

Investment in Sinova Global provides exposure to highly attractive silica and silicon metals markets

Highlights

- Investment in Sinova Global provides exposure to rapidly growing and structurally undersupplied markets for high quality silica and silicon metal
 - Silicon metal market is growing at approximately 7% per annum
 - Demand expected to increase from approximately 2.7mtpa in 2020 to over 5.3mtpa by 2030
 - Current production capacity insufficient to meet demand increase
 - More than half of North America's current demand for silicon metal is met from imports
- VBR transaction:
 - VBR has committed to invest US\$50m into Sinova Global:
 - For the reopening of the Horse Creek mine and development of the Tennessee Silicon smelter
 - Structured as staged payments on the achievement of key operational milestones
 - VBR received units containing:
 - Class A shares; and
 - Warrants exercisable for US\$75m over the next 1 and 2 years
 - VBR secured a significant minority position in Sinova with all associated protections
 - Sir Mick Davis has joined the Board as Chairman. VBR has the right to add another Board Member
- Sinova is developing a:
 - Fully permitted mine in British Columbia with a world class deposit of high-grade silica and a production capacity in excess of 1mtpa of silica
 - State of the art silicon metal plant in Tennessee, with significant support from state authorities
- Sinova has an industry leading management team who have built most of the recently constructed silicon metal plants globally

London 20, December 2021

Vision Blue Resources ("VBR" or "Vision Blue") announces that it has invested in Sinova Global ("Sinova" or "the Company") which is developing a very high purity quartz mine as well as a state-of-the-art silicon metal processing plant in North America.

VBR has committed an initial investment of US\$50m (the "Initial Investment") to be used for the reopening of the Horse Creek mine and development of the Tennessee Silicon metal processing plant in return for a significant minority stake. The Initial Investment is staged on the achievement of key operational milestones. VBR has the ability to invest a further US\$75m through secured warrants exercisable over the next 1 and 2 years

Sir Mick Davis has been appointed Chairman of Sinova. VBR is in the process of nominating an additional director to the Sinova Board.

Sinova owns and is expanding a world class deposit of high purity quartz in British Columbia, Canada. The fully permitted Horse Creek mine has an annual production capacity in excess of 1 million tons of high quality and ultra-high-purity quartz used in high value silica metal production. The Company will also be supplying high purity silicon metal from a state-of-the-art metal refining operation which is under development in Tiptonville, Lake County, Tennessee and is expected to employ 140 people when in operation.

The plant has the support of the Governor of Tennessee, Bill Lee.

"All of Tennessee succeeds when rural Tennessee succeeds, and this project will be transformational for Lake County. I thank Sinova Global for choosing to invest in Tennessee and establish its first manufacturing operations here. These 140 new jobs will benefit the Tiptonville community for years to come." 7th December 2021

Sinova's experienced management team has been responsible for the construction of the majority of new silicon metal plants globally and has the expertise to rapidly develop the company's operations:

- Jayson Tymko, CEO, founded a number of successful businesses in the natural resources sector;
- Jim May, COO, spent over 20 years in operational and management roles in Dow and has a track record of building efficient and sustainable silicon metal plants;
- Dave Tuten, MD, has over 40 years of experience in all facets of operating silicon metal and ferroalloy operations and was instrumental in the design and successful building of the first silicon metal facility in North America; and
- David Sparrow, CFO, has led management teams in transactions and transformations for over 30 years through roles with Deloitte, KPMG, and other private companies including Trailwise Capital.

High purity quartz and silicon metal are essential for many products that will be vital to accelerating the transition to clean energy generation, utilisation, storage and distribution. These include photo voltaic solar cells, semi-conductor chips, next generation batteries and battery anodes as well as aluminium used in aerospace and light weight automotive parts.

The silicon metal market is growing at approximately 7% per annum with demand expected to increase from approximately 2.7 million tons per year in 2020 to over 5.3 million tons per year by 2026. Current market production capacity will not meet this demand increase based on the announced capacity additions.

Furthermore, more than half of North America's current demand for silicon metal is met from imports during the last five years due to a lack of new silicon metal plant manufacturing development for many years.

Sir Mick Davis said:

"Sinova has the potential to become a major new, North American supplier of sought-after high-purity quartz and silicon metal products that are vital to the energy transition. Sinova is developing a world class, high purity quartz deposit and the first new silicon metal plant in the USA in many years, giving it an enviable competitive position. The Company benefits from a highly experienced management team with huge operational expertise and we look forward to working with them to rapidly develop Sinova's operations."

"Demand for silica and silicon metal is expected to grow dramatically to supply the expanding solar power and energy storage markets. At the same time supply for very high-grade feedstock, such as that produced by Sinova, is severely constrained and there is insufficient silicon smelter capacity to refine it. The location of Sinova's operations within North America, close to high quality infrastructure provides preferential access to a captive market with significant trade protection."

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About Vision Blue Resources

Vision Blue was founded in December 2020 by Sir Mick Davis to identify and capture opportunities in battery and technology minerals linked to EV & Grid Storage growth.

Vision Blue will target companies in established mining jurisdictions, with well advanced assets (mostly post feasibility study) that are scalable, have low logistics and processing risks and can be brought into production rapidly. VBR aims to work with existing management teams to provide critical growth capital, technical support, experience in securing future finance, and delivery of ultimate exit strategy. Where possible, VBR will utilise a phased development approach based upon a self-financed expansion to achieve large scale revenue and cash flows.