

# Pelagic Resources Group Extends Marketing and Investment Mandate with South Africa's Largest Greenfield Vanadium Project

*The deal is with Vanadium Resources (ASX: VR8). Pelagic's success fee will include the marketing rights for a period of 5 years for 50% of vanadium products.*



SINGAPORE, May 31, 2021 /EINPresswire.com/ -- In February 2021, physical commodity trader [Pelagic Resources Pte Ltd](#) ("Pelagic") renewed their initial marketing and investment agreement with ASX-listed Vanadium Resources Limited (ASX: VR8) signed in August 2020.

“

Pelagic's extensive network and experience in trading specialty steel presents an opportunity for VR8 to develop strategic partnerships that could advance Steelpoortdrift to its maximum potential.”

*Jurie Wessels, VR8 Chairman*

According to Dinos Demetriades, CFO of Pelagic, "The rise in the vanadium price (V2O5) over the last year, coupled with a revised [scoping study](#) by VR8 has resulted in renewed interest in the Steelpoortdrift project." With respect to prices, European V2O5 concentrate prices rose from \$5.5/lb in August last year to \$6.3/lb in February 2021. As at 30 May 2021, prices stood at \$8.1/lb and is still showing signs of an upward trajectory. {1}

Steelpoortdrift's most recent Scoping Study, published in March 2021, estimates an after-tax NPV of between \$359 million and \$401 million at an assumed vanadium price of

\$6.95/lb, well below the current price of over \$8/lb. Furthermore, the project has a JORC Resource of 662 Mt at a grade of 0.77% V2O5, which makes it the largest potential vanadium mine in Africa. The management teams of VR8 and Pelagic are jointly exploring various strategic partnerships for the development of the project and eventual advancement of Steelpoortdrift into production.

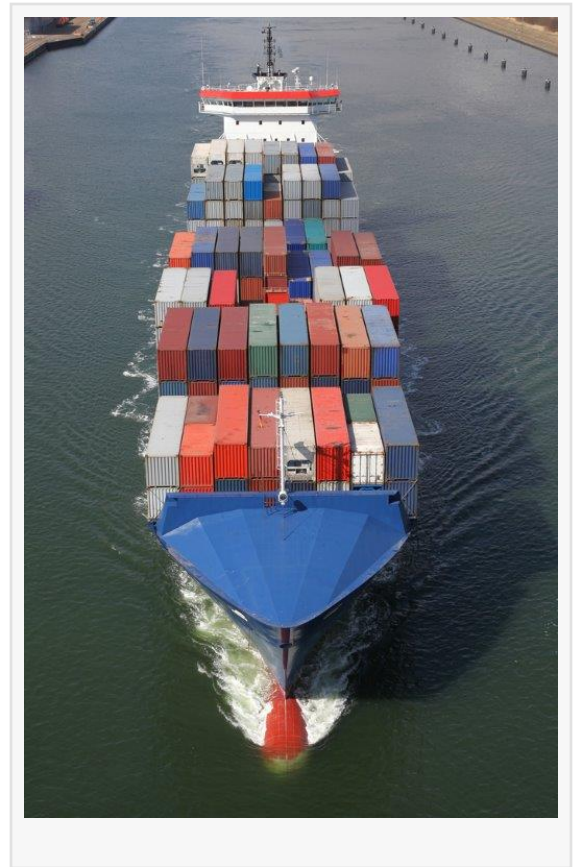
Further Reading:

To learn more about VR8 and its prospects, [click here to download this summary](#)

Source:

{1} <https://www.vanadiumprice.com/>

Dinos Demetriades  
Pelagic Resources  
+65 6978 4631  
info@pelagicresources.com  
Visit us on social media:  
[LinkedIn](#)



---

This press release can be viewed online at: <https://www.einpresswire.com/article/542447985>

EIN Presswire's priority is source transparency. We do not allow opaque clients, and our editors try to be careful about weeding out false and misleading content. As a user, if you see something we have missed, please do bring it to our attention. Your help is welcome. EIN Presswire, Everyone's Internet News Presswire™, tries to define some of the boundaries that are reasonable in today's world. Please see our Editorial Guidelines for more information.

© 1995-2021 IPD Group, Inc. All Right Reserved.