Imperial Mining Updates on Field Activities, Mobilizes Diamond Drill Crew to its Crater Lake Scandium Project, Northern Québec

written by Raj Shah | August 14, 2020

August 14, 2020 (Source) – **Imperial Mining Group Ltd. ("Imperial") (TSX VENTURE: IPG)** is pleased to announce that field crews conducting mapping and sampling have recently discovered several new areas of scandium mineralization on the 100% owned Crater Lake project. These new showings lie within the same 14-km arcuate magnetic trend hosting the three previously defined mineralized zones (Boulder, TGZ and STG) on the property. Assay results are expected in September. Presently, drill crews are mobilizing to the property to commence drill evaluation of the new showings and to expand the known TGZ and STG mineralized zones.

"The new discoveries are extremely positive news for Imperial in view of the rapidly growing demand and limited supply for this important new technology metal," said Peter Cashin, Imperial's President & Chief Executive Officer. "Scandium is showing increased demand for its use in high-strength, lightweight aluminum alloys in the aerospace, automotive, defense and alternative energy sectors. Currently, scandium is only produced as a minor by-product in China and Russia and, with supplies limited, it is our belief that Crater Lake represents an important alternative, primary scandium supply source to serve western consuming markets."

2020 Exploration Program

A 130-line km program of detailed ground magnetic surveys was recently completed by Abitibi Geophysics of Val d'Or, Quebec, at 50 m line spacings to better define the western corridor of the Crater Lake scandium mineralized trend. The objective of the survey work is to 1) refine our knowledge of the geometry of the new and existing mineralized zones, 2) identify the presence of as-yet to be discovered mineralization and, 3) refining drillhole targeting.

This survey will be supplemented by a program of geological mapping, prospecting, trenching and channel sampling over the newly discovered mineralized areas (North, Hilltop and South; see Figure 2).

Drill crews are currently mobilizing to the property to complete a minimum six to eight drillhole program to evaluate the economic potential of the newly discovered mineralized areas and to expand the areas of known mineralization at TGZ and STG. The drilling will be undertaken by Avataa Rouiller Diamond Drilling of Amos, Quebec.

The current program will be completed in September. Assessment of the data collected by this work will be used for the planning of a winter 2021 definition drill program of the highest-grade part of the mineralized trend. A NI43-101 resource estimate will be prepared from the results of the definition drilling for anticipated Q2 2021 completion.

Crater Lake Exploration History (2007 to present)

Crater Lake was first explored in 2007 as a rare earths prospect by Quest Rare Minerals Ltd. ("Quest"). This early work led to the identification of the "Discovery Outcrop" which **returned up to 9.0% rare earth oxides plus yttrium ("REE") and up to 1,000**

g/t (0.1%) scandium ("Sc"). An airborne geophysical survey completed in 2008, identified a strong, concentric, six-km diameter magnetic anomaly, defining the host Crater Lake Ring Dike Complex. The scandium is associated with a distinct, highly magnetic layer of mafic rock within this intrusion.

In 2014, Quest drilling intersected a 225m long Sc bearing zone (Boulder Zone) within a thick, highly magnetic, mafic intrusive layer (Figure 2) returning up to **167.8m grading 260 g/t Sc including 62.8 m grading 304 g/t Sc and including 27.6 m grading 351 g/t Sc**. These grades compare favourably with known Australian laterite scandium deposits which **grade between 260 to 410 g/t Sc**, some of which are advancing to pre-production.

In early 2019, Imperial completed a five-hole, 1,014 m diamond drilling program on the TGZ target. The drilling defined a wide mineralized zone measuring 500 m in strike and to a vertical depth of 200 m. Drilling returned impressive grades of **95.5 m of 314 g/t scandium oxide (Sc2O3), including 16.3 m grading 353 g/t Sc2O3 and 113.9 m of 310 Sc2O3, including 354 g/t Sc2O3 over 12.0 m**. The mineralized deposit remains open in all directions. In addition, channel sampling of exposed mineralized areas over the STG target returned lengths of **7.04 m grading 289 ppm Sc2O3 and 0.364% REE** adjacent to the magnetic high that defines the highest grade part of the target system, which is not currently exposed in outcrop.

Scandium and Rare Earth Markets

The broader adoption of scandium in the aluminum alloys sector has been constrained by the limited availability of scandium in western commercial markets from the primary supply sources in China and Russia. The lack of reliable long-term supply sources to provide material for additional applications has also limited scandium market growth. This has resulted in much higher prices

for Sc compared to competing alloy materials, such as titanium, and has limited its broader use. The current price of the metal oxide published by USGS indicates that it trades in a range of **approximately US$2,000-4,000/kg for 99.99% purity**.

Scandium acts as a grain-refiner and hardener of aluminum alloys. Aluminum-scandium alloys combine high strength, ductility, weldability, improved corrosion resistance and a lower density. The combination of all these properties makes aluminum-scandium alloys well-suited for the aerospace, automotive and defense industries. Scandium-modified aluminium alloys is highly valued as an important lightweighting material as it is one-third the weight of steel and is 60 % of the weight of titanium alloys.

Qualified Person

The technical content in this press release was reviewed and certified by Pierre Guay, P. Geo., Imperial's VP Exploration, a geologist and Qualified Person as defined under National Instrument 43-101.

ABOUT IMPERIAL MINING GROUP LTD.

Imperial is a Canadian mineral exploration and development company focussed on the advancement of its copper-zinc, gold and technology metals properties in Québec. Imperial is publicly listed on the TSX Venture Exchange as "IPG" and is led by an experienced team of mineral exploration and development professionals with a strong track record of mineral deposit discovery in numerous metal commodities.

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Photos accompanying this announcement are available at:

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