

Alliance Mineral Assets Ltd

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Alliance Mineral Assets simplifies financial position by consolidating debt facilities

Alliance Mineral Assets Ltd (ASX:A40) (SGX:40F) has consolidated its debt facilities into a simplified structure resulting in a lower average interest rate.

Wholly-owned subsidiary Lithco No2 Pty Ltd has completed the drawdown of the remaining \$20 million of a \$40 million secured funding package from a consortium of lenders led by Tribeca Investment Partners Pty Ltd.

These funds will be used to repay the WA lithium producer's existing \$13 million AMAL Loan Facility, which incurred a higher interest rate.

Managing director Mark Calderwood said: "We are pleased to have worked closely with Tribeca to consolidate our debt facilities at a lower average interest rate.

"Production at Bald Hill continues to be strong and I reiterate our guidance of 65,000 to 80,000 tonnes of lithium concentrate for the half year to June 30, 2019, and I expect the current quarter production will be a record quarter for the mine."

Debt structure simplified

Repayment of the AMAL Loan Facility simplifies the company's debt and security structure.

This means that the Alliance group now has a single debt facility with one consortium and with a single first ranking security.

Drawdown of the Lithco Facility and repayment of the AMAL Loan Facility results in a net increase of \$7 million in the group's secured debt facilities to a total of \$40 million.

Funds remaining after repayment of the AMAL facility will be used for advancing the company's recovery and throughput optimisation project at the Bald Hill project and for general working capital.

READ: Alliance Mineral Assets shares surge on achieving record lithium production in January

Alliance recorded record monthly production of 13,160 tonnes of lithium concentrate in January from Bald Hill Lithium and Tantalum Mine with lithium concentrate grading an estimated 6.15% lithium oxide.

total lithium concentrate production in January 2019 was 28% higher than December 2018 production.

The 131,400 tonnes of ore were processed at an average throughput of 237 tonnes per hour with 87.6% net utilisation, which equates to 30% above nameplate and 23% more throughput than December 2018.

Price: A\$0.185

Market Cap: A\$241.48M

1 Year Share Price Graph



Share Information

Code: A40

Listing: ASX

52 week High Low
A\$0.33 A\$0.16

Sector: Mining

Website: www.allianceminerals.com.au

Company Synopsis:

Alliance Mineral Assets Ltd (ASX:A40) is listed on the Australian Securities Exchange. .

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Alliance reported a head grade of 0.93% lithium oxide and gross recovery of 64.2%.

READ: Alliance Mineral Assets gains new substantial shareholder

The company shipped a total of 23,232 wet metric tonnes of lithium concentrate on February 2 and 3 with revenue from these shipments expected to be about \$26 million, subject to final assay.

An additional 30,000 tonnes of lithium concentrate is expected to be shipped or ready for shipment during the current quarter.

A total of 20 tonnes of high-grade tantalum grading about 30% tantalum pentoxide was shipped in January 2019 with an additional shipment of 20 tonnes expected to depart on February 8.

Production guidance for the half year to June 30, 2019, remains at 65,000 to 80,000 tonnes of lithium concentrate.

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