



ACN 147 413 956

ASX: INF ANNOUNCEMENT

29 January 2020

Quarterly Activities Report period ending 31 December 2019

HIGHLIGHTS

- **Infinity selected as one of only four potential investees to present an investment case to the Business Investment Platform ('BIP') Committee (recipient of European Commission funding), and presented in the second half of December 2019.**
- **The technical partnership established in line with stated European Commission and European Battery Alliance strategies and objectives to develop a fully integrated lithium-ion battery supply chain including the extraction of lithium and its conversion into lithium chemicals.**
- **New BIP funding was highlighted by the European Battery Alliance to accelerate transactions between financial institutions and industrial projects included in the lithium-ion battery value chain.**
- **European Investment Bank ('EIB') forecasted approximately €20bn will be available through the Business Investment Platform from 2019 to 2023 for accelerated investment in the EU lithium-ion battery value chain, including projects in mining, refining and recycling.**
- **The EIB amended their energy lending policy to include Critical Raw Materials.**
- **Multiple funding opportunities are available and being pursued within the EU through InnoEnergy, the European Battery Alliance, and the European Commission.**
- **Appointment of Key Spanish Director Mr Felipe Benjumea Llorente to the Board in the role of Non-Executive Director.**

Summary

Infinity Lithium Corporation Limited (ASX:INF, 'Infinity', or 'the Company') was pleased to announce the Company continued to align the San José Lithium Project ('San José' or 'the Project') to European stakeholders, having announced the strengthening of the Board with the appointment of Spain based Director Mr Felipe Benjumea Llorente.

The Company continued to target multiple funding opportunities available within the EU through InnoEnergy, the European Battery Alliance ('EBA'), and the European Commission. The recently launched EBA Business Investment

Platform ('BIP') has the potential to provide an additional source of funding that will be made available for selected EU projects such as San José.

In addition to the BIP, the Company announced the composition of an EU consortium that had applied for EU funding through the InnoEnergy "KIC InnoEnergy SE Innovation Projects Investment Round 2019." Infinity successfully brought together leading EU lithium-ion battery supply chain participants to form and lead an EU consortium in an application for InnoEnergy funding to support the development of a pilot plant for the production of lithium hydroxide to be tested and validated by European end-users. The Company presented to the Board of InnoEnergy and a selected committee in December 2019.

Business Investment Platform ('BIP')

Infinity provided an update on 26 November 2019 on the Company's alignment to multiple funding opportunities available within the EU through InnoEnergy, the EBA and the European Commission. The EBA BIP provides an additional source of funding that will be made available for selected EU projects such as San José, with the EIB having forecasted approximately €20bn would be available through the BIP from 2019 to 2023 for accelerated investment in the EU lithium-ion battery value chain, including projects in mining, refining and recycling. Infinity was informed by the EBA that it had been selected to apply for this initiative.

Infinity was selected as one of only four potential investees to present an investment case to the BIP Committee in the second half of December 2019. The successful Expression of Interest ('EOI') submitted by Infinity followed the Company's earlier presentation to key European delegates at the EBA Stakeholders Meeting (refer to ASX announcement 27 September 2019) and launch of the BIP. Infinity was invited by the EBA to present the Project at the EBA Stakeholders Meeting serving as an example of a project that could be supported by the BIP. The Company presented to the BIP and awaits the outcome of the BIP's consideration, expected to be in Q1 CY 2020.

InnoEnergy Funding and KIC InnoEnergy SE Innovation Projects Investment

Infinity announced the successful registration and approval of the application to access EU funding through InnoEnergy (refer to ASX announcement 24 October 2019). The Company brought together leading EU lithium-ion battery supply chain participants to form the EU consortium to develop a battery grade lithium hydroxide pilot plant. Infinity presented to InnoEnergy delegates in Stockholm in October 2019. The consortium that was formed included project partners ('Partners') that have the capability to provide technical, market and end user expertise in EU lithium-ion battery and electric vehicle markets.

Infinity led the consortium's application for InnoEnergy funding through the KIC InnoEnergy SE Innovation Projects Investment Round 2019. The Partners included:

- 1) European based industrial player operating in the lithium-ion battery supply chain. This end user will be testing and validating the production of battery grade lithium hydroxide from the San José Lithium Project ('San José or 'the Project').
- 2) World leading European testing and engineering services company will be involved in the development of bench scale test work and the development of a modular plant as lead technical partner.

InnoEnergy approved the consortium's initial application and Infinity led the Partners' Thematic Assessment Committee ('TAC') presentation of the Project to InnoEnergy's Committee in Stockholm. The committee consisted of technical experts as well as business, education, finance and IP specialists.

Following the presentation Infinity announced that the Committee provided successful stage 2 confirmation for the consortium's application. The Company presented to the Board of InnoEnergy and a selected committee in December 2019 in the final step of the selection process.

Change in Policy at the European Investment Bank

The EIB amended their energy lending policy to include (for the first time) mention of Critical Raw Materials ('CRM'). New investment has been earmarked for mining operations as lending to fossil fuel projects diminishes. Infinity's Vincent Ledoux-Pedailles was nominated as the European Commission lithium expert for the Critical Raw Materials list Assessment. Lithium could potentially be added to the CRM list in 2020. Refer to ASX announcement 26 November 2019.

Appointment of Mr Felipe Benjumea Llorente to the Board of Infinity

Infinity was pleased to announce the appointment of Mr Felipe Benjumea Llorente to the Board of Infinity. The appointment continued to reflect the corporate requirements and evolution of the Board of Infinity with regards to advancing the San José Lithium Project in Europe. Mr Benjumea brings extensive business networks and corporate experience through more than 30 years on the Board of listed Spanish Company Abengoa, and he has been instrumental in the development of major projects with a presence in more than 60 countries. The Project can benefit from Mr Benjumea's experience in the industrial field of renewable energy, with an extensive successful track record in bringing large scale and globally focussed projects to fruition in innovative and emerging markets.

The appointment of Mr Benjumea reinforced the Company's evolution in aligning key management and the Board in Europe. The Company continued to align the Project to potential European offtake and technology partners in line with the strategic objectives of the European Commission and the European Battery Alliance. Refer to ASX announcement on 15 October 2019.

Resignation of Kevin Tomlinson

The Company announced the resignation of Kevin Tomlinson as Chairman, effective from the date of the Annual General Meeting, 27 November 2019.

Mr Tomlinson had been with Infinity (previously Plymouth Minerals Limited) for more than two years and had overseen the increase in the Company's ownership interest in the Project from zero to 75%, with a clear trajectory to 100% through the delivery of key technical studies and commercial agreements that established significant value for the asset. The transformation of the Company included the evolution from a Lithium Carbonate to Lithium Hydroxide Project to satisfy the projected burgeoning demand in the EU. Refer to ASX announcement 12 November 2019.

Further Events Subsequent to December 2019 Quarter End

Infinity provided an update regarding the administrative lodgement and exploration license application by German company AMG Lithium GmbH ('AMG Lithium'), a subsidiary of AMG Advanced Metallurgical Group N.V. The Junta de Extremadura confirmed the application was lodged for an exploration licence "Romulos", situated over the Valdeflórez and Ampliación Investigation Permits ('PI') of Tecnología Extremena Del Lito ('TEL'). Refer to ASX announcement 20 January 2020.



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Annual General Meeting

The Company held its Annual General Meeting on 27 November 2019; all resolutions were passed unanimously on a show of hands.

Shares and Options

The Company advised that 6,875,000 unlisted options exercisable at \$0.35 on or before 30 October 2019 expired unexercised.

The Company continues to monitor costs and reduce cash remuneration where possible to minimise potential shareholder dilution. As such incentives to key full-time Executives have been provided in the form of share-based remuneration. Following approval at the Annual General Meeting the Company issued 10,000,000 Share Appreciation Rights 6,280,624 Performance Rights on 10 December 2019 under performance-based incentive scheme for Executive Directors which has been designed to align a proportion of the Executives' remuneration with value creation and shareholder returns.

The Company issued 1,883,330 fully paid shares on 27 December 2019 in consideration for work performed on the PFS.

Cash Balance

The cash balance as at 31 December 2019 was \$0.66 million.

The activities report was authorised by the Board. For further inquiries please contact;

Ryan Parkin
CEO, Managing Director
T: +61 (8) 6461 6350
E: rparkin@infinitylithium.com

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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, Ore Reserve and PFS Study announced to the ASX on 22 August 2019: 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.



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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 hard rock deposits. The Resource estimate for San José is shown below in Table 1;

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

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

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.

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Table 2 summarises the San José Maiden Ore Reserve estimate.

Classification	Tonnes (Mt)	Li (%)	Li ₂ O (%)	Sn ppm
Proven	-	-	-	-
Probable	37.2	0.29	0.63	217
TOTAL	37.2	0.29	0.63	217

TABLE 1: SAN JOSÉ JORC ORE RESERVE STATEMENT

100% of the material in the PFS mining schedule is included in the Probable Ore Reserves category. The Ore Reserves were calculated assuming the mining and processing methods determined for the PFS.

The Reserve was announced to the ASX on 22 August 2019. 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 reserve estimates in this release continue to apply and have not materially changed.

Tenement Schedule in accordance with Listing Rule 5.3.3

Lithium Project Spain

Infinity has a 75% beneficial interest in the San José Lithium Tin Project (Applications) from Valoriza Minería and Castilla Mining S.L. All tenure is held under the current Joint Venture.

The San José tenements:

- Valdeflórez: 10C 10343-00 Application
- Ampliación a Valdeflórez: 10C 10359-00 Application

Other applications;

- Extremadura S.E. 10C10386-00 Castilla Mining S.L. Exploration Permit Application
- San José 10C10368-00 Valoriza Minería S.L.U Investigation Permit Application

Potash Projects, Gabon

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

Infinity Lithium has signed a binding Letter of Intent ('LOI') for the sale of the Company's Gabonese potash assets. The LOI grants an exclusive Option to purchase a 100% interest in the Potash project.

Tenements:

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