FPX Nickel Highlights New Geoscience BC Report Outlining the Potential for Significant Carbon Capture at Baptiste Nickel Project

09.11.2020 | GlobeNewswire

VANCOUVER, Nov. 09, 2020 - FPX Nickel Corp. (FPX-TSX.V) (“FPX Nickel” or the “Company”) is pleased to note the publication of new research estimating the carbon capture capacity of ultramafic rocks in British Columbia which highlights the potential for the development of a low- or zero-carbon mining operation at FPX Nickel’s Baptiste Project in the Decar Nickel District. The research is summarized in “The Carbon Mineralization Potential of Ultramafic Rocks in British Columbia: A Preliminary Assessment” (the “Report”), prepared by scientists from the University of British Columbia (“UBC”) with the support of Geoscience BC, the British Columbia Geological Survey, the Geological Survey of Canada, and FPX Nickel.

Highlights

- The Report determines the “Carbon Mineralization Potential Index” for numerous ultramafic rock assemblages in British Columbia, including the host rocks of the Decar Nickel District
- The Report builds on previous positive UBC laboratory tests of sample materials from Decar, which have demonstrated that the Baptiste Deposit’s tailings can absorb (or sequester) considerable quantities of carbon dioxide (“CO_2”) when exposed to air through a natural process of carbon mineralization
- The Report provides a sound scientific basis to further evaluate opportunities to combine carbon sequestration activities with resource development in B.C., especially for critical metals like nickel that will be needed for the decarbonization of the energy and transportation sectors

“This Report further highlights the significant potential of Baptiste tailings to naturally and permanently sequester significant quantities of CO_2 as a consequence of the proposed mining and milling process,” commented Martin Turenne, FPX Nickel’s President and CEO. “We are delighted to continue supporting the Carbon Mineralization Potential Project, which is strengthening British Columbia’s position as a global leader in the low-emission production of metals needed to reduce the world’s carbon footprint.”

The goal of Geoscience BC’s Carbon Mineralization Potential Project is to produce an inventory of ultramafic rock localities in B.C., quantifying the carbon mineralization (or sequestration) capacity of rock assemblages in the province, including at the Decar Nickel District. The project builds on a decade of research on carbon mineralization, a reaction between certain minerals found in serpentinized ultramafics (such as those at Decar) and CO_2 which binds the CO_2 in a benign, solid carbonate mineral form. The Report estimates that the total carbon mineralization capacity of serpentinite rocks in B.C. is approximately 56 gigatonnes of CO_2 or roughly 800 years’ worth of B.C.’s total greenhouse gas (“GHG”) emissions based on reported 2018 rates.

The Report notes that the most highly reactive ultramafic rocks for carbon sequestration are those containing the highest brucite content, which is positively correlated to the degree of host rock serpentinization. Physical property data suggest that ophiolitic rocks (such as those hosting the awaruite nickel mineralization at the Baptiste Deposit) are more commonly serpentinized than intrusive rocks (such as those hosting nickel sulphide deposits), suggesting that ophiolitic-hosted deposits (like Baptiste) may have significantly greater potential to sequester CO_2 than intrusive ultramafic deposits.

The Report was authored by nine researchers led by UBC’s Dr. Greg Dipple, who, together with his team, has been investigating carbon capture in mine tailings for over a decade, and specifically the potential of the Baptiste Deposit since 2016.

“The crushing of serpentinite-hosted mineral deposits during the processing phase of operations

unlocks the reactivity of those rocks, creating a carbon sink with the potential to make nickel mining carbon neutral or net carbon negative,” said Dr. Dipple. “Given its important role in battery chemistry, nickel is a critical commodity for decarbonization of the energy and transport sectors. The potential development of a large British Columbia nickel mine with a high capacity for carbon dioxide mineralization represents a remarkable opportunity to decarbonize supply chains for renewable energy and reduce the greenhouse gas footprint of resource development in the province.”

The Report is available in a preliminary form at the Geoscience BC website (http://www.geosciencebc.com/projects/2018-038/); a final report and public data for the Carbon Mineralization Potential Project will be published in early 2021. A recording of a November 3rd webinar describing the initial findings of the Report is available on the Geoscience BC YouTube channel (https://www.youtube.com/watch?v=YPwEpUUUIOs).

Next Steps

As noted in the Company’s September 1, 2020 news release, UBC researchers led by Dr. Dipple have commenced the first-ever field tests designed to test the rate and amount of carbon capture from direct air exposure for samples from the Baptiste Deposit. This test work is being completed on a representative mineralized composite sample of approximately 300 kilograms of assay reject material from drill holes, ground to the similar sizes as the anticipated tailings in a potential mining operation at Baptiste.

The test program is being conducted in two stages. The first stage comprised a field test in August at an outdoor location in Prince George which approximated the climactic conditions at the Decar Nickel District. The second stage comprised an extended study conducted both outdoors and in a laboratory in the Vancouver area in September and October.

The Company expects to report the preliminary findings of the August field trial in the first quarter of 2021, and to report the final findings of the entire 2020 test program (including both the August field trial and subsequent field and lab testing from September-October) by the second quarter of 2021.

Dr. Peter Bradshaw, P. Eng., FPX Nickel’s Qualified Person under NI 43-101, has reviewed and approved the technical content of this news release.

About the Decar Nickel District

The Company’s Decar Nickel District claims cover 245 square kilometres of the Mount Sidney Williams ultramafic/ophiolite complex, 90 km northwest of Fort St. James in central British Columbia. The District is a two-hour drive from Fort St. James on a high-speed logging road.

Decar hosts a greenfield discovery of nickel mineralization in the form of a naturally occurring nickel-iron alloy called awaruite, which is amenable to bulk-tonnage, open-pit mining. Awaruite mineralization has been identified in four target areas within this ophiolite complex, being the Baptiste Deposit, the B target, the Sid target and Van target, as confirmed by drilling in the first three plus petrographic examination, electron probe analyses and outcrop sampling on all four. Since 2010, approximately $25 million has been spent on the exploration and development of Decar.

Of the four targets in the Decar Nickel District, the Baptiste Deposit has been the main focus of diamond drilling since 2010, with a total of 82 holes and over 31,000 metres of drilling completed. The Sid target was tested with two holes in 2010 and the B target had a single hole drilled into it in 2011; all three holes intersected nickel-iron alloy mineralization over wide intervals with DTR nickel grades comparable to the Baptiste Deposit. The Van target was not drill-tested at that time as rock exposure was very poor prior to logging activity by forestry companies.

As reported in the current NI 43-101 resource estimate, having an effective date of September 9, 2020, the Baptiste Deposit contains 1.996 billion tonnes of indicated resources at an average grade of 0.122% DTR nickel, thus equating to 2.4 million tonnes of nickel, and 593 million tonnes of inferred resources with an average grade of 0.114% DTR nickel, containing 0.7 million tonnes of nickel, reported at a cut-off grade of 0.06% DTR nickel. Mineral resources are not mineral reserves and do not have demonstrated economic

viability.

About FPX Nickel Corp.

FPX Nickel Corp. is focused on the exploration and development of the Decar Nickel District, located in central British Columbia, and other occurrences of the same unique style of naturally occurring nickel-iron alloy mineralization known as awaruite. For more information, please view the Company’s website at www.fpxnickel.com or contact Martin Turenne, President and CEO, at (604) 681-8600 or ceo@fpxnickel.com.

On behalf of FPX Nickel Corp.

"Martin Turenne"
Martin Turenne, President, CEO and Director

Forward-Looking Statements
Certain of the statements made and information contained herein is considered “forward-looking information” within the meaning of applicable Canadian securities laws. These statements address future events and conditions and so involve inherent risks and uncertainties, as disclosed in the Company's periodic filings with Canadian securities regulators. Actual results could differ from those currently projected. The Company does not assume the obligation to update any forward-looking statement.

Neither the TSX Venture Exchange nor its Regulation Services Provider accepts responsibility for the adequacy or accuracy of this release.