

## **LLOYDS METALS AND ENERGY LTD ANNOUNCES STRATEGIC PARTNERSHIP WITH MANDOVI RIVER PELLETS Pvt. LTD**

Lloyds Metals and Energy Ltd (LMEL) is delighted to announce a strategic partnership, thru a “Bilateral Contract” with Mandovi River Pellets Pvt. Ltd (MRPPL) by entering into a long-term agreement for the supply of iron ore and pellets. This partnership is in line with LMEL's forward integration plans, to utilize and extract the best value from its iron ore reserves from its own mines, which are currently operating at a capacity of 10 MMTPA, for which it has a lease up to the year 2057.

**LMEL is establishing a modern Pelletization Plant of 2 x 4 MMT at Konsari, Gadchiroli,** over the next 2-3 years, and is procuring technology from Newfer GmbH. This will be one of India's largest and most cost effective merchant pellet plant. LMEL will also provide technological support to MRPPL for the upgradation of MRPPL's Pelletization Plant at Goa and to achieve the best manufacturing practices, ramping up their plant to its rated capacity. The technological support will not entail transferring any proprietary information of Newfer GmbH to MRPPL.

**MRPPL is operating a Pelletization Plant of 2 MMTPA capacity at Goa.** This is the oldest in India and the third plant ever in the world. This Pelletization Plant is port based with its own jetty and was established more than 45 years back, with German technology & Japanese Back up. The Plant has suffered due to Raw material Insecurity (both in quantity & Quality). **LMEL will provide continuous supply of iron ore of good quality** for the manufacturing of prime quality pellets. LMEL has iron ore of good quality which can be supplied at a competitive basis, creating a win-win solution for all.

**LMEL is further desirous of doing seed marketing for pellets** in order to prepare itself in advance for the time its Pelletization Plant gets commissioned and to avoid any future bottlenecks in its marketing. LMEL will hence take this opportunity to begin seed marketing of its high grade pellet making ability through MRPPL's facilities. Pellets sold by LMEL & by MRPPL will be branded exclusively under the brand name LMELPEL, pronounced “EL-Mel-Pel”.

Pricing for the iron ore supplied by LMEL to MRPPL, and pellets sold back from MRPPL to LMEL, shall be strictly on arm's length basis.

**A definitive agreement to this respect has now been signed between both parties, effective October 2023 onward, for the next 10 years.**

We believe that this partnership will create synergies and value for both LMEL and MRPPL, as well as for our customers and stakeholders. We look forward to working together with MRPPL to achieve our common goals and vision.