

American Pacific Borates Ltd

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American Pacific Borate & Lithium raises A\$3.1 million for borate project engineering

American Pacific Borate & Lithium Ltd (ASX:ABR) has raised A\$3.1 million in a placement to institutional and sophisticated investors with funds to progress construction-related engineering activities at Fort Cady Borate Project in California.

The placement at 18 cents per share includes one listed option for every two ordinary shares with a strike price of 25 cents, which expires on August 10, 2020.

These options are designed to provide working capital during the construction work.

ABR expects to begin the construction-related engineering activities with its preferred contractor this month.

READ: American Pacific Borate & Lithium optimisation work delivers high-purity boric acid

The placement was completed at an 11.3% discount to the 10-day VWAP of 0.3 cents with 15.27 million shares and 7.63 million placement options to be issued.

Management is seeking to contribute A\$350,000 of the \$3.1 million on the same terms and subject to stakeholder approval at a general meeting, which will take place soon.

The company continues to target the beginning of construction in quarter four of 2019 on a fully permitted basis, subject to financing.

Sydney-based Peloton Capital was sole lead manager for the placement.

Earlier this month the company delivered a high-purity plus 99.9% pure boric acid crystal with minimal impurities from process optimisation works at the Fort Cady Borate Project in California, USA.

The works, which were on April 10, 2019, were designed to ensure consistent delivery of a technical grade quality boric acid crystal from the project.

ABR chief executive officer Michael Schlumpberger said this was another hurdle for the company to begin production of borates from the project and ultimately become a globally significant producer in high purity borate products.

"Our focus now turns to the completion of detailed engineering and securing the modest financing for the low capital starter project."

Price: 0.275

Market Cap: \$57.34 m

1 Year Share Price Graph



Share Information

Code: ABR

Listing: ASX

52 week High Low
0.4 0.12

Sector: Mining

Website: americanpacificborate.com

Company Synopsis:

American Pacific Borates' (ASX:ABR) Fort Cady Project in California hosts a multi-generational borate resource where boric acid, gypsum and potassium sulphate will be produced for the large North American specialty fertiliser market and new high-end technologies like electric vehicles and space shuttles.

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