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Ganfeng Lithium Co., Ltd.

江西赣锋锂业股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 1772)

VOLUNTARY ANNOUNCEMENT IN RELATION TO THE STATUS OF ARGENTINA MINERA EXAR AND CAUCHARI-OLAROSZ LITHIUM SALT LAKE PROJECT

This announcement is made by Ganfeng Lithium Co., Ltd (the “**Company**”), together with its subsidiaries, (the “**Group**”) on a voluntary basis for the purpose of informing the shareholders of the Company and potential investors of the latest business development of the Group.

The latest status of Argentina Minera Exar S.A. (“**Minera Exar**”), a controlled subsidiary of Ganfeng Lithium Netherlands Co., B.V. (“**GFL Netherlands**”), a wholly-owned subsidiary of the Company, and its Cauchari-Olaroz lithium salt lake project, respectively, are as follows:

I. DEVELOPMENT PROGRESS OF THE PROJECT

Phase I of the Cauchari-Olaroz lithium salt lake project, with an annual design production capacity of 40,000 tonnes of battery-grade lithium carbonate, has progressed smoothly and is scheduled to commence production in mid-2022. Recently, the Company’s commissioning and construction team has arrived at the project site to assist in the production launch of the project. The project has implemented strict COVID-19 prevention and control measures. Currently, over 1,000 staff are working at the project site. At present, all major equipment and materials have been delivered to the project site, and the brine evaporation pond has sufficient brine inventory to provide guarantee for capacity ramp-up of the project.

Meanwhile, taking into account the rich lithium resource reserves of the Cauchari-Olaroz lithium salt lake project and based on the growth prospects of the domestic and overseas market demand for high-end lithium salt products, Minera Exar has decided to start assessing the feasibility of phase II expansion of the Cauchari-Olaroz lithium salt lake project, and initially planned that the production capacity of phase II expansion shall be not less than 20,000 tonnes of lithium carbonate equivalent. Phase II construction of the project is scheduled to commence in the second half of 2022 after phase I of the project is put into trial operation and attain production capacity of 40,000 tonnes of battery-grade lithium carbonate, which will be put into production in 2025.

The above-mentioned project expansion is a preliminary plan of Minera Exar, and the final expansion plan will be subject to the relevant decision approval process in a timely manner based on the project conditions upon the completion of the feasibility assessment.

II. PROGRESS OF OPTION EXERCISE BY JEMSE

Pursuant to an option agreement entered into between GFL Netherlands, Lithium Americas Corp. (“LAC”), Minera Exar and Jujuy Energiay Minería Sociedad del Estado (“JEMSE”), a mining investment company controlled by the government of Jujuy province, Argentina. Recently, JEMSE has exercised the relevant option to acquire 8.5% of the Class B shares in Minera Exar and has used one-third of the after-tax dividend receivable by JEMSE to pay the consideration for the exercise of the option to GFL Netherlands and LAC, which will be used for the construction of the Cauchari-Olaroz lithium salt lake project.

JEMSE will acquire 8.5% of Minera Exar’s future dividend rights after exercising the option. The option agreement is entered to comply with the local regulations of Jujuy province, Argentina. These Class B shares under the option agreement have no voting rights in the management committee of Minera Exar, and therefore JEMSE will not participate in the operation and management of Minera Exar. JEMSE cannot transfer or dispose of its option to acquire the 8.5% interest without the permission of LAC and the Company, but JEMSE may elect, under certain conditions, to convert it into a royalty. Upon completion of the acquisition, GFL Netherlands will still have a majority of the voting rights of the management committee of Minera Exar and therefore GFL Netherlands will still maintain the control of Minera Exar.

Shareholders and prospective investors are advised to exercise caution when dealing in the shares and other securities of the Company.

By order of the Board
Ganfeng Lithium Co., Ltd
Li Liangbin
Chairman

Jiangxi, PRC
May 28, 2021

As at the date of this announcement, the Board comprises Mr. LI Liangbin, Mr. WANG Xiaoshen, Ms. DENG Zhaonan and Mr. SHEN Haibo as executive directors of the Company; Mr. YU Jianguo and Ms. YANG Juan as non-executive directors of the Company; and Mr. LIU Jun, Ms. WONG Sze Wing, Ms. XU Yixin and Mr. XU Guanghua as independent non-executive directors of the Company.