Largo Resources Secures Maracás Expansion Permit in Brazil

written by Raj Shah | November 2, 2018

November 2, 2018 (Source) – Largo Resources Ltd. ("Largo" or the "Company") (TSX: LGO) (OTCQX: LGORF) is pleased to announce that Instituto do Meio Ambiente e Recursos Hidricos ("**INEMA**") has published the Company's environmental license (the "**License**") for the Maracás Menchen Mine expansion project. As previously announced on April 16, 2018, Largo has commenced an expansion project that focuses on increasing the production capacity of the milling, fusion (deammoniator, furnace and flaking wheel), leaching and filtering areas. The expansion will see production capacity at the Maracás Menchen Mine increase 25% from the nameplate rate of approximately 800 tonnes per month of vanadium pentoxide ("**V2O5**") to 1,000 tonnes per month (the "**Expansion Project**").

The enhanced production rate at the Maracás Menchen Mine is expected to result in an additional 200 tonnes of V2O5 being produced per month from and after June 2019 and capital expenditures for the plan are anticipated to total approximately US$15.5 million using current exchange rates. Construction began at the beginning of June 2018 with an expected timetable for completion of approximately 12 months, including the required commissioning.

In accordance with standard practice, INEMA published confirmation of the License for the Expansion Project on October 26, 2018. The License is valid for a period of 2 years and may then be further extended in accordance with the Company's standard Operating License which was confirmed on October 5,

2018 (see press release dated October 11, 2018).

Mark Smith, Chief Executive Officer for Largo, stated: “Securing this permit was a key milestone in our expansion project and we now look forward to delivering a substantial increase in capacity on time and on budget. Demand for vanadium continues to increase worldwide and the supply side fundamentals continue to indicate a shortage of the commodity in the near-term. Largo continues to believe an elevated price environment for vanadium will persist and being one of the lowest cost producers of the metal, should continue to benefit greatly as a result.”

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.

Neither the Toronto Stock Exchange (nor its regulatory service provider) accepts responsibility for the adequacy or accuracy of this press release.