

Proactive Investors

**ioneer aims for Rhyolite Ridge Lithium-Boron Project in US to be 'shovel-ready' and permitted by June quarter 2021**

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ioneer Ltd's (ASX:INR) (OTCMKTS:GSCCF) (FRA:4G1) key consideration for funding and strategic partnering of its world-class Rhyolite Ridge Lithium-Boron Project in the US is for the project to be 'shovel-ready' and permitted by the second quarter of 2021.

This includes having funds in place to support the planned activities to the end of 2021.

Goldman Sachs is advising the company on strategic and financing alternatives.

Strategic talks "progressing well"

The company, which is in advanced talks with a wide range of strategic players, said these discussions were progressing well, despite current conditions, however, the formal strategic partnering process has not started.

ioneer will continue to assess market conditions as it considers the commencement of this process.

Work program

The company also listed its upcoming work program over the coming months, which include:

- Advancing strategic partnering process through advanced technical and financial discussions;
- Advancing State and Federal permitting including Environmental Impact Statement (EIS) process;
- Release first engineering packages/contracts for bid;
- Award first vendor packages/contracts;
- Complete civil design and begin foundation engineering design; and
- Advance process engineering design

ioneer managing director Bernard Rowe said: "It has been a milestone period for the company. In particular, the delivery of the definitive feasibility study (DFS) confirmed our long-held view that Rhyolite Ridge is a world-class asset with robust economics for a low cost, large-scale and long-life project.

"We have the potential to add reserves and mine life to the project and believe it is a highly attractive resource to the US, which lists lithium amongst the minerals it classes as critical and strategically important to that jurisdiction.

"We also signed two multi-year sales and distribution agreements for our boric acid. Together with the Dalian Jinma agreement announced in December 2019, we have accounted for 85-100% of our first three years of boric acid production.

"I'd like to thank the iioneer team for its efforts, especially over the long term to bring the DFS to completion and, notably over the last few months against a very challenging and unprecedented backdrop in the United States and around the world. We look forward to updating shareholders on our progress over the remainder of the year."

Definitive study

The DFS for the Rhyolite Ridge project estimated that the total capital expenditure to complete the project will be US\$785 million, including an 8% contingency.

This represents an increase of US\$186 million from the pre-feasibility study, with nearly half of the increase in scope being driven by the inclusion of an on-site steam turbine, the purchase versus lease of the mining fleet, and the purchase of sulphur tankers to materially lower sulphur transportation costs.

Rhyolite Ridge's lithium and boron mineral resource is estimated at 146.5 million tonnes, including an ore reserve of 60.0 million tonnes, an increase of 280% from the previous estimate.

The company expects to mine and process 63.8 million tonnes over the 26-year mine life at an average annual rate of 2.5 million tonnes per year.

#### State and Federal permitting

In May, the Plan of Operations was submitted to the US Bureau of Land Management (BLM) and once a Notice of Intent has been registered in the Federal Register, it may initiate the EIS preparation and public engagement process as part of the National Environmental Policy Act (NEPA).

An application for a Class II Air Quality Permit was submitted in May to the Nevada Division of Environmental Protection (NDEP), Bureau of Air Pollution Control and The United States Environmental Protection Agency, Region 9.

#### Economic Impact Study

The Rhyolite Ridge Lithium-Boron Project economic impact study suggested the project will generate between \$15 billion to \$35 billion in total economic output, including a total labour income of \$3 to \$6 billion, based on the firm's "median" case assumptions over the modelled 26 or 60-year mine life.

#### Tiehm's Buckwheat preservation

The first planting of Tiehm's buckwheat seedlings at the Rhyolite Ridge site took place in the quarter.

This planting - a research component of Ioneer's Tiehm's buckwheat protection - is being conducted by the University of Nevada, Reno (UNR).

A research agreement was extended with the UNR, funding a five-year study that will focus on the future propagation and growth of Tiehm's buckwheat at Rhyolite Ridge.

So far, the UNR research team has successfully grown over 1,000 Tiehm's buckwheat seedlings in the UNR greenhouse from seeds collected at Rhyolite Ridge.

#### Offtake agreements and discussions

During the quarter, two boric acid distribution and sales agreements were signed with Kintamani Resources Pte Limited and Boron Bazar Limited, which are in addition to the agreement with Dalian Jinma Boron Technology Group Co. Ltd.

The deals with Kintamani and Boron Bazar mean 100% of Ioneer's first year of boric acid production is spoken for in either binding offtake agreements or through distribution and sales agreements. Boric acid sales are expected to account for approximately 30% of average annual revenue at Rhyolite Ridge.

The new agreements are expected to commence in the second quarter of 2023 as Rhyolite Ridge comes online.

#### Board review

Julian Babarczy was appointed as a non-executive director during the quarter and the Ioneer board is continuing a review of the board and management team composition and structure.

It plans to continue that evaluation process to ensure the right skills set and mix to meet the future needs of the company