

A\$1.2M EUROPEAN GRANT SECURED FOR ARGO TECHNOLOGY

Development grant of €734,000 (~A\$1.2 million) secured to support and fund the fast-tracking of the ARGO technology to Pilot Plant

HIGHLIGHTS

- ZMI has been awarded a government **development grant of ~A\$1.2 million** for its ARGO technology by the Flanders Innovation & Entrepreneurship (VLAIO) agency
- The VLAIO grant provides significant funding to **fast-track ARGO's development** from its current TRL 4 level to Pilot Plant phase (TRL 7).
- ZMI has accelerated and expanded its workplan to fast-track the development of the ARGO technology, focusing on the recovery of critical minerals (**germanium, gallium and indium**).
- The funding to be directly utilised for the Company's major testwork program at **Solvomet**, a leading metallurgical research and innovation centre in Belgium, with numerous key deliverables targeted for completion over the next 12 months.
- The award of this grant reinforces the need for ARGO with **~20% of zinc smelter throughput ends up as ZLR**, ARGO offers the potential benefits of providing a **new source of critical minerals**, eliminating hazardous-waste elements from the current pyrometallurgical route, whilst also reducing energy consumption and emissions.

Mr Greg Ross, CEO of ZMI, commented:

"The securing of the grant comes at the perfect time for ZMI with the recent acceleration and expansion of its workplan for ARGO driven by industry's feedback and now reinforced with the strong support by VLAIO. The recent record-breaking summer heatwave, drought and wildfires have made climate change and emissions reductions priority number one for Europe and the award of the VLAIO grant underscores the strategic importance of ARGO to Europe. ARGO's ability to replace the high CO₂ emission process with a low energy, high recovery process is a key economic driver for the industry.

"ZMI appreciates and thanks VLAIO for their support for this new technology and their vision for future growth in businesses that support the long-term future of existing heavy industries in the Flanders region. Given the level of support available in the Flanders region for ARGO and for Meclex, we are now looking to establish our European head office together with a laboratory in the Flanders region, which will enhance ongoing product development and marketing activities.

"This grant allows ZMI to strongly invest in the development of ARGO, progressing further and faster towards commercialisation, with substantial news flow expected as we progress to pilot plant testing by early 2027".

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Zinc of Ireland Limited (ASX: ZMI) (ZMI or Company) is pleased to announce that its subsidiary, Metallon Clean Extractions BV (**Meclex**), has been awarded a €734,000 (~\$1.2 million) development grant from VLAIO. VLAIO is a leading government agency in Belgium responsible for injecting financial support and strategic guidance into companies operating within the Flemish Region (**Flanders**).

VLAIO aims to support enterprises in developing innovative products, like the ARGO technology. Development projects can be supported until Technology Readiness Level (**TRL**) 7 (demonstrators, pilots, scale-ups). This grant supports ZMI's strategy of developing metallurgical technologies designed to recover valuable metals from industrial residues and recycling streams.

The **ARGO technology** is a hydrometallurgical process designed to recover zinc, lead, silver and potentially critical minerals (**gallium, germanium, and indium**) from zinc leach residue (**ZLR**) generated during primary zinc smelting and refining.



Figure 1: Schematic of the ARGO technology compared to the current process

The award of the grant allows ZMI's program for the ARGO technology at Solvomet in Belgium to be co-funded. Solvomet is the Catholic University of Leuven's Research Centre for Circular Hydrometallurgy. Solvomet supports mining, metallurgical and recycling companies in the development of more sustainable (circular, low-energy input) hydrometallurgical processes, using state-of-the-art lab and pilot scale experimental facilities and modelling capabilities.

A major 12-month testing program was recently fast-tracked and expanded designed to progress the ARGO flowsheet through to the pilot phase by early 2027 (TRL 7). VLAIO will progressively fund the majority of ZMI's testing program at Solvomet in Belgium over the next 12 months based on an agreed budget and schedule.

To achieve the VLAIO grant, ZMI demonstrated how the ARGO technology will provide a direct benefit to the zinc smelting industry and the positive impact it will have in the Flanders region and globally.

The Flanders region is a global producer of zinc and lead products. The region includes Nyrstar's Balen smelter, which is one of the world's largest zinc smelters. ZMI has a cooperation agreement with Nyrstar, a leading international producer of industrial and critical minerals and metals, including zinc and lead. Under the cooperation agreement, Nyrstar provides ZMI with feedstock (ZLR), industry know-how and testing facilities.



Figure 2: ZMI's Cooperation Agreement partner's Nyrstar Balen smelter in the Flanders region
 (source: Nyrstar)

About VLAIO Grant

Meclex and VLAIO have entered into a co-funding agreement for a grant to develop Meclex's ARGO technology. The total amount of the agreement is €1,223,000 (~A\$2.0 million), with VLAIO's share being €734,000 (~A\$1.2 million), and Meclex's share being €489,000 (~A\$0.8 million) to be funded from existing cash reserves. The term of the project is 24 months, with continuation of the grant after 12 months being contingent on Meclex providing required financial statements and an updated budget covering the remaining months of the project. VLAIO can terminate the agreement early and/or revise the grant, reclaim funds, and suspend payments in cases of project non-compliance, underperformance, or failure to meet reporting deadlines.

About ZMI

ZMI is focused on the complete zinc supply chain with newly acquired metals technologies complementing ZMI's mineral exploration activities and unlocking significant value-add opportunities across its current portfolio. ZMI's new technologies, ARGO and VOLTA, directly address the significant environmental pressures facing industry, offering potential low temperature, low-emission alternatives to the incumbent high-cost pyrometallurgical processes. ZMI aims to commercialise these metals technologies to extract and recycle metals critical for the world's requirements. ZMI also owns the Kildare zinc deposit located approximately 40km southwest of Dublin, an area known for high-grade zinc mines.

Forward Looking Statements

This release may include forward-looking statements, which may be identified by words such as "expects", "anticipates", "believes", "projects", "plans", and similar expressions. These forward-looking statements are based on ZMI's expectations and beliefs concerning future events. Forward looking statements are necessarily subject to risks, uncertainties and other factors, many of which are outside the control of ZMI, which could cause actual results to differ materially from such statements. There can be no assurance that forward-looking statements will prove to be correct. ZMI makes no undertaking to subsequently update or revise the forward-looking statements made in this release, to reflect the circumstances or events after the date of that release.

This announcement has been approved and authorised for release by the Company's Chief Executive Officer, Mr Greg Ross.