

Mining Weekly

Rhyolite Ridge DFS puts it on the map - ioneer

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PERTH (miningweekly.com) – The Rhyolite Ridge lithium/boron project, in Nevada, would require a capital investment of some \$785 million, a definitive feasibility study (DFS) has found.

ASX-listed ioneer on Thursday told shareholders that the DFS placed Rhyolite Ridge as the single most attractive project for the production of lithium carbonate, lithium hydroxide and boric acid globally, confirming that the project not only had the lowest all-in sustaining cost (AISC) of lithium projects globally, but also the most stable overall operating cost structure for the production of lithium carbonate and battery grade lithium hydroxide, owing to the scale and reliability of its boric acid credit.

The DFS is based on an average life-of-mine production of 20 600 t/y of lithium carbonate, converting in the fourth year of operation to 22 000 t/y of battery grade lithium hydroxide and 174 000 t/y of boric acid, over a mine life of 26 years.

AISC for the project has been estimated at \$2 510/t, placing Rhyolite Ridge at the bottom of the global cost curve.

The DFS has estimated an after-tax net present value of \$1.26-billion and an internal rate of return of 20.8%.

The DFS is based on a lithium and boron mineral resource estimate of 146.5-million tonnes, including an ore reserve of 60-million tonnes, which is a 280% increase on the previous estimate. Over the 26 year mine life, the company expected to process some 63.8-million tonnes of ore, representing 44% of the total mineral resource currently classified.

“The DFS confirms our long-standing belief that Rhyolite Ridge is a world-class asset that will be transformational for ioneer and its shareholders,” said MD Bernard Rowe.

“Rhyolite Ridge will be the single most attractive resource to economically produce lithium carbonate, lithium hydroxide and boric acid globally. The co-production of boric acid enables us to produce lithium, net of boric acid credits, at the lowest possible cost.

“Rhyolite Ridge’s projected position at the very bottom of the global lithium industry cost curve will enable us to achieve industry-leading earnings before interest, tax, depreciation and amortization margins, an excellent return on investment, and a quick payback across a range of commodity price environments.

“Additionally, we are located in Nevada, a mining-friendly jurisdiction in the US where lithium is recognised as a strategically important mineral, critical to a sustainable future. These benefits make Rhyolite Ridge an attractive project to strategic partners, which we have witnessed in discussions to date.”