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## **“Alderon is focused on increasing the Chinese content for the Kami Project”**

**Alderon Iron Ore is looking to China as it seeks finance to take its majority-owned Kami iron-ore project in Labrador into development and production.**

"Alderon is focused on increasing the Chinese content for the Kami Project in order to access additional sources of financing from China and continues to work with Chinese banking institutions on potential financing structures for the development of the Kami Project," the company said.

Its reappointed CEO Tayfun Eldem led a trip to China and met with engineering firms and equipment suppliers, banks and the HBIS Group, the 25% owner of Kami.

The Newfoundland and Labrador minister of natural resources Siobhan Coady joined him at the HBIS and bank meetings in China.

Alderon "rebooted" Kami in 2017 as the iron ore price rose and released an updated preliminary economic assessment in November, which put the estimated capex close to US\$1 billion with a 3.7-year payback, producing an average 7.8 million tonnes per annum at 65.2% iron at an operating cost of \$29.94/dmt.

It put the post-tax NPV (8% discount) at \$941 million with an IRR of 19.3%.

Alderon also updated an independent economic impact assessment in December, saying the 26-year project would bring significant benefits to Canada.

The company re-established an office in Montreal, Quebec, this month with Eldem saying the timing was right to renew its presence there as it planned to fast-track Kami into production.

Eldem, the company's former president and CEO, rejoined the company as a director 15 months ago and was reappointed CEO in February.

The company had C\$14.8 million (US\$11.8 million) in cash and equivalents at the end of December and a working capital deficit of C\$15.3 million (US\$12.2 million), mainly due to the reclassification of convertible debt to a current liability.