

# 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% Li<sub>2</sub>Ospodumene 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.

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