Final Assay Results of Resource in-Fill Drilling at Nyngan Scandium Project - 357PPM

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RENO, NV / ACCESSWIRE / January 29, 2015 / Scandium International Mining Corp. (the "Company" or "Scandium International" or "SCY") (TSX: SCY) announces today that it has received assay results on the remaining 10 holes which were a part of a 14-hole resource drilling program at the Nyngan Scandium Project in NSW, Australia, conducted in October 2014. Results on the first 4 holes in the program were announced on December 18, 2014. This news release will report on all 14 holes in the program, totaling 655 meters, in the existing resource area. The program attempted 2 additional exploration holes, which were abandoned due to difficult drilling conditions.

FOURTEEN DRILL-HOLE PROGRAM ASSAY RESULT HIGHLIGHTS:

- Average scandium grade of 357ppm over 214 meters (200ppm cut-off),

- Average scandium grade of 444ppm over 120 meters (300ppm cut-off),

- Best results: 4 meters @ 795ppm, 5 meters @ 755ppm and 7 meters @ 721ppm,

- Best individual 1 meter assay was 879ppm,

- Lithium borate fusion (fusion) assay preparation demonstrated superior result to the traditional four acid method, as used on the resource estimate in 2010, and

- These new assay results strongly support the average grade and location selected and included in the recently released PEA on the Nyngan project.

DISCUSSION

The Company conducted and completed a 14-hole drill program in October, focused on a high grade section of the Nyngan property, selected from within the area of the measured and indicated (M&I) resource disclosed in the NI 43-101 technical report filed on SEDAR in March of 2010. This high grade zone of mostly indicated resource was the basis of a 20 year mine plan and scandium grade assumptions used in the recently released PEA on the Nyngan project. This latest drill program was designed to in-fill certain areas to 50 meter centers (from 100 meter centers), and to provide better information on pit limits as defined in the PEA. The program was conducted using a conventional rotary air core drill rig, which captured over five tonnes of chip sample material, for assay, and for fresh resource material to support ongoing metallurgical test work programs. Holes were vertically drilled, so interval widths in the results table below represent true widths.

The Company assayed all 14 new holes with both four acid digestion, and also by fusion digestion techniques, followed in each case by ICP-AES metal assays. Scandium assay results on the entire 14 hole program are presented in this press release, including assays previously announced in December on 4 holes, where early results were available (holes 1,9,10 and 16).

The Company notes that fusion digestion results generally deliver higher scandium assays than the four acid digestion method, traditionally used in nickel and cobalt assay work. The Company believes the fusion technique generates a truer assay result, because acid digestion of scandium within limonite hosted mineralization can be incomplete, particularly at higher grades, and flux digestion by high temperature fusion produces a more homogeneous sample for analysis. SCY intends to rely on and utilize fusion digestion techniques going forward to support our mine planning and advanced economic and development studies.

The assay results presented in the summary table below are based on a 200ppm scandium cut-off value. This assumption on scandium grade minimum is based on the Nyngan Project PEA economics, and represents an economic cut-off value to apply to resource to be mined. Assay results were taken over each meter of drilling material, and only continuous intervals have been included in the summary table. Reporting intervals above cut-off were established based on fusion results, and the presentation table then applied

those same intervals to both fusion and four acid assays for comparability. The generally higher fusion results generated wider intervals above cut-off grade, resulting in inclusion of some below cut-off grade assays into the four acid results presented in the table below.

Reported assay results correspond to limonite resource only. A saprolite resource underlays the limonite, is generally lower in grade, requires somewhat different processing techniques than limonite for optimal recovery, and is not planned for early extraction and processing by the Company. Each hole in the drill program was completed to bedrock, including both limonite and saprolite resource. Saprolite was present in 13 of the 14 holes drilled.

DRILL RESULTS DETAIL:

https://www.accesswire.com/uploads/Scandium%201bb.jpg

The location of the 14 hole drill program is as follows:
https://www.accesswire.com/uploads/Scandium%202.jpg

George Putnam, CEO of Scandium International Mining Corp. commented:

"With this full program drill result in hand, we have detailed and current assay data to design our starter pit as part of a final feasibility study, to be completed in 2015. These latest assay results continue to confirm the head grade assumptions integral to the recently released PEA on the Nyngan project. Drill hole material from the program has also allowed us to conduct flow sheet test work with fresh resource taken from the planned pit area. A finalized flow sheet based on optimized parameters is planned for the end of Q2 2015.

These recent in-fill drill results also demonstrate clearly that the Nyngan resource is very comparable to other scandium resources in the NSW lateritic belt regarding scandium grade."

QAQC STANDARDS

SCY employed an independent local geological consulting and drill supervisory team, Rangott Mineral Exploration Pty. Ltd., (RME) of Orange NSW, Australia, to manage the drill work on-site. Bulk samples of drill returns were collected at one meter intervals from a trailer-mounted cyclone and splitter for one reported hole - EMCG-01, and a separate (RME) three-tier riffle splitter was used on site for holes EMCG-09, EMCG-10 and EMCG-16, due to moisture. Assay samples ranged from 0.4 - 4.7 kg in weight. Individual sample identifiers were cross-checked during the process. The individual assay samples were double-bagged and held in RME's possession while in the field, prior to transport and storage at RME's office in Orange. RME personnel checked/validated the sequence of sample numbers, and submitted the samples to Australian Laboratory Services' ("ALS") laboratory in Orange, NSW. The remainder of bulk samples were sealed in the field in heavy polyethylene bags and transported by RME to a secure site at Orange for long-term storage or further use in metallurgical test work.

ALS/Orange dried and weighed the received assay samples, and pulverized the entire sample to 85% passing 75 microns or better (technique PUL-21). 50 g bags of the pulps were then split off and sent to the ALS laboratory at Stafford in Brisbane, Queensland for analysis. ALS/Brisbane analyzed the pulps for scandium, nickel, cobalt, chromium, iron, magnesium, manganese, aluminum and calcium, using Inductively Coupled Plasma Atomic Emission Spectroscopy (ICP-AES) after a four acid digestion (technique ME-ICP61). The 4-hole results were also repeat-tested, only for scandium, using a lithium borate fusion digestion technique, followed by similar ICP-AES assay. The lower detection limit for scandium using either technique is 1ppm. RME included one commercial standard sample and three high-grade scandium pulps from previously analyzed batches, for quality control; and also included one duplicate sample from each hole in the batch. For internal quality control, ALS/Brisbane added additional standard samples (for repeat analyses), blank samples and duplicate samples to the batch.

QUALIFIED PERSONS

Willem Duyvesteyn, Director and CTO of Scandium International Mining Corp., and a QP as defined by NI 43-101, and John Thompson, VP Project Development for Scandium International Mining Corp., and a QP as defined by NI 43-101, are both Company QP's and have reviewed this press release.

ABOUT SCANDIUM INTERNATIONAL MINING CORP.

The Company is focused on developing the Nyngan Scandium Project into the world's first scandium-only

producing mine. The Company owns a 100% interest in both the Nyngan Scandium Project, and the adjacent Honeybugle Scandium Property, in New South Wales, Australia. SCY's interest in both Nyngan and Honeybugle can potentially be reduced to 80% in the future, based on certain current granted option rights.

The Company filed a NI 43-101 technical report disclosing Measured and Indicated Resources on the Nyngan Project in March of 2010. The Company also filed a NI 43-101 technical report on a preliminary economic assessment of the Nyngan Scandium Project in October of 2014, and has completed extensive metallurgical test work on the resource. In addition, SCY owns a 100% interest in the Tørdal Scandium/REE property in southern Norway, where we continue our exploration efforts, specifically for scandium and REE minerals.

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No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein.

This press release contains forward-looking information that does involve various risks and uncertainties regarding future events. Such forward-looking information can include without limitation statements regarding the short term or long term economic feasibility of scandium production at our Nyngan scandium project, and in general, statements based on current expectations involving a number of risks and uncertainties and are not guarantees of future performance. Forward-looking information in this press release is based on estimates and opinions of management and qualified persons as defined in NI 43-101 that are providing technical services to SCY, on the dates they are made and are expressly qualified in their entirety by this notice, and by other risk factors disclosed in our public filings. Such statements include metal price assumptions, cash flow forecasts, projected capital and operating costs, metal or mineral recoveries, mine life, production rates and the results of HPAL modeling and testing. Any of these and other assumptions and forecasts may change due to reasons that impact the industry generally, such as scandium pricing, or for reasons specific to the project. Except as required by law, SCY assumes no obligation to update forward-looking information should circumstances or management's estimates or opinions change.

Cautionary Note to U.S. Investors Regarding Resource Estimates: This press release uses the terms "indicated resources" and "measured resources" which are defined by the Canadian Institute of Mining, Metallurgy and Petroleum, and are required to be disclosed in accordance with Canadian National Instrument 43-101. The disclosure standards in the U.S. Securities and Exchange Commission's (SEC) Industry Guide 7 normally do not recognize information concerning these terms or other descriptions of the amount of mineralization in mineral deposits that do not constitute "reserves" by U.S. standards in documents filed with the SEC. Accordingly, information concerning mineral deposits set forth herein may not be comparable with information presented by companies using only U.S. standards in their public disclosure.