

Neometals Ltd

16:40 04 Jun 2019

Neometals completes class-five scoping study on lithium-ion battery recycling technology in Canadian pilot plant

Neometals Ltd (ASX:NMT) has completed the Association for Advancement of Cost Engineering (AACE) class-five scoping study on its lithium-ion battery recycling technology in its Canadian pilot plant.

Primero Group Ltd was engaged to complete the study which determined operating and capital costs based on the company's bench-scale test work as well as the associated mass and energy balances prepared by Strategic Metallurgy Ltd.

Neometals is encouraged by the outcomes of the study which indicate robust economics.

The study supports Neometals' strategy to target the growing need for sustainable recycling solutions as the worldwide adoption of LIBs continues to grow.

Price: 0.2

Market Cap: \$109.07 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.

action@proactiveinvestors.com.au

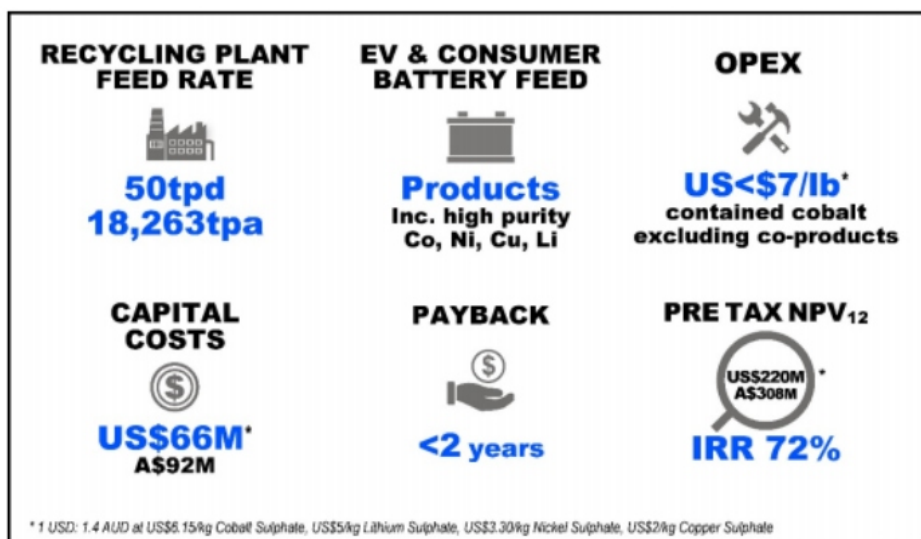


Figure 1: Key highlights of the Study

READ: Neometals DFS reveals \$430 million vanadium operation

Neometals managing director Chris Reed said the company was pleased with the economic outcomes of the scoping study on the new flowsheet.

He said: "It is a credit to our project team and our consulting engineers - we have proved the efficacy of our process at the bench scale and continue to de-risk and optimise in the current pilot plant in Canada.

"We have invested in a true 'recycling' solution rather than base metal recovery process.

"It has been engineered for real world conditions and recovers multiple high-purity chemical products from an array of battery chemistries.

"We look forward to successfully completing the pilot plant test work in Canada to prove the technical feasibility and economic viability.

"In parallel we will accelerate our commercialisation discussions with major players in the global lithium battery supply chain."

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

The results from this study allows Neometals to advance commercial dialogues in parallel with preparations for detailed engineering and cost studies.

The study concluded that a 50-tonne per day battery feed was a more efficient scale for initial commercial operation.

It assumes a selling price of US\$6,151 a tonne for cobalt sulphate, US\$2,030 a tonne for copper sulphate, US\$5,000 for lithium sulphate and US\$3,298 for nickel sulphate.

Table 1: Scoping Study Highlights

Scoping Study Highlights	
Annual Production	9,623 t Cobalt Sulphate 5,635 t Copper Sulphate 1,544 t Lithium Sulphate 2,020 t Nickel Sulphate
Life of Plant (LOP)	10 years
Life of Plant (LOM) Revenue	US\$ 850 million
Pre-tax Cashflow	US\$ 502 million
Pre-tax NPV (12% discount rate)	US\$ 220 million
Average Net Operating Cost of recovered cobalt as cobalt sulphate excluding by-product credits	US\$6.65/lb (US\$14.65/kg)
Total initial capital costs	US\$66 million
Payback of capital costs	<2 years

Strong progress is also being made Neometals' lithium-ion battery (LIB) pilot.

The company will use data and learnings from the pilot to estimate the cost to build and operate a commercial-scale recycling plant to a higher level of accuracy in an AACE class-three feasibility study.

The feasibility study is set to begin early in the 2019/2020 financial year.

Proactive Investors facilitate the largest global investor network across 4 continents in 4 languages. With a team of analysts, journalists & professional investors Proactive produce independent coverage on 1000's of companies across every sector for private investors, private client brokers, fund managers and international investor communities.

Contact us +61 (0)2 9280 0700 action@proactiveinvestors.com.au

No investment advice

The Company is a publisher. You understand and agree that no content published on the Site constitutes a recommendation that any particular security, portfolio of securities, transaction, or investment strategy is suitable or advisable for any specific person. You understand that the Content on the Site is provided for information purposes only, and none of the information contained on the Site constitutes an offer, solicitation or recommendation to buy or sell a security. You understand that the Company receives either monetary or securities compensation for our services. We stand to benefit from any volume which any Content on the Site may generate.

You further understand that none of the information providers or their affiliates will advise you personally concerning the nature, potential, advisability, value, suitability or profitability of any particular security, portfolio of securities, transaction, investment, investment strategy, or other matter.

You understand that the Site may contain opinions from time to time with regard to securities mentioned in other products, including Company-related products, and that those opinions may be different from those obtained by using another product related to the Company. You understand and agree that contributors may write about securities in which they or their firms have a position, and that they may trade such securities for their own account. In cases where the position is held at the time of publication and such position is known to the Company, appropriate disclosure is made. However, you understand and agree that at the time of any transaction that you make, one or more contributors may have a position in the securities written about. You understand that price and other data is supplied by sources believed to be reliable, that the calculations herein are made using such data, and that neither such data nor such calculations are guaranteed by these sources, the Company, the information providers or any other person or entity, and may not be complete or accurate.

From time to time, reference may be made in our marketing materials to prior articles and opinions we have published. These references may be selective, may reference only a portion of an article or recommendation, and are likely not to be current. As markets change continuously, previously published information and data may not be current and should not be relied upon.

The Site does not, and is not intended to, provide investment, tax, accounting, legal or insurance advice, and is not and should not be construed as providing any of the foregoing. You should consult an attorney or other relevant professional regarding your specific legal, tax, investment or other needs as tailored to your specific situation.

In exchange for publishing services rendered by the Company on behalf of Neometals Ltd named herein, including the promotion by the Company of Neometals Ltd in any Content on the Site, the Company receives from said issuer annual aggregate cash compensation in the amount up to Twenty Five Thousand dollars (\$25,000).