

# Largo Resources Ltd

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## Largo celebrates month of March at Maracas Menchen mine due to significant progress

After announcing that it reached a new production record at its flagship mine earlier this week, Largo Resources (CVE:LGO) said it also celebrated the delivery of 2,000 tonnes of material under its offtake agreement since shipments started from the mine last September.

The company, which is ramping up production at its Maracas Menchen vanadium mine in Brazil, said production rates and recoveries at the project increased significantly in March, including at the leaching system.

Several new records were achieved last month, including a new all-time high for production in a single day of 21 tonnes, or approximately 81 percent of design capacity.

Recovery rates at the milling, kiln, and leaching systems have each met and surpassed design targets over several days in March, Largo said, and daily production rates were at or above 19 tonnes for a total of 14 days.

"We are extremely pleased with the recent stability we have achieved at the project," said chief operating officer Michael Mutchler.

"We are still in the ramp-up period, and as such, there is still more work to do to achieve capacity and design rates on a stabilized basis, but the significant improvement in performance this month has provided an excellent foundation to continue to grow production and consistency."

The mine started production last August, and encountered some early hiccups during the first few months, leading to a slower than expected start. But Largo is still aiming to develop its mine to phase 1 capacity by the third quarter.

The Toronto-based miner is expecting 2015 production to come in at 17 million pounds of vanadium pentoxide, at a cost of US\$4.15 per pound, although costs are expected to drop to US\$3.21 per pound by the end of this year.

Looking out to 2016, the company also has the option to complete a \$32 million expansion, which would raise capacity by some 50 percent and make Maracás the largest and lowest cost vanadium mine in production.

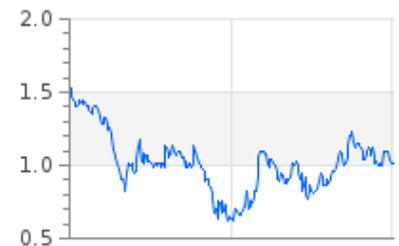
Largo received last week an additional C\$3 million from Arias Resource Capital Management under a C\$12 million convertible bridge loan, for a total of C\$6 million collected so far. The funds are part of the vanadium miner's efforts to restructure its debt and raise more capital, after identifying additional capital expenses to be made this year, including the improvement of recoveries at its leaching system.

The company has made a series of important moves lately, including the appointment of new chief executive officer Mark A. Smith --- who is the former CEO of MolyCorp and the current executive chairman of NioCorp --- to lead Largo into a new phase of growth.

**Price:** 1.01

**Market Cap:** \$569.42 m

### 1 Year Share Price Graph



September 2019 March 2020 September 2020

### Share Information

**Code:** LGO

**Listing:** TSX

<b>52 week</b>	<b>High</b>	<b>Low</b>
	1.58	0.56

**Sector:** Mining

**Website:** [www.largoresources.com](http://www.largoresources.com)

### Company Synopsis:

Largo Resources 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".

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