



**Pilbara  
Minerals**

# **Bell Potter Unearthed Ken Brinsden MD / CEO**

8 FEBRUARY 2022

ASX: PLS / BBG: PLS AU



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**Information regarding expansions in production capacity (Pilgan Plant and the Ngungaju Plant)**

Information in this presentation regarding expansions in nameplate capacity of the Pilgan Plant and the Ngungaju Plant are underpinned by the Company's existing Ore Reserves that have been prepared by a Competent Person in accordance with the JORC Code (2012 Edition) and were released by the Company to ASX on 6 October 2021 (Material Increase in Pilgangoora Ore Reserve). The relevant proportions of proven Ore Reserves and probable Ore Reserves are 13% proven Ore Reserves and 87% probable Ore Reserves. The Company confirms it is not aware of any new information or data that materially affects the information included in that release or report and that all material assumptions and technical parameters underpinning the Ore Reserves estimates continue to apply and have not materially changed.

### No new information statement

Information in this presentation relating to Mineral Resource and Ore Reserve estimates is extracted from the ASX releases dated 6 September 2021 and 6 October 2021. Pilbara Minerals confirms that it is not aware of any new information or data that materially affects the information included in these announcements and that all material assumptions and technical parameters underpinning the Mineral Resource and Ore Reserve estimates continue to apply and have not materially changed. Pilbara Minerals confirms that the form and context in which the competent persons' findings are presented in this presentation have not been materially modified from the original market announcements.

Information in this presentation relating to production targets and forecast information derived from the production targets (including information relating to the proposed expansions of the Pilgangoora Project including the Pilgan Plant and Ngungaju Plant), is extracted from the ASX announcement dated 3 August 2018 entitled "Outstanding DFS Results Support Pilgangoora Expansion", the ASX announcement dated 27 August 2019 entitled "Update on Partnering Process and Revised Stage 2", ASX announcement dated 11 May 2021 (Pilbara Minerals and the Pilgangoora Project - Ready for the Global Energy Transformation), ASX announcement dated 25 June 2021 (Board Approves Staged Restart at Ngungaju Plant), ASX announcement dated 26 August 2021 (Annual Financial Results and FY2022 Guidance Presentation), ASX announcement dated 6 September 2021 (Significant Increase in Pilgangoora Resource), ASX announcement dated 6 October 2021 (Material Increase in Pilgangoora Ore Reserves), ASX announcement dated 13 October 2021 (Ramp-up of Pilgan Plant Improvement Project Commences), ASX announcement dated 13 October 2021 (First Concentrate Produced from the Ngungaju Processing Plant) and the 30 June 2021 Annual Report. Pilbara Minerals confirms that it is not aware of any new information or data that materially affects the information included in these announcements and that all material assumptions and technical parameters underpinning the Minerals Resource and Ore Reserve estimates, production targets and forecast financial information derived from the production targets in the announcements continue to apply and have not materially changed. Pilbara Minerals confirms that the form and context in which the competent persons' findings are presented in this presentation have not been materially modified from the original market announcements.

Scoping and other technical studies in respect of the revised incremental Stage 2 expansions have been undertaken to determine the potential viability of the expansions and to reach a decision to proceed with more definitive studies. Each scoping study has been prepared to an accuracy level of  $\pm 30\%$ . Each scoping and technical study is based on low-level technical and economic assessments and is insufficient to provide assurance of an economic development case at this stage or provide certainty that the conclusions of the studies will be realised. The results of the studies should not be considered a profit forecast or production forecast.

### Past performance

Statements about past performance are not necessarily indicative of future performance.

### References to Australian dollars

All references to dollars (\$) and cents in this report are to Australian currency, unless otherwise stated.

### Acceptance

By accepting, accessing or reviewing this document you acknowledge, accept and agree to the matters set out above.

### Authorisation of release

Release of this market announcement is authorised by Ken Brinsden, Pilbara Minerals Limited's Managing Director and CEO.



## One Operation, Two Processing Plants

Targeting expanded production capacity to 560-580,000 tpa spodumene concentrate by mid-CY2022, maximising participation in rapid demand growth

- **Products:**

- ~5.5% - 6% Li<sub>2</sub>O spodumene concentrate
- +5% primary tantalite concentrate

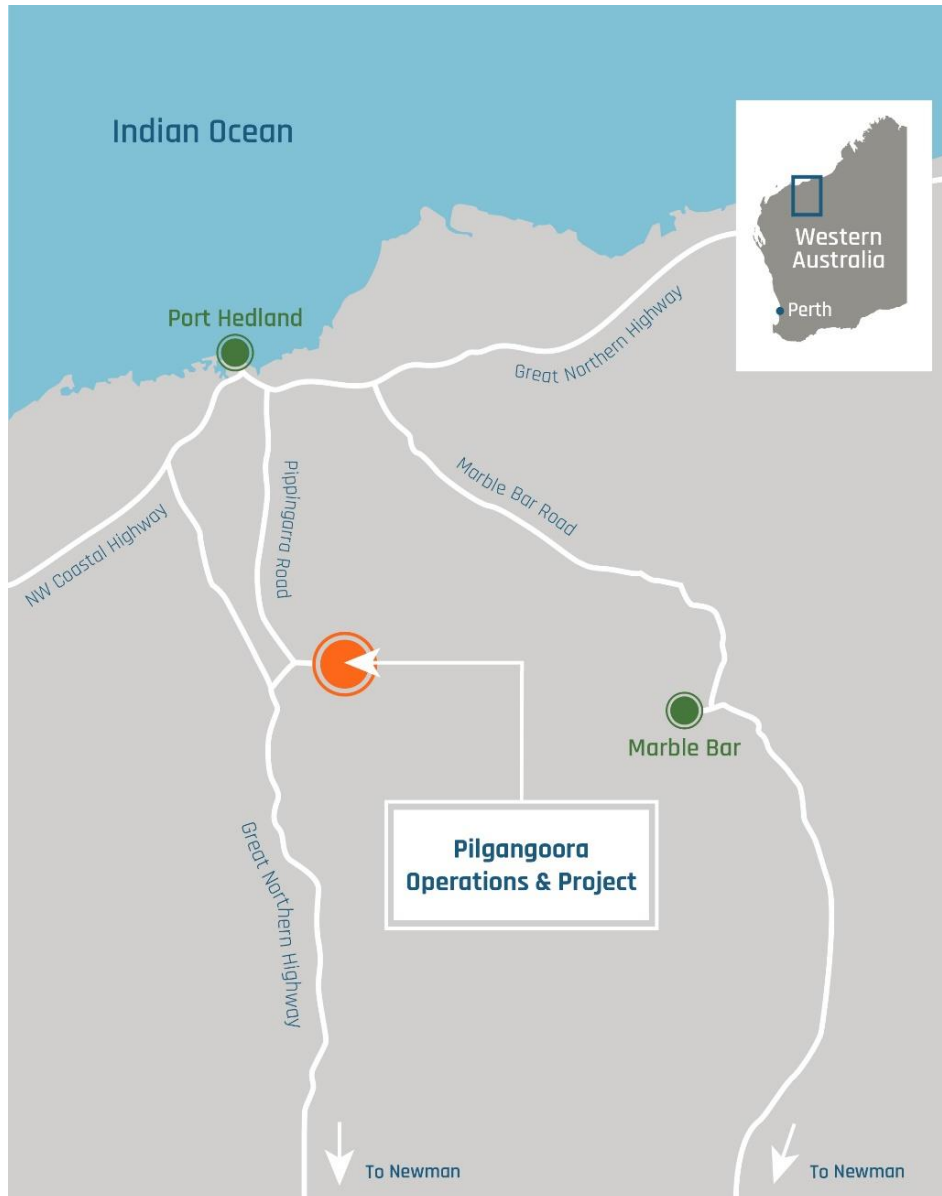
- **Pilgan Plant**

- in production and operating at nameplate capacity ~330,000tpa
- improvement projects underway to increase capacity by a further 30-50,000 tpa (10-15% increase)
- potential phased expansion, increasing nameplate capacity incrementally to ~800-850,000 tpa, subject to prevailing market conditions

- **Ngungaju Plant (pronounced - Nuh-ga-ju)**

- Altura Lithium Operation acquired during FY2021, whilst on care and maintenance
- FID made for staged restart, targeting 180-200,000 tpa in production capacity by mid-CY2022
- engineering underway to improve performance and integrate operation

- **Future expansion opportunities aimed at achieving a combined nameplate processing capacity from both plants supporting +1 Mtpa spodumene concentrate and the production of value-added products**



## Market Growth

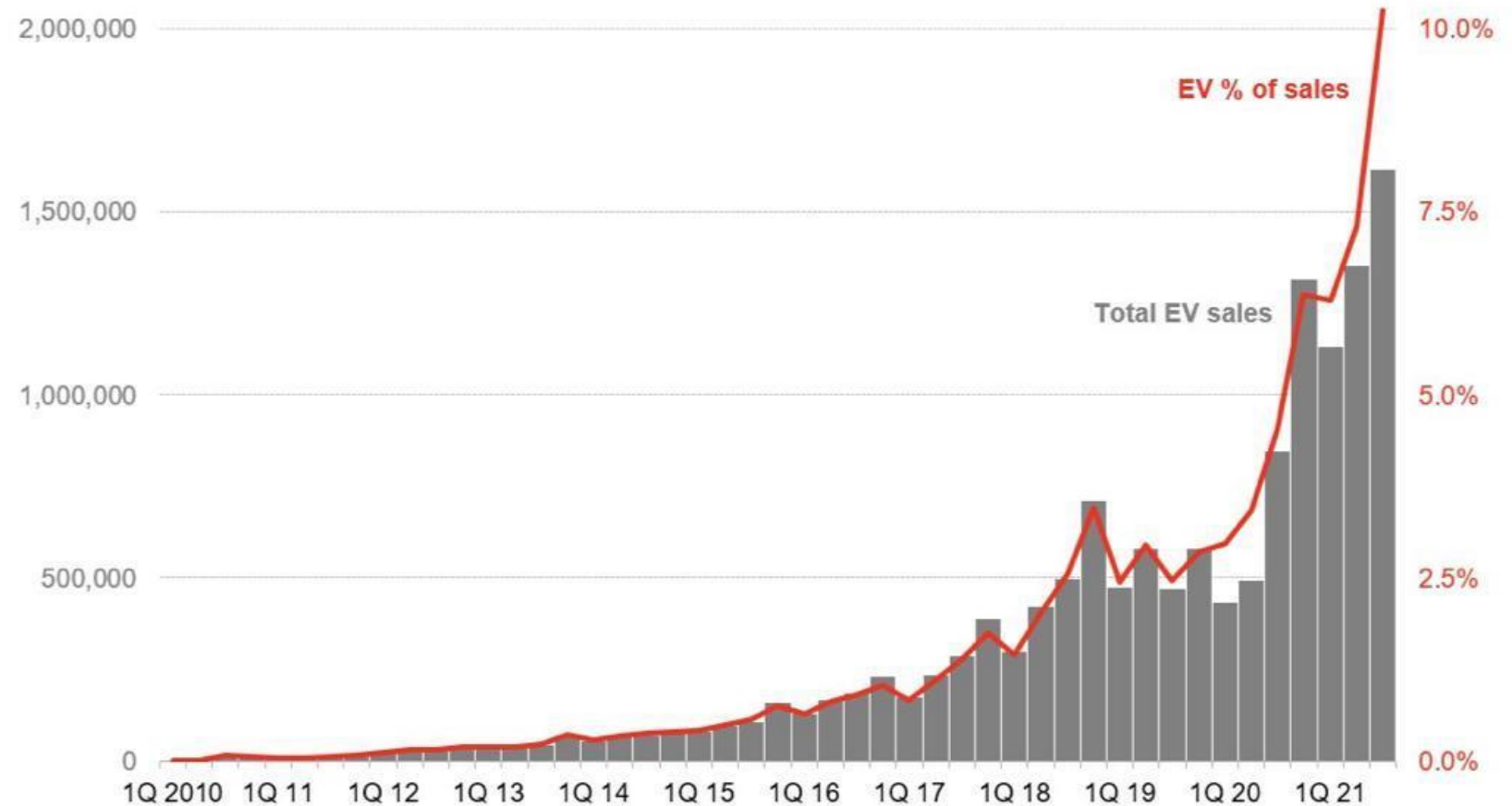
### UK and Europe

- World's largest EV market in 2020
- 2021 adoption very strong
- A market that will be dominated by high-nickel cathode batteries driving lithium hydroxide demand

### China

- EV sales strong
- Addressable market growth, domestic China
  - LFP 'pack' technology
  - Stationary storage
  - Lead acid battery replacement

Quarterly electric passenger vehicle sales and % of total sales

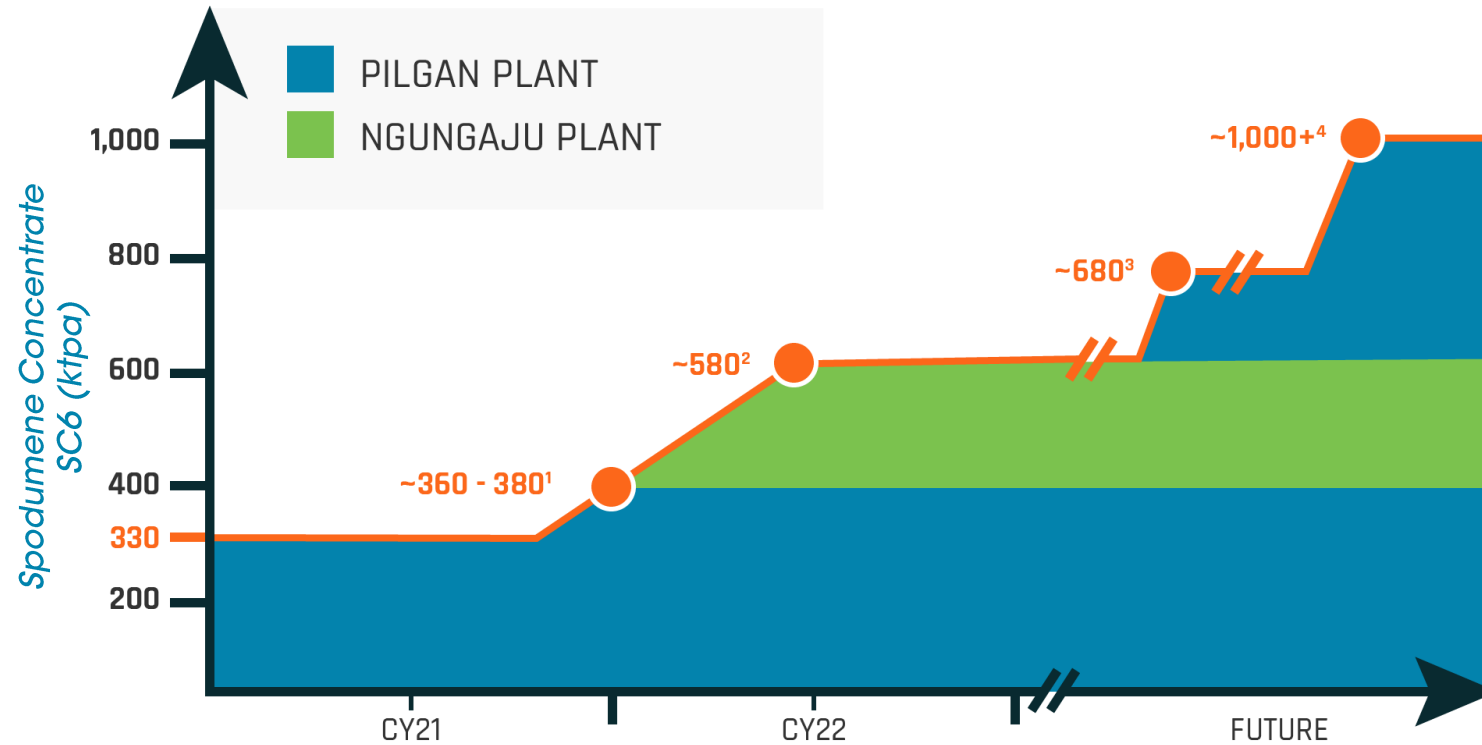


Source: Bloomberg Intelligence, BloombergNEF, Rystad Energy. Note: Includes plug-in hybrids.

BloombergNEF

# Upstream Expansion Strategy

Flexible growth pathway to capture growing demand in the market and increase revenue



## Pilgangoora assets support:

- phased expansion (primarily Pilgan Plant) up to and beyond ~1Mtpa in production capacity
  - Opens-up unallocated concentrate capacity of ~400-500ktpa from late 2024
  - potential for other value-added lithia based product streams and/or further strategic relationships downstream

## Expansion timing to be guided by:

- market conditions (including overall demand and price outcomes)
- strategic customer requirements

<sup>1</sup> Production capacity uplift subject to successful construction and commissioning completion of the Pilgan Plant improvement project.

<sup>2</sup> Production capacity uplift subject to successful restart and commissioning of the Ngungaju processing plant.

<sup>3</sup> Production capacity uplift subject to completion of studies and FID for the first incremental expansion of the Pilgan processing plant (previously termed Stage 2 - Phase 2 and 3).

<sup>4</sup> Production capacity uplift subject to completion of studies and FID for the further incremental expansion of the Pilgan processing plant (previously termed Stage 2 - Phase 2 and 3).

Note A: The abovementioned expansions in production capacity of the Pilgan Plant and Ngungaju Plant are underpinned by the Company's existing Ore Reserves that have been prepared by a Competent Person in accordance with the JORC Code (2012 Edition) and were released by the Company to ASX on 6 October 2021. The relevant proportions of proven Ore Reserves and probable Ore Reserves that underpin the production targets are 13% proven Ore Reserves and 87% probable Ore Reserves. The Company confirms it is not aware of any new information or data that materially affects the information included in that release or report and that all material assumptions and technical parameters underpinning the Ore Reserves estimates continue to apply and have not materially changed.

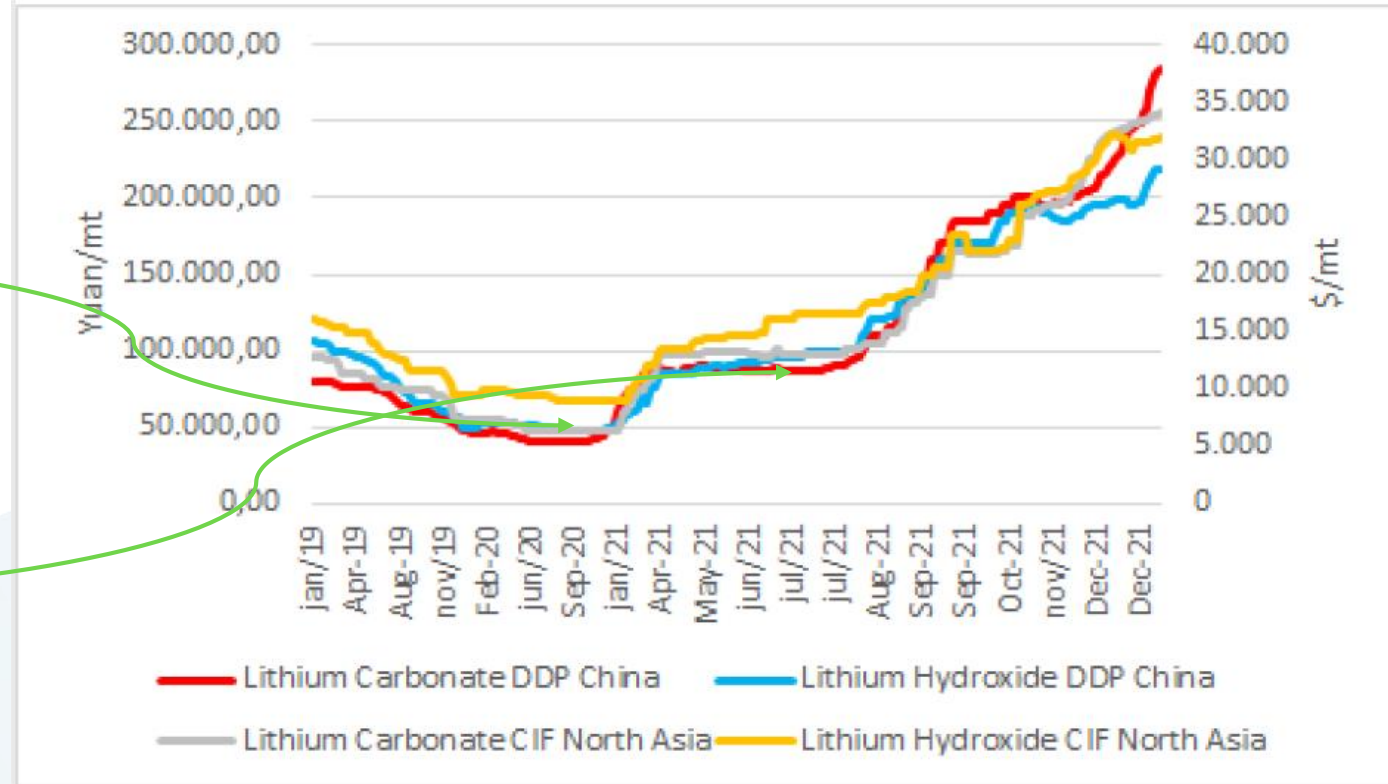
# Current Market Pricing

Pilbara Minerals settles the acquisition of the former Altura Lithium Operations

On 29 July 2021, Pilbara Minerals held its inaugural BMX auction of 10kt SPC 5.5% and achieved a price of US\$1,250/dmt FOB.

(Equivalent to USD\$1,400+/dmt SPC6.0%, CFR China basis)

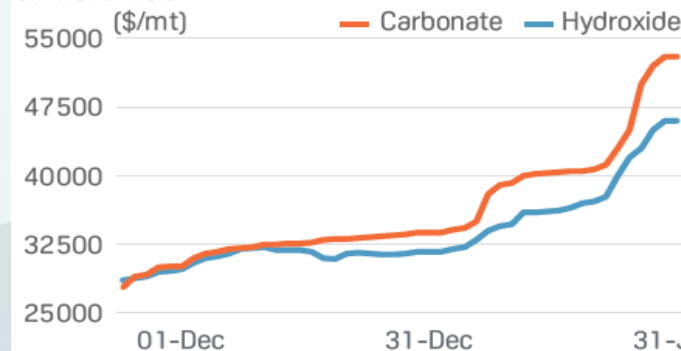
Since the inaugural BMX auction, carbonate and hydroxide prices have continued to rally on significant supply shortfalls in both spodumene and chemicals.



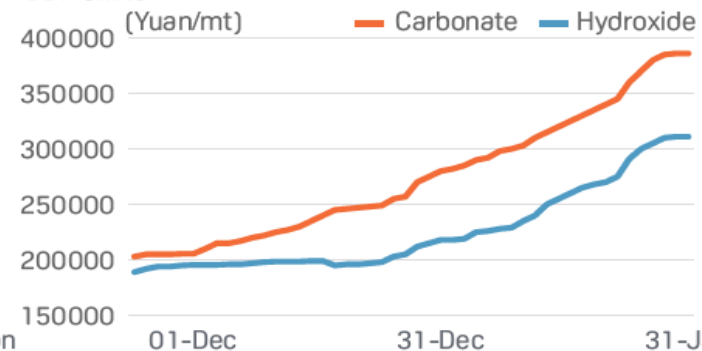
Source: S&P Global Platts

## PLATTS LITHIUM CARBONATE AND LITHIUM HYDROXIDE

CIF North Asia



DDP China



Source: S&P Global Platts



# Battery Material Exchange (“BMX”) Summary

BMX<sup>1</sup> - Inaugural online auction of spodumene concentrate delivers outstanding success

10,000 dmt spodumene concentrate (SC5.5%) cargo



62 online bids from 17 independent buyers during three-hour auction window



Five individual groups bid ≥US\$1,100 /dmt FOB winning bid =US\$1,250 /dmt FOB



Letter of Credit presented with vessel loaded early September



BMX<sup>2</sup> - Second online auction of spodumene concentrate delivers **almost twice the price**

10,000 dmt spodumene concentrate (SC5.5%) cargo



48 online bids from 13 independent buyers during two-hour auction window



Four individual groups bid ≥US\$1,750 /dmt FOB with the winning bid =US\$2,240 /dmt FOB



Vessel to load in November



BMX<sup>3</sup> - Third online auction, 10% deposit up-front for deferred delivery in February 2022

10,000 dmt spodumene concentrate (SC5.5%) cargo



25 online bids from 8 independent buyers during 45 minute auction window



Four individual groups bid ≥US\$1,825 /dmt FOB winning bid =US\$2,350 /dmt FOB



Deposit received, vessel to load February 2022



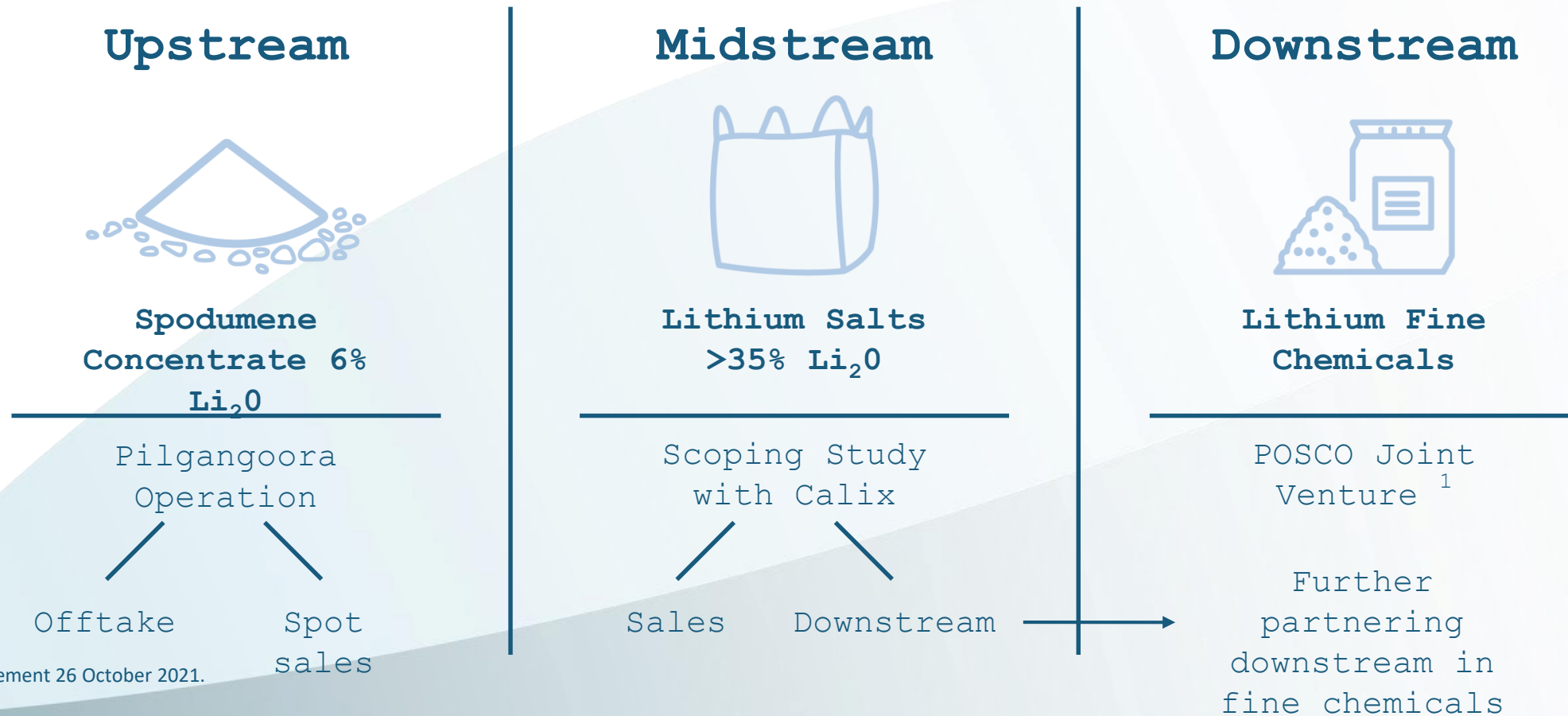
<sup>1</sup> Lithia adjusted on a pro-rata basis SC6.0 equivalent price CIF is US\$1,429 including freight costs (refer ASX release dated 29 July 2021).

<sup>2</sup> Lithia adjusted on a pro-rata basis SC6.0 equivalent price CIF is ~US\$2,500 including freight costs (refer ASX release dated 14 September 2021).

<sup>3</sup> Lithia adjusted on a pro-rata basis SC6.0 equivalent price CIF is ~ US\$2,600 including freight costs (refer ASX release dated 26 October 2021).

# A Diversified Product Suite

Positioning to capture value throughout the entire lithium raw material and chemical supply chain



<sup>1</sup> - refer ASX announcement 26 October 2021.

# Questions?





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Minerals**

Powering a sustainable energy future

# Thank you

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