



**NAMIBIA CRITICAL METALS INC.**

## Press Release

### **Namibia Critical Metals Commences Final In-Fill Drilling for the Expanded "Lofdal 2B-4" Heavy Rare Earth Project**

**Halifax, Nova Scotia January 31, 2023** – Namibia Critical Metals Inc. ("Namibia Critical Metals" or the "Company" or "NMI") (TSXV: NMI OTCQ: NMREF) is pleased to announce that it has commenced resource in-fill drilling as part of the Pre-Feasibility Study (PFS) at the significantly expanded "Lofdal 2B-4" Heavy Rare Earth Project.

A final drill program was worked out by the Company with support by The MSA Group to increase the level of resource categories as required for the PFS for the expanded project "Lofdal 2B-4". Phase 1 of the resource drilling campaign has commenced at the end of January 2023 and aims at drilling of 35 RC holes for a total of 4,930 m in Area 4 until mid-March 2023. A Phase 2 campaign of 4 RC holes of 310 m length each is planned to conclude RC drilling for PFS by end of March 2023.

Four in-fill boreholes are planned at Area 2B to obtain samples across the planned pit "2B" for variability test work at SGS Lakefield. Variability tests will conclude metallurgical test work to conduct flotation and hydrometallurgical processing on pilot plant scale.

Further, the Company completed a geotechnical drilling campaign on 15<sup>th</sup> December 2022. A total of 7 holes for 1,326 m was drilled in the hanging walls of the planned pits "2B" and "4" to take samples for geotechnical testing. The geotechnical studies are contracted to SRK Consulting (South Africa) (Pty) Ltd. in Johannesburg and are planned to be completed by end of March 2023.

The Lofdal deposit has the potential for significant production of dysprosium and terbium, two of the most valuable heavy rare earth elements, and is targeting to become a long term, sustainable supply of heavy rare earths.

Darrin Campbell, President of Namibia Critical Metals stated:

*"Our team is excited to get back to drilling at Lofdal after our incredibly successful 2020 drill campaign which delivered a six-fold increase to our maiden resource. The goal of this drill campaign is to move more of the established resource to the measured and indicated categories for our Pre-Feasibility Study "2B-4" which is under way. Over the next few months, we will also be evaluating ramping up production from 2 million tonnes TREO per annum run-of mine in the current PEA "2B-4" to 3 million tonnes.*

*I expect the next year to be one of the most impactful periods in our corporate development as we continue to accelerate pilot plant testing through feasibility to production."*

### ***About Namibia Critical Metals Inc.***

NMI is developing the Tier-1 Heavy Rare Earth Project, Lofdal, a globally significant deposit of the heavy rare earth metals dysprosium and terbium. Demand for these critical metals used in permanent magnets for electric vehicles, wind turbines and other electronics is driven by innovations linked to energy and technology transformations. The geopolitical risks associated with sourcing many of these metals has become a repeated concern for manufacturers and end users. Namibia is a proven and stable mining jurisdiction.

The Lofdal Project is fully permitted with a 25-year Mining License and is under a Joint Venture Agreement with Japan Organization for Metals and Energy Security (**JOGMEC**).

The Company filed a robust updated PEA for "Lofdal 2B-4" on November 14, 2022, with a post-tax NPV of USD\$391 million and an annual IRR of 28% with a capital expenditure of USD\$207 million. The project is projected to generate a life of mine nominal cash flow of USD\$699 million post-tax over a 16-year mine life.

### ***About Japan Organization for Metals and Energy Security (JOGMEC) and the JV***

JOGMEC is a Japanese government independent administrative agency which seeks to secure stable resource supplies for Japan. JOGMEC has a strong reputation as a long term, strategic partner in mineral projects globally. JOGMEC facilitates opportunities with Japanese private companies to secure supplies of natural resources for the benefit of the country's economic development.

Rare earths are of critical importance to Japanese industrial interests and JOGMEC has extensive experience with all aspects of the sector. JOGMEC provided Lynas with US\$250,000,000 in loans and equity in 2011 to ensure supplies of the Light Rare Earths metals suite to the Japanese industry.

Namibia Critical Metals owns a 95% interest in the Lofdal project with the remaining 5% held for the benefit of historically disadvantaged Namibians. The terms of the JOGMEC joint venture agreement with the Company stipulate that JOGMEC provides C\$3,000,000 in Term 1 and C\$7,000,000 in Term 2 to earn a 40% interest in the Lofdal project. Term 3 calls for a further C\$10,000,000 of expenditures to earn an additional 10% interest. JOGMEC can also purchase another 1% for C\$5,000,000 and has first right of refusal to fully fund the project through to commercial production and to purchase all production at market prices. The collective interests of NMI and historically disadvantaged Namibians cannot be diluted below a 26% carried working interest upon payment of C\$5,000,000 to JOGMEC for the dilution protection. To date, JOGMEC, has approved funding Term 1 and 2 expenditures totaling C\$8,875,000.

**Other exploration projects:** The Company's Exclusive Prospecting Licenses ("EPLs") prospective for gold are located in the Central Namibian Gold Belt which hosts a number of significant orogenic gold deposits including the Navachab Gold Mine, the Otjikoto Gold Mine and the Twin Hills deposit. At the **Erongo Gold** Project, stratigraphic equivalents to the meta-sediments hosting the Osino gold discovery at Twin Hills have been identified and exploration is progressing over this highly prospective area. The **Grootfontein Base Metal and Gold**

Project has potential for magmatic copper-nickel mineralization, Mississippi Valley-type zinc-lead-vanadium mineralization and Otjikoto-style gold mineralization. Interpretation of geophysical data and regional geochemical soil sampling have identified first gold targets.

Rainer Ellmies, PhD, MScGeol, EurGeol, AusIMM and Vice President of Namibia Critical Metals Inc., is the Company's Qualified Person and has reviewed and approved this press release.

The common shares of Namibia Critical Metals Inc. trade on the TSX Venture Exchange under the symbol "NMI".

**Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.**

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The foregoing information may contain forward-looking information relating to the future performance of Namibia Critical Metals Inc. forward-looking information, specifically, that concerning future performance, is subject to certain risks and uncertainties, and actual results may differ materially. These risks and uncertainties are detailed from time to time in the Company's filings with the appropriate securities commissions.