



Ambershaw Metallurgy

AMBERSHAW METALLURGY INC

UPDATE ON BULK SAMPLING AND PELLETS SAMPLE

July 27, 2017

Ambershaw Metallurgy Inc. (“Ambershaw” or “the Company”) is pleased to report that it continues to advance its 336Mt 30% Fe AMI project and has made considerable progress during the first half of 2017.

Bulk Sample and Metallurgical Testing

In May 2017, the Company collected a 4.3-ton bulk sample from a designated test pit located in the AMI property and transported it to SGS Canada’s facilities at Lakefield, Ontario (“SGS”) to produce bulk magnetite concentrate for pelletizing test work. The iron head grade of the sample collected averaged 30.3% Fe.

SGS processed the sample in June 2017, producing 1.05 tonnes of high quality, high-Fe magnetite concentrate with the following specifications:

Magnetite	Fe	SiO₂	Al₂O₃	P₂O₅	S	CaO	Na₂O	K₂O
93.5%	70.0%	1.97%	0.19%	0.03%	0.05%	0.11%	0.05%	0.04%

The AMI concentrate reached an average of 70% Fe with a combined silica and alumina grade below 2.5%. The metallurgical test work conducted indicates that Ambershaw may beneficiate AMI’s ore to produce a high-Fe, high-value magnetite concentrate with a low level of impurities. Further optimization work to the beneficiation process will continue over the next months. The company is evaluating different processing methodologies and their associated costs, with a view at generating cash flow at the earliest opportunity.

SGS’s test work also shows that Ambershaw could produce a lower-value 65% Fe magnetite concentrate which could be marketed to key blast furnace and other indurated pellet manufacturers in its key markets of Canada and the USA.

Pelletizing at Legacy Hill Technologies Laboratory

During July 2017, Ambershaw started pelletizing its concentrate at Legacy Hill Technologies’ laboratory located at the Materials Processing Institute (“MPI”) in Middlesbrough, United Kingdom, a leading global iron and steel research institute. Initial quality control tests indicate that AMI pellets pass all compressive strength, drop and RDI simulation tests, meeting all the required parameters for traditionally manufactured pellets. Additional tests are ongoing and are expected to be completed by the end of the month. The company expects to produce one ton of AMI pellets.

Appointment of Marketing Agent

On July 1st, 2017, Ambershaw engaged Gardner Dominion LLC to initiate a customer outreach exercise to introduce AMI’s sample pellets to potential customers of DR-grade pellets in the USA and Canada. Gardner Dominion has a sales and logistics network offering steel raw materials, including iron ore, DRI scrap and scrap metal, to North American steel mills. Gardner Dominion was founded by James Gardner, a mining and resource professional with over 15 years of experience. Mr. Gardner has ample experience in steel raw materials trading

and has a wide network of clients in the sector, both in North America and internationally. He has also participated in several mining projects in North and South America.

Ambershaw’s customer outreach effort is already underway, having received initial interest from a number of American steel mills. This effort will continue over the second half of 2017.

Environmental Baseline Studies

In May 2017, Ambershaw appointed Palmer Environmental Consultant Group (“PECG”) to lead the AMI project’s environmental baseline data studies for the 2017/18 period. The focus of the studies is to complete environmental baseline work that will allow the Company to apply for an advanced exploration permit aimed at starting initial production during the second half of 2018.

AMI’s environmental program will cover the following areas of study:

Month (2017)	Major Work Tasks to be Completed
May	<ul style="list-style-type: none"> • Project setup. • Field data collection: Water Quality and Hydrology.
June	<ul style="list-style-type: none"> • Field surveys: Vegetation and Wildlife.
July	<ul style="list-style-type: none"> • Field surveys: Vegetation and Wildlife; Fish and Fish Habitat.
August	<ul style="list-style-type: none"> • Field data collection: Climate; Hydrology; Water Quality; Air & Noise; Terrain and Soils Map.
September	<ul style="list-style-type: none"> • Archaeology Stage 1 & 2 Assessment. • Field data collection: Hydrogeology; Fish and Fish Habitat; Vegetation and Wildlife. • Vegetation and Wildlife Characterization Map.
October	<ul style="list-style-type: none"> • Field data collection: Air Quality and Noise; Climate; Hydrology; Water Quality; Hydrogeology.
November	<ul style="list-style-type: none"> • Hydrogeology Baseline Report. • Fish and Fish Habitat Baseline Report. • Vegetation and Wildlife Baseline Report.
December	<ul style="list-style-type: none"> • Air Quality, Climate and Noise Baseline Report. • Hydrology Baseline Report. • Water Quality Baseline Report. • Integrated Baseline Report.

PECG is comprised of a leading team of environmental professionals who specialize in advancing environmental assessments and permits for mining, energy, water and wastewater, and land development and infrastructure projects. Further information on PECG may be found at: www.pecg.ca.

About Ambershaw Metallics Inc.

Ambershaw Metallics Inc. is a private Canadian Company that is the 100% owner of the Bending Lake Project in North Western Ontario now renamed the AMI Project; it consists of approximately 50 square kilometres of mining patents and claims. The estimated resources of the project indicate 336 million tonnes of 30% Fe as per a NI 43-101 independent technical report completed on November 8, 2011.

Interested parties are invited to visit Ambershaw's website at www.ambershaw.ca.

For further information, please contact:

Johannes Petersen, Director
Ambershaw Metallics Inc
100 King Street West, Suite 5600
Toronto, Ontario, M5X 1C9
Tel. +1 647 846 0230
Email: info@ambershaw.ca