

# Alita Resources Ltd

16:02 29 Apr 2019

## Alliance Mineral Assets signs MOU with China-based Jiangte to produce and sell lithium hydroxide

Alliance Mineral Assets Ltd (ASX:A40) (SGX:40F) has entered into a non-binding memorandum of understanding (MOU) with China-based Jiangte (SHE:002176) to produce and sell battery-grade lithium hydroxide.

Jiangte is engaged in the production of lithium battery cathode material, electric automobile drive motors and control systems, and electric vehicles.

The 50:50 lithium hydroxide JV provides a unique opportunity for Alliance to participate in the downstream lithium products market within the next 6 to 12 months, without incurring capital costs and exposure to the risk associated with the construction of a conversion facility.

### JV highlights

- Alliance will continue to own and operate the Bald Hill Mine and will supply the spodumene to the joint venture with the cost of production and transport recovered from sales of lithium hydroxide;
- Jiangte will continue to own and operate its lithium hydroxide and lithium carbonate converter in Yichun, Jiangxi Province, China following its completion;
- Alliance is not required to fund any of the capital cost of the converter;
- Spodumene contributed by Alliance will be processed at the converter to produce lithium hydroxide which will be sold by the joint venture to third-parties; and
- The joint venture will work to develop long-term downstream partnerships for battery-grade lithium hydroxide and/or lithium carbonate.



**Market Cap:** \$0.00

### Share Information

**Code:** A40

**Listing:** ASX

**Sector:** Rare earths & specialist minerals

**Website:**

### Company Synopsis:

*Alita Resources Ltd (ASX:A40) is listed on the Australian Securities Exchange. &nbsp;*

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### Aerial view of Jiangte's Yinli New Energy conversion facility

Alliance managing director Mark Calderwood said: "The Hydroxide JV provides for a rapid, low-risk, low-cost entry into downstream production and sales of battery-grade lithium products.

"We see market demand for lithium hydroxide increasing. Aside from traditional industrial uses, a number of rechargeable battery manufacturers are now using lithium hydroxide in their products and this joint venture will enable Alliance to participate in this market.

"Over the next two months, Alliance and Jiangte will work towards completion of joint venture documentation and simultaneously continue talks with potential long-term downstream customers which may provide additional longer-term certainty around demand and pricing.



Ongoing construction for hydroxide circuit in the foreground with existing leach circuit in the background at Jiangte's Yinli New Energy facility

"This downstream joint venture opportunity will enable Alliance to further benefit from its high-quality Bald Hill lithium product which provides for high-recovery and reduced conversion costs at one of the world's largest and modern processing facilities with lower levels of emissions.

"We are proud of the relationship we have developed with Jiangte and the joint venture is a significant step forward in what is anticipated to be a long-term integrated relationship in the supply of battery cathode materials."

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