

Largo Successfully Extends Debt Facilities After Record-Breaking December

Respected Vanadium producer, Largo Resources Ltd. (TSX: LGO | OTCQB: LGORF) (“Largo”), smashed its own production record in December, just before having to raise a minimum of C\$15m of working capital as part of an agreement with lenders to continue debt facilities into the new year. The breathing space created by bumping principal and interest payments for one more orbit will allow Largo to focus on increasing production throughout 2017.

Mark Smith, President and Chief Executive Officer for Largo, stated:

“We sincerely appreciate the support of both our new and existing shareholders who participated in this private placement. This continued support from our various stakeholders has been the foundation on which we have been building our success and taking advantage of our world-class vanadium resource.”

He further stated:

“Management is excited about the Company’s prospects in 2017, as the full ramp up of production, lower unit production costs and industry-leading product quality at the Maracás Menchen Mine simultaneously combine with the significant improvement in the global vanadium market.”

The January deals resulted in gross aggregate proceeds to the company of C\$16,083,053.55 from the sale of 35,740,119 Units. The proceeds will be used for the aforementioned working capital requirements at the company’s Maracás Menchen Mine, and for the day-to-day running of the world’s premier vanadium

operation.

December saw the new monthly production record set at Maracás, when 828 tonnes of vanadium pentoxide came off line, surpassing the previous record by 22 tonnes. In addition to a new monthly record, December played host to both weekly and daily production records of 219 and 39 tonnes, respectively.

“Largo’s sustained focus on achieving consistent production at or above nameplate capacity at the Maracás Menchen Mine continues to result in steady and record breaking production. Largo’s ongoing and successful production track record, coupled with Largo’s ability to produce Vanadium at low cost demonstrates Largo’s emergence as a key player in the Vanadium industry” said Largo’s President and Chief Executive Officer, Mr. Mark A. Smith.

Vanadium is currently primarily used as an alloy to strengthen steel and reduce its weight, but it has many more promising roles to play in the near future. Given that there are still no operating primary vanadium mines in North America, and only a handful of vanadium deposits, Largo represents the only realistic vanadium option for anyone betting on a boom; as a fully established and producing operation, their position is easily envied.

Vanadium enhanced steels are found in a vast and growing range of products that are in constant use; including rebar, automobiles, transport infrastructure and increasingly in battery technologies. As trends in the steel industry now demand stronger and lighter products than ever before for advanced applications, the growing demand for vanadium is not expected to slow anytime soon.

Largo may be focused on the production of vanadium pentoxide at its Vanadio de Maracás Menchen Mine in Brazil, but it 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.

Largo Resources Ltd. closed the week at C\$0.51, up substantially from C\$0.46 on the 12th of January.