



ASX Announcement | 3 August 2021
Rafaella Resources Limited (ASX:RFR)

Santa Comba Tungsten Project - Operational Update and Appointment of General Manager

Investment Highlights

- ① The Company remains on schedule to produce first concentrate from underground ore in September.
- ① Previous plant has been dismantled and removed, making way for pilot plant to be installed.
- ① Contract for rental of pilot plant agreed and executed.
- ① High grade underground ore retrieved from previous stockpiles and stacked for processing.
- ① Feasibility Study for full-scale operation progressing with updated Mineral Resource Estimate due out shortly.
- ① Appointment of Juan Jose Lopez Muñoz as General Manager of Galicia Tin and Tungsten SL, the Spanish subsidiary and owner of the Santa Comba Project.

Rafaella Resources Limited (ASX:RFR) ("Rafaella" or "the Company") is pleased to provide the following operational update on the Santa Comba tungsten project (the "**Project**") with first tungsten concentrate from the underground on target for September.

Further to the ASX announcement on 5 January 2020¹ the Company is accelerating development of its underground mining and processing operations. The underground was last operated in 1985 by Coparex Minera and there are close to 7,000m of workings with visible access to high-grade wolframite veins.

Initial concentrate will be generated from blasted stocks recorded as 18,000t remaining from previous underground operations. The shallower stocks amounting to around 7,000t have now been accessed and are being stockpiled in anticipation of processing in September.



Figures 1 and 2: Dismantling and removal of the old process plant

¹ See ASX announcement 5 January 2021 "Santa Comba Tungsten Project - Advancing rapidly to early cashflow."



Figures 3 and 4: Site cleared and ready for installation of pilot plant

The partially completed process plant installed in 2012 has been sold, safely dismantled and removed, making way initially for the pilot plant to treat the underground ore and later a modular, more efficient process plant.

On 29 July GTT executed an agreement with Advanced Mineral Processing S.L. for the rental of a pilot plant for the processing of the underground ore. Further agreements are being finalised with local parties for the crushing and grinding circuit and the electrical installation and connection.

The feasibility study is progressing with a number of key studies nearing completion, including the updated mineral resource report following the 5,800m drilling campaign earlier this year, the metallurgical test work with Grinding Solutions in the UK, and water management studies. New quotes are being received for plant equipment as the process flow sheet is finalised, draft engineering plans are being prepared, and quotes have been obtained from four Spanish mining contractors that will be used to update the feasibility study and economic model.

These studies will form the basis of an open pit permit application targeted for submission by the end of the year. In the meantime, negotiations continue with the local aggregate quarry operator to access the open pit material earlier as outlined in the pre-feasibility study (“PFS”) released on 2 December 2020.²

Appointment of General Manager in Spain

The Company is pleased to announce the appointment of Juan José López Muñoz as the general manager of Galicia Tin and Tungsten S.L. (“GTT”), the Spanish subsidiary of Rafaella Resources and the owner of the Project.

Juan José is a qualified mining engineer whose family come from Santa Comba. He joins GTT from Caolines de Vimianzo S.A.u (“CAVISA”) where he was the general manager. Juan José is well known locally, having worked closely with the various authorities during his 8-year tenure at CAVISA, growing the operations, adding new product lines and building a strong reputation for sustainable mining through obtaining UNE 22480 and UNE 22470 sustainable management systems certification. Juan José is part of the sustainability working group of IMA-Europe (European Association of Industrial Minerals) and is the current President of the Chamber of Mines in Galicia.

Juan José will focus on the restart of the underground operation, the open pit permitting and new business in the Iberian Peninsula as the Company looks to build its portfolio in the region.

² See ASX announcement 2 December 2020 “Santa Comba PFS Demonstrates Exceptional Economics with Assignment of Ore Reserves.”

Managing Director Steven Turner said: “Rafaella is extremely pleased to welcome Juan José to the management team. His local knowledge and connections are an important addition to GTT as the project moves towards first production. Juan José has an excellent track record in the region, successfully managing a lean and efficient operation. His appointment bolsters the Company’s ability to prepare Santa Comba for production at a time when the world is increasing its focus on critical metals such as tungsten and the concern over concentration of supply from China.”

This announcement has been authorised by the Board of Directors of the Company.

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About Rafaella Resources

Rafaella Resources Limited (ASX:RFR) is an explorer and developer of world-class mineral deposits. Rafaella owns the Santa Comba tungsten and tin development project in Spain, as well as the McCleery cobalt-copper project and the Midrim and Laforce high-grade nickel-copper-PGE sulphide projects in Canada. Santa Comba is located in a productive tungsten and tin province adjacent to critical infrastructure. The McCleery project was previously under-explored and holds significant potential. The Midrim and Laforce projects have had extensive drilling with some exciting intersections and offer significant upside for the Company.

To learn more please visit: www.rafaellaresources.com.au

Competent Person Statement

The information in this announcement that relates to Exploration Results and Historical Estimates is based on, and fairly represents, information and supporting documentation compiled under the supervision of Lluís Boixet Martí, a consultant to the Company. Lluís Boixet Martí holds the title of European Geologist (EurGeol), a professional title awarded by the European Federation of Geologists (EFG). EFG is a ‘Recognised Professional Organisations’ (ROPO) by the ASX, an accredited organisation to which Competent Persons must belong for the purpose of preparing reports on Exploration Results, Mineral Resources and Ore Reserves under the JORC (2012) Code. Lluís Boixet Martí consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

Forward Looking Statements Disclaimer

This announcement contains forward-looking statements that involve a number of risks and uncertainties. These forward-looking statements are expressed in good faith and believed to have a reasonable basis. These statements reflect current expectations, intentions or strategies regarding the future and assumptions based on currently available information. Should one or more of the risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary from the expectations, intentions and strategies described in this announcement. No obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.