/Carey

Marzo de 2024

CAREY ASESORA A GRUPO CAP EN INVERSIÓN DE US$32 MILLONES EN REE UNO

Chilean miner invests in rare earth metals project

Lily Squires

27 March 2024

Chilean iron ore producer CAP has called on Canadian firm Cassels Brock & Blackwell LLP and Carey in Santiago to invest up to US$80 million in the local operations of Toronto-listed miner Aclara Resources.

Stikeman Elliot LLP in Toronto and Philippi Prietocarrizosa Ferrero DU & Uría (Chile) advised Aclara.

The deal was signed on 12 March.

In the transaction, CAP agreed to make a US$29 million investment in REE Uno, a Chilean company owned by Aclara that is developing a project to mine rare earth elements – including neodymium – in the southern Chilean province of Biobío. In return for the investment, CAP will receive a 20% share in REE Uno, with the remaining stake held by Aclara.

The US$29 million will be paid in three tranches: an initial US$9.7 million at the deal's closing; a second payment of US$12.5 million in January 2025; and the remaining US$6.9 million in January 2026.

Under the agreement, CAP may invest another US$50 million in REE Uno, in return for a further 20% stake in the company. There is also a three-year option to invest an undecided amount in Aclara, in return for a 19.9% share in the Canadian parent company.

The agreement between CAP and Aclara also details the formation of a joint venture that will mine rare earth metals for the magnet industry. These elements include neodymium, cobalt, dysprosium and terbium. CAP has committed to inject US$3 million in the joint venture in exchange for a 50% interest in the company – as yet unnamed.

Esta alerta legal es proporcionada por Carey y Cía. Ltda. con fines educativos e informativos únicamente y no pretende ni debe interpretarse como asesoría legal.

Carey y Cía. Ltda.
Isidora Goyenechea 2800, Piso 43.
Las Condes, Santiago, Chile.
www.carey.cl

Aclara will own the other 50% of the shares.

Listed on the Chilean stock exchange since 1987, CAP is part of local conglomerate CAP Group, which operates in several industries, including iron ore mining.

Aclara has been listed on the Toronto stock exchange since 2021. In addition to its operations in Chile, the company owns a mining project in the central Brazilian state of Goiás.

Counsel to CAP

In-house counsel - Daniel Carvallo and Patricia Torres

Cassels Brock & Blackwell LLP

Partner Darrel Podowski in Vancouver

Carey

Partners Rafael Vergara and Cristián Eyzaguirre, and associates Carla Karzulovic, Ignacio Alfaro, Maximiliano Urrutia, Josefa Contreras, Javiera Álvarez, Sofía Delporte, Joaquín Granados, Javiera Chacón, Maximiliano Barrenechea and Santiago Edwards in Santiago

Counsel to Aclara Resources

In-house counsel – Max Larraín

Stikeman Elliot LLP

Partner Ivan Grbesic and associate Wei Yan in Toronto

Philippi Prietocarrizosa Ferrero DU & Uría (Chile)

Partners Juan Paulo Bambach and Carlos Alberto Reyes, and associates Felipe Ossa and Daniela Leighton in Santiago