



AmericanPacific

BORATE & LITHIUM  
LIMITED

ASX Announcement

ASX Code: ABR

ACN: 615 606 114

22 January 2019

## ABR Enhancing Fort Cady Borate Project DFS to Incorporate Low Capex Starter Project

- **ABR finalising enhancements to the Fort Cady Borate Project DFS to incorporate low capex starter project**
- **The revision will split the current Phase One into two distinct phases designed to benefit project financing and operational efficiencies**

American Pacific Borate and Lithium Limited (ASX:ABR) (“ABR” or the “Company”) is pleased to confirm it is finalising enhancements to the Fort Cady Borate Project DFS that will see:

- The current Phase One split into Phase One A and Phase One B;
- Phase One A to focus on SOP and a small scale commercial boric acid operation; and
- Phase One B to build out larger boric acid operation supported by learnings from small scale commercial boric acid operation.

It is expected that overall capex for Phase One will increase by less than 10% but will deliver financing and technical benefits that far outweigh this additional cost premium.

The Company expects to have the results of the DFS enhancement released to the market over the coming weeks.

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### COMPANY DIRECTORS

Harold (Roy) Shipes – Non-Executive Chairman  
Michael X. Schlumpberger - Managing Director & CEO  
Anthony Hall - Executive Director  
Stephen Hunt - Non-Executive Director  
John McKinney – Non-Executive Director



### ISSUED CAPITAL

190.1 million shares  
30.9 million options

### REGISTERED OFFICE

Level 24, Allendale Square  
77 St Georges Terrace, Perth  
WA, 6000, Australia

### US OFFICE

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### CONTACT

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## About American Pacific Borate and Lithium Limited

American Pacific Borate and Lithium Limited is focused on advancing its 100% owned Fort Cady Borate Project located in Southern California, USA. Fort Cady is a highly rare and large colemanite deposit and is the largest known contained borate occurrence in the world not owned by the two major borate producers Rio Tinto and Eti Maden. The JORC compliant Mineral Resource Estimate and Reserve is presented below. Importantly, it comprises 13.93Mt of contained boric acid.

In excess of US\$60m has been spent at Fort Cady, including resource drilling, metallurgical test works, well injection tests, permitting activities and substantial small-scale commercial operations and test works.

A Definitive Feasibility Study (“DFS”) was completed in December 2018 delivering compelling financial metrics including steady state production target of 410ktpa of boric acid and 110ktpa of SOP, pre production capex including a 13% contingency of US\$138m, unlevered post tax NPV<sub>10</sub> of US\$1.25bn (NPV<sub>8</sub> of US\$1.59bn) and an unlevered post tax IRR of 41%.

In 1994 the Plan of Operations (mining permit) was authorised along with the Mining and Land Reclamation Plan. These permits are in good standing and contain a full Environmental Impact Report and water rights for initial operations of 82ktpa of boric acid. The Company is currently working through a permitting process to gain three additional permits required to commence operations.



*Location of the Fort Cady Project, California and the Salt Wells Projects, Nevada, USA*