

ioneer signs partnership with Caterpillar for heavy equipment supply at Rhyolite Ridge

Highlights:

- ioneer selects Caterpillar as exclusive heavy equipment partner for its Rhyolite Ridge Lithium-Boron Project in Nevada.
- Caterpillar is the world's largest manufacturer of construction and mining equipment.
- The equipment and services to be supplied by Caterpillar during the first five years of operation valued at approximately US\$100 million.
- Under the partnership, Caterpillar will offer finance solutions for the equipment through Caterpillar Financial Services (subject to definitive legal documentation).
- ioneer and Caterpillar are working on a joint automation study that aims for the early introduction of autonomous haul trucks at Rhyolite Ridge for improved safety, productivity, and a reduction in the physical and environmental footprint of a mine.
- Rhyolite Ridge is the most advanced lithium development project in the US.
- Rhyolite Ridge Project is expected to come on stream in 2023 and produce over 22,000 tonnes per annum of lithium chemicals - more than four times current US production.
- ioneer is expected to be the first new lithium chemicals producer in the US in over 60 years and become a major supplier of lithium and boron products to the US and global markets for many decades.

28 October 2020- ioneer Ltd (ioneer or the Company) (ASX: INR), an emerging lithium-boron supplier, is pleased to announce a partnership with Caterpillar as its exclusive heavy equipment partner for its Rhyolite Ridge Lithium-Boron Project in Nevada.

Caterpillar is the world's largest manufacturer of construction and mining equipment and will supply haul trucks, hydraulic shovels, wheel loaders, and other mine site support machinery like track-type tractors (dozers), excavators, and motor graders. All equipment will feature the latest in high-precision GPS and real-time analytics in order to maximise efficiency and accuracy in material loading.

The equipment and services supplied by Caterpillar during the first five years of operation is valued at approximately US\$100 million. In addition, Caterpillar will offer the Company finance solutions for the equipment through Caterpillar Financial Services. Both the supply of equipment and services and finance solutions are subject to a final investment decision being taken on the Project and definitive legal documentation.

The partnership will operate through Cashman Equipment, a major Caterpillar equipment dealer, which has been based in Nevada since 1931.

Cashman Equipment will support the Rhyolite Ridge Project with technicians to assemble and service the equipment, operator trainers to assist with the most efficient machine operations, and product support consultants to facilitate a comprehensive Maintenance and Repair Contract (MARC) agreement.

ioneer and Caterpillar are working on a joint automation study that aims for the early introduction of autonomous haul trucks at Rhyolite Ridge. Caterpillar has been a leader on the journey toward automation for many years. Fully autonomous mining automation systems offer unprecedented improvements in operator safety, equipment availability, and site productivity and play an important role in reducing the physical and environmental footprint of a mine.

ioneer's managing director, Bernard Rowe, said:

"We are extremely pleased to partner with the world's leading manufacturer of mining equipment, Caterpillar. The Cashman Equipment Cat dealership has serviced the Nevada mining industry for close to ninety years, and we are delighted it is joining us in a new era of mining within Nevada and the United States – producing materials that are critical for electric vehicles and renewable energy. Ioneer is at the forefront of the US strategic imperative to develop a domestic lithium battery supply chain."

Todd Gilligan, vice president of sales, marketing, and rental at Cashman Equipment, said:

"Lithium is an essential component of the transition to a low-carbon and clean energy future and it is vital for the US to develop its own domestic supply of this critical material. A mining endeavour of this magnitude needs a first-class machine fleet, and Caterpillar offers the most comprehensive, advanced line up of mining equipment and technology in the industry. That fleet will be backed by dedicated experts like our employees here at Cashman to provide maximum uptime and efficiency. We are excited to have been selected as Ioneer's partner and look forward to working together on this important American project that is set to become a major US supplier to the lithium battery and EV markets."

This ASX release has been authorised by Ioneer Managing Director Bernard Rowe.

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CONTACTS

Bernard Rowe
ioneer Ltd

Managing Director

T: +61 419 447 280

E: browe@ioneer.com

**Jane Munday / Megan
Moore**
FTI Consulting

Investor & Media Relations
(Australia)

T: +61 488 400 248 / +61 434 225 643

E: jane.munday@fticonsulting.com /
megan.moore@fticonsulting.com

Grace Altman
FTI Consulting

Investor & Media Relations
(USA)

T: +1 917 208 9352

E: grace.altman@fticonsulting.com

ABOUT CATERPILLAR

Since 1925, Caterpillar Inc. has been helping customers build a better world – making sustainable progress possible and driving positive change on every continent.

With 2019 sales and revenues of \$53.8 billion, Caterpillar is the world’s leading manufacturer of construction and mining equipment, diesel and natural gas engines, industrial gas turbines and diesel-electric locomotives. Services offered throughout the product life cycle, cutting-edge technology and decades of product expertise set Caterpillar apart, providing exceptional value to help our customers succeed. The company principally operates through three primary segments – Construction Industries, Resource Industries and Energy & Transportation – and provides financing and related services through its Financial Products segment.

Caterpillar is a Fortune 100 company and one of the 30 on the Dow Jones Industrial Average. The company was named to the Dow Jones Sustainability Indices in 2019.

ABOUT CASHMAN EQUIPMENT COMPANY

Founded in 1931 Cashman Equipment is one of the highest-rated Caterpillar equipment dealers in North America. A full-service dealership, Cashman provides new and used equipment for sale and rental, as well as high-quality parts and service to construction, paving, mining, truck engine, technology, and power system industries throughout Nevada and the Eastern Sierras. www.cashmanequipment.com

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)¹ 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.

The DFS was undertaken by independent and globally recognised engineering firm Fluor Enterprises along with a world class team of associated engineering and equipment suppliers. The key findings of the DFS were as follows:

¹ Refer ASX release titled ‘ioneer Delivers Definitive Feasibility Study that Confirms Rhyolite Ridge as a World-Class Lithium and Boron Project’ announced 30 April 2020.

After-tax NPV (8% real)	~US\$1.27B
Unlevered after-tax IRR	~21%
All-in sustaining cash cost of battery grade lithium hydroxide	US\$2,510 per metric tonne
Annual Revenue	US\$422m
Annual EBITDA	US\$288m
Estimated Capex	US\$785m
Average annual Lithium Hydroxide production (years 4-26)	22,000 tonnes
Average annual Boric Acid production	174,000 tonnes

COMPLIANCE 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.