Neometals now controlling shareholder in Vanadium Recovery Project SPV

Neometals (ASX / AIM: NMT)

Announced execution of several landmark agreements that secure Neometals' 50% ownership and operatorship of the incorporated joint venture vehicle RISAB developing the first 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

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Neometals Ltd (ASX: NMT & AIM: NMT) ("Neometals" or "the Company") is pleased to announce execution of several landmark agreements that secure Neometals' 50% ownership and operatorship of the incorporated joint venture vehicle RISAB developing the first Finnish Vanadium Recovery Project ("Vanadium Recovery Project" or "VRP1").

The balance of RISAB equity is held by unlisted Australian mineral development company, Critical Metals Ltd ("Critical").

Neometals holds approximately 19% of Critical's issued capital. The parties are jointly evaluating the feasibility of constructing a facility in Pori, Finland to process and recover high-purity vanadium pentoxide ("V2O5") from vanadium bearing steel making by-product ("Slag") generated or obtained by SSAB in Scandinavia.

Neometals has also executed a technology licence for its Slag processing intellectual property to RISAB for a 2.5% gross sales royalty.

Neometals has provided SSAB a guarantee for RISAB to enable execution of an amended feedstock supply agreement for Slag with SSAB EMEA AB and SSAB Europe Oy (collectively "SSAB").

Under the binding agreement ("Amended LD-Slag Supply

Agreement"), SSAB will supply 2 million tonnes of Slag with RISAB having the first right to purchase additional tonnes on an as available basis.

The Amended LD-Slag Supply Agreement still contains the condition that a project investment decision must be made by 30 June 2023, but removes the requirement to be in production by 31st December 2024.

The Amended LD-Slag Supply Agreement provides a reasonable basis for the finalisation and release of feasibility study ("FS") results based on a 300,000tpa feed rate, incorporating updated data from the previously announced Class 3 Engineering Cost Study ("ECS") (see Neometals' ASX release dated 8 July 2022 titled "Vanadium Recovery Study Confirms Lowest Quartile Cost Potential").

Additionally, Neometals looks forward to sharing related outcomes on a materially complete Life Cycle Assessment (carbon footprint).

RISAB has the first right to purchase additional volumes of Slag obtained by SSAB above 2 million tonnes on an as available basis at agreed prices linked to product grade and the prevailing FeV80 vanadium price.

Neometals Managing Director Chris Reed said:

> *"We are pleased to formalise our ownership in the VRP and finalise the new supply arrangements with SSAB which supports our expanded plant size.*

> *“Neometals will now finalise the evaluation activities and publish financial and carbon footprint metrics this quarter. Importantly, Critical and Neometals have built a first class, core management team for RISAB to operate the projects independently and support has been secured from leading Nordic investment banks who are managing the equity and debt funding processes.*

> *“Positive equity and debt outcomes will enable a positive investment decision under the SSAB supply agreement by 30 June 2023 which will be followed by commencement of process plant construction in 2H 2023.”*

To read the full news release, please click HERE

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Disclosure

At the time of writing the author does not hold shares in ***Neometals.***

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