

ioneer Substantially Completes Asian Boric Acid Distribution and Sales Network

Highlights

- Three-year boric acid Distribution and Sales Agreements signed with Kintamani Resources Pte Limited, and Boron Bazar Limited, covering critical additional territories in Asia.
- The new agreements, plus the binding Dalian Jinma offtake agreement, announced December 2019¹, places 100% of ioneer's first year of boric acid production, and more than 85% of boric acid production in years two and three.
- The signing of these Agreements completes the key components of ioneer's current Asian boric acid marketing plan to secure direct offtake or distribution and sales agreements with recognised industry participants for most major Asian countries.
- Distribution and Sales Agreements expected to commence Q2 2023 as Rhyolite Ridge production commences.
- Boron production expected to account for approximately 30% of revenue at Rhyolite Ridge. Its reliable and steady revenue contribution helps secure Rhyolite Ridge at the bottom of the global lithium cost curve.

Thursday, 21 May 2020 – ioneer Ltd (ioneer or the Company) (ASX: INR), an emerging lithium-boron supplier, today announced that it has secured two separate boric acid Distribution and Sales Agreements (Agreements) for the supply of boric acid from ioneer's Rhyolite Ridge Lithium-Boron Project ('Project') in Nevada, USA, substantially completing its Asian boric acid distribution and sales network.

The Agreements were signed with:

- Kintamani Resources Pte Limited (Kintamani) for the territories of Malaysia, Indonesia, Singapore, Thailand, Vietnam and the Philippines.
- Boron Bazar Limited (Boron Bazar) for the territories of Bangladesh, India, Pakistan and Myanmar.

These Agreements are in addition to ioneer's announcement on 18 December 2019¹ of its foundational binding offtake agreement with Dalian Jinma Boron Technology Group Co. Ltd ('Jinma') for 105,000 tonnes per annum of boric acid which included a distribution agreement for the territories of China and Taiwan.

The additional Agreements announced today mean 100% of ioneer's first year of boric acid production is spoken for in either binding offtake agreements or through distribution and

¹ Refer ASX release titled 'Binding Boric Acid Offtake Agreement with Dalian Jinma Boron Technology' announced 18 December 2019.

sales agreements with highly respected boron distribution and sales companies in key Asian jurisdictions.

Kintamani and Boron Bazar are established distributors of industrial minerals in their territories with greater than 10 years of borate distribution and sales experience. These Agreements combined account for approximately 13% of forecast boric acid production for the first three years of Rhyolite Ridge operations.

Boric acid sales are expected to account for approximately 30% of average annual revenue at Rhyolite Ridge. The boric acid revenue is equivalent to approximately 72% of all-in sustaining cash costs for the Project as established in the recently released Definitive Feasibility Study. This revenue contribution secures Rhyolite Ridge at the very bottom of the lithium cost curve.

Key Terms of the Agreements

The terms of the two Distribution and Sales Agreements are similar. Under the agreements, the parties have committed to minimum sales volume targets per annum of boric acid by territory. Each distributor is responsible for different territories. Kintamani's territory includes Malaysia, Indonesia, Singapore, Thailand, Vietnam and the Philippines. Boron Bazar's territory includes Bangladesh, India, Pakistan and Myanmar.

Supply of boric acid to the distributors will be based on prevailing market prices for similar volumes and quality, and remain fixed for specified periods before being reset for the next period on a revolving basis through the term of the agreement.

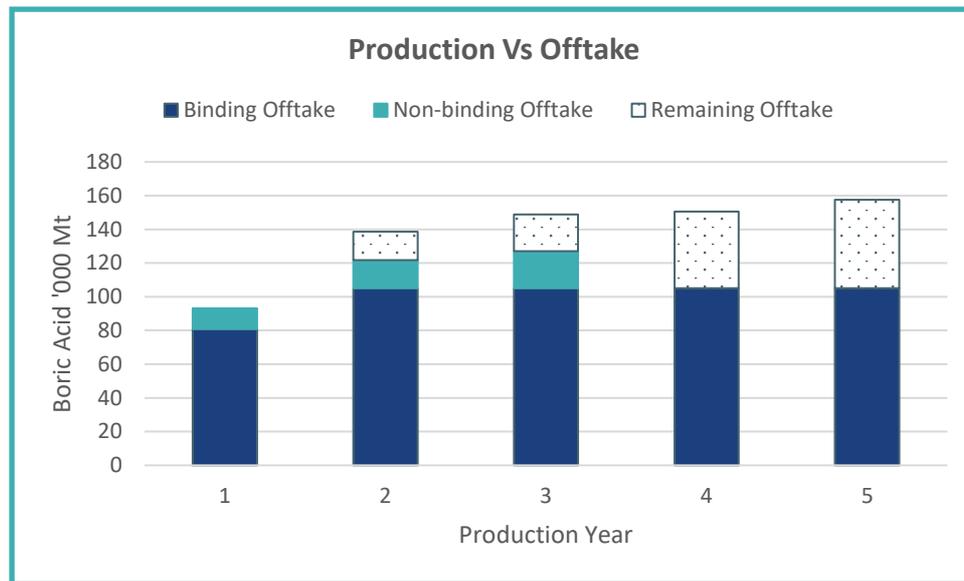
The Agreements each have a three-year term, with initial supply expected in Q2 2023 as Rhyolite Ridge commences production. The Agreements are conditional on ioneer making a positive final investment decision (FID), expected in early 2021. Key information required to make a FID includes, advanced engineering, the award of all state and federal environmental and development permits, and an acceptable and executable funding plan for the Project.

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

"Signing these Distribution and Sales Agreements is a significant milestone for ioneer as we look ahead to Rhyolite Ridge becoming operational. These Agreements demonstrate the high demand for sustainably produced boric acid and further underpins the Project's compelling economics.

"Boric acid sales are key in delivering an all-in sustaining cash cost for lithium from the Rhyolite Ridge Project at the bottom of the global lithium cost curve. We are delighted that at this early stage, the first three years of production from Rhyolite Ridge are placed. These agreements continue to demonstrate our ability to sell boric acid and affirms the quality of our premium quality boric acid by respected boron industry partners."

Boric acid production and signed offtake



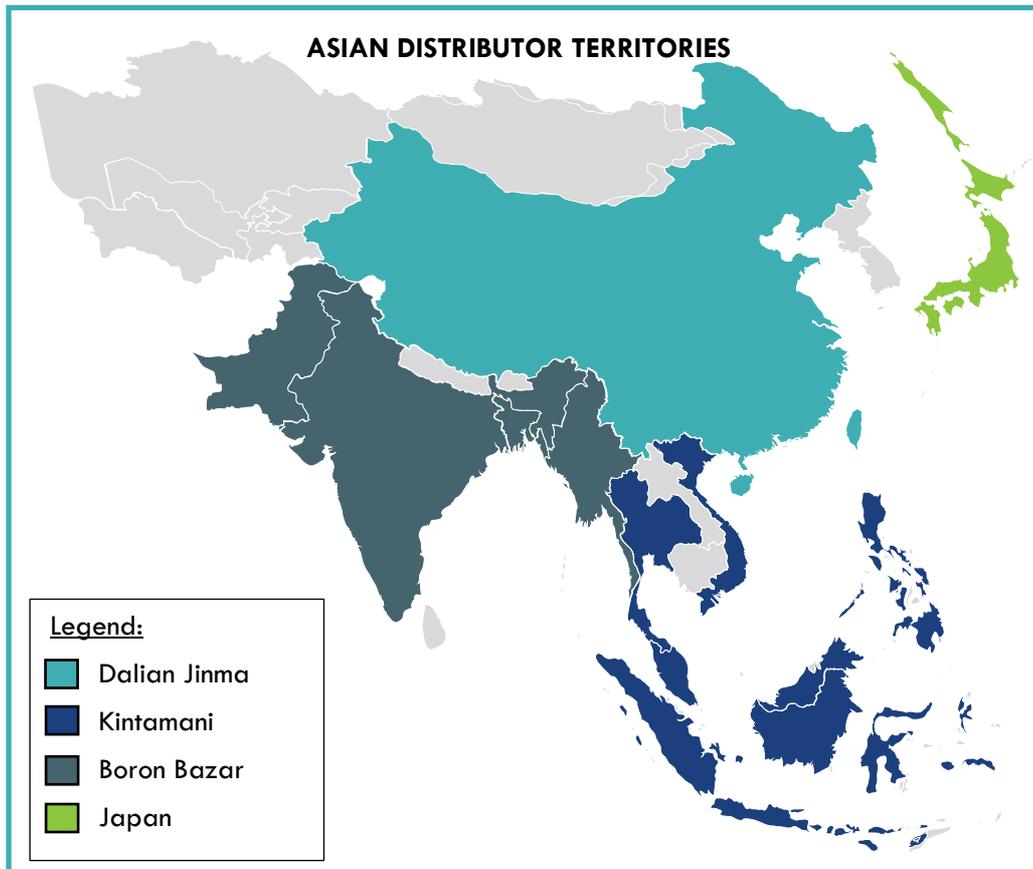
Source: Company Data. Note remaining offtake in years 4 and 5 is expected to be partially filled by the 3-year renewal options on the Agreements

The above chart shows boric acid production over the first five years of production from the Rhyolite Ridge Project as disclosed in the DFS. The following comments are made on the chart:

- The dark blue bars represent binding boric acid offtake volumes per the Dalian Jinma Agreement announced in December 2019¹.
- The aqua bar represents the total of the minimum sales targets of the Agreements announced in this release.
- In year one, the full year's production is secured by a binding offtake agreement and the Agreements.
- In year two, 85% of production is secured by a binding offtake agreement and the Agreements.
- In year three, 88% of production is secured by a binding offtake agreement and the Agreements.
- Years four and five, fall to ~70% secured levels, although there are three-year renewal options on the Agreements that are not included.

The shortfall in offtake in year two and beyond is expected to be met by North American offtake and sales in other Asian territories.

Completes key components of ioneer's Asian boric acid marketing plan



Source: Company Data

The above map shows the territories covered by ioneer's boric acid distributors in Asia. With most key markets now covered, the Company's boric acid marketing plan in Asia is now largely complete. Discussions with Japanese distributors are well advanced.

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ABOUT IONEER

ioneer Ltd is the 100% owner of the Rhyolite Ridge Lithium-Boron Project located in Nevada, USA, the only known lithium-boron deposit in North America and one of only two known such deposits in the world. The Definitive Feasibility Study (DFS) completed in April 2020 confirmed Rhyolite Ridge as a world-class Lithium and Boron Project that is expected to become a globally significant, long-life, low-cost source of lithium and boron vital to a sustainable future.

Rhyolite Ridge's unique mineralogy allow lithium and boron to be extracted in a low-cost and environmentally sustainable manner. The Project's commercial viability is made possible by having both lithium and boron revenue streams.

Lithium is vital to enable technologies that combat climate change and reduce carbon emissions. It is a critical component for batteries essential to electric vehicles, and the conversion of intermittent green energy to base load power. The US Department of Interior listed lithium as a critical mineral in Executive Order 13817 (Federal Register, 83 FR 7065). There is only one producing lithium mine in the U.S. and no new projects are under construction. Rhyolite Ridge will help address the over-reliance on South American and Chinese supply to the lithium-ion battery industry.

Boron is also a very important material for clean technologies and sustainability and is only produced in a few locations globally. It is used in over 130 applications, including permanent magnets for electric cars and wind turbines, advanced glass for televisions, computers, handheld devices and solar panels. Over 70% of global boron reserves are located in Turkey with Rhyolite Ridge well positioned to geographically rebalance supply in the USA.

ABOUT KINTAMANI RESOURCES PTE LIMITED

Kintamani Resources is an experienced borate trading company in Southeast Asia. The company was established by ex-Rio Tinto Minerals, Southeast Asia Regional Sales Manager, Med Ng and a major Malaysian logistics company. The Kintamani Group is a major supplier of food and industrial salt, potassium sulphate, sodium borate, boric acid and other industrial minerals. The alignment of Kintamani and ioneer in these agreements provides the potential for the Malaysian logistic company to provide a centralised logistics hub in Malaysia for ioneer to supply Southeast and South Asian countries.

ABOUT BORON BAZAR LIMITED

Boron Bazar is an experienced retail and trading company for borates, based in Bangladesh where it holds a 40% market share and has strong influence in other South Asian countries. Boron Bazar is a pioneer in borates use in the Bangladesh agricultural sector with decades of supply experience. Boron Bazar has four retail outlets where it provides technical support to farmers through consultation and frequent field trial demonstrations to improve crop yield and quality.

COMPETENT PERSONS STATEMENT

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 "ioneer Delivers Definitive Feasibility that Confirms Rhyolite Ridge as a World-Class Lithium and Boron Project" dated 30 April 2020. Further information regarding the production estimates 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.

FORWARD LOOKING STATEMENTS

Various statements in this report constitute statements relating to intentions, future acts and events which are generally classified as "forward looking statements". These forward looking statements are not guarantees or predictions of future performance and involve known and unknown risks, uncertainties and other important factors (many of which are beyond the Company's control) that could cause those future acts, events and circumstances to differ materially from what is presented or implicitly portrayed in this presentation. Words such as "anticipates", "expects", "intends", "plans", "believes", "seeks", "estimates", "potential" and similar expressions are intended to identify forward-looking statements.

ioneer cautions security holders and prospective security holders to not place undue reliance on these forward-looking statements, which reflect the view of iioneer only as of the date of this report. The forward-looking statements made in this report relate only to events as of the date on which the statements are made. Except as required by applicable regulations or by law, iioneer does not undertake any obligation to publicly update or review any forward-looking statements, whether as a result of new information or future events. Past performance cannot be relied on as a guide to future performance.