



Cornish Lithium



TECHMET

## **Landmark US\$67 million Investment for Cornish Lithium**

*UK Infrastructure Bank makes investment to strengthen domestic lithium supply chain*

- **Cornish Lithium to receive US\$67 million in funding from the UK Infrastructure Bank, The Energy & Minerals Group and TechMet**
- **UK Infrastructure Bank's direct equity investment will support the development of the UK's critical minerals supply chain**
- **Funding will accelerate growth towards commercial production of lithium**
- **Part of larger funding package of up to an additional US\$210 million**

Cornish Lithium is pleased to announce a US\$67 million (£53.6 million) initial investment from a group of leading institutional investors led by the UK Infrastructure Bank alongside The Energy & Minerals Group (EMG) and TechMet.

In its first direct equity investment, the UK Infrastructure Bank will invest approximately £24.0 million (US\$30 million equivalent) into the development of the UK's critical minerals supply chain with EMG, a US-based private equity fund focused on the energy and minerals sectors, also investing around £24.0 million (US\$30 million equivalent). Cornish Lithium's largest existing institutional shareholder, TechMet, the critical minerals investment company, whose major backers include the US Government's Development Finance Corporation (DFC), is investing a further US\$7 million (£5.6 million), bringing its total investment into Cornish Lithium to US\$30m.

The funding package is expected to significantly accelerate progress toward the creation of a domestic supply of battery grade lithium compounds, which is crucial to support the scaling up of domestic battery production for electric vehicles and battery energy storage solutions for renewable energy sources. The initial investment is part of a larger funding package of up to an additional US\$210 million (c.£168.0 million) potential second-stage financing, which is expected to provide the equity foundation necessary for the pioneering mineral exploration and development company to achieve commercial production.

This investment signals a significant boost for Cornwall, and aligns closely with the Bank's core mandate to support the UK's transition to net zero and boost regional and local economic growth. The funding aims to enable the County's development as an industrial cluster for lithium extraction and will strengthen the move to net zero in line with Cornwall's local industrial strategy. Once in commercial production, Cornish Lithium aims to build its 70-strong Cornwall-based workforce to over 300. Through its Trelavour hard rock mine development alone, it is estimated that Cornish Lithium could generate £800 million of economic activity for the local economy over the expected 20-year mine life. This figure is expected to increase further through development of the company's geothermal waters project portfolio.

Following the closing of this round of initial investment, Cornish Lithium is pleased to announce that it will also make available a further retail share offering through Crowdcube (Retail Offer). The offer will be for up to £6.9 million and will prioritise its existing shareholders, with further details due to be announced in due course.

Jeremy Wrathall, founder and CEO of Cornish Lithium said: “Cornish Lithium has achieved its objective of defining world-class opportunities for lithium extraction in Cornwall from both lithium-enriched geothermal waters and from hard rock. It was therefore essential to secure funding from institutional investors with the financial muscle to bring our projects into commercial production. We are delighted to have secured investment from the UK Infrastructure Bank alongside EMG, as well as our much-valued partner TechMet.

“This funding will enable us to progress our Trelavour hard rock lithium project to a construction-ready status as well as completing the engineering design work required to build a demonstration-scale geothermal waters extraction facility. These project milestones are expected to generate a significant value uplift for all of our shareholders and create substantial benefits for the local community. As well as creating job opportunities<sup>1</sup> and fostering innovation, the investment signals confidence in our ambitions and will drive forward the modern-day renaissance of Cornwall’s 4,000-year mining heritage. It is also a positive development for the UK’s automotive industry and green industrial revolution. A domestic source of lithium will strengthen the UK’s car manufacturing supply chain and improve its competitiveness whilst reducing the carbon footprint associated with the manufacture of batteries and electric vehicles.

“A significant amount of work over many months has gone into securing this funding and I would like to thank our team at Cornish Lithium for all of their efforts to bring this transaction to fruition in collaboration with the teams at the UK Infrastructure Bank, EMG and TechMet.

“It is exciting to now be able to share the news and look ahead to the next stage of our work. We are pleased to now give our existing shareholders the opportunity to vote on this ground-breaking deal for the UK economy and we look forward to providing them with more details about the General Meeting to approve the transaction and the Retail Offer in due course.”

John Flint, CEO of UK Infrastructure Bank, said: “Our investment in Cornish Lithium perfectly encapsulates a key part of our mission – to drive forward new and emerging markets that the UK will rely on to meet its net zero goals, and which will deliver an enduring and positive impact on local economies.

“Globally the supply of lithium is far outpaced by demand, and yet in the UK it remains a nascent market. Our investment has already crowded-in private sector financing which will greatly accelerate domestic production of a mineral which is critical to the future of EV battery production and decarbonisation of the transport sector. This model of investment is fundamental to the success of the UK’s transition to net zero.”

John Raymond, Executive Chairman of EMG, said: “EMG’s investment in Cornish Lithium further supports our continued focus on the development of the forward-facing commodities critical to the implementation of the aspirational goals of decarbonization. EMG is pleased to partner with the existing owners of Cornish Lithium as well as the UK Infrastructure Bank in this financing package for Cornish Lithium as it provides for sufficient capital formation necessary to achieve commercial production of what is envisioned to become a critical domestic supply source of lithium for the UK battery industry while contemporaneously advancing the economic development of the long-standing Cornish mining industry. To this end, we wish to thank the Cornwall Council for their thoughtful leadership and support as well as all the other constituencies who have embraced and supported the advancement of the project”.

Brian Menell, Chairman and CEO of TechMet, said: “We welcome the addition of UK Infrastructure Bank and EMG as major funders alongside TechMet, and we are excited to continue supporting this innovative business and team. This major investment package will mean jobs for Cornwall and is a very positive step for the UK energy transition. Cornish Lithium has a very bright future as the UK’s pre-eminent lithium producer, providing a vital supply of lithium to the British battery industry.”

Economic Secretary to the Treasury Andrew Griffith said: “I am delighted to see the £53.6 million initial investment into Cornish Lithium, led by around £24 million of funding from the UK Infrastructure Bank. This investment supports plans laid out in the government’s Critical Minerals Strategy by improving the UK’s domestic supply of lithium, which will help the UK’s transition towards net zero whilst also boosting local and regional economic growth.”

Business and Trade Secretary Kemi Badenoch said: “This is fantastic news for the Cornish economy and the UK car industry as a whole. This announcement demonstrates that the Government has got the right plan in place to help produce the batteries we need to ramp up our domestic electric vehicle production. Together with Tata Group’s recent gigafactory announcement, we are making sure the UK automotive sector is well set for the future.”

Secretary of State for Energy Security and Net Zero Grant Shapps said: “Today’s investment in Cornish Lithium is a strong vote of confidence in the South West’s future at the cutting edge of electric vehicle technologies. Coming hot on the heels of Tata’s investment in its gigafactory in Somerset last month – one of the largest investments ever in our automotive sector – this planned expansion will be a key part of ensuring a domestic supply of lithium that is so vital to developing batteries and battery storage here in the UK. And all of this will support our move towards a cleaner energy future, grow our economy and create new jobs, while also boosting our energy security.”

Cllr. Louis Gardner, Economy Portfolio Holder, Cornwall Council Cabinet, commented: “It’s exciting to see this investment into Cornish Lithium and Cornwall’s critical minerals sector more generally. We know that minerals such as lithium are vital in the transition to a low carbon economy and have the potential to create high value jobs in the region. Cornwall is fast becoming a place where investments in low carbon technology are putting the region at the forefront of this sector. This is something the Council have set out in ‘The Power of Cornwall’ campaign that sets out why Cornwall has such fantastic investment potential.”

## **ENDS**

For more information and to arrange interviews, please contact [press@ukib.org.uk](mailto:press@ukib.org.uk) and [cornishlithium@wildcard.co.uk](mailto:cornishlithium@wildcard.co.uk)

## **Notes to Editors**

*Please note, the funding package is detailed in US\$ and GBPE. This is because the package was agreed in dollars while the UK Investment Bank’s investment was in GBPE.*

## **Key Project Milestones Now Funded**

<sup>1</sup>At Trelavour Downs in Cornwall, where Cornish Lithium plans to extract lithium from hard rock in a repurposed china clay pit and produce c.8,000 tonnes per year of battery-grade lithium hydroxide, the initial multi-million-pound funding package will enable the company to progress to a construction-ready state. This work includes completing the project’s feasibility study, building and operating a Demonstration Plant – which will create 30 fixed-term jobs and training opportunities in the near term - and obtaining any necessary planning and permitting consents. The feasibility study will also include

environmental baseline and social impact studies, which will feed into the planning and permitting process.

The initial funding will also enable Cornish Lithium to progress its lithium in geothermal waters project portfolio where it believes there is county-wide potential across Cornwall. Innovative Direct Lithium Extraction (DLE) technology is being tested and developed to responsibly extract lithium from geothermal waters deep beneath the surface of Cornwall with the by-product of heat energy. The investment will enable additional exploratory boreholes to be drilled across a wider area of Cornwall and associated studies to take place. Detailed engineering studies required to construct a geothermal demonstration site will also move forward, showcasing the potential to produce significant quantities of water and carbon-free heat for the benefit of industry and local communities.

Cornish Lithium will continue to make a positive difference in Cornwall's communities. In the last year, it has invested nearly £44,000 in community programmes and seeks to inspire the next generation through a comprehensive schools and colleges outreach programme.

#### **About Cornish Lithium**

Cornish Lithium is a pioneering mineral exploration and development company supporting the UK's Green Revolution and the transition to renewable energy by building a secure domestic supply of lithium for electric vehicles and power storage batteries.

The company is using highly innovative and sustainable processes to extract lithium from both geothermal waters and hard rock in the historic mining district of Cornwall, UK. Cornish Lithium aims to provide the foundation for a modern-day renaissance of Cornwall's 4,000-year mining heritage by extracting metals that are needed for modern technologies such as electric vehicles and renewable energy.

#### **About the UK Infrastructure Bank**

The UK Infrastructure Bank was announced as part of the Government's National Infrastructure Strategy in 2020 and launched in June 2021. The Bank's objectives are to help tackle climate change and to support regional and local economic growth.

The Bank has announced 20 deals, representing investment of approximately £1.9bn, and unlocking more than £9.6 billion in private capital and more than 5,700 jobs, created and supported.

The Bank is operationally independent from Government and projects are assessed by the Bank and approved through an Investment Committee.

#### **About The Energy & Minerals Group**

The Energy & Minerals Group (EMG) is a private investment firm with assets under management ("AUM") of approximately US\$14 billion as of 31 March 2023. EMG targets equity investments of US\$150 million to US\$1,000 million in the energy and minerals sectors with talented, experienced management teams, focused on hard assets that are integral to existing and growing markets. [www.emgtx.com](http://www.emgtx.com)

#### **About TechMet**

TechMet Limited is a leading technology metals investment company with a portfolio of assets that responsibly produce, process, and recycle the metals that are critical to the global energy transition and the electric vehicle revolution. Current global assets in the TechMet portfolio include vanadium processing, hard rock and brine lithium development, nickel-cobalt mining, rare earth production and processing, tin mining and direct lithium extraction. TechMet's major shareholders include the U.S.

International Development Finance Corporation and the global energy and commodity group  
Mercuria. [www.techmet.com](http://www.techmet.com)