

Pure Minerals Ltd

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Pure Minerals subsidiary aims for Q4 start of pilot plant operations at TECH project

Pure Minerals Ltd's (ASX:PM1) wholly owned subsidiary Queensland Pacific Metals Pty Ltd (QPM) has formulated an operating strategy for pilot plant trials for its TECH Project, which includes plant start-up in the December quarter of 2020.

Stage one pilot plant operations are set to commence in quarter four 2020 with nickel-cobalt mixed hydroxide precipitate (MHP) and other intermediate products (aluminium hydroxide and saleable haematite) being produced before the end of the calendar year.

Stage two piloting will refine these products into battery chemicals nickel sulphate, cobalt sulphate and 4N high purity alumina (HPA) and is scheduled to take place early in the new year.

The pilot operations will be combined with the support of the ALS Global Hydrometallurgy Centre of Excellence and CSIRO Minerals.

"Clear path for piloting"

Chief executive officer Stephen Grocott said: "Good progress has been made both with respect to technical advancement of the project and discussions with potential offtakers.

"I am very pleased that we have a clear path forward for the piloting and am especially delighted with the involvement of both ALS Global and the CSIRO, two outstanding organisations with which I have worked extensively."

Stage one pilot plant

QPM had planned to use the existing DNi pilot plant owned by the CSIRO for stage one, which included making beneficial flowsheet modifications (established in the PFS) and the refurbishment of a number of areas of the existing pilot plant was also required.

The design and costing of the CSIRO pilot plant modifications was delayed due to COVID-19 restrictions, however, once complete, QPM ran a tender process for the various work streams.

The results showed that, both from a cost and schedule perspective, that the newly established ALS Global Hydrometallurgy Centre of Excellence was the best location for the stage one piloting.

To maximise continuity, CSIRO experts who were directly involved with the DNi prior pilot plant operations will be embedded in the team working directly with ALS Global.

Works have commenced and the bulk ore sample has been prepared, ready for processing in the October-December quarter.

Price: 0.042

Market Cap: \$38.74 m

1 Year Share Price Graph



Share Information

Code: PM1

Listing: ASX

52 week High Low
0.053 0.008

Sector: General mining & base metals

Website: www.pureminerals.com.au

Company Synopsis:

Pure Minerals Ltd (ASX:PM1), through its wholly owned subsidiary Queensland Pacific Metals Pty Ltd (QPM), is focused on developing a modern battery metals refinery in northern Queensland. The refinery, dubbed the Townsville Energy Chemicals Hub or TECH, will process imported, high grade Ni-Co laterite ore from New Caledonia to produce nickel sulphate, cobalt sulphate and other valuable co-products.

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Stage two laboratory

The products from the piloting will be transferred to CSIRO for the stage two laboratory and piloting works.

With stage one works underway, preparation of the stage two refining steps will also commence at CSIRO so that the production of high purity, lithium-ion battery grade nickel sulphate and cobalt sulphate can take place using the MHP produced in stage one.

Offtake discussions progress

The first samples of nickel-cobalt mixed hydroxide precipitate (MHP) will be provided to potential offtakers during quarter four, with nickel sulphate and cobalt sulphate samples to be provided shortly afterwards.

Grocott said: "Prior to joining Pure Minerals, I was a believer in the fundamentals driving the anticipated demand growth for battery chemicals.

"Our recent discussions with potential offtakers and investors have increased this view.

"I am pleased that the TECH Project and DN_i technology can form part of the new nickel supply required to meet this demand."

Demand for nickel sulphate

As part of the PFS, the nickel sulphate to be produced by the TECH Project will contain around 5,900 tonnes of nickel metal and multiple parties have expressed a desire for nickel quantities which well-exceed this amount.

They have asked QPM to evaluate the ability to increase the scale of the TECH Project to meet this demand (the ore supply agreement enables a doubling of TECH without agreement renegotiation).

All parties also wish to receive samples of product from pilot plant trials and have reinforced to QPM the attractiveness of the TECH project and the anticipated demand growth for nickel sulphate and class one nickel.

These products are required to manufacture battery precursor chemicals to meet the expected growth in battery manufacturing and the electric vehicle sector.

Bankable feasibility study

The results of piloting will feed directly into a bankable feasibility study (BFS), however, QPM will first look to lock down the scale of the TECH project.

Whilst the project is easily scalable, QPM is also aware that capex and ability to obtain project funding must be considered and will continue to advance discussions with various parties with the view of securing offtakers and project partnerships or investment.

The company will provide an updated timetable for the project once this decision has been made.

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