

22 September 2020

**Harvest Minerals Limited ('Harvest' or the 'Company')**

**Advances Expansion Planning to Increase Product Storage Capacity at  
Arapua Fertiliser Project by 300%**

Harvest Minerals Limited, the AIM listed remineraliser producer, is pleased to announce that it is in the final stage of the expansion of the mining and product storage areas of its 100% owned Arapua Fertiliser Project in Brazil ('Arapua'), as detailed in the news release dated 14 April 2020. Additionally, it has signed a Protocol of Intentions with the Government of Minas Gerais to provide assistance on key initiatives related to Harvest's operations and development plans.

**Highlights:**

- Product storage capacity expanded by 300% to comprise a total of 30,000 tonnes of product within a 6,000m<sup>2</sup> covered storage area
- Mining area increased four-fold to 78.8km<sup>2</sup> to provide greater production flexibility according to demand and reduce operating costs
- Expansion work to be concluded by end of September 2020, ahead of main buying season
  - Work on track to be completed ahead of time and 30% under budget
- Protocol of Intentions signed with state government investment agency for assistance in areas such as business matchmaking with local suppliers, permitting and licenses, tax planning, and funding options, as it may be required

**Brian McMaster, Chairman of Harvest, said:** *"With multi-decade mineral resources and a high quality remineraliser product we have strong confidence in the longevity of our business. As we foresee sales increasing over time, we believe that the expansion of our mining and storage capacities will enable us to meet the demand and fill any eventual supply gap left by other fertiliser suppliers. The expansion work is on track to be completed by end of September 2020, under budget and on time, ready for the beginning of the buying season."*

**Further Information:**

Over the past five months, Harvest carried out the expansions of the product storage facility to 30,000 tonnes, which is a three-fold increase in finished product storage capacity, and the mining area (four fold increase), which will provide flexibility to increase production, dry ore and provide additional run of mine at times of peak demand for our product.

Work completed to date and currently in progress includes:

- Expansion of the mining area
- Increase of the product storage area

- Addition of manoeuvre area for bigger trucks
- Maintenance of access points
- Improvements at the processing plant
- Infrastructure improvements

The final cost of expansion is estimated at R\$2.8 million (or ~US\$600,000), approximately 30% under budget, and funded internally from Harvest's cash in hands plus operational cash flows. It is expected that the works will be completed by end of September 2020, before the start of the main buying season. Upon completion, work is expected to be undertaken on a 2-3 shifts production scale.

### **Expansion of Product Storage Facility**

The second product storage facility, which has twice the capacity of the existing facility, is located on the west side of the processing plant. The frame, fabric and conveyors have all being fabricated locally by the same manufacturers who constructed the original facility.

The expanded product storage facility will increase the Company's processing and loading flexibility as it can process and store product on one side, whilst loading from the other side. It also has the advantage of isolating its production staff from the delivery drivers as part of the Company's safety protocols in light of the COVID-19 pandemic.

### **Expansion of the Mining Area (or Mining Stripping)**

The mining area has been expanded four-fold to 78,894m<sup>2</sup> including an access located on an upper level from the existing facility so the plant can be gravity fed by conveyor from the new feeding area. This should further reduce operating costs by reducing trucking costs to and from the ROM pads to the mine and plant. It also increased the capability of drying more material without any operational cost.

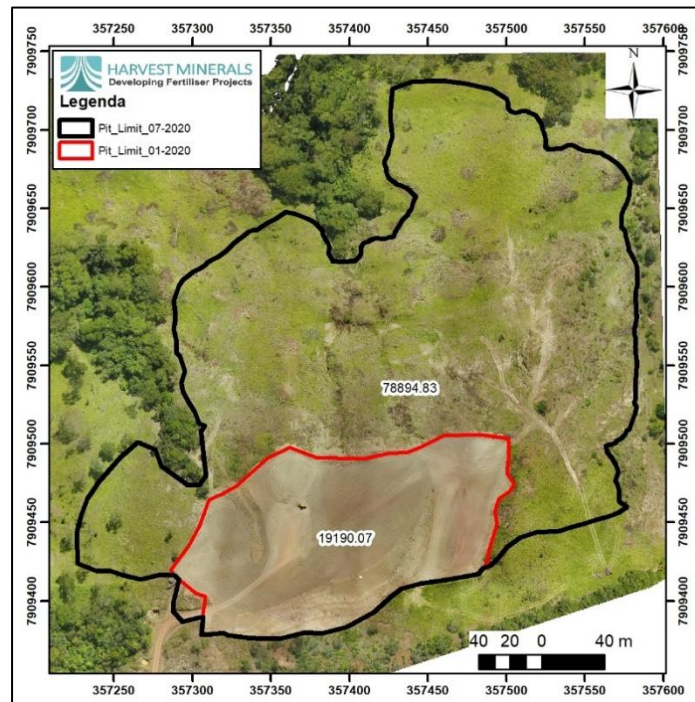
**Product Storage Facility  
(August 2020)**



**Product Storage Facility and Manoeuvre Area  
(April 2020)**



### Expansion of the Mining Area (in m2)



### Protocol of Intentions Signed with Minas Gerais' Investment Agency

A Protocol of Intentions has been signed by Harvest and the government of Minas Gerais, through the Institute for Integrated Development of Minas Gerais ('INDI'), an organisation connected to the State Secretariat for Economic Development ('Sede').

The Protocol of Intentions signed by Harvest and INDI will be instrumental to the execution of Harvest's plans to expand its mining and storage capacities. The partnership with INDI will cover areas such as business matchmaking with local suppliers, permitting and licenses, tax planning, and funding options, as it may be required.

INDI is the investment and trade promotion agency of Minas Gerais, dedicated to attract and assist companies that want to establish or expand operations throughout all phases of project development, which include, and is not limited to, investment-related intelligence and business matchmaking with local suppliers, fast-tracking of permits and other required licenses, securing financing with local development agencies, tax incentives negotiations, and so forth. Such assistance is free of charge to Harvest as the planned investments are meant to bring economic and social benefits to the municipality where Harvest operates. In its 51 years of existence, INDI has assisted over 4,000 companies seeking to implement or expand their business in Minas Gerais.

**\*\*ENDS\*\***

For further information, please visit [www.harvestminerals.net](http://www.harvestminerals.net) or contact:

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