

# RCF backs Technology Metals' latest placement

RESOURCE Capital Fund has increased its stake in vanadium hopeful Technology Metals Australia by acting as the cornerstone investor in its latest placement.



## Finance > Project-finance

TMT has just raised A\$11.5 million at 28c, a 16% discount, with RCF putting in an additional \$2.75 million to increase its shareholding to around 18% today.

## Comments

It first invested \$13.5 million at 37.5c in 2021 for a 17% stake.

## Share

Other investors were described as a mix of existing and new institutions.

## Haydn Black

## Reporter

Bridge Street Capital and Ashanti Capital managed the placement.

## Robust support

TMT managing director Ian Prentice said the "robust support" for the raising reflected the advanced stage and technical merits of its flagship Murchison Technology Metals project and growing awareness of vanadium redox flow batteries, where demand is expected to rise 33% by 2030.

The funds from the placement will add to its \$8 million cash position and help ease the MTMP through its final engineering, financing and permitting steps into construction.

Key steps include a reserves update, mine scheduling and final financial modelling. Early works at site are also planned.

The MTMP has global resources of 153 million tonnes grading 0.8% vanadium pentoxide at Gabanintha, and reserves of 44.5Mt at 0.89%.

The project is located 50km south of Meekatharra and is targeted to produce some 12,500tpa of vanadium over 25 years from the Gabanintha and Yarrabubba deposits.

## Further backing

In recent weeks the Danish export credit agency, EKF, has indicated its support for \$150 million in financial support, and TMT has signed an agreement that could expand the market for VRFBs in India, adding to an earlier agreement with Tata Steel that considers potential offtake agreements.

It also has agreements with Chinese and Japanese firms.

TMT needs some \$600 million to build the project, with modelling putting annual average earnings put at about \$182 million.

First production is targeted for 2025.

TMT shares, which have traded at 27-62c over the past year were up 4% this morning to 44c, valuing it at \$90 million.



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