

Lake Resources NL: Kachi PFS Refreshed with US\$1.6Bn Value

16.03.2021 | [ABN Newswire](#)

Brisbane, Australia - Clean lithium developer [Lake Resources NL](#) (ASX:LKE) (FRA:LK1) (OTCMKTS:LLKKF) has refreshed the Company's flagship Kachi Lithium Brine Project Pre-Feasibility Study (PFS) based on revised lithium price estimates which has increased the project value NPV8 to US\$1.6 billion (A\$2.1 billion). Lake is assessing a potential expansion to production of lithium carbonate equivalent (LCE) from Kachi.

The Kachi Lithium Brine Project Pre-Feasibility Study (PFS) (refer ASX announcement 30 April 2020) of 25,500 tpa of lithium carbonate was refreshed with an updated lithium price forecast of US\$15,500/tonne for high purity battery grade lithium carbonate (CIF Asia), without changing other parameters. This demonstrates a more robust financial outcome than the original conservative PFS price assumptions.

The refreshed PFS produced a project value, measured as unlevered post-tax NPV8, of US\$1.58 billion (A\$2.1 billion), an increase of ~110% from the PFS NPV8 of US\$748 million. The IRR increases to 35%; with annual operating cashflow (EBITDA) of US\$260 million (A\$350m) (refer project details Tables 1, 2 and 3*).

An expansion of production at the Kachi project is being assessed as part of Lake's aspirational target to become a large producer of high purity sustainable lithium. There is an option to expand with either lithium hydroxide or lithium carbonate. This is amid projections of a growing supply deficit for high purity battery-grade product.

Planned Kachi lithium production will have a smaller environmental footprint than conventional methods, with significantly reduced water usage, land use and carbon footprint - and these ESG benefits are increasingly sought after by electric vehicle makers (OEM's).

Expanded production at a significant and relevant scale for the battery supply chain, which could take place after full capacity has been achieved from initial production, would be expected to lower total operating costs and deliver economies of scale in capital cost savings, while delivering high quality product. Potential for further cost reductions would come through the use of solar hybrid power, which would also lower the project's total carbon dioxide footprint.

The updated lithium carbonate price used to refresh the PFS, was based on ongoing discussions with potential off takers for high purity lithium carbonate and recent projections from Benchmark Mineral Intelligence.

The original PFS (refer ASX announcement 30 April 2020) was based on a conservative flat price of US\$11,000/tonne lithium carbonate (CIF Asia) for 25 years. Apart from revised lithium price estimates, all material assumptions in the refreshed PFS are unchanged from the original PFS including the assumptions upon which the production target is based and the forecast financial information, as set out in Tables 1, 2 and 3*, with related commentary.

Since the original PFS was released, high purity 99.97% lithium carbonate has been produced from Kachi brine from direct lithium extraction in pilot modules (ASX announcement 20 October 2020). Recently, the high purity of the Kachi lithium carbonate was demonstrated by Novonix which showed it functions well in a NMC622 battery half-cell (ASX announcement 2 March 2021), which may deliver improved performance over Tier 1 lithium carbonate readily available in the market.

These results have increased the appeal of the Kachi Project for project finance. Joint financial advisors have been appointed to structure and arrange project finance, with a focus on Export Credit Agencies, for the development of the Kachi Lithium Brine Project (ASX announcement 3 March 2021).

Detailed technical and financial studies will be undertaken by independent third-party assessors regarding the expansion options. Additional drilling will be undertaken to support an expansion case to allow for the conversion of Inferred Resources into the Measured and Indicated Mineral Resource category. This is anticipated to occur during the Definitive Feasibility Study, and will result in the conversion of Resources to Reserves.

Lake's Managing Director, Steve Promnitz commented: "Updated lithium prices demonstrate just how

financially robust the Kachi project is, which could potentially be enhanced with a production expansion. Significant new production is required to meet the forecast growth in demand from EVs and energy storage over the next 10 years. The Kachi project remains highly scalable and the Company is working towards an expansion which would make it globally significant in terms of high purity lithium carbonate production, and well positioned to supply the expected deficit in battery grade product over the next few years.

This is an important differentiator of Lake as it continues to engage with major participants in the battery materials supply chain and electric vehicle makers. These participants are seeking high purity product, that can be scaled up to meet demand and has a measurable ESG benefit. Lake ticks all those boxes."

*To view the full announcement with tables and figures, please visit:
<https://abnnewswire.net/Ink/3637XT35>

About Lake Resources NL:

[Lake Resources NL](#) (ASX:LKE) (OTCMKTS:LLKKF) is a clean lithium developer utilising clean, direct extraction technology for the development of sustainable, high purity lithium from its flagship Kachi Project, as well as three other lithium brine projects in Argentina. The projects are in a prime location within the Lithium Triangle, where 40% of the world's lithium is produced at the lowest cost.

This method will enable Lake Resources to be an efficient, responsibly-sourced, environmentally friendly and cost competitive supplier of high-purity lithium, which is readily scalable, and in demand from Tier 1 electric vehicle makers and battery makers.

Source:

[Lake Resources NL](#)

Contact:

Steve Promnitz Managing Director +61 2 9188 7864 steve@lakeresources.com.au Anthony Fensom Republic PR +61 (0) 407 112 623 anthony@republicpr.com.au Henry Jordan Six Degrees Investor Relations +61 (0) 431 271 538

Dieser Artikel stammt von [Rohstoff-Welt.de](#)

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/377827--Lake-Resources-NL--Kachi-PFS-Refreshed-with-US1.6Bn-Value.html>

Für den Inhalt des Beitrages ist allein der Autor verantwortlich bzw. die aufgeführte Quelle. Bild- oder Filmrechte liegen beim Autor/Quelle bzw. bei der vom ihm benannten Quelle. Bei Übersetzungen können Fehler nicht ausgeschlossen werden. Der vertretene Standpunkt eines Autors spiegelt generell nicht die Meinung des Webseiten-Betreibers wieder. Mittels der Veröffentlichung will dieser lediglich ein pluralistisches Meinungsbild darstellen. Direkte oder indirekte Aussagen in einem Beitrag stellen keinerlei Aufforderung zum Kauf-/Verkauf von Wertpapieren dar. Wir wehren uns gegen jede Form von Hass, Diskriminierung und Verletzung der Menschenwürde. Beachten Sie bitte auch unsere [AGB/Disclaimer!](#)

Die Reproduktion, Modifikation oder Verwendung der Inhalte ganz oder teilweise ohne schriftliche Genehmigung ist untersagt!
Alle Angaben ohne Gewähr! Copyright © by Rohstoff-Welt.de -1999-2026. Es gelten unsere [AGB](#) und [Datenschutzrichtlinien](#).