

Proactive Investors

ioneer over the moon with strong response to upsized A\$80 million placement

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ioneer Ltd (ASX:INR) (OTCMKTS:GSCCF) (FRA:4G1) has received firm commitments for its fully underwritten institutional placement to raise A\$80 million to assist in accelerating construction of the 100%-owned Rhyolite Ridge Lithium-Boron Project in Nevada, USA.

The placement attracted strong demand from existing shareholders and new investors including high-quality international and domestic institutions.

Placement upsized

This prompted the company to upsize the placement by A\$20 million to A\$80 million.

Cornerstone investment was provided by BNP Paribas Energy Transition Fund, a European ESG-focused institution.

With the availability of additional funds, the company is now well-positioned to execute on project advancement at Rhyolite Ridge throughout 2021, including finalisation of various offtake discussions and completion of strategic funding discussions.

“Exceptionally strong reaction”

ioneer managing director Bernard Rowe said: “We are extremely pleased with the exceptionally strong reaction for our capital raising, which demonstrates the high quality of the Rhyolite Ridge Project based on the support from high quality domestic and international investor groups.

“Rhyolite Ridge remains the most advanced and highest quality lithium project in the US, and with these additional funds we look forward to rapidly closing out a number of key value-adding milestones over the course of 2021 as we move quickly towards production and becoming a major part in the US lithium supply chain.”

Use of proceeds

The company plans to use to proceeds to completing various development activities at Rhyolite Ridge including:

- Advancing detailed engineering and vendor engineering to construction-ready status;
- Environmental, research and consulting expenses;
- Discretionary substantive pre-construction activities; and
- Working capital and general purposes.

The company anticipates receiving the final permits to commence construction, known as the Record of Decision (ROD), in the fourth quarter of 2021, with a final investment decision (FID) expected in late 2021 and construction starting upon receipt of the final permit.

Placement details

The placement will see ioneer issue 210.52 million new shares at a price of A\$0.38 per share using its 15% placement capacity under ASX Listing Rule 7.1.

Settlement of the placement is scheduled to occur on Tuesday, March 9, 2021, with new shares expected to be issued and begin trading on Wednesday, March 10, 2021.

New shares issued under the placement will be ranked equally with existing ioneer ordinary shares.

Goldman Sachs and Ord Minnett acted as joint lead managers, bookrunners and underwriters to the placement while Loop Capital Markets LLC and Stifel GMP acted as co-managers.