

Largo Announces Agreement to Qualify, Produce and Sell Vanadium Powder & Provides Operational and Vanadium Market Update

✘ March 5, 2018 (Source) – Largo Resources Ltd. (“Largo” or the “Company”) is very pleased to announce that it intends to qualify, produce and sell vanadium pentoxide powder (“V205 powder”) via Glencore International AG, the existing exclusive off taker of all vanadium products currently produced from the Maracás Menchen Mine.

Largo will begin production of V205 powder to supplement its current vanadium pentoxide (“V205”) fused flake production during Q1 2018. V205 powder is required for critical chemical and catalyst applications. Largo is currently being qualified by major chemical and catalyst producers in Europe, North America and Asia.

Mark Smith, President and Chief Executive Officer for Largo, stated: “Adding V205 powder production capability allows Largo to service another lucrative market segment in addition to the ferro-vanadium, vanadium master alloys and vanadium chemical (flake) sectors already being served. The inherent high purity of our vanadium enables Largo to effectively expand its production capabilities to include V205 powder.”

Largo’s V205 has been qualified or is being qualified at every producer of vanadium master alloys supplying the Western titanium industry and is currently supplying this market with significant quantities of V205 each month. Largo’s V205 has also been qualified for use by vanadium redox flow battery

developers and electrolyte producers in North America, Europe and China.

Production at the Maracás Menchen Mine totalled 706 tonnes of V2O5 for the month of January and 645 tonnes of V2O5 for the month of February. Lower production during January and February was attributable to temporary maintenance performed on the cooler refractory system, which has now been completed. Production will return to nameplate capacity of ~800 tonnes of V2O5 per month from March onwards, except for July, when the Company is planning a 7-day shutdown to replace the refractory in the cooler and kiln.

The London Metal Bulletin price for V2O5 as at March 2, 2018 was trading in the range of US\$14.00 to US\$14.50 per pound of V2O5. This level increased from the December 31, 2017 price range of US\$9.60 to US\$9.90 per pound of V2O5.

About Largo

Largo Resources Ltd. is a strategic mineral company focused on the production of vanadium pentoxide at its Vanadio de Maracás Menchen Mine. Vanadium is primarily used as an alloy to strengthen steel and reduce its weight. Vanadium enhanced steels are used in a vast and growing range of products that are used and encountered every day; including, rebar, automobiles, transport infrastructure etc. As trends in the steel industry now demand increasingly stronger and lighter products for advanced applications, the use of vanadium is expected to grow over the medium and long term. Largo also has interests in a portfolio of other projects, including: a 100% interest in the Currais Novos Tungsten Tailings Project in Brazil; a 100% interest in the Campo Alegre de Lourdes Iron-Vanadium Project in Brazil; and a 100% interest in the Northern Dancer Tungsten-Molybdenum property in the Yukon Territory, Canada. For more information, please visit www.largoresources.com.

Disclaimer:

This press release contains forward-looking information under Canadian securities legislation. Forward-looking information includes, but is not limited to, statements with respect to completion of any financings; Largo's development potential and timetable of its operating, development and exploration assets; Largo's ability to raise additional funds necessary; the future price of vanadium, tungsten and molybdenum; the estimation of mineral reserves and mineral resources; conclusions of economic evaluation; the realization of mineral reserve estimates; the timing and amount of estimated future production, development and exploration; costs of future activities; capital and operating expenditures; success of exploration activities; mining or processing issues; currency exchange rates; government regulation of mining operations; and environmental risks. Generally, forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". All information contained in this news release, other than statements of current and historical fact, is forward looking information. Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Largo to be materially different from those expressed or implied by such forward-looking statements, including but not limited to those risks described in the annual information form of Largo and in its public documents filed on SEDAR from time to time.

Forward-looking statements are based on the opinions and estimates of management as of the date such statements are

made. Although management of Largo has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. Largo does not undertake to update any forward-looking statements, except in accordance with applicable securities laws. Readers should also review the risks and uncertainties sections of Largo's annual and interim MD&As.

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