



August 9, 2017

Yesterday -August 8, 2017- Corfo announced the list of selected companies that will continue to the second phase of the process open to 'industrialize lithium in Chile'.

The companies selected for the next stage of the process were:

- 1) TVEL Fuel Company of Rosatom from Russia.
- 2) Suchuam Fulin Industrial Group Co. Ltd. from China.
- 3) The Chinese consortium MTL Shenzhen Metal Technology Co Ltda with Jianmeng Kanhoo Industrial Company Ltda. from China.
- 4) Molymet from Chile.
- 5) Gansu Daxiang Energy Thecnology Co Ltd. from China.
- 6) Umicore from Belgium.
- 7) Samsung SDI Co. Ltd. from Corea.

It seems striking that only a single Chilean company passed to phase two, notwithstanding that within the local players in the lithium market we have some important companies that have not only a vast experience in this market, but also a strong experience and mining trajectory in Chile, which is fundamental to duly interact with the communities, understand the Chilean administrative processes and the current legislation of the country.

Notwithstanding the foregoing, of course, it is to celebrate the current international interest in investing in Chile, which is a necessary momentum especially in mining matters nowadays.

The pre-selected companies will have to submit their project proposals in a short period of time, and that requires them to carry out a serious analysis of their projected investment, all of which will mark a before and after in terms of the seriousness of their offers, of course.

However, if the volume of lithium available is going to be (just) around 20 thousand tons of lithium carbonate equivalent, a further selection between one up to three companies does not seem entirely realistic considering the expectations of the current market, hence everything suggests that a single serious (bigger) company will be awarded with the abovementioned total.

Let's see what happens, please be remembered that we are just a few months away from a change of government in Chile. Whether the foregoing will have an impact on this process is something that should be duly taken into account.

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