

24 October 2022

## Imerys plans to become a major player in the European lithium market

- Targeted production of 34.000 tonnes per year of lithium hydroxide, to equip approximately 700.000 electrical vehicles per year
- At least 25 years of life of mine, with strong extension potential
- Designed to meet IRMA, the highest standard in responsible mining
- Lower CO<sub>2</sub> footprint than typical existing hard-rock based lithium operations
- A competitive, domestic lithium supply to contribute to the French and European energy transition

Imerys, the world leader in mineral-based specialty solutions for the industry, announces the launch of a landmark lithium exploitation project ("the EMILI Project") at its Beauvoir site (Allier *département* of France), which has been producing kaolin for ceramics since the late 19th century. Upon successful completion, the project would contribute to the French and European Union's energy transition ambitions. It would also increase Europe's industrial sovereignty at a time when car and battery manufacturers are heavily dependent on imported lithium, which is a key element in the energy transition.

The results of surveys carried out confirm that the deposit has very attractive concentrations and quantities of lithium. Imerys aims to produce 34,000 tonnes of lithium hydroxide per year from 2028, making the Group a leading supplier to the European battery market and a key player in the global lithium industry.

**Alessandro Dazza, CEO of Imerys**, said: *"I am very excited by the potential of our lithium project and very proud of the work done by the teams over the last 18 months to develop it. Upon successful completion, the Emili project would provide a sustainable, competitive, domestic source of lithium supply for French and European carmakers and would make a major contribution to meeting the challenges of the energy transition. Throughout the process, Imerys will engage with all stakeholders, from local communities to policymakers, in a spirit of openness and transparency. This project can be a real game changer for Imerys."*

### **A response to the challenges of the energy transition and industrial sovereignty**

This project is a response to the challenges introduced by the energy transition: it offers a long-term solution that addresses Europe's decarbonization ambitions while also increasing French and European sovereignty by reducing dependency on imports. Lithium - a key raw material and

component for Li-ion batteries - was identified as critical by the European Commission in 2020. Its consumption is expected to grow exponentially in the coming years.

### **A responsible project**

Building on its experience and knowledge of local biodiversity, Imerys intends to put forward a responsible project that respects the environment and local communities, in accordance with its code of conduct and international standards. In particular, Imerys commits to developing the project in line with IRMA<sup>1</sup> Standard, which is the benchmark for responsible mining.

In this framework, the Group intends to use underground mining methods in order to minimise the impact on natural habitat. The project design would be developed with the involvement of all local private and public stakeholders in order to devise a responsible industrial project.

As well as reducing the impact on its ecosystem, Imerys would target low CO<sub>2</sub> emissions from its operations, with the aim to produce lithium with less than half of the CO<sub>2</sub> emissions of typical existing hard rock lithium operations in the world<sup>2</sup>. Examples of CO<sub>2</sub> reduction initiatives would include an electric mining fleet, transport by underground pipelines, trains, or the use of the French low-carbon electricity mix.

### **An ambitious industrial project**

According to initial assessments, the project would reach a production target of 34,000 tonnes of lithium hydroxide per year for at least 25 years. It would be one of the European Union's largest lithium mining projects and could, once fully operational, equip the equivalent of 700,000 electric vehicles with lithium-ion batteries.

Imerys is finalising the technical scoping study to explore various operational options and refine geological and industrial aspects relating to the lithium extraction and processing method, which must meet demanding technical, environmental, and economic criteria. Imerys is also evaluating the possibility of recovering valuable co-products (felspar, tantalum, tin).

Based on the most advanced technology, the project is estimated to involve a construction capex of approximately €1bn<sup>3</sup>. The cash cost of the lithium produced at Beauvoir is estimated to be ca. €7-9/kg<sup>4</sup>. The estimated cost would be competitive, especially in the European market, and would secure an attractive return for the project in line with the Group's long-term value creation goals.

Once the laboratory and industrial pilot phases have been completed, production and commercialization are expected to begin within the next five years. It is anticipated that 1,000 direct

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<sup>1</sup> Initiative for Responsible Mining Assurance (<https://responsiblemining.net/>)

<sup>2</sup> From 15-18 tCO<sub>2</sub> / tLCE for the typical existing hard-rock operations to less than 8 tCO<sub>2</sub> / tLCE for the project

<sup>3</sup> Preliminary assessment which will be refined as the scoping study evolves.

<sup>4</sup> Preliminary assessment including by-products credits, excluding CO<sub>2</sub> cost

and indirect jobs and an international centre of excellence for lithium extraction from hard rocks would be created in the Auvergne Rhône-Alpes region.

A dedicated structure and financing will be put in place in due time to support a rapid realisation of the EMILI project.

### **A perfect strategic fit for Imerys of tomorrow**

The project aims at strengthening Imerys' leadership and expertise in Li-ion battery components and complete its product offering, which includes carbon black and synthetic graphite at its production sites in Willebroek (Belgium) and Bodio (Switzerland).

Imerys' Emili lithium project is a crucial milestone in the Group's strategic shift towards developing its portfolio of specialty minerals businesses focusing on sustainable energy.

**Imerys will hold a live webcast today at 04:00 pm (CET) accessible from [www.imerys.com](http://www.imerys.com). More details on the Group's strategy will be provided during its Capital Markets Day on 7 November 2022.**

**For more information, visit the website dedicated to the Beauvoir lithium extraction project [here](#).**

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## About Imerys

*The world leader in mineral-based specialty solutions for industry, with €4.4 billion revenue and 17,000 employees in 2021, Imerys delivers high value-added, functional solutions to diversified set of industrial sectors, from processing industries to consumer goods. The Group draws on its knowledge of applications, technological expertise, and its material science know-how to deliver solutions based on the beneficiation of its mineral resources, synthetic minerals, and formulations. These contribute essential properties to customers' products and performance, including refractoriness, hardness, conductivity, opacity, durability, purity, lightness, filtration, absorption, and repellency. Imerys is determined to develop responsibly, in particular by fostering the emergence of environmentally-friendly products and processes. [www.imerys.com](http://www.imerys.com)*

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