ELEMENTOS
TOMORROW'S TIN

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ASX RELEASE

Binding Agreements Executed for 50% of Iberian Smelting

Highlights

- **Five-year option agreement executed to acquire 50% of Iberian Smelting SL for €3.625m[1] with the owners of the Robledollano Tin Smelter, Extremadura, Spain (220km by road from Oropesa Tin Project).**
- **Deal locks-in the pathway for Elementos to become the first vertically integrated primary tin supply within the European Union, and one of only a handful of global mine-to-metal tin metal producers.**
- **The Spanish tin smelting solution significantly reduces the environmental impacts and costs associated with the alternative of transporting and selling tin concentrate to the major tin smelters based in Asia.**
- **The natural customers for tin ingots produced at the Spanish smelter are European and North American tin buyers, both markets have established delivery price premiums for refined tin ingots (currently ~USUS$900-$1400/t[2]) above published LME prices.**
- **The Robledollano Smelter is currently operating and fully licenced to process a variety of base, precious and critical metals. The smelter is currently smelting and recovering tin, lead, antimony and silver metals under commercial contracts.**
- **The finalisation of the call option remains subject to the satisfaction of a number of conditions precedent, including the completion of upgrades to a number of key pieces of smelting and refining equipment (which will increase both throughput of the smelter and quality of refined metal) and associated regulatory and administrative approvals.**

Elementos Limited (ASX: ELT) has executed a binding call option agreement (**Agreement**), through a new wholly owned Spanish subsidiary, Spain Tin Smelting, S.L, which secures a five-year exercisable option (**Acquisition**) to acquire up to a 50% interest in Iberian Smelting SL (**IS**), the owner and operator of the Robledallano smelting and refining facility. The Agreement is the result of ongoing commercial negotiations following the execution of the term-sheet (**Term-Sheet**) announced to the ASX on the 13 June 2024.

The current majority shareholder of Iberian Smelting is CRM Synergies S.L. (**CRM**), a Spanish-owned, international corporation which operates tin smelting, refining and solder manufacturing facilities in Spain, Brazil, Mexico and sales and recycling offices in North America and China. CRM also has an established tin ingot and solder products sales division servicing a broad range of clients including internationally recognised electronics, automotive manufacturers and aerospace companies.

It is currently planned that the tin concentrate from Oropesa will be trucked to the Robledollano facility to be smelted and refined into tin metal ingots, via a toll treatment contract with Iberian Smelting SL on commercial terms, which will then be sold into the European and North American markets by a subsidiary of Elementos.

[1] Further detail of payment breakdown provided in Appendix-1
[2] European & North American Tin Premiums sourced from industry data on 02-September-2025

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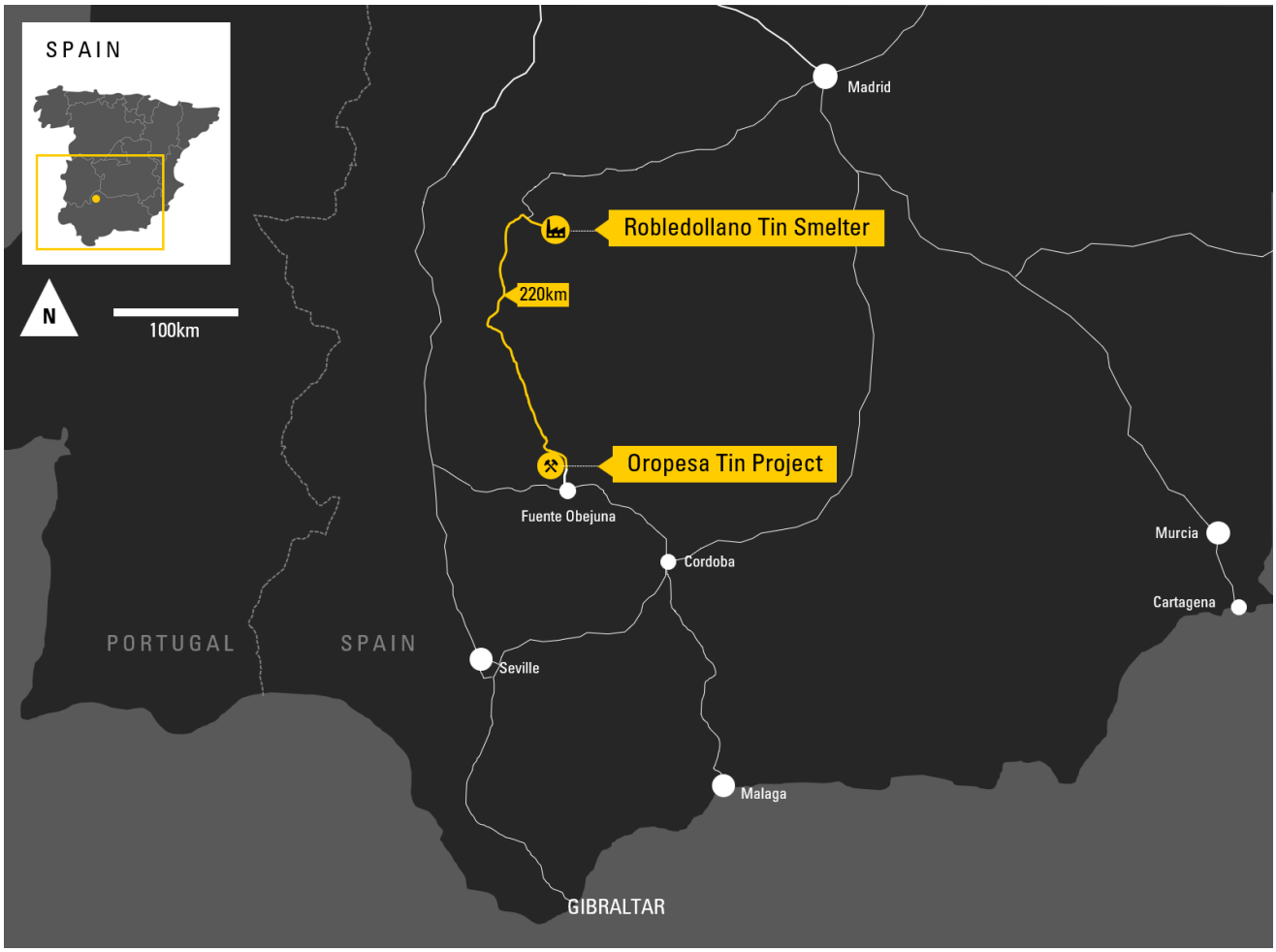


Figure 1 *– Location of the smelter in proximity to the Oropesa Tin Project*

The Agreement provides for a two stage-option, with both options having a five-year exercise term, to acquire 50% interest in the company which wholly owns the asset. The deal has a favourable time-phased payment schedule with the options fees not being payable until late 2026, and the exercise payments for up to 5-years.

Payment Breakdown		Timing
1. Option Fee Deposit 1	: €40k paid on signing of Term-sheet	PAID
2. Option Fee Deposit 2	: €40k paid on execution of binding agreements	PAID
3. Option Fee A (Remaining)	: €475k payable when Conditions Precedent satisfied	~Jun-2026
4. Option Fee B (Remaining)	: €620k payable 6-months after Conditions Precedent satisfied	~Dec-2026
5. Option-1 exercise:	: €1,620k to acquire 30% from existing shareholders	(up to) 5yrs
6. Option-2 exercise:	: €830k to acquire extra 20% (to 50%) from existing shareholders	(up to) 5yrs

Total consideration: **€3,625,000.00 for 50% interest in Smelting & Refining Company**

Further detail regarding the Agreement is summarised in Appendix-1.

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Elementos Managing Director Joe David commented:

"We are pleased to complete the signing of this agreement with the current owners of the Robledollano Smelter and lock-in our pathway to establishing the European Union's only primary tin supply, entirely from within Spain."

"This operating smelter, located outside the town of Robledallano, and only 220km from the Oropesa Tin Project, has the required permits to operate, including emissions release, water use and waste management licences. The facility has already had significant capital invested into it since the acquisition by CRM in 2021 and is currently undergoing substantial upgrades and improvements to smelting and refining equipment (completion of these works remaining a CP to the deal) and supporting infrastructure. The resulting facility will be a world-class tin smelter and refining facility, with the ability to also process battery recycling materials and recover other base, precious and critical minerals."

"The signing of this binding agreement locks-in Elementos' mine-to-metal tin strategy, setting the company up to benefit from the economic, strategic and political benefits of being the EU's only primary tin supply as well as playing a critical role in recycling of metals within the European Union. Establishing a vertical integrated (mine-to-metal) tin supply-chain within Europe, propels Elementos down the value chain into to a refined tin producer, selling tin metal for a premium to European and North American buyers. European and North American buyers are currently paying delivery premiums of between US$900-1,450/tonne[2] to the published LME prices to attract tin metal to deliveries from Asian smelters. These premiums provide significant offset to the treatment and refining charges, as well as avoiding the other costs associated with transporting, financing and insuring concentrate consignments to other Asian based smelters."

"The 'domestic' production of critical minerals, from both primary ore and recycling materials, from within the European Union is a clear goal of the legislated Critical Raw Material Act by the EU Parliament, which is closely reflected by the aspirations of the Spanish Government. The Robledollano smelter acquisition is fully aligned with these political mandates and places Elementos as a crucial part of metal security for the EU. "

"Moreover, with the global supply of tin currently undergoing significant strain, we will strive to service tin buyers who want to establish reliable and responsible tin supply from within the EU. These EU and North American buyers will benefit from buying tin not only a 'more local' supplier, but from a responsible supplier with a much lower average carbon footprint than global tin concentrate which needs be shipped to Asia, smelter, and the tin metal then shipped back to EU and North American buyers."

CRM Synergies Director Manuel Alonso Lopez commented:

"CRM Synergies is very pleased to finalise the option and shareholder agreements with Elementos for the shareholding in Iberian Smelting. S.L. This is another major step ahead in our mission to lead the way in the circular economy."

"Our two companies both recognised the unique opportunity we had to bring together a Spanish tin mine and smelter, so today is a happy day for both parties as we commit to this business partnership. The synergies between a fully integrated Spanish tin mine-to-metal operation are more relevant than ever, with global volatility and tin supply sending shockwaves around the global industry. The partnership we have formed today will be good for CRM, good for Elementos, good for Spain and good for the European Union."

"CRM, a proud Spanish company, has established itself as a significant independent player in the global smelting, refining and downstream solder manufacturing and sales market. Partnering with a future producing tin miner like Elementos, via Iberian Smelting, will allow us to grow further and secure a larger market share of the growing tin market."

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Iberian Smelting, Robledallano Smelter and Refining Facility Summary

The smelter owners have provided the following information:

- **Current Ownership:** The ultimate current smelter is owned by Iberian Smelting SL. 90% ultimately owned by CRM Synergies and 10% owned by a private individual.
- **History:** The tin smelter was previously operated as a lead shot smelter and a lead-acid battery recycling plant. It was acquired by CRM in June-2021 and had a new rotary furnace installed and commissioned in May-2022 to process tin. It is currently undergoing major upgrades to both smelting and refining equipment and supporting infrastructure.
- **Current Operations:** The smelter is currently operating, toll treating both intermediate tin products for CRM Synergies and lead-oxide/tin/antimony material for major global battery recyclers and manufacturers.
- **Licences:** The facility holds all required Environmental (Integrated Environmental Authorisation), Waste & Emissions (State Register of Emissions and Pollutants Sources) and Operational permits and is currently licenced to smelt tin, lead and other base metal concentrates and residue products. The current environmental licenses allow the facility to process up to 20,000t of feed per year.
- **Audits & Compliance:** The smelter will pursue ISO-14001 certification and is in the process of being audited and registered as a Responsible Minerals Assurance Process (RMAP) facility, aligned with CRM's other company smelters.
- **Smelter Capacity:** The facility is licensed to operate 24 hours a day, 7-days per week, 365 days per year, and is estimated to soon be able to process at least 12,000t/year of tin concentrate feed.
- **Operational Status:** The facility is currently operating and processing materials at an average rate of ~600t/month (~7,200t/year on an annualised basis).
- **Expansion Potential:** The facility is currently undergoing material upgrades to both smelting equipment, refining equipment, exhaust equipment and upgrades to electrical infrastructure. On completion the facility will be a world -class smelting and refining asset with the ability to produce tin ingots up to a quality of 99.99%Sn. The Smelter has the physical room to expand further, with other business development options being considered to further leverage the profitability of this strategic asset.

Background on CRM Synergies S,L:

CRM Synergies is the parent company of the current 90% owner of the facility and is proposed to remain the other 50% shareholder alongside Elementos, after exercise of the two phases of options:

- **History:** Founded in 1996, CRM Synergies is one of the leading global manufacturers of high-quality tin and soldering products as well as being considered one of the most important tin producers in Europe.
- **Customers:** Customers include the largest international conglomerates from major industrial sectors, such as automotive, aeronautics, and electronics. CRM Synergies services Europe and subsidiary companies in Brazil and Mexico offer full coverage to North American clients.
- **Recycling:** The main activity is currently environmental management and recycling of tin waste materials, via the re-smelting and refining into tin metal and subsequent downstream products.
- **Certifications:** CRM Synergies is certified as an Integrated Environmental Authorized company (IEA company), one of very few manufacturers of tin and tin alloys which have this prestigious certification.

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Figure 2 *– Partial external view of Robledallano Smelter owners by Iberian Smelting SL*

Elementos' Board has authorised the release of this announcement to the market.

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ABOUT ELEMENTOS

Elementos is committed to the safe and environmentally conscious exploration, development, and production of its global tin projects. The company owns two world class tin projects with large resource bases and significant exploration potential in mining-friendly jurisdictions. Elementos is positioned as a pure tin platform, with an ability to develop projects in multiple countries. The company is well-positioned to help bridge the forecast significant tin supply shortfall in coming years. This shortfall is being partly driven by reduced productivity of major tin miners in addition to increasing global demand due to electrification, green energy, automation, electric vehicles and the conversion to lead-free solders as electrical contacts.

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Appendix-1: Summary of Material Terms

The Call Option Deed provides for the acquisition of up to 50% of the shares in Iberian Smelting S.L. (**IS** or the **Company**) by ELT's Spanish subsidiary, Spain Tin Smelting, S.L. (**STS**) by way of an initial 30% interest (**Option 1**) and a further 20% interest (**Option 2**) (**Call Option**).

A summary of the material terms of the Call Option are as follows.

(a) Option Fee: Excluding the €40,000 deposit already paid in 2024, STS is required to pay an option fee of:

i. a further deposit of €40,000 on signing (which has been paid);

ii. €475,000 upon the conditions precedent being satisfied or waived (**Effective Date**)**;** and

iii. €620,000 within six (6) months of the Effective Date;

(b) Exercise Period and Price: Each of the Options may be exercised, at any time within five (5) years of execution, in consideration for STS paying:

i. in respect of Option 1, €1,620,000; and

ii. in respect of Option 2, €830,000,

(the **Exercise Price**). The Exercise Price:

iii. shall be increased by €245,000 for each year between the date of signing and the exercise of the Options;

iv. may be adjusted (upwards or downwards) if the net figure (less debt) of the CAPEX for upgrading he vacuum furnace is above or below €2,000,000;

(c) Conditions Precedent: The Options are subject to various conditions precedent customary for a transaction of this sort, including:

i. STS being satisfied with its detailed due diligence;

ii. STS obtaining all regulatory approvals necessary to carry out the proposed transaction and receiving written evidence that IS has obtained the signing of the amended environmental and operating permit; and

iii. IS executing certain CAPEX works related to the installation of new smelting and refining equipment and electric upgrades at its facility;

(d) Default and Re-Acquisition: If STS breaches the option agreement, or has not supplied IS with a minimum of 8,000 tons of tin concentrate within six (6) years from the exercise of Option 2, CRM shall have the right to acquire from STS up to 50% of the shares acquired for a total purchase price equivalent to the purchase price paid for those shares under the agreement; and

(e) Other: The agreement contains customary guarantees, representations, warranties and covenants for a transaction of this nature.

As part of the negotiations of the Call Option, the parties have negotiated and agreed a form of shareholders' agreement that is to apply following the exercise of the Call Option (**Shareholders' Agreement**), the material terms of which are as follows:

(a) Decision Making: Other than in respect of certain decisions that shall be adopted by a special majority vote of Shareholders representing at least 75% of the share capital of the Company (**Reserved Matter**), once STS acquires a 50% interest, decisions shall be made by the Company's board of directors (**Board**) or adopted by majority shareholder vote in accordance with the Spanish Companies Act, with each of STS and CRM appointing 2 Directors each. For so long as CRM holds 40% or more of the Company's share capital, CRM shall be entitled to appoint the Consejero Delegado and the Chairman, who shall have the casting vote on any matter of the Board in the event of a deadlock.

(b) Drag / Tag/ First Rights of Refusal: The Shareholders' Agreement contains first right of refusal and drag-along and tag-along clauses that are customary for a shareholders' agreement of this type;

(c) **Default Events**: The Shareholders' Agreement contains customary event of default procedures, including that if a Shareholder breaches a material term of the Shareholders' Agreement and the Shareholders cannot agree on a remedy in good faith, the non-defaulting Shareholders may acquire the shares of the defaulting Shareholder on pro rata basis for 95% of the fair market value of the shares, as determined by an Independent Expert.

(d) **Deadlock**: If a deadlock has been reached on a Reserved Matter (**Deadlock**) that cannot be resolved within a prescribed period, then CRM shall be entitled to purchase STS's shares in the Company. If such Deadlock occurs prior to the third anniversary of the date of the Call Option Agreement (**Execution Date**), the purchase price shall be the lower of their fair market value as determined by an Independent Expert or the purchase price paid by STS (increased annually for CPI) and will, otherwise, be their fair market value as determined by an Independent Expert where not within 3 years.

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