Northern Graphite Announces Metallurgical Test Program

written by Raj Shah | October 30, 2018

October 29, 2018 (Source) – Northern Graphite Corporation **(TSXV: NGC) (OTCQX: NGPHF)** (the "Company") announces that SGS Canada Inc. ("SGS") has initiated a comprehensive metallurgical test program on ore from the Company's Bissett Creek project to confirm the results of previous studies which identified a number of promising opportunities to reduce capital and operating costs and further improve project economics. This work must now be brought up to the standards required in a full feasibility study. The metallurgical program is expected to take approximately 16 weeks and is part of a high-level review of project economics being undertaken by G Mining Services Inc. prior to updating the Company's feasibility study.

Gregory Bowes, CEO, commented that: "The Bissett Creek project already has solid economics at current prices because of a reasonable capital cost and production that will be almost entirely high value, large/XL/XXL flake concentrate." He added that: "Our strategy is to develop a project that has a realistic production level relative to the size of the market, focusses on high margin, low risk markets and provides a reliable, secure source of western supply for customers."

Test work previously carried out over the last year by SGS and/or BGRIMM, a premier Chinese institute in the field of mining and metallurgical technology, have identified a number of opportunities to potentially improve the economics of the Bissett Creek project. These include:

1. Grinding the ore fine enough in the SAG mill so that it

can be sent directly to flotation without having to go through regrinding and rougher flotation. This would result in the removal of a large ball mill and one flotation circuit from the flow sheet which will reduce capital costs by approximately CDN$5 million and also reduce operating costs.

2. Increasing the yield of large/XL/XXL flakes (+80/+50/+35 mesh) in the overall concentrate to 93 per cent (with 73 per cent being XL/XXL) which is believed to be the highest in the industry.
3. Increasing the average concentrate purity from 94.5 to 97 or 98 per cent through the addition of a small stirred media mill. This technology was not available at the time of the original feasibility study.
4. Removing a small sulphide regrind and cleaner circuit from the flow sheet saving both capital and operating costs. The process includes a sulphide flotation step which removes enough sulphides from the tailings to render 97 per cent of them non-acid generating. The resultant sulphide concentrate will now be sent directly to a special tailings facility without further processing.

The SGS test program will include standard comminution tests including SMC, ball mill grindability and abrasion testing, an assessment of single stage grinding, flotation and polishing grind optimization, and the evaluation of a stirred media mill versus a polishing mill. A number of locked cycle tests will be carried out to mimic continuous operation and the fully optimized conditions will be tested on nine variability composite samples. Over 120 drill holes were included in the composites to ensure good spatial representation throughout the deposit and representation from different periods during the mine life.

About Northern Graphite

Northern Graphite is a Canadian development company with a 100% interest in the Bissett Creek graphite deposit which is located in southern Canada, relatively close to all required infrastructure. The Company has completed a full FS, a PEA which includes a Phase 2 expansion, and has secured its major mining permit. The Bissett Creek Project has a relatively low initial capital cost, a high profit margin and low marketing risk resulting from its extremely good flake size distribution, and a realistic production level that can easily be expanded when market conditions warrant.

Qualified Person

Gregory Bowes, B.Sc. MBA, P. Geo., a Qualified Person as defined under National Instrument 43-101, has reviewed and is responsible for the technical information in this news release.

This news release contains certain "forward-looking statements" within the meaning of applicable Canadian securities laws. Forward-looking statements and forward-looking information are frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate", "potential", "possible" and other similar words, or statements that certain events or conditions "may", "will", "could", or "should" occur. Forward-looking statements in this release include statements regarding, among others; the FS, the PEA, graphite prices, project economics, permitting, the development timeline and the graphite market.

All such forward-looking statements are based on certain assumptions and analyses made by management in light of their experience and perception of historical trends, current conditions and expected future developments, as well as other factors management believe are appropriate in the circumstances. These statements, however, are subject to a variety of risks and

uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements including, but not limited to, unexpected changes in laws, rules or regulations, or their enforcement by applicable authorities; the failure of other parties to perform as agreed; social or labour unrest; changes in commodity prices; unexpected failure or inadequacy of infrastructure, the failure of exploration programs, including drilling programs, to deliver anticipated results and the failure of ongoing and contemplated studies to deliver anticipated results or results that would justify and support continued studies, development or operations. Readers are cautioned not to place undue reliance on forward-looking information or statements.

Although the forward-looking statements contained in this news release are based upon what management of the Company believes are reasonable assumptions, the Company cannot assure investors that actual results will be consistent with these forward-looking statements. These forward-looking statements are made as of the date of this news release and are expressly qualified in their entirety by this cautionary statement. Subject to applicable securities laws, the Company does not assume any obligation to update or revise the forward-looking statements contained herein to reflect events or circumstances occurring after the date of this news release.

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