

ASX Announcement

AUSTRALIAN HANNANS AND SERBIA'S METALFER GROUP JOIN FORCES IN PROPOSED LITHIUM BATTERY RECYCLING PARTNERSHIP

- › **Hannans announces partnership with leading Serbian steelmaking group Metalfer**
- › **The parties aim to conduct detailed feasibility study to assess the viability of a proposed 10 tonne per day "Spoke" battery recycling plant utilising Hannans licenced lithium-ion battery (LiB) recycling technology**
- › **The agreement will also consider a feedstock business plan based on an annual lithium-ion battery volume of no less than 4,000 tonnes comprising NMC, LMC, LCO and NCA chemistries for a 10 tonne per day processing capacity**

Hannans Ltd (ASX: HNR) (**Hannans** or the **Company**) is pleased to report the execution of a binding collaboration agreement with the Serbian steelmaking company Metalfer Group (**Metalfer**). Both parties have agreed on formal arrangements to commercialise electric vehicle (**EV**) battery recycling and processing technologies that Hannans holds under licence in several southern European jurisdictions including Serbia.

The parties began due diligence in 2022 to support the decision to enter into this agreement today. This process has included visiting the demonstration plant of Primobius GmbH in Hilchenbach, Germany. As a leading supplier of steel, Metalfer consumes scrap for its steel manufacturing process that includes material volumes of end-of-life EVs to include related battery fractions to source scrap steel feedstock. This agreement for lithium-ion battery (**LiB**) recycling with Hannans provides Metalfer with the ability to bolster its EV feedstock targeting activities with additional direct access to a sustainable industrial-scale battery recycling solution making Hannans and Metalfer natural partners within Hannans licensed regions.

Under the agreement, Hannans and Metalfer have committed to work together to complete a Feasibility Study for a 10 tonne per day "Spoke" battery shredding plant to be located near Metalfer's operations in Sremska Mitrovica, Serbia. The Feasibility Study will cover project economics, preliminary equipment design, layout, schedule, permitting and cost estimates. Hannans and Metalfer have also agreed to work together to prepare a feedstock business plan based on an annual lithium-ion battery volume of no less than 4,000 tonnes comprising NMC, LMC, LCO and NCA chemistries for a 10 tonnes per day processing capacity.

In addition to the Feasibility Study, the agreement with Metalfer also contemplates entering into a further substantive agreement that will, among other things, develop a business plan for a "Hub" hydromet plant capable of processing products from the 10 tonne per day Spoke plant into high purity battery materials to enable stringent European recycled content requirements to be met for new battery cell production.



The proposed “Spoke” battery plant partnership between Hannans and Metalfer is in addition to the proposed Hannans 10 tonne per day “Spoke” Plant in the United Kingdom, under the G&P Battery Recycling Ltd (GPBR) agreement previously announced to the ASX on 19 April 2023. The agreement between Hannans and GPBR contemplates a four-year undertaking by GPBR to deliver 16,800 tonnes of qualifying LiB feedstock (subject to entry into a formal feedstock supply agreement) for processing in a Hannans “Spoke” Plant in the United Kingdom.

Branko Zečević, President and Founder, Metalfer Group, said:

“We recognise the need to secure access to large volumes of future end-of-life EV’s and the present need to recycle a significantly growing volume of end-of-life batteries and production scrap from planned LiB cell production in central and Southern Europe. The partnership with Hannans presents the perfect opportunity for us to enter what is projected to be one of the world’s fastest growing markets.”

Hannans’ Chief Executive Officer Brett Salt emphasised:

“Today’s announcement supports Hannans strategy to transform its business into a sustainable battery recycler and battery material supplier to the European market. It would establish a proposed second operating base within Hannans licensed regions, following the Company’s announcement in April this year of an intention to develop a location in the United Kingdom.”

“The Agreement uniquely positions Metalfer to provide an enhanced value proposition to its customers. Through this partnership with Hannans, Metalfer aims to safely recycle end-of-life EVs, convert them into green steel and recover from their batteries high purity battery materials such as lithium, nickel, cobalt and manganese. The synergies obtained by joining Hannans with Metalfer’s state-of-the-art steelmaking capabilities are clear.”

Hannans looks forward to updating the market as the Feasibility Study contemplated by this agreement progresses.

This ASX release has been authorised by Brett Salt, CEO, on behalf of the Board of Directors.

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About Hannans Ltd: Hannans Ltd (ASX: HNR) is a pioneer in sustainable resource solutions, dedicated to revolutionising the way we manage and recycle critical materials, including electric vehicle batteries. With a commitment to environmental stewardship and a forward-thinking approach, Hannans is driving the transition towards a greener, more sustainable future.

About Metalfer: Established in Serbia in 2005, Metalfer Steel Mill d.o.o. has become a major manufacturer of products such as steel billet, rebar and wire rod, using regionally sourced scrap metal. The company operates a rolling mill and a foundry and supplies its products mainly to the regional construction industry.
