



ACN 147 413 956

ASX: INF ANNOUNCEMENT

30 July 2019

Quarterly Activities Report period ending 30 June 2019

HIGHLIGHTS

- **\$1.5m Placement completed to advance the San José Lithium Project**
- **Successful advancement of Stage 1 and Stage 2 lithium hydroxide plant testwork program**
- **Execution of MOU with Spanish group Ercros for the supply of key reagents**
- **The European Commission and European Investment Bank called for the prioritisation of sectors that are strategic for Europe and specifically for battery raw material projects that focus on the process of lithium extraction and conversion to chemicals**
- **Infinity hosts European Battery Association, European Investment Bank ('EIB') and senior institutional representatives in Madrid**

Subsequent to the Quarter

- **The completion of Stage 3 testwork for the PFS, and subsequent ability to finalise capital and operating costs, and completion of documentation**
- **European Commission appointed Infinity Director Vincent Ledoux-Pedailles as a lithium expert for the EU's Critical Raw Materials assessment**

Summary

Infinity Lithium Corporation Limited (ASX:INF, 'Infinity', or 'the Company') is pleased to announce the advancement of the San José lithium Project through the progression of the Pre-Feasibility Study, Memorandum of Understanding ('MOU') with reagent suppliers, successful capital raising, endorsement of the Project by European Commission ('EC') and government level authorities, and divestment of non-lithium assets, in and subsequent to the period ended 30 June 2019.

The Company advanced technical work for the delivery of the San José Lithium Project ('San José' or 'the Project') lithium hydroxide Pre-Feasibility Study ('PFS'). Plant Stage 1 testwork confirmed the beneficiation process from mined material to upgraded process plant feed material using froth flotation, which reduces the requirements of reagents and energy in the next sulphate roast and water leach stage. Plant Stage 2 testwork exhibited good lithium leachability to provide lithium-bearing solution suitable to progress Plant Stage 3 testwork through precipitation, recirculation/sulphate recovery and production. The significance of this work, and additional testwork that was reported subsequent to the period ending, is that it has continued to match and confirm lower-level testwork or assumptions made in the Scoping Study (November 2018).

An example of the growing momentum surrounding the Project is illustrated by the execution of a MOU with Spanish industrial group Ercros SA ('Ercros') for the supply of reagents that will be used in the production of lithium chemicals



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proposed at San José. Ercros have a network of caustic soda tanks in the Iberia region, thereby allowing the Company to further reduce San José's carbon footprint in sourcing key reagents domestically.

Continental support for lithium chemical projects continued to gain momentum. The European Commission ('EC', or 'the Commission') held a meeting with the Board of the EIB and called for the prioritisation of sectors that are strategic for Europe and specifically for battery raw material projects that focus on the process of lithium extraction and conversion to chemicals. This followed from the 4th State Energy Union Report where the Commission is working with the EIB, key industrial actors and Member States to address this vital gap in the value chain.

Subsequent to the end of the quarter, Infinity announced hosting senior institutional representatives and delegates from major participants in the European and Spanish lithium-ion battery chain in a series of meetings in Madrid. Major attendees included the European Battery Alliance ('EBA') and EIB. At the meetings the Company presented "*Spain's Unique Strategic Position in the EU's eMobility Supply Chain*" and promoted the strategic importance of the EU's and Spain's unique San José Lithium Project. The key points from the EBA/EIB meetings in Madrid can be considered against the backdrop of the recent address by the European Commission Vice President Maros Šefčovič to the Board of the EIB, which called for the EIB to become more fully engaged in funding battery raw material projects in exploration, mining and refining.

Furthermore, The Extremadura Regional Government ('Regional Government' or 'the Junta') communicated that the Regional Ministry of Economy and Infrastructure will "**be at the entire disposal of the San José Joint Venture ('JV') entity Tecnología Extremeña Del Lito S.L. ('TEL') and Infinity to collaborate, clarify and accompany the companies through the administrative procedure of the permitting process**". This followed from the Junta's notification to TEL that the granted Investigation Permit PI 10343-00 was required to revert to application status due an internal Junta administrative error that occurred in 2016. The Junta further clarified its desire to simplify and monitor business projects in Extremadura, from the projects' development stages through to implementation.

Infinity Completed \$1.5m Placement to Advance the San José Lithium Project

Infinity Lithium Corporation Limited (ASX:INF, 'Infinity' or 'the Company') is pleased to announce that it has received commitments to raise approximately \$1.5 million before costs via the issue of approximately 21.43 million shares at an issue price of \$0.07 per share ("Placement"). The Placement attracted strong interest from new and existing domestic and international investors. The funds raised under the Placement will be used primarily to complete the Pre-Feasibility Study ('PFS') for the San José Lithium Project (expected to be delivered at the end of July 2019), additional engineering and battery grade product production as part of the Definitive Feasibility Study and general working capital.

Infinity Advanced Technical Work for the Delivery of the San José Lithium Hydroxide Pre-Feasibility Study

During the period, Infinity's Pre-Feasibility Study ('PFS') into the production of lithium hydroxide from the San José Lithium Project ('San José' or "the Project") continued and delivered positive results. Wave International ('Wave') were appointed as the lead consultant and study managers to deliver the PFS.

Testwork Updates: The first stage of the PFS works program commenced in Q1 2019. This stage focused on PFS-level metallurgical testwork and was designed to confirm previous upgrade factors from the Scoping Study (ASX announcement 29 November 2018). In Stage 1, representative mineralisation was upgraded through beneficiation to produce suitable amounts of concentrate for Stage 2 hydrometallurgical testwork. This work was done in conjunction with ALS Metallurgical Laboratories ('ALS') and Nagrom in Perth. Testing then progressed to Stage 2 which utilised the addition of sulphate (mixture of potassium and sodium sulphate) with the concentrate prior to roasting. The material was then leached in fresh water to extract lithium after roasting. Results of approximately 85% recovery matched previous smaller scale testing.

Stage 2 test work exhibited good lithium leachability to provide lithium-bearing solution suitable to progress Stage 3 testwork through precipitation, recirculation/sulphate recovery and production. This Stage 3 testing was reported subsequent to the end of the Quarter and showed the successful capture and recirculation of sulphate, and its ability to be reused in the roasting process.

Mining, Layout and Tailings Updates: In parallel, Snowden Mining Consultants ('SMC') completed a revised mining schedule that will be incorporated into the PFS. Land and Marine Geological Services ('LMGS') have designed a waste and process tailings facility to manage mining and plant material.

Wave continued to integrate the evolving final plant layout with natural landforms to minimise the visual impact of the Project. This has resulted in the modification of the plant and site layout. Infinity believes that the changes that were made and the additional work undertaken will benefit all stakeholders.

Infinity Reinforces Sustainability Credentials & Signs MOU Offtake with Spanish Group Ercros

Infinity Lithium executed a Memorandum of Understanding ('MOU') with Spanish industrial group Ercros SA ('Ercros') for the supply of reagents that will be used in the production of lithium chemicals proposed at San José.

Ercros have a network of caustic soda tanks in the Iberia region and Infinity, in order to control its carbon footprint through its entire production process, will prioritise the purchase of domestically produced reagents, including the purchase of caustic soda that has been produced in Spain at Ercros' plants. There is an increasing focus on the importance of sustainability and carbon emissions throughout the supply chain in Europe (refer to ASX announcement 12 March 2019 "Sustainability & Carbon Footprint: Infinity's Strategically Positioned Project Focuses on European Values").

Reagents constitute approximately 25% of the Operating Cost of lithium hydroxide production as outlined in the Scoping Study (ASX release 29 October 2018). It is expected that San José will consume approximately 160,000t of sodium hydroxide over the life of mine making it a major reagent component.

European Support for Lithium Chemical Projects Gains Momentum

European Commission Statement

On 12th June 2019 a meeting between the EC and the Board of the EIB called for the prioritisation of sectors that are strategic for Europe and specifically for battery raw material projects that focus on the process of lithium extraction and conversion to chemicals.

Battery raw materials vulnerability is becoming a rising political, economic, industrial and environmental issue whereby the EU sourcing of materials has relied on the global market. Maros Šefčovič, Vice-President of the EC, noted the EC's focus on the "threats of trade wars and an ever-competitive China looking to challenge Europe in our areas of leadership, such as the automotive sector. We need to prioritise sectors that are strategic for Europe and their value chains." The availability of lithium chemicals remains a significant risk for the EU's burgeoning automotive industry.

The EC has actively identified "10 potential mining projects for lithium that, if developed, could allow the EU to move from 1 to 30% of the world production by 2030." The San José Lithium Project has the EU's second largest lithium JORC 2012 resource and is projected to provide battery grade lithium chemicals through a fully integrated production facility located on site in western Spain.

European Commission Publishes 4th State of the Energy Union Report

The Commission also presented forward visions including one on the strategic batteries plan for Europe. The EC readily acknowledges the strategic imperative of the lithium-ion battery ('LIB') market within Europe that will be required to drive the ongoing clean energy and mobility transitions for a market potential that could be worth up to EUR 250 billion annually from 2025 onwards. This dependency is not only limited to LIB cell production but also with access to the five essential battery raw materials (lithium, nickel, cobalt, manganese and graphite) imperative. The 4th State Energy Union Report the Commission is working with the EIB, key industrial actors and Member States to address this gap in the value chain.

Regional Government and Other EU Stakeholder Support

Momentum and endorsement are emerging from multiple levels within Europe, as some examples are highlighted below. More support is anticipated with San José's capability to satisfy a vital component of the Spanish industry, the European battery and automotive sectors; whilst supporting the region of Extremadura is increasingly realised. The following endorsements have been received for the project.

Endorsement at a Spanish Level

The Extremadura Regional Government ('Regional Government' or 'the Junta') communicated that the Regional Ministry of Economy and Infrastructure will be at the entire disposal of San José JV (TEL) and Infinity to collaborate,

clarify and accompany the companies through the administrative procedure of the permitting process. The Junta has further clarified its desire to simplify and monitor business projects in Extremadura, from the projects' development stages through to implementation.

Endorsement at a European Level

Endorsement has also been received from the EBA, a major institution in the European Union ('EU') which comprises key stakeholders including the European Commission, the European Investment Bank ('EIB'), key industrial stakeholders and interested EU country representatives. The EBA declared that *"Infinity Lithium's work in Spain is an example of a project that could help the European battery and automotive sector to be more integrated and regionalized thanks to a domestic source of lithium chemicals and to create growth and jobs in the EU."*

Infinity Joins Forces with Spanish Electric Mobility Business Association AEDIVE

Infinity Lithium joined Spanish Electric Mobility ('eMobility') group AEDIVE to support the development of eMobility in Spain. Created in April 2010, AEDIVE is the Spanish business association for the development and promotion of electric vehicles whose goal is to support and accelerate the development of the eMobility market. One of the key goals of the Group is to represent and promote its Associate Members and advocate for economic, political and social support of eMobility. The association includes around 150 members including companies such as BMW, Jaguar Land Rover, Nissan, Mercedes and Total and has strong associations with Federal, Regional and Local Governments.

San José Lithium Project and Valdefl6rez Update

Infinity Update on Investigation Permit

On 29 May 2019 the Junta of Extremadura ('Junta', or "Regional Government') notified Tecnología Extremeña Del Lito S.L. ('TEL') Joint Venture partners that the granted Investigation Permit PI 10343-00 was required to revert to application status due an internal administrative error (by the Junta) that occurred in 2016. TEL was advised that the administrative defect which caused this reversion to application status occurred due to the failure of the Department of Mines to provide public exposure of the restoration plan which accompanied the exploration proposal during tenement application as required under their law. TEL was at no fault and does not suffer any diminution of ownership rights.

TEL Joint Venture partners Valoriza Minería S.A ('Valoriza Minería') and Infinity resolved to confirm the request to move the previously granted Valdefl6rez Investigation Permit to application status to maintain maximum reservation of legal rights for both Valoriza Minería and Infinity. TEL retains tenure in application and has lost no preferential rights or priority to explore and develop Valdefl6rez to any other potential parties.

Infinity was advised that under the provisions of Spanish Mining Law, TEL retains the option to move ahead to a direct Exploitation Concession Application (equivalent to a Mining Licence Application) after the completion of the Pre-Feasibility Study into the production of lithium hydroxide with or without the underlying application being granted or not by that time. The Company is mindful of the risks associated with the granting of the mining license and cannot guarantee the current or additional applications for tenements made by the Company will ultimately be granted (in whole or in part), nor can the Company guarantee that renewals of valid tenements will be granted on a timely basis, or at all. There is a risk that these approvals may not be obtained.

TEL understands the potential for future uncertainty should the administrative error that led to the situation not be immediately resolved and therefore, the decision by the Junta of Extremadura ('Junta', or "Regional Government') to progress the requirement to revert the Valdefl6rez Investigation Permit to application status. TEL and Infinity

look forward to continuing their collaboration with the relevant authorities in the progression of the Project which has extremely material and significant economic, social and strategic benefits for the Region and Nation.

The Extremadura Regional Government ('Regional Government' or 'the Junta') communicated that the Regional Ministry of Economy and Infrastructure will be at the entire disposal of San José Joint Venture entity TEL and Infinity to collaborate, clarify and accompany the companies through the administrative procedure of the permitting process. The Junta has further clarified its desire to simplify and monitor business projects in Extremadura, from the projects' development stages through to implementation.

Further Events Subsequent to June 2019 Quarter End

European Battery Alliance Meets Infinity: Key Component in the "EU's Single Biggest Opportunity in Decades"

Infinity Lithium Corporation Limited's (ASX:INF, 'Infinity', or 'the Company') Board of Directors welcomed senior institutional representatives and delegates from major participants in the European and Spanish lithium-ion battery chain in a series of meetings in Madrid on 28 June 2019. These invitational meetings reached a crescendo with discussions with the European Battery Alliance ('EBA') and European Investment Bank ('EIB') and presentation of "Spain's Unique Strategic Position in the EU's eMobility Supply Chain" including the unique San José Lithium Project ('San José, or 'the Project') opportunity.

The importance of San José and other EU lithium-ion battery supply chain opportunities was reiterated in the meeting. The next steps will include continued dialogue with the EBA and EIB as Infinity completes the San José lithium hydroxide Pre-Feasibility Study ('PFS'). The EBA has expressed a desire to visit the San José site and assist in a facilitation of commercial discussions with other industry participants as part of their "battery mining belt" initiative. Furthermore, Infinity will work collaboratively with the EBA to assess opportunities to attract other industry participants to the region of Extremadura.

The key points from the EBA/EIB meeting in Madrid can be considered against the backdrop of the recent address by European Commission Vice President Maros Šefčovič to the Board of the EIB, which called for the EIB to become more fully engaged in funding battery raw material projects in exploration, mining and refining (ASX announcement 14 June 2019).

European Commission Appoints Infinity Director Vincent Ledoux-Pedailles as Lithium Expert for Critical Raw Materials Assessment

Executive Director Vincent Ledoux-Pedailles was selected as a lithium expert by the European Commission to contribute to the next EU critical assessment, expected to result in a list of Critical Raw Materials ('CRMs') for the EU in 2020. The CRM list is an essential component in assessing European supply needs and therefore investments and industrial strategies. Refer to ASX announcement 29 July 2019.

San José Lithium Hydroxide Pre-Feasibility Study Update – Stage 3

The Plant Stage 3 testwork provided confirmation of the recycling and successful reuse of potassium sulphate in the roasting and water leach process. The finalisation of laboratory work extended to utilise recirculated potassium sulphate with capital and operating cost optimisation nearing completion as a result of these outcomes. Refer to ASX announcement 26 July 2019.

Divestment of Banio and Mamana Potash Projects

Infinity Lithium has signed a binding Letter of Intent ('LOI') for the sale of the Company's wholly owned subsidiary Equatorial Potash Pty Ltd ('EPPL') and its Gabonese potash assets. The LOI grants an exclusive Option to purchase a 100% interest in EPPL for consideration of up to US\$3 million in cash or shares. The holding costs that are



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attributable to the Banio and Mamana Potash Projects in Gabon will be met in consideration by the holder of the exclusive Option over the term of the Option period.

Relinquishment of the Morille Tungsten Project

The Company has elected to relinquish the 5 Investigation Permits covering the Morille Project. This will come into effect on 1 August 2019. This decision has been made after the Company was unable to find parties interested in acquiring or joint venturing the assets. The tungsten price has failed to recover and results from exploration and drilling activities (last conducted 2014) were insufficient to justify advancement in this price environment.

Joint Venture Agreement

TEL remains the special purpose vehicle that retains 100% ownership of San José. Infinity currently hold 75% ownership interest in TEL with 25% held by Valoriza Minería, the wholly owned subsidiary of major Spanish construction and engineering group Sacyr SA.

Shares and Options

The Company issued 20,285,714 fully paid ordinary shares as at 3 July 2019.

The Company advised that 1,000,000 unlisted options exercisable at A\$0.30 on or before 5 May 2019 expired unexercised.

Change of Registered Office

The Company advised a change to its registered office and principle place of business to Level 2, 38 Richardson Street, West Perth, Western Australia, 6005.

Cash Balance

The cash balance as at 30 June 2019 was \$1.3 million. A successful capital raise of \$1.5 million (before costs) was completed subsequently to the Quarter.

For further inquiries please contact;

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Competent Persons Statement

Lithium

The Mineral Resource for the San José lithium deposit was calculated in May 2018 (Cube Consulting Perth, WA) using Ordinary Kriging interpolation methods and reported above a 0.1% Li cut-off grade. Full details of block modelling and estimation are contained in the ASX announcement dated 5 December 2017 and updated 22 May 2018.

The Resource which supports the Scoping Study was announced to the ASX on the 23 May 2018. Infinity is not aware of any new information or data that materially affects the information included in this ASX release and Infinity confirms that, to the best of its knowledge, all material assumptions and technical parameters underpinning the resource estimates in this release continue to apply and have not materially changed.

The resource information in this report that relates to the December 2017 and updates in May 2018, updated Mineral Resources is based on the information compiled by Mr Patrick Adams, FAusIMM CP (Geology) and Mr Adrian Byass B.Sc Hons (Geol), B.Econ, FSEG, MAIG. Mr Adams and Mr Byass have sufficient relevant professional experience with open pit and underground mining, exploration and development of mineral deposits similar to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Person(s) as defined in the 2012 Edition of JORC Code. Mr Adams has not visited the project area and has relied on the documented (Byass, 2016-2018, Peters, May 2017) drilling, logging and sampling techniques used by Infinity in collection of data used in the preparation of this report. Mr Adams is a Principal Geologist and a Director of Cube Consulting Pty Ltd and consents to be named in this release and the report as it is presented. Mr Byass is employed by Infinity as a geologist and has visited the site during pre- and post- drilling activities and consents to be named in this release and the report as it is presented.

Production Target and Scoping Study: The information in this report that relates to Exploration Results is based on the information compiled or reviewed by Mr Adrian Byass, B.Sc Hons (Geol), B.Econ, FSEG, MAIG and an employee of Infinity. Mr Byass has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the JORC Code for Reporting of Exploration Results, Exploration Targets, Mineral Resources and Ore Reserves. Mr Byass consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

Potash

The information in this report that relates to Exploration Results, Exploration Targets and Mineral Resources is based on information compiled or reviewed by Mr Adrian Byass, B.Sc Hons (Geol), B.Econ, FSEG, MAIG and an employee of Infinity Minerals Corporation Limited. Mr Byass has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Exploration Targets, Mineral Resources and Ore Reserves. Mr Byass consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

The Resource was announced to the ASX on the 5 November 2018. Infinity is not aware of any new information or data that materially affects the information included in this ASX release and Infinity confirms that, to the best of its knowledge, all material assumptions and technical parameters underpinning the resource estimates in this release continue to apply and have not materially changed.

Disclaimer

Forward-looking statements are statements that are not historical facts. Words such as “expect(s)”, “feel(s)”, “believe(s)”, “will”, “may”, “anticipate(s)” and similar expressions are intended to identify forward-looking statements. These statements include, but are not limited to statements regarding future production, resources or reserves and exploration results. All of such statements are subject to certain risks and uncertainties, many of which are difficult to predict and generally beyond the control of the Company, that could cause actual results to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements.

These risks and uncertainties include, but are not limited to: (i) those relating to the interpretation of drill results, the geology, grade and continuity of mineral deposits and conclusions of economic evaluations, (ii) risks relating to possible variations in reserves, grade, planned mining dilution and ore loss, or recovery rates and changes in project parameters as plans continue to be refined, (iii) the potential for delays in exploration or development activities or the completion of feasibility studies, (iv) risks related to commodity price and foreign exchange rate fluctuations, (v) risks related to failure to obtain adequate financing on a timely basis and on acceptable terms or delays in obtaining governmental approvals or in the completion of development or construction activities, and (vi) other risks and uncertainties related to the Company’s prospects, properties and business strategy.

Our audience is cautioned not to place undue reliance on these forward-looking statements that speak only as of the date hereof and we do not undertake any obligation to revise and disseminate forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of or non-occurrence of any events.

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About Infinity's' Lithium Project

Infinity Lithium is an Australian listed minerals company who is seeking to develop its 75% owned San José Lithium Project and produce battery grade lithium hydroxide. Supply response is needed to satisfy Europe's burgeoning energy storage needs through feeding the large-scale battery plants currently under construction.

The San José deposit is a highly advanced, previously mined brownfields development opportunity representing one of Europe's largest lithium deposits. Infinity Lithium will potentially mine the hard rock Mica resource and develop processing facilities to provide what would currently be the sole European mine-to-end-product lithium hydroxide operation.

San José is a highly advanced lithium project which is hosted in lithium-mica that hosts a JORC resource of lithium carbonate equivalent ('LCE'). A feasibility study completed in 1991 defined an open pit mining operation and a process flow sheet which produced lithium carbonate through acid-leach or sulphate calcine processing. This drilling, mining and processing study work highlights the advanced status and inherent advantages enjoyed by San José in relation to many other hardrock deposits. The Resource estimate for San José is shown below in Table 1;

TABLE 1: SAN JOSÉ MINERAL RESOURCE, REPORTED ABOVE 0.1% LI CUT-OFF

Classification	Tonnes (Mt)	Li (%)	Li ₂ O (%)	Sn ppm
Indicated	59.0	0.29	0.63	217
Inferred	52.2	0.27	0.59	193
TOTAL	111.3	0.28	0.61	206

Estimated using Ordinary Kriging methodology. Note: Small discrepancies may occur due to rounding

Snowden Mining (2017) and Cube Consulting estimated the total Mineral Resource for the San José lithium deposit using Ordinary Kriging interpolation methods and reported above a 0.1% Li cut-off grade. Full details of block modelling and estimation are contained in the ASX announcement dated 5 December 2017 and updated 23 May 2018.

Lithium (Li) mineralisation is commonly expressed as either lithium oxide (Li₂O) or lithium carbonate (Li₂CO₃) or Lithium Carbonate Equivalent (LCE). Lithium Conversion:

1.0% Li = 2.153% Li₂O,

1.0%Li = 5.32% Li₂CO₃

The Resource was announced to the ASX on 5 December 2017 and updated 23 May 2018. Infinity is not aware of any new information or data that materially affects the information included in this ASX release and Infinity confirms that, to the best of its knowledge, all material assumptions and technical parameters underpinning the resource estimates in this release continue to apply and have not materially changed.

San José Lithium Project – Lithium Hydroxide (100% basis, no by-product credits included)

NPV ₁₀ Pre-Tax	US\$717m
IRR Pre-Tax	51%
Average LOM LiOH Price	US\$14,896/t LiOH
CAPEX (Upfront) – includes 10% contingencies	US\$288m
Average Gross Operating Cash Flow (production years 1-10)	US\$122m pa
Average C1 Cost	US\$5,343/t

Scoping Study – Cautionary Statement

The Study referred to in this announcement is a preliminary technical and economic investigation of the potential viability of the San José Lithium-Tin Project. It is based on low accuracy technical and economic assessments, (+/- 35% accuracy) and is insufficient to support estimation of Ore Reserves or to provide assurance of an economic development case at this stage; or to provide certainty that the conclusions of the Study will be realised.

Infinity is in Joint Venture with Valoriza Minería SA, a subsidiary of SACYR SA. Infinity have independently engaged the services of Wave International Pty Ltd ('Wave') to assess the technical and economic viability with regards to producing battery grade lithium hydroxide under the San José Project. Whilst the Scoping Study has yielded robust outcomes and provided independent perspective on the opportunity to produce battery grade lithium hydroxide, there is no guarantee that the JV will choose to adopt the outcomes of the study.

The Production Target referred to in this announcement is based on 91% Indicated Resources and 9% Inferred Resources for the life of mine life covered under the Study. In accordance with the twenty-four (24) year mine plan incorporated into the Study, the first three (3) years of production (covering payback period) will be realised 96% from Indicated Resources.

The Study is based on material assumptions outlined in the ASX announcement 29 November 2018 which include assumptions about the availability of funding. While the Company considers all the material assumptions to be based on reasonable grounds, there is no certainty that they will prove to be correct or that the range of outcomes indicated by the Study will be achieved. To achieve the potential mine development outcomes indicated in the Study, additional funding will be required. Investors should note that there is no certainty that the Company will be able to raise funding when needed, however, the Company has concluded it has a reasonable basis for providing the forward looking statements included in this announcement and believes that it has a "reasonable basis" to expect it will be able to fund the development of the San José lithium deposit.

To achieve the outcomes indicated in the Study, initial funding in the order of US\$288m (which includes a 10% contingency) will likely be required and US\$344m (including a 10% contingency) over the life of the Project. Investors should note that there is no certainty that Infinity will be able to raise funding when needed. Infinity currently holds a 75% interest in the San José project, with Valoriza Minería contributing a pro-rata 25% interest in the cost of development. It is also possible that Infinity can pursue a range of funding strategies to provide funding options. It is also possible that such funding may only be available on terms that may be dilutive to or otherwise affect the value of Infinity's existing shares. It is also possible that Infinity could pursue other value realisation strategies such as sale, partial sale or joint venture of the Project. If it does, this could materially reduce Infinity's proportionate ownership of the Project. Given the uncertainties involved, investors should not make any investment decisions based solely on the results of this Scoping Study.



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Tenement Schedule in accordance with Listing Rule 5.3.3

Tungsten Projects, Spain

Morille Project Permits (100% owned by Morille Mining S.L.) of which Infinity has an 80% beneficial interest at time of publication of this report. Infinity has elected to relinquish this interest with the process of relinquishment commencing 1 August 2019 in Spain.

- P.I. Tin 9, nº 6.250-21
- P.I. Estaño de Salamanca Fracción Segunda 2, nº 6.250-30
- P.I. Morille, nº 6.634-20
- P.I. Rozados, nº 6.634-30
- P.I. Areasrozados, nº 6.634-40

Lithium Project Spain

Infinity has a 75% beneficial interest in the San José Lithium Tin Project (Application) from Valoriza Minería.

The San José tenements:

- Valdeflópez: 10343-00 Application
- Ampliación a Valdeflópez: 10359-00 Application

Potash Projects, Gabon

Infinity, through its 100% owned subsidiary Mayumba Potasse SARL, owns a 100% interest in two tenements (granted and application).

Tenements:

- Banio - Exploration License No 161 (granted)
- Mamana – Application Number DGPEM No 651 (application)

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