



ASX Announcement
ASX: PRL
27 May 2022

Skåne Vanadium Project Update

Province Resources is pleased to update shareholders on the progress of metallurgical testwork on samples from the Skåne Vanadium Project, located in southern Sweden. Skåne hosts an Indicated and Inferred Mineral Resource of 116.9 million tonnes at 0.39% V₂O₅ (61.8Mt at 0.39% V₂O₅ in the Indicated category and 55.0Mt at 0.39% V₂O₅ in the Inferred category) at the Hörby Target (refer ASX Announcement 18 December 2019).

As contemplated in the ASX Announcement of 9 December 2021, Grinding Solutions has carried out FEG SEM analysis aimed at determining the deportment of vanadium within the shale-hosted mineralisation and trialled different methods to maximise the extraction of the vanadium into solution.

SEM analysis has revealed that the vanadium is mostly contained within muscovite, with the only other host being rutile (which is only present in trace amounts). The % vanadium within the muscovite is not consistent. As a result separation of the muscovite alone will not result in a vanadium-bearing concentrate suitable for refining and further processing steps are required.

Grinding Solutions trialled flotation as a means of concentrating the vanadium bearing minerals but were unsuccessful in upgrading the vanadium content into concentrate. Previous testwork (refer ASX Announcement 11 February 2021) trialled pressure oxygenation leaching as a concentration method without success. The conclusion is that there is currently no viable process option available for the Skane mineralisation.

Given these findings the Company will defer the techno-economic study referred to in the ASX Announcement of 9 December 2021. The Company will look to carry out further testwork on the Skåne samples however it is likely it will have to seek new and innovative processing options which may assist in unlocking the potential of the project.

In addition, Province is pleased to advise that it has received the ruling of The Land and Environment Court of Appeal at Växjö District Court, and that the Court has rejected appeals against the Company's approval to conduct its proposed ten-hole drilling programme at the Tomelilla Target in the Skåne Vanadium Project.

The proposed programme comprises 10 holes in an area where historic drilling reported grades at Fågeltofta-2 (9.7m @ 0.61% V₂O₅) and Gislövshammar-2 (9.2m @ 0.67% V₂O₅) and from surface sampling at Flagabro Creek (~10m @ 0.61% V₂O₅). The programme is designed to test these higher grade areas for mineralisation and the Company hopes to replicate historical results which have been consistent throughout the formation.

Compliance Statement

The information in this document that relates to the estimation and reporting of the Mineral Resource is extracted from the report entitled "Maiden JORC Mineral Resource at Skåne" announced at ASX on 18 December 2019. The Company confirms that it is not aware of any new information or data that materially affects the information included in the above-mentioned announcement and that all material assumptions and technical parameters underpinning the estimates in the announcement continue to apply and have not materially changed.

The information in this release that relates to Metallurgical Results and their Interpretation is based on information compiled by James Gaydon, Chief Metallurgist at Grinding Solutions Ltd, consultants to the Company. Mr Gaydon is a Professional Member of the Institute of Materials, Minerals & Mining (a Registered Overseas Professional Organisation under the ASX Listing Rules) and has sufficient experience which is relevant to the test work completed, the style of mineralisation and the type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Gaydon consents to the inclusion in the release of the matters based on this information in the form and context in which it appears.

This announcement has been approved by the Board.

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