



**NAMIBIA CRITICAL METALS INC.**

## Press Release

### **Namibia Critical Metals Signs LOI to Commence Pilot Plant Flotation and Hydrometallurgical Testing with SGS Canada**

**Halifax, Nova Scotia March 02, 2023** – Namibia Critical Metals Inc. (“Namibia Critical Metals” or the “Company” or “NMI”) (TSXV: NMI OTC: NMREF) is pleased to announce that it has signed a Letter of Intent with SGS Canada to begin pilot plant testing on a 5-tonne sample from the Lofdal HREE Deposit in Q3 2023.

The objective of the test program is to scale up laboratory flotation tests, including locked-cycle testing, for a higher level of confidence in metallurgy, confirm engineering design criteria for PFS capital and operating cost estimation, and provide a larger amount of material for hydrometallurgical testing.

Darrin Campbell, President of Namibia Critical Metals stated:

*“I’m excited about the progress our team made over the first weeks of 2023, both at site with the various drilling programs and at the test centers with further improvements on the economics and efficiencies of the processing flow sheet. This year is expected to be one of the most impactful periods in our corporate development as we continue to accelerate pilot plant testing through feasibility to production.”*

#### **ESG activities in January 2023**

The Company expanded its “Early Learner’s Assistance Program” with the start of the 2023 school year. 200 school uniforms and backpacks were handed over by the Company to five primary schools situated around the Lofdal project, 4 schools in Khorixas and 1 in Fransfontein. The handover ceremonies were accompanied by the coordinator of the Early Learner’s Assistance Program from the Ministry of Education, representatives from the Traditional Authority, Conservancies, and the Company.

Darrin Campbell stated: “I am extremely proud of the work our team has done in the communities surrounding our project in Namibia. We have been very involved in supporting our communities for over a decade with on-going financial support for a local orphanage in Khorixas, providing drilled water wells for local farmers near Lofdal and now the start of our Early Learner’s Assistance Program. We have modelled this fantastic program after the program that was created by our corporate shareholder, Bannerman Energy a number of years ago for which they were awarded this years Mining Indaba ESG Forum Award for Community Engagement.”



*Figure 1: Impressions from the handover of school uniforms at Primary Schools in Khorixas and Fransfontein*

### **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 the budget for Term 1 and 2 totaling C\$10,075,000 provided that part of this budget is subject to an approval by METI, Ministry of Economy, Trade and Industry of Japan.

**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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