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PRESS RELEASE

BASF and Eramet partner to assess the development of a nickel-cobalt refining complex to supply growing electric vehicle market

Ludwigshafen, Germany and Paris, France – BASF and Eramet have signed an agreement to jointly assess the development of a state-of-the-art nickel and cobalt hydrometallurgical refining complex. Such a development would include a High-Pressure Acid Leaching (HPAL) plant and a Base Metal Refinery (BMR). The HPAL would be located in Weda Bay, Indonesia, while the location of the BMR will be determined during the feasibility study.

The HPAL plant will process locally secured mining ore from the Weda Bay deposit to produce a nickel and cobalt intermediate. Since the acquisition of Weda Bay in 2006, Eramet carried out extensive geological work and confirmed the potential of this world-class deposit whose mining operations started at the end of 2019. The BMR will supply nickel and cobalt to produce precursor cathode active materials (PCAM) and then cathode active materials (CAM) for lithium-ion batteries in electric vehicles.

Securing access to raw materials, especially nickel, is a critical component to support the strong growth in the global electric vehicle value chain. The share of high nickel CAM is rising to meet the demand for higher energy density batteries and reduce overall battery costs, and Weda Bay's resources rank among the most competitive globally for addressing this demand. The planned development will provide BASF access to an additional secure source of 42,000 metric tons of nickel and 5,000 metric tons of cobalt annually from mines operating according to internationally recognized sustainability standards.

The project targets a start-up of the HPAL and BMR facilities in the mid-2020s and will commence in the first phase feasibility study with limited funding.

“With Eramet, we have a responsible and experienced partner to supply raw materials for our battery materials production,” said Dr. Peter Schuhmacher, President, Catalysts division at BASF. “As a global supplier, BASF offers a full solution from metals to innovative CAM products in support of our battery materials customers around the world.”

Christel Bories, Chairman and CEO of Eramet commented: “With high potential deposits and strong metallurgy know-how, Eramet is well positioned to supply critical metals for energy transition. A key pillar of our strategy is to grow in this area. Partnering with BASF is a unique opportunity in line with our ambition to provide a solid and sustainable supply for the batteries industry.”

Calendar

16/02/2021: Publication of 2020 full-year results

26/04/2021: Publication of 2021 first-quarter sales

ABOUT BASF'S CATALYSTS DIVISION

BASF's Catalysts division is the world's leading supplier of environmental and process catalysts. The group offers exceptional expertise in the development of technologies that protect the air we breathe, produce the fuels that power our world, and ensure efficient production of a wide variety of chemicals, plastics and other products, including advanced battery materials. By leveraging our industry-leading R&D platforms, passion for innovation and deep knowledge of precious and base metals, BASF's Catalysts division develops unique, proprietary solutions that drive customer success. Further information on BASF's Catalysts division is available on the Internet at www.catalysts.basf.com.

ABOUT BASF

At BASF, we create chemistry for a sustainable future. We combine economic success with environmental protection and social responsibility. More than 117,000 employees in the BASF Group work on contributing to the success of our customers in nearly all sectors and almost every country in the world. Our portfolio is organized into six segments: Chemicals, Materials, Industrial Solutions, Surface Technologies, Nutrition & Care and Agricultural Solutions. BASF generated sales of €59 billion in 2019. BASF shares are traded on the stock exchange in Frankfurt (BAS) and as American Depositary Receipts (BASFY) in the U.S. Further information at www.basf.com.

ABOUT ERAMET

Eramet, a global mining and metallurgical group, is a key player in the extraction and valorisation of metals (manganese, nickel, mineral sands) and the elaboration and transformation of alloys with a high added value (high-speed steels, high-performance steels, superalloys, aluminium and titanium alloys). The Group supports the energy transition by developing activities with high growth potential. These include lithium extraction and refining, and recycling. Eramet positions itself as the privileged partner of its customers in sectors that include carbon and stainless steel, aerospace, pigments, energy, and new battery generations. Building on its operating excellence, the quality of its investments and the expertise of its employees, the Group leverages an industrial, managerial and societal model that is virtuous and value-accretive. As a contributive corporate citizen, Eramet strives for a sustainable and responsible industry. Eramet employs around 13,000 people in 20 countries with sales of approximately €4 billion in 2019. For further information, go to www.eramet.com

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