

Jervois to restart Sao Miguel Paulista refinery, Brazil - Final Investment Decision and Equity Capital Raising

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Highlights:

- Jervois approves Final Investment Decision (FID) on São Miguel Paulista ("SMP") refinery restart,1 focused on delivering Stage 1 forecast of 10,000 mtpa nickel and 2,000 mtpa cobalt metal cathode2
- First production at SMP expected in Q1 2024
- Commissioning underway at Idaho Cobalt Operations (ICO); expected commercial concentrate production in Q4 2022, and nameplate capacity production end of Q1 2023
- Jervois announces fully underwritten A\$231 million (US\$1503 million) equity capital raising (Equity Raising")
- Proceeds will fully fund SMP restart, ICO ramp up and mine sustaining capital expenditure, and Jervois Finland expansion BFS
- Funding further de-risks Jervois, allowing it to maintain 100% control of three cash generating assets, all expected to be online early 2024, and ensures commercial negotiations with downstream supply chain occurs from a strong position
- Entities controlled by AustralianSuper, Jervois' largest shareholder, have agreed to participate in up to ~24% of the Equity Raising (A\$55.6 million or US\$36.1 million) - including its full Institutional Offer entitlement, Placement pro-rata and additional Retail Entitlement Offer sub-underwriting
- Mercuria, Jervois' third largest shareholder and one of the world's largest independent energy and commodity traders, commits to investing US\$10.5 million (A\$16.2 million)
- Jervois Directors and Senior Management will invest a further A\$2.0 million4 (US\$1.3 million)

São Miguel Paulista refinery restart FID

[Jervois Global Ltd.](#) ("Jervois" or the "Company") (ASX: JRV) (TSX-V: JRV) (OTC: JRVMF) is pleased to announce its final investment decision ("FID") on the restart of the SMP nickel-cobalt refinery in São Paulo, Brazil.5

Jervois has continued to advance the restart pathway since Ausenco completed a Bankable Feasibility Study ("BFS") in April 2022. Restart capital deployment is already underway at SMP with an initial US\$1 million of the previously estimated US\$55 million6 total capital cost approved by the Jervois Board in September 2022. Ausenco is currently mobilised at site undertaking detailed engineering and construction execution planning, as well as advanced procurement. Jervois's commercial executives are negotiating refinery feed sourcing arrangements and product sale discussions are also underway.

Jervois has added US\$10 million contingency to the earlier US\$55 million estimate to address the potential for capex escalation. This takes the total budgeted capital project funding to replace and refurbish plant and equipment at SMP, and restart the plant, to US\$65 million.

Restart capital spending is planned across 2023 with production expected to commence in Q1 2024, with initial production forecast of 10,000 mtpa nickel and 2,000 mtpa cobalt metal cathode.7 While not part of the restart, over time, Jervois will target the historic nameplate SMP capacity of 25,000 mtpa nickel via debottlenecking, including further investment. Assessment of the potential addition of a pressure oxidative autoclave ("POX"), is in progress, with its scope and potential release linked with third party concentrate sale negotiations.

SMP is within the São Paulo city limits with ready access to labour and services, 120 km from the largest container port in Brazil (Santos), ensuring it is well located to serve export markets. SMP previously produced 'Tocantins' nickel and cobalt products, which are well established domestically in Brazil and key

Western export markets.

Jervois has appointed an experienced leadership team to drive SMP project delivery, including recently appointed President and EGM Jervois Brasil, Mr. Carlos Braga.

Funding

Jervois is undertaking a fully underwritten A\$231 million (US\$150 million) equity capital raising consisting of a A\$113 million (US\$73 million) institutional placement of new Jervois ordinary shares (the "Placement") and a A\$118 million (US\$77 million) 1 for 5.42 accelerated pro-rata non-renounceable entitlement offer (the "Entitlement Offer" and, together with the Placement, the "Equity Raising").

Jervois will use proceeds from the Equity Raising to fully fund the restart of SMP, ICO ramp up and mine sustaining capital expenditure, and for general corporate purposes including Jervois Finland expansion BFS. The Equity Raising provides a fully funded, de-risked restart model that is the simplest and lowest capital pathway to SMP production.

The Board considers the Equity Raising as the preferred funding pathway as it ensures Jervois maintains a balanced capital structure. Importantly, it allows Jervois to retain 100% ownership of its three geopolitically strategic assets in high quality jurisdictions, producing critical minerals that will be delivered to Western markets. Macroeconomic tailwinds are strong, with nickel prices and premia significantly above assumptions applied in the SMP restart BFS. These trends are expected to continue into 2023 and beyond. Strengthening its balance sheet ahead of a key negotiating period with OEMs and other nickel and cobalt customers, Jervois is well-positioned to maximise commercial outcomes for the benefit of all shareholders.

A full breakdown of funding sources and uses is detailed on slide 30 of the Jervois Investor Presentation released today in connection with the Equity Raising.

Jervois' cash balance at 31 October 2022 was US\$42 million⁸. This will be used as detailed in the Investor Presentation.

Equity Raising

Jervois will issue approximately ~550 million new fully paid ordinary shares in Jervois ("New Shares") under the Equity Raising, equivalent to approximately ~36% of Jervois' current issued capital. New Shares issued under the Equity Raising will rank equally in all respects with Jervois' existing ordinary shares.

Entities controlled by AustralianSuper, the Company's largest shareholder, have agreed to invest up to A\$55.6 million (US\$36.1 million) to participate in up to ~24% of the Equity Raising - including its full Institutional Offer entitlement, Placement pro-rata and additional Retail Entitlement Offer sub-underwriting.

As a part of the Equity Raising, Mercuria, Jervois' third largest shareholder and one of the world's largest integrated energy and commodity traders, will invest US\$10.5 million (A\$16.2 million).

Jervois Directors and Senior Management will participate for approximately A\$2.0 million (US\$1.3 million) in the Equity Raising.⁹

Under the Entitlement Offer, eligible shareholders are invited to subscribe for 1 New Share for every 5.42 existing Jervois ordinary shares ("Entitlement") held as at 7:00pm (Sydney time) on Monday, 14 November 2022.

All New Shares will be issued at a fixed price of A\$0.42 per New Share ("Offer Price"), which represents a:

- 12.9% discount to TERP10 (including Placement) of A\$0.482;
- 14.6% discount to TERP (excluding Placement) of A\$0.492; and
- 16.8% discount to the last close price of A\$0.505 on Tuesday, 8 November 2022

Institutional Entitlement Offer

Eligible institutional shareholders will be invited to participate in the institutional component of the Entitlement Offer (the "Institutional Entitlement Offer"), which is being conducted Thursday, 10 November in Australia.

Eligible institutional shareholders can choose to take up all, part or none of their Entitlement. Eligible institutional shareholders who do not take up their Entitlement under the Entitlement Offer, in full or in part, will not receive any value in respect to those Entitlements not taken up. Institutional Entitlements cannot be traded on the ASX, TSX-V, OTC or transferred.

Institutional Entitlements that eligible institutional shareholders do not take up by the close of the Institutional Entitlement Offer, and Institutional Entitlements that would otherwise have been offered to ineligible institutional shareholders, will be offered to new and existing institutional investors concurrently with the Institutional Entitlement Offer and Placement.

Jervois' shares will re-commence trading on Friday, 11 November 2022 on the ASX following completion of the Institutional Entitlement Offer and Placement.

Retail Entitlement Offer

Eligible retail shareholders in Australia and New Zealand will be invited to participate in the retail component of the Entitlement Offer (the "Retail Entitlement Offer") at the same offer price and offer ratio as the Institutional Entitlement Offer. The Retail Entitlement Offer will open on Thursday, 17 November 2022 and close at 5:00pm (Sydney time) on Wednesday, 30 November 2022.

Further details about the Retail Entitlement Offer will be set out in the retail offer booklet, which Jervois expects to lodge with the ASX and dispatch to eligible retail shareholders on Thursday, 17 November 2022. The retail offer booklet will also enclose personalised entitlement and acceptance forms.

Entitlements cannot be traded on the ASX, TSX-V or OTC or transferred. Eligible retail shareholders who do not take up their Entitlement under the Retail Entitlement Offer, in full or in part, will not receive any value in respect to those Entitlements not taken up.

Timetable

Event	Date in A
Announcement of Equity Raising	Thursday
Bookbuild for Placement and Institutional Entitlement Offer closes	Thursday
Announcement of the completion of Placement and Institutional Entitlement Offer and trading resumes on an ex-entitlement basis	Friday, 1
Record Date for Entitlement Offer (7:00pm)	Monday,
Information Booklet and Entitlement & Acceptance Form despatched to Eligible Retail Shareholders	Thursday

Retail Entitlement Offer opens	Thursday
Settlement of New Shares to be issued under the Institutional Entitlement Offer and Placement	Friday, 1
Allotment and Quotation of New Shares under the Placement and Institutional Entitlement Offer	Monday,
Closing date for acceptances under Retail Entitlement Offer (5pm)	Wednes
Announcement of results of Retail Entitlement Offer and notification of any shortfall	Monday,
Settlement of Retail Entitlement Offer	Tuesday
Allotment and issue of New Shares under the Retail Entitlement Offer	Wednes
Commencement of trading and holding statements dispatched for Retail Entitlement Offer	Thursday

Additional Information

Further details on the Equity Raising are set out in the Investor Presentation also released to the ASX today and expected to be filed by the Company shortly on SEDAR, together with a copy of the Underwriting Agreement. The Investor Presentation contains important information including disclaimers, key risks and foreign selling restrictions with respect to the Equity Raising.

Any New Shares issued to Canadian residents under the Equity Raising will be offered pursuant to exemptions from the prospectus requirements and will be subject to a statutory hold period in Canada expiring four months and one day from the date of issuance, and TSX-V hold period, as applicable. The Equity Raising is subject to approval of the TSX-V.

The participation of AustralianSuper and Jervois' Directors and Senior Management (the "Related Party Participation") in the Equity Raising constitute a "related party transaction" under Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions ("MI 61-101") as AustralianSuper is a related party of the Company given its greater than 10% beneficial shareholding. Pursuant to Section 5.5(a) and 5.7(1)(a) of MI 61-101, the Company is exempt from obtaining a formal valuation and minority approval of the Company's shareholders in respect of the Equity Raising due to the fair market value of the Related Party Participation being below 25% of the Company's market capitalization for purposes of MI 61-101. The Company will file a material change report in respect of the Equity Raising. However, the material change report will be filed less than 21 days prior to the closing of the Equity Raising, which is consistent with market practice and the Company deems reasonable in the circumstances.

The Equity Raising is fully underwritten.

This announcement has been approved for release by the Board of Directors of Jervois.

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Forward-Looking Statements

This announcement may contain certain "Forward-Looking Statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995 and applicable Canadian securities laws. When used in this announcement, the words "anticipate", "believe", "estimate", "expect", "target", "plan", "forecast", "may", "schedule", "expected" and other similar words or expressions identify forward-looking statements or information. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. These forward-looking statements or information may relate to the Equity Raising and approvals of the TSXV; filing of a material change report; future supply contracts, future sales contracts, the timing of commissioning and production at Idaho Cobalt Operations; estimation of Mineral Resources and Mineral Reserves; magnitude or quality of mineral deposits; anticipated advancement and timing of SMP Refinery; future operations; future exploration prospects; the completion and timing of future development studies; future growth potential of the Company's projects and future development plans; statements regarding planned development programs and expenditures; Jervois' ability to obtain licenses, permits and regulatory approvals required to implement expected business future plans; and operational restart plans and exploration. Such statements represent the Company's current views with respect to future events and are necessarily based upon a number of assumptions and estimates that, while considered reasonable by the Company, are inherently subject to significant business, economic, competitive, political and social risks, contingencies and uncertainties.

These forward-looking statements are based on assumptions and contingencies that are subject to change without notice and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of the Company and its related bodies corporate and affiliates (and each of their respective directors, securityholders, officers, employees, partners, agents, advisers and management), and could cause results, performance or achievements to be materially different from the results, performance or achievements that are or may be expressed or implied by such forward-looking statements or any projections and assumptions on which those statements are based. This includes statements about market and industry trends, which are based on interpretations of market conditions.

Forward-looking statements are provided as a general guide only and should not be relied on as an indication or guarantee of future performance. These statements may assume the success of the Company's business strategies, the success of which may not be realised within the period for which the forward-looking statements may have been prepared, or at all, and the receipt of applicable approvals to complete the Equity Raising.

No guarantee, representation or warranty, express or implied, is made as to the accuracy, likelihood of achievement or reasonableness of any forecasts, prospects, returns, statements or tax treatment in relation to future matters contained in this announcement. The forward-looking statements are based on information available to the Company as at the date of this announcement. Except as required by applicable laws, rules or regulations, none of the Company, its representatives or advisers intends to, or undertakes to, or assumes any obligation to, provide any additional information, update or revise the statements in this announcement, whether as a result of a change in expectations or assumptions, new information, future events, results or

circumstances.

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This announcement has been prepared for publication in Australia and may not be distributed or released in the United States. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States or to any person who is acting for the account or benefit of any person in the United States (to the extent such a person is acting for the account or benefit of a person in the United States). The New Shares described in this announcement have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act") and may not be offered or sold, directly or indirectly, in the United States except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act and any other applicable US state securities laws.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this announcement.

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- 1 The FID is subject to the Equity Raising described in this announcement completing.
- 2 See ASX release dated 29 April 2022 titled "BFS for São Miguel Paulista refinery restart".
- 3 AUD/USD exchange rate of 0.65 (8 November 2022) applied to all conversions in this Announcement.
- 4 Directors will not participate in the placement component of the Equity Raising, they are not permitted to under the ASX Listing Rules without shareholder approval.
- 5 The FID is subject to the Equity Raising being successfully completed.
- 6 Before additional US\$10 million contingency added. Refer to associated Risk Factors on slide 47 of the Investor Presentation released by Jervois today.
- 7 See ASX release dated 29 April 2022 titled "BFS for São Miguel Paulista refinery restart".
- 8 On an unaudited basis. See slide 42 of the Investor Presentation released by Jervois on 10 November 2022 for more information.
- 9 Directors will not participate in the placement component of the Equity Raising, they are not permitted to under the ASX Listing Rules without shareholder approval.
- 10 The theoretical ex-rights price ("TERP") is the theoretical price at which Jervois' shares should trade at immediately after the ex-date for the Entitlement Offer based only on the last traded price and issuance of shares at the Offer Price under the Entitlement Offer (and here the Placement). TERP is a theoretical calculation only and the actual price at which Jervois shares trade immediately after the ex-date for the Entitlement Offer may be different from the TERP.
- 11 Note that securities acquired by Canadian residents will be subject to customary 4 months hold period pursuant to applicable Canadian provincial securities law.
- 12 The timetable (and each reference in this announcement to a date specified in the timetable) is indicative only and Jervois may, at its discretion, vary any of the above dates by lodging a revised timetable with the ASX. All times are Sydney times.

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