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**PRESS RELEASE**

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**Primobius partners with Stelco in recycling of electric vehicle batteries**

- Primobius enters North America and commercializes its recycling technology in one of the fastest growing lithium battery production markets
- Primobius licenses the technology to a Stelco battery recycling special purpose vehicle (Stelco recycling) and holds an option to acquire equity
- Agreement marks another step for SMS group towards the transformation to a sustainable metals industry
- Partnership enables Stelco to uniquely create a closed-loop system of auto recycling and provision of green steel and battery metals back to its OEM customers
- Initial operations targeted for 2023

Primobius GmbH has executed binding option and licensing agreements with the North American steelmaking company Stelco Holdings Inc. headquartered in Hamilton, Ontario. Both parties have agreed on formal arrangements to commercialize Primobius' proprietary advanced electric vehicle battery recycling and processing technologies in North America.

Primobius is an incorporated joint venture between Australian Stock Exchange listed company Neometals Ltd. and private German engineering and technology company SMS group, to commercialize an environmentally friendly recycling solution for lithium-ion-batteries (LIB). Primobius has developed a CO<sub>2</sub>-reduced, two-step system combining mechanical and hydrometallurgical processes to bring high-purity chemicals back into the battery supply chain.

Besides its own ten tons per day commercial disposal plant at SMS group location Hilchenbach, Germany, which addresses the needs of the LIB supply chain in Europe, this new partnership represents a significant milestone for Primobius. It supports the strategy to become the leading LIB recycler through the establishment of a second operating base. The option agreement with Stelco grants Primobius the right to acquire between 25 % and 50 % equity in Stelco recycling.

Prof. Dr. Hans Ferkel, CTO at SMS group and Primobius Member of the Advisory Board said: “We recognize the need to secure access to large volumes of future end-of-life LIBs and the present need to recycle a significantly growing volume of end-of-life batteries and production scrap from LIB cell production in the United States. The partnership presents the perfect opportunity for us to enter one of the world’s fastest growing cell making markets.”

As a leading supplier of steel to the automotive OEMs, Stelco consumes scrap as part of its steel manufacturing process and is planning to secure sufficient volumes of end-of-life vehicles to source scrap steel feedstock. As Primobius has licensed its battery recycling technology to Stelco, the steelmaking company is now in a position to mature its feedstock targeting activities with an additional direct access to a sustainable industrial-scale battery recycling solution.

Stelco Executive Chairman and Chief Executive Officer Alan Kestenbaum said: “With this novel approach, Stelco is uniquely positioned to provide the highest quality automotive steels available in North America as well as a greater value proposition to its customers. By providing this service, Stelco will be able to recycle end-of-life electric vehicles, convert them into green steel and recover from their batteries high purity metals such as lithium, nickel, cobalt and manganese. The synergies obtained by joining the leading engineering company in the world with the leading battery metals technology company and with our state-of-the-art steelmaking capabilities position Stelco as the best-in-class partner to automotive OEMs, particularly those pursuing electric vehicle strategies.”

SMS group already looks back on an existing long-standing relationship with Stelco from its steel-related activities. Recycling solutions have also always been an essential part of SMS group’s leading technology portfolio. The combination of in-depth metallurgical know-how with engineering skills, digital expertise and plant technology consultancy makes the company a key enabler for circularity in the metals industry.

Prof. Dr. Hans Ferkel: “The fact that with Primobius we are now partnering in the area of LIB recycling underlines our lifecycle partnership approach at SMS group.”

“Stelco is thrilled to partner with Primobius. After an extensive search for best-in-class technologies worldwide, including a detailed review of Primobius’ newly commissioned and operational demonstration plant in Hilchenbach, Germany, on the premises of leading engineering firm SMS group, Stelco has reached an agreement that will enable Stelco to create a closed-loop system of auto recycling and provision of green steel and battery metals back to its automotive OEM customers.” Kestenbaum continued.

### **About Stelco**

Established in 1910, Stelco is a low cost, integrated and independent steelmaker with one of the newest and most technologically advanced integrated steelmaking facilities in North America (with locations in Hamilton and Nanticoke, Ontario). Stelco produces flat-rolled value-added steels, including premium-quality coated, cold-rolled and hot-rolled sheet products, as well as pig iron and metallurgical coke. With first-rate gauge, crown, and shape control, as well as uniform through-coil mechanical properties, our steel products are supplied to customers in the construction, automotive, energy, appliance, and pipe and tube industries across Canada and the United States, as well as to a variety of steel service centers, which are distributors of steel products. Stelco Holdings Inc., the 100 % owner of Stelco, is listed on the Toronto Stock Exchange under the symbol 'STLC'.

### **About Primobius**

Primobius is the result of a joint venture partnership between Australian Stock Exchange listed company Neometals Ltd. and private German engineering and technology company, SMS group. Primobius is to commercialize advanced recycling technology, offering a unique and sustainable method for recovering valuable lithium, nickel, cobalt and other materials from expended and scrap electric vehicles and consumer electronics LIBs. Recovered and refined product materials will be reformed and re-applied back into the battery supply chain.



SMS group is renowned worldwide for its future-oriented technologies and outstanding service for the metals industry. The company applies its 150 years of experience and its digital know-how to provide the industry continuously with innovative products and processes – even beyond its core business – and generates worldwide sales of more than 2.7 billion euros. SMS is the right partner for challenging projects, and supports its customers throughout the lifecycle of their plants, enabling profitable and resource-efficient value creation chains. Paving the way for a carbon-neutral and sustainable metals industry is the company's stated goal. As a global player with German roots, SMS takes responsibility for its about 14,000 employees.