Largo Resources Provides Update to the Market

written by Raj Shah | October 11, 2018

October 11, 2018 (Source) – Largo Resources Ltd. ("Largo" or the "Company") (TSX: LGO) (OTCQX: LGORF) is pleased to provide the following corporate update.

In accordance with standard practice, INEMA published confirmation of the renewal of our operating license for the Maracas Menchen Mine (the "Licença de Operação" or "L.O.") on October 5, 2018. The renewed L.O. is valid for a period of 2 years and may then be further extended within 6 months of the L.O.'s new expiry date for an additional 2-5 years period.

In addition and as previously announced (see press release dated October 3, 2018), our Maracás Menchen Mine achieved a new quarterly production recording producing 2,563 tonnes of vanadium pentoxide ("**V2O5**") in Q3 2018 and Largo exited Q3 2018 with record overall V2O5 recovery rate averaging 82.2% in September. Total production in Q3 2018 was 6% above the plant's nameplate capacity and management expects production to continue at these levels for the remainder of the year.

Vanadium prices continue to surpass decade high averages with the latest European Metal Bulletin price range for V2O5 posted during the week of October 5, 2018 being US$22.25–$23.00/lb. As announced in February (see press release dated February 12, 2018), the enforcement of China's new rebar standard and the central government's special action to cut down "substandard steels" comes into effect next month which, in the Company's view, should add further pressure to the vanadium market.

Finally, Largo also wants to clarify that it is unaware of the

cause or reason for recent trading activity resulting in a decline in its share price earlier this week. Operations at the Maracás Menchen Mine are “business as usual” and we continue to produce strong results in-line with our operations to date.

About Largo Resources

Largo is a Toronto-based strategic mineral company focused on the production of vanadium flake, high purity vanadium flake and high purity vanadium powder at the Maracás Menchen Mine located in Bahia State, Brazil. The Company’s common shares are principally listed on the Toronto Stock Exchange under the symbol “LGO”. For more information on Largo, please visit our website at www.largoresources.com.

Forward-looking Statements

This press release contains forward-looking information under Canadian securities legislation. Forward-looking statements can be identified by the use of forward-looking terminology such as “plans”, “expects” or “does not expect”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates” or “does not anticipate”, or “believes”, or variations of such words and phrases or statements that certain actions, events or results “may”, “could”, “would”, “might” or “will be taken”, “occur” or “be achieved”. All information contained in this news release, other than statements of current and historical fact, is forward looking information. Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Largo to be materially different from those expressed or implied by such forward-looking statements, including but not limited to those risks described in the annual information form of Largo and in its public documents filed on SEDAR from time to time.

Forward-looking statements are based on the opinions and estimates of management as of the date such statements are made. Although management of Largo has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. Largo does not undertake to update any forward-looking statements, except in accordance with applicable securities laws. Readers should also review the risks and uncertainties sections of Largo's annual and interim MD&As.

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