

23 November 2021

ABR COMPLETES A\$37M PLACEMENT TO THREE GLOBAL INSTITUTIONAL INVESTORS

HIGHLIGHTS

- ABR raises A\$37m at A\$2.10 per share in Placement to three global institutional investors, including a North American family office
- Placement price represented a modest 1.5% discount to 15-day VWAP of A\$2.13
- Funds will be used to strengthen ABR's balance sheet ahead of US listing, advance development of the Company's Integrated Boron Facility, and for general and corporate purposes
- US listing via NASDAQ Direct Listing remains on track for late December 2021 / early CY2022

American Pacific Borates Limited (ASX:ABR) (**ABR** or the **Company**) is pleased to announce that it has completed a Placement of A\$37m at A\$2.10 per share to three global institutional investors (**Placement**).

The issue price of A\$2.10 per share represents:

- A 12.5% discount to the last closing price of ABR shares on 22 November 2021 of A\$2.40 per share;
- A 4.4% discount to the 10-day volume weighted average (**VWAP**) price of ABR shares;
- A 1.5% discount to the 15-day VWAP of ABR shares; and
- A 2.1% premium to the 20-day VWAP of ABR shares.

17,619,048 ordinary shares are to be issued under the Company's existing ASX Listing Rule 7.1 capacity. The Placement shares will rank equally with the Company's existing fully paid ordinary shares.

Funds will be used to strengthen ABR's balance sheet ahead of US listing, advance the value engineering program, Bankable Feasibility Study (BFS), and construction of the Fort Cady Integrated Boron Facility located in Southern California, USA, and for general and corporate purposes.

Commenting on the equity raise, ABR CEO, Henri Tausch, said:

"The Company is pleased to opportunistically strengthen the balance sheet as we pursue listing in the US market and financing production related capital expenditures and corporate activities. We are also pleased by the non-solicited level of interest from these strong investment groups, including a North American family office. We have a top-tier boron and lithium project with substantial reserves and permits in place, a proven team, and a strong balance sheet to finance such efforts."

COMPANY DIRECTORS

David Salisbury – Non-Executive Chairman

Anthony Hall – Executive Director

Stephen Hunt – Non-Executive Director

Jimmy Lim – Non-Executive Director

American Pacific Borates Limited to be renamed
"5E Advanced Materials, Inc."



ISSUED CAPITAL

389.9 million shares

61.8 million options

REGISTERED OFFICE

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About American Pacific Borates Limited (to be renamed 5E Advanced Materials Inc.)

American Pacific Borates Limited is an ASX listed company focused on advancing its 100% owned Fort Cady Integrated Boron Facility located in Southern California, USA.

The Company is seeking to become a fully integrated producer of Boron specialty products and advanced materials. It is targeting Boron applications in the field of clean energy transition, electric transportation and food security amongst other high-performance, high-tech and high-margin applications.

The global shift from fossil based systems of energy production to renewable energy is increasingly important to investors, consumers and governments. The emergence of renewable energy, the onset of electrification and improvements in energy storage are all key drivers of clean energy transition. Boron is a key component in energy transition because it is highly versatile in chemical reactions and can be applied in processes for storing chemical and electrical energy, amongst other applications.

Global access to mined Boron is rare and the Company's production is underpinned by an even more rare and large colemanite deposit. Colemanite is a conventional Boron mineral that has been used to commercially produce Boron for broad applications for centuries. The Fort Cady colemanite ore deposit is the largest known contained traditional Borate occurrence in the world not owned by the two major Borate producers Rio Tinto and Eti Maden. The JORC compliant Mineral Resource Estimate and Reserve comprises 13.93Mt of contained Boric Acid.

As part of the commercialisation strategy, the Company will produce Boric Acid, Boron specialty products and advanced materials (and SOP as a by-product credit) from Mannheim furnaces. SOP is a high value specialty fertiliser prized for its low chloride potassium and sulfur content. Large target markets exist on ABR's doorstep in California and Arizona (collectively known as the bread basket of the United States)

The Company is currently working through a process to ensure a strong listing on NASDAQ having appointed a US Advisory Board and completing various activities including strengthening its executive management team, focusing on a larger initial mining operation to deliver stronger earlier EBITDA and progressing discussions with US based investment banks, potential US partners and debt capital markets advisors.

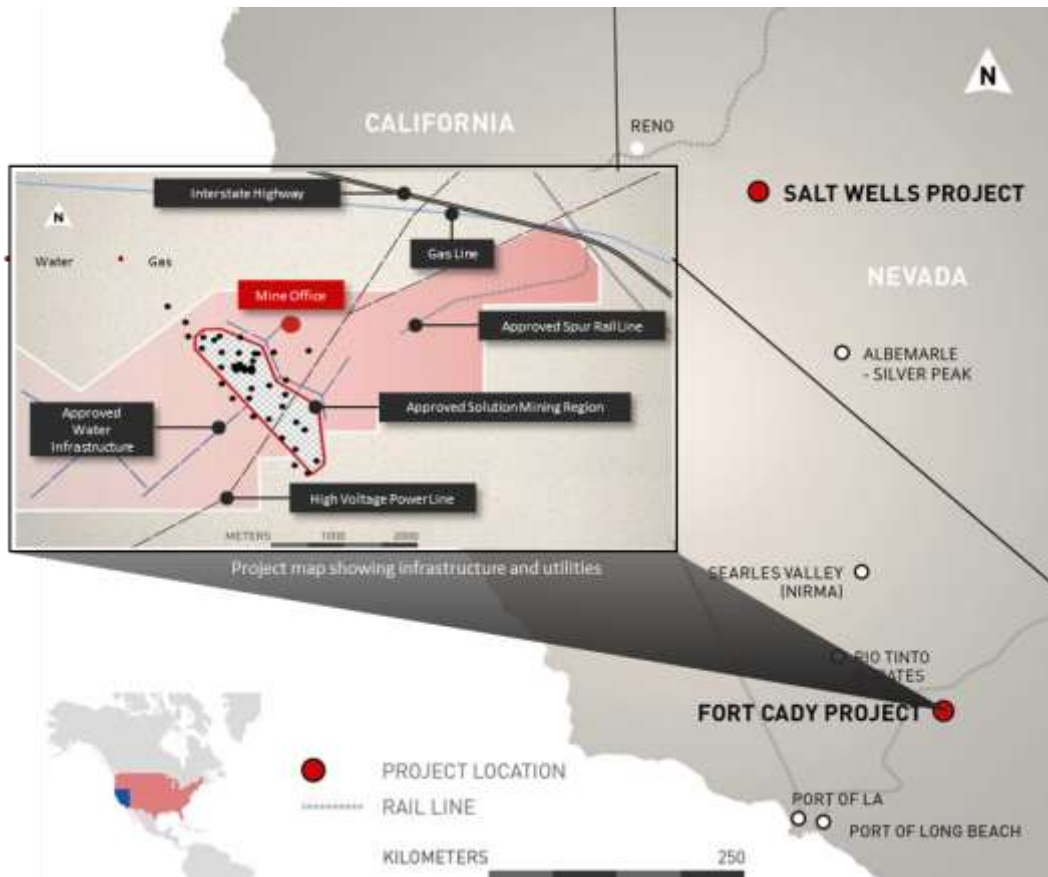


Figure 1: Location of the Fort Cady and Salt Wells Projects in the USA