FPX Nickel to Prepare Updated Mineral Resource Estimate for Baptiste Nickel Project with Inclusion of Total Nickel, Cobalt and Iron Grades

20.09.2022 | CNW

VANCOUVER, Sept. 20, 2022 - FPX Nickel Corp. (TSXV: FPX) (OTCQB: FPOCF) ("FPX" or the "Company") is pleased to report that it is has engaged Next Mine Consulting Ltd. to prepare an updated mineral resource estimate for the Baptiste Project ("Baptiste" or the "Project") at the Decar Nickel District ("Decar") in central British Columbia, incorporating results from 2021's successful in-fill drilling program. The mineral resource estimate, which is expected to be completed in the fourth quarter of 2022, will be based on an improved modelling approach including both geological domaining and grade shell modelling, and will be expanded to report the mineral content of total nickel and potential by-product elements including iron and cobalt.

Highlights

- New Baptiste Deposit Mineral Resource Estimate, with the following improvements:
  - Inclusion of results from the successful 2021 in-fill drilling program and conversion of Indicated resources
  - Incorporation of an improved modelling approach including both geological domaining and grade shell modelling, which is expected to better define internal deposit variability and yield an improvement in average Davis Tube Recoverable (DTR) nickel grade
- Expansion of the reported mineral content to include estimated grades of total nickel, DTR cobalt, and DTR iron, all representing potential new streams of value for the Project

"The new mineral resource estimate will represent another important de-risking step in the ongoing development of Baptiste as a large-scale, low-cost and low-carbon nickel project," noted Martin Turenne, FPX's President and CEO. "We are particularly excited by the potential for a new modelling approach to yield a more robust, higher-grade DTR nickel resource, and by the inclusion, for the first time in the Project's history, of grade reporting for total nickel and the potentially significant by-product elements of cobalt and iron."

Work is currently underway to produce an updated Baptiste resource model incorporating results from 2021's successful in-fill drilling program (see the Company's News Release dated March 14, 2022). The new approach to preparing the updated resource model includes both geological domaining and grade shell modelling, as compared to the previous approach applied in the 2020 Preliminary Economic Assessment ("PEA") which solely used geological domaining. The grade shell domaining methodology includes classification of material into low, medium, and high-grade shells (0.06-0.10% DTR nickel, 0.10-0.14% DTR nickel, and >0.14% DTR nickel, respectively).

The development of the new interburden model is informed by the previous dike model and altered zones adjacent to dike-host contacts. The model is further refined by the results of the 2021 in-fill drilling program and structural measurements obtained from directional drilling. This represents a shift away from the previous block model which saw a 3% removal of rock mass to account for waste or dike sections within the deposit. In conjunction with the new modelling approach, this interburden model will allow for better understanding and segregation of internal waste for mine design purposes.

Initial block modelling results appear favourable with the following potential outcomes:

- An anticipated increase in DTR nickel grade in both the indicated and inferred categories with an expected minor reduction in overall tonnage
- Inclusion of new 2021 drilling results supporting the classification of resources in the indicated category

Further, the scope of the updated resource model will be expanded to include grade estimations of total nickel, DTR cobalt, and DTR iron to support process flowsheet opportunities currently being evaluated by the Company, including:

- Total Nickel: potential to produce a secondary nickel product consisting of nickel sulphide minerals and/or very fine grained awaruite which currently does not report as DTR nickel
- DTR Cobalt: potential to produce a cobalt product (such as mixed hydroxide precipitate ("MHP")) as a secondary product from a hydrometallurgical operation producing nickel sulphate for the electric vehicle ("EV") battery industry
- DTR Iron: potential to upgrade flotation circuit tails to produce an iron ore concentrate

Further refinements to the classification, variography, and estimators are currently in progress, in addition to an independent third-party review by SLR Consulting (formerly Rosco Postle Associates, or "RPA") of the new modelling and estimation approach.

The Company expects to release results of the updated Baptiste mineral resource estimate in the third quarter of 2022, and to publish complete results in the Project's next National Instrument ("NI") 43-101 technical report, which is currently forecast for the third quarter of 2022.

Erin Wilson, P. Geo., 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 km^2 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 (Ni_3Fe), 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, and the B, Sid and Van targets, as confirmed by drilling, petrographic examination, electron probe analyses and outcrop sampling on all four targets. Since 2010, approximately US $28 million has been spent on the exploration and development of Decar.

Of the four targets in the Decar Nickel District, the Baptiste Deposit, which was initially the most accessible and had the biggest known surface footprint, has been the focus of diamond drilling since 2010, with a total of 99 holes and 33,700 m of drilling completed. The Sid target was tested with two holes in 2010 and the B target had a single hole drilled in 2011; all three holes intersected nickel-iron alloy mineralization over wide intervals with DTR nickel grades comparable to the Baptiste Deposit. At the Van target, the Company followed up 2021's highly successful maiden drilling program with an aggressive step-out program in the summer of 2022, with results forecast for release in the fourth quarter of 2022.

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.

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.

SOURCE FPX Nickel Corp.

Contact

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.