# Lifezone Metals - Kabanga Nickel Project - Feasibility Study Webcast-20250721_144441-Meeting Recording

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**Evan Young** 0:09

Good morning, everyone. I'm Evan Young, Senior Vice President of Investor Relations and Capital Markets of Life Zone Metals. Thank you for joining us for this important update on the Kabanga Nickel project. Today, we'll walk you through the highlights of the strategic consolidation of our Kabanga Nickel project, our recently filed Feasibility Study Technical Report Summary.

And our roadmap to final investment decision. We will finish today's event with a question and answer session. Please, you can indicate your intention to ask a question by clicking the Raise Hand button at the top or by clicking the Q&A button and typing your question into the box.

At this time, all participants are in a listen only mode with microphones muted and cameras disabled. If you are prompted to ask a question, we will activate all microphones following the management presentation, but please keep yourself muted unless you have been prompted by us to ask your question.

**Evan Young** 1:02

Please feel free to contact me directly at evan.young@lifestonemetals.com for any follow-up questions that are not addressed during this call. Let's get started.

Before we get begin, Please note that today's presentation contains forward-looking statements. These are based on current expectations and assumptions and are subject to risks and uncertainties. We encourage you to review the full cautionary language in our filings with the SEC, including our Form 6K and the Feasibility Study Technical Report Summary.

This presentation is for informational purposes only. It does not constitute an offer to sell or a solicitation to buy any securities. The technical content is based on our Feasibility Study Technical Report Summary filed on July 18, 2025, prepared in accordance with SEC Regulation SK 1300. We encourage you to review.

The full TRS on our website.

On today's call, we have Chris Showalter, our Chief Executive Officer and Garrick Mouton, our Chief Operating Officer. Chris, over to you.



**Chris Showalter** 2:15

Excellent. Thanks Evan and welcome everyone to our call today. So on Friday we announced a significant milestone, the first public economic study in Cabanga's nearly 50 year history filed under SK1300 SEC regulations. We have declared 52.2 million tons of proven and probable reserves.

Grading 1.98% nickel, we have now definitively converted Kabanga's potential that always existed and demonstrate this is one of the most significant undeveloped Nickel projects globally. So to highlight these economics show an after tax NPV of 1.58 billion on a pre-production CapEx number of 942.

We have an IRR of 23.3 demonstrated with a payback in 4 1/2 years. And most importantly, to highlight, Kabanga is firmly positioned in the first quartile with an all-in sustaining cost of 3.36 dollars per pound of nickel, well below the Indonesian average, which is paramount for a Nickel project.



**Chris Showalter** 3:12

In this environment, all this with full strategic alignment to the highest possible ESG standards, which has been a steadfast commitment by our group.

The second announcement we made on Friday was that Life Zone has consolidated 100% ownership of Kabanga Nickel Limited following our acquisition of BHP's 17% stake. This gives Life Zone full control going forward of product development offtake.

And the timelines, our Friday announcements were done simultaneously and given their importance, I'd like to 1st provide some context for today's presentation.

Our Executive management, advised by our board, had anticipated early this year a high probability that BHP would further assess the potential divestment of its Nickel assets. Therefore, management was mandated to prepare and execute a strategy to replace BHP funding should they choose to exit Cabanga.

To do that, we needed to be very well positioned in two important ways. First, we needed to negotiate a clean BHP exit at no near term cash cost to consolidate 100% control of Kabanga Nickel Limited to put us in this position to fully engage.

And negotiate with new potential partners with no restrictions. This we have accomplished. We are back in full control of the Kabanga project. Second, we needed to deliver a viable and economic scenario for Kabanga. Our release feasibility study has done that.

The staging of the Mining refinery has cut upfront CapEx by 50%, while accelerating

the Mining ramp up to 3.4 million tons per annum has brought forward cash flows and shorten the payback period. These are all accretive redesigns, so congratulations to the technical team.
OK, next slide. So now I'll get into details of the transaction with BHP.
BHP 17% stake in Kabanga Nickel Limited has been acquired as I articulated, giving us 100% control of K&L, which shows 84% of Tembo Nickel with the government of Tanzania, a local partner holding 16%.
There are two parts to the consideration that we've agreed with BHP. The 1st 10 million consideration is deferred for 12 months after FID and as you'll see in the in the details, deferring the cash consideration has been a very strategic part of the negotiations. The second payment is indexed to life's own share price which would be 28 million at current.
Price and defer for 12 months after the project has commenced commercial production.
There is a total consideration cap of 83,000,000 which has a option to go to 75 million if our resettlement action plan is delivered to international standards which Will be verified by a third party consultant after 12 months. For BHP to receive full consideration, lifestone share price would have to be north of $14.00 per share at the time of.
Calculation.
BHP does retain 1.17 million shares with a 12 month lock up and Lifestone has negotiated a right of first refusal to acquire those shares. Our considered view is that this transaction has the potential to deliver real value to shareholders because it is highly deferred and is priced at a material discount to the delivered feasibility study economic results.
The next slide.
OK. So I emphasized earlier that we commenced alternative financing processes at the start of 2025 well in advance of the pre feasibility feasibility study delivery. This is very intentional so that we can identify and engage with interested parties and be in a position to quickly pivot and replace BHP once we delivered the feasibility study which we've done.
We've engaged 2 tier one international investment banks for specific aspects of this funding. There was a highly competitive process previously when we when we chose BHP. So we've been very confident and aware of the level of interest that still existed in Kabank Nickel.

Standard Charter Global Metals and Mining Team has been engaged on both short and long term funding options. I also want to make it very clear to shareholders that we are focused on optimal shareholder value and we believe this like the previous BHP funding option exists at the Kabanga Nickel project level.
At this time, we don't see value in equity raising at the Lifes of Metals list Co.
In terms of the short term financing process right now, we have nearly financed phase one, which is the short term development financing package and this is ready to go to board for approval and that is assessing several different options that we have received.
The focus of this Will be early works, construction, resettlement activities and this this focus is going to be on ensuring we maintain the project momentum on the ground.
The second part of our process is a longer-term funding strategy. So we've been working with Stan Shar to advance this process. We right now have a diverse international list of major miners, top 10 Mining companies, sovereigns, private equity financiers, as well as strategic off-take focus parties for long-term strategic investment.
And partnership. Again, we anticipated this. We've been preparing for this and a very robust process is currently underway. We do have several non binding indications of interest of term sheets received. We have several parties who have conducted due diligence.
And negotiations are are fully underway. Several due diligence processes have concluded while some are still planned for August 2025. So again, we are in a full process in preparation for this event.
The project financing process is going to be led by Societe Generale. We announced this last year. This is progressing very well with meaningful interest received from potential lenders, really anchored by that initial indication of interest from the US Development Finance Corporation. We Will incorporate in this process other DFI ECA from Europe, Japan and US.
Often with a link to offtake.
So to summarize, we have prepared for and are well into executing an alternative funding strategy. This is materially advanced with the short-term funding options nearing a board decision. The long-term funding process has become an increasingly competitive process with the term sheets and expressions of interest we have in hand already.
These, combined with the project financing, are how we Will deliver the holistic

funding solution for the project going forward.
And now over to Herrick, who's going to walk us through the details of the Kabanka feasibility study before I wrap up and then we are going to move into questions on the line. OK, Herrick.



**Gerick Mouton** 9:48

Thank you, Chris, and good day to everybody. The feasibility study confirms Kabanga's technical economic strength, you know, with an underground mine and concentrator using industry standard methods and techniques. Our plan is to develop a highly mechanized underground mine using long hole stopping mining methods.
Mining methods with paste backfill. The concentrate will produce a high grade intermediate product with 17.5% nickel and very low impurities. Reproduction capital is estimated at 942 million U.S. dollars, including contingency.
With a total life of mine CapEx of 2.49 billion U.S. dollars, our overall capital intensity is on the low end at around $18,800 per ton of annual nickel production. Next slide please, Evan.
As Chris mentioned earlier, this is a historic milestone for Kabanga. For the first time ever in its 50 year history, we've declared mineral reserves which are based solely on measured and indicated resources. The mineral reserves were estimated using long-term consensus pricing.
Of $8.49 per pound of nickel, which equates to $18,700 per tonne of nickel, 430 lbs for copper and 1831 lbs for cobalt.
Next slide.
A processing flow sheet uses conventional crushing, grinding and flotation, which is proven. Metallurgical recoveries are excellent, 87.3% for nickel, 95.6% for copper and 89.6% for cobalt.
This result in a premium intermediate product with very low levels of deleterious elements that has already attracted indicative of date interest for the whole of the production life of mine.
Next slide.
Our only sustaining costs are sitting at $3.36 per pound of nickel, which equates to $7408.00 per ton of nickel and the total site operating cost is $70.10 per tonne modeled. The cost advantage is driven by high grade ore our strong recoveries.
And obviously the valuable byproduct credits which we get from the copper and the

cobalt. Next slide.
As a result, Kabanga sits in that first quartile of the global nickel cost curve and is expected to be very competitive against other nickel sulfide and lighter producers. Next slide.
The project generates very strong revenues and free cash flows, 14.1 billion in life of mine revenue and 4.6 billion in after tax free cash flow. It is strongly leveraged to higher nickel prices while having the backdrop of the low oil in sustaining cost for their present value of 1.58 billion and IRR of 23.3 we believe Kabanga.
Is a compelling investment. Our capital efficiency ratio is 1.4, which is very good and support that early cash flow and strong returns.
Next slide. So on the sensitivities, if one consider a price of nickel at $7.00 per pound or 15,400, you know, ton per nickel, you know, we maintain a healthy NPV of 909 million at 17% RR.
And if one go to $10 per pound of nickel, which is equates to 22,000 per ton of nickel, the MPV rises to 2.3 billion at an IRR and exceeds 28%.
So the economic resilience underscores the strength of the project. As Chris mentioned earlier, I use GS central to our overall strategy. We want to make sure that we minimize environmental and social footprint as we develop and operate the mine and be aligned with IFC performance standards, equated principles and obviously the local Tanzanian.
Regulations. Our Resettlement Action Plan is aligned with IFC Performance Standard 5, with 96% of our gas compensation paid already to all the affected land owners and with clear steps to enable construction and relocation activities in due course.
We believe we have designed a comprehensive and sustainable tailings strategy which also achieves global best practices.
Thank you and back to you, Chris.



**Chris Showalter** 14:17

Great. Thanks, Gerick. So with the successful completion of feasibility study and gaining control of 100% of Kabagnik Limited, we've been mandated by the Lifezone Board to enter into this next stage, which is execution readiness and FID phases. This will include advanced permitting, pre-development technical work, finalizing commercial tenders for execution readiness and also delivering the funding.
Structure as outlined with a strong focus on resettlement activities. We're targeting final investment decision in first half of 2026 on conclusion of a traditional diversified

funding strategy which we've just outlined and we will continue to advise as to and when the elements of the strategy fall into place. So we will make announcements periodically.
Um, as we as we close on various elements of this.
Next slide.
OK. There's what just to emphasize, we we have worked and communicated very closely with the Tanzanian government through this process. We've been briefing them and engaging them on the results of our feasibility study as well. We have discussed with them our funding strategy and this transition process.
The government of Tanzania is fully advised, aligned and supporting Lifezone and realized this transition puts Lifezone and the government in full control to dictate timelines and the important next steps. So this project moves forward. We made commitments to the government of Tanzania.
We all want to see this project move forward and we're now in a position to direct the steps that will take place to accomplish that.
Go next.
OK. So as I kind of conclude, so, so again I'll re-emphasize, we are now in full control having consolidated 100% ownership of Kabanga Nickel Limited. We are able to make those decisions and importantly we've received very positive feedback from shareholders on the next direction that we are undertaking.
The feasibility study, having been delivered by our technical team with highly positive results, is an enormous milestone. We've challenged our teams to deliver and they did. Just one quote I have always appreciated, as Rick Rule mentioned to us early on when he invested.
Tier one assets get built. It's just a matter of when and by who. We are confident this mine is now in a position to be built and Lifestone is going to be moving this forward in partnership with the government of Tanzania. That is the next step. We are well down the track of the project funding, but detailed due diligence by prospective short and long-term funding partners underway.
We were ready for this and we will be making announcements. As we indicated, we will be updating the market and the shareholders in the near term.
So to conclude, look, we're on track to deliver one of the world's most important and strategic new sources of critical metals, specifically nickel, copper and cobalt. This is a a massive inflection of point for Lifezone Metals.
For the Kabanga project and for Tanzania, and we're excited about the future and the

direction we're taking the company. So with that, I will pause and turn it back over to Evan so we can answer some questions.

**Evan Young** 17:20
Thank you, Chris. As a reminder, if you have a question, please click the raised hand button located at the top of your screen and when prompted, please unmute your line to ask your questions. You can also type your questions into the Q&A box and I will read them aloud.
Our first question comes from Roger Bell. Roger, can you please unmute?

**Attendee39** 17:42
Yeah, good morning. Good afternoon, gentlemen. Two questions actually for me. So firstly, as you answer this execution readiness phase pre FID, what are the kind of technical de-risking milestones?
You know specifically that we should be looking out for. That's the first question.
Second question is just elaborating on the rationale behind BH P's exit. You know why? Why at this point would BHP choose to exit the project and then?
I guess you know you you've you've already been thinking quite hard about the, you know the strategy for funding the project, you know going forwards, but you know how does this kind of affect that long term strategy? Do you still anticipate at some point to be diluted below 50% of the ownership or how does?
How does the shape of the ownership structure change on the on the back of this longer term?



**Chris Showalter** 18:41
Yeah. Well, Gerick, why don't I take the the latter one that I'll turn over to you for the first question. In terms of BHP decision, obviously we have to defer to them to answer that directly. But I think given the announcement they made on Friday as well in their operational update, I think this decision reflects a strategic decision.
And I think you know, importantly, you know, we've had a a very supportive, positive relationship with the project team and their investment helped materially advance the project and what their departure allows Lifeson to do now is we are just fully aligned technically, commercially.
Going forward and we are in the option, we are, we are in the position to evaluate all the different alternatives we have in terms of funding. So to your question of whether

it's majority, a majority pathway, we.
And specifically, my job right now is to put all potential interested options on the table to the board of directors. And there's a very wide spectrum of what type of interest we're getting right now. So as I've said, we we were prepared for this. We have been in negotiations for.
You know, a number of months now, Stan Charter is leading this process and the good thing is there's a a a lot of optionality in terms of the directions we could take and we will be evaluating those going forward with the absolute driving motivation to.



**Chris Showalter** 20:07
Do what's in the absolute best interest of shareholders.
OK. Gerick, maybe for you, the first question.



**Gerick Mouton** 20:16
Yeah. So we've got a two prong approach with the activity. So, so the one, the one is going to be all FID enabling activities that needs to be conducted and the second one is got to do with you know execution readiness and the setup you know of the project.
Which really comes down to the finalization of procurement, planning, commercial contracts and so forth for the long lead items. We need to go out and get competitive tenders, you know, for the mining contracts in terms of development underground, the 220 KVA power supply.
Which we will do in conjunction with Tanesco and obviously the resettlement housing contract needs to be in place once FID gets gets achieved. So all of these steps will ensure execution readiness and and really you know we've got time to set up the project properly.
From a cost control perspective, you know ahead of the final investment decision.

A **Attendee39** 21:16
That's great. Thanks very much, gents.

EY **Evan Young** 21:21
OK, great. Our next question is from Brandon Gaspar. Brandon, please go ahead.

**Attendee29** 21:28

Morning all. Thanks for taking my question and Congrats on this study and showcasing this project on the conventional basis. So some of this was already answered here, but Chris, maybe I could just.

Press a little bit on on the the funding options. I know you're saying everything's on the table, but could you give a little bit more color on that and and you know if I'm hearing correctly, you're still open to a potential, you know, opening the door for a potential new partner?

If you just add a little bit more color there please.



**Chris Showalter** 22:04

Yeah. And thanks, Brandon. So when you look at the really the delivery of the DFS, I mean we're looking at about a 1.1 billion total CapEx project. The indications right now from a project debt equity mix is roughly 6040. So that'll give you an indication of you know roughly the split between debt.

Equity and what we're looking at right now is really a process of, I think the most I can say right now is we are entertaining a number of different scenarios. Without giving any more detail the there's a very wide spectrum of what type of interest there is.

And that's really, I probably, you know, shouldn't push more and say more than that. But the important thing is we have, you know, non-binding interest term sheets in it really canvasses a wide berth of specific strategic, so.

When we say strategics, these are other similar top 10 mining companies within the right within the same level as BHP that have interest. They're in the scenario where we have the export of concentrate that obviously opens up a new arena. We have 3 indications.

For off take agreements that have fed into the DFS and so that's a new area of potential interest. I think when you look at the the M and A environment right now having several other nickel projects having been acquired.

It's it's a competitive time right now cyclically to be going into these negotiations and we feel like we're in a very strong position to take advantage of that. Also I would emphasize that Kabanga is is very strategic. We have gotten a lot of feedback in this process that.

There is a lot of interest to diversify away from Indonesia and really provide a tier one first class non-indonesian source of nickel and cobalt specifically and so that very much works to our advantage. And then obviously there's always interest from the ECAS and the off takers, so.
I would see a a potential again a wide spectrum, but a lot of interest to package these areas of interest into a holistic capital structure that will really fill in the full equity package and we'll we'll we'll get more details as we go forward, but the.
Importantly there's there are two processes. What I just outlined was a longer term strategic process. We do have a very advanced shorter term funding option that is that is going to be going to our board very shortly and the strategy there is we, you know we will go into a.
A short term financing scenario that will give us the best possible position to run a competitive process in the longer term and really identify and bring in who are the shareholders and stakeholders that share our values, envision the pathway for the project very much as we do as Lifezone.
And move forward in, uh, you know, in a new direction. So hopefully I can I was able to give a little bit more detail there.

**Attendee29** 25:04
Absolutely. Thanks, Chris. Just one other question from my end. In terms of the timeline to FID in 2026, what are sort of the key risks to maintaining that timeline between now and then, how much buffer is baked in and?

**Attendee29** 25:21
And and how much is the sort of the budgeted or estimated spend between now and then for the company?



**Chris Showalter** 25:28
Yeah, I think we will be coming out with our H1's very shortly here within the next 10 days. So we will be disclosing a lot of detail there in terms of the financials. What we envision right now is this, this phase one short term funding gets us well bridged well through FID and gets all the pre-development capital.
Deployment into the resettlement program as Gerick articulated all the, you know the immediate transition focus work streams. So, so that's really you know that in addition to the cash balances we have at at the moment, we're in very good shape.

So there's no issue there and it also gives us time to run a more.
In a more highly competitive process. So the good thing is in terms of the target for FID, that's more dictated by the project finance pathway. The replacement of the equity investor or consortium is very advanced and we'll be in a position to communicate.
That much earlier than the actual closing of the FID. So I think that's something we'll we'll be able to make meaningfully before. So investors should have a very clear picture of who the equity investors or consortium or combination will be.
Well before we get into that first half of 2026 when we would get to a a definitive FID closing process.

**Attendee29** 26:53
Great. Thanks.

**Evan Young** 26:58
OK. Our next question comes via the Q&A box from Taylor Combaluzier. He says, hi guys, congratulations on the transaction and the feasibility study. A couple of questions. Could you comment on how your commodity price forecast and the feasibility study compare to the current price and forecasts?



**Chris Showalter** 27:18
Yeah, Gerick, you wanna take that one?



**Gerick Mouton** 27:20
Yeah. As I said previously, our base case for the feasibility study technical report summary, we use long-term consensus pricing which I quoted before. And I think you know we we wanted to stick with consensus because you know it's consistent with market forecast and provide a robust foundation for our economic modelling. And remains resilient across a wide range of those pricing scenarios as I've articulated before. So, so that was the reason.

**Evan Young** 27:49
Great. Thanks. Thanks, Gerick. He has one other question here. What are the next steps in the resettlement action plan? Could you comment on your engagement with local communities and how you'll ensure a smooth transition on that front?



**Gerick Mouton** 28:01

Yeah, sure. So as of July 2025, as I said, 96% of all our cash compensation agreements have been paid. We've established a resettlement working group, which is called the RWG, you know, when we took over the project.

At a very early stage and and that's been running ever since and that's where you normally, you know, consult and discuss, you know with all your stakeholders, the engagement plans, etcetera as you step through the project to ensure that kind of transparent inclusive consultation processes which is required by the PS5.

Performance standards, we've structured, we've constructed demonstration houses, five of those, which goes beyond what PS5 actually asked for. We then brought the people to these physical houses that they would receive, you know, once these hubs are built.

And we've got taken their feedback and we finalized those designs and we're ready to have to execute those ones in the new house where they will be relocated to construction of those resettlement housing is ready to begin. And as I said, you know the next step is for us to to go out.

To the market, you know, open that process for the tendering in terms of the different contractors, you know within Tanzania that could be able to build all of these houses and if they step us through that process, it'd be ready, you know, so when FID arrives, we can immediately place those contracts that we can push forward with the building of the houses.

EY **Evan Young** 29:29

Great. Thanks, Gerick. Looks like we have a question on the line from Greg Lewis. Greg, could you please unmute and ask your question?

Greg, we're, I see you're unmuted, but unfortunately we can't hear you. So maybe I'll go to the next question on the line and we'll come back to you. So to Mike Niehuser, could you please ask your question, Mike?

A **Attendee27** 29:59

Yes, thank you. Can you hear me OK?

EY **Evan Young** 30:02

Loud and clear.

**Attendee27** 30:04
Thank you. Can you provide an update on the government of Tanzania and infrastructure improvement with road and rail and and that type of thing and maybe the pace that they're proceeding?



**Chris Showalter** 30:23
Yeah, Gerick, you wanna take that again?



**Gerick Mouton** 30:25
Yeah, I'll take that one. I'll speak to, I'll speak to the rail infrastructure. So the new standard gauge rail is is operational from Dar es Salaam to Tabora. The section from Tabora to Isaka, we will then load our intermediate product is is expected to be operational by November 2026.
Well before it's needed by the project. So that entire new SGR rail will be up and running. We've priced for our own wagons as part of the feasibility study and we will go into talks with the Tanzanian Railway Authority about.
How that will work in terms of us getting access to the line and potentially using their locos that's currently pulling the the passenger wagons all the way from Darusalam to Dodoma, so.
And I don't know if you've recently seen 2 weeks ago, they've been commissioning the freight services as well. So all of that's up and running. And then what they've done at the port is they've built a new dry port 88K kilometres outside Dar Salaam. Kwale, where it's a dry port. So SGR arrives there. Most of the goods then gets offloaded and stacked and then material control from there and then there's a port link that you know that brings that material into the port. And as we all know, the port is quite congested and with the assistance of DP World that's taken over.
Were there about 18 months ago and they're going to, you know, invest around $250 million in terms of upgrading the port. That port link is now provided, you know, a lot of positive in terms of the congestions they used to have at the port facility. So DP World managing that.
Is is doing really well. So all of that is obviously playing you know, you know towards towards the project and making sure from a logistical perspective all the way from Kabanga to the port of Dallas Salam, we can have smooth logistics for for the product.

**Attendee27** 32:28

And also as as far as the selection, it sounds like you're you're putting together this financing to give yourself some time so that you're able to bring in the right people in terms of construction as well as partners, but with the with the level of interest that you've received with the options.

You're gonna have sounds like you're gonna have some time to to work these over. What are the chances that you might just not go without a partner? Or are the they so attractive that that's at this point, that's the direction you're gonna go?



**Chris Showalter** 33:02

Yeah, thanks Mike. I think it's given the size and the scale of the project, you know we think it's it, it very much merits a a collaborative approach and the the, the quality of the interest we have right now.

Is is exciting. I think this is something where we, you know we're going to have a you know a a very highly selective process. And so as I said earlier we we are very advanced. We we've had a lot of ongoing negotiations to date and we have.

Already a short list process underway. A number of site visits have already taken place. We're in the process of additional site visits. So I I, you know, I gotta be, I can't say too much more, but I think the the collaborative approach.

Is 1 very strong option and I think that's going to be something where there is that strategic nature of Kabanga gets a lot of attention and I think we're able to, you know, to really bring in and select really key stakeholders, financial investors, strategic mining companies.

Export credit agencies, you've seen the agreements we've had with Etsy like the US Development Finance Corporation that also anchoring the project finance brings in a lot of interest from really the pedigreed group of financiers you would see in a project financing capital raise. So, so we're in a very strong position and I think we'll have some very good selective decisions to be made.

Thinking in the near term, but I can tell you this is the bridge financing is just a pragmatic, you know, immediate focus to maintain momentum on the ground. That's smart, that gets us busy on the ground with all the priorities and then we're able to manage the longer term process that we're running through standard charts, so.

All very well designed and and very specifically orchestrated for us to to really maximize, you know, value in this next process.

**Attendee27** 34:57

One more quick question if I could. It sounds like you're you're being very nimble and and progressive and taking advantage or you know, taking control, you know, going forward. But this is really the first phase of the conventional side, if I understand this right.



**Chris Showalter** 34:59

Yep.

**Attendee27** 35:15

You still plan on advancing the second phase with Kahama and I'm sure the government is is quite interested in that. So could you, could you comment on that phase as well even though it's not bound up in the initial capital cost?



**Chris Showalter** 35:30

Yeah. And what we looked at when we when we had the initial results of the DFS, we looked at the the potential for us to to do a much more economically attractive and more pragmatic staging and sequencing. And what that does that unlocks a much more attractive capital intensity ratio upfront, more bankable.

More investable and especially as we we looked at, there's obviously challenges in the nickel market. So we wanted to put forth the best, most investable case and that took a little bit of a rework in terms of how we could unlock some of the economics within the design. So the technical team did a great job mapping out and we shared this with the government of Tanzania.

And said, OK, there's always a pathway to beneficiation and in most circumstances it's a staged process where mines get built first. Downstream processing is a natural follow on from getting a mine built, get revenue generating, get that into production. And we basically walked them through the rationale for that. So, so we've been in constant communication you know with with our partners in Tanzania. I think they understand that this is a viable path for us to maintain momentum and and they've been very, very supportive so.

That's how we've kind of articulated and rationalized this to the government of Tanzania. And they're again, they're strong partners. They want to see this mine built, they're supportive and they're critical as an ally in this as we progress.

**Attendee27** 36:59

OK. Thank you. Excellent answers to my kind of clumsy questions. Very good. Thank you.



**Chris Showalter** 37:02

Thanks, Mike. Yep.

**Evan Young** 37:06

Thanks, Mike. We'll go back to Greg Lewis here and hopefully Greg, your machine's working, but if not, then perhaps, yeah, Ben Summers can can ask your questions for you.

**Attendee31** 37:15

Yeah, guys, good morning. Thanks for taking my question. So first, can you just walk us through the decision to exclude the refinery from the current feasibility study? And then, you know, my second question is more alongside, you know, the current administration and kind of following the support from the previous administration, kind of any color there on what you any, anything you've heard from them or kind of, yeah, you know.

Any color there from the support of the current administration? Thank you guys.



**Chris Showalter** 37:38

Mm.

Yeah, thanks, Greg. I, yeah, I mean, as we have publicly disclosed, we we do have multiple work streams with the US Development Finance Corporation right now that involves political risk insurance, which has been progressing very well. We are publicly on the DFC website as part of their due diligence process, so.

All our environmental and social studies are there for public comment and they have been posted. So there is a very public process underway on the risk insurance product. In addition, the release of the DFS will trigger the project finance process with the team at the DFC and then also.

There are other discussions underway. So I think the, you know, the the supply chain focus globally puts us in an incredibly good position right now to to run a highly competitive process. And I think we're seeing that across the board. We have a very

international, very global list.
Of top tier companies that we're engaged with right now and I think the the support we see from kind of the you know the various European, American, Japanese kind of group is there's a lot of pieces we can.
We can stitch together there. So, so really we're in a preferential position to be able to you know be very selective in terms of who we include in that that whole consortium and and again we're not you know our board or our job is to deliver.
All options to the board and make recommendations and you know that, but that's going to be a very global process.
Um.

**Attendee31** 39:23
Awesome. Thanks for taking my questions.



**Chris Showalter** 39:26
Yeah. No, thanks, Greg.

**Evan Young** 39:30
OK. We've run a bit overtime here, so maybe we'll take one last round of questions from the field. So Ross Schimel, if you please want to unmute and go ahead.

**Attendee73** 39:39
Sure. Thanks, Evan. So you mentioned a wide variety of outcomes, potential partners going it alone. I guess, you know, I guess on the other side of that is the option to just.
You get a bid and someone, you know there's a there's a sticker price on this thing now, right? We have the we have the feasibility study. You know at what point? Does that option become something that's more preferential? Maybe you can explain sort of or, you know, talk about, you know, the whole spectrum of, you know, going alone to just sort of selling the whole thing.



**Chris Showalter** 40:19
Yeah, thanks Ross. And I think, I think the, you know, I'll kind of re-emphasize that we we have a very wide degree of interest in the project and our job is to assess and look at all these varying options.

And they're gonna come in a varying degree of participation, partnership models. They're gonna come at, you know, as as you indicated at, you know, offers for the entire company. I mean, whatever comes into the process, we will evaluate.
And ultimately, what this comes down to is we have delivered a very strong economic study. The valuations that are now out in the market should be a reference price for shareholders of how we as management are conducting negotiations with potential interested parties.
So that is the base case at this point in time and our job is to deliver all the the full spectrum of options that come across from insured parties and we will deliver those to the board for consideration analysis and and that is the future responsibility we have as management.
So as I said, we are evaluating all strategic scenarios and we will do that in the best interest of shareholders and value to you know all the entire shareholder base. So hopefully that answered that carefully.

A **Attendee73** 41:41
Thank you.

EY **Evan Young** 41:45
OK. I I guess given that we've gone a bit over time, I see there's a few questions in the Q&A box, so I will follow up with each of you individually offline. So with that in mind, I just want to say thank you to everyone for attending today's event. If you do have any additional questions that haven't been answered, please feel free to follow up with me directly.
at evan.young@lifestonemetals.com and I'd be happy to answer any questions offline. Thanks again to everyone and enjoy the rest of your day.

 **Chris Showalter** 42:13
Thanks all. Appreciate it.

A **Attendee31** 42:15
Thank you.

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