Neometals to Increase Holding in Vanadium Recovery Project

Neometals (ASX / AIM NMT)

Announced an increase to its ownership interest in the incorporated joint venture vehicle, RISAB, that is developing the Finnish Vanadium Recovery Project.



Neometals	**ASX / AIM : NMT**
Stage	**Production + development**
Metals	**Titanium + Vanadium + lithium + nickel**
Market cap	**A$442 m @ A$.80**
Location	**Western Australia, Germany, Finland, USA**

Neometals to Increase Holding in Vanadium Recovery Project

Emerging sustainable battery materials producer, Neometals Ltd (ASX: NMT & AIM: NMT) ("Neometals" or "the Company"), announces an increase to its ownership interest in the incorporated joint venture vehicle, RISAB, that is developing the Finnish Vanadium Recovery Project ("Vanadium Recovery Project" or "VRP1").

Neometals, via its wholly owned subsidiary Ecometals Pty Ltd ("Ecometals"), is entitled to additional 22.5% of RISAB equity (72.5% in total) from the conversion of its A$3,000,000 shareholder loan following Critical's contribution of A$300,000.

Highlights:

• Neometals' ownership to increase to 72.5% in the Vanadium Recovery Project's incorporated JV company, Recycling Industries Scandinavia AB ("RISAB");
• Critical Metals Ltd ("Critical"), via its subsidiary, will move from 50% to 27.5% ownership of RISAB after contributing A$300k capital on 31st March 2023; and
• RISAB is advancing engineering, procurement, equity, and project financing activities to enable consideration of an investment decision by 30 June 2023.

The change in RISAB ownership interests was contemplated in the JV shareholders agreement (for full details refer to Neometals ASX announcement dated 2 March 2023 titled "Neometals now controlling shareholder in Vanadium Recovery Project SPV").

Through RISAB, Neometals and Critical are working towards a Final Investment Decision ("FID") to construct a facility in Pori, Finland to process and recover high-purity vanadium pentoxide ("V2O5") from Slag generated by SSAB in Scandinavia.

Neometals' wholly owned subsidiary, Avanti Materials Ltd, has licensed to RISAB, its vanadium recovery processing flowsheet ("VRP Technology") for VRP1. RISAB also has a second partnership opportunity to apply the VRP Technology elsewhere in Scandinavia (H2Green Steel feedstock, Boden – Sweden location) (for full details refer to Neometals ASX announcement dated 13 September 2021 titled "MoU for potential second, larger vanadium recovery plant").

Neometals, Critical and RISAB are advancing both equity and debt financing activities for VRP1 ahead of consideration of a FID for VRP1 in June 2023.

The FID is subject to successful project financing outcomes and dialogues with equity and debt providers, including the European Investment Bank ("EIB"), which are being managed by Scandinavia's leading investment banks and advisors.

It is Neometals intention to dilute its equity holding in VRP1 at either an Ecometals or RISAB level rather than dilution of its listed stock given the current market conditions.

A schematic of the project ownership structure and planned project financing following conversion of shareholders loans is overleaf.

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.If you need clarification of any information contained in this note, or have any questions, I will be delighted to assist – Please email andrew@city-investors-circle.com

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Disclosure

At the time of writing the author holds no shares in ***Neometals.***

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