



## Binding Boric Acid Offtake Agreement with Dalian Jinma Boron Technology

### Highlights

- Binding offtake agreement signed with integrated Chinese boron company, Dalian Jinma Boron Technology
- Five-year supply contract for 105,000 tonnes of boric acid per annum, commencing in Q1 2023
- Agreement secures a key customer for more than 50% of Rhyolite Ridge's expected annual boron production and validates the quality of the boric acid product
- In addition to its substantial internal consumption, Jinma will also act as ioneer's exclusive distributor and representative in China and Taiwan, excluding large multinationals with Chinese operations that will be supplied directly by ioneer

Wednesday, 18 December 2019 – Emerging lithium-boron supplier, ioneer Ltd ('ioneer' or the 'Company') (ASX: INR) has signed its first binding offtake agreement with Dalian Jinma Boron Technology Group Co. Ltd ('Jinma') for the supply of boric acid from ioneer's Rhyolite Ridge Lithium-Boron Project ('Project') in Nevada, USA.

Jinma is a top 500 Chinese private enterprise and operates one of the most complete boron industrial supply chains in the world. Jinma is a major user of boric acid for use in downstream products, including boron carbide and ferro boron, and plays an important role in the Chinese boric acid market. Jinma is a modern industry group with boron carbide as its leading product, integrating the scientific research, manufacture and sale of boride and carbide.

### Key terms of the Binding Offtake Agreement

Under the agreement, Jinma will purchase 105,000 tonnes per annum of boric acid, representing over 50% of Rhyolite Ridge's expected annual production of more than 170,000 tonnes<sup>1</sup>. In addition, given Jinma's role as a key market maker for the boric acid market in China, Jinma will act as ioneer's exclusive distributor and representative for customers in China and Taiwan, excluding large multinationals with operations in China which will be directly supported by ioneer's sales organisation.

Supply of boric acid will be based on prevailing market prices for similar volumes and quality and remain at a fixed price for the first six-months of delivery with subsequent regular price adjustments to be negotiated to market.

The agreement is over a period of five years with initial supply expected in Q1 2023 as Rhyolite Ridge commences production. The agreement is conditional on ioneer making a positive final investment decision, expected in early 2021.

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<sup>1</sup> The Rhyolite Ridge Pre-Feasibility Study ('PFS') estimated average annual production of 20,200 tonnes of lithium carbonate and 173,000 tonnes of boric acid. Boric acid production levels in the Rhyolite Ridge Definitive Feasibility Study will reflect the higher boron grades in the updated Mineral Resource estimate (refer ASX announcement "Rhyolite Ridge Mineral Resource Upgrade" released 26 June 2019), specifically the Measured and Indicated Resource for the Upper Zone which has boron grades 21% higher than the Resource used for the PFS.

ioneer's Managing Director, Mr Bernard Rowe, commented:

*"Signing our first large-volume offtake agreement with a major global customer is a significant milestone for ioneer. It validates the strong demand we see for our premium quality boron products. Jinma is intricately involved in all aspects of the boron supply chain which makes them an excellent first customer for ioneer. The addition of Jinma as a customer validates the quality of our product and will also help position ioneer ahead of securing financing, as we move Rhyolite Ridge toward production. The ability to secure significant contract demand demonstrates to the market our confidence in ioneer becoming a major, low cost, US producer of lithium. ioneer looks forward to updating the market further regarding the progress of negotiations in relation to its global sales and marketing plans for the Rhyolite Ridge lithium and boron offtake in the near term."*

## Contacts

**Bernard Rowe**  
**ioneer Ltd**

Managing Director

T: +61 419 447 280

E: [browe@ioneer.com](mailto:browe@ioneer.com)

**Catherine Strong**  
**Citadel Magnus**

Investor & Media Relations

T: +612 8234 0100

E: [cstrong@citadelmagnus.com](mailto:cstrong@citadelmagnus.com)

## About Dalian Jinma Boron Technology Group

Jinma is the core enterprise of Dalian Jinma Technology Group, which ranks among the Top 500 Chinese Private Enterprises, with registered capital of 238 million RMB, total assets of 1.3 billion RMB and one of the most complete boron industrial supply chains in the world. The company's primary business is the research and sales of camsellite, boron chemical products, boride and carbide. Its leading product has been recognised by the national Torch Program project. DJBTG (a holding company), owns Jinma (Kuandian) Boron Mining Co., Ltd., Junmei New Cera (Tongliao) Co., Ltd., Dalian Jinma Fine Industry Ceramic Co., Ltd. and some other subsidiaries.

## 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 more than 20,000 tonnes of lithium carbonate and 170,000 tonnes of boric acid<sup>1</sup>, 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 and renewable energy.

### **Competent Persons Statement**

In respect of Mineral Resources referred to in this report and previously reported by the Company in accordance with JORC Code 2012, the Company confirms that it is not aware of any new information or data that materially affects the information included in the public report titled "Rhyolite Ridge Mineral Resource Upgrade" dated 26 June 2019. Further information regarding the Mineral Resource estimate can be found in that report. All material assumptions and technical parameters underpinning the estimates in the report continue to apply and have not materially changed.

In respect of production targets referred to in this report and previously reported by the Company, the Company confirms that it is not aware of any new information or data that materially affects the information included in the public report titled "Outstanding Results from Rhyolite Ridge Pre-Feasibility" dated 23 October 2018. Further information regarding the production estimates can be found in that report. Other than as relates to the updated Mineral Resource estimate of 26 June 2019, all material assumptions and technical parameters underpinning the estimates in the report continue to apply and have not materially changed.

The Rhyolite Ridge Pre-Feasibility Study ('PFS') estimated average annual production of 20,200 tonnes of lithium carbonate and 173,000 tonnes of boric acid. Boric acid production levels in the Rhyolite Ridge Definitive Feasibility Study due in Q1 2020 will reflect the higher boron grades in the updated Mineral Resource estimate of 26 June 2019, specifically the Measured and Indicated Resource for the Upper Zone which has boron grades 21% higher than the Resource used for the PFS.

### **Cautionary Statement regarding Forward-Looking Information**

Certain information in this document refers to the intentions of Ioneer, but these are not intended to be forecasts, forward looking statements or statements about the future matters for the purposes of the Corporations Act or any other applicable law. The occurrence of the events in the future are subject to risk, uncertainties and other actions that may cause Ioneer's actual results, performance or achievements to differ from those referred to in this document. Accordingly, Ioneer and its affiliates and their directors, officers, employees and agents do not give any assurance or guarantee that the occurrence of these events referred to in the document will actually occur as contemplated.

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