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PRESS RELEASE

Eramet: development projects in manganese and lithium achieve a new milestone

- **Internal validation of the manganese mine expansion project in Gabon and of the lithium development project in Argentina**
- **Final investment decision planned at year-end, subject to financing**
- **Launch of preparatory works in Gabon and Argentina**

The manganese ore production expansion project in Moanda (Gabon) and the lithium development project in Argentina have each successfully achieved the internal project validation milestone ("Initial Project Validation", "IPV") on schedule. This validation follows the issuance of operating permits by the local authorities of both countries in the past few months as well as major technical and economic studies that have demonstrated the feasibility and high value creation potential of these projects. The search for financing is now actively underway.

In Gabon, the target is to increase Comilog's overall manganese ore production capacity from 4.3 Mt/year in 2018 to 7 Mt in 2023, thus establishing Comilog as a long-term global leader in the Manganese ore market. This increase will reduce cash cost by c. 20%, bringing our market share up from currently 10% to 15%¹. Based on the technical and economic feasibility studies, investment in Gabon would amount to €640m² over a 5-year period, with a faster ramp-up of production.

The project economic balance requires confirmation from the Gabonese government to maintain the current legal and tax conditions, and particularly the mining agreement between the Group and its partner, the Gabonese state. Furthermore, the project has been subject to a detailed Environmental and Social Impact Assessment (ESIA), conducted in accordance with the most stringent international standards, those of the World Bank. The Gabonese regulatory authorities have issued the certificate of conformity. To meet the increase in volumes to be transported, a change in the railway renewal strategy was set out at Setrag in order to speed-up works and to increase reliability of freight and passenger transportation.

In Argentina, where lithium industrial production could start at end-2021, the Salta Provincial Mining Secretariat validated the environmental and social impact study of the plant and the industrial training centre as well as the request for tax stability.. The Centenario deposit contains drainable resources estimated at nearly 10 million tonnes of lithium carbonate equivalent (LCE). Production is expected at 24,000 tonnes of LCE a year in a first phase, at an estimated production

¹ Seaborne market

² In 2019 value

cost among the most competitive in this industry. In Argentina, the investment would amount to €525m³ over a 3-year period.

Final investment decisions may be made once the financing has been obtained, at the earliest in Q4 2019.

Christel Bories, Eramet Chairman and CEO, commented: "In Gabon and Argentina, our two projects are conducted according to a rigorous methodology where each phase is carefully managed by the internal teams and their partners. I would like to congratulate them on the quality of the studies and the successful relationship built with the host communities and public authorities in the regions involved. In line with the Group's twofold strategic ambition, increasing cash generation and diversifying our business portfolio, it is also crucial that these projects reflect our ambition as a responsible and contributive corporate citizen."



Calendar

24.07.2019: Publication of 2019 half-year results

25.07.2019: Webcast and presentation of 2019 half-year results

23.10.2019: Publication of 2019 third-quarter sales

³ In 2019 value and based on a €/USD exchange rate of 1.13 for 2019

ABOUT ERAMET

Eramet, a global mining and metallurgical group, is a key player in the extraction and valorisation of metals (manganese, nickel, mineral sands) and the elaboration and transformation of alloys with a high added value (high-speed steels, high-performance steels, superalloys, aluminium and titanium alloys).

The Group supports the energy transition by developing activities with high growth potential. These include lithium extraction and refining, and recycling.

Eramet positions itself as the privileged partner of its customers in sectors that include carbon and stainless steel, aerospace, pigments, energy, and new battery generations.

Building on its operating excellence, the quality of its investments and the expertise of its employees, the Group leverages an industrial, managerial and societal model that is virtuous and value-accretive. As a contributive corporate citizen, Eramet strives for a sustainable and responsible industry.

Eramet employs around 13,000 people in 20 countries with sales of approximately €4 billion in 2018.

For further information, go to www.eramet.com

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