

EuroBattery Minerals AB

Hautalampi Nickel-Cobalt-Copper Mine Acquisition

*Transformational Deal Positions BAT as a
Near-Term Producer of Battery Metals*

11 May 2020



Summary

- Acquisition of the Hautalampi nickel (Ni), cobalt (Co) & copper (Cu) mining development project in Finland, a Tier 1 mining jurisdiction
 - Acquisition adds low risk, near term production capacity to the BAT portfolio
 - Finland ranked 2nd in the 2019 Fraser Institute Investment Attractiveness Index*
- 100% owner of the Project, Vulcan Hautalampi Oy (FinnCobalt), to be acquired for a total of €6.05M in staged payments, consisting of:
 - €1.35M in cash
 - €4.70M in BAT shares
 - With each payment stage triggered upon value accretive project milestones
- Exceptional location in the world famous Outokumpu Mining camp area, adjacent to the previous copper operations at Keretti and Vuonos. *(28.5Mt @ 3.8% Cu was mined from Keretti during 1912-1989).*
- Drilling, operational studies & underground mine development already completed on the project (€10-15M), allowing fast-track of feasibility study and near-term production
- Ideally positioned for the burgeoning EV battery manufacturing market in northern Europe
- Aiming to supply traceable & responsible nickel and cobalt chemicals for the EV battery industry

* The Investment Attractiveness Index takes both mineral and policy perception into consideration; Finland ranked 17th in 2018
<https://www.fraserinstitute.org/sites/default/files/annual-survey-of-mining-companies-2019.pdf>

Transformational Deal

- Hautalampi Project to be acquired for €6.05M. Payments are staged with BAT ownership increasing as project is advanced to production
- Acquisition positions BAT closer to being a producer of battery metals
- Project can be rapidly advanced to production given the development work already completed and excellent location advantages
- The transition from explorer to developer moves the Company towards higher valuations based on forecasted cashflow
- Deal terms as follows:

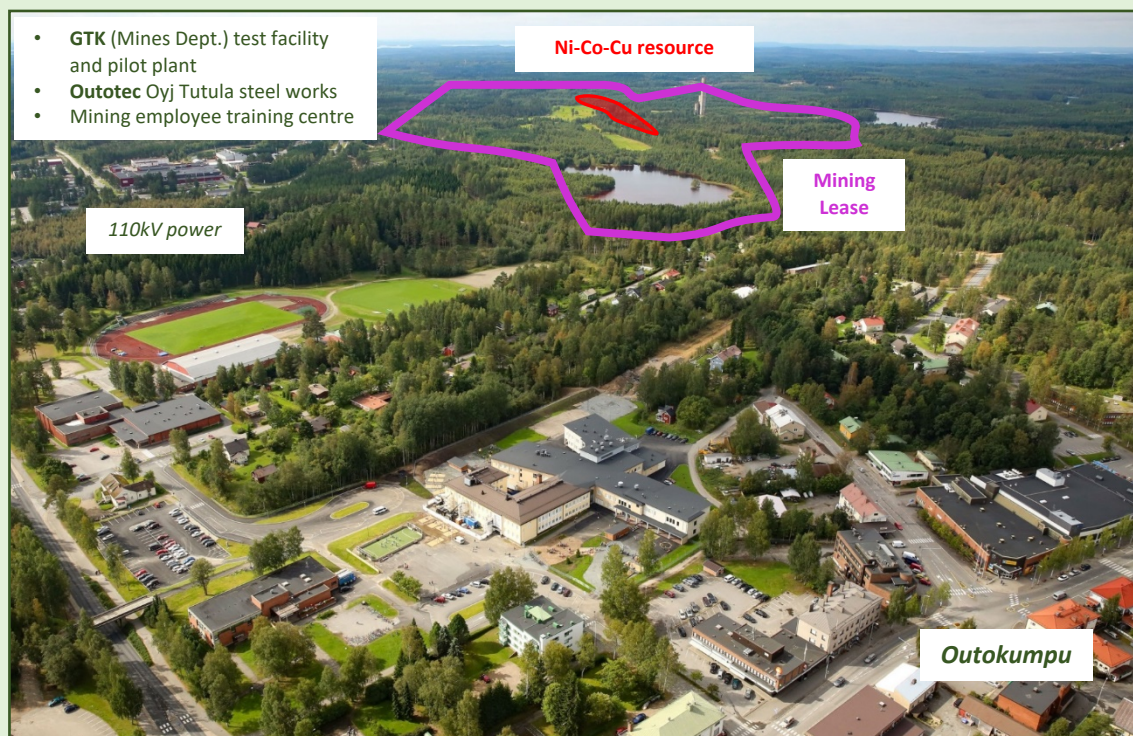
Stage	Time	Cash	Share Value	Min. Project Expenditure	Total % Earned
At Signing	At signing	€ 50,000	€ 200,000	-	-
Stage 1	2 yrs from signing	€ 250,000	€ 1,000,000	€ 2,000,000	40%
Stage 2	3 yrs from signing	€ 250,000	€ 1,000,000	€ 500,000	70%
Stage 3	4 yrs from signing	€ 300,000	€ 1,000,000	-	100%
Commercial production	Commercial production	€ 500,000	€ 1,500,000	-	100%
TOTAL:		€ 1,350,000	€ 4,700,000		

BAT has the right to purchase Sellers' 1.0% NSR for €1.5m

- The Company intends to progress the Project more rapidly than the deal terms with construction being targeted within 2 years

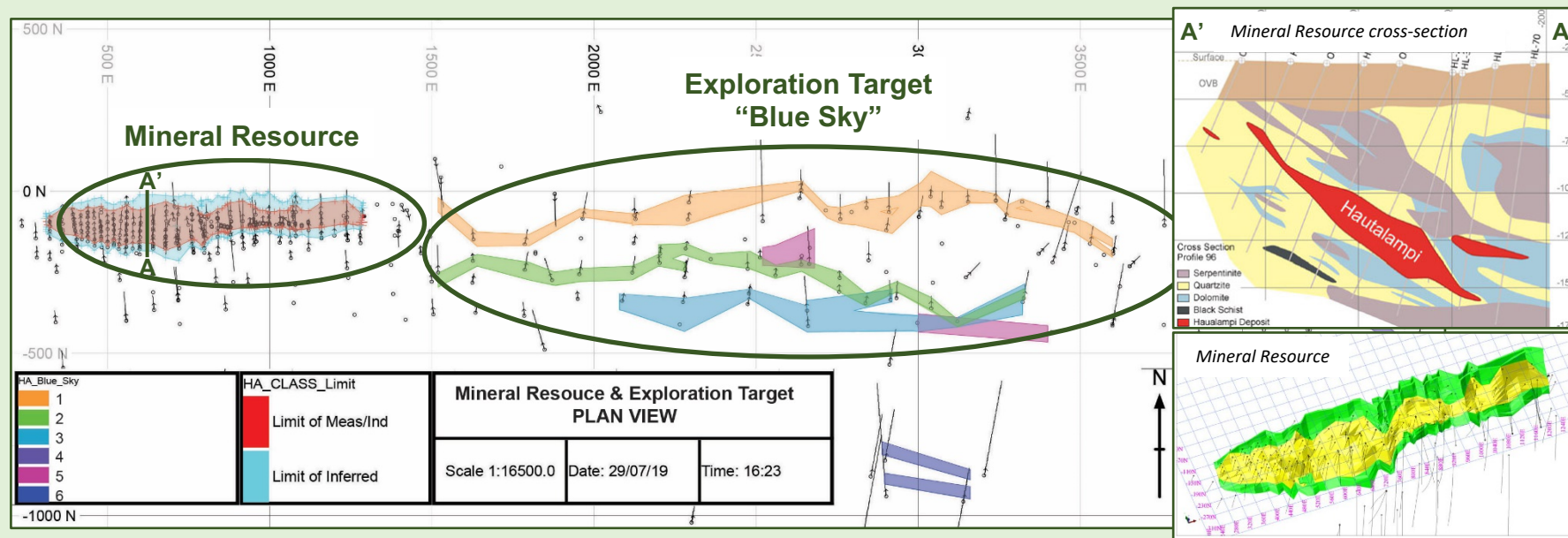
Location & Infrastructure

- Hautalampi Ni-Co-Cu deposit was discovered by step-out exploration in the Outokumpu region
- Mature brownfield area with a long history of mining
- Vulcan Hautalampi Oy, owns 100% of the mining rights and 280 ha of mining lease area (~94% of mining lease area)
- Excellent location for mine development; strong local support for mining; municipality evolved from mining town into industrial centre



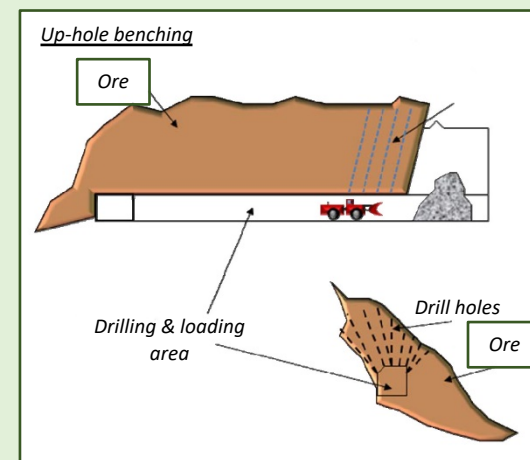
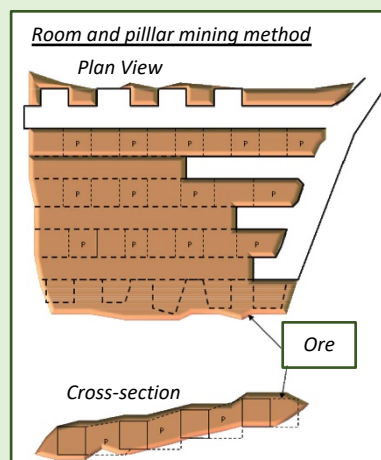
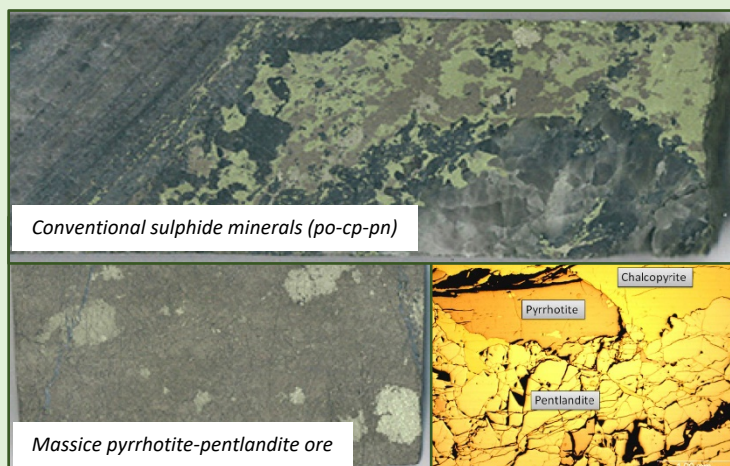
Mineral Resource

- Over 530 drill holes completed on Project area for 80,000m of drilling
- Ore body delineated over 1,000m in strike, up to 150m wide and 30m thick
- NI 43-101 Compliant Mineral Resource Estimate completed in 2009:
 - Measured + Indicated: **2.3Mt @ 0.44% Ni, 0.38% Cu and 0.12% Co**
 - Inferred: **0.9Mt @ 0.43% Ni, 0.36% Cu and 0.11% Co**
 - **Total M+I+I 3.2Mt @ 0.43% Ni, 0.36% Cu and 0.11% Co**
- Exceptional potential for expanding resource in Blue Sky area:
 - Exploration Target (2019): **2.8–4.5Mt @ 0.3–0.4% Ni**



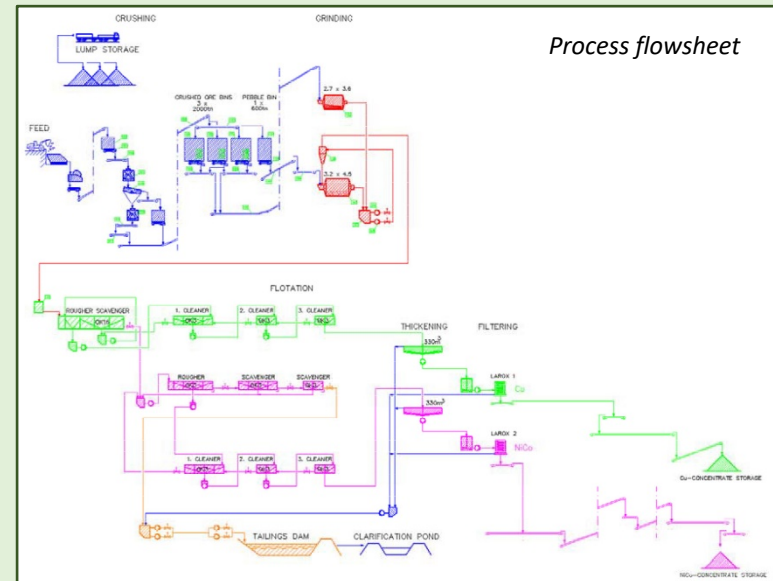
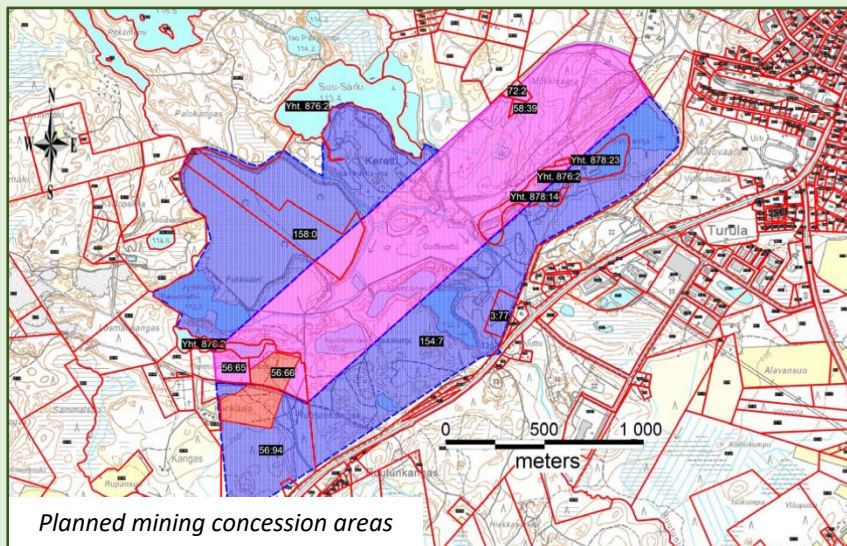
Mining & Processing

- In total, 2.1km of underground development completed, including 850m decline and 1,250m of underground development, reaching the mineralisation front
- Conventional room & pillar and up-hole bench stoping; waste to be disposed of as paste back-fill in underground mine voids
- Extensive metallurgical studies completed including pilot plant studies
- Strong technical aspects to processing with commercial grades of Ni-Co and Cu concentrates being produced:
 - 6% Ni, 1.7% Co concentrate with ~85% Ni and ~75% Co recovery
 - 25% Cu, 5g/t Au, 60g/t Ag with ~85% Cu recovery
- Potential to produce battery grade chemicals (Ni-Co hydroxide or Ni and Co sulphates) by high pressure acid leaching (HPAL) of Ni-Co concentrate



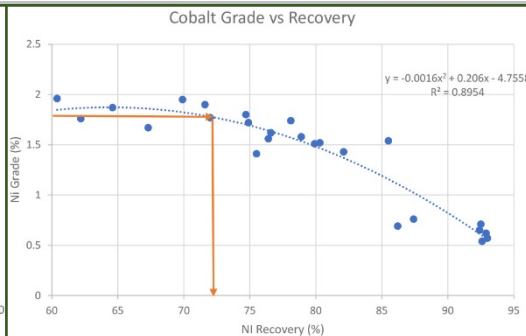
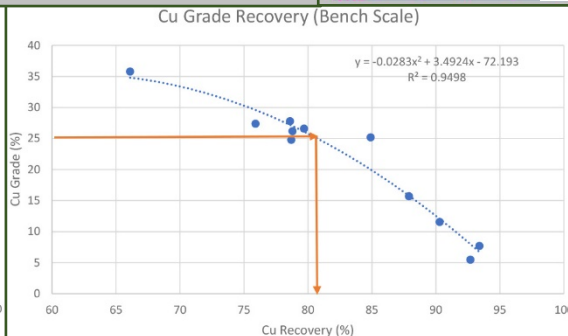
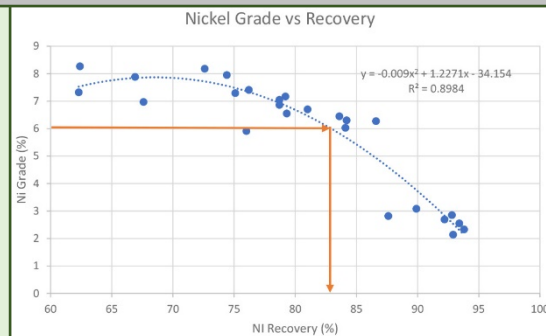
Advanced Permitting Stage

- Environmental and Water discharge permit for the underground mine already granted; permit is valid and in force, allowing mining operations to commence immediately
- Mining Concession Granted in 2013; total area 284 hectares
- Preparation of an environmental permit application for a stand-alone processing plant at the former Keretti mine site has commenced
- Hautalampi Mine opening works are estimated to take about 12 months

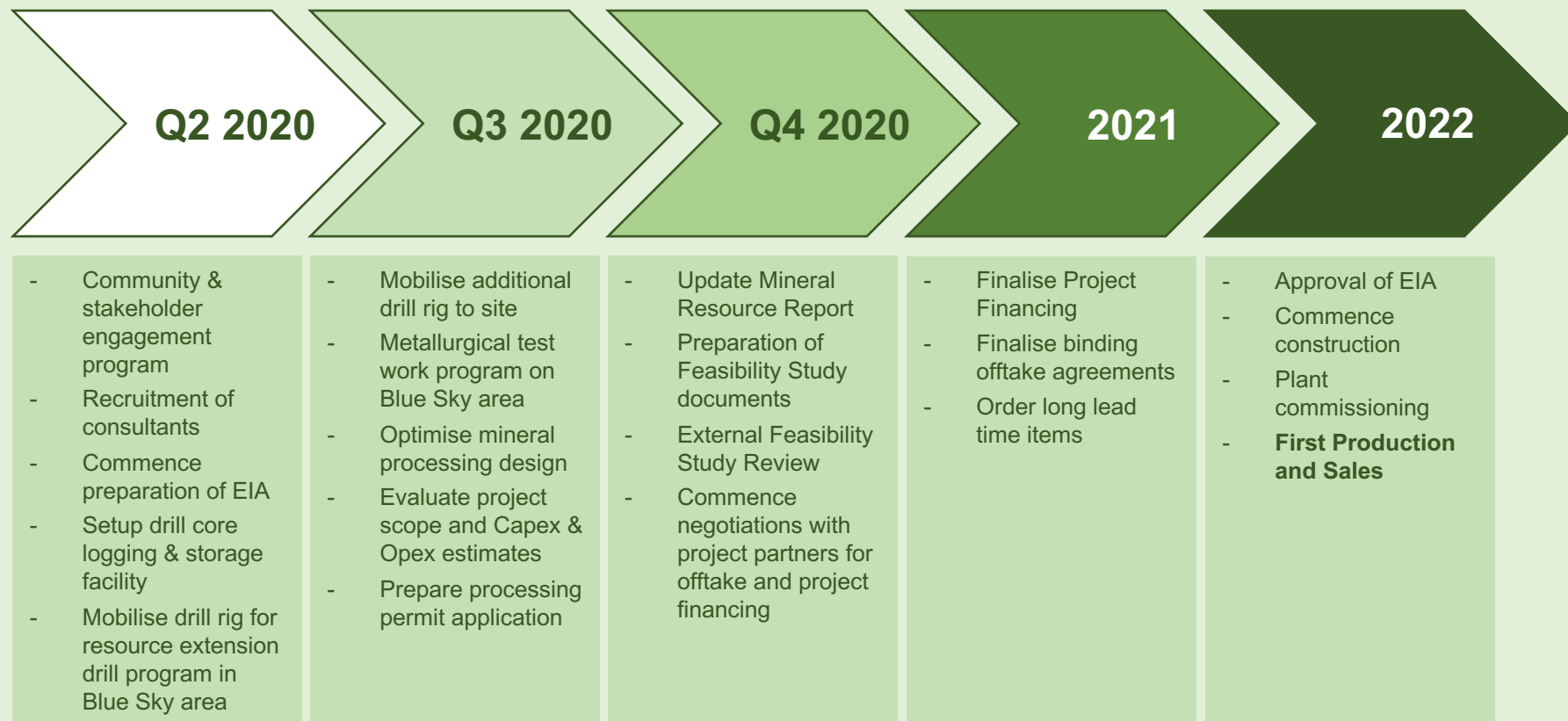


Development Studies

- Extensive development studies completed over last 11 years including unpublished feasibility study in 2009
- Recent mineral processing and metallurgical studies have allowed reassessment of development options not previously contemplated
- BAT to complete 10,000m drilling program to expand mineral inventory
- Parallel studies to be completed looking into options for mining and mineral processing, including scalability and product selection (concentrate or sulphates)
- High grade nickel and cobalt sulphate achieve premium payables vs concentrate

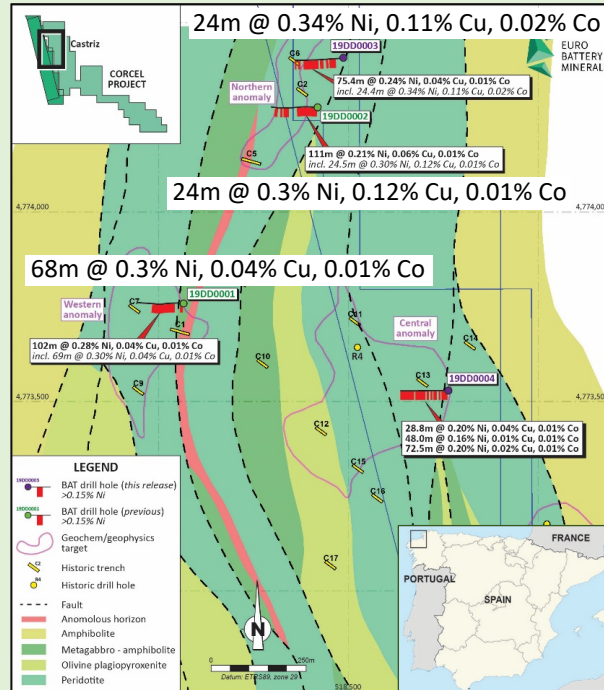
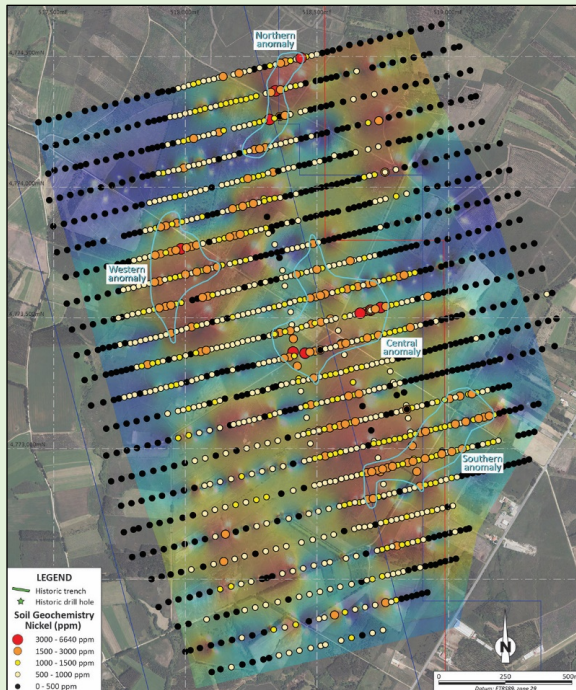


Project Timeline



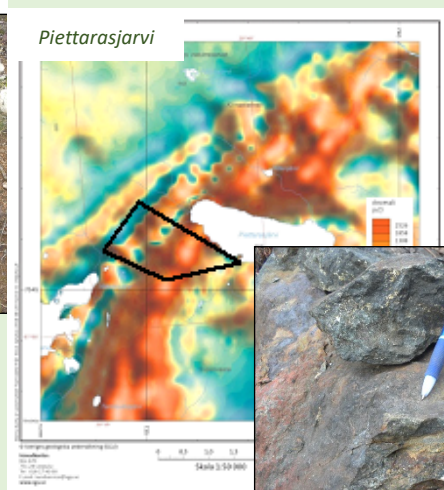
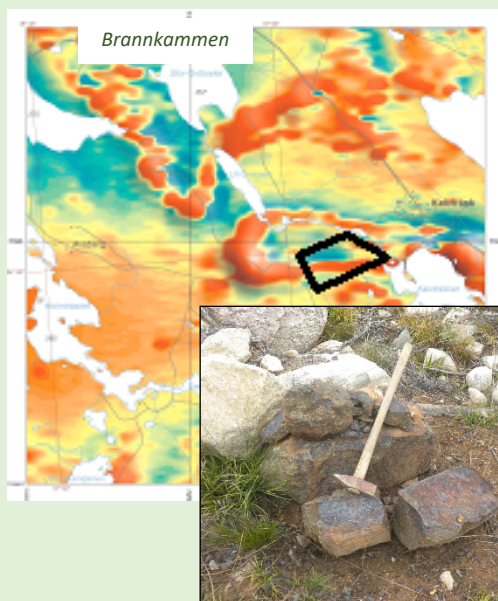
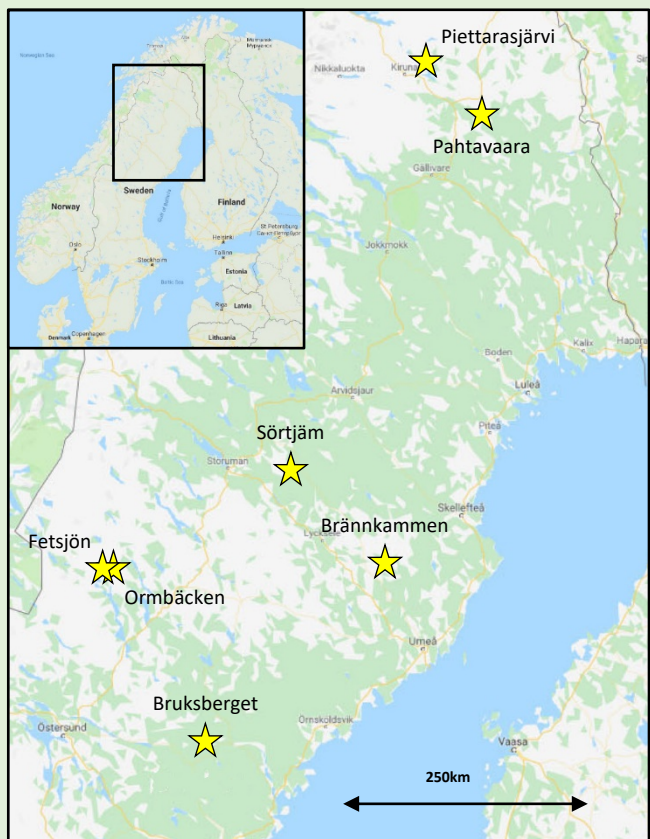
Corcel Project, Spain

- BAT is advancing the Corcel Ni-Co-Cu Project in NW Spain
- In 2019, the Company completed its first exploration work program at the project, including soil geochemistry, geophysics and diamond core drilling
- Elevated levels of Ni, Cu and Co intersected by drilling over 700m x 700m area
- Nickel in sulphide assays confirm the vast majority of nickel is sourced from economic sulphide minerals. Ore characterization and liberation studies commenced



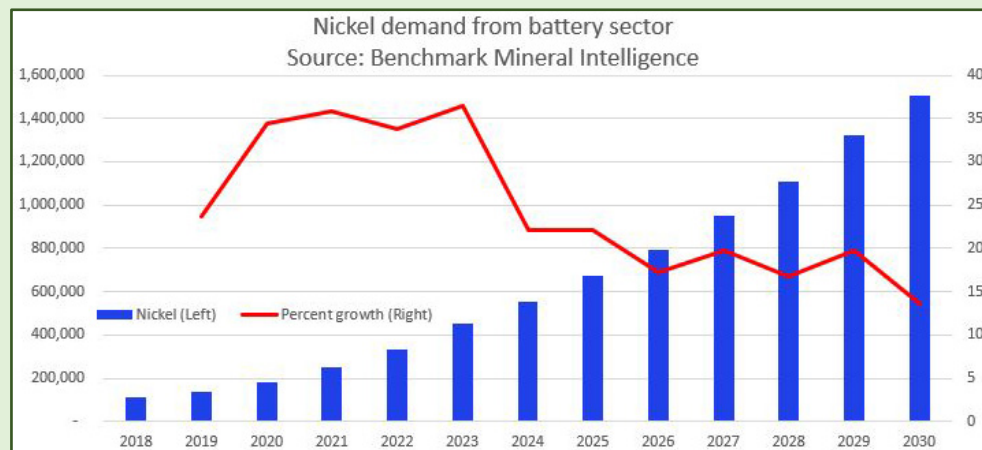
Swedish Projects

- BAT has 7 exploration permits in northern Sweden prospective for rare earth elements, precious metals and base metals
- Reconnaissance rock chip sampling across prospects identified anomalous regions prospective for mineralisation
- Projects currently being ranked for follow-up exploration activities



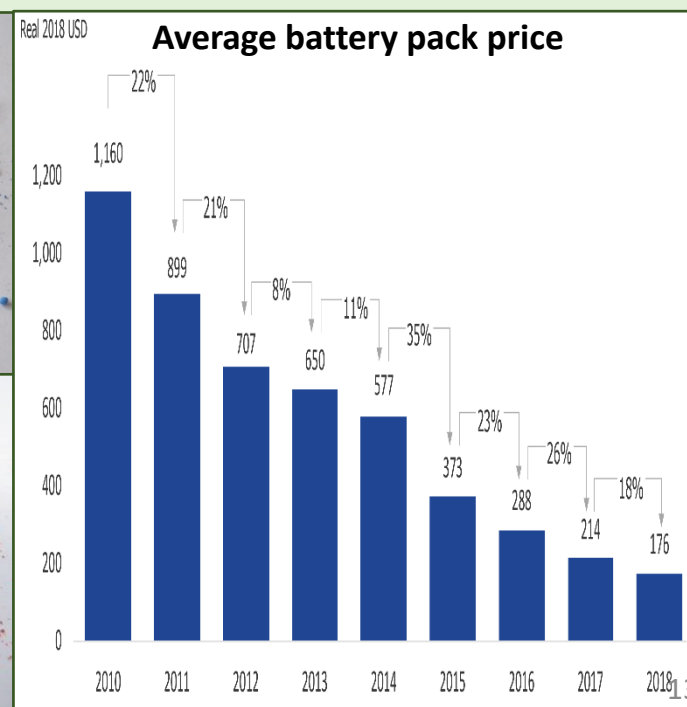
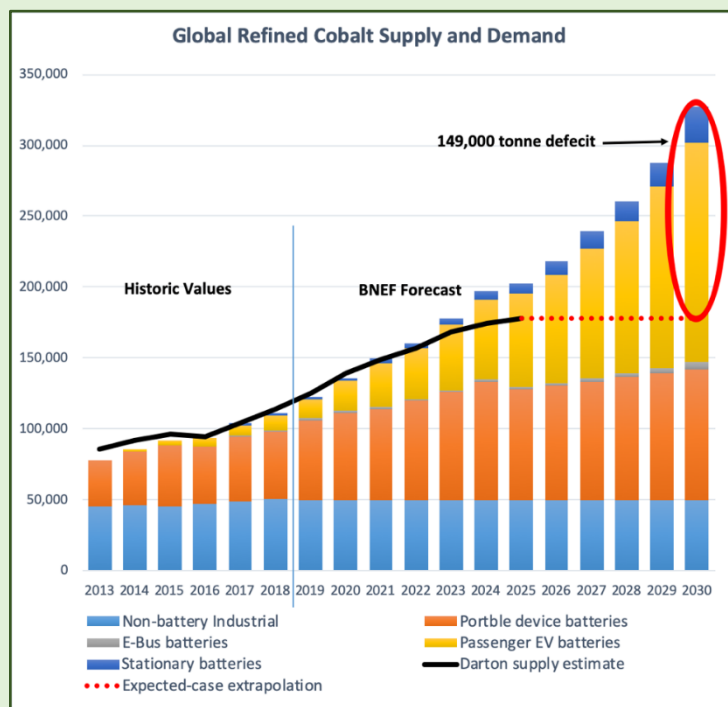
Nickel Market

- Market trending towards NCM 811 batteries which require high quality nickel; NCM 811 will be fastest growing battery by 2025
- Global forecasts for increased production of hybrid and EV
- Large expansion in China with major car component manufacturers taking position in market. Tesla factory opened in Shanghai to produce EVs
- Indonesia ban on export of nickel ore in January 2020 represents ~10% of supply
- Nickel stockpile shrinking on stainless steel demand and EV growth
- Nickel price currently too low to incentivise new mine development to meet demand
- Long-term trends towards increased nickel consumption with global growth



Cobalt Market

- Cobalt is essential safety component of Li-ion batteries stops overheating and provides charging stability – increasing battery lives
- Strong market fundamentals underpinned by EV adoption; Billions being invested
- Securing conflict-free, ethically sourced cobalt will be critical for sustainability
- Cobalt mining concentrated in DRC and refining in China; 80% of refined supply battery-grade cobalt made in China



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