

Bluejay Mining plc / EPIC: JAY / Market: AIM / Sector: Mining
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**Bluejay Mining plc ('Bluejay' or the 'Company')
Resource Upgrade for World's Highest-Grade Ilmenite
Project**

Bluejay Mining plc, the AIM and FSE listed company with projects in Greenland and Finland, is pleased to report an updated Mineral Resource Statement for the Dundas Ilmenite Project ('Dundas' or 'the Project') in Greenland, the world's highest-grade mineral sands ilmenite project, as it prepares for the submission of its exploitation licence application in 2019.

Highlights

- New updated JORC Compliant Mineral Resource of **101 million tonnes at 7.1% ilmenite (in-situ)**. (Table 1)
- New resource includes higher grade portions at various cut off grades of:
 - o **31.2 million tonnes at 10.7% Ilmenite in-situ (using a 3.5% cut-off)**
 - o **16 million tonnes at 12.9% ilmenite in-situ (using a 4.5% cut-off)**
- Importantly, in-situ slimes content is now estimated to be lower at 4.4% (from 4.8%) which will benefit the operation from a mineral processing standpoint
- This new update statement only reflects the Moriusaq area and excludes any maiden resource areas or updates to the resources in the Iterlak and Iterlak East areas which are expected to be released in Q1 2019
- The increase in both grade and tonnes comes in part as a result of optimisation work announced in April 2018 and carried out during the 2018 field season to quantify the impact and apply corrections associated with the influence that sonic drilling had on the particle size distribution of the resulting samples
- The updated mineral resource model will replace the 2018 resource model that was being used in the PFS and is expected to add positively to project economics
- Optimised Pre-Feasibility Study ('PFS') continues and is

on track for completion Q1 2019

- Opportunity to increase the plant feed grade by up to 30% via a simple oversize separation step prior to processing, further enhancing run of mine (ROM) grade and project economics
- Results clearly indicate the strong possibility of a large and long-life operation with obvious expansion potential
- Importantly, the mineralisation also contains no detectable concentrations of radionuclides

Bluejay CEO Roderick McIlree said: *"We are delighted with this resource upgrade, which importantly only applies to a fraction of the licence area and represents another major step forward in the assessment of Dundas. Furthermore, we expect that the Iterlak and Iterlak East resource updates, when released, will add significant additional tonnage and reinforce Dundas' place amongst the major global high-grade ilmenite deposits and clearly demonstrates a multi-decade operation is possible.*

"Importantly, we anticipate that the natural advantages of a homogenous material, high-grade indicated resource and coarse grained nature of the deposit will also help the Project economics in the long term. Coupled with the fact that this material is now recognised by industry players as being suitable for sulphate pigment, sulphate slag and chloride slag production, means we are very well placed in the market.

"We continue to progress permitting and the optimised pre-feasibility and expect to be in a position to update shareholders shortly on both aspects. Alongside this, the team has been working hard with our other consulting partners (Wood plc, IHC Robbins, Royal IHC and study managers Quedtech ltd, Keypointe ltd and SRK) in developing our mine and operational plan.

"As part of evaluating the commercial realities of viable long-term ilmenite production, we have identified a simple and low-cost processing route leveraging off natural characteristics such as the ability to remove ~30% of the oversize material prior to processing (thereby improving the feed grades by up to 30% also). We will now look to optimise the mine plan and schedule such that the operation starts on the highest-grade material, a situation that we should be able to maintain for many years.

"These are exciting times and the Company will be updating

shareholders regarding all other activities in due course."

Background for updated resources:

An initial auger exploration drilling programme was completed by the Company on raised beaches in the Moriusaq area in summer 2016. Only the uppermost part of the deposit was drilled in this programme. These results were used for the first Mineral Resource Estimate ("MRE") which was certified by SRK Exploration Services Ltd ("SRK") and published in 2017. The same area (and beyond) was subsequently drilled using a sonic drill rig in 2017, with the aim to sample through the full thickness of the raised beach sediments in order to define the complete resource at Moriusaq.

During the sonic drill programme in 2017 the Company observed that the drill core was often encased in a thin rind of fine silt/clay. The same material was also found on the outside of the core barrel. The rind could be scraped back to reveal coarser sediments that were more typical of what was expected based on other field observations of the raised beaches and indicated that sonic drilling may be causing some alteration of the particle size distribution ("PSD") in the samples.

While a correction was made to the sonic drilling PSD (and also therefore the ilmenite content) to reflect the above observation for input to SRK's second resource estimate released in April 2018 this was undertaken in a conservative manner that has now been corrected. During the 2018 field season additional samples adjacent to the 2017 sonic holes were taken using a method that produces samples as close as possible to in-situ compositions.

This was performed by digging and sampling a number of pits using an excavator next to sonic holes distributed around the Indicated Mineral Resource area, with samples being extracted at the same one metre intervals as the sonic drilling. By comparing the results from the auger drilling, the sonic drilling and the pits, more reliable correction factors were established and applied to the sonic drilling data for the whole area such that the grades were more representative of in-situ conditions. The updated resource estimate reported here reflects these new factors and has resulted in an overall increase in grade and is now believed to be more representative.

In addition to the above, further density determinations also

undertaken during the 2018 field season have enable different densities to be applied to different material types and this has also had a positive impact on the resource tonnage.

Finally, two portions of near surface mineralisation in the Moriusaq area immediately along strike from the indicated Mineral Resource area but previously reported as Inferred have been upgraded to the Indicated reflecting the increased understanding of geological continuity along the beaches generally.

The above changes have combined to increase both the tonnage and grade of the Mineral Resource as a whole and also the proportion of this reported in the Indicated category.

The above changes do not yet reflect the results of the additional drilling performed in 2018 in the Iterlak area, assay results for which are still pending, which will be the subject of a further update in Q1 2019. All drilling campaigns have been carried out with guidance from SRK who have also certified all resources.

Competent persons statement

SRK has produced an updated Mineral Resource Estimate for the Moriusaq onshore raised beaches target that forms part of Bluejay's exploration licence in Northwest Greenland (licence number 2015/08) based all valid data available as at 14th December 2018. The estimate has been derived using a combination of auger and sonic drilling data pit and trench work as well as bulk samples to assess the effect of Sonic drilling on the integrity of the ore material. This information was then interpolated into a 3D geological model created by SRK.

SRK considers that all the delineated mineralisation has reasonable prospects for eventual economic extraction and the Mineral Resource Statement has therefore been reported at a 0% cut-off grade using the terminology and guidelines set out in the JORC 2012 Code.

Dundas Dec 2018 Resource Table

Classification	Location	Tonnes (kt)	Density (t/m ³)	>5mm (%)	>2mm (%)	THM (%)	In-Situ TiO ₂ (%)
Indicated	Moriusaq	88,000	2.24	27.5	36.1	4.2	27.0
	Moriusaq	5,000	2.30	15.7	23.0	5.7	34.2
Inferred	Iterlak West	1,000	2.12	23.8	30.5	6.0	25.2
	Iterlak East	7,000	2.12	14.6	23.1	5.6	39.4
	<i>Total Inferred</i>	<i>13,000</i>	<i>2.19</i>	<i>15.7</i>	<i>23.6</i>	<i>5.7</i>	<i>36.3</i>
TOTAL MINERAL RESOURCE		101,000	2.23	26.0	34.5	4.4	28.2

1. The effective date of the Mineral Resource is 14 December 2018;
2. The numbers are presented at a 0.0% in-situ TiO₂ cut-off grade;
3. "THM" and "HM" mean Total Heavy Minerals and Heavy Minerals respectively;
4. HM have been separated from a -2 mm +63 µm size fraction using heavy liquid

- separation at a density of 2.95 g/cm³;
5. Mineralogical assessments indicate that ilmenite is the only mineral of value in the assemblage. The remainder of the heavy minerals is dominated by pyroxene and amphibole;
 6. % TiO₂ in-situ assumes that all recoverable TiO₂ is in the HM component of the -2 mm +63 µm size fraction;
 7. % Ilmenite In-situ assumes that all TiO₂ is within ilmenite and that the ilmenite contains 47.65% TiO₂, based on historical exploration data.

SRK is of the opinion that there is a high probability that a proportion of the above Iterlak East and West Inferred Mineral Resource will be upgraded to the Indicated category following the receipt and modelling of exploration results from the summer 2018 exploration programme. Furthermore, SRK considers it likely that the raised beaches hosting this Mineral Resource extend further along the shoreline within Bluejay's licence area given that the licence area includes a 30 km length of raised beaches and deltas and that Bluejay has demonstrated mineralisation in several places in addition to the area covered by the Mineral Resource presented here.

Qualified Person

The information in this press release that relates to Mineral Resources is based on information compiled under the direction of Dr Mike Armitage C Geol., C Eng., who is a Member of the Institute of Materials, Minerals and Mining which is a Recognised Overseas Professional Organisation ('ROPO') included in a list promulgated by JORC from time to time. Dr Armitage is a full-time employee of SRK Consulting (UK) Ltd and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he has undertaken 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' (the JORC Code) and for the purposes of the AIM Rules. Dr Armitage has reviewed this press release and consents to the inclusion in the press release of the matters based on his information in the form and context in which this appears.

Technical Glossary

"Indicated Mineral Resource"	A part of a Mineral Resource for which tonnage, densities, shape, physical characteristics, grade and mineral content can be estimated with a reasonable level of confidence. It is based on exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes. The locations are too widely or inappropriately spaced to confirm geological and/or grade continuity but are spaced closely enough for continuity to be assumed.
"Inferred Mineral Resource"	A part of a Mineral Resource for which tonnage, grade and mineral content can be estimated with a low level of confidence. It is inferred from geological evidence and assumed but not verified geological and/or grade continuity. It is based on information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes which may be limited or of uncertain quality and reliability. mineral content can be estimated with a low level of confidence. It is inferred from geological evidence and assumed but not verified geological and/or grade continuity. It is based on information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes which may be limited or of uncertain quality and reliability.
"JORC Code"	The code for reporting of the Australasian Joint Ore Reserves Committee, which is sponsored by the Australian mining industry and its professional organisations. The code is widely accepted as a standard for professional reporting purposes for reporting of mineral resources and ore reserves.
"m"	Metre, a unit of length as per the International System of Units.
"Mineral Resource"	A concentration or occurrence of material of intrinsic economic interest in or on the Earth's crust in such form, quality and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade, geological characteristics and continuity of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge. Mineral Resources are sub-divided, in order of increasing geological confidence, into Inferred, Indicated and Measured categories.
"Mineralisation"	The process or processes by which a mineral is introduced into a rock, resulting in a valuable or potentially valuable deposit. It is a general term, incorporating various types; e.g., fissure filling, impregnation, and replacement.

Market Abuse Regulation (MAR) Disclosure

Certain information contained in this announcement would have

been deemed inside information for the purposes of Article 7 of Regulation (EU) No 596/2014 until the release of this announcement.

****ENDS****

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Notes

Bluejay is dual listed on the London AIM market and Frankfurt Stock Exchange and primarily focussed on advancing the Dundas Ilmenite Project in Greenland into production in the near term. Dundas has been proven to be the highest-grade mineral sand ilmenite project globally, with a JORC Compliant Resource of 101 million tonnes at 7.1% ilmenite (see full Mineral Resource Statement above) and an Exploration Target over the Iterlak Delta of between 20 million tonnes and 60 million tonnes at between 6% and 10% ilmenite.

The Company's strategy is focused on securing an offtake partner and commencing commercial production at Dundas in the near term in order to create a company capable of self-funding exploration on current projects and future acquisitions.

Bluejay holds two additional projects in Greenland - the 2,586 sq km Disko-Nuussuaq ('Disko') Magmatic Massive Sulphide ('MMS') nickel-copper-platinum project ('Ni-Cu-PGM'), which has shown its potential to host mineralisation similar to the world's largest nickel/copper sulphide mine Norilsk-Talnakh, and the 107sq km Kangerluarsuk Sed-Ex lead-zinc-silver project ('Kangerluarsuk'), where historical work has recovered grades of 41% zinc, 9.3% lead and 596 g/t silver and identified four large-scale drill ready targets.

The Company also has a 100% interest in a portfolio of copper, zinc and nickel projects in Finland. This multi-commodity portfolio has been restructured to be cost-sustainable whilst determining the best plan for future development.

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Resource Upgrade for Dundas Ilmenite Project

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