

High purity lithium carbonate

Targeting fast growing lithium-ion battery markets and other advanced applications



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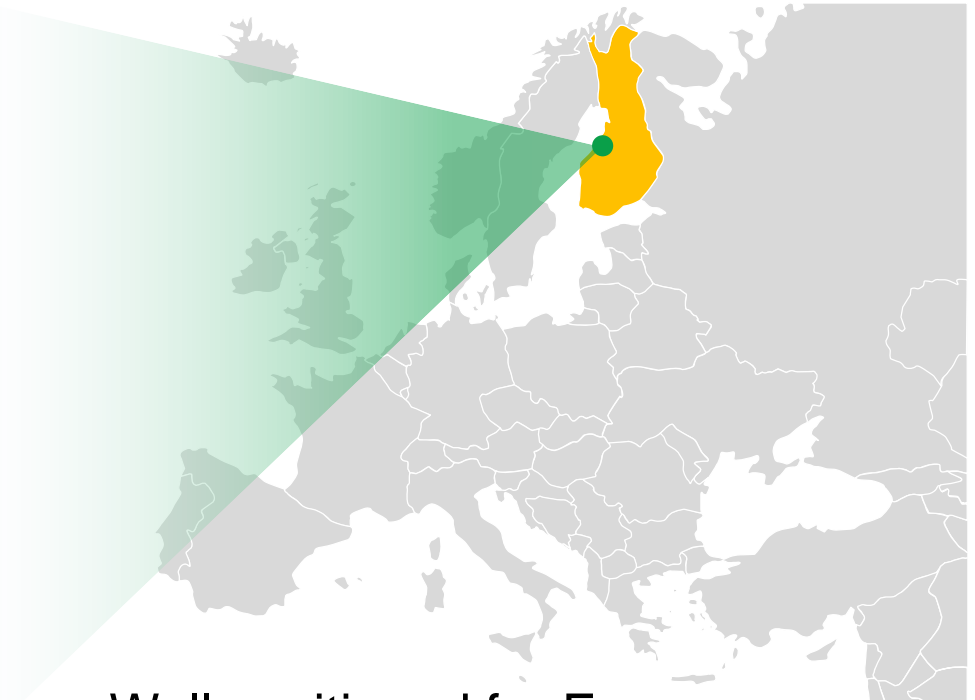
Ideal geographical location

Mining friendly jurisdiction and strong infrastructure

Keliber production plant and key transport hubs



- ★ Port of Kokkola
- ★ Railway station
- ★ Airport
- ★ Production plant



- Well positioned for European markets
- Strong, existing infrastructure
- Valid permits, claims and reservations

Reserves

Sufficient for production of 9,000 tons of lithium carbonate per annum for +11 years

Latest estimate of mineral resources and ore reserves (million metric tonnes)

Mt	Länttä	Syväjärvi	Outovesi	Rapasaari	(Leviäkangas)	(Emmes)	Total
Resources:							
Measured	0.437	-	-	-	-	-	0.437
Indicated	0.910	1.530	0.283	1.811	0.190	0.820	5.544
Sub-total	1.347	1.530	0.283	1.811	0.190	0.820	5.981
Inferred	-	0.190	-	0.160	0.210	-	0.560
Total	1.347	1.720	0.283	1.971	0.400	0.820	6.541
<i>Ore grade (Li₂O %)</i>	<i>1.06</i>	<i>1.35</i>	<i>1.40</i>	<i>1.25</i>	<i>1.13</i>	<i>1.40</i>	<i>1.26</i>
Reserves:							
Proven	0.470	-	-	-	-	-	0.470
Probable	0.540	1.480	0.250	1.780	0.187	0.715	4.952
Total	1.010	1.480	0.250	1.780	0.187	0.715	5.422
<i>Ore grade (Li₂O %)</i>	<i>0.94</i>	<i>1.19</i>	<i>1.20</i>	<i>1.09</i>	<i>0.99</i>	<i>1.06</i>	<i>1.09</i>

Ore Reserves are included in the Mineral Resources

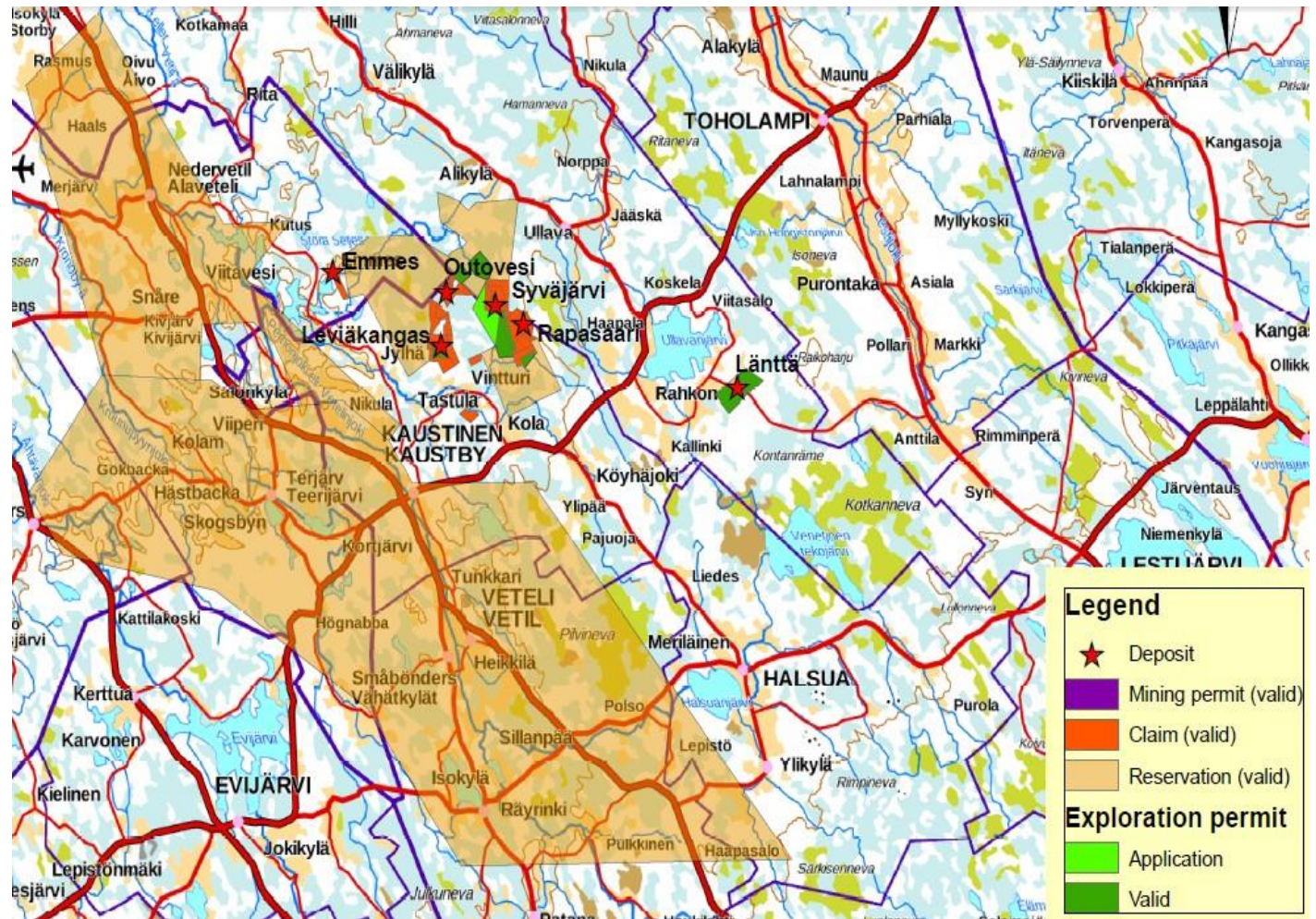
Estimates prepared by Competent Persons in accordance with 2012 JORC code

Excellent exploration potential

One of the most significant lithium-bearing areas in Europe

Overview of concession areas

- The lithium-rich province of Central Ostrobothnia covers over 500 sq. km
- A number of unexplored areas and excellent potential for further discoveries
- More than 1400 erratic boulders in the area

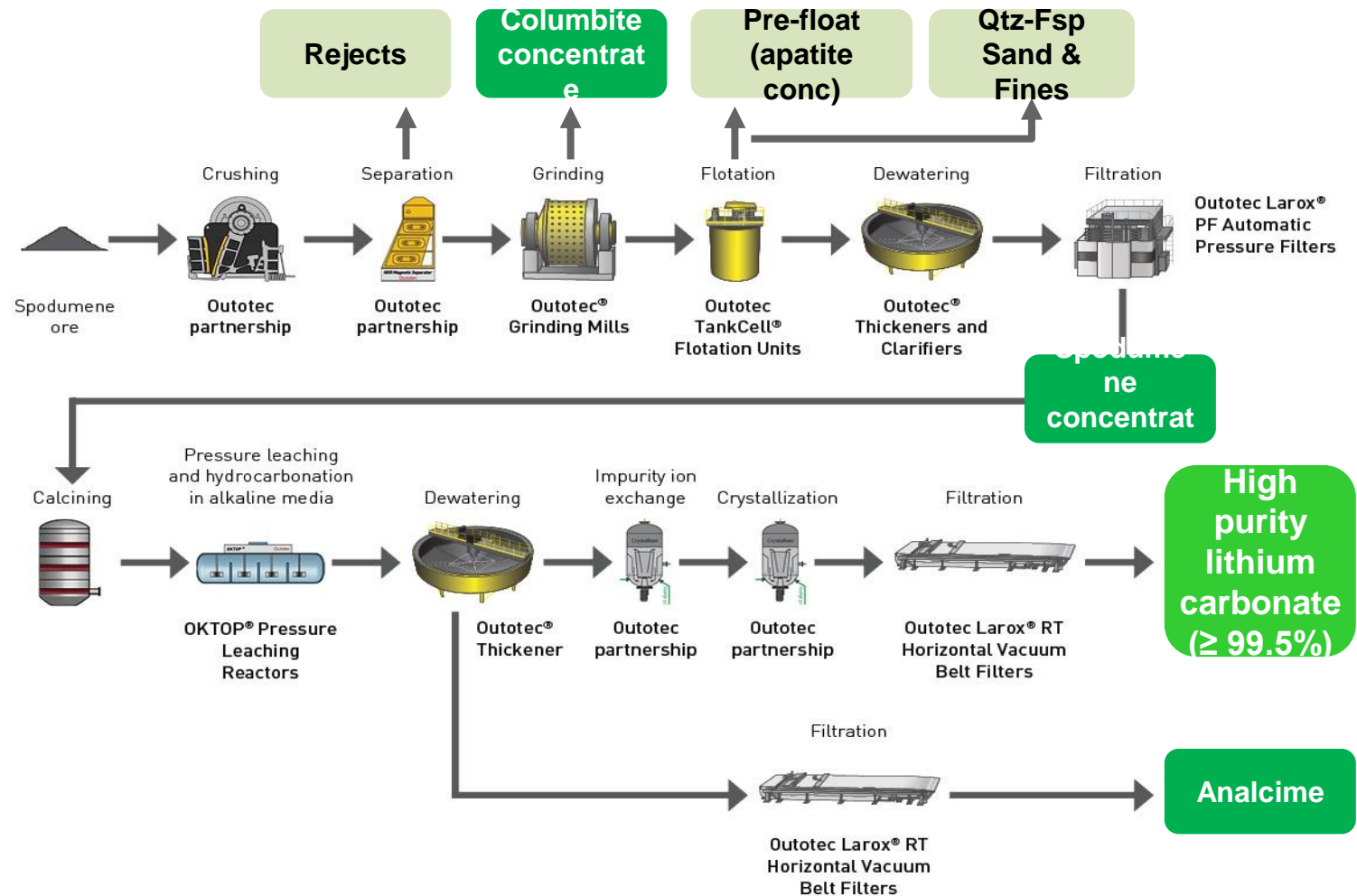


Innovative Process

Efficient and environmentally sound production of high purity lithium carbonate

Customized process developed together with Outotec

- Optical sorting
- Valuable by-products
- Concentrate grade optimization
- Environment-friendly soda leaching
- Tailings with no heavy metals nor acid generating minerals



Strong commitment to environmental responsibility

Valid environmental permits and ongoing EIA processes

Key environmental aspects

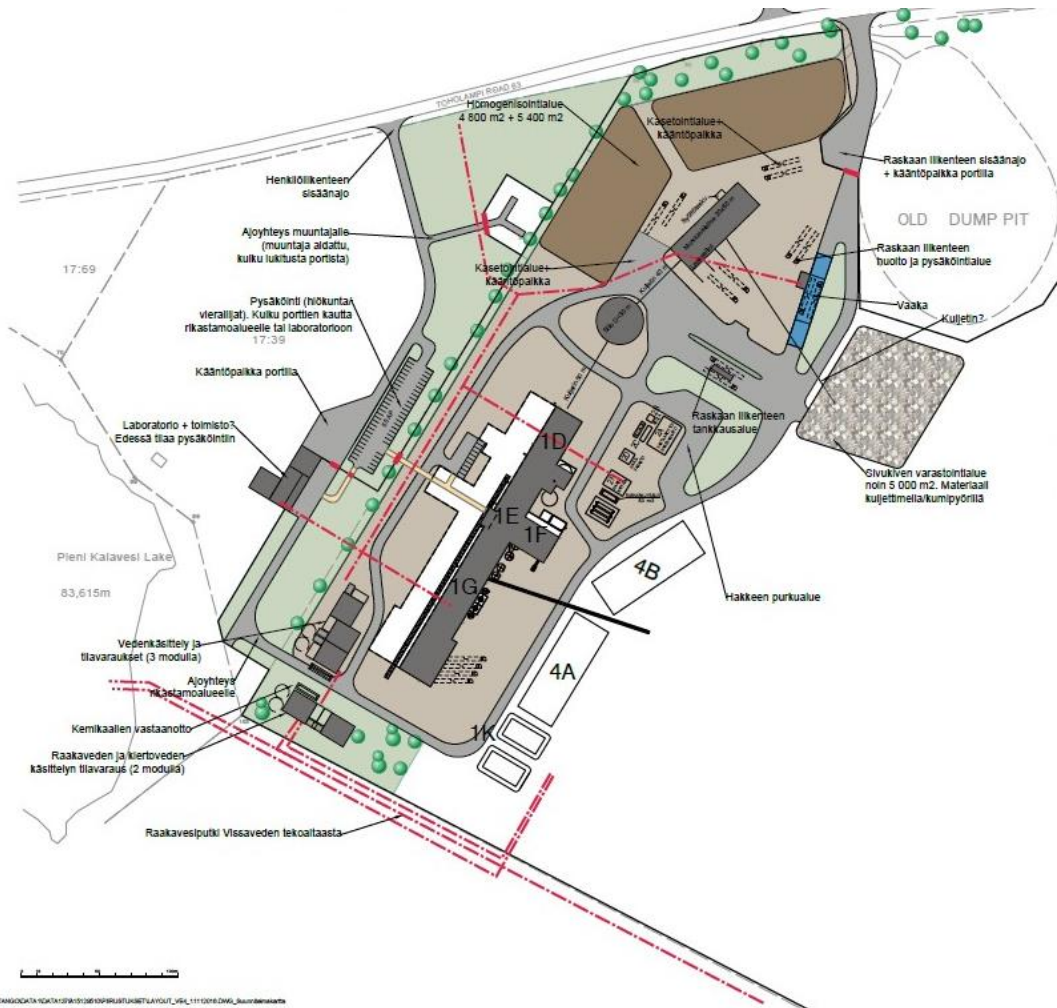
- Operations in a sparsely populated area
- Efficient use of natural resources
- Minimizing damage to the environment
- Valid environmental permit for Lanttä deposit and Kalavesi production plant
- EIA process ongoing for five deposits
- Pre-negotiation procedure granted by authorities enabling smooth and quick environmental permitting process
- Protection of Moor Frogs and Golden Eagle



Mines and production plant

Easy access between sites

Overview of mines and production site



- Short distances between sites
- Production site has good existing infrastructure (water, sewage, power and electricity)
- No restrictions on layout planning

Clearly profitable project

Pre-feasibility study conducted by Sweco Industry Oy

Key figures of pre-feasibility study and latest management case

	Pre-feasibility study Li ₂ CO ₃ production (9,000 t/a)	Latest management case Li ₂ CO ₃ production (9,000 t/a)
Ore reserves (Mt)	4.5	5.4
Plant capacity ore (t/a)	400,000	438,000
Operative time (years)	11.2	12.4
Basic investment (€m)	164	173
Total CAPEX (€m)	225	235
Total OPEX over the operative time (€m)	381	449
Sales over the operative time (€m)	800	1,090
Payback time from start-up	Approx. 4 years	4-5 years
Average lithium carbonate price 2018-2031	7,927	10,910
Net present value, @ 8% (€m)	97	148
Internal rate of return	21%	25%

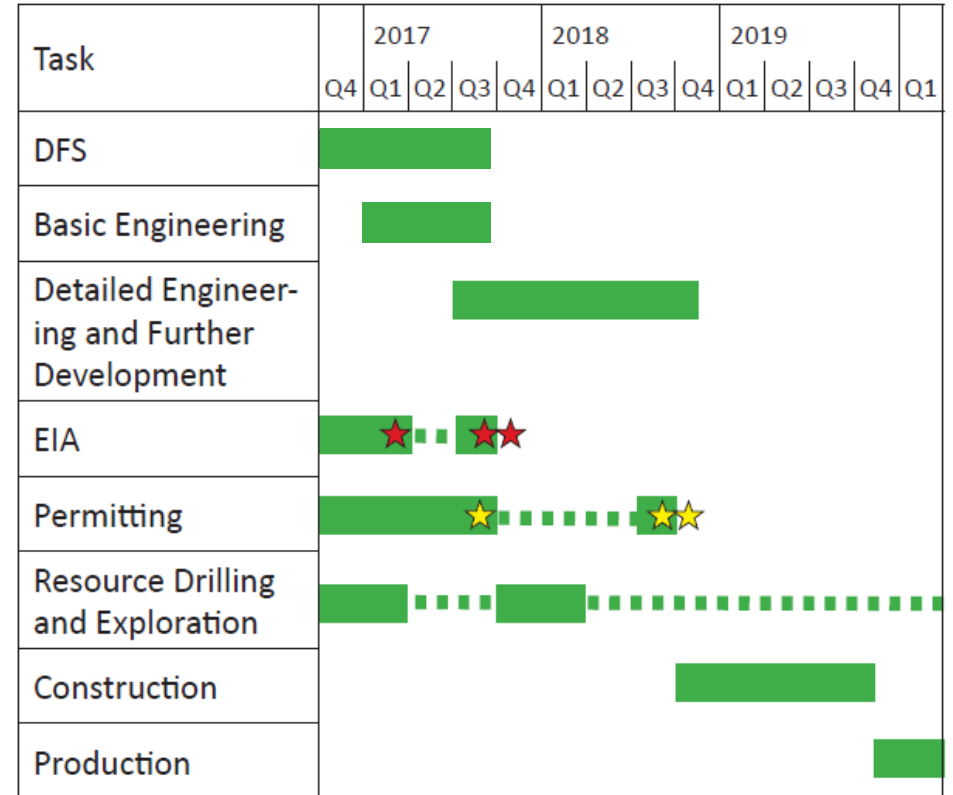
- Management case updates: lithium price, ore reserves, recoveries and by-products
- No immediate threats to the profitability based on sensitivity analysis
- 120–130 new jobs created

Project timeline

Continuing to definitive feasibility study and preparation for production

Tentative timeline for the next stages (2016-2020)

- Definitive feasibility study is on-going
- Basic engineering is on-going
- EIA and permit processes are on-going
- Further drilling and exploration 2017–2018
- Construction to be completed in 2019



Production estimated to start late 2019

- Filing the EIA to the authorities ★
- Statement from authorities ★★
- Filing the permit applications to the authorities ★
- Decision from authorities ★★

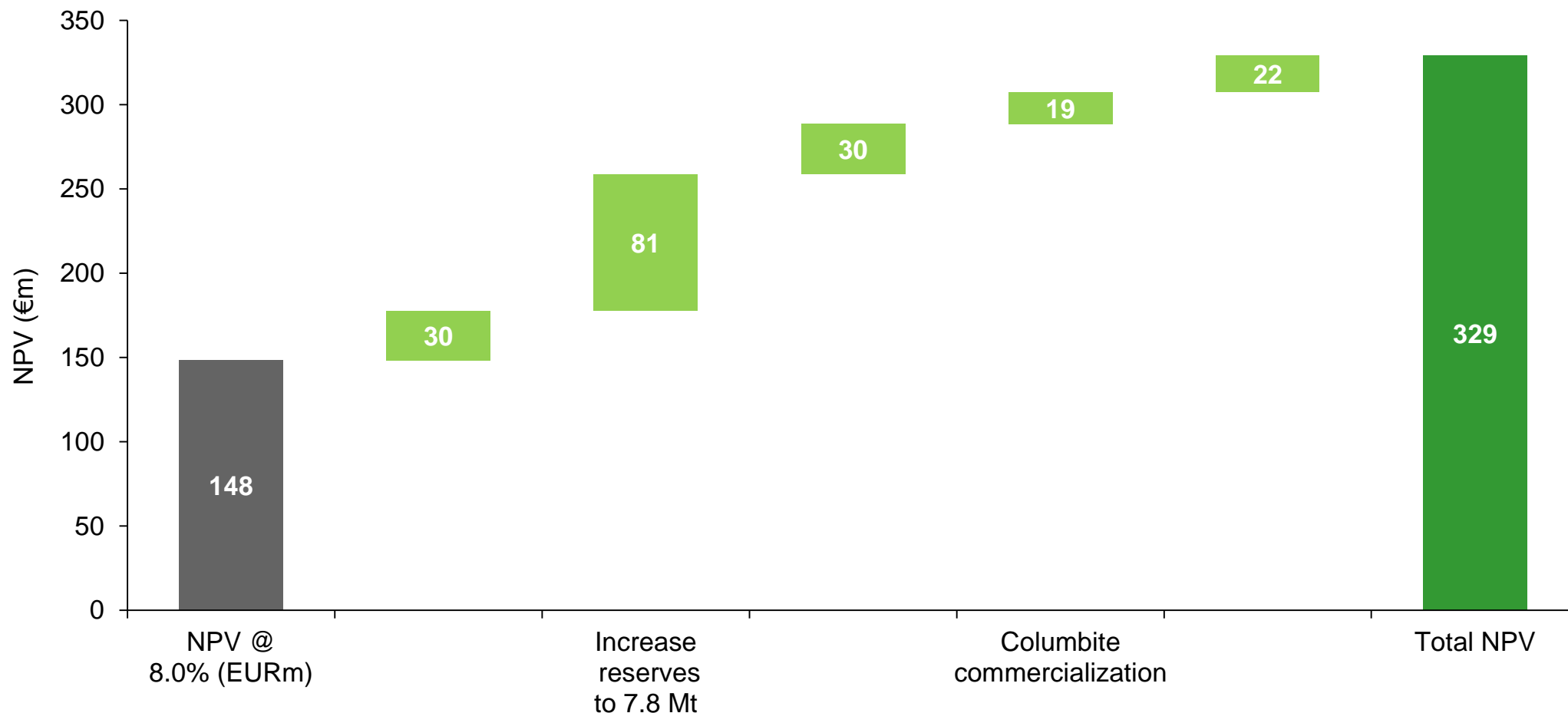


High purity lithium carbonate

Significant upside potential

Further process efficiency, exploration and commercialization of by-products

Management estimate of the upside potential of value creation initiatives



Summary

Lithium carbonate production with high value creation potential

1 Production of high purity lithium carbonate

- 9,000 tonnes of lithium carbonate per annum for +11 years
- Attractive market driven by EV industry

2 Innovative process developed with Outotec

- Efficient and environmentally sound production
- Recovery of valuable by-products

3 Ideal geographical location

- Mining friendly jurisdiction and strong infrastructure
- Well positioned for attractive European markets

4 Profitable project with significant upside potential

- Latest management case estimates NPV of €148 million
- Significant upside potential from value creation initiatives

World around

IM's latest market assessments put annual deals for 2017 on lithium carbonate (min. 99-99.5% Li_2CO_3 , large contracts, del. US) within a range of \$10-16/kg.



Lithium contract prices for 2017 double 2016 levels

By MYLES MCCORMICK
Published: Friday, 16 December 2016

Annual contract agreements for the upcoming calendar year have now largely been settled, with prices up sharply from what was paid on material delivered during the current year.

