

## STRATEGIC PARTNERSHIP AGREEMENT EXECUTED WITH YAHUA

### HIGHLIGHTS

- Eastern Iron and Ya Hua International Investment and Development Co. Ltd, a wholly owned subsidiary of Sichuan Yahua Industrial Group Co. Ltd, have executed a strategic partnership agreement in relation to the potential acquisition and development of lithium projects.

Eastern Iron Limited (“**Eastern Iron**” or the “**Company**”) is pleased to announce the signing of a binding Strategic Partnership Agreement with Ya Hua International Investment and Development Co. Ltd (“**Yahua**”), a wholly-owned subsidiary of Sichuan Yahua Industrial Group Co. Ltd (“**Yahua Group**”), to provide a framework for the companies’ future collaboration in relation to the potential acquisition and development lithium projects (“**Strategic Partnership Agreement**”).

Yahua is a substantial shareholder of the Company (refer to announcement dated 22 October 2021). This partnership will formalise the existing strong relationship between Yahua and the Company and provide a more strategic focus on the potential acquisition and development of further lithium projects.

Both Yahua and the Company recognise the growing demand for lithium products, and have decided to work closely together on the development of Trigg Hill Lithium Tantalum Project (“**Trigg Hill Project**”) and also on the acquisition of further lithium projects. Yahua Group is one of the most experienced lithium salt producers in China, and its subsidiaries have more than 20 years’ history of lithium salt production. The partnership will provide the Company a solid framework for co-operation with Yahua on joint acquisition and development of lithium projects, which extends to establishing for Yahua a first right of refusal for an offtake agreement for spodumene concentrates products which may be produced from any such lithium projects.

Yahua Group’s Managing Director, Mr Xin Gao stated, “*We are excited to be working with Eastern Iron, who we believe is likely to be a strong source of spodumene concentrates in the future. We see many potential cooperation between us on acquisition and development of lithium projects and look forward to exploring a deeper relationship over time.*”

Eastern Iron Chairman, Eddie King stated, *“Following Yahua’s substantial investment in EFE, the Strategic Partnership Agreement with Yahua is a transformational agreement for the Company and should be an exciting phase for all stakeholders involved with Eastern Iron. The Strategic Partnership Agreement provides the Company with an advantage to acquire and develop lithium projects as we seek to strengthen our position in providing green energy solutions for future generations.”*

Key terms of the Strategic Partnership Agreement are as follows:

- Yahua and the Company wish to establish a long-term strategic partnership for the supply of spodumene concentrates, and the potential acquisition and development of spodumene projects.
- Yahua and the Company wish to co-operate in respect of the acquisition and development of spodumene projects in Australia and in other countries (other than China or any country in Africa) (**“Spodumene Projects”**). The parties agree in principle that;
  - a JV will be established either prior to the Company acquiring a Spodumene Project, or when the Company completes an agreed amount of work on a Spodumene Project; and
  - each party has the right to invest in and develop Spodumene Projects without involving the other, but must offer the other party a first right of refusal on participation in a JV if it chooses to seek a joint venture partner.
- On completion of the Company’s acquisition of the Trigg Hill Project and the definition of an initial exploration target for Trigg Hill (which has not yet occurred), the parties wish to establish a JV for the exploration and development of Trigg Hill. The parties’ respective interests in the Trigg Hill JV are yet to be agreed.
- Yahua will be granted a first right of refusal on offtake of spodumene products from any of the JV projects, including the Trigg Hill Project once the Trigg Hill JV is established.
- The Company has an option to enter into a long-term offtake agreement with Yahua in respect of spodumene products produced from other projects owned by the Company but which are not subject to any of the JVs.
- Any further transactions pursuant to the Strategic Partnership Agreement remain subject to formal agreement.

#### **About Sichuan Yahua Industrial Group Co. Ltd.**

Yahua Group is an A-share listed company on the Shenzhen Stock Exchange in China, principally engaged in the manufacture and sale of civil explosive products and lithium salt products.

Yahua Group is one of China's major lithium hydroxide and lithium carbonate producers, with a production capacity of 43,000tpa lithium carbonate, lithium hydroxide and other lithium products, and is in the process of expanding by a further 50,000tpa of lithium hydroxide and 1,000tpa of lithium metal by 2025.

Yahua Group has a strong customer base including Tesla, BYD Auto, Zhenhua E-Chem and Sinopec. Yahua is a wholly subsidiary of Yahua Group, and is a vehicle of Yahua Group engaged in investment.

Yahua is a shareholder of Core Lithium Ltd, and a major offtake customer of Orocobre Ltd (which merged earlier this year with Galaxy Resources Ltd).

### **Trigg Hill Lithium Tantalum Project**

The Trigg Hill Project is located in East Pilbara, Western Australia and approx. 75km SE of Pilbara Minerals Ltd.'s Pilgangoora Lithium mine and 77km SE of the Wodgina Lithium and Tantalum mine. The nearest port is Port Hedland which is about 225km by road.

The Trigg Hill mine is an old tantalum and tin mine operated during 1960s and early 1980s. Pegmatite outcrops occur within the Trigg Hill–Curlew pegmatite swarms and cover approx. 5 km<sup>2</sup> with surface spodumene and lepidolite reported.

The Company executed a binding Heads of Agreement to acquire 100% interest in the Trigg Hill Project (refer to the Company announcement dated 4 August 2021).

### **INVESTOR INFORMATION**

Further information, including previous Eastern Iron announcements and exploration updates are available at the News and Reports tab on the Company's website – [www.easterniron.com.au](http://www.easterniron.com.au)

This announcement has been authorised for release by the Board of the Company.

This is the announcement that lifts the Trading Halt

**Mr Myles Fang**  
Director  
T: 02 9906 7551  
Email: [info@easterniron.com.au](mailto:info@easterniron.com.au)

**ASX: EFE**

**For enquiries on your shareholding or change of address please contact:**  
Boardroom Limited, GPO Box 3993, Sydney NSW 2001, Phone: (02) 9290 9600