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ACQUISITIONS -
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UPDATED A MONTH AGO

UPDATE 1-European Lithium says Luxembourg's GEM to fund \$125 mln for Austrian mine

By Reuters Staff

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(Adds details on funding, background on offtake deal and merger, and company comment in paragraphs 2-7)

July 6 (Reuters) - European Lithium said Luxembourg's alternative asset manager GEM will fund its unit for the development of Europe's largest lithium mine, Wolfsberg in Austria, which has a supply deal with German automaker BMW AG .

Under the terms of the facility, the unit, Critical Metals would have access to draw down up to \$125 million through the issuance of new shares directly to GEM Global Yield LLC over a three-year period, European Lithium said on Thursday.

In 2022, the company

signed

a non-binding memorandum of understanding with BMW, signing its first deal to supply battery-grade lithium hydroxide, but further details on the timeline were not provided at the time.

It is expected to start lithium hydroxide production at the project in Q1 2025.

“Company and Critical Metals have secured approximately 65% of the total expected capex of the Wolfsberg

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Project and brings us closer to our stated goal to be the first local producer of lithium spodumene for the green energy transition in Europe,” European Lithium said in a statement.

The company spun off its several project, including Wolfsberg, in a proposed deal with special purpose acquisition company Sizzle last year to form Critical Metals.

The deal remains subject to approval of Sizzle shareholders. European Lithium added that it continued to work through the comments received on listing process by the authorities. (Reporting by Jaskiran Singh in Bengaluru and Melanie Burton in Melbourne; Editing by Rashmi Aich and Varun H K)

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