Neometals served legal proceedings for Mt. Marion, intend to vigorously contest the writ

Neometals (ASX: NMT)

Have been served a writ by a third party relating to certain introduction fees in connection with equity and offtake transactions in and after 2015 concerning the Mt Marion Lithium Project, owned by Reed Industrial Minerals Pty Ltd.

Neometals will file a “vigerous defence” in due course.

Neometals intend to vigorously defend a writ

received in respect of Mt. Marion.

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To read the full news release, please click HERE

Comment

Clearly nobody wants to see a company they are invested in being served legal papers. Legal disputes create uncertainty and the market doesn’t like uncertainty.

This looks a little late as it relates to an introduction fee several years ago, but of course we don’t know of the parties have been in discussions for a while.

NMT are well funded so the case isn’t a concern from a financial viewpoint. Let’s hope a solution can be found without the need to contest in court.

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