

ABR TO PURSUE PRIMARY US LISTING AND CHANGE NAME TO 5E ADVANCED MATERIALS, INC.

HIGHLIGHTS

- ABR targeting primary US listing via NASDAQ Direct Listing for newly established and US domiciled company:
 - 5E Advanced Materials, Inc. (5E)
- NASDAQ listed 5E to maintain and support a secondary listing on ASX
- Eligible ABR shareholders will receive detailed information via a Scheme Booklet outlining the terms and arrangements for the transition in the coming weeks
- Current timeline for the US listing targets completion in late December 2021 or early CY2022
- It will be possible to transfer holdings from ASX CDIs to NASDAQ shares and vice versa

American Pacific Borates Limited (ASX:ABR) (**ABR**, **ABR Group** or the **Company**) is pleased to provide an update on its complementary US listing activities as it seeks to transition to a US based company to deliver shareholder upside from broader investor exposure for its flagship Fort Cady Integrated Boron Facility located in Southern California.

NASDAQ Direct Listing

The Company has chosen to list via a NASDAQ direct listing.

A direct listing allows companies to list on Nasdaq without concurrently raising capital...[it] provides unrestricted liquidity to existing shareholders and the company does not concurrently issue securities to public investors to raise capital (source: www.nasdaq.com/solutions/direct-listings)

Scheme of Arrangement and NASDAQ Direct Listing

The NASDAQ direct listing will be affected by way of a Scheme, under which all shares held by ABR shareholders will be transferred to 5E Advanced Materials, Inc. (**5E**), a newly-formed US company incorporated in the State of Delaware, in exchange for the issue of 5E Shares or a 5E CHESS Depositary Interest (**CDI**) (the **Transaction**).

The Scheme Booklet will include an independent expert report, which determines that the Scheme is in the best interest of ABR shareholders.

COMPANY DIRECTORS

David Salisbury – Non-Executive Chairman
Anthony Hall – Executive Director
Stephen Hunt – Non-Executive Director
Jimmy Lim – Non-Executive Director



ISSUED CAPITAL

388.4 million shares
61.8 million options

REGISTERED OFFICE

Level 12, 197 St Georges Terrace, Perth
WA, 6000, Australia

US OFFICE

9329 Mariposa Suite 210
Hesperia, CA, 92344, USA

CONTACT

T: +61 8 6141 3145
W: americanpacificborates.com



Following implementation of the Scheme, 5E will become the ultimate parent company of the ABR Group. It is intended that:

- 5E will maintain a primary listing on NASDAQ, with 5E Shares being listed for trading promptly following the implementation of the Scheme (subject to authorisation for listing being obtained from NASDAQ and official notice of issuance of 5E Shares from 5E); and
- 5E will maintain a secondary listing on the Australian Securities Exchange (**ASX**), with 5E CDIs being listed for trading promptly following the implementation of the Scheme (subject to necessary ASX approvals).

Fractional entitlements will be rounded up to the nearest whole number.

5E Shares and 5E CDIs will be transferable meaning it is possible to transfer holdings from 5E CDIs to 5E Shares and vice versa.

Effects of Proposed Transaction

The proposed effects of the Transaction are:

- ABR will re-domicile to the United States by way of a Scheme. Under the Scheme, ABR will be acquired by 5E and all of the ABR Shares will be transferred to 5E, with the result that ABR will become a wholly-owned subsidiary of 5E
- As consideration for transferring their ABR Shares to 5E under the Scheme, eligible ABR Shareholders will be entitled to receive either:
 - a. 1 5E Share for every 10 ABR shares held by them on the record date for the Scheme (if they have elected to receive 5E shares); or
 - b. 1 5E CDI for every ABR share held by them on the record date for the Scheme (if they have elected to receive 5E CDIs or if they have not made an election).
- Fractional entitlements will be rounded up to the nearest whole number
- Eligible ABR shareholders will hold an equivalent proportional interest in 5E as they held in the Company prior to the implementation of the Transaction (subject to rounding and the Sale Facility applying to ineligible foreign shareholders)
- Following implementation of the Scheme, 1 5E Share (which will be traded on NASDAQ under the code "FEAM") will be equivalent to 10 5E CDIs (which will be traded on ASX under the code "5EA")
- 5E Shares and 5E CDIs will be transferable - so that holders can convert their 5E Shares into 5E CDIs (and vice versa)
- Ineligible foreign shareholders will have the 5E CDIs, which would otherwise be issued to the Sale Agent and sold in accordance with the Sale Facility, and they will receive the relevant net proceeds of that sale
- 5E will be listed on NASDAQ (as its primary listing) and on the ASX (as its secondary listing) to effectively replace ABR's current listing on the ASX
- The existing Options issued by ABR will be cancelled in consideration of the grant of equivalent rights to acquire 5E Shares on the basis of 1 5E Option for every 10 existing ABR Options held
- Under the arrangement, 5E will no longer require Australian based directors and associated overhead costs that is expected to result in a reduction of overhead of around A\$1m per annum.



Reasons for Re-domiciling

- The Board believes that re-domiciling ABR to the United States will position the ABR Group in a more appropriate capital market, given that all of its assets are located in the United States, thereby enabling investors to more clearly evaluate the performance and future prospects of the Company, as compared to its peers.
- The Board believes that the proposed Transaction may increase the attractiveness of the ABR Group to a broader US investor pool that previously could not or are unlikely to invest in non-US securities, leading the ABR Group being more fully valued over time by a greater number of investors.
- The Board believes that the ABR Group may have increased access to lower-cost debt or equity capital in the US market, which is larger and more diverse than the Australian capital market. This increased access to US capital may enable future growth to be financed at a lower cost.
- The Board believes that the Scheme will allow the ABR Group to streamline its business operations, as the corporate structure would be aligned with the core of its business operations. Currently, substantially all of the ABR Group's assets and management are in the United States.
- Eligible Shareholders will retain their existing exposure to the ABR Group.

Board of Directors

Initial directors of 5E will be:

- David Salisbury – Chairman
- Henri Tausch – CEO and Managing Director
- Aaron Bertolatti – Finance Director
- Jimmy Lim – Non-Executive Director

Under NASDAQ listing rules, 5E has a period of twelve months to transition the majority of its board to independent directors. This process is likely to result in three additional independent directors being appointed with Mr Bertolatti retiring as a director at an appropriate juncture.

It is expected that current Executive Anthony Hall and CFO and Company Secretary Aaron Bertolatti will continue to support 5E in Australia post completion of the Scheme. This ongoing arrangement has yet to be confirmed.

Timelines

The Company is targeting an initial court hearing in late October 2021 with respect to the Scheme and is currently expecting an ABR shareholder vote to approve the Scheme in late December 2021 or early CY2022 with trading of 5E shares on NASDAQ to commence shortly thereafter.

Further information will be contained in the Scheme Booklet that is expected to be circulated to ABR shareholders over the coming weeks.

- ENDS -

Authorised for release by: Henri Tausch, CEO.

For further information contact:

Henri Tausch	Anthony Hall	Elvis Jurcevic	Chance Pipitone
CEO	Executive Director	Investor Relations - Australia	Investor Relations - US
Ph: +1 442 292 2120	Ph: +61 417 466 039	Ph: + 61 408 268 271	Ph: + 1 832 338 3678



Forward Looking Statements

This announcement contains 'forward-looking information' that is based on the Company's expectations, estimates and projections as of the date on which the statements were made. This forward-looking information includes, among other things, statements with respect to the Company's business strategy, plans, development, objectives, performance, outlook, growth, cash flow, projections, targets and expectations, mineral reserves and resources, results of exploration and related expenses. Generally, this forward-looking information can be identified by the use of forward-looking terminology such as 'outlook', 'anticipate', 'project', 'target', 'potential', 'likely', 'believe', 'estimate', 'expect', 'intend', 'may', 'would', 'could', 'should', 'scheduled', 'will', 'plan', 'forecast', 'evolve' and similar expressions. Persons reading this announcement are cautioned that such statements are only predictions, and that the Company's actual future results or performance may be materially different. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the Company's actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information.

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.

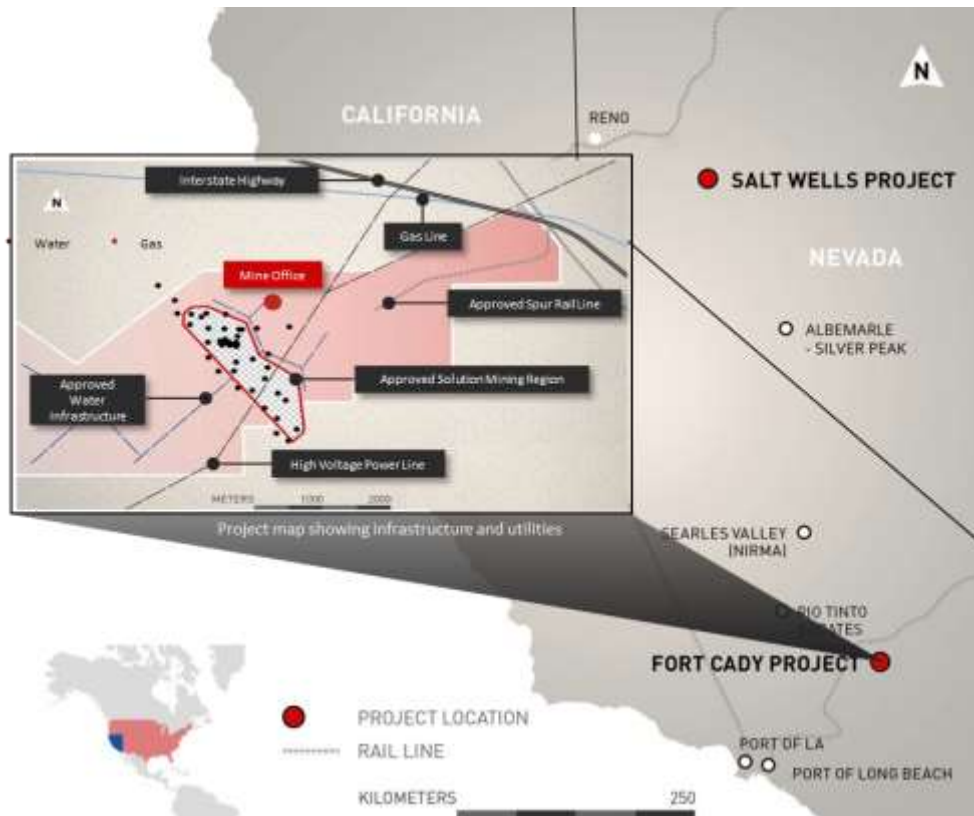


Figure 1: Location of the Fort Cady and Salt Wells Projects in the USA