Scandium International signs LOI with Gränges AB of Stockholm

Scandium International Mining Corp {TSE: SCY} signed an LOI with Gränges AB of Stockholm, and director Barry T. Davies acquired 223,000 shares of the company's stock in a transaction dated Wednesday, January 31st.

The stock was bought at an average cost of C$0.17 per share, for a total transaction of C$37,910.00, or £21,000.

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Comment

Always good to see a director putting his hand in his own pocket and buying in the market. Looking at the chart I wonder whether it's because it's at an 18 month low, and he's showing support, or simply that he feels now is the nadir and it's a good time to buy?

Sadly the shareprice, which has halved over the past year,

continues to decline, a reflection perhaps of the lack of interest and awareness of scandium, rather than criticism of the company itself.

All they can do is continue to move forward and sign deals and hope the market responds accordingly.

Two news releases follow

Reno, Nevada – **Scandium International Mining Corp. {TSX: SCY}** is pleased to announce that it has signed a Letter of Intent ("LOI") with Gränges AB ("Gränges"), based in Stockholm, Sweden.

Gränges is a public company, traded on the NASDAQ Stockholm Stock Exchange, and is a large global player in the rolled aluminum products business, with production assets in Europe, USA, and China, and a worldwide customer base.

The LOI calls for the Scandium International to contribute various aluminium alloy samples containing scandium to a testing project, to be undertaken by Gränges research staff, specifically for heat-exchanger applications, and potentially for other applications. The Company will also contribute aluminium-scandium master alloy 2% , for alloying and trial-testing with Gränges proprietary aluminium alloys. This alloy mixing and testing will also be conducted by Gränges, at their R&D facilities and by their research staff. The parties have agreed to report the parameters and general results of the

testing program utilising these scandium-containing alloys, upon completion of testing.

LOI AGREEMENT HIGHLIGHTS:

- **LOI defines alloy and MA contributions to Gränges' testing programs,**
- **Gränges agrees to test alloy and utilize MA in their research facilities to document observed scandium impacts on alloys used in their products,**
- **Research results are to be reported and understood, possibly publicly disclosed, depending on intellectual property discovery,**
- **Gränges is a recognized leader in rolled aluminum products, specifically heat exchanger products, servicing a large global customer base, and**
- **Successful research results may form a basis for future use of scandium by Gränges.**

This demonstration program with Gränges represents the third formal LOI announced this month by SCY with distinct industry segment leaders. The programs these LOIs represent are key to demonstrating precisely how scandium will perform in specific products, and in production-specific environments. Potential scandium customers insist on these sample-testing opportunities, directly in their research facilities or on their shop floor, to ensure their full understanding of the impacts, benefits, and costing implications of introducing scandium into their traditional aluminum feedstocks.

DISCUSSION:

Gränges is one of the few global players in the rolled

aluminum products category, with production, sales and customer-driven product development on three continents. The company is focused on advanced aluminum materials, and holds a leading global position in rolled products for brazed heat exchangers, which it estimates at 20%. The brazed heat exchanger market has traditionally been centered in automotive applications, but is now increasingly being applied to stationary heat exchanger (HVAC) solutions as well. Gränges' focus on technology, manufacturing processes, and material properties has produced smaller, lighter and better designed heat exchangers, successfully creating products that deliver both better energy efficiency and improved environmental impacts to the marketplace.

In 2016, Gränges acquired the downstream rolling mill assets of Noranda Aluminum Holding Corp., centered in Franklin, Tennessee, renamed Gränges Americas. This acquisition resulted in considerable changes to Gränges' customer structure and markets, and expanded their product offering into automotive heat shields, transformer windings and semirigid containers. The company uses approximately 340,000 tonnes of aluminum alloy in its global product offerings annually, has 1,600 employees and global sales (2016) of over 10 billion SEK (US$1.3 billion). More than half of Gränges sales are now in the USA.

For more on Gränges AB, please visit their website at: www.Granges.com

The Gränges organiaation and specifically the R&D Center in Finspång, Sweden is ideally qualified to test the effects of scandium on advanced 3 Series brazing alloys, typically employed in the manufacture of heat exchangers of all types

and applications. We believe, based on test work already conducted by SCY, that this program holds the potential to demonstrate the significant value of scandium additions in heat exchanger applications, and potentially other applications for aluminum alloys.

These LOI announcements are part of a product and market development strategy by the Company to pick innovative, research-capable partners, willing to test scandium in their applications. We are selecting and approaching these specific partners because we have an understanding, from our commissioned alloy mixing programs, that scandium additions can make valuable contributions to their specific products, and we have the alloy samples to make a fast start on that validation. The scandium market for aluminum alloys needs to be built, and that construction should be seen as underway in the most direct sense. The Company plans to do more of these programs, application-specific, in pursuit of sales contracts with quality customers across numerous industry segments, predominantly existing aluminum alloy consumers.

Director Purchase News Release

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