

Expansion of Lithium-ion Battery Recycling in Europe

- **Hannans signed a Memorandum of Agreement (MoA) to complete exclusive due diligence on an opportunity to recycle lithium-ion batteries (LiB) in the United Kingdom (UK) and Ireland after close of trading 24 September 2021.**
- **Hannans requested a halt in trading of its shares prior to market open on 27 September 2021 to explain the MoA to ASX prior to releasing details of the agreement to the market.**
- **ASX consider the MoA likely constitutes a change in the nature and scale of Hannans activities. Under this scenario trading in Hannans shares would have remained suspended for an extended period. Hannans terminated the MoA by mutual agreement on 2 October 2021 to enable the immediate recommencement of trading.**
- **Hannans will now focus on satisfying the conditions precedent to the Nordic LiB recycling transaction announced 9 September 2021 prior to considering rapid growth opportunities in Europe.**

Hannans Ltd (ASX: HNR) signed a memorandum of agreement (MoA) with unrelated private Irish company Greenhouse Investment Group Limited (**Greenhouse**) to complete exclusive due diligence on Greenhouse, the LiB recycling technology (**Technology**) and business development opportunities generated by Greenhouse in the UK and Ireland (the **Territories**).

By way of introduction the growth profile of electric vehicles (**EV**) in the UK is anticipated to follow a similar upwards trajectory to that being experienced in continental Europe. The British government plans to ban the sale of new petrol and diesel cars by 2030, is in talks with six companies to build Giga factories to produce LiBs and will require existing vehicle plants to shift to producing electric models.¹ It is imperative for the environment that scrap and spent² LiBs are recycled, and the valuable metals recovered for reuse³.

The LiB recycling narrative is highly compelling and Hannans was therefore preparing to investigate an opportunity to expand its planned LiB recycling activities beyond the Nordic region into the UK and Ireland.⁴

MoA with Greenhouse

By way of background the MoA signed with Greenhouse (greenhouse-investments.com) after market close on 24 September 2021 provided that, subject to successful completion of due diligence Hannans and Greenhouse would negotiate a formal agreement. There was no certainty that a formal agreement would have been reached with Greenhouse on acceptable terms, and any formal agreement would

¹ reuters.com/world/uk/britain-talks-with-6-firms-about-building-gigafactories-ev-batteries-ft-2021-06-16/

² Also referred to as "end-of-life".

³ Europe does not produce enough metals to meet its massive lithium ion battery growth ambitions.

⁴ Refer ASX releases by Hannans on 9 and 24 September 2021.



ultimately have been subject to Hannans obtaining all necessary regulatory and shareholder approvals for the purposes of complying with the Corporations Act, the ASX Listing Rules and any other applicable law.

Hannans planned to focus its due diligence on Greenhouse and potential business development opportunities generated by Greenhouse in the Territories. Greenhouse signed its non-exclusive Technology license with respect to the Territories in April 2019.⁵ The Technology enables the recovery of high purity metals from scrap and spent LiB using a process that is safe, sustainable, low energy and low CO₂ when compared to incumbent technologies.⁶

ASX considered the MoA likely constituted a change in the nature and scale of Hannans activities in terms of Listing Rule 11.1. Hannans considered it more important for trading in its share to recommence immediately. The MoA was therefore terminated by mutual agreement on 2 October 2021.

This announcement has been authorised for release by the Hannans Board of Directors.

Best regards,



Damian Hicks
Executive Director

⁵ The owner of the Technology is ACN 630 589 507 Pty Ltd, wholly owned subsidiary of Neometals Ltd.

⁶ It is the same Technology Hannans will commercialise in the Nordic region.