



ACN 147 413 956

ASX: INF ANNOUNCEMENT

17 March 2020

## Infinity Executes Agreement to Divest Potash Project

### HIGHLIGHTS

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- **Infinity has signed a binding letter of agreement for the sale of Equatorial Potash Pty Ltd.**
  - **Finalisation of agreement provides clarity on Infinity's focus on the development of the San José Lithium Project.**
  - **Infinity reinforces its commitment to the European based lithium project and the EU lithium-ion battery supply chain.**
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Infinity Lithium Corporation Limited (ASX:INF, 'Infinity', or 'the Company') has executed the binding sale agreement ('Sale Agreement') to sell the Gabonese potash assets through the divestment of Equatorial Potash Pty Ltd ('EPPL'). The Sale Agreement will remove costs associated with the discontinued operations and holding costs of the potash assets. The Company entered into a binding sale agreement subject to due diligence as referred to in the ASX announcement 25 February 2020.

The Company will streamline its activities and focus on the Spanish based San José Lithium Project ('San José or 'the Project'). Infinity believes that the divestment of the potash asset can provide greater clarity for potential strategic investment aligned to the development of the European lithium-ion battery supply chain.

Infinity Lithium Managing Director Ryan Parkin commented, *"Infinity will be entirely focused on the progression of San José and the sale of the potash project completes our strategic divestment of non-core assets. We believe that the Company remains well placed to attract European support through strategic investment with our interests aligned to European ambitions to develop an integrated lithium-ion battery supply chain. Lithium hydroxide remains an essential component required to support the EU's burgeoning electric vehicle market, and the EU is focusing on the localisation of lithium supply to limit exposure to Chinese converters."*

This announcement was authorised by the Board of Directors.

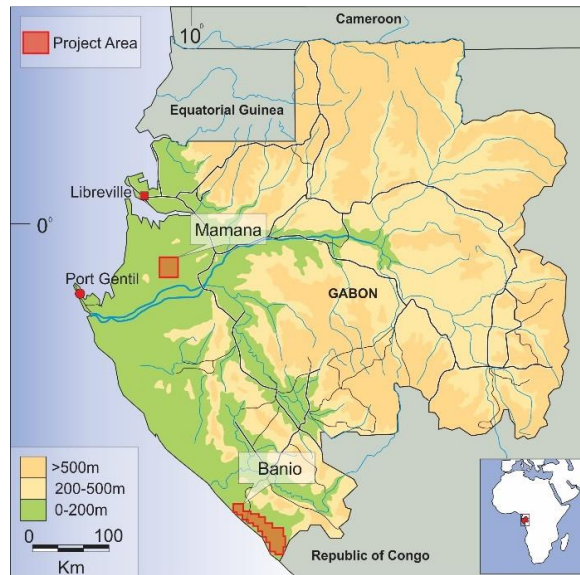
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**About Equatorial Potash**

Infinity acquired the potash assets in Gabon prior to becoming involved in the San José Lithium Project in Spain.

Infinity owns 100% of the Banio Project and the application for the Mamana Potash Project (Figure 1).



**FIGURE 1: POTASH PROJECT LOCATION PLAN**

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## Appendix 1

### Key terms and conditions of Sale agreement

In exchange for 100% interest in EPPL and the Gabonese potash assets Meridian will provide the following;

- Waiver of any outstanding fees related to drilling
- Waiver of any costs and obligations related to the demobilisation of drilling equipment

Mayumba Potasse SARL, 100% owned subsidiary of EPPL.

Mayumba Potasse SARL holds 100% interest in tenements;

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

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