



Pure Minerals Limited

21 March 2019

ASX Announcement

QPM PROJECT UPDATE AND PROCUREMENT OF BULK SAMPLE

- Queensland Pacific Metals Pty Ltd (“QPM”) continues to advance its workflow program in accordance with an approved budget from Pure Minerals Limited (“PM1”)
- QPM has arranged for the procurement of a 100t bulk sample from its ore supply partners Société des Mines de la Tontouta and Société Minière Georges Montagnat S.A.R.L. which is critical for its feasibility work
- Directors of PM1 have unanimously recommended that shareholders support the Company exercising its option to acquire 100% of the issued capital of QPM
- Details of an Extraordinary General Meeting to vote on the exercise of the option are expected to be released in the near future

Pure Minerals Limited (ASX:PM1) (“PM1” or “the Company”) is pleased to provide the following update in relation to Queensland Pacific Metals Pty Ltd (“QPM”).

Procurement of Bulk Sample

QPM recently visited the New Caledonian operations of its ore supply partners Société des Mines de la Tontouta (“SMT”) and Société Minière Georges Montagnat S.A.R.L. (“SMGM”). The primary objective of the site visit was to arrange the procurement of a 100 wet metric tonne (wmt) bulk sample.

The bulk sample, which is critical for feasibility work on QPM’s planned 600ktpa Ni-Co processing plant in Townsville, will be transported to Perth for continuous processing in the existing CSIRO Mineral Resources (“CSIRO”) pilot plant.

The bulk sample will be procured from the two mines which have been initially designated as the source of ore supply for QPM. Approximately 80wmt of ore will be sourced from SMT’s Nakety mine and 20wmt of ore from SMGM’s Tontouta operations. The bulk sample will be packed into one tonne bulki bags and transported in shipping containers.

In addition, 11 smaller samples were sourced from Nakety, within the proposed bulk sample area. QPM plans to perform bench scale test work on these samples to confirm grade and test leach extraction.



Figure 1: Proposed bulk sample location at Nakety Mine



Figure 2: Visible mineralisation at Nakety mine

Processing of Bulk Sample in Pilot Plant

The CSIRO pilot plant in Perth utilises the DNi Process™ developed by Direct Nickel Projects Pty Ltd (“Direct Nickel”) and operates at a rate of 1 dry tonne per day. The 100wmt bulk sample will allow QPM to operate the pilot plant for three 21 day campaigns. Each campaign will aim to achieve steady-state operation for up to 14 days continuous runtime. QPM, Direct Nickel and CSIRO are working together to reconfigure the pilot plant so that it is optimised for processing the New Caledonian ore feed.

The operation of this pilot plant is critical to QPM for a number of reasons. Firstly, it will provide QPM with essential data that will allow it to finalise the process design criteria of its processing plant. Secondly, the bulk sample is expected to yield approximately four tonnes of nickel sulphate and 0.5 tonnes of cobalt sulphate. This will provide QPM with more than enough final product to test purification steps to meet battery manufacturer standards and more importantly, provide QPM with actual product samples to send to potential customers in the battery sector.



Figure 3: CSIRO DNi Process™ Pilot Plant

Pre-Feasibility Study

QPM has commenced activities in relation to the Pre-Feasibility Study (“PFS”) on the proposed project. The scope of the PFS will be to assess the viability of a 600,000wmt/tpa battery materials refinery located in Townsville that will produce approximately 25,000tpa of nickel sulphate, 3000tpa of cobalt sulphate and other valuable co-products.

The PFS will be coordinated by QPM, with assistance from lead consultant Boyd Willis Hydromet Consulting (“BWHC”), which undertook the review of capital and operating costs in the Scoping Study (see ASX announcement 21 January 2019).

QPM has met with a number of well-respected engineering companies and the project has been met with great enthusiasm. QPM and BWHC have prepared a comprehensive Request for Quotation (RFQ) in relation to the scope of the PFS. The RFQ has been issued to these engineering companies and the tender process has commenced.

QPM Managing Director John Downie commented,

“We are pleased at the progress we have made in a short period of time from when PM1 notified of its intention to exercise its option to acquire QPM. The funding provided by PM1 has been instrumental in ensuring QPM remains on track with its progress towards becoming a producer of battery materials for the EV sector.”

Further information:

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