

Vital Metals is now the second rare earths concentrate producer in North America

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Vital Metals initial rare earth oxide concentrate production is proving successful in Canada's NWT's

It has been a very busy past couple of months for new rare earths concentrate producer [Vital Metals Limited](#) (ASX: VML) ("Vital").

As a brief reminder, Vital owns the mineral rights to a near surface high grade section of the Avalon rare earth Nechalacho Project in Canada. Nechalacho hosts a [Resource of 94.7Mt at 1.46% REO](#) (measured, indicated and inferred). Nechalacho's North T Zone, now being mined by Vital, hosts a high-grade resource of 101,000 tonnes at 9.01% LREO (2.2% NdPr), making it one of the highest grade rare earths deposits in the world.

Vital Metals rare earth Nechalacho Project in the Northwest Territories (NWT) of Canada



Source: [Vital Metals](#)

Initial mining at Nechalacho successfully produces REO concentrate

Mining of a small scale starter pit at Vital's Nechalacho's

North T Zone commenced [in June 2021](#) as part of its Stage 1 production strategy. The Nechalacho ore crusher and sorter [has successfully produced high-grade REO concentrate](#) and the beneficiated material is to be transported to Vital's Saskatoon rare earth extraction plant (currently under construction) for further processing. Vital expects to ship approximately [1,000t](#) of beneficiated product to Saskatoon by [end September 2021](#). First feed at the Saskatoon Extraction Plant is forecast to occur [by the end of 2021](#) with commissioning activities forecast to continue through the 1st half of 2022.

Mining at Nechalacho's North T Zone where the ore is crushed and stockpiled – A ceremony marking first production with Yellowknives Dene First Nation representatives



Source: [Vital Metals announcement on August 6, 2021](#)

In some positive recent news, Vital [announced](#) that mining at Nechalacho's North T pit has intersected high-grade REO mineralisation in the northern edge of the pit wall which is not included in North T's existing high-grade Mineral Resource. This new material provides potential for Vital to expand the North T pit beyond the current mine plan.

Vital has also commenced drilling to define a mine plan for Stage 2 which will involve development of the larger Tardiff deposit. This drilling aims to develop Nechalacho as a larger scale, longer life rare earths project.

Other projects

- [The Wigu Hill Project](#) in Tanzania is a light rare earth element deposit and consists of a large carbonitite complex with bastnaesite mineralisation with a NI 43-101

Inferred resource estimate of 3.3Mt at 2.6% LRE05.

- Vital Metals recently [agreed to acquire](#) Quebec Precious Metals Corporation's 68% interest in Kipawa and 100% of its Zeus heavy rare earth projects in Quebec, Canada, for C\$8 million staged over 5 years. The acquisition has potential to transform Vital into the only producer of both light and heavy rare earths in North America. Kipawa (formerly held in JV with Toyotsu Rare Earth Canada, Inc., a subsidiary of Toyota Tsusho) has a Mineral Resource Estimate of 15.5Mt of the mineral, eudialyte, at 0.434% TREO and 0.873 ZrO₂, 6.3Mt of mosandrite at 0.391% TREO, 1.018% ZrO₂, 5.1Mt of britholite at 0.286% TREO, 0.944% ZrO₂, and with a Proven and Probable Reserve Estimate of 19.8Mt at 0.411% TREO. Vital's Managing Director Geoff Atkins [stated](#): "Part of Vital's corporate DNA is our ability to identify the most efficient and effective way to develop rare earth projects. Similar to Nechalacho where we have applied an alternative development strategy to greatly reduce capital costs and development timelines, we see similar opportunities for improvements to the existing development strategy at Kipawa and we look forward to defining our development strategy over the coming months."

Closing remarks

Vital Metals is now the first rare earths concentrate producer in Canada and only the second in North America. Their Nechalacho Project is a high grade, light rare earth (bastnaesite) project which has now successfully produced a beneficiated product which will then be further processed at the Company's, now under construction extraction, facility in Saskatoon targeting to commence by late 2021 and ramping up in 2022.

If this was not exciting enough, Vital has now agreed to acquire

the Zeus heavy rare earth project (& 68% of the Kipawa project) in Canada and they also own a second light rare earths project in Tanzania. This bodes well for Vital Metals future growth plans.

Vital Metals trades on a market cap of A\$256M and is proving what a junior miner can achieve if given just a bit of investor support. The West needs more home sourced critical materials projects like what Vital Metals is achieving. We wish Vital Metals every success going forward. Investors should also be very happy after achieving a [140%](#) past year return, with more to potentially look forward to in the future.