

## VITAL METALS COMMENCES RARE EARTH PRODUCTION AT NECHALACHO – JUNE 2021 SITE UPDATE

### HIGHLIGHTS

- Vital commenced rare earth production at Nechalacho with ore crushing commencing
- Ore sorter installation complete with commissioning underway
- Blasting and mining activities ramped up with first ore mined on 29 June 2021; ore stockpiled for crushing
- Vital will stockpile beneficiated material for transport to Saskatoon rare earth extraction plant later this year
- Vital becomes Canada's first rare earth producer and only second in North America highlighting strategic nature of its operations

Vital Metals Limited (ASX: VML) ("Vital Metals" or "the Company") is pleased to provide an update on activities at its Nechalacho rare earths project in Northwest Territories, Canada, where production commenced via ore sorting in June 2021.

Vital Metals is now the first rare earths producer in Canada and only the second in North America.



Overhead image of site with ore sorter in the foreground and pit in the background



Vital Metals' Managing Director Geoff Atkins said: *"Our crews worked hard on site through June to accelerate mining activities, complete the installation of crushing and ore sorting equipment and commence commissioning.*

*"Mining activities are over 30% complete with waste material removed from the pit to enable the first blast of ore on 28 June and we are now stockpiling ore for the crusher.*

*"We will continue to ramp up crushing and ore sorting with full production rates expected to be achieved in July. Beneficiated material will be stockpiled for transport to our extraction plant in Saskatoon. We look forward to keeping the market updated throughout the ramp up process in what is a very significant milestone for the Company and North America"*

### **NECHALACHO OPERATIONAL UPDATE – JUNE 2021**

Mining contractor Nahanni Construction Ltd completed first blast of ore at Nechalacho's North T Zone on 28 June 2021 and Vital commenced production with ore crushed at Nechalacho on 30 June 2021.

#### **June Mining Activities**

- Blasting activities accelerated after earlier delays due to rain
- First ore blasted and mined
- Commenced hauling material for placement on ore storage pad near crusher
- Waste material loaded out of North T pit
- Waste dumped in ROM to build pad for office relocation
- Underground dewatering in pit
- Monitoring water levels in decline
- Inspection of pit floor.

#### **June Sorter Activities**

- Installation of ore sorter completed
- Loaders and excavators assigned to construct the main feed belt and install A legs
- Lifting and setting A frame legs under primary feed belt
- Feeders placed under chutes, rubber skirting installed on all feeder chutes
- Installed all fire X and mounts on sorter and belts
- Inspection and location of material for ore sorter
- Grounding plates installed
- Commissioning of ore sorter commenced





Night shift drilling



Night shift overburden loading



Crusher stockpiles



Loading ore



Drone image of pit



Drone image of the ore sorter as at June 24



**Contact:**

Mr Geoff Atkins

Managing Director

Vital Metals Limited

Phone: +61 2 8823 3100

Email: [vital@vitalmetals.com.au](mailto:vital@vitalmetals.com.au)

*This announcement has been authorised for release by the Board of Vital Metals.*

**ABOUT VITAL**

Vital Metals Limited (ASX:VML) is an explorer and developer focussing on rare earths, technology metals and gold projects. Our projects are located across a range of jurisdictions in Canada, Africa and Germany.

**Nechalacho Rare Earth Project - Canada**

The Nechalacho project is a high grade, light rare earth (bastnaesite) project located at Nechalacho in the Northwest Territories of Canada and has potential for a start-up operation exploiting high-grade, easily accessible near surface mineralisation. The Nechalacho Rare Earth Project hosts within the Upper Zone, a measured, indicated and inferred JORC Resource of **94MT at 1.46% TREO**.<sup>1</sup>

**Forward Looking Statements**

This release includes forward looking statements. Often, but not always, forward looking statements can generally be identified by the use of forward-looking words such as “may”, “will”, “expect”, “intend”, “plan”, “estimate”, “anticipate”, “continue”, and “guidance”, or other similar words and may include, without limitation statements regarding plans, strategies and objectives of management, anticipated production or construction commencement dates and expected costs or production output.

Forward looking statements inherently involve known and unknown risks, uncertainties and other factors that may cause the company’s actual results, performance and achievements to differ materially from any future results, performance or achievements. Relevant factors may include, but are not limited to, changes in commodity prices, foreign exchange fluctuations and general economic conditions, increased costs and demand for production inputs, the speculative nature of exploration and project development, including the risks of obtaining necessary licences and permits and diminishing quantities or grades of resources or reserves, political and social risks, changes to the regulatory framework within which the company operates or may in the future operate, environmental conditions including extreme weather conditions, recruitment and retention of personnel, industrial relations issues and litigation.

Forward looking statements are based on the company and its management’s good faith assumptions relating to the financial, market, regulatory and other relevant environments that will exist and affect the company’s business and operations in the future. The company does not give any assurance that the assumptions on which forward looking statements are based will prove to be correct, or that the company’s business or operations will not be affected in any material manner by these or other factors not foreseen or foreseeable by the company or management or beyond the company’s control.

Although the company attempts to identify factors that would cause actual actions, events or results to differ materially from those disclosed in forward looking statements, there may be other factors that could cause actual results, performance, achievements or events not to be anticipated, estimated or intended, and many events are beyond the reasonable control of the company. Accordingly, readers are cautioned not to place undue reliance on forward looking statements.

Forward looking statements in this release are given as at the date of issue only. Subject to any continuing obligations under applicable law or any relevant stock exchange listing rules, in providing this information the company does not undertake any obligation to publicly update or revise any of the forward-looking statements or to advise of any change in events, conditions or circumstances on which any such statement is based.

---

<sup>1</sup> Refer ASX Announcements dated 13 December 2019. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates in that market announcement continue to apply and have not materially changed.