



20 April 2022

Lithium Australia now 100% owns strategic battery recycling asset

HIGHLIGHTS

- Lithium Australia has completed its final 10% acquisition of interest in Envirostream Australia Pty Ltd ('Envirostream'), the only accredited B-cycle entity to operate battery collection, sorting and processing services within Australia.
- Envirostream's battery collection rate has risen since the inception of the Battery Stewardship Scheme ('BSS') in early 2022.
- Envirostream recently launched its second permitted battery recycling centre, thereby offering a sustainable solution to surging demand for critical battery materials in a climate of supply shortages and high commodity prices.
- Envirostream plans to expand its battery recycling activities into population centres on the east coast of Australia, as well as offshore.

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Overview

Lithium Australia NL (ASX: LIT, 'the Company') is pleased to advise that it is now the 100% owner of Envirostream, which is a strategic asset from both corporate and environmental perspectives.

Further to information previously released (see ASX announcement dated [4 February 2022](#)), the Company has now completed acquisition of the final 10% of the battery recycling entity on the same terms as reported previously, making Envirostream a wholly-owned subsidiary of the Company.



Battery sorting equipment operated by Envirostream in Melbourne, Australia.

Comment from Lithium Australia managing director Adrian Griffin

"By acquiring the final 10% of equity in Envirostream, the Company now has full ownership of this strategic asset.

"As Australia's only EPA-permitted and licensed recycler of mixed batteries, including lithium-ion batteries, Envirostream is well-placed to keep spent batteries out of landfill while providing as much sustainable feed material as possible for the manufacture of

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new lithium-ion batteries. This is particularly important in the current climate of supply shortages and surging prices for battery minerals.

"To meet surging demand, Envirostream is also planning to expand its activities into key population centres on Australia's east coast, as well as offshore. I look forward to keeping you abreast of these activities as they eventuate."

Spent battery collections continue to rise

Envirostream has reported an increase in its collection and processing of spent batteries since commencement of B-cycle – the Australian government-backed battery recycling scheme ('BSS') developed by the Battery Stewardship Council and initiated from January of this year.

The B-cycle scheme encourages Australians to recycle batteries at various collection points, with rebates provided to battery collectors, sorters and recyclers that assist in the reduction of battery waste (see [About the Battery Stewardship Scheme](#) for more information).

Envirostream holds a unique position within the B-cycle scheme, being the only accredited group operating across all three collection, sorting and processing divisions.

Details of proposed rebate rates for such collection, sorting, and processing, which are listed below (see also ASX announcement dated [10 November 2021](#)), should lead to an increase in revenue for this developing business.

■ Collection in metropolitan areas	\$2.50/kilogram ('kg')
■ Collection in regional/remote areas	\$3.50/kg
■ Sorting	\$1.00/kg
■ Processing	\$1.00/kg

Authorised for release by the Managing Director.

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Forward-looking statements

This announcement contains forward-looking statements. Forward-looking statements are subject to a variety of risks and uncertainties that it is beyond the Company's ability to control or predict and which could cause actual events or results to differ materially from those anticipated in such forward-looking statements.

About Lithium Australia

Lithium Australia aims to ensure an ethical supply of energy metals to the battery industry by creating a circular battery economy that enhances both sustainability and resource security. Reprocessing spent lithium-ion batteries to create new ones is intrinsic to this plan, with the Company operating Australia's only fully integrated mixed-battery recycling business.

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Having rationalised its portfolio of lithium projects/alliances, Lithium Australia continues its research into, and the development of, proprietary extraction processes for the conversion of *all* lithium silicates (including mine waste), and of fines generally discarded during conventional spodumene conversion, to lithium chemicals, from which it will produce advanced cathode materials for the battery industry globally.

The Australian federal government has recognised the Company's progress through the awarding of substantial research grants designed to progress the nation's advanced battery capabilities.

By uniting resources and innovation, Lithium Australia seeks to vertically integrate lithium extraction, processing and recycling.

About Envirostream

Envirostream is a national leader in the collection and recycling of nearly all types of spent batteries, including lithium-ion batteries. It operates Australia's only commercial facilities for shredding and processing such batteries, in order to efficiently recover recyclable material – in particular, as mixed metal dust ('MMD'). MMD comprises the critical 'active' materials cobalt, nickel, lithium and manganese contained within spent lithium-ion batteries. Mixed-metal dust is therefore a sustainable feed material for the manufacture of new lithium-ion batteries.

Envirostream's process is designed for zero atmospheric emissions and very low soluble losses, with minimal material consigned to landfill. Together with the high mass yields it achieves through its processing, this positions Envirostream as the planet's most environmentally credentialled battery recycler.

About the BSS

Launched in January 2022 by the BSC, the BSS is a national battery collection network designed to encourage recycling and better waste management of spent batteries. It works by imposing a levy on imported batteries, which cost is passed on to consumers of those batteries. The levy is used to fund rebates for BSS-accredited collectors, processors and recyclers of spent batteries.

Thus, the BSS acts to:

- increase the recovery and recycling of spent hand-held batteries;
- minimise the environmental health and safety impacts of spent batteries, many of which currently go to landfill as waste;
- raise awareness of battery safety and storage, as well as disposal options for consumers, and
- develop an efficient and innovative domestic battery recycling industry, with recovered spent batteries and their valuable resources reused to produce new batteries or other products.

More information can be found on the [BSC website](#).

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