



## Sunrise Energy Metals - 2021 AGM Report

ASX Code	SRL
Meeting Time/Date	1pm, Friday 22 October 2021
Type of Meeting	Virtual
Proxy Collector	Mike Muntisov
Pre AGM Meeting?	No

### Sunrise betting on huge demand for battery metals

#### What the Company Does

Sunrise Energy Metals is seeking to develop a world-scale nickel-cobalt-scandium mine and recycling hub in New South Wales.

#### Developments in the Financial Year

Sunrise demerged the Cleanteq Water business on 1 July 2021 to focus on the Sunrise metals project.

During the year, it completed a Project Execution Plan which it says shows outstanding economics for the project, with a 50-year mine life. The estimated capital cost of the project is A\$2.4B. It says it has invested \$250m in development costs to date and that it is now ready to develop the project subject to securing funding.

#### Debate and Voting at the AGM

The ASA queried the governance arrangements of the company which does not comply with ASX Governance principles. It has two co-chairs both of whom are non-residents and, as substantial shareholders (12 to 15% each), are not independent. Further, the independent directors are in the minority. To top it off, the AGM was chaired by the lead independent director, which she has done for the last three years. The company's answer referred us to their Governance Statement.

We questioned why in this virtual era, that both the co-chairs had missed 3 of the 7 board meetings. The answer was that it was difficult to schedule times and that the directors talk regularly outside of formal board meetings.

One of the co-chairs, Robert Friedland, was up for re-election. We questioned his workload, to which he answered, in effect, that busy people get the most done. He received a 25% vote against his re-election.

All other resolutions passed comfortably.

After the formalities, the CEO Sam Riggall, presented a compelling case for the Sunrise Project. He highlighted the importance of both cobalt and nickel in decarbonising the planet, and the under investment in these metals over the last decade.

When asked about the mix of funding to develop the project, the answer was about half would be debt and the other half partner equity.

A shareholder asked about competition from LFP (lithium-iron-phosphate) cathodes, to which the CEO answered that electric car makers they have spoken to prefer and continue to use NMC (nickel-manganese-cobalt) chemistry which produce higher quality batteries that can be economically recycled, which is a critical attribute.

### Meeting Statistics

Number of Holdings Represented by ASA	10
Number of Shares represented by ASA	118,000
Value of Shares represented by ASA	\$330,000
Number Attending Meeting	Not obtained
Market capitalisation	\$177 m
Were proxies voted?	Yes, on a poll