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MEDIA RELEASE

Eurasian Resources Group plans battery material plant

ERG is considering the construction of a lithium-ion battery precursor plant, to be exclusively supplied with cobalt hydroxide from its Metalkol RTR facility in the DRC

Vertical integration of ERG's cobalt business aims to strengthen its position as a strategic supplier of traceable battery materials for the electric vehicle industry

Eurasian Resources Group (“ERG” or the “Group”), a leading diversified natural resources group, today announced it is assessing the construction of a battery material plant to produce nickel-cobalt-manganese (NCM) precursor materials for electric vehicles (EVs).

The Group is evaluating technical solutions offered by renowned engineering firms BGRIMM Technology Group from China and Outotec from Finland, which will allow for the production of both NCM 6:2:2 and NCM 8:1:1 precursors depending on market conditions. The Group is planning to develop the plant in two phases. The first phase is expected to produce 90,000 tonnes of NCM annually following a two-year construction period. The expansion will be defined depending on market conditions.

Benedikt Sobotka, CEO of Eurasian Resources Group, said: “Our vision for a green economy is at the core of our continued commitment to supply the most critical materials for the global battery sector and we are leading industry efforts to ensure the sustainable, traceable cobalt sourcing in supply chains across Europe, North America, South Korea and Japan. Together with our partners we are currently considering multiple locations for the development of the precursor plant.”

The precursor plant will be exclusively supplied with cobalt hydroxide from ERG’s Metalkol RTR in the Democratic Republic of the Congo, whose operations are in accordance with recognised responsible and sustainable practices as set out in the ERG [Clean Cobalt Framework](#). Metalkol RTR is a historic tailings reclamation and environmental restoration facility producing high quality copper cathode and cobalt in hydroxide. It is positioned to become one of the largest producers of cobalt globally upon completion of its Phase II expansion.

For the precursor plant the Group plans to source nickel sulphate from third parties or produce it itself using nickel raw materials Mixed Hydroxide Precipitate (MHP) or Mixed Sulphide Precipitate (MSP).

“Our aim is to continue to responsibly service a burgeoning battery sector which is set to grow by nineteen times by 2030, according to a recent landmark report by the Global Battery Alliance, a public-private collaboration platform of about 70 international organizations, where ERG is a founding member,” *added Mr Sobotka.*

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About Eurasian Resources Group:

Eurasian Resources Group (ERG) is a leading diversified natural resources group with integrated mining, processing, energy, logistics, and marketing operations. The Group operates in 15 countries and is a major employer in the industry. In 2019, Eurasian Resources Group celebrated its five-year anniversary and the Group also marked 25 years of its business in Kazakhstan.

ERG is the world's largest high-carbon ferrochrome producer by chrome content and one of the largest producers of alumina and iron ore products in Eurasia. It is the only producer of high-grade aluminium in Kazakhstan. The Group is also among the principal copper and cobalt producers.

ERG represents one third of the metals and mining industry in the Republic of Kazakhstan. It is also a key power supplier and a large railway operator in Central Asia. ERG manages production entities in Kazakhstan that are among the nation's foremost enterprises, including Kazchrome, SSGPO, Kazakhstan Aluminium Smelter (KAS), Aluminium of Kazakhstan, Eurasian Energy Corporation, Shubarkol Komir, Transportation Group TransCom, 3-Energoortalyk and ERGService.

In Africa ERG mines and processes copper and cobalt ore and has also recently launched the Metalkol Roan Tailings Reclamation (RTR) project, a major tailings reprocessing operation in the Democratic Republic of the Congo.

The Group has further development projects in thermal coal, manganese, platinum, bauxite and fluorspar in South Africa, Zimbabwe, Mali and Mozambique. ERG controls its own supply chain on the continent through its company Sabot, a North-South Corridor logistics specialist.

In the State of Bahia in Brazil, ERG is pioneering an integrated mining and logistics project comprising the Pedra de Ferro iron ore mine, the Porto Sul deep-water port and the associated new FIOL broad-gauge railway.

ERG is a founding member of the Global Battery Alliance launched on the platform of the World Economic Forum and dedicated to ensuring that there is an ethical and sustainable global supply chain for the lithium-ion batteries that help power the Fourth Industrial Revolution and a low carbon economy, through electric vehicles, renewable energy technologies and smartphones.