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Lygend Resources & Technology Co., Ltd.

寧波力勤資源科技股份有限公司

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

(Stock Code: 2245)

**VOLUNTARY ANNOUNCEMENT
SUCCESSFUL PRODUCTION OF NICKEL SULFATE FOR NEV BATTERIES OF THE
HPAL PROJECT**

This announcement is made by Lygend Resources & Technology Co., Ltd. (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

Unless otherwise defined herein, capitalized terms used in this announcement shall have the same meanings as those defined in the prospectus dated 21 November 2022 (the "**Prospectus**") of the Company.

Reference is made to the disclosure of the HPAL Project of the Obi projects of the Company, located in Obi Island, Indonesia, in the Prospectus.

The Company is pleased to announce that the nickel sulfate for NEV batteries of the HPAL Project had been produced successfully on 25 March 2023, which is the first successful production of Nickel Sulfate for NEV batteries in Indonesia. The annual designed production capacity of Nickel Sulfate for NEV batteries of the HPAL Project is 240,000 metric tons, which is the largest designed production capacity of Nickel Sulfate production lines in the world, as at the date of this announcement.

Reference is also made to the disclosure in the Prospectus relating to the industry and business of the Company. According to the CIC Report, from 2021 to 2026, the global demand for nickel sulfate from the NEV industry is expected to grow at a CAGR of 30.0%, reaching 1,403.3 thousand metal tons in 2026. The HPAL project on the Obi Island, Indonesia, which the Group has jointly developed with the Indonesian Partner, has six production lines and an aggregate designed production capacity of 120,000 metal tons of nickel-cobalt compound per annum (including 14,250 metal tons of cobalt). The HPAL Project is also equipped with nickel sulfate and cobalt sulfate production lines.

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

By order of the board of directors of
Lygend Resources & Technology Co., Ltd.
CAI Jianyong
Chairman and Executive Director

The PRC, March 27, 2023

As at the date of this announcement, the executive directors are Mr. CAI Jianyong, Mr. JIANG Xinfang,

Ms. FEI Feng, Mr. CAI Jianwei and Mr. YU Weijun; the non-executive director is Mr. Lawrence LUA Gek Pong; the independent non-executive directors are Dr. HE Wanpeng, Ms. ZHANG Zhengping and Dr. WANG James Jixian.