

Northern Metallurgical Indicates Potential to Reduce Capital and Operating Costs

Graphite: Testing

written by Raj Shah | May 8, 2018



May 8, 2018 ([Source](#)) – Northern Graphite Corporation (**TSXV: NGC**) (**OTCQX: NGPHF**) (“Northern” or the “Company”) announces that ongoing metallurgical testing being carried out by SGS Lakefield (“SGS”) has identified a very promising

opportunity to simplify the process plant design and reduce capital and operating costs for the Bissett Creek Project. The test work is part of the Company’s planned update of its Feasibility Study (“FS”) and is subject to further evaluation, testing and cost/benefit analysis.

SGS evaluated a number of crushing and grinding options with the objective of creating a simpler, lower cost flow sheet that maximizes the recovery of high value, large and XL flake graphite and maintains concentrate purity levels, while sacrificing the recovery of some lower value, smaller flake material. The original flow sheet in the FS consisted of SAG milling, flash flotation, regrinding followed by rougher flotation, and then polishing and cleaning which lead to overall recoveries of up to 95 per cent. Testing to date indicates that SAG milling alone, followed by flotation, polishing and cleaning, can achieve recoveries of up to 90 per cent with almost no loss of large and XL flake production. This creates

the potential to remove a large regrind ball mill and the rougher flotation circuit from the process plant.

Ore from the Bissett Creek deposit is not “hard” compared to many conventional mining operations and it fractures easily along cleavage planes where the graphite flakes are located. As a result, the graphite is liberated relatively easily with a minimum of crushing and grinding and little degradation of the large and XL flakes. The Company intends to test the new approach on a number of samples from across the deposit to ensure results are consistent. While this testing program has delayed progress on the Company’s FS update, it could lead to a meaningful reduction in capital and operating costs.

Gregory Bowes, CEO commented that: “A significant competitive advantage of the Bissett Creek Project is that it has one of the simplest flow sheets in the industry which contributes to it also having among the lowest processing costs per tonne of ore. Recent test results have created the potential to improve project economics which are already attractive at current, relatively low graphite prices.”

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.

About Northern Graphite

Northern Graphite is a Canadian development company with a 100% interest in the Bissett Creek graphite deposit, which is located in southeastern Ontario and 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 environmental permit. The Company believes Bissett Creek has the

best attributes required of a new graphite project including low initial capital costs, a high profit margin and low marketing risk resulting from a very high percentage of large and XL flake and a realistic production level that can easily be expanded when market conditions warrant.

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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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