

Rhyolite Ridge Sulphuric Acid Plant contract awarded to SNC-Lavalin and DuPont

Highlights

- SNC-Lavalin awarded engineering and design contract for the sulphuric acid plant component of the Rhyolite Ridge Definitive Feasibility Study (DFS)
- Sulphuric acid plant will incorporate industry leading and proven technology from MECS, part of DuPont Clean Technologies
- Contracting model with SNC-Lavalin reduces capex estimate for the sulphuric acid plant by approximately US\$60 million
- Further capex reductions expected as a result of DFS trade-off studies¹

Wednesday, 3 April 2019 – Emerging lithium-boron supplier, **ioneer Ltd (ioneer or the Company)** (ASX: INR) has awarded SNC-Lavalin Group Inc. (SNC) the engineering and design contract to complete the sulphuric acid plant component of the DFS for the Company's 100% owned Rhyolite Ridge Lithium-Boron project in Nevada, USA, following a comprehensive bidding process by the leading sulphuric acid plant providers.

SNC-Lavalin will incorporate MECS® best-in-class sulphuric acid production technology from DuPont Clean Technologies (Dupont). The acid plant will produce 3500 tonnes per day of sulphuric acid for the leach process and the steam/heat necessary for the process plant. Excess steam will be used to generate approximately 50 megawatts per annum of carbon-free electricity.

As part of the contract bidding process, SNC provided an updated budgetary cost estimate of approximately US\$111 million for supply and installation of the sulphuric acid plant, approximately US\$60 million lower than the US\$170 million estimated in the Preliminary Feasibility Study (PFS) completed in October 2018.

Managing Director of **ioneer**, Mr Bernard Rowe, commented: "SNC-Lavalin is a longstanding leader in the sulphuric acid industry, they have a strong track record working with industry leading MECS® technology from DuPont Clean Technologies. We are very pleased SNC-Lavalin and Du Pont will be joining us and our project lead engineers, Fluor, to further strengthen our world class team that is focused on progressing the DFS for the Rhyolite Ridge Lithium-Boron project, and to delivering an on budget and on-schedule project."

"The cost of the sulphuric acid plant is a key capex driver for the Rhyolite Ridge Project and the saving of approximately US\$60 million is significant and materially improves the already robust project economics demonstrated through the PFS."

Fritz Venter, Senior Vice-President of SNC-Lavalin commented: "SNC-Lavalin and our long-term partner DuPont Clean Technologies are very pleased to participate in **ioneer's** Rhyolite Ridge Project. We have worked diligently with **ioneer** to optimize the performance and capital cost of the acid plant to suit their specific requirements and are enthusiastic to contribute our experience in sulphuric acid design to their lithium-boron project in Nevada."

¹ The DFS trade-off studies are not yet complete. Early works have led to the expectation of further capex savings. Potential design changes may impact on some of these expected capex savings.

Sulphuric acid plant contract

SNC-Lavalin (TSX: SNC) is an integrated professional services and project management company with a track record of delivering sulphur and emissions solutions, and industrial projects. SNC-Lavalin has a longstanding relationship extending over forty years with DuPont Clean Technologies, through MECS® products, technology and design services for sulphuric acid plants.

SNC-Lavalin and DuPont Clean Technologies will also provide engineering and equipment procurement services for the acid plant as the project advances, while Fluor will oversee and manage construction of the acid plant.

The SNC-Lavalin/DuPont Clean Technologies contract is a two-part contract with the first component to complete works required under the DFS. The second phase covers project execution and construction support services, and is subject to Ioneer's decision to proceed.

Reduced Capex Estimate

The reduced capex estimate for the construction and installation of the sulphuric acid plant has resulted from a change in contracting strategy from lump sum turnkey to an engineering and procurement contract, and a focus on fit for purpose construction and cost optimisations.

The new capex estimate includes the construction and installation costs, as well as engineering and procurement services. Operating costs for the sulphuric acid plant are in-line with the estimate included in the PFS.

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About SNC-Lavalin

SNC-Lavalin is one of the leading engineering and construction groups in the world and is a major player in the ownership of infrastructure and in the provision of operations and maintenance services. Founded in 1911, SNC-Lavalin has offices across Canada and in over 40 other countries around the world and is currently active in some 100 countries. For further detail, visit www.snclavalin.com.

About DuPont Clean Technologies

DuPont Clean Technologies applies real-world experience, history of innovation, problem-solving success and strong brands to help organizations operate safely and with the highest level of performance, reliability, energy efficiency and environmental integrity. The Clean Technologies portfolio includes the MECS® sulfuric acid production and regeneration technologies; the IsoTherming® hydroprocessing technology for desulfurization of motor fuels; the STRATCO® alkylation technology for production of clean, high-octane gasoline; the BELCO® air quality control systems for FCC flue gas

scrubbing and other refinery scrubbing applications; the MECS® DynaWave® technology for sulphur recovery and tail gas-treating solutions; and a comprehensive suite of aftermarket service and solutions offerings. Learn more about DuPont Clean Technologies at www.cleantechnologies.dupont.com.

About ioneer

The Company's 100%-owned Rhyolite Ridge Lithium-Boron project in Nevada, USA provides a substantial foundation for ioneer to become a responsible and profitable producer of the materials necessary for a sustainable future.

The Rhyolite Ridge Pre-Feasibility Study demonstrated the project's scale, long life and potential to become the lowest cost lithium producer in the world as well as the largest lithium producer in the United States.

With forecast annual production of 20,200 tonnes lithium carbonate and 173,000 tonnes boric acid, Rhyolite Ridge will be a globally significant producer of both lithium and boron.

Lithium and boron are both used in a diverse range of everyday items and innovative technologies that are essential to modern life and emerging clean technologies such as electric vehicles.