

25 March 2024

## Envirostream signs new exclusive battery recycling agreement with Hyundai Glovis

### HIGHLIGHTS

- **Envirostream has signed a new exclusive agreement with Hyundai Glovis to provide battery recycling services for Hyundai Glovis batteries in Australia**
- **Hyundai Glovis is a leading logistics company and is part of the Hyundai Motor Group**
- **The agreement has an initial 3-year term, and the Company expects it to increase large-format lithium-ion battery collection volumes**
- **Envirostream remains focused on executing the strategy of signing recycling agreements with leading EV and ESS<sup>1</sup> manufacturers to secure future lithium-ion battery supply**

Lithium Australia Ltd (ASX:LIT) (“**Lithium Australia**” or the “**Company**”) is pleased to announce that its wholly owned subsidiary Envirostream Australia Pty Ltd (**Envirostream**) - which is leading Australia’s battery recycling industry - has signed a new exclusive 3-year recycling agreement (“**Agreement**”) with Hyundai Glovis.

Hyundai Glovis is a world leading logistics provider which operates a distribution network for finished vehicles and is part of the Hyundai Motor Group. During the initial 3-year term, ending on 21 March 2027, Envirostream will be the exclusive provider of battery recycling services for all of Hyundai Glovis’ batteries in Australia. The Agreement, whilst exclusive, has no minimum volumes and includes customary termination rights on the occurrence of an insolvency event or any unremedied breach under the Agreement.

The Agreement with Hyundai Glovis highlights Envirostream’s continued focus on accelerating growth in collection volumes of large format lithium-ion batteries, such as those from EVs and ESS, to deliver stronger commercial outcomes. The total tonnage of ESS and EV batteries sold is projected to grow between 10% and 40% year on year until 2030<sup>2</sup>, which in turn is expected to result in an increased demand for battery recycling services. This presents a significant market opportunity for Envirostream.

Signing exclusive contracts with leading OEMs<sup>3</sup> and battery manufacturers is a core part of Envirostream’s national growth strategy, in line with the Company’s previously identified key priorities of FY24. Envirostream looks forward to leveraging these tailwinds,

<sup>1</sup> EV refers to electric vehicle, ESS refers to energy storage systems

<sup>2</sup> Battery Stewardship Council, Battery Market Analysis (2023)

<sup>3</sup> Original equipment manufacturer

alongside momentum generated from the recently announced recycling agreement signed with LG Energy Solution<sup>4</sup>, to win additional market leading clients.

### **Comment from Lithium Australia CEO and Managing Director, Simon Linge**

*“We are very excited to announce the exclusive recycling Agreement signed with Hyundai Glovis, the logistics and distribution arm of Hyundai Motor Group, a world leading OEM for EVs. We are pleased to be able to assist them to recycle their large-format EV batteries.*

*Recycling agreements with tier 1 EV and ESS manufacturers demonstrates LIT’s blue chip status as a battery recycler and are key to Lithium Australia’s growth strategy. Signing with Hyundai Glovis follows the previously announced agreement with LG Energy Solution and highlights the ongoing momentum that the Company has built in early 2024. We look forward to building this momentum further and accelerating collection volumes of large-format batteries to drive the Company’s growth in 2024.”*

### **Comment from Hyundai Glovis**

*“It is a big step forward for Hyundai Glovis Australia to have an agreement with such an industry leading recycling company. As part of a global EV manufacturer, Hyundai Glovis Australia endeavours to develop a fully localised recycling loop and Envirostream has shown us its capability of providing reliable and safe services.*

*We sincerely believe this agreement will provide a great opportunity for us to grow further by strengthening our partnership with Envirostream.”*

Authorised for release by the Managing Director.

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<sup>4</sup> See ASX announcement, ‘Envirostream signs new exclusive battery recycling agreement in Australia with LG Energy Solution’, 18 March 2024

## **Forward-looking statements**

This announcement contains forward-looking statements. Forward-looking statements are subject to a variety of risks and uncertainties that it is beyond the Company's ability to control or predict and which could cause actual events or results to differ materially from those anticipated in such forward-looking statements.

## **About Lithium Australia**

Lithium Australia is aiming to lead and enable the global transition to sustainable lithium production. The Company operates Australia's market leading battery recycler, produces critical battery material lithium ferro phosphate (LFP), and has developed a patented lithium extraction technology. Lithium Australia's revenue-generating recycling business and technologies are well-placed to capitalise on growing global lithium-ion battery demand and provides diversification benefits to global supply chains.