

# ANNOUNCEMENT



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## **WESTERN BALKANS LITHIUM-ION BATTERY RECYCLING Ireland's Greenhouse partners with Serbia's Metalfer to build Lithium-ion Battery Recycling Plant**

First to deploy clean tech recycling of electric car and lithium-ion batteries in SE Europe

### **Highlights**

- **Greenhouse Investment Group Limited ("Greenhouse" or the "Company") enters into a lithium-ion battery recycling MoU with the leading SE Europe steel scrap recycler and green steel producer Metalfer Group ("Metalfer");**
- **The MoU contemplates a 50:50 joint venture to recycle all forms of lithium-ion batteries including but not limited to electric vehicle batteries arising from end-of-life vehicles and battery packs, giga factory production waste and off-spec batteries through to consumer and commercial battery recycling;**
- **It sets out key commercial arrangements for Greenhouse's first deployment of Neometals' patent pending lithium-ion battery recycling technology in the Western Balkans with a partner capable of providing large volumes of lithium-ion batteries over time through large scale car recycling; and,**
- **In addition to Greenhouse's commercialisation licenses for the United Kingdom, Ireland and Italy, the commercialisation rights in the Western Balkans include Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Greece, Romania, Serbia, Slovenia and Slovakia.**

Cork-based Greenhouse is pleased to announce that it has executed a binding memorandum of understanding ("MoU") with a privately owned, leading green steel producer in SE Europe. Metalfer currently recycles approximately 1,000,000 t of steel scrap and is presently developing a regional car recycling business that requires a comprehensive lithium-ion battery recycling capability. Metalfer's steel products business enjoys a 60% market share in its home and neighbouring markets.

The MoU provides a framework towards establishing an incorporated lithium-ion battery recycling joint venture ("JV") to be 50:50 owned by Greenhouse and Metalfer. Under the JV, Greenhouse intends to contract with Primobius GmbH for the supply and construction of equipment. Primobius is the JV company commercialising Neometals' lithium recycling technology.

The proposed battery recycling operation ("Recycling Plant") would be operated by the JV partners with their equal contribution of capital costs and sharing of financial returns.

By entering into the MoU, Greenhouse and Metalfer intend to share information, conduct due diligence and build a business case for a long-term commercial relationship to process end-of-life electric vehicle battery packs, consumer electronic waste, stationery energy storage, and material from waste and off-spec lithium-ion cell production from across SE Europe.

The facility will be modelled on Neometals' subsidiary ACN 630 589 507 Pty Limited's proprietary recycling process. It follows the successful completion of its trial at the Primobius facility in Hilchenbach, Germany. Product evaluation activities will involve the confirmation of the quantitative and qualitative attributes via Metalfer and its potential customers. It will run in parallel with product evaluation activities planned under multiple agreements secured by Greenhouse across the region.

This MoU represents the second commercial relationship for Greenhouse as a licensee of next generation, sustainable and scalable recycling technology. The Western Balkans is home to numerous vehicle manufacturers in Romania, Serbia and Slovakia together with five announced lithium-ion battery megafactories.

The JV would be formed on the following key principles:

- Equal ownership by Greenhouse and Metalfer, with both parties expected to contribute 50% each of the anticipated investment for the construction and commissioning of the facility;
- Ideally entering into a formal agreement with Primobius for the construction, supply and commissioning of the equipment for the battery recycling plant initially with a nominal 10 tons per day (t/pd) cell processing capacity;

- Metalfer and Greenhouse will arrange a sufficient supply of battery cells to the recycling plant through a series of strategic partnerships across the region;
- Active planning to expand capacity so to capture future increased quantities of cells as they become available; and,
- Metalfer would provide a suitable site in the western Serbian city of Sremska Mitrovica that will hold the required permits and approvals for the battery recycling operation, creating up to 60 new jobs. The cost of the site would be included in the shared capital costs of the JV.

Greenhouse's Managing Director **Michael O'Leary-Collins** commented:

*"We are very excited to enter SE Europe with a partner already embedded in waste processing to create new green products. Coupled with access to leading lithium-ion battery recycling technology, the elements make a compelling offer for Serbia and her neighbours. The integrated recycling technology will lead the market in processing up to a 50 tons per day of lithium batteries. These will be turned into battery grade products using a patent pending hydrometallurgical process. With lithium-ion batteries then placed on the Serbian and other regional markets, the proposed JV will supply SE Europe's strategic electrification needs."*

Metalfer's Chairman and Founder **Branko Zečević** commented:

*"Metalfer is pleased to engage with Greenhouse on this pioneering project. This is yet another statement of Metalfer's commitment to sustainability and environmental management through recycling and the reduction of climate-related risks. It shows our desire to expand our green policy commitments and strategy. Through this project Metalfer will help to reduce pollution and prevent contamination while ensuring an effective conservation of energy through recycling and reusing waste."*

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