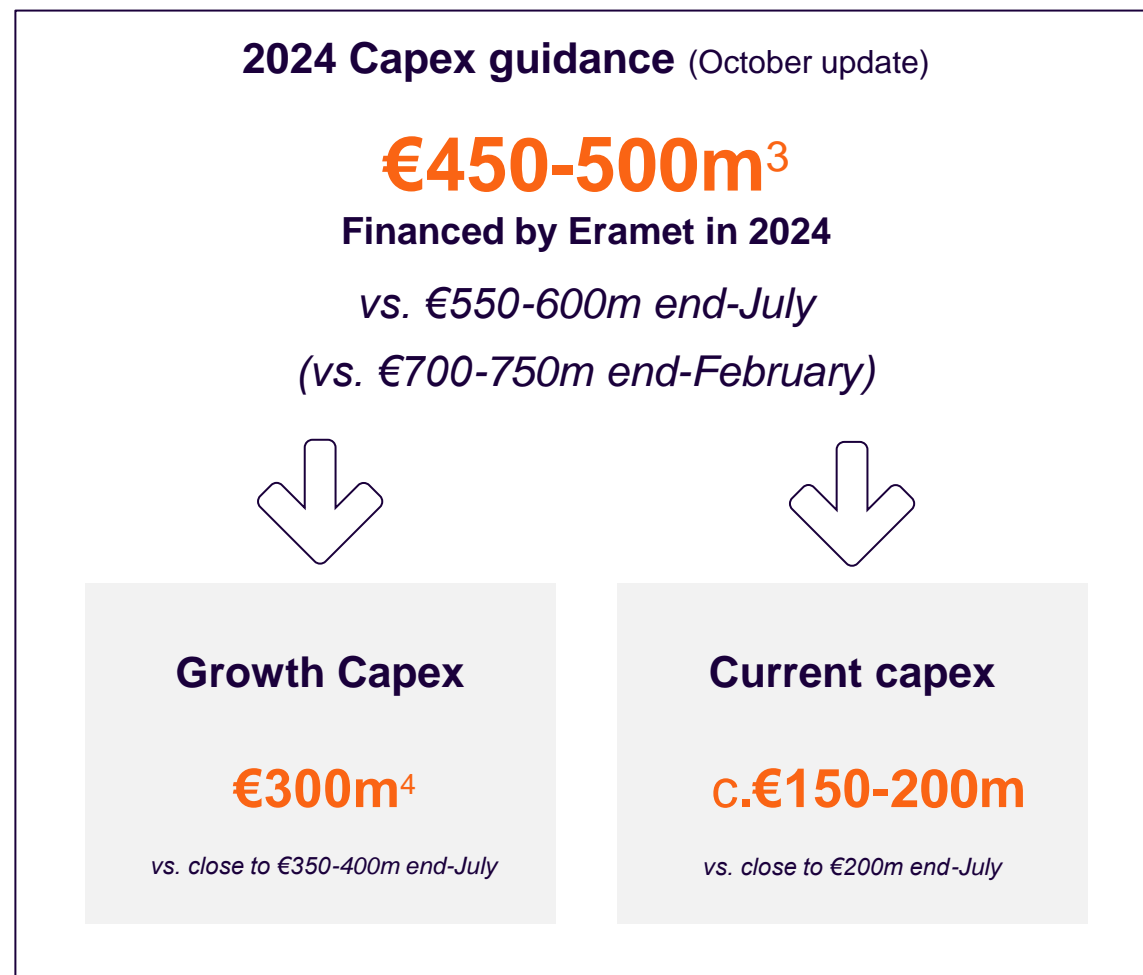
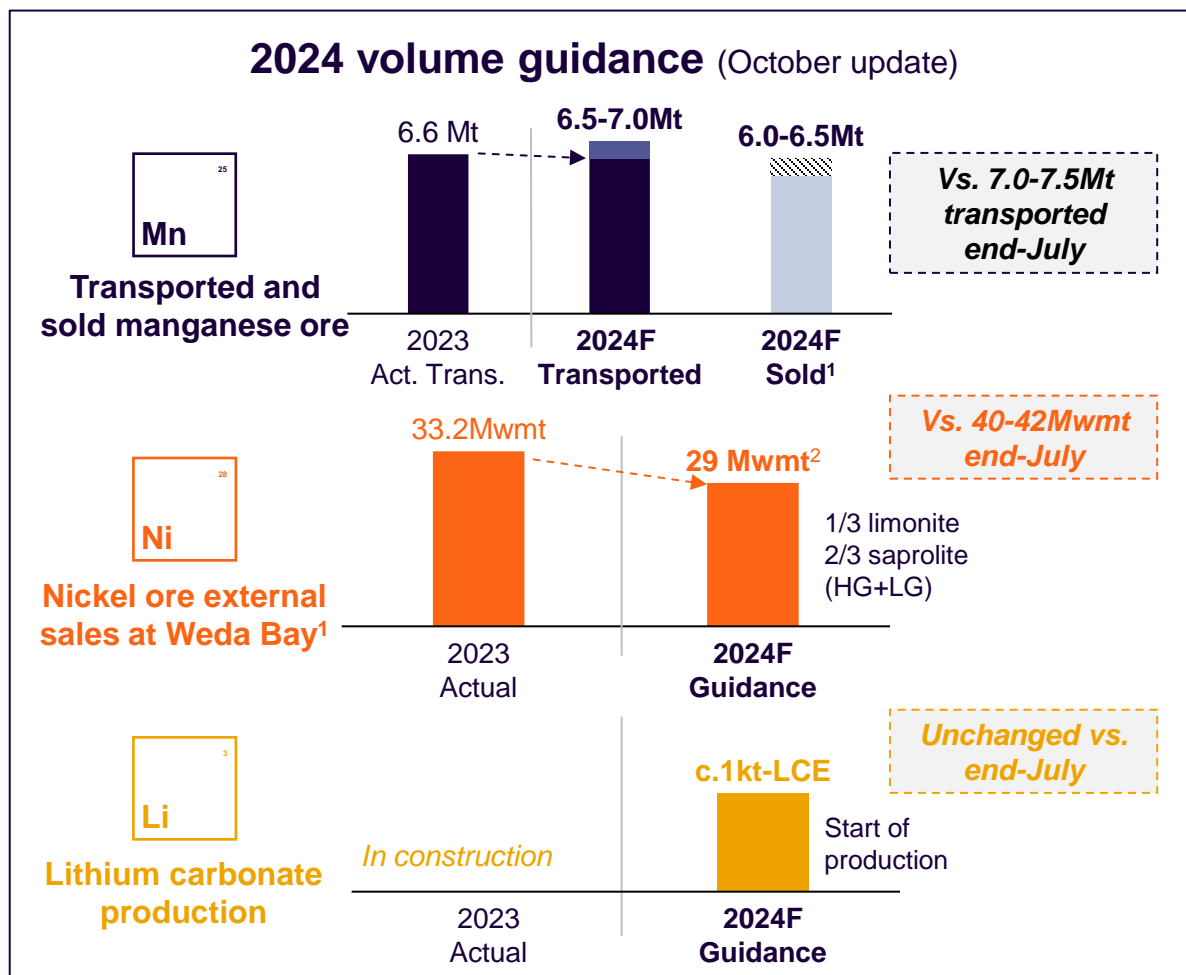
5. NPI: Nickel Pig Iron ; HPAL: High Pressure Acid Leach

6. MHP: Mix Hydroxide Precipitate

Conclusion & outlook

04

2024 volumes sold revised down for the Group's main mining activities ; -€250m reduction in Capex financed by the Group for the year (vs. end-February target)



1. External + internal sales (0.7Mt of internal sales)

2. In 2024: 32Mwmt including 3Mwmt of internal sales to the NPI plant.

3. Net of capital contributions by Tsingshan (Centenario project) and the French State (SLN)

4. Incl. Centenario project in Argentina (c.€150m for 1st Plant)

Adjusted EBITDA in H2 expected above H1, considering market environment & volumes

Demand across all underlying markets of the Group to remain weak in Q4

Uncertain situation in China, following the announcement of substantial economic support measures to restore consumer & investor confidence



China's situation expected to **continue to weigh on demand and prices across all the Group's markets** until the end of 2024

Nickel ore selling prices in Indonesia to be **supported by significant increase in premiums on price in Q4**, which will benefit to PT WBN; it should **largely offset the impact of revised volumes targets for 2024** in terms of financial performance

Action plan aimed at preserving cash (ongoing)



Reduction in industrial investments financed by the Group

Optimisation of WCR, as already done in the past in difficult market conditions, particularly inventories by adjusting production to match demand

Strict cost control in all of Eramet's activities: the temporary suspension of manganese ore production in Gabon in October/November (for 3 weeks), enabled better cost control in the current market environment

1. « Analisis Mengenai Dampak Lingkungan » (Environmental Impact Assessment)



Appendices

05

Our new ambitious CSR roadmap

Responsible mining is part of the solutions to support the energy transition

3 AREAS
FOR ACTION TRANSLATED
INTO 10 AMBITIONS
FOR 2026



3 AMBITIOUS 2035
TARGETS



Care for people

- 1 Take care of health and safety **of people** on our sites
- 2 Provide an **inclusive environment** where everyone can grow
- 3 Accelerate the **local & sustainable development** for communities



Trusted partner for nature

- 4 Control & optimize **water consumption**
- 5 **Biodiversity** preservation
- 6 Mitigate risk of **pollution** / Reduce **environmental impact**



Transform our value chain

- 7 Reduce the **CO₂ footprint** of our value chain
- 8 Optimize mineral resources consumption and contribute to a **circular economy**
- 9 Develop **responsible value chain** that respects our Human rights and CSR requirements
- 10 Mining sites assessed¹ by **IRMA**

100%

Sites with **D&I²** label

Biodiversity towards
net positive impact

-40% CO₂ emissions
reduction scopes 1&2³

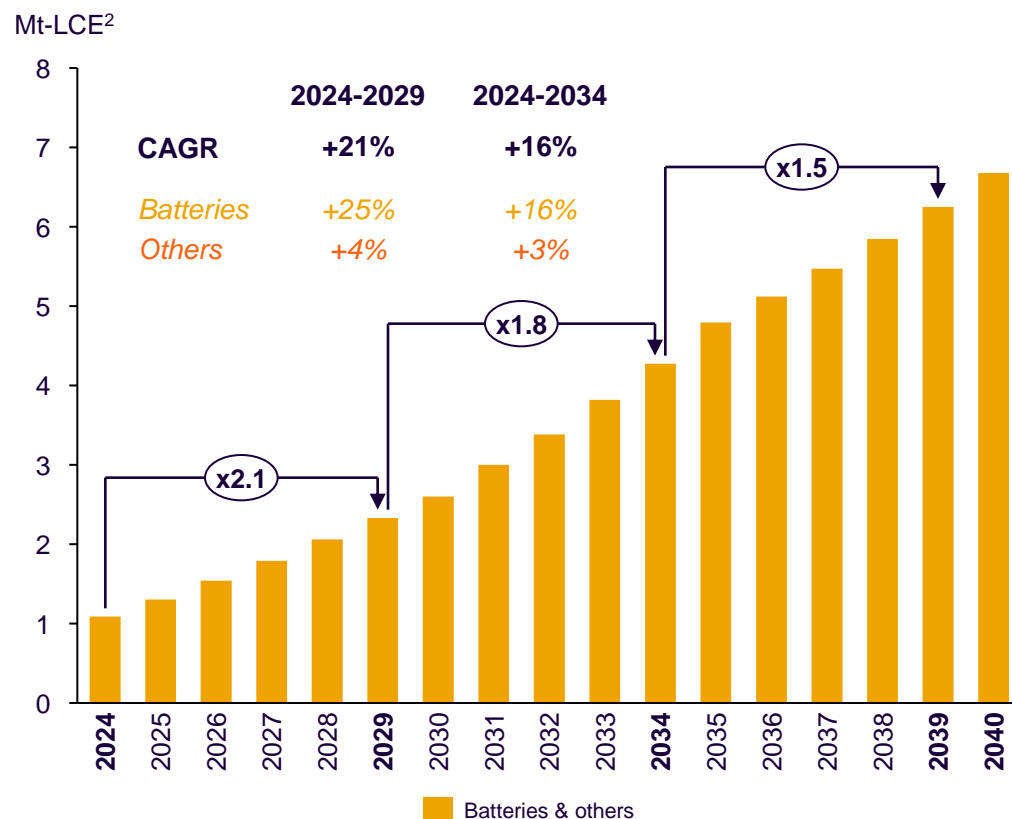
1. 100% of mining sites engaged in an independent assessment process

2. Diversity & Inclusion

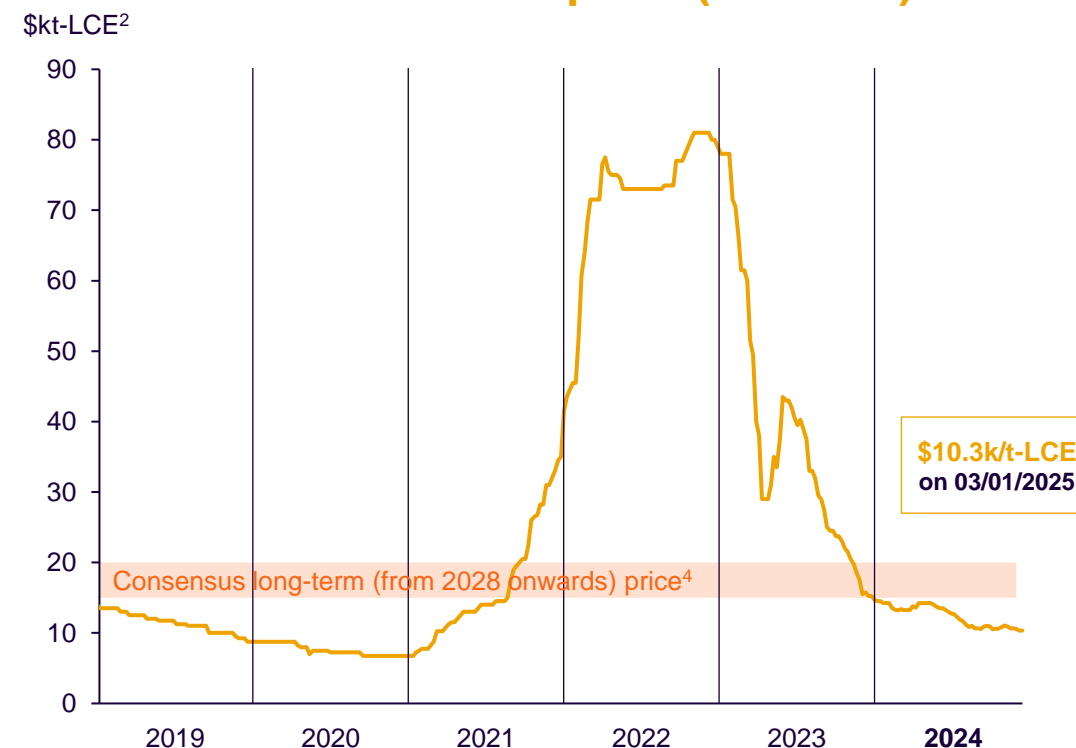
3. Absolute target, in tons of CO₂ vs. 2019

Lithium demand forecast & lithium carbonate historical price

Lithium demand forecast¹



Lithium carbonate price (CIF Asia)³



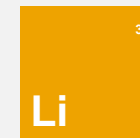
1. Eramet internal market analysis

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

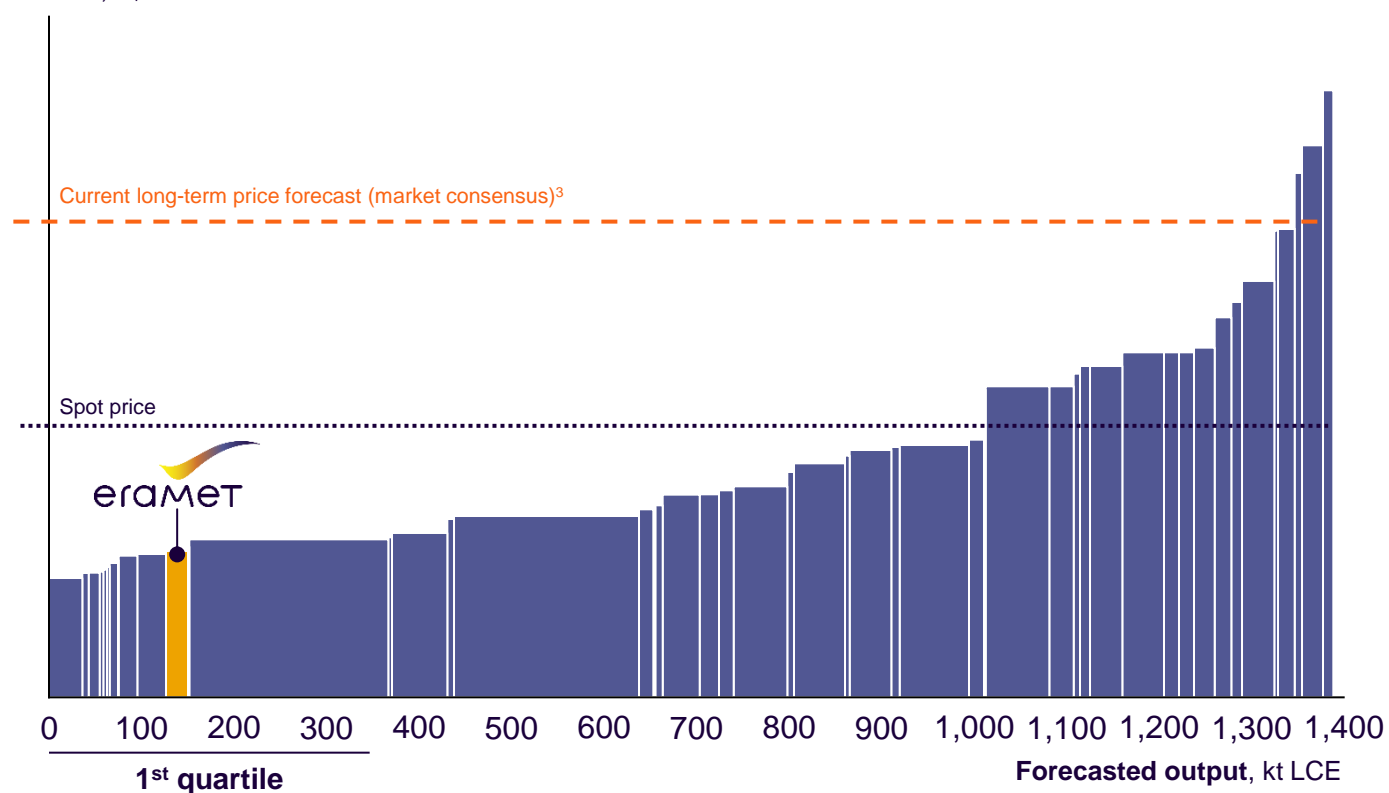
Centenario 1st plant: an attractive profitability underpinned by first quartile cost position



Illustrative cash cost curve of the lithium industry¹

(2025, Eramet internal estimates)

Cash cost², k\$/t LCE CIF China



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 consensus³

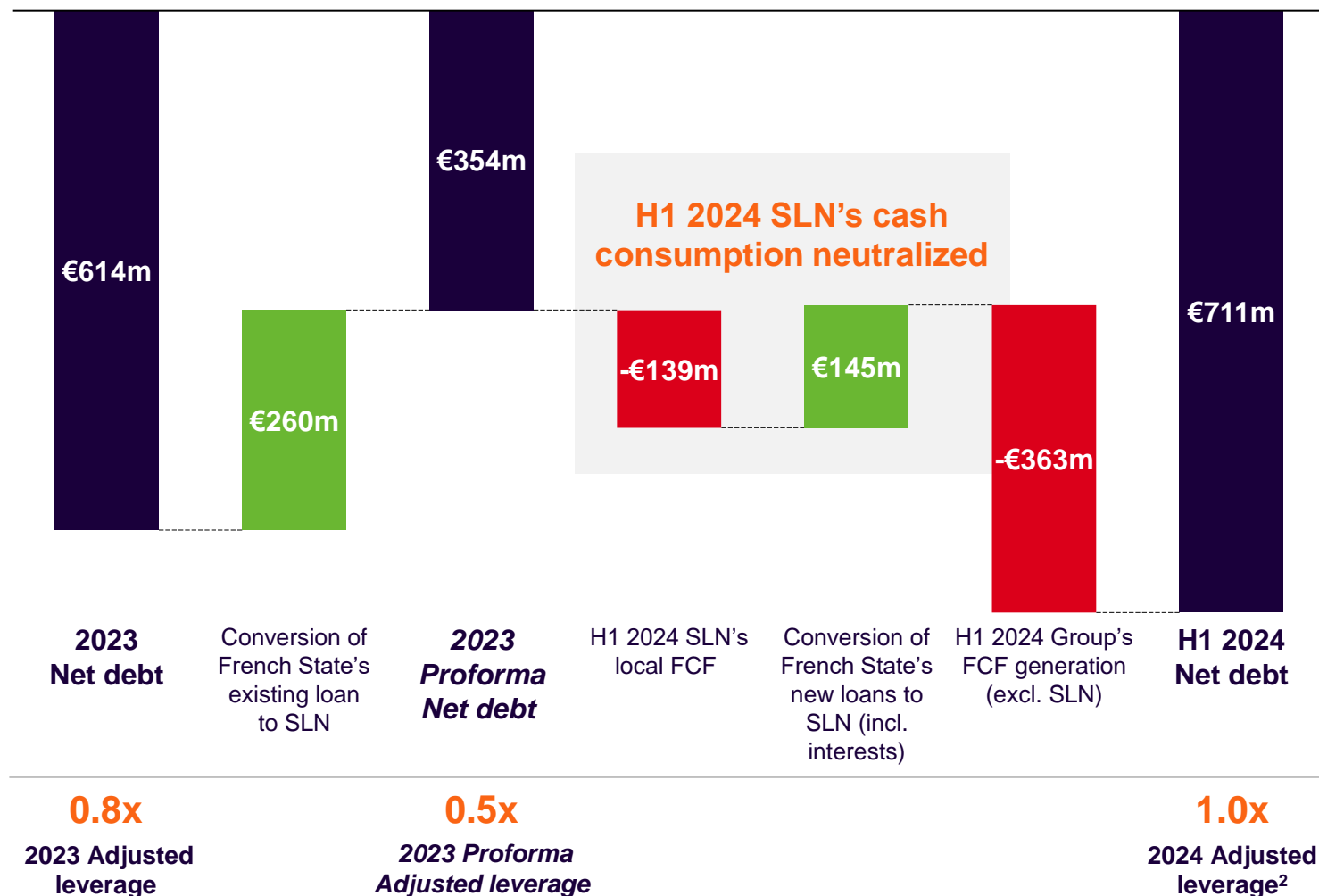
1. Based on a cash cost CIF post ramp-up (at nominal capacity) for Eramet

2. Incl. royalties

3. Market consensus as of October 2024

4. Ex-works

SLN's cash needs: no impact on Eramet's balance sheet thanks to financing from the French State



1. Undated fixed rate deeply subordinated bonds, "TSDI" in French, accounted as quasi equity
 2. Net debt / Adjusted EBITDA or 12-months rolling Adjusted EBITDA

Eramet not financing SLN anymore

Following signature of the agreement in April 2024:

- ▶ Conversion of the **French State's existing loans to SLN** (€260m as of Dec. 31st, 2023) into **undated (deeply) subordinated bonds ("TSDI")**¹
- ▶ **New debt of €60m and €80m** granted in February and April 2024, respectively and **converted into "TSDI"**
- ▶ Financial support from the French State in July (**€80m TSDI subscribed**) enables SLN to continue its business in the months ahead
- ▶ The French State subscribed in October to **a further €20m** in TSDI, enabling SLN to meet its financing needs until the end of the year

Rating actions – Update end-October 2024

MOODY'S

Ba3

Outlook negative



FitchRatings

BB

Outlook negative



1

Increase in leverage following the \$699m buy-out of Tsingshan interest in Centenario

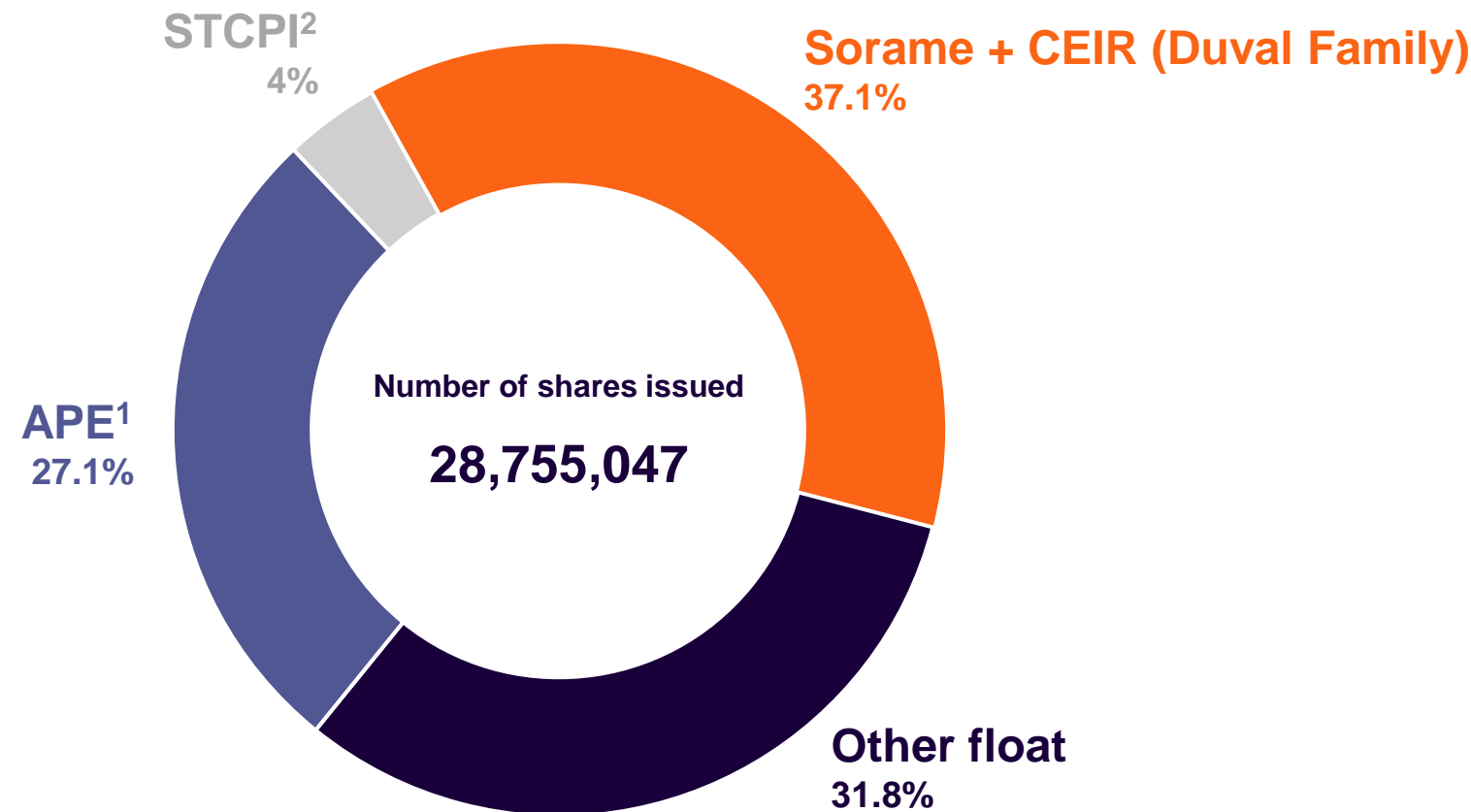
2

Challenging market environment, with lower prices and demand prospects in the short-term

3

Evolution in country risk assessment

Shareholding at 30 November, 2024



1. APE (Agence des Participations de l'Etat): French State
2. STCPI (Société Territoriale Calédonienne de Participation Industrielle): entity owned by the New Caledonian provinces

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