



Developing a World Class Lithium Project

Sonora Project Summary

September 2020

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OVERVIEW: SONORA LITHIUM PROJECT

AIM listed company focused on building a 35,000 tpa lithium carbonate operation at Sonora in Mexico



Large Lithium Deposit

8.8 Mt of LCE resources at Sonora, open-pit mining * with ~250 year resource life



Completed Feasibility Study

\$1.25B NPV; 26% IRR *



Cost Competitive

~\$4,000/t operating cost * among the lowest in the industry



Conventional Processing

4 years of ongoing battery grade (99.9%) lithium carbonate production from Pilot Plant with testwork ongoing for lithium hydroxide product



Approvals in Place*

MIA/EIS permits received. Land acquisition completed. Water licence permits granted.



Lithium Pricing

Low prices in the short term will lead to a reduced investment pipeline, which in turn will lead to an even more dramatic undersupply situation down the line and much higher prices annually***



Experienced Management

Track record in mine development and production



Ganfeng Lithium Partnership

- Initial cornerstone 29.99% investment by leading producer Ganfeng Lithium at PLC corporate level and 22.5% investment at Sonora project level
- Long term 50% off-take for Stage 1 and 75% off-take for Stage 2



Other Strategic Partnerships

- 10 year Off-take agreement and equity partnership with Japanese trading group Hanwa for 50% initial 10 years of Stage 1 production
- \$150 million debt finance facility from RK Mine Finance available in 3 tranches subject to CPs



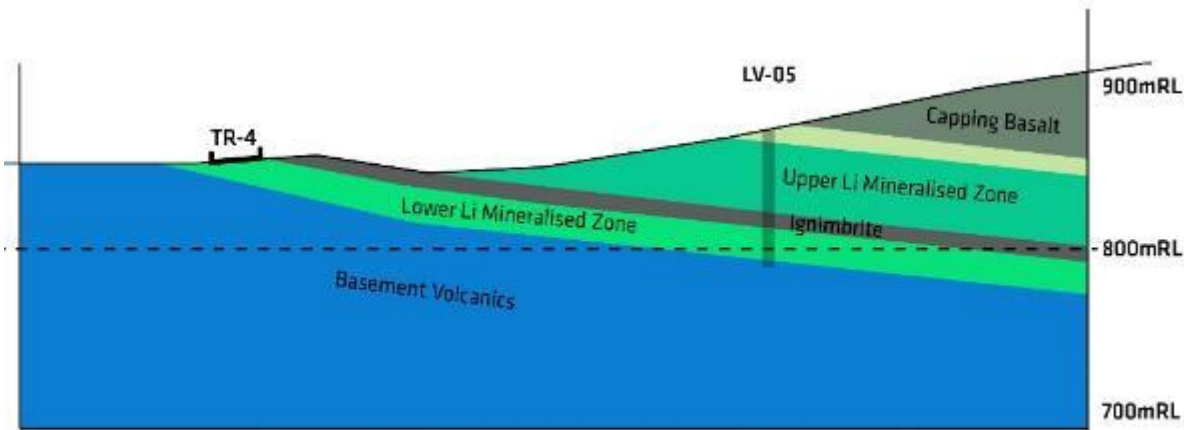
Rapidly Growing Market

Lithium supply has to increase at a 19% CAGR over the next 6 years to meet 2025 demand. Even at the height of the market, the industry only managed to grow by 11% per year, on average, from 2015-2018**

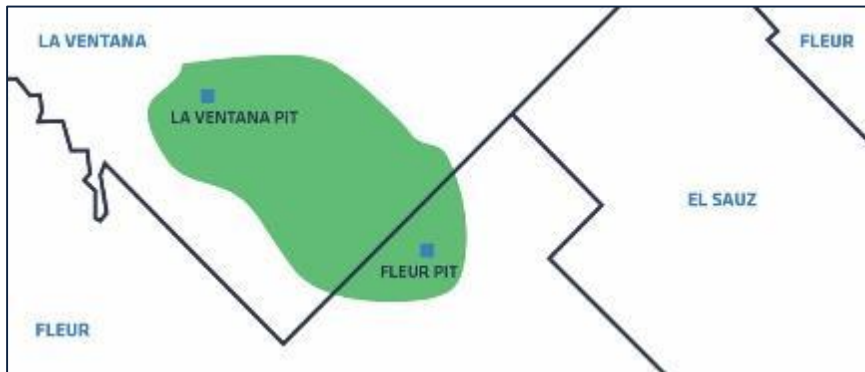
OUTCROPPING LITHIUM DEPOSITS - COMBINED WIDTH OVER 40 METRES



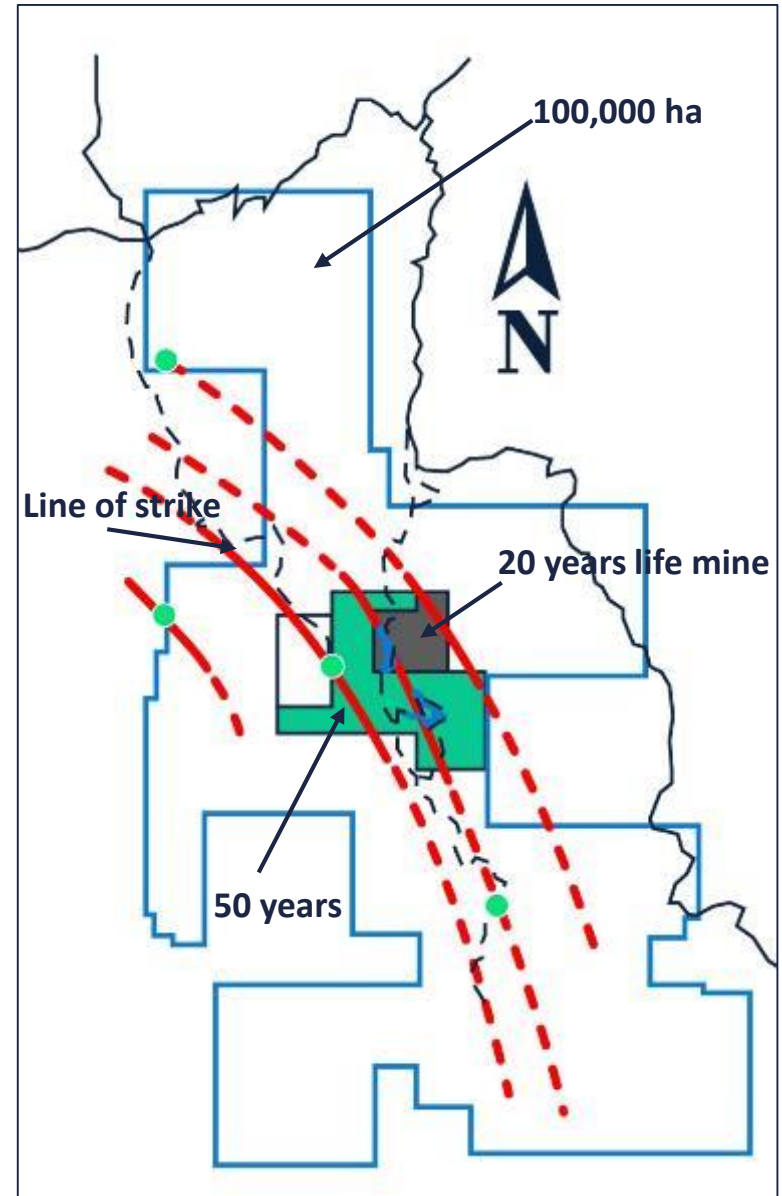
SONORA LEASES – EXPLORATION UPSIDE



Section A-A' looking Northwest, refer to Figure 24 for Geology Legend

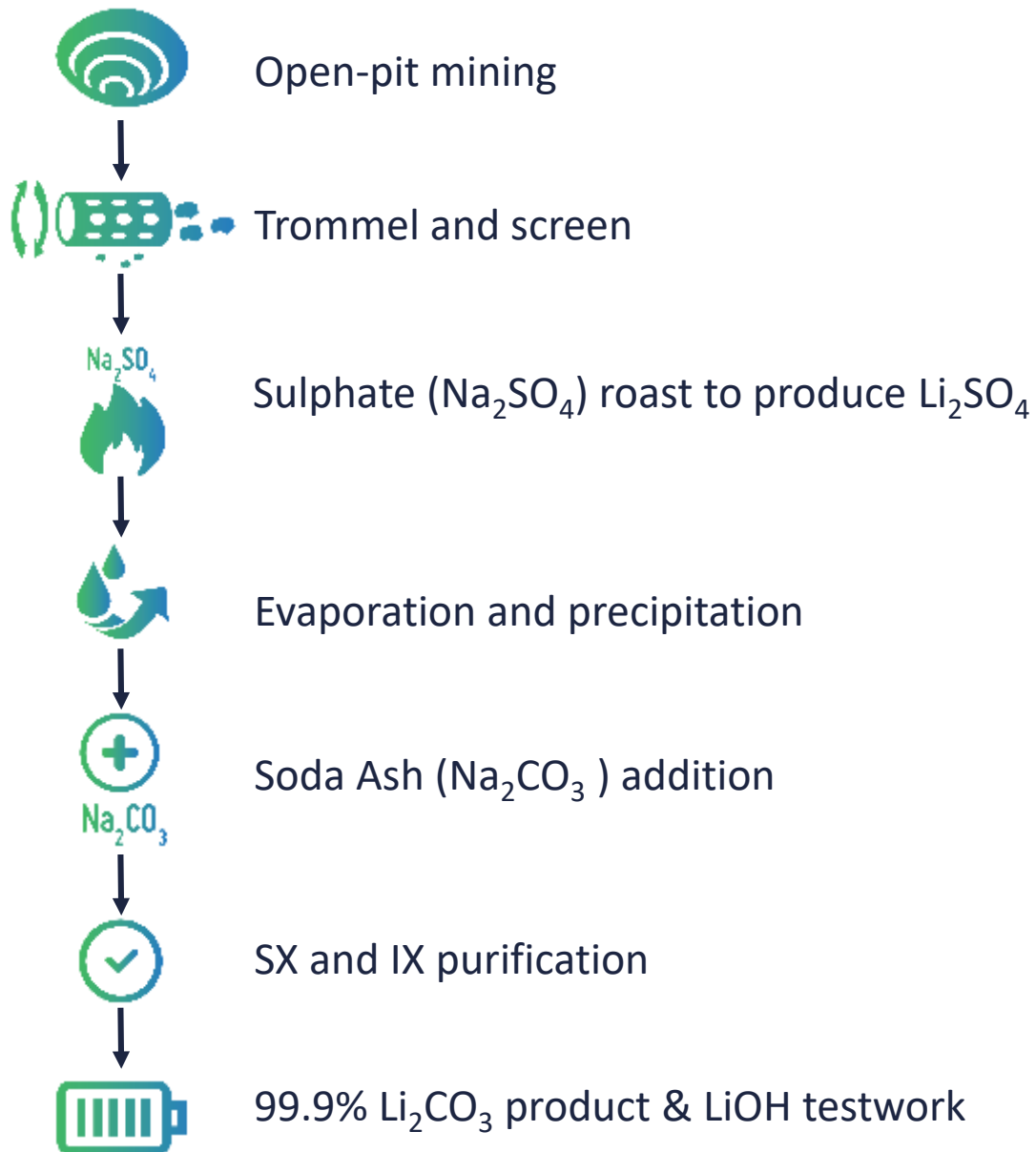


7km



- LA VENTANA LITHIUM DEPOSIT AND EXTENSION ONTO EL SAUZ & FLEUR
- LITHIUM SURFACE SHOWING (Li-ppm)
- LITHIUM BEARING MINERALISED BEDS CONTIGUOUS-SEMI CONTIGUOUS
- INFERRED EXTENSION
- MOV or JV LANDS MEGALIT-BUENAVISTA & SAN GABRIEL CONCESSIONS (70% BCN - 30% REM)
- BACANORA 100% OWNED CONCESSIONS (LA VENTANA, LA VENTANA 1)
- JV MEXALIT (BACANORA-REM) EL SAUZ & FLEUR CONCESSIONS
- PRIMARY ROADS
- SECONDARY ROADS

CONVENTIONAL PROCESSING ROUTE TESTED FOR 4 YEARS WITH PILOT PLANT IN MEXICO PRODUCING 99.9% LITHIUM



FEASIBILITY STUDY IN NUMBERS



Stage 1

Initial Construction
Capital Cost of

\$420M

Pre-tax

NPV₈ of **\$1.25B**

NPV₀ of **\$3.4B**
(based on \$11,000/t Li₂CO₃)

Pre-tax IRR

26%

Simple Payback Stage 1

4 (years)

Av. Operating costs

>4,000 \$/t Li₂CO₃
~3,500/t net of K₂SO₄ credits)

Post Tax

NPV₈ of **\$802M**

NPV₀ of **\$2.37B**
(based on \$11,000/t Li₂CO₃)

Post-tax IRR

21%

K₂SO₄ production

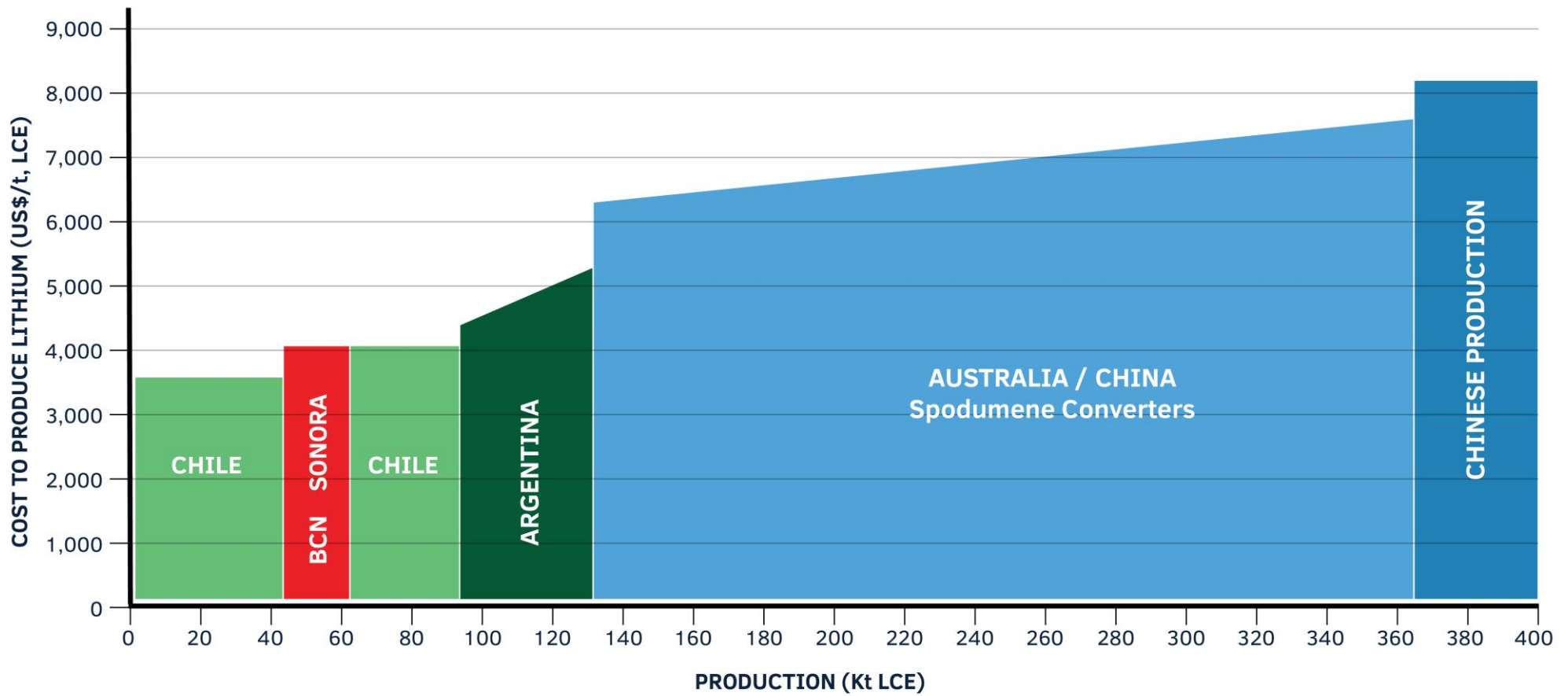
Up to 30,000 tpa

Source: See Full Feasibility Numbers in Appendix

PEER ANALYSIS: ESTIMATED INDUSTRY COST CURVE POST 2025

Favourable position on cost curve

Lithium Producers Operating Cost Curve, 2020



Source: (*Canaccord April 2018, BCN 43-101)