



ASX: INF

Equity Research

3rd August 2023

SPECULATIVE BUY

Share Price \$0.12
Valuation \$0.31

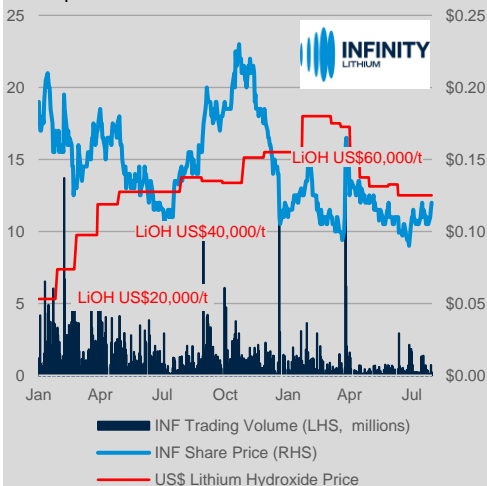
52-Week Range	\$0.090 - \$0.235
INF Shares Outstanding	462.6m
Options (\$0.250, exp. 8 Dec 2023)	21.0m
Options (\$0.266, exp. 31 Dec 2024)	4.0m
Options (\$0.304, exp. 31 Oct 2024)	4.0m
Options (various, various)	3.0m
Performance Rights	3.5m
Share Appreciation Rights (SAR)	
(\$0.072, 13 Sep 2024)	5.0m
SAR (\$0.082, 5 Oct 2024)	9.7m
SAR (\$0.082, 5 Oct 2025)	0.5m
SAR (\$0.144, 2 Dec 2025)	0.5m
SAR (\$0.170, 5 Jan 2026)	2.0m
Market Capitalisation	\$55.5m
Cash (30 Jun 2023)	\$12.3m
Enterprise Value	\$43.2m

Board & Management:

Adrian Byass	Non-Executive Chairman
Ryan Parkin	Managing Director/CEO
Remy Welschinger	Non-Executive Director
Jon Starink	Executive Director/CTO
Ramón Jiménez Serrano	Executive Director

Major Shareholders:

BNP Paribas Nominees	4.9%
Wombat Super Investments	2.9%
HSBC Custody Nominees	2.7%
Adrian Byass	2.5%
Top 20	34.1%



Infinity Lithium Corporation Ltd (ASX: INF) is a minerals company seeking to develop its 75% owned San José Lithium Project in the Extremadura Region, Spain. The proposed fully integrated industrial project is focused on the production of battery grade lithium chemicals from a mica feedstock that represents the EU's 2nd largest JORC compliant hard rock lithium deposit. The project would provide an essential component in the EU's development of a vertically integrated lithium-ion battery supply chain.

Infinity Lithium Corporation Limited

Significant Lithium Project Strategically Located

San José Lithium Project: With 1.6 million tonnes of Lithium Carbonate Equivalent (LCE) in mineral resources, the San José Lithium Project is the second largest JORC defined hard-rock mineral resource in the EU and is strategically located to benefit from booming demand from the emerging gigafactories in the region.

Ownership: INF maintains 75% project ownership through wholly owned Spanish subsidiary Extremadura New Energies with a call option to acquire the balance of 25% and therefore move to 100% project ownership prior to the final investment decision. The exercise of the call option requires an upfront payment between €2m and €4m dependent on timing of acquisition. Considering the relatively low cost to exercise the option, we have assumed 100% project ownership in our valuation.

Politics & Strategy: regional political changes and a change of development strategy from open pit to underground were key in finding a pathway to unlock the project.

Permitting: both the mining licence and Environmental Impact Assessment (EIA) application process were initiated in October 2022 and as of March 2023, the Exploration Permit over the San José area was granted representing a major milestone for the project, providing clarity and administrative process for the future submission of an Exploitation Concession Application (equivalent to a mining licence application in Australia). In parallel, the Regional Government of Extremadura has ratified the Lithium Decree-Law 5/2022 dismissing opposition to the project and mandating the requirement for all lithium minerals extracted to be processed in the region. Furthermore, the decree enables the accelerated administrative processing of projects, access to public funding, and categorisation of PREMIA (projects of regional interest) to facilitate expropriations that may be required. In May 2023, INF has received the finalised EIA Scoping Document response from the Regional Government establishing the preliminary conditions for the mining licence and environmental authorisations submissions planned for Q4 2023. INF recently secured key industrial zoned land designated for the Project's lithium chemical conversion plant has secured an already industrially zoned leasehold for the life of the project as a minimum (see ASX Announcement 19 July 2023).

Project Benchmarking: we have undertaken some benchmarking with the following companies and projects: European Lithium (ASX:EUR, Wolfsberg, Austria), European Metals Holdings (ASX:EMH, Cinovec, Czech Republic), Ioneer (ASX:INR, Rhyolite Ridge, USA), Lepidico (ASX:LPD, Karibib, Namibia), Savannah Resources (AIM:SAV, Barosso, Portugal), Sibanye Stillwater (JSE:SSW, Keliber, Finland), Vulcan Energy (ASX:VUL, Zero Carbon, Germany), Zinnwald Lithium (AIM:ZNWD, Zinnwald, Germany). Beyond its mineral resource size, the scoping study dated Oct-21 indicates San José has the second-best capital intensity among the above listed peers. Other parameters: capital expenditure, operating costs and profitability, are in line with project peers.

Partnerships: INF has signed a binding MOU with Enalter for a photovoltaic, methane and green hydrogen project aligned with the San José project. INF has also signed a non-binding off-take MOU with LG Energy Solution for 10,000 tpa lithium hydroxide for a minimum of 5 years (ASX announcements 22 Jun & 21 Dec 2022). The granting of the exploration permit in March 2023 has generated increased interest from third parties for material offtakes volumes and strategic involvement in the project.

Proven Expertise: INF technical team includes engineers and chemists such as Jon Starink and Dr David Maree, who have a successful track record in developing and commissioning chemical plants for the production of lithium carbonate and lithium hydroxide.

Lithium market outlook: the sector has experienced a tremendous uplift in product prices over the last couple of years. The sustained demand for lithium products over the next decades should support high lithium prices. At this time, lithium prices and price forecasts remain well above the assumptions used in the development studies and financial modelling considered in our analysis.

News flow: Beyond the acceleration of on-the-ground evaluation and the update of development studies in H2 2023, the key catalysts include agreements with existing and new blue-chip partners to support the development of the project.

INF valuation: our sum of the parts valuation is supported by the current market valuation of lithium peers. With the assumed addition of 150 million shares issued for some additional development capital (\$15m raised at \$0.10/share), our company valuation amounts to A\$210 m or \$0.31 per share.

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All currencies are in Australian dollars unless otherwise specified.

1. INF Valuation

San José Lithium Project Financial Modelling and NPV Valuation

We have initially modelled the project based on the October 2021 scoping study with the following key parameters:

- Ore mined: 47.7 million tonnes
- Head grade: 0.66% vs 0.74% Li₂O in mineral resource
- Mining/processing rate: 2 million tonnes per annum
- Recovery: 53% (beneficiation recovery 66.5% x hydrometallurgy recovery 79.6%)
- Construction: 2 years
- Life of mine: 26 years
- Capex: US\$532.2 million (including US\$72.8 million of contingencies)
- Mining cost: US\$22.5/t mined
- Processing cost: US\$4,355/t LiOH (increased from US\$4,134/t to match announced NPV)
- No royalties
- Discount rate: 10%
- Lithium hydroxide price: US\$17,000/t LiOH

Our model results in a pre-tax NPV of US\$811.3 million (vs US\$811.7m announced by INF) and an IRR of 25.1% (vs. 25.7% announced).

Subsequently, we have modified the key parameters as follows:

- Capex increased by 20% to US\$639 million
- Mining cost increased by 20% to US\$27/t mined
- Processing cost increased by 20% to US\$5,226/t LiOH
- Corporate tax assumed at 30%

Using various lithium hydroxide prices, Table 1.1 summarises the valuation of the San José lithium project.

Table 1.1 – San José Project NPV Valuation

Lithium Hydroxide Price	Post-tax NPV _{10%}	IRR
US\$25,000/t	US\$1,009m	26%
US\$30,000/t (Base Case)	US\$1,922m	37%
US\$45,000/t (current)	US\$2,835m	46%

Source: Evolution Capital estimates

As expected, the valuation is highly leveraged to the lithium hydroxide price.

In all scenarios, the IRR is good, thanks to a high lithium product environment, which should continue in the foreseeable future. S&P Capital IQ forecast lithium carbonate prices (which are similar to lithium hydroxide prices) well in excess of US\$35,000/t up to 2027.

INF Sum of the Parts Valuation

Considering the date of the development study on hand and expected timeframe to final investment decision, we have considered a risk factor of 10% to derive a value of the project to include in our sum of the parts valuation. We have also assumed an equity capital raising of \$15 million (150,000,000 shares at \$0.10 sometime in FY2024) to finance development studies and working capital.

Table 1.2 summarises the sum of the parts valuation for INF.

Table 1.2 – INF Sum of the Parts Valuation

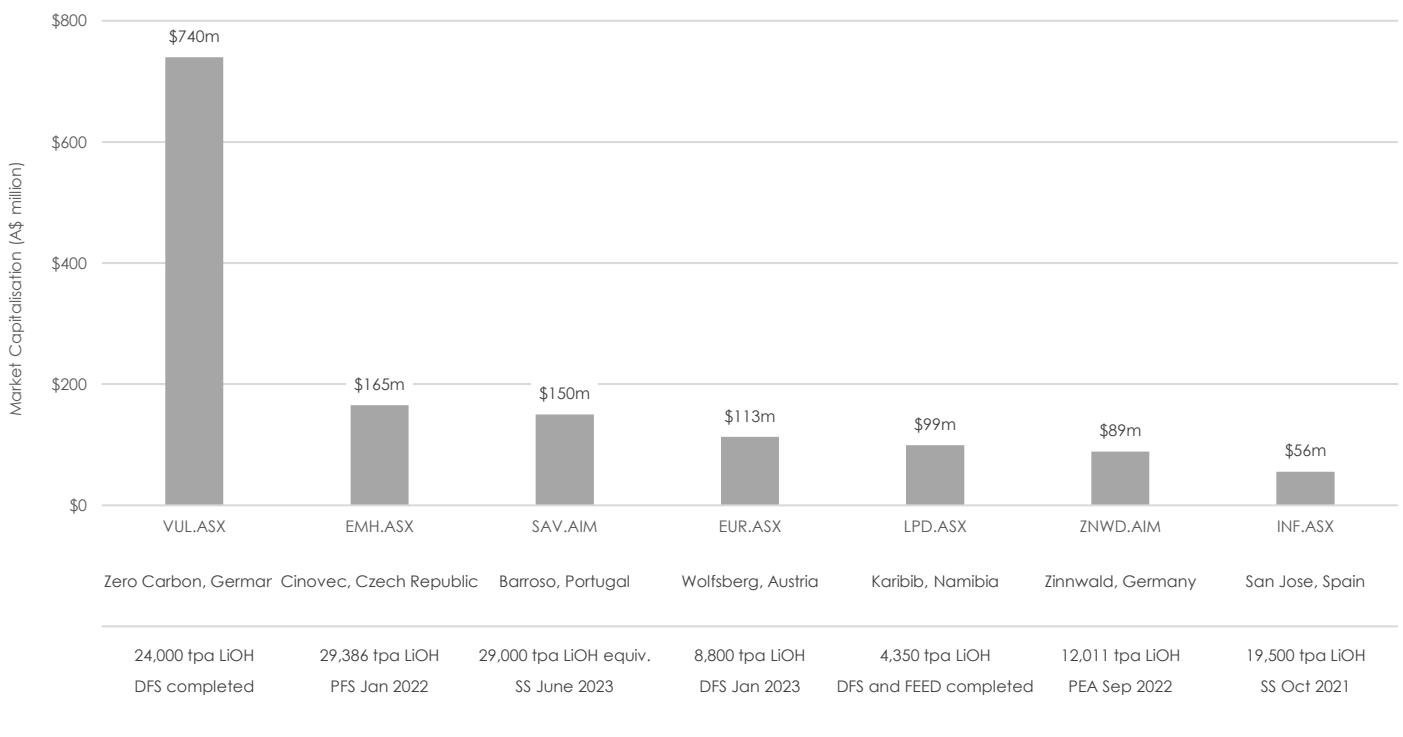
Asset	Value Range	Preferred	Per Share
San José Lithium Project, Spain 100% interest, 10% risked-NPV	US\$1,050m-US\$2,892m		
Payment to exercise option to increase to 100% interest	(€4m assumed)	\$216.2 (\$6.3)	\$0.33 (\$0.01)
Evaluation and Feasibility Studies Costs		(\$20.0m)	(\$0.03)
Cash (as at 30 th June 2023)		\$12.3m	\$0.02
New equity		\$15.0m	\$0.02
Corporate costs		(\$7.7m)	(\$0.01)
Total		\$209.6m	\$0.31

Source: Evolution Capital estimates

Market Peers

Figure 1.1 charts the market capitalisation of the selected companies and some parameters of their flagship lithium project: expected lithium hydroxide annual production and stage of development.

Figure 1.1 – Market Value of Peers



Source: Evolution Capital

Subject to development studies released to market and project advancement, Infinity Lithium Corporation could see its market value increase from about \$50 million to \$180m, to be in line with its peers.

2. INF Strategy

INF aims to facilitate Europe’s energy transition through the development of its fully integrated San José Lithium Project, and the development of innovative, sustainable lithium processing technologies through its Infinity GreenTech business. With a demand for enormous quantities of lithium chemicals forecasted for Europe over the coming years and a determination to become more self-sufficient in its supply of critical raw materials, the San José Lithium Project can contribute close to 20,000tpa of battery grade lithium chemicals to the region’s lithium-ion battery value chain. The recently introduced (March 2023) European Critical Raw Materials Act aims to ensure that by 2030 the EU extraction capacity covers at least 10% of the EU’s annual consumption of strategic raw materials and the EU processing capacity covers at least 40% of the EU’s annual consumption of strategic raw materials. With less than 10 lithium projects located in the EU, there is a strong political incentive for them to reach production.

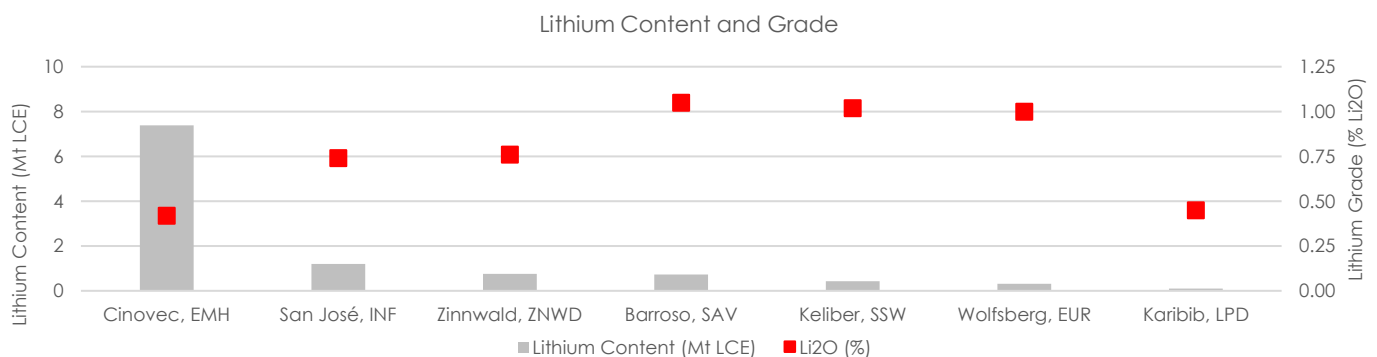
The San José deposit, located in Extremadura Region of Spain is a highly advanced, previously mined brownfields development opportunity. INF will mine the hard rock mica resource and develop processing facilities to provide a strategically essential European mine-to-end-product lithium chemicals operation.

3. San José Project Benchmarking

Mineral Resource

Figures 3.1 summarises the lithium content and grade of mostly European lithium projects. The San José Lithium Project stands as the second largest hard rock lithium in Europe.

Figure 3.1 – Mineral Resource Benchmarking

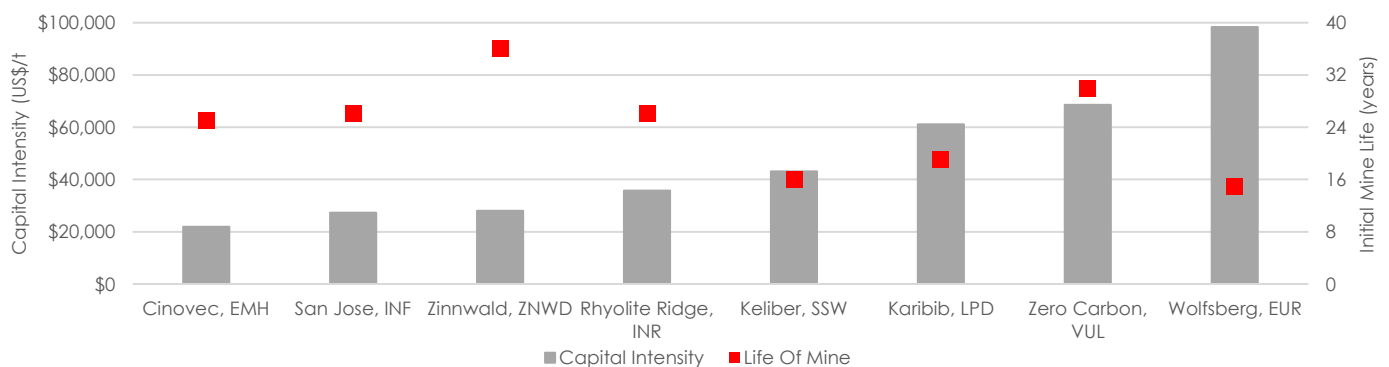


Source: company announcements

Capital Intensity and Mine Life

Figures 3.2 summarises the capital intensity and mine life of mostly European lithium projects. The San José project compares well against its peers.

Figure 3.2 – Capital Intensity and Mine Life



Source: company announcements

Other Parameters

Table 3.1 compiles the results of development studies for projects aiming to produce lithium hydroxide located mostly in Europe.

Table 3.1 – Selected Projects aiming to produce Lithium Hydroxide

Company	Ticker	Project	Study, Date	Capex	Opex	LOM	Post Tax NPV [†]	IRR	Production	LiOH Price*
				US\$m	US\$/t	years	US\$m	%	tpa LiOH	US\$/t
European Metals	EMH.ASX	Cinovec	PFS, Jan-22	\$644	\$3,435	25	\$1,938	36%	20,900	\$17,000
Infinity Lithium	INF.ASX	San José	SS, Oct-21	\$532	\$6,399	30	\$812	26%	24,755	\$17,000
Zinnwald Lithium	ZNWD.AIM	Zinnwald	PEA, Sep-22	\$337	\$6,200	36	\$1,012	29%	12,011	\$22,500
Ioneer	INR.ASX	Rhyolite Ridge	DFS, Apr-20	\$785	\$2,510	26	\$1,265	21%	22,000	\$15,000
Sibanye-Stillwater	SSW.JSE	Keliber	DFS, Nov-22	\$647	\$7,426	15	\$976	20%	15,000	\$26,034
Lepidico	LPD.ASX	Karibib	DFS, Nov-22	\$266	\$7,100	19	\$452	n/a	4,350	\$16,800
Vulcan Energy	VUL.ASX	Zero Carbon	DFS, Feb-23	\$1,676	\$4,477	30	\$2,860	26%	24,000	\$33,311
European Lithium	EUR.ASX	Wolfsberg	DFS, Jan-23	\$866	n/a	15	\$1,504	n/a	20,000	\$50,000

Source: company announcements. [†] discount rate of 8% except INF 10% and EUR 6%, all post tax except INF. * lithium hydroxide price assumption

The San José Lithium Project scoping study indicates that the project key parameters are in line with most lithium hydroxide projects. It is now up to the company to refine and potentially improve those economic parameters with additional development studies.

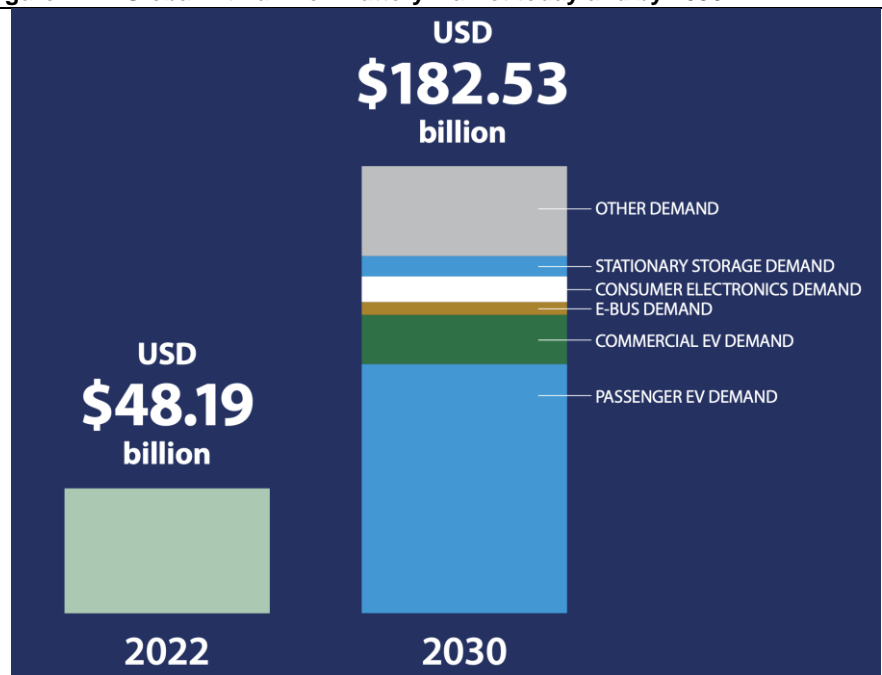
4. Lithium Market Outlook

Overview

After a few hiccups over the last 15 years or so, the lithium demand is now surging and it is difficult to see a downturn in the near future.

Figures 4.1 summarises very well the market outlook

Figure 4.1 – Global Lithium-Ion Battery Market today and by 2030



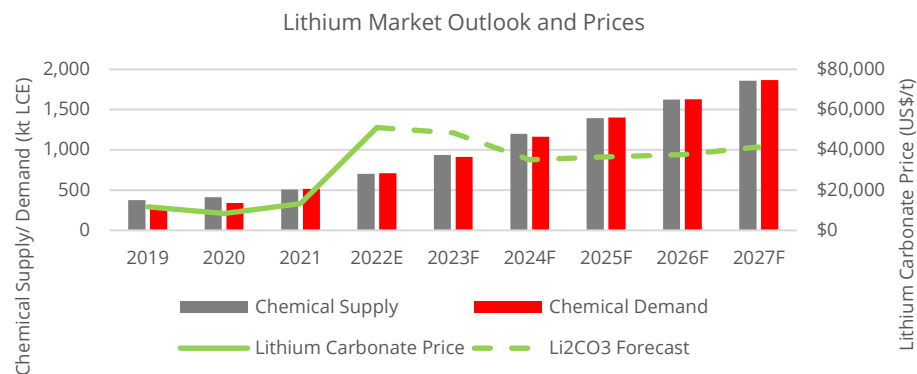
Source: IEA analysis based on S&P Global (2021), visualising the Global Demand for Lithium

According to S&P Global the market is forecast to grow at a CAGR of 18% over that period.

Price Forecast

In parallel, S&P Global expects the lithium prices to retrace some of the recent gains and stabilise at a high level around the US\$40,000/t for lithium carbonate.

Figure 4.2 – Lithium Market Supply and Demand and Prices



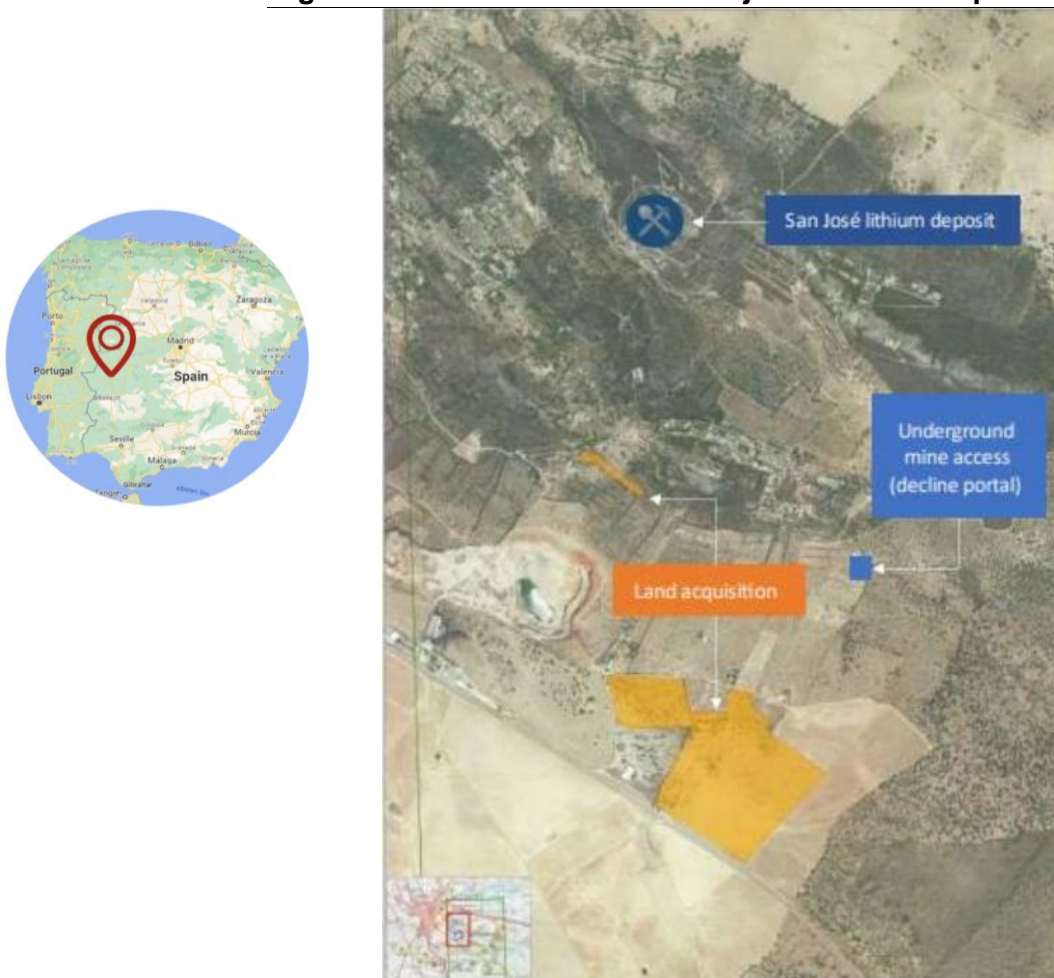
Source: S&P Global Commodity Insights, as at July 2023

We note that the long-term prices remain above the price assumptions used in recent development studies and the market is forecast to be in deficit at the time of the San José Lithium Project start up.

5. San José Lithium Project

Location

Figure 5.1 – San José Lithium Project Location Map



Source: INF

The San José Lithium Project is located near the town of Cáceres approximately 280 kilometres west- southwest of Madrid, within the Extremadura Region of Spain as shown in Figure 5.1. Spain is considered to be a low sovereign risk investment location. The Project area is well serviced by infrastructure including electricity, gas, water and roads. There is a significant and growing availability of renewable electricity available to the Project. On 31st July 2023, Infinity through its wholly owned subsidiary Extremadura New Energies, announced the formation of Spanish renewable energy entity Extremadura Energy H2 Hub (EEHH). The MoU between the parties highlighted that EEHH will provide the Project a first right to secure a long-term green energy power purchase agreement (PPA). The ability to source and secure green energy is critical for an environmentally, socially and economically credentialled industrial project in Europe, particularly against the backdrop of competitive energy availability issues due to energy pressures within the EU. San José will have the opportunity to secure long term and low-cost green energy prices, mitigate pricing volatility, and eliminate costs for grid access and transmission, providing a robust position for the advancement of San José.

As the demand for electric vehicles increases throughout Europe, the demand for lithium-ion batteries is projected to increase. The Project is located in close proximity to the growing European lithium-ion battery market. Of note, is the Envision Group battery plant, a €2.5 billion investment, with a planned production capacity of 30 GWh to be built 100km from Cáceres, in Navalmoral de la Mata in the central-western region of Extremadura.

On 19th July 2023, INF announced having secured a long-term (35 years) lease over land for the industrial development of the San José Lithium Project. The industrial zoned land is located within the granted Exploration Permit. The rights that have been secured over the single largest landholding for the designated lithium chemical conversion plant and related processing activities comprises 36 hectares or more than one third of the total proposed development. area. The industrial zoned land is located adjacent to the sealed road and other key infrastructure.

History

The Project area has been historically mined for tin into the 1960s, with existing evidence of those activities remaining, including underground mining infrastructure and other disused buildings occupying the San José area. After cessation of tin mining, exploration and technical studies were undertaken by Spanish mining group Tolsa S.A. ('Tolsa') in the 1980s and 1990s which resulted in the identification of a substantial resource of lithium bearing mica minerals. Tolsa conducted technical studies on the mining and extraction of lithium at the time. The Project did not progress under Tolsa's ownership and the tenure lapsed due to the different market conditions at the time.

In 2015 the Directorate-General for Industry, Energy and Mines of the Regional Government of Extremadura ('Junta') called for tenders including areas now referred to under San José. Spanish mineral resource company Valoriza Minería S.A. ('Valoriza Minería') submitted an application and was successful in the tender process with rights relating to a research permit area granted in early 2016. Infinity and Valoriza Minería later entered into a Joint Venture ('JV') agreement with Infinity having now earned a 75% interest in the Project.

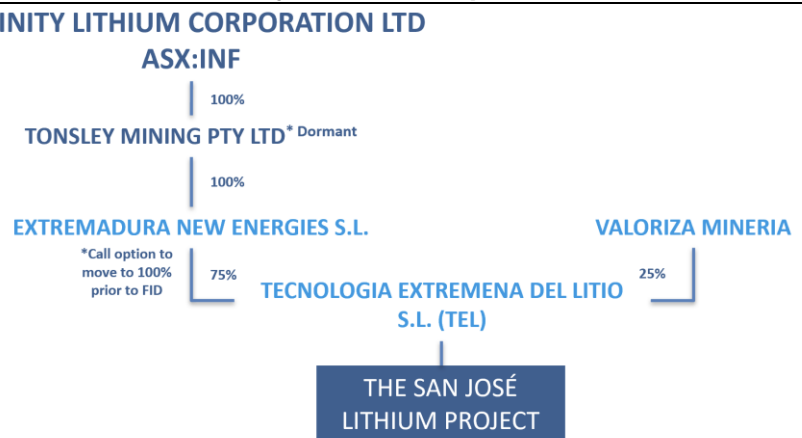
Infinity has the Option, at its election to proceed to a 100% interest in the Project through a payment to Valoriza Minera.

Ownership

Infinity is in Joint Venture with Spanish Company Valoriza Minería, a subsidiary of Spanish engineering and construction company, Sacyr S.A. To facilitate the JV special purpose company, TEL was created. Its only assets are the tenure and rights for San José, as shown in Figure 3. Infinity (75%) holds an option to

acquire the remaining 25% interest in TEL and the results of this Scoping Study are presented on a 100% ownership basis.

Figure 5.2 – San José Project Ownership Structure



Source: INF. FID = Final Investment Decision

Geology and Geological Interpretation

San José is a zinnwaldite mica replacement deposit hosted by pelitic shales of the Central Iberian Zone, with lithium mineralisation occurring predominantly within the slates and to a lesser degree in the quartz carbonate veins which have been historically mined for tin. The rock which hosts mineralisation at San José is comprised roughly in equal parts mica, quartz and tourmaline. Mineralisation within quartzite is typically low-grade. The pervasive nature of mineralisation (broad, relatively homogeneous distribution) is likely derived from a deep-seated intrusive source. Mineralisation is open at depth and has not been closed off by drilling.

Mineral Resource Estimate

San José has a very large JORC 2012 Mineral Resource Estimate with most of the mineralisation classified as Indicated. A cut-off of 1,000ppm lithium was initially used to constrain open pit mineralisation.

Table 5.1 – San José 2018 Mineral Resource Estimate – 1,000 ppm lithium cut-off

Classification	Tonnes	Li ₂ O%	Li ₂ O content
Indicated	59.0 mt	0.63%	371,700 t
Inferred	52.2 mt	0.59%	307,980 t
Total	111.3 mt	0.61%	679,680 t

Source: INF

A higher cut-off of 2,500ppm has been used as an economic cut-off for optimisation and economic evaluation of potential underground operations.

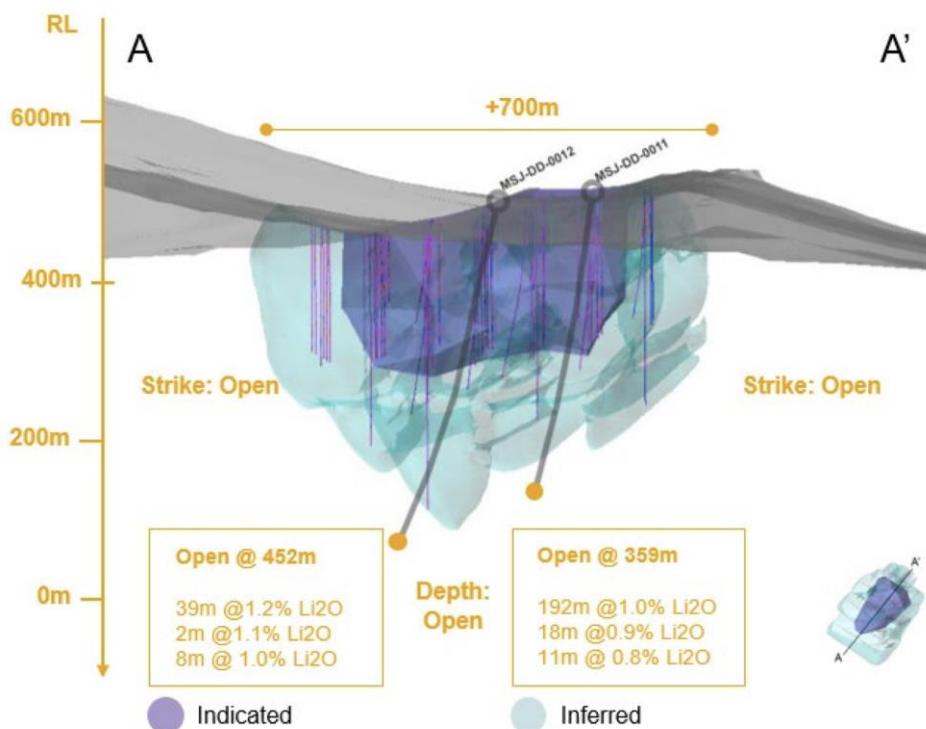
Table 5.2 – San José 2018 Mineral Resource Estimate – 2,500 ppm lithium cut-off

Classification	Tonnes	Li ₂ O%	Li ₂ O content
Indicated	36.80 mt	0.72%	264,960 t
Inferred	28.64 mt	0.75%	214,800 t
Total	65.44 mt	0.74%	484,260 t

Source: INF

The spatial distribution of Indicated and Inferred mineralisation at San José is shown in Figure 5. San José is a bulk-style deposit. Mineralisation at San José has not been closed off and is open at depth and along strike. The distribution of Indicated and Inferred mineralisation is distinctive and a zone of Inferred classification mineralisation wraps around the main, central, and coherent body of Indicated classification mineralisation.

Figure 5.3 – Mineral Resource Classification over Cross Section



Source: INF

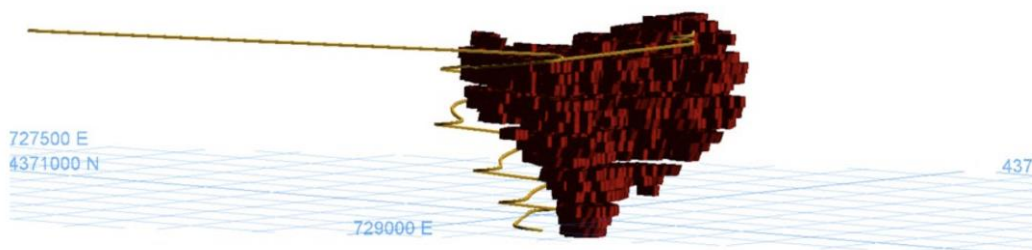
Mining

Previous mining at San José has been conducted using underground methods on a limited scale to extract tin-bearing quartz veins.

The Oct 2021 scoping study is based on large-scale mining in an underground-only method.

The underground mining plan supports a 2 million tonnes per annum (Mtpa) processing plant located on site.

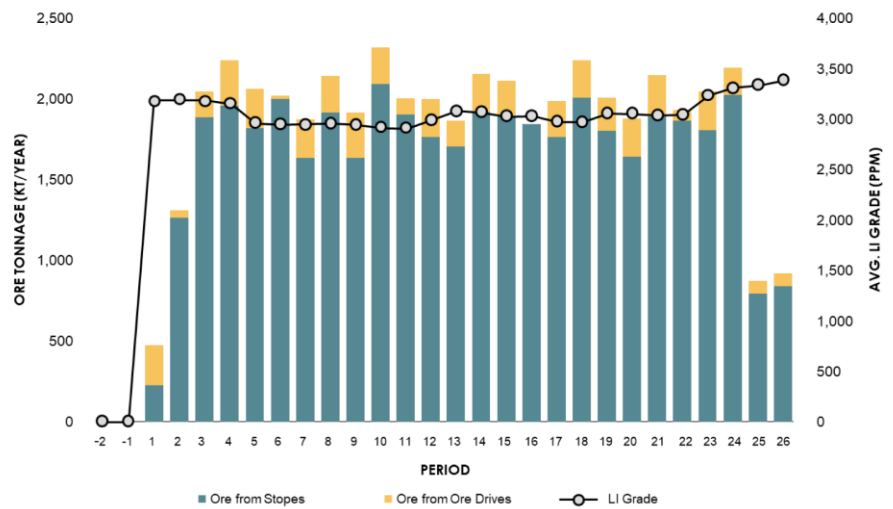
Figure 5.4 – San José Conceptual Mine Design



Source: INF. Proposed LOM underground stoping (red) and decline development (yellow)

The mine will ramp-up to full production over a 2-year period from start of production and then operate at 2.0Mtpa production for 22 years before it reduces based on current available resources to cease production after 26 years. The mine plan delivers 47.7Mt for a contained 145.7kt of LCE to the processing plant. The mine schedule is shown below in Figure 5.5.

Figure 5.5 – San José Ore Production Schedule



Source: INF. Proposed LOM underground stoping (red) and decline development (yellow)

Metallurgical Testwork

On 10 February 2022, INF announced the successful scaled-up production of battery grade lithium carbonate and lithium hydroxide from the completion of metallurgical test work.

This test work was conducted at Dorfner Anzplan’s facilities in Germany, under the terms of the Project Agreement with EIT InnoEnergy, to facilitate the development of the sustainable, novel and innovative sulphate roast process (refer to ASX announcement 18 June 2020). This development work at Dorfner Anzplan has been funded by EIT InnoEnergy, with an aim of creating more sustainable refining technology for lithium mineralogies that have to be exploited industrially for the first time. EIT InnoEnergy is supported by the European Institute of Innovation and Technology (EIT), which is a body of the European Union.

The finalisation and optimisation of test work provides pathway to lodge provisional patents covering the novel aspects of the sulphate roast process flowsheet. The Company will progress freedom-to-operate searches and lodgement of provisional patent applications for the novel aspects of the process. The Company and its project partners under the Project Agreement retain rights to any resulting licencing revenues applicable from the future implementation of the process for lithium bearing mica ores.

The sulphate roast and water leach process, which includes recirculation of key reagents, significantly reduces the environmental impact of the lithium chemical conversion process when compared to traditional sulphuric acid leaching practices common in the conversion of spodumene concentrates. The sustainable production of battery grade lithium carbonate and hydroxide and decarbonisation of the conversion process will be advantageous in EU markets, with the implementation of the EU Battery Passport providing regulatory and compliance requirements for the measure of the carbon footprint of all materials used in lithium-ion batteries.

Infinity and its technical partners produced this increased volume of battery grade lithium chemicals in line with both the requirements for the Feasibility Study (open circuit), and for samples of end products for verification purposes in the advancement of offtake discussions.

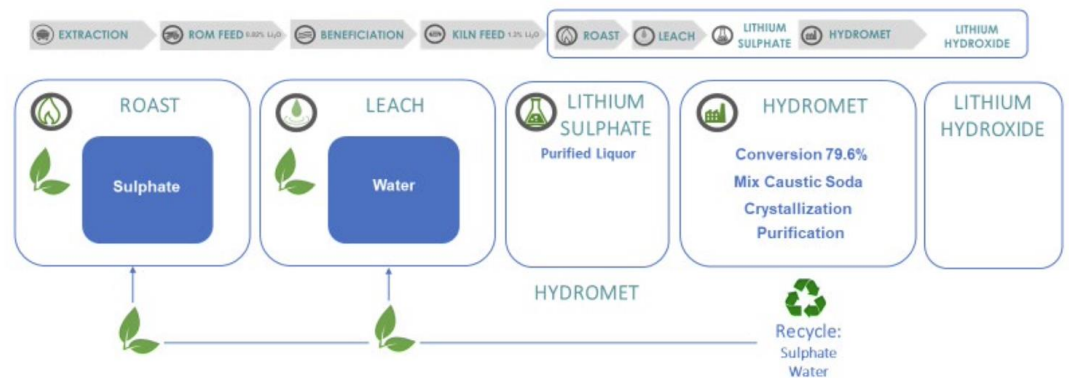
Optionality of battery grade end products has been reiterated as a requirement by multiple EU end users in response to their target end markets. The varying cathode requirements for Li-ion battery producers are in response to automaker OEMs’ demands and alignment of specific requirements for market segments.

Processing

The Scoping Study is based on underground mining delivering an average steady-state 2.0 million tpa to the processing plant, located within 2 kilometres of the resource. The lithium bearing mica ore is separated from related quartz and tourmaline minerals through a crush, grind and froth flotation beneficiation process. The mica concentrate will then be treated via a sulphate roast using water leach with crystallisation and precipitation.

The lithium sulphate leachate produced from this process is then purified and treated with sodium hydroxide (caustic soda) to produce lithium hydroxide. The process assumptions under the PFS have been retained. Additional purification and crystallisation processes are required to produce battery grade material.

Figure 5.5 – San José Process Schematic



Source: INF

Partnerships

On 28 Jun 2021, INF signed a non-binding MOU with LG Energy Solutions for the offtake of lithium hydroxide.

The key terms of the MOU are detailed below:

- The MOU refers to the potential supply of LiOH for an initial 5-year period with the potential to continue for a further 5 years
- First right to 10,000tpa of Product with additional volumes under the MOU subject to negotiations and agreement between Infinity and LG Energy Solutions
- The purchase price for the product will be based on the market prices for lithium hydroxide, subject to agreement by the parties and to be finalised under the terms of a binding offtake agreement.

The maturity date of this MOU has been extended with the latest maturity date being 22 Dec 2023.

On 31 July 2023, INF, through its wholly owned subsidiary Extremadura New Energies, announced the formation of Spanish renewable energy entity Extremadura Energy H2 Hub (EEHH).

The MoU between the parties highlighted that EEHH will provide the Project a first right to secure a long-term green energy power purchase agreement ('PPA'). The ability to source and secure green energy is critical for an environmentally, socially and economically credentialled industrial project in Europe, particularly against the backdrop of competitive energy availability issues due to energy pressures within the EU. San José will have the opportunity to secure long term and low-cost green energy prices, mitigate pricing volatility, and eliminate costs for grid access and transmission, providing a robust position for the advancement of San José.

Figure 5.6 – Corporate Organigramme



Source: INF

EEHH will initially progress the development of a green hydrogen plant (with a maximum capacity of up to 180 MW) and a photovoltaic solar park (with a maximum capacity of up to 350 MW) in Cáceres in direct alignment to San José. The large-scale development will potentially provide excess green energy capacity for other end users, which could attract further opportunities for additional industrial investment in Cáceres, in alignment with local and regional government strategies.

The Renewable Project will see Extremadura New Energies partner with Enalter to establish the Renewables Project JV company upon the successful completion of an initial scoping phase. Enalter was established as a joint venture between leading Extremadura company Cristian Lay Grupo Industrial (CLG) subsidiary Alter Enersun, S.A and Spanish IBEX35 energy company Enagás S.A subsidiary Enagás Renovable, S.L.

6. Directors & Management Team

Adrian Byass, Non-Executive Chairman

Mr Byass has over 25 years' experience in the mining and minerals industry. This experience has principally been gained through mining, resource estimation, and mine development roles for several gold and nickel mining and exploration companies. Due to his experience in resource estimation and professional association membership, Mr Byass is a competent person for reporting to the ASX for certain minerals. Mr Byass has also gained experience in corporate finance and financial modelling during his employment with publicly listed mining companies. Mr Byass is a Non- Executive Chairman of Kaiser Reef Limited and Galena Mining Limited on the ASX and is a Non-Executive Director of TSX- V Sarama Resources Limited.

Mr Byass has the following interest in shares, options and rights in the Company as at the date of this report – 10,283,805 ordinary shares, 2,000,000 options exercisable at \$0.25 on or before 8 December 2023 and 1,000,000 Share Appreciation Rights exercisable at \$0.082 expiring on 5 October 2025.

Ryan Parkin, Managing Director and Chief Executive Officer

Mr Parkin is a Chartered Accountant with over 15 years' experience, with a background in auditing and assurance services, risk management, mergers and acquisitions, financing and corporate development, in both the public and private corporate sectors. Having become a Member of Chartered Accountants Australia and New Zealand whilst at Ernst & Young in 2004, a move to corporate development and finance roles included 4 years with an ASX 200 company. Mr Parkin has extensive experience in working closely with public and private

company boards with participation in transactions across a range of industry sectors including infrastructure, technology, resources, agribusiness and property.

Mr Parkin has the following interest in shares, options and rights in the Company as at the date of this report – 3,791,219 ordinary shares, 4,500,000 options exercisable at \$0.25 on or before 8 December 2023, 5,000,000 Share Appreciation Rights exercisable at \$0.072 expiring on 13 September 2024 and 2,400,000 Share Appreciation Rights exercisable at \$0.082 expiring on 5 October 2025.

Remy Welschinger, Non-Executive Director

Mr Welschinger has over 13 years' experience with major London based institutions, including the position of Head of Commodities Sales in Europe for Deutsche Bank and Executive Director in the Fixed Income and Commodities division of Morgan Stanley. Mr Welschinger is the Founder and Managing Director of Limehouse Capital, an investment holding company specialising in natural resources projects and also currently serves as the Finance Director and Board member on AIM-listed Arc Minerals Limited as well as Director of Scandinavian platinum group metals company Element-46 Limited.

Mr Welschinger has the following interest in shares, options and rights in the Company as at the date of this report – 2,168,425 ordinary shares, 4,500,000 options exercisable at \$0.25 on or before 8 December 2023 and 2,400,000 Share Appreciation Rights exercisable at \$0.082 expiring on 5 October 2025.

Jon Starink, Executive Director and Chief Technical Officer

Mr Starink has over 45 years of experience in the mining industry, providing engineering and process design consultancy and corporate finance advisory services to international companies.

His practical and operational experience includes engineering design and project management; exploration management; extractive metallurgical process innovation and development. In particular for ten years, he served in senior technical and engineering roles with the Greenbushes tin/tantalite/spodumene project and was directly responsible for process development, project design and construction management for the tin smelter and tantalum solvent extraction projects and the entry of Greenbushes into the production of spodumene. His extractive metallurgical expertise encompasses lithium, precious metals, base metals (tin, copper, nickel & manganese), rare metals (tantalum & niobium), rare earths and uranium and thorium as well as industrial minerals including feldspar and industrial clays.

Mr Starink has extensive credentials in providing engineering, process design and process audit consultancy services in the delivery of leading hard-rock lithium mining and downstream integration of lithium chemicals projects. Mr Starink is currently serving as the CEO and Managing Director of project financier Oryx Management Ltd, and as Managing Director of engineering consultancy Mining Management Services Pty Ltd.

He provides engineering and process design and process audit consultancy services to international companies. He is presently providing process design audit services to MSP Engineering Pty Ltd in relation to the Tianqi Lithium Australia Lithium Hydroxide project (in commissioning) and in relation to the Talison spodumene production expansion projects (in commissioning and construction). He also provides advice to Allkem Ltd in relation to Allkem's lithium brine project in Argentina and Allkem's spodumene project in Canada; Covalent Lithium in relation to the Mount Holland project. He previously provided advice in relation to Pilbara Minerals Ltd in relation to their Pilgangoora spodumene project and the Bikita lithium project in Zimbabwe.

Mr Starink has the following interest in shares, options and rights in the Company as at the date of this report – nil ordinary shares, 4,500,000 options exercisable

at \$0.25 on or before 8 December 2023 and 2,400,000 Share Appreciation Rights exercisable at \$0.082 expiring on 5 October 2025.

Ramón Jiménez Serrano, Executive Director

Mr Jiménez currently leads Infinity's Spanish team as CEO of wholly owned subsidiary, Extremadura New Energies. He brings a wealth of experience in leadership and management in the industrial and services sectors, with CEO and Managing Director roles leading major Spanish companies. Mr Jiménez oversaw 7 years of significant growth as CEO of world leading development infrastructure and construction company Acciona Industrial. This included the growth into new business lines such as waste to energy, biomass, biofuels, photovoltaic and hydrogen projects globally. Furthermore, Mr Jiménez was CEO of Acciona Service in parallel for 5 years, leading 18,000 employees globally in facility management, energy services, waste and environmental management. Mr Jiménez previously held the Managing Director and CEO roles for Tedagua and Cobra (ACS Group), where he oversaw the permitting and construction of numerous water and energy infrastructure projects under EPC and O&M contracts both in Extremadura, Spain and internationally. Local stakeholder engagement and progress of large investments with community alignment and support were critical in the success of these businesses.

Mr Jiménez has the following interest in shares, options and rights in the Company as at the date of this report – nil ordinary shares and 3,500,000 Performance Rights expiring 29 August 2025.

Dr David Maree, Technical Advisor

David Maree is scientist with a PhD in Chemistry from Rhodes University and an MBA from the Australian Institute of Business.

Dr Maree has extensive expertise in lithium processing having worked at Tianqi Lithium as Principal Research Scientist and later Technical Manager.

His duties included ensuring project process development goals are met, overseeing the evaluation, piloting and implementation of plant innovations, overseeing plant improvement R&D activities, ensuring protection of company intellectual property in Australia, providing technical direction for contract negotiations, assisting existing commercial plants with process troubleshooting, providing strategic technical direction for future plant expansions.

He has developed hydrometallurgical flowsheets for the production of battery grade (99.5%) and high purity (99.9%) lithium carbonate and battery grade lithium hydroxide, as well as designed and executed with success an experimental program for the production of the aforementioned carbonate/hydroxide.

7. Investment Risks

INF is exposed to a number of risks including:

- **Geological risk:** the actual characteristics of an ore deposit may differ significantly from initial interpretations.
- **Resource risk:** all resource estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates, which were valid when originally calculated may alter significantly when new information or techniques become available. In addition, by their very nature, resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate.
- **Commodity price risk:** the revenues INF will derive mainly through the sale of lithium products exposing the potential income to metal price risk. The price of lithium fluctuates and is affected by many factors beyond the control of INF. Such factors include supply and demand fluctuations, technological advancements and macro-economic factors.

- **Exchange Rate risk:** The revenue INF derives from the sale of metal products exposes the potential income to exchange rate risk. International prices of lithium are denominated in United States dollars, whereas the financial reporting currency of INF is the Australian dollar, exposing the company to the fluctuations and volatility of the rate of exchange between the USD and the AUD as determined by international markets.
- **Mining risk:** A reduction in mine production would result in reduced revenue.
- **Processing risks:** A reduction in plant throughput would result in reduced revenue. In all processing plants, some metal is lost rather than reporting to the valuable product. If the recovery of metal is less than forecast, then revenue will be reduced.
- **Operational cost risk:** an increase in operating costs will reduce the profitability and free cash generation of the project.
- **Management and labour risk:** an experienced and skilled management team is essential to the successful development and operation of mining projects.

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