

US\$200m IFC project finance proposal for Sal de Vida

07.10.2022 | [GlobeNewswire](#)

BRISBANE, Oct. 06, 2022 - [Allkem Ltd.](#) (ASX|TSX: AKE, "Allkem" or the "Company") and the International Finance Corporation ("IFC") have agreed on a non-binding term sheet for a project financing facility ("IFC loan") for the wholly Allkem owned Sal de Vida Project located in Catamarca Province, Argentina.

HIGHLIGHTS

- IFC has proposed a US\$200 million project finance facility to support Allkem's development of Sal de Vida Stage 1
- IFC's environmental and social performance requirements are globally recognised and will complement the ESG standards already adopted at Sal de Vida by Allkem
- Subject to finalisation of commercial terms and other key outstanding items including final Board approval by both IFC and Allkem, the facility is expected to reach financial close by late CY22

Managing Director and CEO, Martin Perez de Solay said, *"We are already in a strong financial position to self-fund the Sal de Vida project however we saw an opportunity to further improve the financing structure for Sal de Vida and partner with IFC, an institution with decades of experience providing finance and sustainable business solutions in the mining space."*

"Sal de Vida is expected to generate significant economy-wide benefits that will improve the fiscal outlook, economic performance and social outcomes at national, regional and local community levels."

PROJECT FINANCING

IFC's proposed investment comprises a US\$200 million debt package, including up to US\$100 million from IFC for a tenor of up to 9 years and the remainder funded by a syndicate of commercial banks.

The IFC loan and its key terms reflect current market conditions for this facility type, loan size, tenor and region.

IFC's proposed financing structure will provide Sal de Vida with a diversified international lender group in a syndicated loan agreement at the asset level and will help de-risk the capital structure of the project.

IFC's Performance Standards are globally recognised as a benchmark for environmental and social risk management in the private sector. IFC has eight Performance Standards: Risk Management, Labour, Resource Efficiency, Community, Land Resettlement, Biodiversity, Indigenous People and Cultural Heritage.

A robust and detailed environmental assessment was conducted by IFC, including the assessment of brine extraction and water usage and the associated monitoring and mitigation plan. Allkem technical teams participated in the process and will work to implement the IFC's Environmental and Social Action Plan (ESAP).

IFC technical assessment through senior consulting firms validated the project scope, cost and schedule and has provided a detailed risk analysis to ensure proper mitigation plans are established.

Next steps

Subject to finalisation of facility terms, legal due diligence, approval from the Allkem Board of Directors, approval by IFC Management and World Bank Group Board of Directors the facility is expected to close before the end of 2022.

ABOUT IFC

IFC-a member of the World Bank Group-is the largest global development institution focused on the private sector in emerging markets. Working in more than 100 countries, IFC uses their capital, expertise, and influence to create markets and opportunities in developing countries. In fiscal year 2022, IFC committed a record \$32.8 billion to private companies and financial institutions in developing countries, leveraging the power of the private sector to end extreme poverty and boost shared prosperity as economies grapple with the impacts of current global issues. For more information, visit www.ifc.org.

SAL DE VIDA PROJECT

The Sal de Vida Stage 1 Project is designed to produce 15ktpa of predominately battery grade lithium carbonate. The 2022 Feasibility Study estimated capital expenditure to be US\$271 million and cash operating costs of US\$3,612 per tonne. Construction commenced in January 2022.

Stage 1 project economics include pre-tax Net Present Value of US\$1.23 billion at a 10% discount rate, pre-tax internal rate of return of 50% and a payback period of 1.75 years from the start of commercial production.

As at 30 June 2022, Allkem had US\$664 million of free cash and cash equivalents available for the development of Sal de Vida and its other growth projects.

This release was authorised by Mr Martin Perez de Solay, CEO and Managing Director of [Allkem Ltd.](#)

Allkem Ltd.	Investor Relations & Media Enquiries	Connect
	Andrew Barber	
ABN 31 112 589 910	M: +61 418 783 701 E: Andrew.Barber@allkem.co	info@allkem.co
Level 35, 71 Eagle St	Phoebe Lee	+61 7 3064 3600
Brisbane, QLD 4000	P: +61 7 3064 3600 E: Phoebe.Lee@allkem.co	www.allkem.co

IMPORTANT NOTICES

This investor ASX/TSX release (Release) has been prepared by [Allkem Ltd.](#) (ACN 112 589 910) (the Company or Allkem). It contains general information about the Company as at the date of this Release. The information in this Release should not be considered to be comprehensive or to comprise all of the material which a shareholder or potential investor in the Company may require in order to determine whether to deal in Shares of Allkem. The information in this Release is of a general nature only and does not purport to be complete. It should be read in conjunction with the Company's periodic and continuous disclosure announcements which are available at allkem.co and with the Australian Securities Exchange (ASX) announcements, which are available at www.asx.com.au.

This Release does not take into account the financial situation, investment objectives, tax situation or particular needs of any person and nothing contained in this Release constitutes investment, legal, tax, accounting or other advice, nor does it contain all the information which would be required in a disclosure document or prospectus prepared in accordance with the requirements of the *Corporations Act 2001* (Cth) (Corporations Act). Readers or recipients of this Release should, before making any decisions in relation to their investment or potential investment in the Company, consider the appropriateness of the information having regard to their own individual investment objectives and financial situation and seek their own professional investment, legal, taxation and accounting advice appropriate to their particular circumstances.

This Release does not constitute or form part of any offer, invitation, solicitation or recommendation to

acquire, purchase, subscribe for, sell or otherwise dispose of, or issue, any Shares or any other financial product. Further, this Release does not constitute financial product, investment advice (nor tax, accounting or legal advice) or recommendation, nor shall it or any part of it or the fact of its distribution form the basis of, or be relied on in connection with, any contract or investment decision.

The distribution of this Release in other jurisdictions outside Australia may also be restricted by law and any restrictions should be observed. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

Past performance information given in this Release is given for illustrative purposes only and should not be relied upon as (and is not) an indication of future performance.

Forward Looking Statements

Forward-looking statements are based on current expectations and beliefs and, by their nature, are subject to a number of known and unknown risks and uncertainties that could cause the actual results, performances and achievements to differ materially from any expected future results, performances or achievements expressed or implied by such forward-looking statements, including but not limited to, the risk of further changes in government regulations, policies or legislation; the risks associated with the continued implementation of the merger between the Company and [Galaxy Resources Ltd.](#), risks that further funding may be required, but unavailable, for the ongoing development of the Company's projects; fluctuations or decreases in commodity prices; uncertainty in the estimation, economic viability, recoverability and processing of mineral resources; risks associated with development of the Company Projects; unexpected capital or operating cost increases; uncertainty of meeting anticipated program milestones at the Company's Projects; risks associated with investment in publicly listed companies, such as the Company; and risks associated with general economic conditions.

Subject to any continuing obligation under applicable law or relevant listing rules of the ASX, the Company disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements in this Release to reflect any change in expectations in relation to any forward-looking statements or any change in events, conditions or circumstances on which any such statements are based. Nothing in this Release shall under any circumstances (including by reason of this Release remaining available and not being superseded or replaced by any other Release or publication with respect to the subject matter of this Release), create an implication that there has been no change in the affairs of the Company since the date of this Release.

Competent Person Statement

Any information in this announcement relating to Sal de Vida scientific or technical information, production targets or forecast financial information derived from a production target is extracted from the ASX Announcement entitled "Sal de Vida capacity increased to 45ktpa in two stages" released on 4 April 2022 which is available to view on [www.allkem.co](#) and [www.asx.com.au](#). The Company confirms that all the material assumptions underpinning the scientific or technical information, production targets or the forecast financial information derived from a production target in the original market announcement continue to apply and have not materially changed.

Not for release or distribution in the United States

This announcement has been prepared for publication in Australia and may not be released to U.S. wire services or distributed in the United States. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction, and neither this announcement or anything attached to this announcement shall form the basis of any contract or commitment. Any securities described in this announcement have not been, and will not be, registered under the U.S. Securities Act of 1933 and may not be offered or sold in the United States except in transactions registered under the U.S. Securities Act of 1933 or exempt from, or not subject to, the registration of the U.S. Securities Act of 1933 and applicable U.S. state securities laws.

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

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/425066--US200m-IFC-project-finance-proposal-for-Sal-de-Vida.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](#).