

Neometals Ltd

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Neometals DFS reveals \$430 million vanadium operation

Neometals Ltd (ASX:NMT) has received the results from its definitive feasibility study (DFS) on the Barrambie Vanadium-Titanium-Magnetite Project in Western Australia.

The revised study confirms primary production of vanadium pentoxide and ferrovandium from vanadium-rich Central Bands to be technically feasible and economically viable.

The 15-year operation has a capital cost of \$692 million and would generate over \$2.5 billion in EBITDA in total resulting in a pre-tax NPV of \$430 million.

Summary of Key Parameters from DFS Financial Model		
Life of Mine (LOM)	Years	15
LOM Ore Mined	Mt	39.9
LOM Waste Mined	Mt	142.1
LOM Strip Ratio	(waste: ore)	3.56
Average Plant Feed Rate	Mtpa	2.66
Average Vanadium Head Grade	% V ₂ O ₅	0.78
Average Vanadium Recovery (Overall)	% V ₂ O ₅	42.3
Average V ₂ O ₅ Flake Production	tpa	9,235
Average FeV80 Production	tpa	6,337
Average Realised Vanadium Price	US\$/kg V Real	48.71
Forecast FX Rate	AUD:USD	0.70
Initial Capital Costs (including 14.3% contingency)	A\$M	692
Ave LOM Cash Operating Cost ¹	US\$/kg V in FeV80	26.27
Average Annual Project EBITDA (Real \$)	A\$M	172
NPV (10% Discount Rate, Pre-Tax)	A\$M	430
IRR (Pre-Tax)	%	21
NPV (10% Discount Rate, Post Tax)	A\$M	199
IRR (Post Tax)	%	15
Payback (Pre-Tax)	Years	5.1

1. Cash operating costs include all mining, processing, transport to port and site based general and administration costs and excludes state royalties and native title costs.

Flow sheet to be evaluated

Forward work programs will focus on the pilot-scale evaluation of a conventional, commercially proven, hydrometallurgical flowsheet.

The process uses atmospheric acid leaching to recover titanium, vanadium and iron products in combination with conventional and proprietary acid regeneration equipment.

Notably, the DFS project economics don't yet consider the impact of exploiting the contained titanium through a whole-of-deposit processing solution.

The optimised flowsheet will then form the basis of the final Neometals Barrambie evaluation, a FEED study.

Price: 0.195

Market Cap: \$106.34 m

1 Year Share Price Graph



Share Information

Code: NMT

Listing: ASX

52 week High Low
0.235 0.135

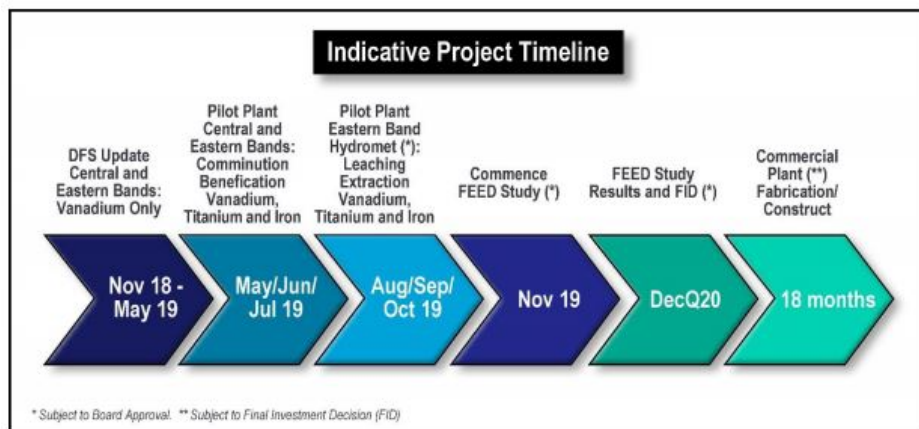
Sector: Battery Metals

Website: www.neometals.com.au

Company Synopsis:

Neometals Ltd (ASX:NMT) is focused on the Mt Marion Lithium Project with the aim of becoming an integrated producer of lithium battery materials.

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READ: Neometals declares partially franked dividend, cash levels remain high

Earlier this month, Neometals flagged it would pay out around \$11 million as a dividend, which will leave it well-funded with a cash balance of \$116 million.

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