

Strategic Metals & Rare Earths Letter

INTERNATIONAL

the independent information and advisory publication on investing in Strategic Metals & Rare Earths

INVESTMENT ALERT – 18 July 2017

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BlueJay Mining Plc (GBp 12.25)

AIM	: JAY
H+L prices (12 months)	: GBp 16.50 – 4.80
Net issued shares	: 766.8 million
Market capitalization	: £ 93.9 million (US\$ 122.8 million)

2017 price target : GBp 20.00

INVESTMENT ALERT

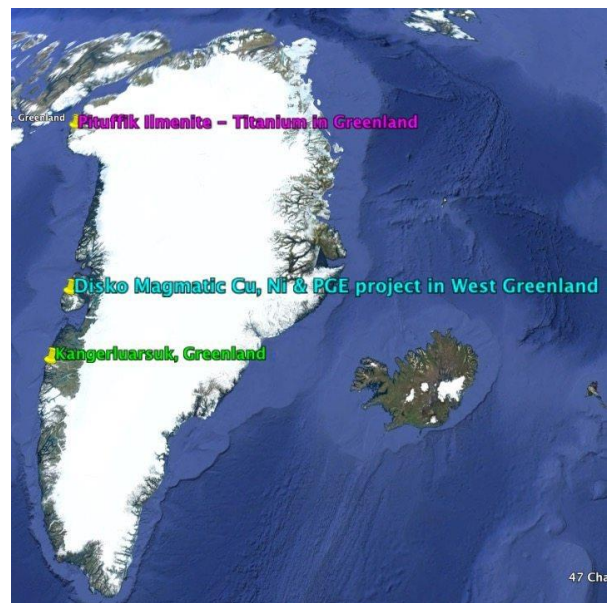
SRK to commence work on a mining and infrastructure study for development of world-class **Pituffik Titanium Project** in **Greenland**

On 18 July 2017, **BlueJay Mining** (“**BlueJay**”) announced that it has appointed **SRK Exploration Services** and **SRK (Consulting)** to commence work on a mining and infrastructure Study for the raised and active beach areas at its world-class **Pituffik Titanium Project** in Greenland.

Deliverables include infrastructure and logistic development, as well as geotechnical, hydrotechnical and mining studies – all to be completed during 2017.

The studies will be executed in parallel with the ongoing fieldwork programme during the coming 6 months. This includes drilling to expand and upgrade the current resource of 23.6 million tonnes at 8.8% ilmenite, bulk sampling and progression of the permitting process.

Work programmes required to finalize an exploitation licence continue on schedule.



The Environmental Impact Assessment (“EIA”) and the Social Impact Study (“SIA”) have now been through the public consultation process and will shortly be re-submitted inclusive of all stakeholder comments to the Greenlandic Government to continue the licence approval process in the coming weeks.

Investment comments:

Since the acquisition of a 60.37% interest in the **Pituffik Titanium Project** in December 2015, **BlueJay Mining** within a year has emerged to Greenland’s leading exploration company by market valuation (see overview).

This position has been strengthened fundamentally by having exercised the option to increase its interest in the Project to 100% and completion of the acquisition of Avannaa Exploration, which has two advanced polymetallic projects.

On 10 April 2017, **BlueJay** published the Maiden Mineral Resource estimate for the Pituffik Project, which shows an Inferred resource of 23 Mt at 8.8% ilmenite. The report, prepared by SRK, confirms the highest-grade mineral sand ilmenite project globally, with just approximately 17% of the raised beach area having been assessed for this resource calculation.

SRK’s exploration target is between 90 Mt and 130 Mt with an in-situ TiO₂ grade of between 3% and 4% and a heavy mineral content between 30% and 34%, of which between 10% and 12% will comprise TiO₂. This would allow for grades over 20% ilmenite at the mineral separation level to be maintained for many years, representing a net asset valuation of hundreds of million dollars for the Pituffik Project.

BlueJay has already been included in my **2017 Shortlist of Strategic Metals/Special Minerals and REE-investment recommendations** after a share capital reorganization in December 2015, when the Company valued at just £ 8 million.

Since then, the **Pituffik Titanium Project** became recognized as the highest-grade mineral sand ilmenite producer globally in the next few years, as a result of which **BlueJay’s** market valuation multiplied.

My 2017 share price target remains GBP 20.00.

GREENLAND-focused listed mining exploration companies										
	Trading symbol		Share price	Year-end	Change	12 months		Net issued	Market cap.	Market cap.
July 17, 2017			17/7/2017	2016	in %	prices		shares mln.	million	million
						H	L		local currency	US\$
			GBP	GBP		GBP	GBP		£	
BlueJay Mining Plc 1)	AIM	JAY	12.63	6.78	86	16.50	4.80	766.9	106.3	139.3
			A\$			A\$	A\$		A\$	
Greenland Minerals & Energy	ASX	GGG	0.10	0.07	43	0.20	0.03	1005.0	100.5	78.4
Ironbark Zinc	ASX	IBG	0.08	0.09	-11	0.13	0.05	539.4	43.2	33.7
			Cdn\$			Cdn\$	Cdn\$		Cdn\$	
Hudson Resources	TSX.V	HUD	0.53	0.33	61	0.80	0.29	134.6	71.3	56.4
North American Nickel	TSX.V	NAN	0.08	0.09	-17	0.15	0.07	513.6	38.5	30.4
True North Gems	TSX.V	TGX	0.005	0.01	0	0.10	0.005	307.7	1.5	1.2
1) name change from <u>FinnAust Mining Plc</u> to <u>BlueJay Mining Plc.</u> , effective March 13, 2017										