Neometals sells Mt. Marion offtake for A$30 million

Neometals Ltd (ASX: NMT)

Neometals announced that it has accepted an offer for Neometals to relinquish its Mt Marion spodumene offtake option rights for the sum of A$30 million (ex GST).

This transaction bolsters significantly the Company's already strong balance sheet increasing its cash, receivables and investments to ~A$107million.

Neometals	**ASX : NMT**
Stage	**Production + development**
Metals	**Titanium + Vanadium + lithium + nickel**
Market cap	**A$300 m @ 55 c**
Location	**Western Australia**

NEOMETALS REALISES A$30 MILLION FOR MT MARION OFFTAKE OPTION

Neometals Ltd (ASX: NMT) ("Neometals" or "the Company"), is pleased to announce
that it has accepted an offer from Reed Industrial Minerals Pty Ltd ("RIM"), the owner of the Mt Marion Lithium Project (Mt Marion), for Neometals to relinquish its Mt Marion spodumene offtake option rights for the sum of A$30 million (ex GST).
The proceeds will significantly bolster the Company's already

strong balance sheet increasing its cash, receivables and investments to ~A$107million (from A$81.6 million reported at the end of the March 2021 quarter).
The Company has no debt and is in a strong position to fund the future capital requirements of its exciting core projects which are approaching investment decisions in 2022.

HIGHLIGHTS

- Mt Marion spodumene offtake option relinquished for A$30 million cash payment within 10 business days;
- The Company retains significant exposure to the lithium-ion battery supply chain through its Primobius battery recycling JV and portfolio of proprietary lithium processing technologies;
- Neometals' cash, receivables and investments increase to ~A$107 million;
- Commenced a strategic review of the Indian lithium refinery project.

The full Neometals announcement can be viewed and downloaded here

Neometals Offtake Agreement Synopsis

In March 2019, Neometals retained a life-of-mine annual offtake option for up to 57,000 tpa of Mt Marion 6% Li2Ospodumene concentrate as part of sale of its equity interest in Mt Marion to its then RIM co-shareholders, Ganfeng Lithium Co., Ltd and
Mineral Resources Limited ("MRL") (together the "Mt Marion Partners").

The option rights were granted to Neometals for downstream processing, outside of China, in a business where it held a material equity interest (for further details see Neometals ASX announcement dated 18th March 2019 titled “Completion of Mt Marion Sale and Strategy Guidance”).
Since that time, Neometals has been actively evaluating the feasibility of downstream processing in Kalgoorlie and more recently in India under a memorandum of understanding with Manikaran Power Limited (for further details see Neometals ASX announcement dated 20th June 2019 titled “MOU – Lithium Refinery in India).
As a result of the relinquishment of the Mt Marion spodumene offtake option, a strategy review is underway on the Indian lithium refinery.
Further announcements will be made to the market once that strategic review is complete.

=======

City Investors Circle is based in the financial district in the City of London

We present interesting and exciting junior mining companies listed on the ASX and TSX stock exchanges to a group of city professionals, and private investors, all of whom are active investors with a mandate to invest in junior mining companies.

Our audience is selected and invited individually to ensure interest and relevance for the presenting company.

Meetings are non deal, small group, highly focused and engaged, with a lively Q and A to follow the main presentation.

We create awareness, and maintain interest in presenting companies by disseminating their future news to our entire

investor group via email, social media, and our Monthly Review newsletter.

If you wish to present to our select group of active mining investors, please email andrew@city-investors-circle.com

=======

This website is not sponsored, we are truly independent, and will always remain so.

Companies featured here have either presented to the Circle in London, or have been selected because they are considered to have interesting projects, in good jurisdictions, run by an experienced management team.

All information used in the preparation of this communication has been compiled from publicly available sources that we believe to be accurate and reliable, however, we cannot, and do not, guarantee the accuracy or completeness of this.

These articles are for awareness and informational purposes only, and are not recommendations in any form. Always consult an investment professional.

To read our full terms and conditions, please click HERE