Q&A

Rachel Arellano: Okay. Thank you to our presenting team. We've already got hands up. Give me a second. I was just going to say we've got plenty of time that everyone will get a turn to ask at least one question, a follow-up, and then I'd say we circle round again, just to make sure we get everyone covered first. And I do ask, especially for the benefit of our presenters, that you do introduce yourself, please, with name and where you're from. Okay, let's get started. So, Jason in the middle.

Jason Fairclough (Bank of America): It's Jason Fairclough from Bank of America. You're sort of hinting a little bit here at learning curves. So sort of learning curves on CAPEX, learning curves on OPEX. And I'm just wondering to what extent do you think that's a Rio Tinto specific thing versus an industry-wide thing? And I guess with that, do we need to think about flattening cost curves in the long term?

Barbara Fochtman: Yes. So that is an industry standard. I mean, when you start up a facility, you have fixed costs, less volume. And so you do have that. And it – as you ramp up, costs come down.

Jason Fairclough: I'm not talking about one specific facility. I'm saying more generally. More generally, as you build more and more plants, do you think that the overall cost base just keeps coming down as you get better at it?

Barbara Fochtman: I think overall it will all come down, yes, because there are efficiencies that you do gain. What I would also say though, as you have pricing right now, that's putting pressure. So people are very focused on costs. And so that's driving costs down as well. At some point in time that will change and people will be focused on driving volumes. So it's between market as well as what you're doing internally.

I don't know, Ulrich, would you like to add anything else?

Ulric Adom: Yeah. I think, Jason, the clear difference for us, because your question is Rio Tinto specific, doing something specific? I think you have seen what really differentiates us is the scale and the ability to move to leverage our hubs. So definitely, currently spot prices are very low, so everybody is focused on driving down those costs.

But what we can do and what we bring with the scale of Rio Tinto, with the focus that Arcadium had already on technology, and that we are complementing with the own technology that we developed for Rincon, that really cements our ability to drive those costs in a systematic way. And part of the culture also that you're having in this product group, and that extends to the broader Rio Tinto, is also this culture of continuous improvement.

So I think we are quite unique in our ability both to drive volume. And you've seen the ramp profile that we're having, but also to continue in a systematic way to drive those costs down. And it's something that we will not stop.

Barbara Fochtman: And I'd say we've seen benefits very quickly under Rio Tinto, some synergies on inputs.

Rachel Arellano: Alain on this slide?

Alain Gabriel (Morgan Stanley): Thank you. This is Alain Gabriel from Morgan Stanley. The first question is for Ulrich. You talked about the committed project through 2028, but then beyond, you probably need to start sanctioning these projects in the next 12 to 24 months. What are the milestones that you need to see? Is it more price-driven, your decision-making, or is it more technology driven to sanction subsequent projects? And how rigid is the $1 billion to $1.1 billion CAPEX envelope that you talked about?

Ulric Adom: So I think the first priority for us is to see Djaber succeed the 30 by 30 approach, because that's really the template, the blueprint that we want to apply. And so for the moment, the blueprint is being worked on. So I don't have a current blueprint to say those are the projects I'm going to sanction. So that's really the approach for us.

The focus in 2026 is really to drive this blueprint, and then we'll have an understanding of where this applies best. And then based on market condition and what we see, then we will be able to make those decisions. But the focus now is really to develop the blueprint.

Alain Gabriel: And how rigid is the $1 billion to $1.1 billion CAPEX envelope that you talked about?

Ulric Adom: Look, I think we are very focused on capital discipline and operating within the guidance, the overall guidance that was given for the market. And so I think we believe that with this amount of capital, there's certainly room to develop those options, I would say, in a systematic way, but then they would have to compete internally with other options within Rio.

Alain Gabriel: Thank you. And a follow-up that's on the 30 in 30 that Djaber talked about. You talked about standardising the DLE technology across all your projects. Is that technically feasible, or possible given that each project has a different chemistry behind it?

Djaber Belabdi: I think I'll let Barbara speak to that.

Barbara Fochtman: Yeah. So when we say we plan to standardise the DLE flow sheet, one of the things that we're working on is to standardise the DLE input so the brine conditioning may be different according to the Salar, because you have impurities at each Salar. But from DLE forward through carbonation and drying carbonate, packaging, etc., all that, the intention is that it's standardised. If you can set the input, then you should be fine on the back end.

Alain Gabriel: Thank you.

Djaber Belabdi: I think what I'll add to that as well, I think for awareness is when you try and reduce costs and you look at these jobs, if you take Rincon as an example, $2.5 billion. Out of that $2.5 billion, you've got $400 million worth of technology to do with DLE. There is $2.1 billion worth of other things all around it that we can standardise and kind of drive costs down.

Austin Yun (Macquarie): Thank you. Austin Yun from Macquarie. Just extension to the previous question. The first one is again on the additional uncommitted volume. Other than delivering the blueprint and working on the economic stuff, I'm just keen to understand, do you have a price range in mind? And do you need to see that to play out in the physical market before you pull the trigger? Or you will be happy to follow the market forecast, given that the whole market has already revising up the price outlook for the next two to three years?

And a few of you pure play peers have made a comment already and calling out specific price ranges. Just keen to understand from your perspective on sanctioning those new additional volumes. I'll come back with a second one.

Barbara Fochtman: Yeah, I can take it, so one of the things I would say is there's always a lot of sentiment out in the lithium market, and there's always very wide price ranges. So what I would say is we will take a look at projects and we'll use ranges of prices to ensure that we have a good project moving forward before we make those kinds of decisions.

Sometimes the sentiment gets ahead of reality. So it is important for us to run those scenarios so that we know that the project stands well and can return the IRR that we expect. Ulric, I don't know if you want to add to that?

Ulric Adom: I think you've seen on the slides that we talked about the consensus price path and we are comfortable with that. So I think there's a range. There's also a path in terms of consensus. That's definitely something where we are comfortable with.

Austin Yun: Okay. Thank you. A second one, just a quick follow-up on the Rincon project. Just making an observation that the ramp up is three years, which is quite interesting because the conventional evaporation will only take two to 2.5 years. Why such a DLE project is taking a long time to ramp up? What's the key milestones?

Barbara Fochtman: Yeah, what I would say is the initial consensus on three years was developed in a time when this was a new technology for Rio Tinto. So now we're leveraging our resources across all our projects, all our operations. So I believe that we could probably do better than three years.

Karim Ansar (**Schonfeld Strategic Advisors):** Hi. Karim Ansar with Schonfeld Strategic Advisors. I have a couple questions related to pricing, if I may. The first one is, how you think about the cap and floor structure and the percentages of the business that you would like, subject to the caps and floors as the business grows and becomes more self-sustaining from a capital perspective? Because I believe Ulrich touched on price fly ups. And obviously in an industry where demand is growing as rapidly as it is, and that requires stocking for future demand, it's a very sensitive to restock/de-stock movements in this industry. So how you think about those capturing the price fly ups? And when perhaps that would be reduced, if you'd like to reduce that?

Barbara Fochtman: Yeah. So for now, like I said, we tend to be at that 40% of long-term contracts that provides volume stability. And the rest of it provides us the opportunity to capture those market opportunities as things change in the market. So that's where we feel – that's the sweet spot. I don't know, Sarah, would you like to add any more?

Sarah Maryssael: Yeah. Look, I'd say I think the floor pricing strategy is really around lithium hydroxide outside of China, because you need to guarantee your returns. And in a way, think about it as a premium that customers are willing to pay is to secure Western raw materials, they're willing to commit to a floor price, and we believe that that's here to stay.

I think on the ceiling, actually, we don't all have ceilings. In some cases, we have an escalating discount. So what that means you have a floor price and you have a ratcheted discount. So you still get that exposure as prices go up and the customer benefits by getting

a slight discount to market price. So there are different structures that we look at that are just not strict ceiling prices.

Karim Ansar (**Schonfeld Strategic Advisors):** Thank you. The second question I had was on how you think about incentive pricing specifically in this industry? Based on my external observation, obviously, of the industry, it's one in which there are certain significant scale price insensitive producers, arguably, where perhaps volume is more important than economics at the asset specific level. How do you think about that when you think about the broader industry and how that plays out and your ability to extract required returns or perhaps even excess rents?

Barbara Fochtman: So what I'd say is incentivising for downstream processing does require these floors we talk about because of the additional capital. When you're at the first quartile on the resource, that's your competitive advantage. So it's kind of twofold. You have a resource that is extremely competitive. And then you have some incentivised metrics that you want for any downstream processing.

Sarah Maryssael: I'd probably add as well. The incentive price is a function of the marginal cost producer, and that is certainly where we'd say lepidolite production is today. How sustainable are some of the costs we're seeing on lepidolite production remains to be seen. I think that doesn't always account.

Well, firstly, it's hard to get transparent cost information for Chinese operations on lepidolite. I think secondly, what hasn't been accounted for is the disposal of the waste. I think today there are sort of short-term solutions with how that waste is disposed of in lepidolite. What does that look like over the long term is likely to see that marginal cost producer go up. So that's, I think, the sensitivity around incentive price.

But I think to Barbara's point, the way you win the game is you have tier one assets at the bottom of the cost curve.

Paul Young (**Goldman Sachs):** Yeah. Another question on the growth and probably the second phase of growth. And looking at the illustrative CAPEX chart, which shows that you're basically capped at $1 billion forever, per annum. And so, what I'm curious – what I want to know is, is that a directive really from Jérôme and Simon and the executive team have said, “Well, you need to – we're going to give you $1 billion per annum. You need to figure out how best to develop these projects. That's the cap.” So I'm just curious around that because it's just – obviously it's very cute, the fact that it tracks along $1 billion. We know that if you're developing multiple projects, it's never like that.

And then the other part, part B to that is, is Maricunga and Alto Andinos, I know they're longer dated, but we haven't really covered off the Chilean options. And particularly, Maricunga, and how important that project is to the Codelco JV with Nuevo Cobre and just – in operating in Chile.

In general, a lot of studies need to go through on that project still, no doubt, but I'm just curious around where it sits and why potentially it's not a slightly higher priority project.

Barbara Fochtman: Yeah. So I'll answer the Chilean question and then I'll move it to Ulrich for the greater Rio Tinto.

For Chile, those assets are very good assets. We have to close the transaction. We're committed to doing the studies. And then once we're done with the studies, we have to compare that against all the other portfolio projects and how we go about sequencing those projects. And a lot of that leads from the work that Djaber is doing in Argentina as well and how does that apply to Chile.

Ulric Adom: Yes. So look, and I can say it very comfortably is it's not a top-down directive. It's Jérôme and I basically working with Djaber and Barbara and looking at where we believe we are comfortable in terms of the overall CAPEX plan.

And if you look at the evolution of the CAPEX plan, and 2025 is a good example where we actually had, obviously, Fenix 1B, Sal de Vida in full span. We have also Bécancour, granted it's shared with Investissement Québec. But you also have Bécancour and you have Rincon that has been sustained ramping up.

We are in a range of CAPEX that when you think about next year and the spend that we believe will have next year with basically two projects in-flight. This is where we believe we are comfortable, both in our ability to execute and what it represents from an overall CAPEX plan.

So I personally am very comfortable with this profile. And then as we go into 2028 and you see that basically there's almost very little remaining spend on the committed spend, then that gives you an idea of, okay, that's what we have if we want to spend on the uncommitted piece. And this uncommitted piece will certainly allow us to continue to progress the best option. So it's definitely a level that the team feels comfortable, will allow us to execute on those options.

Rachel Arellano: You want to follow up?

Paul Young (**Goldman Sachs):** Yes. Can I ask a follow-up? Yeah. Second one is just on the portfolio. You showed – and it's early days of lithium business being integrated into Rio and aluminium. But you showed a map up early in the presentation of all your assets globally. Couldn't help but notice that Jadar is not on there, which is obvious because it's in care and maintenance and it's up for divestment, but everything's still on there on the map, because you're showing where your assets are. It's just a quick question around the $5 billion to $10 billion of asset sales at the Group level that was put out there last week. Are there any other – are any of the other assets on that list?

And then probably part B to that, is it because ultimately we're all the margins upstream, not downstream, even in the metal or hydroxide. But is owning those assets downstream really key just to operate in this industry and obviously supply your customers?

Barbara Fochtman: Yeah. So right now none of the assets are in those numbers that you quoted. As far as the downstream versus the upstream, to me, that is what our customers are looking for is that product optionality. This market is not a mature market. So the battery chemistries are not mature. You have different applications. So having that product portfolio and the geographic optionality is so important to our customers. I don't know if you want to anything?

Sarah Maryssael: And I'll add that there's a lot of value with partnering directly with OEMs and cell manufacturers. You get an inside look into how the technology roadmap is evolving

and developing, and that gives you really critical insight into how you shape your portfolio and your commercial strategy to adapt to that. So if you stay strictly in the upstream, you don't have that visibility. You don't know how that market is evolving. You're essentially developing your assets blind.

So for us having that integrated relationship with the customers really helps us make sure we position ourselves well for how that battery chemistries and technologies continue to evolve and how we remain relevant to our customer base.

Amos Fletcher (Barclays): Amos Fletcher from Barclays. I guess, yeah, following up on Paul's question about the portfolio. Could you just talk about your willingness to retain the hard rock assets long term?

And also on the Canadian, question which of the two mines you're going to retain. Is it realistic to assume you're actually going to restart one of those projects and then shut down the existing in-flight? What's the pros and cons between those two, please? Thanks.

Barbara Fochtman: Yeah. So we do believe there's a benefit to having brine assets and some hard rock. You obviously have to look at – so that diversity is – we believe is important. I think you have to look at the project economics.

When you look at hard rock, you can – when you think about developing those assets, usually you can get to market pretty quick versus brine assets. So having that both assets in your portfolio or both types of assets in your portfolio helps.

As far as developing a mine in Canada, we've determined and committed to one mine to feed Bécancour, and if necessary or have the volumes, we would also do direct sales.

Amos Fletcher: So by implication, whichever one you choose not to develop, that's up for sale. And then Mount Catlin, presumably yes, also – and Jadar.

Barbara Fochtman: We haven't said so.

Amos Fletcher: That's the decision one way or the other, presumably.

Barbara Fochtman: Well, the decision is to develop. It's not to sell. We're not ready at that point to make that decision.

Amos Fletcher: Okay. And then Mount Catlin, is that on the block?

Barbara Fochtman: No, we're not ready to make that decision either.

Amos Fletcher: Okay. And Jadar?

Barbara Fochtman: It's in care and maintenance and it will remain in care and maintenance.

Amos Fletcher: Okay. All right. Thank you.

Lachlan Shaw (UBS): Thanks. Lachlan Shaw, UBS. Just a couple. And first question on DLE, just in terms of the technology and the process. So can you talk to supply chain dependencies? So I'm thinking here about resin, dependencies in terms of different countries and potential to in-house. And then secondly, just on noticing the flow sheet, fresh

water coming in. Can you talk to the water requirement, how you're managing that, noting that we're obviously in the middle of a desert? I'll come back to my second question.

Barbara Fochtman: Okay. So first on DLE. What I would say is, the Fenix process is a proprietary DLE process or resin that we produce ourselves. We have some opportunities, and we're starting to talk to aluminium about some opportunities there that are synergies that we might be able to leverage.

For Rincon, we're looking at some commercial resins that are out there. And there are several resins that we will be able to take a look at and determine which resin is better set for the design that we currently have. And you had one more thing.

Lachlan Shaw (UBS): Water.

Barbara Fochtman: Water. So on the water, there's a couple things I'd say. First of all, yes, DLE uses water. We use subsurface water for DLE and we are driving improvements in our process to use recycled water. The mechanical evaporator technology improvement that I showed actually improves, or reduces our water intensity as a result of that process improvement as well. So we're continuously looking at how do you reduce our water intensity in DLE.

Lachlan Shaw (UBS): Okay. Got it. Thank you. And then my second question is just on BESS. So talking about chemistry, do you have a view on what lithium price sodium-ion would start to become a commercial competitor to lithium-ion in BESS?

Sarah Maryssael: No, we don't have a view on that. I mean, I think just to the point that I made that we see that there is room for various technologies for different end applications, so we don't see it necessarily as competing. So even if sodium-ion came online, we don't necessarily think it's going to displace lithium-ion.

I think many of these BESS projects are somewhat space-constrained. Land is expensive. So being compact is still going to be a priority for many of these grid scale applications. So we don't look at it as one displacing the other. And look – and I think sodium-ion, we just have to note that it still doesn't have the commercial maturity of lithium-ion today. So we're still a long way away from seeing comparable scale. And also the supply chain is not fully developed.

So there are still a number of barriers, I think, to see sodium-ion at the same scale – at a comparable scale to lithium-ion today.

Benjamin Davis (RBC Capital Markets): Thanks. Ben Davis, RBC. This one slightly abstract, but just once you've sort of ramped up and you've got a bit more scale in the industry. I assume DLE has got sort of a higher variable cost percentage versus some of these other lithium producers. Would you ever consider running these assets sub capacity to create market impact, particularly given you've got the contract on 40% of it?

Barbara Fochtman: So you're asking would we reduce our volume and our resources?

Benjamin Davis: To prices. Yeah.

Barbara Fochtman: Why should we do it?

Benjamin Davis (RBC): Well, exactly that's right – but I'm just curious if that's how you view the market. Should you be just the lowest cost producer and keep overproducing into a market.

Barbara Fochtman: Yeah, I think when you look at the cost curve and where we are, I think there's others that would more likely be in that situation compared to where we are.

Benjamin Davis (RBC): Even though they proved to be slightly price insensitive a lot of the time. Yeah, okay. Fair enough**.**

Mitch Ryan (Jefferies): Mitch Ryan from Jefferies. Just wanted to understand the 30 in 30 strategy a little bit more. If I heard you correctly, you intend to potentially utilise Chinese supply chains. Given there are constraints on exporting of lithium technology from China, how do you intend to be able to work around that and make that succeed?

Djaber Belabdi: Yeah, the know-how is ours. So the DLE technology is ours. It will remain a black box that we will design and we will supply from different parts. That is not Chinese. But like I was saying earlier, if you look at the cost base of a DLE project like Rincon, inside $2.5 billion worth of costs, there is about $300 million to $400 million worth of what is DLE technology. So if those restrictions with China in terms of supply chain kind of remain, then we will be outsourcing the $400 million worth from somewhere else. But we still have a $2.1 billion worth of opportunities to get better prices.

Barbara Fochtman: I think it also sets a basis. So if you go out and you understand kind of what's the best in class, it sets an opportunity for other suppliers to get there.

Rachel Arellano: Ephrem?

Ephrem Ravi (Citi): Thanks. Ephrem Ravi from Citi. First question, why isn't Sal de Vida in a RIGI process? I understand RIGI is sort of time bound? So to that extent, if the RIGI regime lapses, wouldn't you miss out on an opportunity to get a lower tax rate? Or is it so far down the decision tree that you don't see it having to bother with it?

Ulric Adom: I think it was on the slide. So we have – Rincon was the first out the gate. And we have additional projects that have been submitted. Now, there are some rules in RIGI around what is the stage of the related project. So that's an ongoing and active conversation that we're having with the authorities.

But I think I want also to emphasize that – and probably it's part of the conversation that you're going to have tomorrow or interacting with officials in Argentina. I think beyond RIGI, Argentina is interested in providing, I would say, a framework of investment in the country that goes beyond. And so I think in one case or the other, we believe that this framework will be favourable to us.

Ephrem Ravi (Citi): Thanks. And then secondly, just on the 30 in 30 kind of – and investment. I mean, obviously, you're looking at infrastructure corridor. How critical is it for the 30 in 30 in terms of – I mean, compared to iron ore infrastructure is arguably a lot less critical in lithium. But, I mean, is that a deal breaker if you don't get like a Chinese partner to come and build a big power system or a water system?

And also just on that point, I mean, you got Ganfeng already operating in. If this was a no-brainer, why didn't they do it already?

Ulric Adom: Yeah. So, look, the infra corridor, we see it as a value enhancer. So within 30 in 30 and what goes inside that calculation, we will be doing it such that the mines themselves are standalone and are not needing to have an infra corridor for them to be able to come online. Right?

So and then infra corridor is an add-on on top of that that will bring about lower operational costs and will bring about a better sustainable solution as we go forward. So it's not a scenic one on conditions or a condition precedent for us to be able to develop the rest.

You talk about other players in the region. I don't know what their plans are. But I think if we look at where we are geographically and kind of how long kind of we're going to be here now and what others can come with other miners across the border and so on and so forth. There's maybe then a bigger way to think about it. And certainly we will be engaging with other players in the region, other miners, other potential users to look at if we combine all forces together, is there a better way, is there a better solution for an infra corridor for everybody?

Barbara Fochtman: Yeah. If you look at, take Sal de Vida or Fenix, our cost position could be better if we had it. But it's pretty good now. So it's – as Djaber said, it's a value enhancer to what is already a very good resource base with proven technology and at a good cost position.

Djaber Belabdi: Yeah.

Ulric Adom: So maybe just – so not a dealbreaker, as you have heard, definitely. And also you mentioned the Pilbara. And if you refer to what Simon said last week, well, we are not necessarily looking to own those infrastructure. And if you look at the model that we are having in Guinea with the CTG, it's a multi-user arrangement across the place.

So I think there are ways to enhance the value. So the base case that you have here and what we do in 30 in 30 is, on a standalone basis, doesn't necessarily need infrastructure. But then you can add this layer and also it's just more sustainable.

Grant Sporre (Bloomberg): Hi there. It's Grant Sporre from Bloomberg Intelligence. Just for a layman, can you sort of outline what the difference between the Rincon DLE and the Fenix 1 DLE is?

Barbara Fochtman: On the basic, they're the same. The unit operations how we do things are different. The design is a little different. The resin that we use at Fenix will be different most likely. We're checking if we can possibly use it. Would be different. It's a different particle size – different size. So – and the geometry of the DLE columns are different.

So when you think about – it's the same but slightly different such that it's not a replica of Fenix, but the unit operations are similar. Yeah.

Grant Sporre: Okay. So what you're saying is, the difference is really in the detail.

Barbara Fochtman: Yes.

Grant Sporre: Okay. All right. And then I'm guessing then you're going to take the best of both worlds and try and standardise that into one Rio Tinto design effectively.

Barbara Fochtman: Right. That's absolutely what we're looking at. So we have a lot of operational experience. We have lots of different carbonate facilities just because of our history of our companies. We know what works. We know what we would prefer over others. And so, it gives us that opportunity with all this experience and all the technical know-how from Rio Tinto and Arcadium Lithium together to come up with the best solution for the DLE projects going forward.

Grant Sporre: And then just perhaps a follow up then. What's the impediment to retrofitting some of your pond operations with DLE technology? Or is it simply just sunk capital versus cost versus capital decision?

Barbara Fochtman: It would be a cost versus capital decision. Yeah.

Grant Sporre: Thanks.

Dominic O'Kane (JP Morgan): Hello. Dominic O'Kane, JP Morgan. Just going back to the asset ownership question. Obviously, you said the projects are not inside the $5 billion to $10 billion that was communicated last week. But I'm intrigued, are you guys committed to owning 100% of each of the projects? You talk about strategic partnerships. As we look at each individual project, can you release value at the asset level? And can you just maybe talk about, are you committed to owning 100% of each of the projects going forward?

Barbara Fochtman: Yeah. So I think I understand. You're asking, are we committed to buying out the partners that we have in our assets? Is that your question?

Dominic O'Kane: No, the opposite. Is there an opportunity to bring in more strategic partners at an asset level, whether it's an OEM or other battery strategic partners?

Barbara Fochtman: Yeah. I mean, the reality is we're always open to different options as we go into developing assets. One of the things that's important is as we move forward, there's partnerships that we've been working through and we have a commitment with those partners to continue operating. And so that will continue.

As far as new partners into either existing assets or new assets, I think we have to look at each project individually and determine what we would like to do with that. What operatorship we have, what does the partner bring to the table? We just have to look at all those components before we make that decision. I wouldn't say no, but there's a lot of variables to that.

Dominic O'Kane: And maybe just one follow up, maybe going on from that. And you've given us a lot of the milestones about how you think about the business differently. But I'm intrigued how you think about the business again, on a go-forward basis sitting within aluminium. Is there any kind of – does lithium – is it treated as an entirely separate business within aluminium? Or do you start to standardise things like return on equity, hurdle rates? Obviously, you've given us CAPEX intensity. But as we look forward, should there be some kind of homogenisation around the returns assessment of these two very different businesses?

Ulric Adom: Yeah. So I'll take this one. I think, yes, the way we look, if you take a step back, and I think part of what we said, I think Jérôme explained that last week in terms of what's the rationale of having put those two businesses together?

And then – and it was really about the downstream processing content, which was the highest obviously compared to the other Rio Tinto businesses. And if you take a step back, well, we started by saying there's no synergies between aluminium and lithium. We put it together because of those processes – the processing mindset. And then we see as we go.

But very quickly I think we're only three months in. Then you start to see that there are some aspects of integrated conversation. So Barbara mentioned the OEMs and you start to see that actually, yes, some of them are important clients of aluminium business, but we are looking for a direct access. Our lithium friends have a direct access, commercial synergy. What can we do and how can we drive those integrated conversations?

You talk about technology. Obviously, there's very strong, I would say, technology mindset and background in both businesses. And then you start to think about resins and all. You think about metal and all these kind of – and you start to see that actually there is work to be done together in the way we think about that.

And so there's just this broader backdrop that says actually – and it's a bit of insight – but in insight, there's actually some things that make sense for those two businesses combined and what do they mean in terms of the value that you can create?

And the last point of your question was, okay, do you apply the same IRR. I can tell you that definitely in terms of hurdle rate, we will look at it in a similar fashion. Absolutely.

Cameron Perks (Benchmark Mineral Intelligence): Hi, guys. Cameron Perks from Benchmark Mineral Intelligence. I have a few questions. One on DLE, one on spodumene, and one on Naraha, if possible. I'll start with DLE, since you've been mentioning this one quite a bit. So firstly, for me, I think I'm not trying to be nitpicky here, but resin has been mentioned quite a few times. It's typically associated with ion exchange. And not trying again, to be nitpicky, but I think it's an important thing for you guys to make sure you're distinguishing this. Because in one case, there is a requirement to use acid for ion exchange, but for you guys, you're using an aluminium double hydroxide, which is very different. It's 80% lithium aluminate and 20% - up to 20% polymer. So I think this is maybe an advantage for you guys that you need to make sure you're mentioning.

But the question is around pretreatment. I'd be keen to get some idea of what that looks like. So you hinted at the fact that both sites, Rincon and Fenix, use the same DLE process, but I guess the difference would mostly be in pretreatment. So pH rectification, membrane use and maybe we'll get an idea of that on the site visit. But could you maybe speak to the pretreatment, how much that affects costs as a percentage of overall cost for DLE for you guys?

And then as a related at the other end, I noticed Rincon you're re-injecting brine back into the aquifer, whereas Eramet I guess doesn't do that. So how does that impact costs as well? And does that impact your grades back at the extraction stage? I guess it's all related.

Barbara Fochtman: Yeah. So for the brine conditioning, I'm going to have to get back to you because I don't remember all the details. So I will have to get back to you on that.

On the spent brine on the back side, what I would say is we're not quite there yet on how we're going to treat the spent brine. We have started – at Rincon, we have done some

shallow reinjection. We're doing dynamic modelling, so that'll inform the work that we have in ’26 to move that forward.

In Fenix, we use infiltration. We're looking at starting some work there in Fenix as well as we move to – for further expansion. So the spent brine management is ongoing. And I would say spent brine management versus brine injection, because there may need to be a combination of solutions as we move forward, always with the intention of taking care of the environment, making sure we do things correctly.

Cameron Perks: I do have a question on the spodumene side as well, because you've got quite a long distance from the mine to the core. The spodumene market is evolving with Chinese companies now using flotation, primarily in Africa to unlock higher yields. In Mali, Nigeria as well now, and in Zimbabwe, looking at lithium sulphate as a midstream product to lower the transport cost as well as government mandated, of course. But you've got quite a long distance. So are you thinking about – I noticed, I think it was Galaxy, or is only DMS. But have you have you thought about how to maximise yields and maybe any midstream products to minimise transport costs?

Barbara Fochtman: Yeah. Do you want to take this?

Sarah Maryssael: Yeah. Look, I mean, Bécancour is well advanced, and that's really a spodumene to hydroxide. There is probably no flexibility today, and it doesn't make sense, I think to do an intermediate products.

Look, I think – and then sort of any excess spodumene that would be direct shipments to – likely to China at this stage.

Cameron Perks: Okay. Thanks. And the last question was on Naraha. When and what conditions would we expect that to come back online?

Barbara Fochtman: Yeah. So the first condition is that we come to an agreement with our partner. That's the first agreement – or that it would be nice to be there. But that’s the first step, and then we'll bring it online. We do have a lot of interest in Naraha, but we need to get to that point of having an agreement with our partner.

Ulric Adom: And maybe we can mention those are active conversations.

Barbara Fochtman: Yes, absolutely. They're ongoing.

Ulric Adom: It’s not pushing out. It's active conversation so that we can bring Naraha back online.

Barbara Fochtman: Yes.

Cameron Perks: Yeah. Thank you.

Kenneth Wan (Drummond Knight Asset Management): Hi. Kenneth Wan, Drummond Knight Asset Management. Can I just clarify the 40% of volumes that has a price floor in ’26, how does that look like in 2030? Is it still a 40% number? I.e., do you have contracts that goes up in line with your growth volumes to 40%? Or are you looking to negotiate more contracts to get up to that 40% number by 2030?

Barbara Fochtman: Yeah, so our current contracts change volume through time. So the current is 40%. We work with our OEMs. They have step changes in their volumes. Many of these agreements are five years. We've been working with some OEMs. One specifically that I'm thinking about, we're going on ten years. So they have renewable aspects to these contracts as well.

Sarah Maryssael: And I think just come back to the point that floor prices will very much be a part of the strategy for hydroxide outside of China. So look – and then anything else that's outside of that with carbonate going mainly into China, that will be much more on a short term basis.

Kenneth Wan: So for some of these contracts that are sort of rolling off after the five years, do you think you'll be able to renew those contracts at the same floor price?

Sarah Maryssael: I don't know about necessarily the same floor price, but certainly with a floor price mechanism, again, customers value the access to securing Western raw materials and are willing to pay what we see as a premium. And that premium is – in a commercial arrangement is through a floor price. So yes, we expect that the floor price concept will be maintained. Afterwards, what would that floor price be? Will very much be a function of where we are in the market.

Rachel Arellano: Alexei?

Alexei Gofman (Norges Bank Investment Management): Hi. Alexei Gofman from Norges Bank Investment Management. I wanted to ask how big of an impact on the demand for soda ash is your buildout going to have? And are you going to secure the supplies locally or globally?

Barbara Fochtman: Yeah. So soda ash is a big component of what we do in brine operations. We currently utilise soda ash from outside the country. We are looking at what we can do in country. We're also looking at different routes to be able to get to soda ash volume that might improve productivity and sustainability as well.

Alexei Gofman: Thank you.

Rachel Arellano: I think we're doing second routes now.

Rachel Arellano: Jason?

Jason Fairclough: Could you talk a little bit about sort of energy intensity sort of through the process? Like, are you – I think – and I'm not an expert here, but I heard that there's some DLE processes that use bulk heating of solutions, and then you've got the evaporation. So where does the energy go in and how are the projects differentiated? And how do you think about energy costs particularly in Argentina?

Barbara Fochtman: Yeah. So energy intensity is an important aspect to DLE relative to conventional ponds as you know. If you look at the cost position, it still – DLEs tends to still have a much better cost position. And back to the infrastructure that we're really trying to do, with Djaber and getting to – from diesel to natural gas to renewable, that pushes the cost position on energy.

We are frequently looking at technology of how to reduce energy, just like we are water intensity, looking at reducing energy intensity as well.

Jason Fairclough: But – and sorry, just to come back to it. Where are you actually putting the energy in the process then? Like, do you have to heat the stuff as it comes out of the ground? Or do you – is it really later on in the evaporation stage?

Barbara Fochtman: Yeah. So we have heating of the brine into the DLE.

Jason Fairclough: And then more energy afterwards when you're actually evaporating.

Barbara Fochtman: Yeah.

Jason Fairclough: Okay. Thank you.

Lachlan Shaw (UBS): Thanks for taking my follow up question. So just to come back to the markets. Just interested in how you think about marginal cost incentive prices in some of the newer jurisdictions that have come into the supply side, so Zimbabwe, Nigeria. And I guess projects developed by actors that probably have a different cost of capital.

And just also interested, I understand that you've let the JV – the exploration JV in Rwanda lapse. So just to confirm that too. Thanks.

Ulric Adom: Exploration JV in Rwanda. That was a Rio Tinto project. That was basically we went to the studies and we made the decision based on economics there.

Sarah Maryssael: I can take the question on the African spodumene. Look, I think, look, a lot of those projects have come online very quickly in response to the high prices we saw back in ’22. And a lot of that is high grading. So they’re obviously mining a lot of the high grade ores at the moment. So that I think also artificially I think brings the costs down.

I think now with some of these mandates, particularly in Zimbabwe, to transform in country and to produce lithium sulphate, that's going to bring that cost up. And also now accessing potentially more medium lower grades in the ore body. So what we might see now, we don't think that that's necessarily sustainable and we expect those costs to increase.

On top of that, obviously there's other risk factors, particularly around logistics and transportation and security issues that they've been in some of these mines. So again, that's only going to put pressure on costs, which is why we think that there's going – a lot of these Chinese producers, that are integrated into the major cell producers will continue need to be hedged by sourcing material from other more reliable producers like ourselves.

Lachlan Shaw (UBS): Got it. Okay. Thank you. And just one more, if I might. Just on Rincon. So two trains. Is each train 30,000 tonnes? Or is each train effectively 10,000 of the 30,000 tonne per annum current pilot train?

Djaber Belabdi: Each train is 30,000.

Lachlan Shaw (UBS): Got it. Thank you.

Rachel Arellano: Okay. Back to Ben on this side and we will wrap up shortly. But just to remember we will have a lot more time tonight, tomorrow. Sorry, Ben, on the side and then afterwards to Austin.

Benjamin Davis (RBC): Sorry. Mine is just a very quick one. Just on byproduct credits. Is there anything on the Argentinian side? Does it get impacted by DLE? Or is this just a Chilean kind of feature on the brines?

Barbara Fochtman: Byproduct credits.

Benjamin Davis (RBC): In terms of potash or anything else?

Barbara Fochtman: No.

Benjamin Davis (RBC): There's no potash. You're not going for it. Okay, cool.

Rachel Arellano: Okay. Austin.

Austin Yun (Macquarie): Yeah. Just one quick follow-up on the uncommitted volume of the additional 170,000 tonnes. Keen to understand your water permit update and also your electricity quota? Do you have both kind of resolved? Or do you still have to go through the process? Like, for example, Fenix stage two.

And also like electricity, apparently there's a quota system for other lithium producers. Keen to get an update on those, please.

Barbara Fochtman: Yeah, I think I understood the question would be do we have the energy solutions for the uncommitted volume? Is that what you're saying?

Austin Yun: Yes. And also water.

Barbara Fochtman: And water. Yeah. So first of all, what I'd say is a lot of the work that Djaber is doing around the infrastructure is to try to set up power and energy corridor infrastructure for these assets. We have not applied for future permits for expansions yet. That would come once we determine the sequencing of the projects that we plan to do after Djaber has done his work.

Luke Smith (AustralianSuper): Good afternoon. Luke Smith from AustralianSuper. A couple of questions. First on Olaroz, the stage one capacity. What's the mix of technical versus battery? And can you give us the general discount receipt for technical versus battery please?

Barbara Fochtman: Yeah. So for this year, we are maxing out volume. So that means we're producing technical. The differential between battery grade and technical is almost nothing right now with these prices being the way they are. So it's every – I talked about maximising the lithium unit. When the market changes, we do this analysis. We analyse, do you make technical grade, do you make battery grade, what's the differential? What's the cost differential? Right. Because there's a cost to the battery grade that's higher than the technical. And you're looking for that number, aren't you? I'd rather not say. Just know that right now it makes more sense to make technical.

Luke Smith: Yeah. That's okay. Thank you. And on stage two, Barbara, it could have just been my observation. But you didn't seem convinced on getting the nameplate capacity any time soon. It's already been 2.5 years of ramp up. Can you give any sort of indication on how long you think it might get to close to nameplate capacity?

Barbara Fochtman: Yeah. So the issue with Olaroz 2 is we need more brine. So that means you need either better pond evaporation or more pond evaporation, or a different solution to get more brine. At this point in time with where we are, the capital allocation, it doesn't make sense for us to do that right this minute. We will continue to optimise from an operational excellence perspective and really push that. And we're looking at those ponds as they exist today to drive those improvements rather than putting a lot of capital towards that.

Luke Smith: Okay. So it might be – might as on paper 25,000 tonnes capacity, but that's more theoretical at the moment.

Barbara Fochtman: Well, it's process capability or processing capability. But you need that feed. Yeah.

Luke Smith: And sorry, on Sal de Vida again, because it's ponds not DLE. What sort of ramp up profile are you anticipating over how many years to get close to 100% capacity?

Barbara Fochtman: So my target is by ’27 to be at ramp up. We've had those ponds. If you think about the history, we've had the ponds for a while. So it's a little bit different when the pond – you haven't filled the ponds, but we filled – we've been filling ponds. So that's somewhat of the expectation for ’27.

Luke Smith: Thank you.

Rachel Arellano: Okay. I think we're going to conclude now. That's almost an hour of Q&A at this stage. I would like to thank our presenters. Thank you for your time. And thank you especially to you guys. We do have plenty more time with these guys and many more who will join us over the next three days.

[End of transcripts]