

# Pure Minerals Ltd

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## Pure Minerals soars on MOU with LG Chem for nickel and cobalt offtake from TECH Project

Pure Minerals Ltd (ASX:PM1) has soared 77% after entering a non-binding MOU with LG Chem Ltd for the supply of nickel and cobalt from the TECH Project of its wholly-owned subsidiary Queensland Pacific Metals Pty Ltd (QPM).

LG Chem is the largest Korean diversified chemical company and a major manufacturer of lithium-ion batteries for electric vehicles.

The MOU is in regard to a potential offtake agreement in which LG Chem is seeking to purchase up to 10,000 tonnes of contained nickel and around 1,000 tonnes of contained cobalt in from the TECH Project in Townsville.

### "World-class company"

PM1 chief executive officer Stephen Grocott said: "We are delighted at the opportunity to work with a world-class company such as LG Chem to become a potential customer and partner of the TECH Project."

Shares have been as much as 77% higher to 5.3 cents intra-day, a new high of almost 10 years.

### Larger-scale project

LG Chem's requirement exceeds the plant size in QPM's pre-feasibility study (PFS) which considered a project that would produce around 6,000 tonnes contained nickel (about 26,000 tonnes nickel sulphate) and around 650 tonnes contained cobalt (about 3,000 tonnes cobalt sulphate).

As part of the MOU, the companies have agreed to work together to evaluate the potential to increase the scale of the TECH Project.

Grocott said: "When originally sizing the TECH Project, our aim was to deliver the smallest commercially-sized project that would be economically viable and fundable.

"With LG Chem's involvement, there is now potential to scale up the size of the TECH Project to one which offers even more attractive capital efficiency.

"We will immediately commence work on this.

"Once the plant size is finalised, we will be able to formally commence a bankable feasibility study and project approvals."

### Product samples

To ensure the project produces products that meet the requirements of LG Chem, the parties have agreed to work together.

**Price:** 0.042

**Market Cap:** \$38.74 m

### 1 Year Share Price Graph



### Share Information

**Code:** PM1

**Listing:** ASX

**52 week High Low**  
0.053 0.008

**Sector:** General mining & base metals

**Website:** www.pureminerals.com.au

### Company Synopsis:

*Pure Minerals Ltd (ASX:PM1), through its wholly owned subsidiary Queensland Pacific Metals Pty Ltd (QPM), is focused on developing a modern battery metals refinery in northern Queensland. The refinery, dubbed the Townsville Energy Chemicals Hub or TECH, will process imported, high grade Ni-Co laterite ore from New Caledonia to produce nickel sulphate, cobalt sulphate and other valuable co-products.*

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This includes provision of LG Chem specification requirements and testing by LG Chem of product samples produced in QPM's upcoming pilot plant activities.

### **MOU terms**

As part of the MOU, PM1 and LG Chem have agreed to negotiate in good faith to enter into a binding offtake agreement for the purchase of nickel and cobalt by LG Chem from the TECH Project.

The initial term of the offtake agreement will be for 3 to 5 years.

LG Chem will also give due consideration to assist in financing of the TECH Project by way of a prepayment.

The term of the MOU is for 24 months unless extended by mutual consent.

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