

# **Avanti Helium Announces Binding Midstream Agreement For Helium Production For Sweetgrass Helium Pool**

27.07.2023 | [CNW](#)

CALGARY, July 27, 2023 - [Avanti Helium Corp.](#) (TSXV: AVN) (OTC: ARGYF) ("Avanti" or the "Company") is pleased to announce that it has signed a midstream agreement to commercialize and achieve cashflow at the Sweetgrass Pool within its Greater Knappen asset.

#### Helium Recovery Plant

Avanti has signed a binding midstream agreement with IACX Resources Montana LLC a subsidiary of industry leader IACX Energy ("IACX") to build, finance and operate a Helium recovery plant to process the raw gas from Avanti's Sweetgrass Helium pool.

The plant is expected to initially process 10 MMcf/d of raw gas with the option to increase production to 15 MMcf/d. The initial components for the plant are expected to start being delivered on site in Q4, 2023 with initial production expected in early Q1, 2024.

"We are very pleased to have entered into the arrangement with IACX, a proven Helium midstream operator," commented Chris Bakker, Avanti CEO. "Having IACX construct and operate the plant de-risks execution for Avanti. We are also pleased to have arrived at fee terms that drastically reduce our need for capital. I would like to thank the entire Avanti team for the huge amount of work done to bring the Company to this tremendously positive turning point."

Developing the Helium recovery plant independently posed a major capex and expertise requirement for Avanti, but through the IACX transaction, and the liquification tolling agreement, the Company will have access to the required infrastructure to achieve cashflow in an attractive commercial environment. Under the terms of the agreement, Avanti will pay a scheduled monthly fee for seven years with an option to renew annually for the life of the pools. IACX will build, finance, install, and operate the helium recovery plant on site near the Sweetgrass helium pool. The Company will be required to complete minor associated infrastructure work (which is already in process) in order to commence production from the plant.

#### Additional Information and Cautionary Statements

The Company's committed costs under the midstream agreement and liquefaction tolling agreement include a monthly service fee under the midstream agreement and take or pay obligations under the liquefaction tolling agreement. Under the terms of the midstream agreement, liquefaction tolling agreement and transportation the company will have a total committed cost of:

Year	Costs Per Mcf
1	~\$211
2	~\$177
3	~\$163
4	~\$163
5	~\$163
6	~\$163
7	~\$163

The Company expects to fund these commitments from cash flows from operations.

#### Advisor

Alcedio Capital Inc. acted as the exclusive financial advisor for Avanti on the IACX Energy facility transaction.

#### ICP Securities Inc.

The Company also announces that, subject to the receipt of approval from the TSX Venture Exchange (the

"TSXV"), it has engaged the services of ICP Securities Inc. ("ICP"), a Canadian advisory firm, to provide market-making services in accordance with TSXV policies. ICP will trade shares of the Company on the TSXV and all other trading venues with the objectives of maintaining a reasonable market and improving the liquidity of the Company's common shares.

Under the agreement, ICP will receive compensation of \$7,500 plus applicable taxes per month in advance. The agreement is for an initial term of four months, renewable thereafter on a month-to-month basis, and may be terminated by either party with 30 days' notice. There are no performance factors contained in the agreement and ICP will not receive shares or options as compensation. ICP and the Company are unrelated and unaffiliated entities.

#### CYFR Inc.

The Company has entered into an engagement agreement (the "Agreement") with CYFR Inc. ("CYFR") to execute monthly evergreen marketing campaigns that might include enhanced campaigns for press releases. These campaigns will run multiple days over six to twelve months. The engagement includes services related to cost-per-click advertising, content creation, web landing pages, activation support, advertising creative development, search engine optimization and strategic digital consulting. The term of the Agreement is for a period of 12 months and can be terminated by either party by giving 45 days written notice. In addition to a fee equal to \$7,500 per month, plus applicable taxes, the Company may engage CYFR to provide further agency and web development services under the Agreement for additional fees, if and when applicable. CYFR is not related to the Company and has no interest, directly or indirectly, in the Company or its securities nor does CYFR have any right or intent to acquire such an interest.

CYFR Inc. is a private company located in Calgary, Alberta that provides integrative services that combine business intelligence, big data and digital marketing to offer comprehensive solutions to companies looking to improve their data utilization, access new technology and to better connect with stakeholders.

#### About Avanti Helium Corp

Avanti Helium is focused on the exploration, development, and production of helium across western Canada and the United States. Avanti's professional oil and gas exploration and production team is actively targeting helium trapped in structures to help meet the increasing global demand for an irreplaceable and scarce element critical to advanced technology, medical and space exploration industries. For more information, please go to the Company's website at [www.avantihelium.com](http://www.avantihelium.com).

#### About IACX Energy

IACX Energy is a midstream company that owns and operates gathering, compression, dehydration, NGL processing, condensate removal, and gas treating facilities. In addition to traditional midstream services, IACX also employs proprietary nitrogen rejection and helium recovery units. IACX currently operates thirteen discrete helium purification facilities in six states in the U.S. and one Canadian province.

#### Forward-Looking Statements

The information set forth in this news release contains forward-looking statements that are based on assumptions as of the date of this news release. These statements reflect management's current estimates, beliefs, intentions and expectations. They are not guarantees of future performance. The Company cautions that all forward-looking statements are inherently uncertain and that actual performance may be affected by a number of material factors, many of which are beyond the Company's control. Such factors include, among other things: statements relating to the expected timing for the development of the helium recovery plant and timing estimates with respect to initial production therefrom, statements relating to the expected benefits to Avanti from the midstream agreement and liquefaction tolling agreement, statements relating to obtaining financing to fund associated infrastructure work for the plant, risks associated with helium exploration, development, production, marketing and transportation, volatility in helium prices, risks relating to the Company's ability to access sufficient capital from production and external sources, risks and uncertainties relating to the Company's limited operating history and the need to comply with environmental and governmental regulations. Accordingly, actual and future events, conditions and results may differ materially from the estimates, beliefs, intentions and expectations expressed or implied in the forward-looking information. Except as required under applicable securities legislation, the Company undertakes no obligation to publicly update or revise forward-looking information. Please see the public filings of the Company at [www.sedar.com](http://www.sedar.com) for further information and risks applicable to the Company.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of

the Exchange) accepts responsibility for the adequacy or accuracy of this release.

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Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/449334--Avanti-Helium-Announces-Binding-Midstream-Agreement-For-Helium-Production-For-Sweetgrass-Helium-Pool.htm>

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