

## **5E ADVANCED MATERIALS REPORTS STEADY STATE OPERATIONS AND OBTAINS TAX EXCLUSION FOR LITHIUM CAPEX**

*Progress in plant-level operations aligns with recent momentum in commercial strategy and offtake discussions*

**HESPERIA, CA., October 22, 2024** (GLOBE NEWSIRE) – 5E Advanced Materials, Inc. (Nasdaq: FEAM) (ASX: 5EA) (“5E” or the “Company”), a boron and lithium company with U.S. government Critical Infrastructure designation for its 5E Boron Americas Complex, is pleased to report positive progress at the Company’s Small-Scale Facility (“SSF”).

### **Highlights:**

- Operational focus and rigor at the 5E Boron Americas complex have improved production rates, overall product quality, and consistency
- Improved operating rates have driven an increase in calcium content, expanding 5E’s commercial optionality regarding byproduct marketing
- Entered into a definitive agreement with the California Alternative Energy and Advanced Transportation Financing Authority regarding a tax assistance program for capital equipment related to the production of lithium carbonate, with savings potential of nearly \$900,000

Paul Weibel, Chief Executive Officer of 5E Advanced Materials, commented, “We are increasingly encouraged by the improvements to our operational performance as we continue to see positive progress at the plant level with solid data points across both our production rates and product quality. We have overcome initial maintenance headwinds and early-stage growing pains, as our operations team has developed innovative solutions to work through challenges and continuously improve processes. The positive progress at the facility plays well alongside the expanding level of discussions we are having with various potential customers as we look to enter offtake commitments and advance 5E’s commercial strategy.”

### **Operations Update**

Production rates at the Company’s 5E Boron Americas Complex have steadied and are currently maintained at one short ton per day with continuous improvement at the facility. The operations team has successfully programmed crystallization to operate in automatic mode such that distillation occurs based on feed concentration, improving both boric acid consistency and quality. Recently, the facility’s belt filter spray nozzle systems were optimized to maintain sulfur content below 100 ppm, exceeding customer specifications.

The Company expects to begin removing metal salts and producing gypsum in the near term as calcium levels and metal salts have lagged boric acid leach rates. Calcium content has now increased to greater than 20,000 ppm, necessitating the production of a calcium-based by-product. As the Company assesses operating expenses and commercial scale engineering, the recovery solution after removing the calcium is expected to reinforce the confidence levels of solution feed profiles that inform raw material utilizations that drive OPEX. The Company continues to evaluate calcium chloride as a potential byproduct and has tested and produced highly concentrated samples (38% Ca) of solution that are representative of what could be produced on a commercial scale.

### **New Tax Exclusion**

On October 16<sup>th</sup>, the Company entered into a definitive agreement with the California Alternative Energy and Advanced Transportation Financing Authority (“CAEATFA”) as part of the Sales and Use Tax Exclusion Program (the “Program”).

California's Department of Tax and Fee Administration administers a use tax of 7.75% on capital equipment. Under the Program, assistance is provided by CAEATFA such that any capital equipment attributable to lithium carbonate production is exempt from use tax, up to a limit of \$11,473,423. The Agreement could potentially save the Company approximately \$889,000 in capital costs.

**About 5E Advanced Materials, Inc.**

5E Advanced Materials, Inc. (Nasdaq: FEAM) (ASX: 5EA) is focused on becoming a vertically integrated global leader and supplier of boron specialty and advanced materials, complemented by lithium co-product production. The Company's mission is to become a supplier of these critical materials to industries addressing global decarbonization, food and domestic security. Boron and lithium products will target applications in the fields of electric transportation, clean energy infrastructure, such as solar and wind power, fertilizers, and domestic security. The business strategy and objectives are to develop capabilities ranging from upstream extraction and product sales of boric acid, lithium carbonate and potentially other co-products, to downstream boron advanced material processing and development. The business is based on the Company's large domestic boron and lithium resource, which is located in Southern California and designated as Critical Infrastructure by the Department of Homeland Security's Cybersecurity and Infrastructure Security Agency.

**Forward-Looking Statements**

This press release includes "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, as amended. All statements other than statements of historical fact included in this press release regarding the Company's business strategy, plans, goals, and objectives, including regarding the anticipated changes to the Company's board of directors and management and anticipated benefits, are forward-looking statements. When used in this press release, the words "believe," "project," "expect," "anticipate," "estimate," "intend," "budget," "target," "aim," "strategy," "plan," "guidance," "outlook," "intent," "may," "should," "could," "will," "would," "will be," "will continue," "will likely result," and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain such identifying words. These forward-looking statements are based on the Company's current expectations and assumptions about future events and are based on currently available information as to the outcome and timing of future events. We caution you that these forward-looking statements are subject to all of the risks and uncertainties, most of which are difficult to predict and many of which are beyond our control, incident to the extraction of the critical materials we intend to produce and advanced materials production and development. These risks include, but are not limited to: our limited operating history in the borates and lithium industries and no revenue from our proposed extraction operations at our properties; our need for substantial additional financing to execute our business plan and our ability to access capital and the financial markets; our status as an exploration stage company dependent on a single project with no known Regulation S-K 1300 mineral reserves and the inherent uncertainty in estimates of mineral resources; our lack of history in mineral production and the significant risks associated with achieving our business strategies, including our downstream processing ambitions; our incurrence of significant net operating losses to date and plans to incur continued losses for the foreseeable future; risks and uncertainties relating to the development of the Fort Cady project, including our ability to timely and successfully complete our proposed Commercial Scale Boron Facility; our ability to obtain, maintain and renew required governmental permits for our development activities, including satisfying all mandated conditions to any such permits; the implementation of and expected benefits from certain reduced spending measures, and other risks and uncertainties set forth in our filings with the U.S. Securities and Exchange Commission from time to time. Should one or more of these risks or uncertainties occur, or should underlying assumptions prove incorrect, our actual results and plans could differ materially from those expressed in any forward-looking statements. These risks are not exhaustive and the information in this press release may be subject to additional risks. No representation or warranty (express or implied) is made as to, and no reliance should be placed on, any information, including projections, estimates, targets, and opinions contained herein, and no liability whatsoever is accepted as to any errors, omissions, or misstatements contained herein. You are cautioned not to place undue reliance on any forward-looking statements, which speak only as to the date of this press release.

For additional information regarding these various factors, you should carefully review the risk factors and other disclosures in the Company's Form 10-K filed on September 9, 2024 and subsequent filings with the U.S. Securities and Exchange Commission throughout the year, as well as in its filings under the Australian Securities Exchange. Any forward-looking

statements are given only as of the date hereof. Except as required by law, 5E expressly disclaims any obligation to update or revise any such forward-looking statements. Additionally, 5E undertakes no obligation to comment on third party analyses or statements regarding 5E's actual or expected financial or operating results or its securities.

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