

RHYOLITE RIDGE NEWSLETTER

MARCH 2022

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PRESIDENT'S MESSAGE

Dear Readers,

I would first like to thank all of you who attended the Rhyolite Ridge Community Meeting on February 17. It was a pleasure to be back in Fish Lake Valley to provide a Project update and listen to your feedback. I remain humbled by the support the community continues to give to the Ioneer team. Now that international travel restrictions have eased, I look forward to spending much more time in Nevada and Fish Lake Valley and catching up with as many of you as possible.

Ioneer continues to make steady progress towards the development of Rhyolite Ridge with several key developments since late last year, all of which are covered more in-depth in this edition of our Quarterly Newsletter:

- In December we announced that following a year-long process, the US Department of Energy Loan Programs Office has invited Ioneer into the due diligence process under the Department's Advanced Technology Vehicles Manufacturing Loan Program.
- In early February the US Fish and Wildlife Service proposed critical habitat to accompany the ongoing listing of Tiehm's buckwheat as endangered under the Endangered Species Act. The announcement was in line with our expectations, and as such has no meaningful impacts on our planned mining activities.
- In November 2021 we submitted a revised Plan of Operations to the BLM, which involved a design modification of the initial quarry at Rhyolite



*Bernard Rowe at Fish Lake Valley Community Center
Dyer, NV, February 2022*

Ridge which will avoid direct impacts to the Tiehm's buckwheat, with buffer zones between the plants and all mining activities.

- We recently announced that we have selected ABB, a leading global technology company with 130 years of experience in mining applications, for a major product engineering and equipment supply package which includes electrical, and plant-wide process automation and instrumentation.
- On February 10, EcoPro Group (which we announced last year as our first lithium customer) exercised an option to increase its offtake volume to 7,000 tons per year, to build cathodes used in batteries for Electric Vehicles including those sold in the US.

As we look ahead to the coming quarter, we expect to formalize a secondary listing of Ioneer in the US, which will make it easier for those in the US to invest in Ioneer stock. We remain confident that in the near future, the Notice of Intent will be published in the Federal Register which will begin the public scoping process for the final major permit needed before construction.

I'll conclude by again thanking all of you in the community for your support, and we look forward to our continued work together over many years to come.

Bernard Rowe, President

US DEPARTMENT OF ENERGY INVITES IONEER INTO FINAL PHASE FOR LOAN CONSIDERATION

Following a process that began in early 2021, the Department of Energy announced on December 20, 2021, that its Loan Programs Office (LPO) has invited Ioneer into the due diligence phase for consideration under the Office's "Advanced Technology Vehicles Manufacturing" (ATVM) loan program.

Authorized in 2007 as part of the Energy Independence and Security Act, the AVTM Program currently has over \$17.7 billion in loan authority available to support manufacturing of qualifying components for advanced vehicles, such as manufacturing of battery cell components, battery modules, and battery packs for EVs. To date, the program has loaned \$8 billion for projects that have supported production of advanced technology vehicles.

The invitation into due diligence will include more detailed engagement by LPO and third-party experts to be followed potentially by negotiation of a term sheet and consideration in LPO's credit approval process.

What does this mean for the Rhyolite Ridge Project?

If the parties choose to move forward and successfully negotiate a terms, Ioneer may be eligible to receive a loan at a favorable interest rate to help finance construction costs of the Rhyolite Ridge processing facility. Like last year's announcement of a joint venture between Ioneer and Sibanye Stillwater to develop the Rhyolite Ridge Project, this invitation from the Department of Energy is another validation of the quality of the Project, especially because it will produce lithium material onsite in Esmeralda County that can be used by the U.S. electric vehicle supply chain.

The Rhyolite Ridge Project to date is the first, and currently the only lithium project in the U.S. that has reached this phase for loan consideration under the ATVM program.

US FISH AND WILDLIFE SERVICE PROPOSES CRITICAL HABITAT FOR TIEHM'S BUCKWHEAT AS PART OF ENDANGERED PROCESS

As was covered in our last issue, in October 2021 the U.S. Fish and Wildlife Service (FWS) proposed to list Tiehm's buckwheat as "endangered" under the Endangered Species Act (ESA). That notice was followed by 60-day public comment where Ioneer provided the FWS with data and scientific information from research that subject matter experts have conducted on the plant to ensure that the best available science available is considered during this process. During this time, Ioneer also submitted a revised Plan of Operations to the BLM detailing a proposed modification of the initial quarry at Rhyolite Ridge which includes buffer zones between all mining activities and known populations of the plant. Accordingly, the revised quarry will involve no direct impacts to any Tiehm's buckwheat plants.

Additionally, Ioneer has budgeted \$1 million annually to conduct further research and implement conservation measures. We continue to develop a comprehensive buckwheat protection plan in consultation with FWS and BLM - the plan will take a holistic approach to protecting the plants throughout all phases of mining operations and

will detail measures to be undertaken by Ioneer including avoidance of all plants, dust control, invasive species mitigation, and more.

On February 3, 2022, the FWS proposed an area of “critical habitat” to accompany its proposed rule to list Tiehm’s buckwheat as endangered. This announcement was in line with our expectations, and we continue to support the FWS’s efforts regarding ongoing management and protection of Tiehm’s buckwheat. Consequently, this announcement has no material impact on our planned mining activities.

What is “critical habitat”?

The FWS defines critical habitat as “the specific areas within the geographic area, occupied by the species at the time it was listed, that contain the physical or biological features that are essential to the conservation of endangered and threatened species and that may need special management or protection.” It is our understanding that the critical habitat designation for Tiehm’s buckwheat is primarily focused on ensuring that there is an area to support the pollinator population that is a necessary resource for the plant’s continued existence.

It is important to note that mining activity is allowable within areas designated as “critical habitat” with prior approval of both the FWS and BLM – and we continue to work closely with both agencies in this regard to ensure the long-term viability of the Tiehm’s buckwheat population.

Given the rarity of the species, we have long anticipated the potential listing of the plant and related critical habitat designation – and as such has been factored into every facet of our planned operations at Rhyolite Ridge. We are highly confident that based on the best available science, that the Rhyolite Ridge Project and Tiehm’s buckwheat can co-exist while simultaneously providing the critical materials necessary for a sustainable future and the protection of all species.

ABB AWARDED MAJOR SUPPLY CONTRACT FOR RHYOLITE RIDGE

On February 10, we announced that a major engineering and equipment supply contract has been awarded to ABB, a leading global technology company with 130 years of experience in mining applications. ABB’s Ability™ MineOptimize approach will serve to connect

and coordinate Rhyolite Ridge’s operations to optimize all stages throughout the lifecycle of the Project, from construction through operations. With ABB’s work at Rhyolite Ridge through this approach, we will be able to maximize sustainability, productivity, and most importantly – safety.

Commenting on the award, Ioneer’s President Bernard Rowe said “Like other suppliers we’ve partnered with, ABB is focused on providing environmentally sound engineering and technology solutions. This aligns with Ioneer’s ambition to not only produce materials necessary to develop electric vehicle and renewable energy supply chain infrastructure in North America, but to do so in an efficient and environmentally responsible manner through lowered emissions, significantly reduced water usage and a small surface footprint.”

Both ABB and Ioneer are founding members of the Zero Emissions Transportation Association (ZETA), a coalition of industries that formed to advocate for policies to encourage the adoption of electric vehicles in the United States.

IONEER’S FIRST LITHIUM CUSTOMER INCREASES OFFTAKE

On February 16, we announced that EcoPro Innovation has exercised its option to increase the amount of lithium carbonate it will purchase from Ioneer – from 2,000 to 7,000 tons per year– for the first 3 years of operations at Rhyolite Ridge. The total offtake in this agreement represents approximately 34% of the Project’s lithium production during this period.

EcoPro Innovation is currently the world’s second largest Nickel-Cobalt-Aluminum Oxide (NCA) cathode materials manufacturer and major supplier for global battery manufacturers. These cathodes ultimately end up in EV’s for manufacturers such as Ford, VW, BMW, Audi, Porsche and Hyundai.

This development further illustrates the growing supply gap for battery materials, as the world continues to progress towards electrification of the transportation sector in order to reduce global carbon emissions. It also demonstrates the Ioneer goal of securing offtake with parties where lithium from Rhyolite Ridge ends up in automobiles sold in the U.S.

IONEER IN THE NEWS

December 17, 2021 – Bernard Rowe was interviewed for “Face the State” on Reno’s local CBS affiliate station KTVN.



February 17, 2022 – On an episode of “Nevada Newsmakers, Bernard Rowe is interviewed by Sam Shad.



You can watch both interviews in their entirety through links provided at www.therhyoliteridgeproject.com/news/

IONEER SUSTAINABLE WORLD SCHOLARSHIP

During the community meeting it was asked if students who are attending Esmeralda County Virtual High School are eligible to apply for the Ioneer Sustainable World Scholarship. **The answer is YES!**

If a student is enrolled in Esmeralda County Virtual, will be graduating in the Spring/Summer of 2022, and plans to attend an institution of higher learning in the fall, they are encouraged to apply!

THE APPLICATION MUST BE COMPLETE AND SUBMITTED BY THURSDAY, APRIL 14, 2022

If you know of a graduating senior, either from Esmeralda County Virtual or Tonopah High School, who would like to obtain an application, please contact Tyson Falk at (775)741-9231 or by email at tfalk@ioneer.com.



PAST AND UPCOMING COMMUNITY EVENTS



Common Grounds with Ioneer

Thursday, March 10

Thursday, April 14

Thursday, May 19

All held at Fish Lake Valley Community Center,
8:30AM - 10:00AM

Rhyolite Ridge Community Meeting

February 17, 2022

We would like to thank the residents of Fish Lake Valley for attending our Community Meeting on February 17, bringing questions and feedback as we provided an update regarding the development of the Rhyolite Ridge Project.



The ongoing input of the community near the Project remains a top priority, so that as we near construction, we proceed in a manner that brings the most benefit to its citizens.





**CREATING A BETTER NEVADA
AND A BETTER WORLD.**

IONEER USA CORPORATION

9460 Double R Boulevard

Suite 200

Reno, NV 89521

therhyoliteridgeproject.com

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