

Pro-Or Mining Announces Positive Economics for its Proposed Commercial Plant to Recover Platinum Group Metals

26.06.2013 | [Marketwired](#)

MONTREAL, June 26, 2013 - [Ressources Minières Pro-Or](#) (the "Company" or "Pro-Or") (TSX VENTURE:POI) is pleased to announce the positive economic outlook for its proposed 200 tons per year plant for the recovery of platinum group metals (PGMs) from recycled catalytic converters, using a combination of its 100% owned proprietary and patented technology. The economic data were developed through a mandate given to the independent engineering group, Seneca, to design and estimate the Capital cost (Capex) and Operating Cost (Opex) for an automated four-reactor plant, with best practices operational excellence in mind and in conformity with all health and safety regulations that are currently in force in our industry.

The analysis and design of the proposed plant made by Seneca was based on two years of data accumulated from the operation of the 50 ton per year reactor at Pro-Or's St-Augustin plant in Quebec. Seneca also relied on the mass balance data verified by the independent laboratory, CIR, in April 2012.

HIGHLIGHTS

- Estimated Gross Revenue from the proposed plant is C\$29 million from the recovery of 3.5 gr of PGMs per kg of catalytic converter (CC) substrate material. This equals to recovering an average of 700 kilograms of mixed PGMs per year;
- Feedstock cost of 200,000 (CC) (200 tons) for a 24 hour-a-day/ 345 days-a-year proposed plant is estimated at C\$ 16 million using 2010 - 2013 metal price averages of US \$1,614.70/Toz Platinum, US \$659.50/Toz. Palladium, US \$1,732.4/Toz Rhodium;
- Estimated Capex of C \$8 million for a fully automated proposed plant, requiring a maximum of fourteen full-time staff;
- Estimated operating cost of C \$2.7 million or \$13.48 per kg of CC, including outsourced refiners' costs.
- A gross profit margin of \$ 10.3 million would give an estimated payback period of 9.3 months pre-tax for the capital required for this project.

"We are very pleased to receive such positive economics for our proposed first commercial plant" stated Sylvain Boulanger, Pro-Or's President and Chief Executive Officer. "The equipment cost estimates presented by Seneca exceed our own internal estimates but we are confident that we can reduce it significantly by seeking competitively priced equipment around the world. This proposed plant has been elegantly designed by Seneca, using full automation and new equipment to secure the process in conformity with the HAZOP Study (1) for complete safety and health measures".

"Since Pro-Or has already been operating a 50 ton reactor plant for two years, Seneca was able to complete the design of the commercial plant in only 6 weeks, a slightly less time than we initially anticipated. The benefit of the study by Seneca is that it gives us a significant increase in the accuracy of our operating and capital cost estimates. On the Opex side, the estimate of \$13.48 per kg is 34% less than the current Opex of \$18 per kg and also reflects the saving from higher automation and gains on large volume purchases of reagents", he added.

Pro-Or's objective is to build a commercial plant to generate significant revenue and to convince future joint-venture partners to build other similar facilities around the world. As an initial phase, we plan to install four 50-ton reactors in an industrial location in Quebec to reach a capacity of 200 tons per year. The mixed PGM salts produced will then be transported to Pro-Or's facility in St-Augustin, Quebec, for further chemical processing. This should spread the required capital cost over time while generating revenue, accumulating operational data, and reducing implementation risk. After a full year of operations, the complete plant as proposed by Seneca could then be implemented at the site where the new plant will be installed.

"We are in the process of securing funding for our proposed plant and transition from a 50 ton per year

facility to a commercial 200 ton per year facility that will generate significant revenue. The capital investment should be available through a consortium of suppliers, equipment financiers, feedstock inventory loan, debt and equity investors", stated Sylvain Boulanger, President and CEO of Pro-Or.

(1) A hazard and operability study (HAZOP) is a structured and systematic examination of a planned or existing process or operation in order to identify and evaluate problems that may represent risks to personnel or equipment, or prevent efficient operation.

WEBCAST CONFERENCE CALL

Pro-Or will hold a webcast conference call on June 27, 2013 at 10:30 am Eastern Time to discuss the economic results of the Seneca study. To access this conference call, please go to the Company's website at www.pro-or.com

About Seneca

Seneca is an independent Canadian consulting engineering firm with over 60 employees, offering engineering services in Montreal and Toronto with expertise in industrial processes and associated fields of mechanical and electrical engineering, instrumentation, and project management.

About Pro-Or

[Pro-Or](#) operates an industrial prototype plant for the recovery of Platinum Group Elements (Platinum, Palladium and Rhodium or PGMs). The plant is located near Quebec City in St-Augustin-de-Desmaures. Its patented process yields more than 97% recoveries of PGMs, and is not only much less capital extensive but also operates much more rapidly than conventional plants thus dramatically lowering the amount of time that its customers capital is tied up as work-in-process inventory. Pro-Or's mission is to sustainably recover precious metals by the recycling of end-of-life PGM containing components while meeting global "green" standards for the automobile industry.

Pro-Or also holds the mineral rights to six mining properties and has focused its exploration activities on the Menarik property in the James Bay area, in the Province of Quebec, the site of a major chromite deposit with occurrences of gold, nickel, copper and platinum group metals (PGMs). The operation of Pro-Or's patented and proprietary processes to such ore bodies promises a breakthrough in low cost primary mining metallurgy in the near future.

Neither TSX Venture Exchange nor the Supplier of services regulation (as defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

This Press Release contains statements which constitute 'forward-looking, including statements regarding the plans, intentions, beliefs and current expectations of the Company, its directors, or its officers with respect to the future business activities and operating performance of the Company. The words "may", "would", "could", "will", "intend", "plan", "anticipate", "believe", "estimate", "expect" and similar expressions, as they relate to the Company, or its management, are intended to identify such forward-looking statements. Investors are cautioned that any such forward-looking statements are not guarantees of future business activities or performance and involve risks and uncertainties, and that the Company's future business activities may differ materially from those in the forward-looking statements as a result of various factors. Such risks, uncertainties and factors are described in the periodic filings with the Canadian securities regulatory authorities, including the Company's Annual Information Form and quarterly and annual Management's Discussion & Analysis, which may be viewed on SEDAR at www.sedar.com. Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, believed, estimated or expected. Although the Company has attempted to identify important risks, uncertainties and factors which could cause actual results to differ materially, there may be others that cause results not be as anticipated, estimated or intended. The Company does not intend, and does not assume any obligation, to update these forward-looking statements.

Contact

[Pro-Or Mining Resources Inc.](#)

Sylvain Boulanger, P.Eng., President & CEO

