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**HONBRIDGE HOLDINGS LIMITED**  
(Incorporated in the Cayman Islands with limited liability)  
(Stock code: 8137)

**VOLUNTARY ANNOUNCEMENT**  
**ENTERING INTO A LETTER OF INTENT**

This announcement is made by Honbridge Holdings Limited (the “Company”) on a voluntary basis to keep the shareholders and potential investors of the Company being informed of the latest business development of the Company.

The board of directors of the Company (the “Board”) is pleased to announce that the Company has entered into a letter of intent (the “Letter of Intent”) with Tibet Summit Resources Co., Ltd.\* (西藏珠峰資源股份有限公司)(“Tibet Summit”) (Shanghai Stock Exchange stock code: 600338) on 6 April 2023 (after trading hours).

**Equity Investment and Project Loans**

According to the Letter of Intent, the Company intends to acquire approximately 38.75% equity interests of Tibet Summit Resources Hongkong Limited\* (西藏珠峰資源(香港)有限公司)(“Tibet Summit Hong Kong”) at a total consideration of approximately US\$350 million through acquisition of existing shares and/or subscription of new shares, and Tibet Summit owns the remaining 61.25%. Tibet Summit Hong Kong indirectly holds 100% interest in POTASIO Y LITIO DE ARGENTINA S.A.\* (“PLASA”) (controlling the Sal de Los Angeles lithium brine project (“Angeles Project”)) and TORTUGA DE ORO S.A.\* (“TOSA”) (controlling the Arizaro lithium brine project (“Arizaro Project”)).

In order to develop the Angeles Project with an annual capacity of 50,000 tons of battery-grade lithium carbonate equivalent (“LCE”), Tibet Summit is responsible to obtain the environmental and all other licenses and approvals in relation to the installation, mining, production and sales of products of the Angeles Project, and secure the supply of brine in the cooperation period. The company intends to provide an additional interest-bearing loans of with a maximum amount of

US\$600 million for project construction and operation (the “Project Loans”). The positive cash flow generated after the Angeles Project commenced production will be used to repay the principal and interest of the Project Loans first. Afterwards, Tibet Summit and the Company will distribute the profits or products generated by the Angeles Project through Tibet Summit Hong Kong in proportions of 50.1% and 49.9%, respectively.

The two parties agreed to continue to conduct due diligence under this framework, to negotiate agreements in relation to the equity investment in Tibet Summit Hong Kong and the Project Loans, and the cooperation arrangement in relation to the Angeles Project.

### **The Angeles Project**

The Angeles Project is owned by PLASA, a wholly-owned subsidiary of Tibet Summit Hong Kong. Angeles Project holds a total of 39 mining concessions. The project exploration work has been completed, and the NI43-101 resource report has been submitted, the lithium resource is 2.05 million tons of LCE, which is a world-class lithium resources. The average lithium concentration of the deposit is about 490mg/L, and the average magnesium-lithium ratio is 3.8:1. The resource is better than average brine resources. PLASA is preparing to set up a 50,000-ton LCE project in the Sal de Los Angeles lithium brine, and is in a stage of preparing supplementary information in relation to the environmental licensing (“EIA”) application. According to the feasibility study report of a consulting company, the total investment of the project is about US\$700 million, and the cost per ton of lithium carbonate is approximately US\$5,000. The actual cost can only be estimated more accurately depending on the process route and related costs.

### **The Alizaro Project**

The Alizaro Project is owned by TOSA, a wholly-owned subsidiary of Tibet Summit Hong Kong, is located in the core area of the "Lithium Triangle" in South America, which is rich in lithium ore. Covering an area of 1970 square kilometers, the Alizaro brine is one of the largest lithium brines in South America. Alizaro Project has 12 mining concessions in the lake, covering an area of 365.78 square kilometers. At present, Alizaro Project is still in the preliminary exploration stage, and the environmental impact assessment report for in-depth exploration has recently been approved by the local approval agency in Argentina. According to the preliminary research of a consulting company, the resource of the Alizaro Project may reach more than 10 million tons of LCE. TOSA is preparing to implement the detailed exploration of the Alizaro Project, as well as preparing for the construction of a project with an annual production capacity of 100,000 tons of LCE.

### **Exclusivity**

Tibet Summit agrees to grant the Company an exclusivity period of 4.5 months unconditionally and irrevocably from the date of the Letter of Intent (“Exclusivity Period”). During the Exclusivity Period, Tibet Summit guarantees that it will not directly or indirectly make an investment, development or other cooperation offer for the proposed cooperation under the Letter of Intent with anyone other than the Company, and will not sign or enter into any agreement related to the cooperation arrangement under the Letter of Intent.

### **Priority Right**

After the completion of the detailed exploration of the Alizaro Project, if Tibet Summit intends to cooperate with a third party to develop the project, the Company has the priority of cooperation under the same terms.

### **Background of Tibet Summit**

Tibet Summit is mainly engaged in the mining and beneficiation of non-ferrous metal mines, and is promoting the development of the Angeles Project and Alizaro Project to create a world-class lithium carbonate projects. Tibet Summit has the highest single lead-zinc mine (well mining) mining and beneficiation production capacity in Asia. Tibet Summit 's main customers include Glencore International (Glencore), Almalyk and other large international production and trading companies, and Tibet Summit has been an important supplier for their smelting and production subsidiaries in central Asia for many years.

### **Reason for Entering into the Letter of Intent**

The Company has been looking for investment and cooperation opportunities in resources and new energy sectors. The Board believes that the lithium battery industry chain will be similar to the steel industry chain, and the profitability will be tilted towards the upstream of the industry chain, which is the resource sector. The brine lithium extraction project is not only a resource project, but also the upstream of the Company's lithium battery industry chain, which is in line with the Company's development strategy.

The details and implementation of the Letter of Intent will be governed by the formal agreement (if applicable).

To the best of the Board's knowledge, information and belief having made all reasonable enquiries, the parties to the Letter of Intent and their respective associates are not connected persons of the Company and are independent of the Company and its connected persons.

If any transaction contemplated under the Letter of Intent materialise and if it constitutes notifiable transaction of the Company under the GEM Listing Rules (the "GEM Listing Rules"), the Company will make further announcements in due course as appropriate.

**Except the term in relation to the Exclusivity Period, the Letter of Intent is not legally binding and is subject to the terms and signature of formal agreement being entered into, the potential equity investment and Project Loans and other arrangements may or may not proceed. Shareholders of the Company and any potential investors are advised to take caution in dealing in the shares of the Company.**

*\* The English translation of the Chinese or Spanish name is for identification purposes only and should not be regarded as the official English translation of such name.*

As at the date of this announcement, the directors of the Company are as follows:

**Executive Director:**

Mr. HE Xuechu (Chairman)

Mr. LIU Jian (Vice Chairman and Joint Chief Executive Officer)

Mr. LIU Wei, William (Joint Chief Executive Officer)

**Non-Executive Director:**

Mr. YAN Weimin

**Independent Non-Executive Director:**

Mr. CHAN Chun Wai, Tony

Mr. MA Gang

Mr. HA Chun

By Order of the Board  
**Honbridge Holdings Limited**  
YEUNG Ho Ming  
*Company Secretary*

Hong Kong, 6 April 2023

*This announcement, for which the Directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

*This announcement will remain on the "Latest Company Announcements" page of the GEM website at [www.hkgem.com](http://www.hkgem.com) for at least 7 days from the date of its publication and on the website of the Company at [www.8137.hk](http://www.8137.hk).*