# New Age Metals Engages P&E Mining Consultants Inc to Complete Preliminary Economic Assessment (PEA) Study on its 100% Owned River Valley Platinum Group Metals (PGM) Project, Sudbury Ontario

written by Raj Shah | July 25, 2018
July 25, 2018 (Source) –

1. NAM's Platinum Group Metals (PGM) Division, more specifically our River Valley PGM Project in Sudbury, Ontario, is the largest undeveloped primary platinum group metal project in North America. Management has director approval to advance the project towards its first economic study, a Preliminary Economic Assessment (PEA).
2. NAM has engaged P&E Mining Consultants Inc of Toronto Ontario to lead the PEA study on the River Valley PGM Project.
3. The objectives of the PEA are to create a mine plan, mine schedule, a capital cost estimate, and an operating cost estimate incorporated into a financial model to provide total cash flow, after-tax net present value (NPV), and after tax internal rate of return (IRR).
4. NAM plans to initiate a 4th phase diamond drilling program (see page 2 for further details) on the newly discovered high-grade Pine Zone to contribute to early PEA work, performed by P&E Mining Consultants Inc and a second

international mining consultant group selected to assist on this study.

5. The completion of the PEA is scheduled to be completed on or before the end of the first half of 2019; Geotechnical, metallurgical, mineralogical, and cost estimation work is ongoing, all of which will assist in the completion of the PEA.
6. Our proposed Corporate Mandate is to build a series of open pits (bulk mining) over the 16 kilometres of mineralization. Initially, we will focus on the northern portion of the project and our proposed plan is to mine, crush, and concentrate on site, then ship the concentrates to Sudbury. The objective of NAM before the May 2018 NI 43-101 updated Mineral Resource Estimate was to increase the Mineral Resource in the northern portion of the project which has traditionally been higher grade (Dana North/Dana South/Lismer North) to over 1Moz of PGMs. The discovery of the new higher-grade Pine Zone has added considerably to this area. The new NI 43-101 accomplished this goal.

New Age Metals Inc. (TSX.V: NAM; OTCQB: NMTLF; FSE: P7J.F). Mr. Harry Barr Chairman/CEO stated: “We are pleased to announce that we have engaged P&E Mining Consultants Inc to lead the first economic study on our River Valley PGM Project. The study is meant to evaluate the Project and complete a PEA which will be a high-level engineering and financial study. The main conclusions of the study will include key financial parameters such as after-tax Net Present Value (NPV) and after-tax Internal Rate of Return (IRR) that will evaluate the projects economic viability. NAM directors, management and technical team as well as P&E’s management team are also looking to engage a second engineering company and contract them for specialized PEA assistance focusing on developing high level processing parameters, metallurgical, and mineralogical scenarios.”

**About P&E Mining Consultants Inc.**

P&E Mining Consultants Inc, was established in 2004 and provides geological and mine engineering consulting reports, Mineral Resource Estimate technical reports, Preliminary Economic Assessments and Pre-Feasibility Studies. P&E are affiliated with major Toronto based consulting firms for the purposes of joint venturing on Feasibility Studies. Their experience covers over 300 technical reports, including but not limited to Platinum Group Metals (Platinum, Palladium, Gold, Rhodium) and Base Metals projects including Copper, Nickel, and Cobalt.

P&E has extensive Canadian and International experience in geological interpretation, 3D geologic modeling, NI 43-101 Technical Report writing, Mineral Resource and Mineral Reserve Estimates, property evaluations, mine design, production scheduling, operating and capital cost estimates and metallurgical engineering. P&E Mining Consultants Inc operates under Certificates of Authorization from the provinces of Ontario, Newfoundland and Saskatchewan. Associates are also licenced in the provinces of British Columbia, Quebec, NWT/Nunavut and New Brunswick.

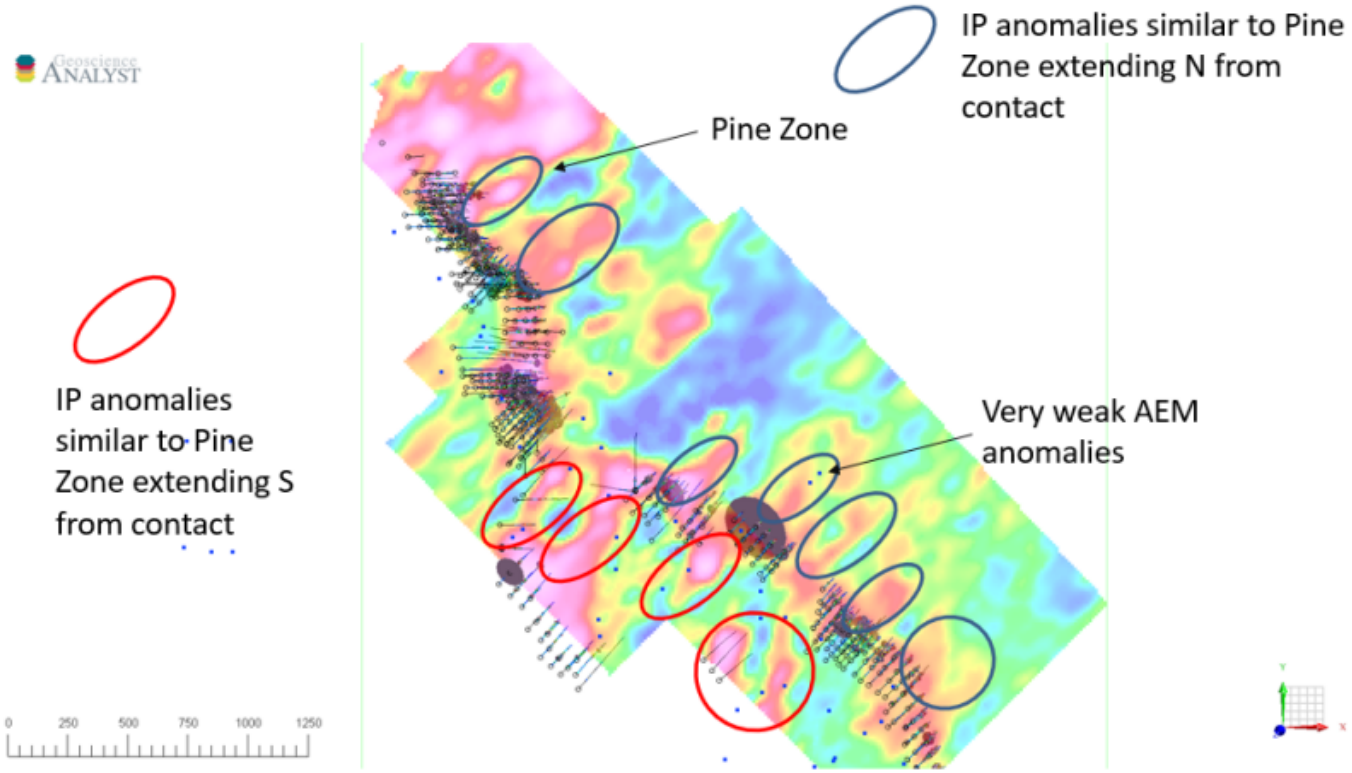
**2018 Drill Program Slated for Late Summer/Fall**

NAM plans to initiate a diamond drilling program on the newly discovered high-grade Pine Zone to contribute to early PEA work that will be performed by P&E. P&E will use all previous NI 43-101 compliant Mineral Resource data, the 2018 Abitibi Geophysical report, the reinterpretation of Abitibi Geophysical reports by Alan King, P.Geo our Sudbury Geophysical consultant as well as the 2018 Summer/Fall drilling Results to determine a target mine size for the potential starter open pits in the northern 16 kilometres of mineralization. From this target size, P&E will be able to generate early and advanced mine production

scenarios including a mine production schedule. The PEA is scheduled to be completed on or before the end of the first half of 2019.

**Additional Northern Portion Footwall PGM Targets**

(Pine Zone and other new drill targets)

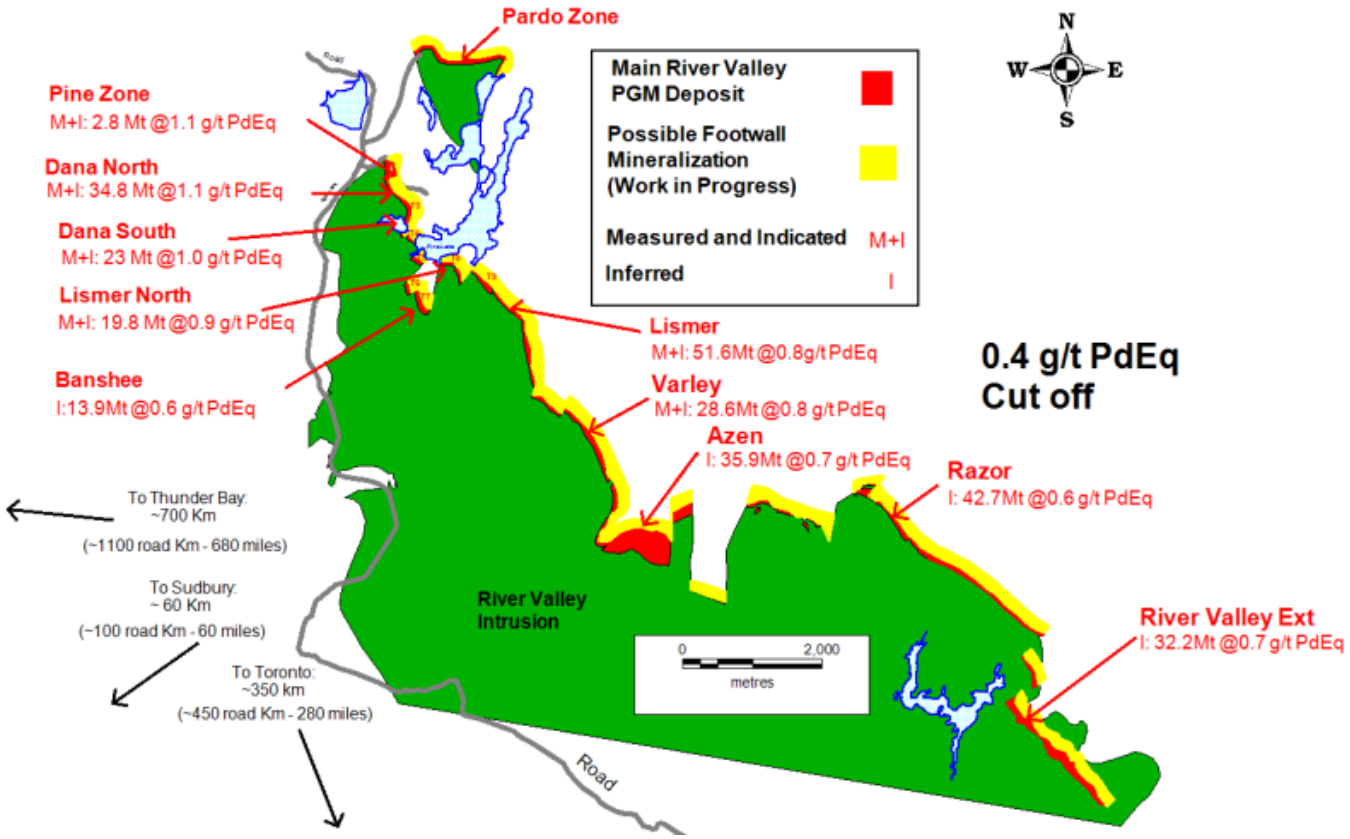



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Figure 1: Induced Polarization (IP) chargeability results which show potential drill targets from the 2018 Alan King Geophysical report on the northern portion of the project.

Pine Zone: the most advanced of 9 priority structural PGM targets based on geophysics in the northern portion of the River Valley deposit: open to the east along strike. Target T3: large overlapping geological & surface IP chargeability anomaly in footwall to Dana North Zone; possible down-dip continuation of

Pine Zone. Target T9: surface IP chargeability anomaly in footwall to Lismer Zone. Targets T4-T8: drill target modelling in progress. Plus, extensive IP chargeability anomaly in footwall to Banshee Zone and to the south at River Valley Extension (RVX)




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Figure 2: Zone map of the River Valley PGM Deposit: The Yellow Band in Figure 2 represents the footwall potential area of the River Valley Deposit. Over time NAM's technical team would like to complete an extensive geophysical program from the top of the 16 km in the most northern zones to its most southernly areas that now are known as the River Valley Extension. The objective of a 16 km program would be to outline other Pine Zone type deposits. The 2018 Abitibi geophysical program and Alan King's reinterpretation of that report have defined several new targets in the northern portion of the project. See Figure 1, page 3 of

this release for more related information.

**ABOUT NAM'S LITHIUM DIVISION**

The summer exploration plan has begun for the company's Lithium Division. NAM has 100% ownership of eight pegmatite hosted Lithium Projects in the Winnipeg River Pegmatite Field, located in SE Manitoba, with focus on Lithium bearing pegmatites. Three of the projects are drill ready. This Pegmatite Field hosts the world class Tanco Pegmatite that has been mined for Tantalum, Cesium and Spodumene (one of the primary Lithium minerals) in varying capacities, since 1969. NAM's Lithium Projects are strategically situated in this prolific Pegmatite Field. Presently, NAM is the largest mineral claim holder for Lithium and Rare Metal projects in the Winnipeg River Pegmatite Field.

Lithium Canada Development is a 100% owned subsidiary of New Age Metals (NAM) who presently has an agreement with Azincourt Energy Corporation (AAZ) whereby AAZ will now expend a minimum of $600,000 in 2018. In its initial earn in AAZ may earn up to 50%, of the eight Lithium projects that are 100% owned by NAM. AAZ's 50% exploration expenditure earn in is $2.950 million and should they continue with their option they must issue up to 1.75 million shares of AAZ to NAM. NAM has a 2% royalty on each of eight Lithium Projects in this large underdeveloped pegmatite field and receives a consulting fee as the field manager of the project. In early June (June 14th, 2018) the option/joint-venture has begun their field exploration program. On July 11th,2018, NAM announced that they had exercised their option to search for Lithium and Rare Earths on the CAT4 claim. For additional information on the NAM/AAZ option/joint-venture and recent acquisitions (see the news releases dated Jan 15, 2018, May 2, 2018, May 10, 2018, June 6, 2018, June 13, 2018, July 11, 2018) or go to the investors presentation on newagemetals.com.

**ABOUT NAM'S PGM DIVISION**

NAM's flagship project is its 100% owned River Valley PGM Project (NAM Website – River Valley Project) in the Sudbury Mining District of Northern Ontario (100 km east of Sudbury, Ontario). Presently the River Valley Project is North America's largest undeveloped primary PGM deposit with Measured + Indicated Mineral Resources of 160 million tonnes @ 0.44 g/t Palladium, 0.17 g/t Platinum, 0.03 g/t Gold, with a PdEq metal grade of 0.90 g/t at a cut-off grade of 0.4 g/t PdEq equating to 3,297,000 ounces PGM plus Gold and 4,626,000 PdEq Ounces (Table 1). This equates to 4,626,250 PdEq ounces M+I and 2,714,000 PdEq ounces in Inferred (see May 8th, 2018 press release). NAM is currently conducting Phase 4 of their proposed 2018 exploration and development program. The current program is based on recommendations of previous geophysical studies and reviews by the company's consultants, recent drilling, ongoing advanced metallurgical and minerology studies and selective pit design drill programs. The results of Phase 4 will assist in early PEA work being conducted by P&E Mining Consultants Inc and is meant to contribute towards the River Valley PEA. Mr. Michael Neumann, P.Eng., a veteran mining engineer and one of NAM's directors, will oversee the completion of the PEA.

On April 4th, 2018, NAM signed an agreement with one of Alaska's top geological consulting companies. The companies stated objective is to acquire additional PGM and Rare Metal projects in Alaska. On April 18th, 2018, NAM announced the right to purchase 100% of the Genesis PGM Project, NAM's first Alaskan PGM acquisition related to the April 4th agreement. The Genesis PGM Project is a road accessible, under explored, highly prospective, multi-prospect drill ready Palladium (Pd)- Platinum (Pt)- Nickel (Ni)- Copper (Cu) property. A comprehensive report on previous exploration and future phases of work is slated for completion by early August 2018 on Genesis. This report will be

completed by Avalon Development of Fairbanks Alaska.

After the Avalon report has been submitted to NAM, management will then actively seek an option/joint-venture partner for this road accessible PGM and Multiple Element Project using the Prospector Generator business model.

The results of the updated Mineral Resource Estimate for NAM's flagship River Valley PGM Project are tabulated in Table 1 below (0.4 g/t PdEq cut-off).

| Class | Tonnes ',000 | Pd (g/t) | Pt (g/t) | Rh (g/t) | Au (g/t) | Cu (%) | Ni (%) | Co (%) | PdEq (g/t) |
|---|---|---|---|---|---|---|---|---|---|
| Measured | 62,877.5 | 0.49 | 0.19 | 0.02 | 0.03 | 0.05 | 0.01 | 0.002 | 0.99 |
| Indicated | 97,855.2 | 0.40 | 0.16 | 0.02 | 0.03 | 0.05 | 0.01 | 0.002 | 0.83 |
| Meas +Ind | 160,732.7 | 0.44 | 0.17 | 0.02 | 0.03 | 0.05 | 0.01 | 0.002 | 0.90 |
| Inferred | 127,662.0 | 0.27 | 0.12 | 0.01 | 0.02 | 0.05 | 0.02 | 0.002 | 0.66 |

| Class | PGM + Au (oz) | PdEq (oz) | PtEq (oz) | AuEq (oz) |
|---|---|---|---|---|
| Measured | 1,440,200 | 1,999,600 | 1,999,600 | 1,136,900 |
| Indicated | 1,856,900 | 2,626,700 | 2,626,700 | 1,463,800 |
| Meas +Ind | 3,297,200 | 4,626,300 | 4,626,300 | 2,600,700 |
| Inferred | 1,578,400 | 2,713,900 | 2,713,900 | 1,323,800 |

Notes:

1. CIM definition standards were followed for the resource estimation.
2. The 2018 Mineral Resource models used Ordinary Kriging grade estimation within a three-dimensional block model with mineralized zones defined by wireframed solids.
3. A base cut-off grade of 0.4 g/t PdEq was used for reporting Mineral Resources.
4. Palladium Equivalent (PdEq) calculated using (US$): $1,000/oz Pd, $1,000/oz Pt, $1,350/oz Au, $1750/oz Rh,

$3.20/lb Cu, $5.50/lb Ni, $36/lb Co.

5. Numbers may not add exactly due to rounding.
6. Mineral Resources that are not Mineral Reserves do not have economic viability.
7. The Inferred Mineral Resource in this estimate has a lower level of confidence that that applied to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of the Inferred Mineral Resource could be upgraded to an Indicated Mineral Resource with continued exploration.

**QUALIFIED PERSON**

The contents contained herein that relate to Exploration Results or Mineral Resources is based on information compiled, reviewed or prepared by Carey Galeschuk, P.Geo., a consulting geoscientist for New Age Metals. Mr. Galeschuk is the Qualified Person as defined by National Instrument 43-101 and has reviewed and approved the technical content of this news release.

On behalf of the Board of Directors

“Harry Barr”

Harry G. Barr

Chairman and CEO

**ADDITIONAL INFORMATION**

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