Neometals to demerge their vanadium asset for another shareholder win

This year’s big story as we head towards Christmas has to be vanadium. Vanadium pentoxide has been trading near a 13 year high (currently at ~$US 31/lb) on the back of new safety standards in China, that mandates a higher proportion of the metal in the production of rebar-steel used in construction. This high strength metal is increasingly used in the aviation industry and has a growing market in vanadium flow batteries that store renewable energy. As a result of skyrocketing vanadium metal prices many companies are now looking at the metal with a new focus.

Neometals Ltd. (ASX: NMT), an industrial minerals project developer, has recently announced the formal commencement of an update to their 2009 Definitive Feasibility Study for their 100% owned Barrambie Vanadium-Titanium-Magnetite project in Western Australia. The Barrambie project is one of the world’s largest and highest grade hardrock titanium-vanadium deposits. Barrambie sits on a granted mining lease with full native title agreements in place and historic approval for an open-cut mine and processing plant. It hosts a 280 million tonne resource at 9.18% titanium and 0.44% vanadium.

Neometals to demerge their Barrambie vanadium asset

On the back of surging prices for vanadium, Neometals looks to re-focus their Barrambie asset into a new company separate from their lithium business. Neometals shareholders will receive shares in the new entity via an in-specie distribution. The demerger is expected to be completed in the March 2019 quarter, subject to approvals and consents.

Neometal's Managing Director Chris Reed said: "Barrambie has played second fiddle in recent years to our lithium endeavors, however it is to our knowledge, the most advanced, undeveloped green-fields vanadium project globally. Our extensive historical exploration and evaluation works will enable us to fast-track an updated Definitive Feasibility Study."

Neometals is looking at a staged development, starting with the direct shipping of ore being sold to processors in China, to be followed up by an onsite concentration and refining operation. Neometals will move quickly while prices are strong

and demand is high for the supply of quality feedstock.

Neometals lithium spodumene business at Mt Marion is doing well

On November 15 2018 Neometals Ltd and its partners revealed excellent sale prices for their 6% spodumene concentrate from their 13.8% owned Mt Marion Lithium Project in Western Australia.

The 6% spodumene concentrate prices for the two quarters post July 1, 2018 have been agreed as follows:

- For shipments departing July 1, 2018 to September 30, 2018: US$1,070.85 per dry metric tonne; and
- For shipments departing October 1, 2018 to December 31, 2018: US$930.80 per dry metric tonne

Neometals continues to offer investment opportunities in lithium mining and processing (lithium hydroxide plant in planning), lithium-ion battery recycling (in planning and focus on cobalt), and proprietary technologies that assist downstream integration.

Neometals is carving their own niche in the massively expanding battery sector, with an integrated lithium battery chain and the soon to be de-merged Barrambie Titanium-Vanadium Project, which is expected to be listed in Q1 2019 on the ASX. Neometals offers so much in the battery metals market that investors can potentially prosper from current or near term lithium, cobalt (recycling), vanadium and titanium projects.

Based in Perth and hailing from the land down under Neometals has enormous potential for only a small market cap of AU$ 125 m.

United Battery Metals on racing to be the first to vanadium production in NA

Vanadium has multiple uses in today’s modern world from being used in vanadium re-dox flow batteries (VRFB), car charging stations, nuclear power plants and in steel manufacturing. One of the most important industrial uses of vanadium is in the hardening of steel alloys. Vanadium is one of the 35 minerals deemed critical to the US national security and economy.

Vanadium hardened steel tools

United Battery Metals Corp. (CSE: UBM) is a vanadium and uranium exploration company that strives to be the first vanadium producer in North America. The Company's flagship project is the Wray Mesa property located in Montrose County, Colorado, USA.

The Wray Mesa Project

The Mesa Project is an exploration stage uranium-vanadium property located about 380 km from the state capital of Denver. The property consists of over 40 contiguous mining claims for a total size of about 800 acres. The claims are located on land where both the surface and mineral ownership is held by the Bureau of Land Management (BLM), part of the US Department of Interior. Resource estimation software was used to model the mineralization detected in a number of the 715 historical and 24 recent drill holes within the project area.

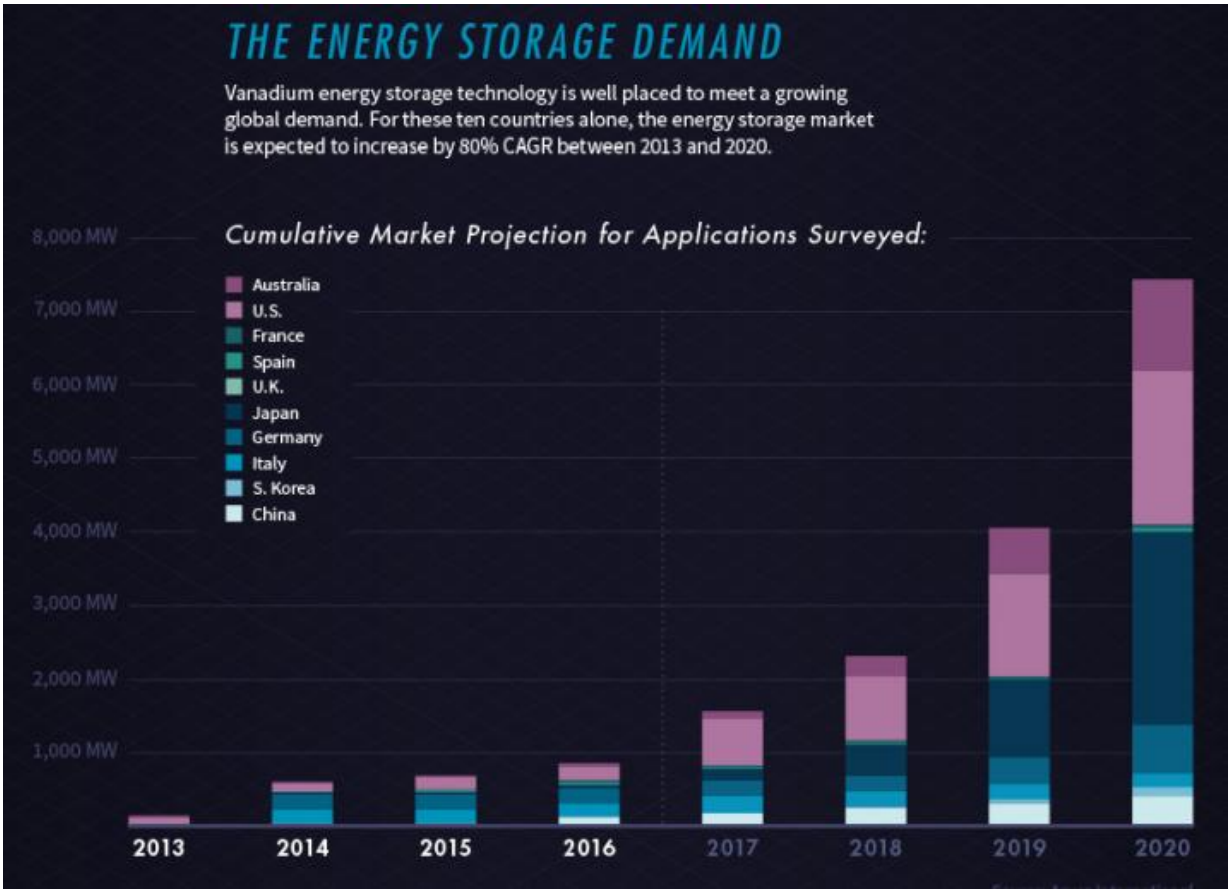
The results of the model run indicate a resource of approximately 85,500 short tons at an average grade of 0.16% U3O8 for a total of 271,000 pounds of contained uranium. Inferred resources total 57,400 short tons at an average grade of 0.15% U3O8 for a total of about 169,000 pounds of contained

uranium. The vanadium resource for two historic mineralization areas is based on a conservative vanadium:uranium ratio of 6:1 and would be guided towards 1,626,000 (0.95% avg. grade) and 1,014,000 (0.88% avg. grade) pounds respectively.

Based on historical records, the project appears to have very good to excellent potential to host in excess of 500,000 pounds of uranium-vanadium resources with characteristics suitable for underground mining.

Soaring Vanadium prices

Vanadium prices have soared in the past year, outperforming better-known battery components like cobalt, lithium and nickel as vanadium has been in high demand due to Chinese rebar rule changes and VRFBs. Vanadium flow batteries are non-flammable, compact, and fully containerizable. They are reusable over semi-infinite cycles, discharge 100% of the stored energy, and do not degrade for more than 20 years. Vanadium batteries could start dominating the utility energy storage sector due to their proven reliability and longer battery life. What is driving prices is the tightening supply and strong orders from the steel industry, and the increase in demand for vanadium redox flow batteries.



Vanadium can also be used for treating pre-diabetes and diabetes, low blood sugar, high cholesterol, heart disease, tuberculosis, syphilis, a form of anemia, and water retention (edema). It can improve athletic performance in weight training and in some cases for preventing cancer. There is some evidence that vanadium might act like insulin, or help to increase the effects of insulin.

There is a huge scope for what this miracle metal can do and where it will influence the globes future needs. Vanadium used to be about steel hardening and it still; however with the population needing so much energy storage the future is going to be about batteries. United Battery Metals have a resource in Colorado that the world is going to need.

United Battery Metals Corp. has a market cap of C$20.5m.