

ANNOUNCEMENT

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GREENHOUSE MEMORANDUM OF UNDERSTANDING United Kingdom and Ireland Lithium-ion Battery Recycling

Highlights

- Greenhouse Investment Group Limited enters into lithium-ion battery recycling MoU with a leading United Kingdom battery collector;
- MoU contemplates a potential 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; and
- MOU sets out key commercial arrangements for Greenhouse's first potential deployment of Primobius' patent pending lithium-ion battery recycling technology in the United Kingdom with a partner capable of providing large volumes of lithium-ion batteries.

Greenhouse Investment Group Limited ("**Greenhouse**" or the "**Company**") is pleased to announce it has executed a non-binding memorandum of understanding ("MoU") with a privately owned waste management company in the United Kingdom ("WasteCo")*. WasteCo provides a nationwide collection service and a sustainable licensed recycling solution with full traceability that accounts for nearly seventy percent (70%) of the United Kingdom's battery collection market.

The MoU provides a framework towards establishing an incorporated lithium-ion battery recycling joint venture to be 50:50 owned by Greenhouse ("JV") and WasteCo. Under the JV, Greenhouse intends to contract with Primobius GmbH for the supply of equipment and construction services for a dedicated recycling facility adjacent to WasteCo's existing alkaline battery recycling operation. The proposed battery recycling operation would be operated by the JV partners with equal contribution of capital costs and sharing of financial returns.

By entering into the MoU, Greenhouse and WasteCo intend to share information, conduct due diligence, collaborate and build a business case for a long-term commercial relationship between the parties. The MoU contemplates the potential formation of a JV to process end-of-life electric vehicle battery packs in the United Kingdom as well as the same arising from waste consumer electronics, mobility, stationary energy storage together with material from waste and off-spec lithium-ion cell production.

The facility will be modelled on Primobius' proprietary recycling process following the successful completion in the SeptQ 2021, of its showcase demonstration trial at its facility in Hilchenbach, Germany. Product evaluation activities will involve confirmation of the quantitative and qualitative attributes via WasteCo and its potential customers and will run in parallel with product evaluation activities planned under multiple agreements secured by Greenhouse to date.

This MoU represents another recycling partnership validation for Primobius' technology and business model. It also represents the second commercial relationship for Greenhouse as a licensee of next generation, scalable recycling technology. The United Kingdom is home to four planned lithium-ion battery megafactories.

The JV, if consummated, would be formed on the following key principles:

- The JV company would be 50:50 owned by Greenhouse, with each party expecting to contribute 50% each of the anticipated investment for the construction and commissioning of the facility.
- The JV would ideally enter into a formal agreement with Primobius for the construction, supply and commissioning of the equipment for the battery recycling plant initially with a nominal 20,000tpa cell processing capacity for the JV (most likely backed by a SMS project execution team).
- WasteCo will arrange sufficient supply of battery cell feed to the plant.
- The JV would actively plan for an expanded capacity operation to capture future increased quantities of cells if they become available.
- WasteCo would provide or procure a site that is suitable, and that will hold the requisite permits and approvals, for the battery recycling operation. The cost of the site would be included in the shared capital costs of the JV.

Further background information on WasteCo will be released in due course.

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

"We are understandably excited to be entering the UK market with a partner already embedded in waste management with access to battery feed. Coupled with access to Primobius expertise on lithium-ion battery recycling technology, the elements make for a compelling offering. The integrated technology has market leading processing scale with ability to process 20,000 t/pa of lithium batteries that can be turned into battery grade chemicals using a patent pending hydrometallurgical process. This means whatever lithium-ion batteries are placed on the UK market, the proposed JV can ensure they remains on market as battery grade chemicals to feed the UK's strategic electrification needs".

**Name of waste management counterparty remains 'commercial in confidence'*