



Alpha **HPA**

The Manager Companies - ASX Limited
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ASX: **A4N**
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HPA FIRST PROJECT UPDATE

SUPPLYING DE-CARBONISATION

PRODUCT MARKETING

- Further pricing and volume bids placed for forward supply contracts
- Eight separate supply contract bids now submitted
- Additional sales orders for 100kg of HPA for LED phosphors
- Additional sales orders for 25kg of Al-nitrate precursors
- A further 10 product sample test orders received
- Brisbane Plant working to fulfil 2 x 100kg pellet orders for sapphire glass
- REACH Registration process commenced for EU export
- Traxys marketing MOU extended

STAGE 1 - PPF

- Main facility building contract awarded
- Numerous equipment supply contracts awarded
- Strong focus on equipment procurement

STAGE 2 – FULL SCALE PROJECT

- Term sheet executed for feedstock supply
- NAIF Strategic Assessment Approval received
- Land contract amendments signed, targeting early November settlement
- Vendor engineering for long lead items commenced
- Worley FEED study progressed

The Board of Alpha HPA Limited ('Alpha' or 'the Company') is pleased to provide an update on project activities for its HPA First Project, representing the commercialisation and production of critical high purity aluminium products driving de-carbonisation.

Alpha is fully funded to commercial production at its Stage 1, Precursor Production Facility (PPF) which is scheduled to commence commercial production in Gladstone, QLD, for the Company's high purity Aluminium Precursors from August 2022. The Company is concurrently satisfying the remaining conditions precedent to the full-scale Project Final Investment Decision, with a focus on product sales and offtakes and Project financing.

PRODUCT MARKETING

Alpha maintains an active product marketing program, with a number of engagements now maturing to the commercial stage. In addition, Alpha continues to outreach to new markets and jurisdictions, as well as continuing to receive inbound product test orders.

In addition, the Company continues to service product sales orders calibrated to the production capacity of its demonstration facility in Brisbane.

Further sales orders

The Company is pleased to have recorded follow-on sales orders with German LED phosphor manufacturer Litec-LLL GmbH (Litec). Alpha will deliver a further 100kg of a specialty HPA powder product in early 2022, following initial sales to Litec earlier in 2021. Alpha and Litec remain in discussions for potential larger volume product sales.

In addition, the Company has sold a further 25kg @ US\$50/kg of 5N aluminium-nitrate precursor to clients of Rhineland Specialties, USA.

Further product pricing and/or volume bids placed

As Alpha's market outreach process matures and product qualifications complete, the Company is steadily bidding for product supply contracts.

Alpha has now placed further price and volume bids for product supply contracts, which include:

- Supply of high purity alumina, high purity boehmite and 5N aluminium-nitrate precursor to a German based LED manufacturer.
- Supply of aluminium-nitrate precursor to a Japanese chemical manufacturer.

The Company has now submitted volume and/or pricing bids for product supply for eight separate end-users. Each of these bids remain active with the Company supplying additional information requests as they are received.

A further 10 product sample test orders received

The Company has received a further 10 test sample orders generated from its ongoing product marketing efforts. New product orders include:

- Ultra fine, (sub 1 micron) high purity alumina powder for speciality LED phosphors
- 5N aluminium-nitrate for synthesis of micro-LED phosphors
- Ultra fine, (sub 1 micron) high purity alumina powder for specialty ceramics
- Various specification alumina and boehmite powders for transparent ceramic tape casting

In addition, Alpha's Brisbane facility is also active in generating 2 x 100kg HPA pellet orders for delivery to ALOX Technology in the USA, for the manufacture of synthetic sapphire glass.

PRODUCT MARKETING SNAPSHOT

- **Eight separate supply contract bids now submitted**
- **80+ product orders shipped to/or orders received from;**
- **35+ separate end-users***

** Does not include intermediaries or marketing agents*

REACH Registration process commenced for EU import

Alpha has now commenced the REACH registration process required for the import of specialty chemicals, including aluminium precursors and alumina, into the European Union (EU). The registration process is administered by the European Chemical Agency (ECHA) and is expected to take approximately 3 months to complete.

Traxys marketing MOU extended

Alpha and Traxys North America (Traxys) have extended their Memorandum of understanding (MOU) with Traxys for a further 12 months. The MOU includes:

Product Marketing and Offtake: Joint engagement with respect to prospective customers, with a view to engaging in a long-term offtake and/or marketing agreements.

Finance and Logistics Support: To jointly develop credit and logistics solutions to assist in closing commercial agreements with Alpha HPA's customers.

Working Capital Facilities: The provision of working capital and/or pre-payment facilities in consultation with, and in support of, potential senior lenders to the Project, including Australian Government and commercial lenders.

Direct Investment: the potential direct investment in Alpha HPA by Traxys and/or its affiliates, including debt, equity or quasi-equity.

STAGE 1 - PPF

The Company continues to make good progress on the Stage 1, Precursor Production Facility (PPF) component of the HPA First Project, as detailed below:

Main facility building contract awarded

Alpha has now awarded the main facility building contract for the PPF. The ~40m X 80m building (see below) will fully internalise the PPF processes. Building erection is scheduled to commence early in Calendar 2022 on completion of site civils which are scheduled to commence this quarter.



PPF Procurement

The EPCM engineers (Prudentia Process Consultants) are strongly focused on equipment procurement to meet the August 2022 schedule for production commencement.

Recommendations to Award (RTA's) have now been issued for:

- Earthworks and civils
- Process pumps
- Air compressors
- Heat exchangers
- Process conveyors

The next few weeks will focus on finalising PPF tankage, electrical and contract award for Structural Mechanical and Piping (SMP) engineering.

STAGE 2 – FULL SCALE PROJECT

In parallel with the PPF the Company maintains a number of workstreams directed at completing the remaining conditions precedent to the full-scale HPA First Project FID:

NAIF Strategic Assessment Approval received

As per the ASX announcement of 29 September 2021, Alpha is pleased to advise that the Northern Australia Infrastructure Facility (NAIF) have advised the HPA First Project has successfully completed the Strategic Assessment Phase (SAP).

Accordingly, the NAIF will now commit further resources to detailed Project due diligence. Alpha will work with NAIF to provide the required information to complete its due diligence.

Term sheet executed feedstock supply

Alpha has now signed a non-binding term sheet for the supply of aluminium bearing feedstock to the HPA First Project. Alpha will now work toward binding feedstock supply agreements for both the Stage 1 PPF and the full scale HPA First Project.

Land contract amendments signed

Alpha and Economic Development Queensland (EDQ) have now signed off the land contract amendment to allow for Alpha to accelerate the acquisition of the HPA First Project land parcel. Alpha and EDQ are targeting the first week of November for settlement. PPF earthworks are scheduled to commence shortly thereafter.

Long lead items - Vendor Engineering

Alpha is progressing the commencement of vendor engineering with preferred vendors of the key long lead items with respect to the HPA First Project, namely:

- The Solvent Extraction (SX) area,
- The HPA drying and calcining package, and
- The by-product concentration area

Worley FEED study progressed

Worley have further progressed the Front End Engineering and Design (FEED) process for the full-scale HPA First Project, with key tasks including:

- Risk assessment
- CapEx review of Orica interface
- Constructability review
- Schedule review
- Cost range and contingency analysis
- Schedule risk analysis
- Review of key equipment packages including crystallizer and dryer/calciner

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