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Oil-Waste Recycling Business Backed by Muni Bonds Goes Bankrupt.

Takeaways by Bloomberg AI

- Aleon Metals LLC filed for Chapter 11 in US Bankruptcy Court for the Southern District of Texas after the venture was marred by equipment failures and commodity price volatility.
- Aleon said it secured $188 million of financing from bondholders to continue operations while it seeks a buyer during the bankruptcy proceedings, according to the company.
- Tarun Bhatt, the chief executive officer of Aleon, said “We’ve worked diligently to streamline our operations and position Aleon for continued growth,” in a statement.

The owner of a Texas facility that recycles metals extracted from oil-refinery waste filed for bankruptcy after the venture was marred by equipment failures and commodity price volatility.

Aleon Metals LLC, which is responsible for $294 million of municipal debt that financed the construction of the recycling plant and another under development, filed for Chapter 11 Sunday in US Bankruptcy Court for the Southern District of Texas.

Continue reading.

Bloomberg Industries

By Martin Z Braun

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