

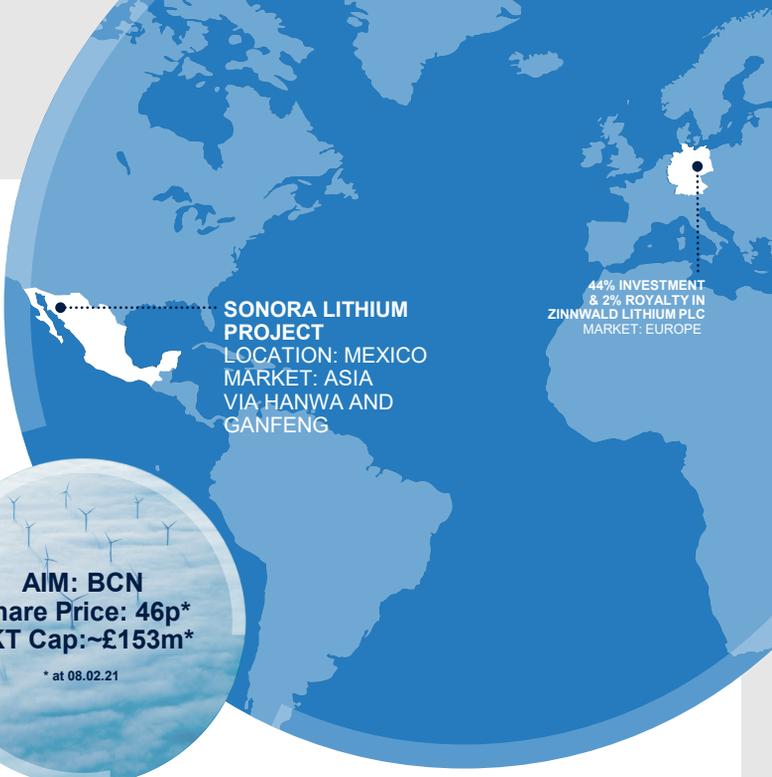
BACANORA

lithium

DEVELOPING THE WORLD CLASS SONORA LITHIUM PROJECT

Bacanora Lithium (AIM:BCN) is constructing, in collaboration with its major shareholder and offtake partner, Ganfeng Lithium (the world's largest lithium metals producer), a 35,000 tonne per annum open pit battery grade lithium operation at the Sonora Lithium Project.

Following completion of funding the Company is on track to become a leading supplier of battery grade lithium products in 2023; supplying to the fast-growing electric vehicle and energy storage sectors.



SONORA: INTEGRATED MINE AND LITHIUM PLANT

97,389 HA LICENCE AREA, LOCATED 190KM NE OF HERMOSILLO IN NORTHERN MEXICO, CONSISTING OF 10 CONTIGUOUS CONCESSIONS*

MIA ENVIRONMENTAL APPROVALS RECEIVED AND ACQUISITION OF 100,000 HECTARES OF LAND OVER THE PROJECT* AND WATER LICENCE PERMITS GRANTED

LARGE LITHIUM DEPOSIT WITH 8.8MT LCE RESOURCE*

LOW STRIPPING RATIO, OPEN-PIT MINING, NO DRILL AND BLAST*

7KMS OF STRIKE

CONVENTIONAL SULPHATE ROUTE PROCESS*

LITHIUM OFFTAKE IN PLACE WITH GANFENG AND HANWA

INFRASTRUCTURE: LABOUR, WATER, ROAD, RAIL, PORT



*SOURCE: FEASIBILITY STUDY

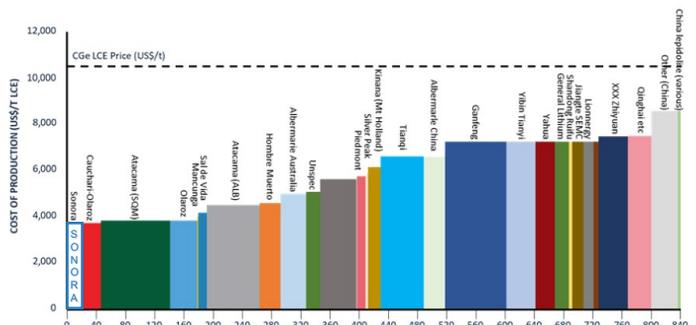
LITHIUM: A 21ST CENTURY COMMODITY

Propelled by innovative industries such as electric vehicles, portable energy devices and energy storage for the renewables sector, global demand for lithium is forecast to rise fourfold by 2025.

Due to lithium's versatility, there is a major need for scalable, high grade projects like Sonora to be brought into production for supply to match the anticipated strong growth in demand.

PEER ANALYSIS

ESTIMATED INDUSTRY COST CURVE POST 2025 -- SONORA AMONG THE LOWEST COST PRODUCERS



SONORA PROJECT SNAPSHOT



One of the larger deposits in the world
Feasibility Study estimated Sonora contains 8.8Mt of lithium resources



Among the lowest cost producers in the world
The Project is predicted to produce battery grade lithium products at an average operating cost of US\$4,000/t



Battery grade products
Bacanora has been producing samples at its own pilot plant continuously for the last four years



100% offtake agreements for the mine's production
Hanwa has a 10 year offtake for 50% of Stage 1 production and Ganfeng has offtake for 50% of Stage 1 and up to 75% of Stage 2 production



Construction underway for first lithium production in 2023
Global lithium demand is predicted to quadruple by 2025 as Sonora completes construction

FEASIBILITY STUDY IN NUMBERS

Stage 1
Initial Construction
Capital Cost of
\$420M

Av. Operating costs
~\$4,000/t
Li₂CO₃
~\$3,500/t net of K₂SO₃ credits

Pre-tax
NPV8 of **\$1.25B**
NPV0 of **\$3.4B**
based on \$11,000/t Li₂CO₃

Post Tax
NPV8 of **\$802M**
NPV0 of **\$2.37B**
based on \$11,000/t Li₂CO₃

Pre-tax IRR
26%

Post-tax IRR
21%

Simple Payback
Stage 1
4 years

K₂SO₃ production
Stage 1: **17,500 tpa**
Stage 2: **35,000 tpa**



ENVIRONMENT, SAFETY AND GOVERNANCE

ENVIRONMENTAL

- Compliance with local and international standards
- Life of Mine rehabilitation strategy underway
- Project design results in zero discharge site

SOCIAL

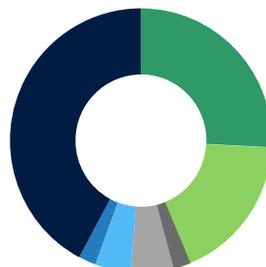
- Workforce will comprise >85% Sonora local residents
- Support of local communities by creating local jobs and support functions
- Long established relationship with local communities

GOVERNANCE

- ESG policy approved by Board
- Senior and operations management committed to ESG philosophy
- Strong independent director representation on Board

HEALTH & SAFETY

- International health and safety practises recognised throughout operation
- Health and safety statistics reported each month to Board
- HSEQ Manager reporting directly to site GM



MAJOR SHAREHOLDERS

- GangfengLithium (17.41%)
- M&G Investment Funds (15.88%)
- Robecco (4.92%)
- Hanwa Co., LTD (3.73%)
- Igneous Capital Limited (2.99%)
- D&A Income Limited (1.43%)
- Other (53.64%)

BACANORA LITHIUM PLC
PETER SECKER
JANET BLAS
INFO@BACANORALITHIUM.COM
BACANORALITHIUM.COM

TAVISTOCK
FINANCIAL PR
EMILY MOSS / OLIVER LAMB
+44 (0) 20 7920 3150
BACANORA@TAVISTOCK.CO.UK

BACANORA
lithium