Largo Resources Reports Second Quarter 2018 Production Results

written by Raj Shah | July 10, 2018
July 10, 2018 (Source) –

- Total production of 2,458 tonnes of V2O5 in Q2 2018, a 13% increase over Q2 2017 and a 11% increase over Q1 2018
- New average daily production record for June of 29.4 tonnes of V2O5 produced per day
- Overall V2O5 recovery rate of 79.2% achieved in Q2 2018

Largo Resources Ltd. ("Largo" or the "Company") (TSX: LGO) (OTCQX: LGORF) is pleased to report second quarter 2018 production results highlighting a new average daily production record of 29.4 tonnes of vanadium pentoxide ("**V2O5**") produced per day in June.

Total production from the Maracás Menchen Mine in the second quarter of 2018 was 2,458 tonnes of V2O5 representing a 13% increase over Q2 2017 and an 11% increase over Q1 2018. Overall V2O5 recovery rates for Q2 2018 averaged 79.2%, which represents an increase of 6.6% against Q2 2017, and an increase of 4.3% against Q1 2018. The Company is very pleased to report it has achieved a new daily average production record for the month of June with 29.4 tonnes of V2O5 produced per day. Total concentrate produced in Q2 2018 was 85,639 tonnes compared to 88,186 in Q2 2017 representing a decrease of 2.9%.

A summary of production results from the Maracás Menchen Mine is presented below:

Maracás Menchen Mine Production	Q2 2018	Q1 2018	Q2 2017
Overall V2O5 Recovery Rate (%V2O5)	79.2%	75.9%	74.3%
Concentrate produced (tonnes)	85,639	77,222	88,186
Grade of Concentrate (% V2O5)	3.37%	3.56%	3.28%
Contained V2O5 (tonnes)	2,889	2,747	2,893
V2O5 flake produced (tonnes)	2,458	2,214	2,183
V2O5 produced (equivalent pounds)[1]	5,418,956	4,881,029	4,812,685

1. Conversion of tonnes to pounds, 1 tonne = 2,204.62 pounds or lbs.

Mr. Smith, President and Chief Executive Officer of Largo, stated: “The Maracás Menchen Mine continued to provide solid production results for the second quarter of 2018 representing a sound improvement over Q1 2018. Although production during the month of May was slightly impacted as a result of Brazil’s country-wide truckers’ strike, our team was able to take advantage of the downtime to complete maintenance across the plant.”

Mr. Smith continued: “V2O5 prices continued to edge higher with the latest European Metal Bulletin price range posted during the week of July 6 being US$18.50–$19.00/lb, which puts us in a good starting position for the third quarter. Management continues to remain very optimistic for the year ahead as the Company begins the construction phase of the Maracás Menchen Mine expansion plan which will see capacity increase at the mine from a total of 800 tonnes produced per month of V2O5 to 1,000. We look forward to providing the market with updates as the expansion plan construction commences.”

Mr. Robert Campbell M.Sc, P.Geo is a Qualified Person as defined

under National Instrument 43-101 *Standards of Disclosure for Mineral Projects* and has reviewed the technical information in this press release.

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.

Cautionary Note:

Readers are cautioned that Metal Bulletin pricing should be considered only as indicative pricing for the global vanadium market, Metal Bulletin pricing does not directly reflect the price realized by the Company for a corresponding period.

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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