UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 40-F

(Check One)
[ ] REGISTRATION STATEMENT PURSUANT TO SECTION 12 OF THE SECURITIES EXCHANGE ACT OF 1934
OR
[X] ANNUAL REPORT PURSUANT TO SECTION 13(a) OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended: **December 31, 2022** Commission File Number: **001-40333**

Largo Inc.

(Exact name of Registrant as specified in its charter)

Not Applicable
(Translation of Registrant's name into English (if applicable))

Ontario, Canada
(Province or other jurisdiction of incorporation or organization)

1400
(Primary Standard Industrial Classification Code Number (if applicable))

Not Applicable
(I.R.S. Employer Identification Number (if applicable))

55 University Avenue
Suite 1105
Toronto, Ontario M5J 2H7
Canada
(416) 861-9797
(Address and telephone number of Registrant's principal executive offices)

C T Corporation System
1015 15th Street, N.W., Suite 1000
Washington, DC 20005
(202) 572-3111
(Name, address (including zip code) and telephone number (including area code) of agent for service in the United States)

Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of each class	Ticker Symbol(s)	Name of each exchange on which registered
Common Shares	**LGO**	**The NASDAQ Stock Market LLC**

Securities registered or to be registered pursuant to Section 12(g) of the Act:

None
(Title of Class)

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act:

None
(Title of Class)

For annual reports, indicate by check mark the information filed with this Form:

[X] Annual information form [X] Audited annual financial statements

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report: 64,004,956

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days.

YES [X] NO [ ]

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule

405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

YES [X] NO [ ]

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 12b-2 of the Exchange Act.

Emerging growth company [X]

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. [ ]

† The term "new or revised financial accounting standard" refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. [ ]

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. [ ]

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). [ ]

Auditor Firm Id:	Auditor Name:	Auditor Location:
85	KPMG LLP	Toronto, Ontario, Canada
271	PricewaterhouseCoopers LLP	Toronto, Ontario, Canada

Largo Inc.

EXPLANATORY NOTE

Largo Inc. (the "**Registrant**") is a Canadian corporation eligible to file its Annual Report pursuant to Section 13(a) of the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), on Form 40-F. The Registrant is a "foreign private issuer" as defined in Rule 3b-4 under the Exchange Act. Equity securities of the Registrant are accordingly exempt from Sections 14(a), 14(b), 14(c), 14(f) and 16 of the Exchange Act pursuant to Rule 3a12-3 thereunder.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Certain statements in this Annual Report on Form 40-F are forward-looking statements within the meaning of Section 21E of the Exchange Act and Section 27A of the Securities Act of 1933, as amended (the "**Securities Act**"). Additionally, the safe harbor provided in Section 21E of the Exchange Act and Section 27A of the Securities Act applies to any forward-looking information provided pursuant to "Off-Balance Sheet Arrangements" and "Disclosure of Contractual Obligations" in this Annual Report on Form 40-F. Please see "Cautionary Statement Regarding Forward-Looking Information" beginning on page 21 of the Management's Discussion and Analysis for the fiscal year ended December 31, 2022 of the Registrant, attached as Exhibit 99.3 to this Annual Report on Form 40-F, and "Cautionary Note Regarding Forward-Looking Information" beginning on page 1 of the Annual Information Form for the fiscal year ended December 31, 2022 of the Registrant, attached as Exhibit 99.1 to this Annual Report on Form 40-F.

DIFFERENCES IN UNITED STATES AND CANADIAN REPORTING PRACTICES

The Registrant is permitted, under a multijurisdictional disclosure system adopted by the United States, to prepare this Annual Report on Form 40-F in accordance with Canadian disclosure requirements, which are different from those of the United States.

The Registrant prepares its consolidated financial statements, which are filed with this Annual Report on Form 40-F, in accordance with International Financial Reporting Standards, as issued by the International Accounting Standards Board ("**IFRS**"). Such financial statements may not be comparable to financial statements prepared in accordance with United States generally accepted accounting principles.

Unless otherwise indicated, all dollar amounts in this Annual Report on Form 40-F are in United States dollars. The exchange rate of Canadian dollars into United States dollars, on December 30, 2022, based upon historical rates published by the U.S. Federal Reserve, was U.S.$1.00 = C$1.3532. The exchange rate of Brazilian real into United States dollars, on December 30, 2022, based upon historical rates published by the U.S. Federal Reserve, was U.S.$1.00 = R$5.2860. The exchange rate of European euro into United States dollars, on December 30, 2022, based upon historical rates published by the U.S. Federal Reserve, was U.S.$1.00 = €$1.0698.

Purchasing, holding, or disposing of securities of the Registrant may have tax consequences under the laws of the United States and Canada that are not described in this Annual Report on Form 40-F.

PRINCIPAL DOCUMENTS

Annual Information Form

The Registrant's Annual Information Form for the fiscal year ended December 31, 2022 is filed as Exhibit 99.1 and incorporated by reference in this Annual Report on Form 40-F.

Audited Annual Financial Statements

The audited consolidated financial statements of the Registrant for the fiscal year ended December 31, 2022, including the Independent Auditor's Reports with respect thereto, are filed as Exhibit 99.2 and incorporated by reference in this Annual Report on Form 40-F.

Management's Discussion and Analysis

The Registrant's Management's Discussion and Analysis for the fiscal year ended December 31, 2022 is filed as Exhibit 99.3 and incorporated by reference in this Annual Report on Form 40-F.

CONTROLS AND PROCEDURES

Certifications

The required certifications are included in Exhibits 99.4, 99.5, 99.6 and 99.7 of this Annual Report on Form 40-F.

Disclosure Controls and Procedures

At the end of the period covered by this report, an evaluation of the effectiveness of the design and operation of the Registrant's "disclosure controls and procedures" (as such term is defined in Rule 13a-15(e) and Rule 15d-15(e) under the Exchange Act) was carried out by the Registrant's principal executive officer (the "**PEO**") and principal financial officer (the " **PFO**"). Based upon that evaluation, the Registrant's PEO and PFO have concluded that, as of the end of the period covered by this report, the design and operation of the Registrant's disclosure controls and procedures are effective to ensure that (i) information required to be disclosed in reports that the Registrant files or submits to regulatory authorities is recorded, processed, summarized and reported within the time periods specified by regulation, and (ii) is accumulated and communicated to management, including the Registrant's PEO and PFO, to allow timely decisions regarding required disclosure.

It should be noted that while the Registrant's PEO and PFO believe that the Registrant's disclosure controls and procedures provide a reasonable level of assurance that they are effective, they do not expect that the Registrant's disclosure controls and procedures will prevent all errors and fraud. A control system, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met.

Management Report on Internal Control Over Financial Reporting & Auditor Attestation

In designing and evaluating the Registrant's internal control over financial reporting, the Registrant's management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives and management necessarily applies its reasonable judgment in evaluating the cost-benefit relationship of possible controls and procedures. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Projections of any evaluation of effectiveness to future periods are subject to the risks that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

Management conducted an evaluation of the effectiveness of the Registrant's internal control over financial reporting as of December 31, 2022. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Based on this evaluation, management concluded that the Registrant's internal control over financial reporting was effective as of December 31, 2022, based on those criteria.

In accordance with the Jumpstart Our Business Startups Act (the " **JOBS Act**") enacted on April 5, 2012, the Registrant qualifies as an "emerging growth company" ("**EGC**"), which entitles the Registrant to take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not EGCs. Specifically, the JOBS Act defers the requirement to have the Registrant's independent auditor assess the Registrant's internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act. As such, the Registrant is exempted from the requirement to include an auditor attestation report in this Annual Report for so long as the Registrant remains an EGC, which may be for as long as five years following its initial registration in the United States.

Changes in Internal Control over Financial Reporting

During the year ended December 31, 2022, there were no changes in the Registrant's internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, the Registrant's internal control over financial reporting.

NOTICES PURSUANT TO REGULATION BTR

There were no notices required by Rule 104 of Regulation BTR that the Registrant sent during the year ended December 31, 2022 concerning any equity security subject to a blackout period under Rule 101 of Regulation BTR.

AUDIT COMMITTEE AND AUDIT COMMITTEE FINANCIAL EXPERT

Audit Committee

The Board of Directors has a separately-designated standing Audit Committee established in accordance with Section 3(a)(58)(A) of the Exchange Act for the purpose of overseeing the accounting and financial reporting processes of the Registrant and audits of the Registrant's annual financial statements. As of the date of this Annual Report on Form 40-F, the members of the Audit Committee are Koko Yamamoto,

David Brace, and Jonathan Lee.

The Board of Directors of the Registrant has determined that all members of the Audit Committee are "independent," as such term is defined under the rules of The NASDAQ Stock Market LLC ("**NASDAQ**"). Further, the Registrant has determined that all members of the Audit Committee are financially literate, meaning that they are able to read and understand fundamental financial statements.

Audit Committee Financial Expert

The Board of Directors of the Registrant has determined that the Chair of the Audit Committee, Ms. Yamamoto, is an "audit committee financial expert," as defined in General Instruction B(8)(b) of Form 40-F. The U.S. Securities and Exchange Commission (the "**Commission**") has indicated that the designation of Ms. Yamamoto, as an audit committee financial expert does not make her an "expert" for any purpose, impose any duties, obligations or liability on her that are greater than those imposed on members of the Audit Committee and Board of Directors who do not carry this designation or affect the duties, obligations or liability of any other member of the Audit Committee.

CODE OF ETHICS

The Registrant has adopted a written code of ethics for its directors, officers and employees entitled "Code of Business Conduct and Ethics" (the "**Code**") that complies with Section 406 of the Sarbanes-Oxley Act of 2002 and with NASDAQ Listing Rule 5610. The Code includes, among other things, written standards for the Registrant's Chief Executive Officer, Chief Financial Officer and principal accounting officer or controller, or persons performing similar functions, which are required by the Commission for a code of ethics applicable to such officers. A copy of the Code is posted on the Registrant's website at www.largoinc.com under "About Us - Governance."

No substantive amendments to the Code were adopted during the year ended December 31, 2022. No "waiver" or "implicit waiver," as such terms are defined in Note 6 to General Instruction B(9) of Form 40-F, was granted relating to any provision of the Code during the year ended December 31, 2022.

PRINCIPAL ACCOUNTANT FEES AND SERVICES

PricewaterhouseCoopers LLP, Chartered Professional Accountants ("**PwC**"), was the auditor of the Registrant for the fiscal year ended December 31, 2021. PwC resigned as the auditor of the Registrant, effective March 15, 2022. The Registrant subsequently appointed KPMG LLP, Chartered Professional Accountants ("**KPMG**"), on March 15, 2022 to fill the vacancy created by the resignation of PwC, and to hold such position until the close of the next annual meeting of shareholders of the Registrant. For more information, please see the Notice of Change of Auditor, dated March 18, 2022, furnished to the Commission as Exhibit 99.1 to its Report of Foreign Issuers on Form 6-K, dated March 30, 2022.

Aggregate fees billed to the Registrant for professional services rendered by KPMG and PwC and their respective affiliates during the fiscal years ended December 31, 2022 and 2021 are detailed below.

Audit Fees

KPMG's agreed upon fees in the fiscal year ended December 31, 2022 for audit services were C$851,276. PwC's agreed upon fees in the fiscal year ended December 31, 2021 for audit services were C$240,000, R$586,000 in Brazil and €70,000 in Ireland.

Audit-Related Fees

KPMG fees incurred in the fiscal year ended December 31, 2022 for assurance and related services related to the performance of the auditor's review for the Registrant's financial statements not included in audit fees above were C$nil. PwC fees incurred in the fiscal year ended December 31, 2021 for assurance and related services related to the performance of the auditor's review for the Registrant's financial statements not included in audit fees above were C$55,000.

Tax Fees

KPMG fees incurred in the fiscal year ended December 31, 2022 for professional tax services rendered were C$162,120 and €28,446. PwC's fees incurred in the fiscal year ended December 31, 2021 for professional tax services rendered were C$nil and €76,826. The professional tax services related to tax compliance, tax planning and other related tax services.

All Other Fees

KPMG fees incurred in the fiscal year ended December 31, 2022 for other advisory services rendered were C$29,960, of which C$10,700 were incurred in 2022 prior to KPMG's appointment as auditor. PwC fees incurred in the fiscal year ended December 31, 2021 for other advisory services rendered were C$62,769.

Pre-Approval Policies and Procedures

All audit and non-audit services performed by the Registrant's auditor must be pre-approved by the Audit Committee of the Registrant. For the fiscal year ended December 31, 2022, all audit and non-audit services performed by the Registrant's auditor were pre-approved by the Audit Committee of the Registrant, pursuant to Rule 2-01(c)(7)(i) of Regulation S-X.

OFF-BALANCE SHEET ARRANGEMENTS

As of December 31, 2022, the Registrant does not have any "off-balance sheet arrangements" (as that term is defined in paragraph 11 of General Instruction B to Form 40-F) that have or are reasonably likely to have a current or future effect on its financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that is material to investors.

DISCLOSURE OF CONTRACTUAL OBLIGATIONS

The following table lists, as of December 31, 2022, information with respect to the Registrant's known contractual obligations:

	Payments Due by Period (All amounts in thousands of United States dollars)				
Contractual Obligations	**Less than 1 year**	**1-3 years**	**3-5 years**	**More than 5 years**	**Total**
Accounts payable and accrued liabilities	26,634	326	-	-	26,960
Long-term debt	4,000	36,000	-	-	40,000
Capital lease	581	1,218	367	-	2,166
Operating lease	243	132	22	-	-
Purchase obligations	-	-	-	-	-
Management obligations	-	-	-	-	-
Other long-term liabilities	-	-	-	-	-
Total	31,458	37,676	389	-	69,523

MINE SAFETY DISCLOSURE

Pursuant to Section 1503(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, issuers that are operators, or that have a subsidiary that is an operator, of a coal or other mine in the United States are required to disclose in their periodic reports filed with the Commission information regarding specified health and safety violations, orders and citations, related assessments and legal actions, and mining-related fatalities under the regulation of the Federal Mine Safety and Health Administration ("**MSHA**") under the Federal Mine Safety and Health Act of 1977 (the "**Mine Act**"). During the fiscal year ended December 31, 2022, the Registrant had no mines in the United States subject to regulation by MSHA under the Mine Act.

DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not applicable.

RECOVERY OF ERRONEOUSLY AWARDED COMPENSATION

Not applicable.

CORPORATE GOVERNANCE

The Registrant is a "foreign private issuer" as defined in Rule 3b-4 under the Exchange Act and its common shares are listed on NASDAQ. NASDAQ Marketplace Rule 5615(a)(3) permits a foreign private issuer to follow its home country practices in lieu of certain requirements in the NASDAQ Listing Rules. A foreign private issuer that follows home country practices in lieu of certain corporate governance provisions of the NASDAQ Listing Rules must disclose each NASDAQ corporate governance requirement that it does not follow and include a brief statement of the home country practice the issuer follows in lieu of the NASDAQ corporate governance requirement(s), either on its website or in its annual filings with the Commission. A description of the significant ways in which the Registrant's corporate governance practices differ from those followed by domestic companies pursuant to the applicable NASDAQ Listing Rules is disclosed on the Registrant's website at www.largoinc.com under "About Us - Governance - Statement of Differences - Nasdaq."

UNDERTAKING

The Registrant undertakes to make available, in person or by telephone, representatives to respond to inquiries made by the Commission staff, and to furnish promptly, when requested to do so by the Commission staff, information relating to: the securities registered pursuant to Form 40-F; the securities in relation to which the obligation to file an Annual Report on Form 40-F arises; or transactions in said securities.

CONSENT TO SERVICE OF PROCESS

The Registrant filed an Appointment of Agent for Service of Process and Undertaking on Form F-X with the Commission on May 19, 2021 with respect to the class of securities in relation to which the obligation to file this Annual Report on Form 40-F arises.

Any change to the name or address of the Registrant's agent for service of process shall be communicated promptly to the Commission by an amendment to the Form F-X referencing the file number of the Registrant.

EXHIBIT INDEX

Exhibit No.	Title of Exhibit
99.1	Annual Information Form of the Registrant for the year ended December 31, 2022
99.2	Audited Consolidated Financial Statements of the Registrant for the year ended December 31, 2022, together with the Auditors' Report thereon
99.3	Management's Discussion and Analysis of the Registrant for the year ended December 31, 2022

99.4	Certification of the Interim Chief Executive Officer pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the United States Securities Exchange Act of 1934
99.5	Certification of the Chief Financial Officer pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the United States Securities Exchange Act of 1934
99.6	Certification of the Interim Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the United States Sarbanes Oxley Act of 2002
99.7	Certification of the Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the United States Sarbanes Oxley Act of 2002
99.8	Consent of Independent Registered Public Accounting Firm - KPMG LLP (PCAOB ID: 85)
99.9	Consent of Registered Public Accounting Firm - PricewaterhouseCoopers LLP (PCAOB ID: 271)
101.INS	Inline XBRL Instance Document–the instance document does not appear in the Interactive Data File as its XBRL tags are embedded within the Inline XBRL document
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (formatted as Inline eXtensible Business Reporting Language (iXBRL) and contained in Exhibit 101).

SIGNATURES

Pursuant to the requirements of the Exchange Act, the Registrant certifies that it meets all of the requirements for filing on Form 40-F and has duly caused this Annual Report to be signed on its behalf by the undersigned, thereunto duly authorized.

Largo Inc.

By: /s/ Ernest Cleave
Name: Ernest Cleave
Title: Chief Financial Officer

Date: March 9, 2023



ANNUAL INFORMATION FORM

FOR THE YEAR ENDED DECEMBER 31, 2022

Dated as of March 9, 2023

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This AIF, including documents incorporated by reference herein, contains "forward-looking information" and "forward-looking statements" within the meaning of applicable Canadian and United States securities laws (together, "**forward-looking information**") concerning the Company's projects, capital, anticipated financial performance, business prospects and strategies and other general matters. These statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those included in the forward-looking information. The use of words such as "intend", "anticipate", "continue", "estimate", "expect", "may", "will", "project", "should", "believe" and similar expressions are intended to identify forward-looking information. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance are not statements of historical fact and may constitute forward-looking information. Statements relating to Mineral Resources are also forward-looking information, as they involve the implied assessment, based on certain estimates and assumptions that the Mineral Resources described can be profitably produced in the future. There is no certainty that it will be commercially viable to produce any portion of the Mineral Resources.

Forward-looking information includes, without limitation, statements with respect to:

- the Company's sales operations and anticipated sales of vanadium products, ilmenite and TiO_2 and vanadium redox flow battery ("**VRFB**") products;
- the timing and amount of estimated future production and sales;
- costs of future activities and operations;
- the extent of capital and operating expenditures;
- the timing and cost related to the build out of the ilmenite plant and the titanium project;
- eventual production from the ilmenite plant and/or the titanium project;
- the Company's ability to sell ilmenite, titanium dioxide pigment, V_2O_5 or other vanadium commodities on a profitable basis;
- the Company's ability to produce V_2O_5, FeV and V_2O_3 according to customer specifications;
- expectations regarding the continuity of mineral deposits;
- future prices of V_2O_5, V_2O_3, TiO_2 and ilmenite;
- future production at our Maracás Menchen Mine;
- the extent and overall impact of the COVID-19 pandemic in Brazil and globally;
- the extent and impact of global freight delays and higher inventory transit time;
- the Company's ability to build, finance and operate a profitable VRFB business including the expected manufacturing capacity of the Largo Clean Energy Corp. ("**Largo Clean Energy**" or "**LCE**") plant;
- the projected timing and cost of the completion of the Enel Green Power España ("**EGPE**") project;
- the Company's ability to negotiate and enter into a joint venture agreement with Ansaldo Green Tech S.P.A. ("**AGT**") on terms satisfactory to the Company;
- the competitiveness of the Company's VRFB products in the long duration energy storage ("**LDES**") systems market;
- the Company's ability to maintain, protect and develop its intellectual property and technology;
- the Company's ability to market, sell and fulfill orders for its VCHARGE battery system on specification and at a competitive price;
- the Company's ability to secure the required resources to build its VCHARGE battery;
- the adoption of VRFB technology generally in the market;
- the cost of producing and implementing the VRFB products;
- the anticipated termination date of the NCIB (as defined herein);
- the impact of the ongoing conflict between Russia and Ukraine, including the potential for broader economic disruption;
- the results in the Technical Report including resource estimates;
- expectations regarding any environmental issues that may affect planned or future exploration and development programs and the potential impact of complying with existing and proposed environmental laws and regulations;
- receipt and timing of third party approvals;

- government regulation of mineral exploration and development operations in Brazil;
- expectations regarding any social or local community issues in Brazil that may affect planned or future exploration and development programs; and
- statements in respect of V_2O_5, V_2O_3, TiO_2, ilmenite, and LDES systems demand and supply.

These statements and information are only predictions based on current information and knowledge, some of which may be attributed to third party industry sources. Actual future events or results may differ materially. Undue reliance should not be placed on such forward-looking information, as there can be no assurance that the plans, intentions or expectations upon which they are based will occur. By its nature, forward-looking information involves numerous assumptions, known and unknown risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and other forward-looking information will not be realized.

The following are some of the assumptions upon which forward-looking information is based:

- that general business and economic conditions will not change in a material adverse manner;
- the continued and growing demand for LDES systems and the movement towards a low-carbon future;
- demand for, and stable or improving price of, V_2O_5, V_2O_3, FeV, ilmenite, TiO_2 and other vanadium commodities;
- that the estimates of the Mineral Resources and Mineral Reserves at the Maracás Menchen Mine are within reasonable bounds of accuracy (including with respect to size, grade and recovery and the operational and price assumptions on which such estimates are based);
- that the Company will not experience any material accident, labour dispute or failure of plant or equipment or other material disruption in the Company's operations at the Maracás Menchen Mine or relating to LCE;
- the availability of financing for operations and development;
- that the Company will enter into agreements for the sales of vanadium, ilmenite and TiO_2 products on favourable terms and for the sale of substantially all of its annual production capacity;
- the Company's ability to mitigate the impact of future heavy rainfall;
- that the Company will enter into agreements for the sale and long-term maintenance of its VRFB products on favourable terms and at a sufficient volume to be profitable;
- the Company's ability to protect and maintain its intellectual property underlying its VRFB technology;
- the benefit of Largo Physical Vanadium Corp. ("**LPV**") to Largo's VRFB business and the vanadium market generally;
- receipt of regulatory and governmental approvals, permits and renewals in a timely manner;
- the Company's ability to procure equipment and operating supplies in sufficient quantities and on a timely basis;
- that the Company will have sufficient financial resources to repurchase Common Shares under its NCIB;
- the competitiveness of the Company's VRFB technology;
- that the Company's plans for iron ore, ilmenite, titanium dioxide pigment and VRFBs can be achieved;
- the potential impact of the ongoing conflict between Russia and Ukraine on the Company, including any effects of the evolving sanctions against Russia and Russian entities on the Company's sales and trading arrangements;
- the Company's ability to attract and retain skilled personnel and directors; and
- the ability of management to execute strategic goals.

Actual results could differ materially from those anticipated in this forward-looking information as a result of the risks and uncertainties including, without limitation:

- volatility in prices of, and demand for, V_2O_5, V_2O_3, FeV, ilmenite, TiO_2 and other vanadium commodities;
- uncertainties regarding the rate of inflation and its effect on the profitability of long-term contracts;
- unexpected operational events and delays;
- risks inherent in mineral exploration and development;
- uncertainties associated with estimating Mineral Resources and Mineral Reserves (including with respect to size, grade and recovery and the operational and price assumptions on which such estimates are based);
- uncertainties related to title to the Company's mineral projects;
- risks inherent with the introduction and reliance on recently developed VRFB technology;
- revocation of government approvals;

- tightening of the credit markets, global economic uncertainty and counterparty risk;
- failure of plant, equipment or processes to operate as anticipated;
- competition for, among other things, capital and skilled personnel;
- geological, technical and drilling problems;
- fluctuations in foreign exchange or interest rates and stock market volatility;
- rising costs of labour and equipment;
- disruption caused by labour actions;
- risks associated with political and/or economic instability in Brazil;
- compliance with applicable sanctions regimes;
- inherent uncertainties involved in the legal dispute resolution process, including in foreign jurisdictions;
- changes in income tax and other laws of foreign jurisdictions; and
- other factors discussed under "*Risk Factors*" in this AIF.

Assumptions relating to the potential mineralisation of the Maracás Menchen Mine are discussed in the Technical Report which is available under the Company's profile on SEDAR and available on www.sec.gov.

Additional risks and uncertainties not currently known to the Company, or that the Company currently deems to be immaterial, may also materially and adversely affect the Company's business and prospects. Should one or more of these risks and uncertainties materialize, or should any of the underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking information.

Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. The reader is cautioned not to place undue reliance on forward-looking information.

The forward-looking information is presented for the purpose of assisting investors in understanding the Company's plans, objectives and expectations in making an investment decision and may not be appropriate for other purposes. This forward-looking information is expressly qualified in its entirety by this cautionary statement. Forward-looking information contained in this AIF or documents incorporated herein by reference are made as of the date of this AIF or the document incorporated herein by reference, as applicable, and are accordingly subject to change after such date. The Company disclaims any obligation to update any such forward-looking information to reflect events or circumstances after the date of such information, or to reflect the occurrence of anticipated or unanticipated events, except as required by law.

CAUTIONARY NOTE TO UNITED STATES INVESTORS

Disclosure regarding the Company's mineral properties, including with respect to mineral reserve and mineral resource estimates included in this AIF, was prepared in accordance with NI 43-101. NI 43-101 is a rule developed by the Canadian Securities Administrators that establishes standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects.

In accordance with NI 43-101, the terms "mineral reserve", "proven mineral reserve" and "probable mineral reserve" are Canadian mining terms as defined in accordance with NI 43- 101 and the Canadian Institute of Mining, Metallurgy and Petroleum ("**CIM**") - CIM Definition Standards on Mineral Resources and Mineral Reserves (the "**CIM Definition Standards**"), adopted by the CIM Council, as amended.

The United States Securities and Exchange Commission (" **SEC**") adopted amendments to its disclosure rules (the " **SEC Modernization Rules**") to modernize the mineral property disclosure requirements for issuers whose securities are registered with the SEC under the U.S. Securities Exchange Act of 1934 (the "**U.S. Exchange Act**"), which are codified in Regulation S-K subpart 1300. Under the SEC Modernization Rules, the historical property disclosure requirements for mining registrants included in SEC Industry Guide 7 have been replaced. As a foreign private issuer under United States securities laws that files its annual report on Form 40-F with the SEC pursuant to the multi-jurisdictional disclosure system ("**MJDS**"), the Company is not required to provide disclosure on its mineral properties under the SEC Modernization Rules and will continue to provide disclosure under NI 43-101 and the CIM Definition Standards.

The SEC Modernization Rules include the adoption of terms describing mineral reserves and mineral resources that are substantially similar to the corresponding terms under the CIM Definition Standards. As a result of the adoption of the SEC Modernization Rules, the SEC now recognizes estimates of "measured mineral resources", "indicated mineral resources" and "inferred mineral resources". In addition, the SEC has amended its definitions of "proven mineral reserves" and "probable mineral reserves" to be substantially similar to the corresponding CIM Definition Standards.

Shareholders resident in the United States are cautioned that while terms are substantially similar to CIM Definition Standards, there are differences in the definitions and standards under the SEC Modernization Rules and the CIM Definition Standards. Accordingly, there is no assurance any mineral reserves or mineral resources that the Company may report as "proven reserves", "probable reserves", "measured mineral resources", "indicated mineral resources" and "inferred mineral resources" under NI 43-101 will be the same as the reserve or resource estimates prepared under the standards adopted under the SEC Modernization Rules.

Shareholders resident in the United States are also cautioned that while the SEC now recognizes "measured mineral resources", "indicated mineral resources" and "inferred mineral resources", investors should not assume that any part or all of the mineralisation in these categories will ever be converted into a higher category of mineral resources or into mineral reserves. Mineralisation described using these terms has a greater amount of uncertainty as to their existence and feasibility than mineralisation that has been characterized as reserves. Accordingly, investors are cautioned not to assume that any "measured mineral resources", "indicated mineral resources", or "inferred mineral resources" on the Company's projects are or will be economically or legally mineable.

Further, "inferred resources" have a greater amount of uncertainty as to their existence and as to whether they can be mined legally or economically. Therefore, shareholders resident in the United States are also cautioned not to assume that all or any part of the inferred resources exist. In accordance with Canadian rules, estimates of "inferred mineral resources" cannot form the basis of feasibility or other economic studies, except in limited circumstances where permitted under NI 43-101.

Accordingly, information contained in this AIF containing descriptions of mineral deposits may not be comparable to similar information made public by United States companies subject to the reporting and disclosure requirements under the United States federal securities laws and the rules and regulations thereunder. Shareholders resident in the United States are urged to consider closely the disclosure on technical terminology under the "Glossary" in this AIF.

MARKET AND INDUSTRY DATA

Market and industry data contained and incorporated by reference in this AIF concerning economic and industry trends is based upon good faith estimates of our management or derived from information provided by industry sources. The Company believes that such market and industry data is accurate and that the sources from which it has been obtained are reliable. However, we cannot guarantee the accuracy of such information and we have not independently verified the assumptions upon which projections of future trends are based.

OTHER INFORMATION

In this annual information form, references to " **Largo**", the "**Company**", and "**we**" mean Largo Inc. and its subsidiaries as applicable (unless the context otherwise requires). Unless stated otherwise, the share numbers, securities and price per security stated give effect to the 2021 Share Consolidation (as defined herein) of the Company's Common Shares on a ten (10) for one (1) basis effective March 4, 2021, notwithstanding that such amounts may relate to a period preceding the consolidation. The Common Shares began trading on a post-consolidation basis on March 8, 2021.

The disclosure in this AIF is supplemented throughout the year by, and is to be read in context with, subsequent continuous disclosure filings including news releases, material change reports, financial statements, management discussion and analysis and technical reports filed under NI 43-101. This AIF contains information which the Company believes, in context and in exercising its judgement, to be material. Information which the Company, in exercising its judgement, believes, in context, is not material (or, due to the passage of time, is no longer material), has not been included in this AIF.

QUALIFIED PERSON

Except as otherwise noted in this AIF, Mr. Emerson Ricardo Re, BSc, MSc, MBA, MAusIMM (CP) and Registered Member (Chilean Mining Commission), of HCM Consultoria Geologica Eireli, Geology Advisor to the Company, is the Qualified Person (as that term is defined under NI 43-101) who has reviewed and approved the technical disclosure in this AIF. For a description of key assumptions, parameters and methods used to estimate Mineral Reserves and Resources, as well as data verification procedures and a general discussion of the extent to which the estimates may be affected by any known environmental, permitting, legal title, taxation, sociopolitical, marketing or other relevant factors, please see the Technical Report for our material property as filed by us on SEDAR at www.sedar.com and available on www.sec.gov.

CURRENCY PRESENTATION AND DATE OF INFORMATION

This AIF contains references to United States dollars, Canadian dollars, Brazilian reals and to the European Euro. All dollar amounts referenced herein, unless otherwise indicated, are expressed in United States dollars "$". Canadian dollars may be referred to as "Canadian dollars" or "C$". Brazilian reals may be referred to as "Brazilian reals" or "R$", and the European Euro may be referred to as "Euro" or "€".

The following tables set out the average annual exchange rates according to information published by the Bank of Canada and the resulting currency conversion if one United States dollar, one Brazilian real and one Euro were exchanged for the equivalent in Canadian dollars.

	Year Ended December 31		
One U.S. dollar	**2022**	**2021**	**2020**
Closing in Canadian dollars	C$1.3013	C$1.2535	C$1.3415
	Year Ended December 31		
One Brazilian real	**2022**	**2021**	**2020**
Closing in Canadian dollars	C$0.2525	C$0.2325	C$0.2625
	Year Ended December 31		
One Euro	**2022**	**2021**	**2020**
Closing in Canadian dollars	C$1.3696	C$1.4828	C$1.5298

Based on information published by the Bank of Canada, (i) the value of one United States dollar, if exchanged for one Canadian dollar, would have been C$1.3592 for the month of December 2022, (ii) the value of one Brazilian real, if exchanged for one Canadian dollar, would have been C$0.2590 for the month of December 2022, and (iii) the value of one Euro, if exchanged for one Canadian dollar, would have been C$1.4389 for the month of December 2022.

On March 8, 2023, the indicative exchange rate for Canadian dollars in terms of the United States dollar, as quoted by the Bank of Canada, was $1.00 = C$1.3785, the exchange rate for Brazilian reals was R$1.00 = C$0.2684, and the exchange rate for Euros, was €1.00 = C$1.4541.

The information in this AIF is presented as of December 31, 2022, unless otherwise indicated. Statements relating to the currency of information without reference to a date and references to information being current as of "the date hereof" or "as of the date of this AIF" are current as of March 9, 2023.

NON-GAAP MEASURES

The Company has included non-GAAP financial measures in this AIF. Non-GAAP financial measures and non-GAAP ratios are not standardized financial measures under IFRS, the Company's GAAP, and might not be comparable to similar financial measures disclosed by other issuers. The measures are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

Cash Operating Costs and Cash Operating Costs Excluding Royalties

This AIF refers to cash operating costs per pound and cash operating costs excluding royalties per pound, which are non-GAAP ratios based on cash operating costs and cash operating costs excluding royalties, which are non-GAAP financial measures, in order to provide investors with information about a key measure used by management to monitor performance. This information is used to assess how well the Maracás Menchen Mine is performing compared to plan and prior periods, and also to assess its overall effectiveness and efficiency.

Cash operating costs includes mine site operating costs such as mining costs, plan and maintenance costs, sustainability costs, mine and plant administration costs, royalties and sales, general and administrative costs (all for the Mine properties segment), but excludes depreciation and amortization, share-based payments, foreign exchange gains or losses, commissions, reclamation, capital expenditures and exploration and evaluation costs. Operating costs not attributable to the Mine properties segment are also excluded, including conversion costs, product acquisition costs, distribution costs and inventory write-downs.

Cash operating costs excluding royalties is calculated as cash operating costs less royalties.

Cash operating costs per pound and cash operating costs excluding royalties per pound are obtained by dividing cash operating costs and cash operating costs excluding royalties, respectively, by the pounds of vanadium equivalent sold that were produced by the Maracás Menchen Mine.

Cash operating costs, cash operating costs excluding royalties, cash operating costs per pound and cash operating costs excluding royalties per pound, along with revenues, are considered to be key indicators of the Company's ability to generate operating earnings and cash flow from its Maracás Menchen Mine. These measures differ from measures determined in accordance with IFRS, and are not necessarily indicative of net earnings or cash flow from operating activities as determined under IFRS.

For a discussion and reconciliation of cash operating costs and cash operating costs excluding royalties, cash operating costs per pound and cash operating costs excluding royalties per pound for the Maracás Menchen Mine to operating costs for the three months and fiscal year ended December 31, 2022 and 2021, please see "*Non-GAAP Measures*" in the Company's management's discussion and analysis for the fiscal year ended December 31, 2022, which is available under the Company's profile on SEDAR at www.sedar.com.

CORPORATE STRUCTURE

Incorporation and Registered Office

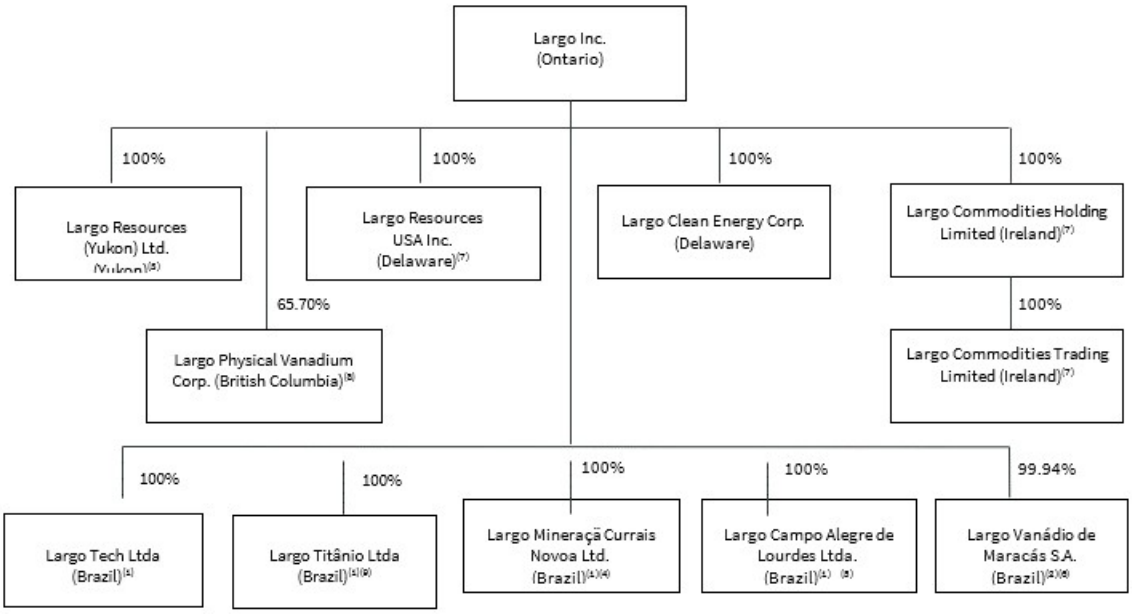
Largo is a company continued under the *Business Corporations Act* (Ontario).

The Company was originally incorporated under the name Kaitone Holdings Ltd. in the province of British Columbia on April 18, 1988. On September 3, 1991, the Company changed its name to Consolidated Kaitone Holdings Ltd. On May 8, 2003, the Company changed its name to Largo Resources Ltd. On June 10, 2004, the Company continued to the Province of Ontario and filed articles of amendment to amend its authorized share capital to an unlimited number of Common Shares. On October 17, 2014, the Company completed a consolidation of its Common Shares on the basis of one (1) post-consolidation Common Share for each ten (10) pre-consolidation Common Shares. On March 4, 2021, the Company completed a consolidation of its Common Shares on the basis of one (1) post-consolidation Common share for each ten (10) pre-consolidation Common Shares (the "**2021 Share Consolidation**"). On November 8, 2021, the Company changed its name from Largo Resources Ltd. to Largo Inc.

The head office and registered office of the Company is located at 55 University Avenue, Suite 1105, Toronto, Ontario, Canada M5J 2H7.

Intercorporate Relationships

The following chart shows our principal subsidiaries, their jurisdiction of incorporation and the percentage of voting securities we beneficially own or over which we have control or direction:



Notes:

(1) Under Brazilian law, a corporation must have at least two shareholders or quotaholders, as applicable. Shareholders or quotaholders, as applicable, can be individuals or legal entities. Accordingly, Mr. Paulo Misk, the former CEO and a former director of Largo, holds an interest of <0.001% (101 shares) and <0.017% (2 quotas) in the capital stock of Largo Mineração Currais Novos Ltda. and Largo Campo Alegre de Lourdes Ltda., respectively.

(2) The remaining shares of Largo Vanádio de Maracás S.A. (" **VMSA**") are owned by Companhia Baiana de Pesquisa Mineral, an entity controlled by the Brazilian State of Bahia. See also "*Description of the Business - Material Project - Maracás Menchen Mine - Project Description, Location and Access*".

(3) Holds a 100% interest in the tungsten-molybdenum Northern Dancer Project in the Yukon, Canada.

(4) Holds a 100% interest in the tungsten tailings Currais Novos Project in Brazil.

(5) Holds explorations rights and an option to lease the iron-vanadium Campo Alegre Project in Brazil pursuant to an agreement with CPBM .

(6) Holds a 100% interest in our Maracás Menchen Mine.

(7) These entities facilitate the Company's sales and distribution capabilities. See also " *Description of the Business - Marketing and Distribution* ".

(8) On September 15, 2022, LPV completed a qualifying transaction (as defined in the TSXV Company Manual) with CCC. See " *Three-Year History - Operations*" for further details.

(9) Incorporated to hold the Company's titanium-related assets in Brazil.

GENERAL DEVELOPMENT OF THE BUSINESS

Largo is a Canadian natural resource and battery energy storage system company listed on the TSX (LGO), and NASDAQ (LGO).

We are one of the world's preferred vanadium companies focused on the production of vanadium pentoxide (V_2O_5) at our Maracás Menchen Project located in Bahia, Brazil, being the Company's sole material project for the purposes of NI 43-101. The Maracás Menchen Project consists of the currently operating Maracás Menchen Mine (Campbell Pit) and includes a number of other deposits being explored throughout the project area. The two most advanced projects are the Novo Amparo Norte ("**NAN**") and the Gulçari A North ("**GAN**") deposits. The Maracás Menchen Mine is our principal operating asset and has accounted for substantially all of our revenues since commencing operations in 2014. The Company is in the process of developing additional potential revenue streams from the deposit, including ilmenite and TiO_2 pigment.

Vanadium is primarily used as an alloy to strengthen steel and reduce its weight. Vanadium enhanced steels are currently used in a vast range of products, including rebar, automobiles and transport infrastructure, and is increasingly being adopted in other products and applications that demand stronger and lighter steel.

We also have a portfolio of secondary projects consisting of (i) the Campo Alegre de Lourdes project, an iron vanadium property in Bahia, Brazil, (ii) the Northern Dancer project, a tungsten and molybdenum property in Yukon, Canada, and (iii) Currais Novos, a tungsten project. As of the date of this AIF, none of these projects are operational, and we do not consider any of these projects to be material properties.

Following the acquisition of VRFB technology in 2020, we began a strategic transformation to vertically integrate our vanadium products with our VCHARGE vanadium battery technology. Our VCHARGE batteries support improved reliability and grid stability and are an efficient, safe and ESG-aligned long duration solution that is recyclable at the end of its 25+ year lifespan. Uses of our VCHARGE batteries include, but are not limited to, renewable integration, grid optimization and, microgrid enablement. The uses of the VCHARGE system are discussed in further detail in section entitled "*Description of the Business - Energy Storage Systems*". We have entered into an agreement to supply our first VCHARGE VRFB system to EGPE, and delivery remains a priority focus. Hot commissioning of the system is expected to be completed by the end of March 2023, and provisional acceptance is expected to be completed by the end of May 2023. See "*Description of the Business - Sales to Customers*". We are exploring opportunities to form a joint venture with AGT for the manufacturing and commercial deployment of VRFBs in the European, African and Middle East power generation markets. See "*General Development of the Business - Three Year History - Operations*".

Three Year History

The following is a summary of the general development of the Company's business.

Equity Financings

On June 4, 2021, the Company announced that it had obtained a receipt from the securities regulatory authorities in each of the provinces of Canada for a final short form base shelf prospectus qualifying the distribution of up to C$750 million of securities of the Company to replace the base shelf prospectus which expired on March 6, 2021. This base-shelf will be effective for a 25-month period which will end on July 4, 2023. A corresponding registration statement on Form F-10 was filed with the SEC under MJDS.

Debt Facilities

On March 18, 2020, the Company secured a $13.0 million credit facility with a bank in Brazil. This facility was fully drawn down and proceeds of R$65.96 million ($13.0 million) were received on March 20, 2020. This facility was due to be repaid as a lump sum payment on March 12, 2021, together with accrued interest at a rate of 3.35% per annum. On January 29, 2021, the Company repaid in full the amounts owing under this facility.

On March 24, 2020, the Company secured a $11.788 million credit facility with a second bank in Brazil. This facility was fully drawn down and proceeds of R$60.0 million ($11.788 million) were received on March 24, 2020. This facility was due to be repaid as a lump sum payment on March 18, 2021, together with accrued interest at a rate of 6.29% per annum. On February 3, 2021, the Company repaid in full the amounts owing under this facility.

On April 20, 2022, the Company secured a $15.0 million credit facility with another bank in Brazil. This facility was fully drawn down and proceeds of R$69.0 million ($15.0 million) were received on April 25, 2022. This facility was due to be repaid as a lump sum payment on April 14, 2023, together with accrued interest at a rate of 3.65% per annum. On December 29, 2022, the Company repaid $15.0 million owing under this facility together with accrued interest at a rate of 3.65% per annum until the prepayment date.

On October 26, 2022, the Company secured a $20.0 million credit facility with another bank in Brazil. This facility was fully drawn down and proceeds of $20.0 million were received on October 31, 2022. This facility is due to be repaid in equal instalments of principal on the dates that are 18, 24, 30 and 36 months after October 26, 2022, together with a financing fee of 0.7% and accrued interest at a rate of 8.33% per annum to be repaid every six months.

On December 27, 2022, the Company secured an additional $20.0 million credit facility with a bank in Brazil. This facility was fully drawn down and proceeds of $20.0 million were received on December 29, 2022. The facility has a term of three years, with a 360-day grace period, and is due to be repaid in equal instalments of principal every six months following such grace period until December 15, 2025, together with a financing fee of 0.7% and accrued interest at a rate of 8.20% per annum to be repaid every six months. On December 29, 2022, a portion of this facility was used to partially repay the Company's existing $15.0 million facility secured in April 2022.

The Company's debt facilities secured in 2022 are primarily being used to address working capital pressures caused by ongoing capital expenditure projects in the first half of 2023.

Normal Course Issuer Bid

On May 11, 2022, the Company announced the Board's intention to commence a normal course issuer bid (a " **NCIB**"), subject to acceptance by the TSX. On May 30, 2022, the Company announced the TSX's approval of the NCIB, in accordance with the applicable rules and policies of the TSX and Canadian securities laws. Pursuant to the NCIB, during the period commencing June 1, 2022 and ending May 31, 2023, the Company may purchase for cancellation up to 3,641,098 Common Shares, representing approximately 10% of the public float of 36,410,986 Common Shares as at May 20, 2022, at the market price, through the facilities of the TSX, NASDAQ and alternative trading systems. Other than purchases made under block purchase exemptions, daily purchases on the TSX will be limited to 24,510 Common Shares, being approximately 25% of the average daily trading volume of 98,042 Common Shares on the TSX for the six calendar months prior to the TSX's acceptance of its notice of the NCIB.

On July 14, 2022, the Company announced its implementation of an automatic securities purchase plan (the " **Automatic Repurchase Plan**") with its designated broker, in order to facilitate purchases of its Common Shares pursuant to the NCIB. The Automatic Repurchase Plan allowed for the purchase of Common Shares by the Company's designated broker at times when the Company ordinarily would not be active in the market due to regulatory restrictions or self-imposed blackout periods. Any purchases made under the Automatic Repurchase Plan were made by the Company's designated broker based upon applicable TSX and NASDAQ rules, applicable Canadian and U.S. securities laws and the terms of the written agreement between the Company and its designated broker. The Automatic Repurchase Plan became effective as of July 14, 2022 and terminated on August 31, 2022. Pursuant to the NCIB, as of December 31, 2022, the Company had repurchased for cancellation 872,774 Common Shares for aggregate consideration of $6,088,662 at an average price of $6.98 per Common Share.

Operations

On January 22, 2020, the Company announced the launch of VPURE and VPURE+, newly developed brands for the Company's industry preferred line of vanadium products.

In April 2020, the Company constructed a chemical pilot plant to test the ability to further upgrade its potential ilmenite product to TiO_2 pigment. Test work to further understand and evaluate the Company's TiO_2 project remains on-going.

On April 30, 2020, the Company's Offtake Agreement with Glencore was terminated, and on May 14, 2020, the Company completed its first independent sales shipment of vanadium from Brazil outside of the Offtake Agreement.

In July 2020, the Company began construction of a vanadium trioxide processing plant at the Maracás Menchen Mine (the " **Vanadium Trioxide Plant**") which was completed in Q3 2021, with ramp up in Q4 2021. The Vanadium Trioxide Plant is anticipated is expected to increase sales for the high-purity aerospace market, the chemical industry and for vanadium electrolyte used for VRFBs.

In June 2020, the Company's 2020 drill program recommenced following delays caused by the COVID-19 pandemic. Additional drill equipment and crews were mobilised in July and August 2020 to increase the production of total metres drilled in order to maintain the planned drilling timeframes at the various targets. The Company completed 24,771 metres of drilling on the Near Mine Targets and within the Campbell Pit in 2020.

On December 8, 2020, the Company announced the launch of Largo Clean Energy, a newly formed subsidiary in Delaware (U.S), following its acquisition on December 8, 2020, of the certain assets, primarily consisting of 12 patent families (the "**VionX Assets**") of VionX Energy Corporation ("**VionX**"), from VXE (ABC) LLC, in its capacity as assignee for the benefit of the creditors of VionX. Concurrently, Largo also hired certain key team members who had previously been employed by VionX. VionX had been involved in the development and production of VRFB primarily for use in large scale energy grid storage solutions since 2002. Largo Clean Energy was launched so that the Company could develop a clean energy storage business with a goal of providing safe and sustainable VRFB systems to the fast-growing renewable energy market.

The VionX Assets were acquired for deemed net consideration equal to $4.366 million that was satisfied through the issuance of 251,845 Common Shares at a deemed price per Common Share of C$10.35 (2,518,453 Common Shares and $1.035, respectively, on a pre-2021 Share Consolidation basis) and warrants to acquire 362,201 Common Share exercisable at C$13.00 per Common Share (3,622,007 Common Shares and C$1.30, respectively, on a pre-2021 Share Consolidation basis) for period of five (5) years ending December 8, 2025. In connection with the transaction, Largo Clean Energy also entered into a non-exclusive license agreement with Raytheon Technologies Corporation in respect of certain technology to be used by Largo Clean Energy.

On January 11, 2021, the Company began a planned shutdown of its Maracás Menchen Mine to replace the kiln and cooler refractories. The shutdown resulted in approximately 20 days of downtime. The Company utilized this downtime to perform feed rate improvements on the kiln which increased the nameplate production capacity to 1,100 tonnes of V_2O_5 per month from 1,000 tonnes. The Company also conducted a preventative maintenance program downstream of the kiln and cooler during this time.

On June 9, 2021, the Company hosted an investor-oriented virtual 'Battery Day', during which the Company detailed a transformational strategic shift to the development and production of vanadium based electrical energy storage systems. The Company believes that vertically integrating its VRFB technology with its vanadium production operations creates a unique competitive advantage in the rapidly growing long duration energy storage market.

On July 20, 2021, the Company announced that LCE had entered into its first VCHARGE VRFB sales contract with EGPE. On July 30, 2021, the Company announced that it had received notice to proceed from EGPE. Pursuant to the contract, LCE is obligated to deliver a five-hour 6.1 MWh VCHARGE system for a project in Spain, with commissioning expected in Q2 2023.

On August 19, 2021, the Company announced the release of its 2020 sustainability report, highlighting significant progress made by the Company with its environmental, social and governance priorities in furthering vanadium's role in the global green economy.

On September 23, 2021, the United States Department of Energy (" **DOE**") announced funding for research and development projects to scale up American manufacturing of flow battery and long duration storage systems. LCE was expected to receive $4.2 million of this funding to develop and demonstrate highly efficient manufacturing processes for affordable, grid-scale flow batteries, subject to the completion of the award negotiation with the DOE.

On November 3, 2021, the Company announced the results of an updated mining plan for its Maracás Menchen Mine to provide enhanced access to the vanadium needed for the Company to continue to execute on its energy storage transition strategy. The mining plan also includes new cash flow generation from the production and sale of titanium dioxide pigment. An independent technical report has been prepared in respect of the Company's Maracás Menchen Mine in accordance with National Instrument 43-101 - *Standards of Disclosure for Mineral Projects*, which has been filed on SEDAR (www.sedar.com) and is available on EDGAR (www.sec.gov).

In November 2021, the Company's subsidiary, Largo Resources USA Inc., signed a 10-year exclusive off-take agreement with Gladieux Metals Recycling ("**GMR**") for the purchase of all standard and high purity grade vanadium products from GMR's recycling facility located in Freeport, Texas.

On February 3, 2022, the Company announced the creation of Largo Physical Vanadium Corp. and a proposed qualifying transaction pursuant to the policies of the TSX Venture Exchange with Column Capital Corp. ("**CCC**"), a capital pool company, the terms of which are set out in a definitive agreement dated April 14, 2022.

The resulting entity is a publicly listed physical vanadium holding company that will purchase and hold physical vanadium, amongst other things, for use in the Company's VCHARGE batteries, pursuant to a safekeeping agreement (the "**Safekeeping Agreement**") dated April 14, 2022 between LPV and the Company (or one of its affiliates) (the "**Safekeeper**"). LPV and the Safekeeper have also entered into a technical advisory agreement dated April 14, 2022, pursuant to which the Company will provide technical services, including commercial advisory services, with respect to the management of the movement and storage of vanadium and the marketing thereof.

In April 2022, the Company received the required installation license to begin construction on its ilmenite concentration plant as part of its phased operational plan outlined in its current Technical Report. The Company expects to begin producing ilmenite concentrate in the first half of 2023.

On July 14, 2022, the Company announced that LCE had obtained International Standards Organization (" **ISO**") 9001 certification of its Quality Management System, while continuing electrolyte production and stack manufacturing in its new VRFB product development and stack manufacturing facility in Massachusetts, U.S. LCE continues to pursue Conformité Européenne certification of its VCHARGE product in Spain.

On July 14, 2022, the Company announced the conclusion of the award negotiation with the DOE and was awarded $4.2 million. The Company's total DOE budget is $6.0 million, and the Company expects to complete the DOE project in 2025.

On August 4, 2022, the Company announced that LCE has signed a non-binding memorandum of understanding with AGT to establish a collaboration between the parties for the manufacturing and commercial deployment of the Company's VRFBs, the vanadium electrolyte, and the Balance of System, in the European, African and Middle East markets through the formation of a joint venture between AGT and LCE in Italy. The parties have agreed not to engage in discussion with third parties for the purpose of the development or commercialization of flow battery technologies in such markets for an initial period of 150 days, which period has been extended to March 31, 2023, to allow for the negotiation of a definitive agreement.

The Company also announced that LCE and National Grid completed grid interconnection of a 3 megawatt-hour demonstration VRFB in Shirley, Massachusetts (previously installed by VionX and commissioned by LCE). National Grid completed the final witness test in August 2022 and approved LCE's interconnection to the grid in mid-September 2022. Since then, LCE has successfully operated the Shirley, Massachusetts, VRFB on the grid and the battery will be used to further optimize performance of the solar shifting application going forward.

On September 15 and 27, 2022, respectively, the Company announced that LPV had completed the qualifying transaction with CCC and that the resulting entity, named "Largo Physical Vanadium Corp.", commenced trading on the TSX Venture Exchange under the ticker symbol "VAND" effective September 27, 2022. As part of the transaction, the Company contributed approximately 200 tonnes of V_2O_5 equivalent and C$20.0 million of the C$30.2 million that LPV raised in a financing that closed in April 2022.

Events Subsequent to December 31, 2022

On January 24, 2023, the Company announced management's decision to postpone the Company's existing plans to further develop its Pigment Plant (defined below) until additional funds are made available, either internally or externally. The Company continues to explore alternative debt financing or strategic association options with advisors.

On January 5 and 6, 2023, the Company secured two additional debt facilities, one for $15.0 million and one for $10.0 million, respectively, with banks in Brazil. The $15.0 million facility has a term of two years, with a 180-day grace period, and is due to be repaid in equal instalments of principal every three months following such grace period, together with accrued interest at a rate of 6.85% per annum to be repaid every three months. The $10.0 million facility has a term of three years, with a 360-day grace period, and is due to be repaid in equal instalments of principal every six months, together with a financing fee of 0.7% and accrued interest at a rate of 8.36% per annum to be paid every six months.

On February 16, 2023, the Company announced a change in leadership with the departure of Paulo Misk, the former President and Chief Executive Officer of the Company, with immediate effect. Daniel Tellechea, a current member of the Board, was appointed as interim Chief Executive Officer to serve in the role during the Company's search for a new Chief Executive Officer. Mr. Misk resigned as a director of the Company on March 7, 2023.

In 2023, the Company plans to invest approximately $50.5 million on capital expenditures. The Company's capital expenditure budget includes approximately $13.5 million for sustaining capital requirements, $12.5 million for capitalized stripping, $18.0 million to finalize the construction of the Company's ilmenite concentration plant and $2.5 million for the installation of an additional dry magnetic separator to assist with the Company's mining operations in Brazil, as summarized in the following table:

Sustaining Capital Expenditures	$13.0 - 14.0 million
Capitalized Stripping Capital Expenditures	$12.0 - 13.0 million
Ilmenite Concentration Plant Capital Expenditures	$17.5 - 18.5 million
Dry Magnetic Separator Capital Expenditure	$2.0 - 3.0 million
Carry-Over Capital Expenditures	$3.5 - 4.5 million

COVID-19

The Company continues to closely monitor and respond to developments relating to the COVID-19 pandemic. Following the outbreak of COVID-19, the Company implemented a range of control measures at its mine site, LCE site and corporate offices to mitigate potential risks of infection of its workforce and surrounding communities. To date, there continues to be no significant disruption to the Company's supply chain for its operations and the level of critical consumables continues to be at normal levels. Although there have been some challenges with logistics, including delays and higher costs, there continues to be no significant impact on the Company's production or on the shipment of products out of Maracás.

The Company's 2023 guidance continues to be presented on a "business as usual" basis. Although there has not, to date, been a material impact on the Company's operations and sales, the potential future impact of COVID-19 both in Brazil and globally could have a significant impact on the Company's operations, sales efforts and logistics. The Company is continuing to closely monitor the impact of the COVID-19 pandemic and the impact that it may have on the Company's operations, sales and guidance for 2023. The Company maintains business continuity plans which are regularly reviewed to enable operations to effectively manage the COVID-19 risk to the Company and its people. These plans may significantly change the guidance and forecasts presented, and the Company will, if and when necessary, update its guidance accordingly.

DESCRIPTION OF THE BUSINESS

General

Largo is a Canadian domiciled company that has historically been solely committed to the production and supply of high-quality vanadium products. In 2021, the Company announced its belief that the development and sale of vanadium based electrical energy storage systems to support the planet's on-going transition to renewable energy presents both an attractive economic opportunity for the use of the Company's vanadium products and an opportunity to enhance the Company's sustainability. Consequently, the Company is in the process of vertically integrating its highly efficient vanadium production operation with its vanadium-based energy technology to create a unique competitive advantage in the rapidly growing long duration energy storage market. The Company is confident that using its VPURE and VPURE+ products, which are sourced from one of the world's highest-grade vanadium deposits at the Company's Maracás Menchen Mine in Brazil, its VCHARGE VRFB technology results in a competitive and practical long duration energy stage product. The Company has also launched, LPV, our TSXV-listed subsidiary that offers pure-play exposure to vanadium through its holdings of physical vanadium, and that aims to achieve appreciation through the acquisition of vanadium as well as to own and actively supply vanadium to end users of VRFBs to advance the integration of renewable energy in long duration storage.

The Maracás Menchen Project is the Company's sole material project for the purposes of NI 43-101. The Maracás Menchen Project consists of the currently operating Maracás Menchen Mine (Campbell Pit) and includes a number of other deposits being explored throughout the project area. The two most advanced projects are the NAN and the GAN deposits. The Maracás Menchen Mine is our principal operating asset and has accounted for substantially all of our revenues since commencing operations in 2014. The Company is in the process of developing additional potential revenue streams from the deposit, including ilmenite and TiO_2 pigment. The Company is organized and exists under the *Business Corporations Act* (Ontario) and its common shares are listed on the TSX under the symbol "LGO" and on the NASDAQ under the symbol "LGO".

Our VCHARGE batteries support improved reliability and grid stability and are an efficient, safe and ESG-aligned long duration solution that is recyclable at the end of its 25+ year lifespan. Uses of our VCHARGE batteries include, but are not limited to, renewable integration, grid optimization and, microgrid enablement.

The current Technical Report, effective as of October 10, 2021, describes the Maracás Menchen Mine (Campbell Pit) as one of the world's highest-grade vanadium deposits with Proven Mineral Reserves of 15.64 million tonnes at an average grade of 1.22% V_2O_5 and 8.02% TiO_2 and with Probable Mineral Reserves of 2.21 million tonnes with an average grade of 1.02% V_2O_5 and 8.22% TiO_2. The GAN deposit has Proven Mineral Reserves of 12.10 million tonnes at an average grade of 0.49% V_2O_5 and 7.57% TiO_2 and Probable Mineral Reserves of 8.06 million tonnes with an average grade of 0.57 V_2O_5 and 8.33% TiO_2. The NAN deposit reports Proven Mineral Reserves of 17.43 million tonnes at an average grade of 0.70% V_2O_5 and 8.71% TiO_2 and Probable Mineral Reserves of 4.92 million tonnes with an average grade of 0.72% V_2O_5 and 8.76% TiO_2. The Maracás Menchen Project currently produces V_2O_5 products from the Campbell Pit and effective as of October 10, 2021 had an estimated mine life of over 11 years. Based on the current mine plan and the successful development of the NAN and GAN deposits mining is planned to begin in 2032 at the conclusion of mining at the Campbell Pit. The GAN and NAN deposits are estimated to add an additional 10 years of mine life to the project based on Proven and Probable Mineral Reserves as set forth in the Technical Report.

Largo is currently one of the lowest cost producers of V_2O_5 in the world due to the characteristics of the Maracás Menchen Mine's ore body and our operating efficiency. Largo is solely responsible for the global sales, distribution and marketing of its vanadium products through its established team of sales professionals. See "*General Development of the Business - Three Year History - Operations* ", and "*Description of the Business - Marketing and Distribution*".

The Company also has a portfolio of secondary projects consisting of (i) the Campo Alegre de Lourdes project, vanadiferous titano-magnetite property in Bahia, Brazil, (ii) the Northern Dancer project, a tungsten and molybdenum property in Yukon, Canada and (iii) Currais Novos, a tungsten project in Rio Grande do Norte, Brazil. As of the date of this AIF, none of these projects are operational and the Company does not consider any of these projects to be material properties.

The Vanadium Industry

Vanadium is a naturally-occurring, silvery-grey element with an atomic number of 23. It is not typically found as a free-form element in nature, but rather exists in an oxidation state as part of mineral deposits, including vanadinite, carnotite and magnetite ores, or within fossil fuels. Vanadium is harder than most metals, while retaining malleable and ductile features, and is corrosion-resistant to various chemicals, including alkalis, hydrochloric and sulfuric acids and salt water. Vanadium also has high melting and boiling points of 1910°C and 3407°C, respectively, enabling it to retain its solid form in a variety of external conditions.

These key properties make vanadium ideal for use in metal and steel alloying as it helps reinforce the level of strength, toughness and heat and chemical resistance required for various industry applications such as construction, aerospace and automobiles.

Vanadium consumption is mainly driven by its use in steel applications, which, as of the first three quarters of 2022 is estimated to account for approximately 90% of total global consumption according to Vanitec Limited ("**Vanitec**"). Within this application, the use of vanadium can be further distinguished between the use of vanadium in high-strength low-alloy ("**HSLA**") steel, full alloy steel, carbon steel and other steels. HSLAs include small amounts of vanadium, niobium or titanium, or a combination of these microalloying elements, to induce higher strength and a finer-grained structure. The higher strength enables the use of smaller quantities of raw materials in many applications. HSLAs are considered to be a strong substitute for carbon manganese steel which has lower tensile strength.

The balance of global vanadium consumption, approximately 10% in total, is used for aerospace alloys, chemical catalysts and other specialty applications such as renewable energy. These industries and applications most often require high purity vanadium which command premium pricing.

Vanadium Demand Drivers

Reinforcing Steel Bars

In the construction industry, vanadium is used to achieve a certain level of tensile strength in reinforcing bars (" **rebar**") and other steel components used in the construction of bridges, tunnels and buildings. Historically, a significant portion of vanadium demand had been driven by "Grade-3" rebar standards in the western world. This end market experienced significant growth starting in 2004 when China adopted "Grade-3" rebar standards aimed at improving structural performance during seismic events. However, in recent years, demand in this application in China has been degraded by the illegal utilization of the quench and temper method (the "**Q&T method**"), which allows the steel to meet the "Grade 3" tensile strength requirements but not the critical elongation requirements that assure good performance in seismic activity. However, China responded to this trend and is aiming to prevent the use of the Q&T method through the introduction of new rebar specifications made effective November 1, 2018 that cannot be achieved with the Q&T method. This is currently causing Chinese producers of rebar to revert back to employing the use of vanadium alloyed steels. The revised standard also eliminates grade 2 rebar which is lower strength and can be produced without any microalloy.

Shifts in consumer preferences and government fuel efficiency standards requiring more fuel-efficient vehicles are encouraging automobile manufacturers to adopt HSLA steel in automotive applications. Vanadium-containing HSLAs and other high-strength steels provide the desirable physical properties required to meet crucial automotive standards, including stiffness, crash performance and forming characteristics, while remaining competitive with other lightweight alternatives, such as carbon fiber reinforced polymers. We anticipate this optimal cost-weight-strength ratio will drive vanadium demand in automotive end market uses.

High Performance Alloys

Vanadium is also used in the production of high performance alloys, specifically titanium alloys primarily used in the aerospace industry. Titanium-vanadium alloys' low density, high strength and excellent fatigue properties make it a key input to aerospace engines, gas turbines and airframes. According to Vanitec, titanium-vanadium alloys accounted for approximately 2.5% of global vanadium consumption in the first three quarters of 2022. The aerospace industry was severely impacted in 2020 due to the COVID pandemic. A gradual recovery of demand for this sector started in 2022 and is expected to recover to pre-COVID levels in 2023.

Chemicals & Catalysts

Vanadium is used in catalysts for production of sulfuric acid and synthetic rubber as well as a wide range of small volumes applications in chemicals, such as corrosion inhibitors, medicine, dyes, and glass. Vanitec estimates that these industries accounted for approximately 3.9% of global vanadium consumption in the first three quarters of 2022 and consumption remained strong throughout the year.

Energy Storage Systems

Over the long term, we expect new applications in the Energy Storage industry to drive incremental demand for vanadium use. This application values high purity vanadium product. According to Vanitec, demand accounted for approximately 3.5% of vanadium consumption as of in the first three quarters of 2022 and grew to become the second largest demand driver (after steel) in Q3, 2022 with the implementation of large scale projects in China, we expect energy storage applications to be the fastest growing demand driver for vanadium in 2023. Global climate change trends are also encouraging the research and implementation of battery systems to support renewable energy sources. VRFB, which use vanadium ions in different oxidation states to store energy, are considered to be a cost competitive alternative to lithium-ion technology for large scale, long duration energy storage. We believe our high purity products are well positioned to take advantage of this fast growing market.

Vanadium Supply Trends

Vanadium supply dynamics are primarily driven by both the nature of production methods and the location of vanadium sources. Because vanadium exists naturally in an oxidized form, it is typically derived from the processing of vanadium-bearing ores, slag or residues and then converted into an intermediate vanadium oxide product. The majority of vanadium is extracted from vanadium-bearing slag, a by-product of the steel making process in regions where vanadium-rich titaniferous magnetite ("**VTM**") deposits are present. VTM ores are processed in steel mills, with the vanadium-bearing slag subsequently processed for vanadium extraction. Due to its by-product nature, vanadium supply from steel production is generally price-inelastic with supply driven by underlying trends in the steel industry and competitiveness of the specific iron ore mines and steel mills utilizing VTM ore, rather than by output from primary mining operations. For example, significant growth in steel production in China from 2004 to 2014 resulted in an eightfold increase in vanadium slag production derived from steel making. In 2022, steel mills in China, Russia and New Zealand supplied approximately 70% of vanadium through their slag by-product.

The cost competitiveness of these sources is greatly influenced by the initial cost of the primary products, rather than the cost of extracting vanadium from the slag. This has meaningful implications on slag-sourced vanadium globally. While Chinese and Russian steel mills are the major sources of vanadium as a by-product from steel production, these sources are becoming less competitive in the global steel market since the locally sourced VTM ores used in these steel mills are typically high in titanium and low in iron. In particular, the uneconomic nature of these select VTM ores relative to seaborne iron ores that do not contain vanadium has led to diminished use of VTM ores in steel production at some vanadium producing mills. This has in turn led to a meaningful reduction in supply of vanadium from slag. Examples of such significant shutdowns include the liquidation of the Mapochs Mine following closure of Highveld Steel and Vanchem Vanadium Products in South Africa and discontinuation of the use of VTM ore at the Jianlong Steel Group's Heilongjiang steel mill. The continued growth in Chinese seaborne iron ore imports (which contain no vanadium) partially replacing locally mined VTM ore is expected to further limit vanadium supply from slag processing.

The next largest source of vanadium supply is from mining operations where vanadium is the primary commodity produced. Primary producers based in South Africa, Brazil and China extract vanadium directly from VTM ores, which accounts for 18% of supply. Because these projects are not associated with any steel processing, their relative cost competitiveness is largely influenced by mine-specific factors, most importantly ore grade. Primary production of vanadium in China is sourced from a carbonaceous shale known as stone coal, which contains a relatively low grade of 0.2% to 1.0% of vanadium. The Company's Maracás Menchen Mine is one of only three large-scale primary vanadium mines globally.

The remainder of global vanadium supply is derived from secondary vanadium sources. Secondary sources are derived from residues, ashes and spent catalysts that are a by-product of the burning or refining of vanadium-bearing carboniferous materials, including coal and oils. Similar to vanadium produced in the steel making process, the economic viability of these secondary sources depends largely on the underlying trends in the markets for other materials.

Owing to the inexpensive, but highly constrained quantity of vanadium supply from the steel making processes, and the challenging and often expensive processes of sourcing vanadium from primary and secondary sources, the cost curve is less responsive to changes in demand levels.

New primary sources of vanadium are expected to be relatively limited in the next few years due to the limited number, and stage of advancement of, projects expected to come online.

Vanadium Prices

According to the Fastmarkets Metal Bulletin, price of V_2O_5 in Europe increased in 2022, starting the year at $8.75 per pound of V_2O_5 and ending the year at $9.44 per pound V_2O_5, averaging $9.52 per pound of V_2O_5 throughout the year as compared to $8.24 in 2021.

Energy Storage Business

The Company's energy storage business is run through its wholly-owned subsidiary, LCE, based in Wilmington, Massachusetts. LCE's business focuses on the manufacturing, sale, installation, and operation and maintenance of Largo's VRFB LDES. The product name VCHARGE denotes the scale, configuration, and services the battery renders to a customer.

LCE's systems allow for the storage of energy in chemical form and then convert the electrolyte into electric energy when needed. The VCHARGE battery system is most economical when the power system design requires repeated cycling for durations between 6 hours to 12 hours. The systems are frequently paired with renewable energy resources that require optimization via the VRFB due to the intermittency or insufficient durations of renewable energy production when reconciled with contracted supply agreements. LCE's VRFB systems are configured and enabled with embedded control systems that allow for a multitude of ancillary services as well as peak shaving and power shifting.

The Company's VCHARGE system uses patented battery technology and vanadium electrolyte processing and purification methods to provide a fully integrated renewable energy storage system comprised of power conditioning, system control and thermal management subsystems.

VRFBs can be preferred for use over non-vanadium-based LDES applications in densely populated and risk sensitive areas as the electrolyte solution used in VRFB is non-volatile, as it is neither flammable nor explosive as a result of its high-water content. VRFBs also have a comparatively long-life cycle due to the non-degrading properties of vanadium. The applications of the VRFB system include, but are not limited to:

- Renewable Integration: Enabling the shift of renewable generated electricity to align with consumer demand by storing and delivering clean energy to consumers or businesses when the renewables are otherwise not producing power.

- Utilities/Grid Optimization: Storing energy when electricity lines, substations, and other equipment have excess bandwidth and then discharge to handle power quality and ancillary services, which allows for delaying or avoiding upgrades of T&D assets.

- Microgrids: Providing microgrids and island energy systems with a reliable source of clean energy, potentially enabling a full transition away from conventional generation with fossil fuels. VRFBs also provide a source of power for microgrids when access to neighboring grids is unavailable.

- Commercial and Industrial Energy Independence: Enabling a transition away from conventional fossil fuels utilizing long-duration renewable energy storage integration. VRFB systems can serve as excellent surrogates for balancing and reserves of PV and wind integration for commercial and industrial applications.

- EV Charging Integration: Reducing grid demands through ultra-fast 350kW charging. The inherent non-flammability of VRFB systems allows for installation near occupied structures like vehicle service stations, office parks, or parking garages.

The Company is in the process of finalizing the development of the VCHARGE+ system, an open battery solution which allows for the large-scale deployment of LCE's patented VRFB technology. The VCHARGE+ system leverages the same stack (reactor) building blocks as the VCHARGE system but is paired with significantly larger tanks of electrolyte without containerization for electrolyte containment. This configuration allows for the deployment of hundreds of megawatt hours being requested by developers of grid scale solar and wind projects. LCE continues to validate VCHARGE+ with regional environmental requirements and therefore this product configuration is still under development.

Sales to Customers

On July 20, 2021, LCE entered into its first battery sales contract with EGPE to deliver a 5 hour 6.1 MWh VCHARGE VRFB system for a project in Spain. In Q4 2022, LCE continued to make significant progress on the delivery under the EGPE contract, which remains a priority focus. As at the date of this AIF, all the hardware is either in transit to or is in Spain awaiting installation. The last six of 12 necessary electrolyte storage containers were shipped in early 2023. LCE's Field Service team has been on site in Q1 2023 and work is ongoing to install and interconnect the AC and DC power systems. Hot commissioning of the VRFB system is expected to be completed by the end of March 2023. Provisional acceptance, which requires the completion of as-build drawings, manuals, final punch-list items, and operational testing by EGPE, is expected to be completed by the end of May 2023.

Production and Services

LCE has a manufacturing and test facility in Wilmington, MA, with a potential capacity of 1.4GWh per year. Battery stacks produced at the LCE facility will be transported to the project site, with other components sourced from regional/local suppliers.

Long-term service of LCE's VCHARGE system will be provided by LCE's team of engineers and project managers under a long-term services agreement. Depending on the location of a project, some technical aspects of the long-term service may be performed by local service providers, as agreed with the VCHARGE system customer, and in accordance with LCE's policies, procedures, and best practice. Under the Safekeeping Agreement with LPV, whereby the Company has agreed to provide for the management and safekeeping of the physical vanadium owned by LPV, the Company has the right to lease available LPV-owned vanadium to VRFB customers upon certain conditions (including that associated conversion costs between electrolyte and powder/flake requirements be borne by the Company), thereby lessening the cost of in-battery vanadium electrolyte for such customers.

Components

LCE's products are reliant on the availability and cost of a variety of components. Vanadium is the most expensive input material in the VCHARGE system. LCE is at a unique advantage as it is able to readily access high-quality vanadium given Largo's position as one of the world's largest high-quality vanadium producers. This is of crucial importance given the small size of the global vanadium market.

Other key components are sourced from external providers based on quality, availability and price. Such components include, but are not limited to, sulphuric acid, transformers, reclosers, inverters, and electrolyte tanks. Where possible, LCE plans to enter into long term agreements to secure predictable supplies of key inputs. As noted above, under the Safekeeping Agreement with LPV, the Company has the right to lease available LPV-owned vanadium to VRFB customers, on certain conditions, thereby lessening the cost of in-battery vanadium electrolyte for such customers.

Intangible Properties

LCE holds issued and pending patents and licenses for the technology underlying its products in key jurisdictions such as the United States, Europe, Japan, Russia, China, and Japan, which are kept in good standing. The majority of such patents are valid for 20 years from the date of filing.

Economic Dependence

LCE's VCHARGE system incorporates patented technology for which LCE holds a license and is required to make a royalty payment of 7.5% of the net sales price for each VRFB system using the licensed technology sold after January 1, 2022**.**

Specialized Skill and Knowledge

All aspects of the business of the Company require specialized skill and knowledge. In connection with its vanadium production and sales business, such skill and knowledge include the areas of geology, drilling, logistical planning, engineering, construction, mine operations, metallurgical processing, environmental compliance and accounting.

The Company's VRFB business is highly dependent on specialized professionals including, without limitation, engineers with the necessary experience and knowledge in the LDES sector to be able to successfully develop, implement and maintain the Company's VRFB products in a highly innovative and competitive market. Similarly, the VRFB business is dependent on the ability to attract and retain executives with the requisite knowledge and skill to run and market a VRFB business.

The Company employs or retains a number of technical personnel with relevant experience, education and professional designations, and constantly evaluates the need for additional employees and or consultants with particular expertise.

Competitive Conditions

The mineral exploration and mining business is a competitive business. The Company competes with numerous companies that have resources significantly in excess of the resources of the Company, in the search for (i) attractive mineral properties; (ii) qualified service providers and labour; (iii) equipment and suppliers; and (iv) purchasers for minerals produced. The pricing that the Company will receive for V_2O_5 produced from its projects will be based on global prices and, ultimately, factors that are significantly out of its control. The ability of the Company to acquire additional mineral properties in the future will depend on its ability to develop and operate its present properties, and also on its ability to select and acquire suitable producing properties or prospects for mineral development or exploration. See "*Risk Factors - Risks Related to the Business and Operations*".

The LDES market is still developing, with new and innovative products frequently coming to the market. Furthermore, the current emphasis on sustainability and the green economy, as discussed elsewhere in this AIF, is expected to lead to large scale growth in this sector. The Company competes against other LDES technologies on the basis of price, functionality, reliability, and safety, amongst other things. LCE is a recent entrant to the market and in the process of establishing itself as a supplier and long-term service provider.

Largo's ability to use electrolyte rented by its Customers from LPV in its VCHARGE and VCHARGE+ systems is expected to provide LCE's systems a significant cost advantage. The use of a vanadium-based electrolyte similarly offers advantages over lithium ion-based systems in the form of its ability to scale energy production economically, non-degradation over 25-year life, and nonvolatility of the electrochemistry.

Environmental Protection and Licensing and Permits

The current and future operations of the Company, including development and mining activities and the development, manufacturing, deployment, installation and maintenance of VRFB products, are subject to extensive federal, provincial (or state) and local laws and regulations governing, amongst other things, environmental protection, employee health and safety, exploration, development, tenure, production, taxes, labour standards, occupational health, wastes disposal, greenhouse gas emissions, protection and remediation of environment, reclamation, mine safety, toxic substances and other matters. Compliance with such laws and regulations increases the costs of and delays planning, designing, implementation, drilling and developing the Company's properties and products.

In the case of our mining business, the Company is subject to various reclamation-related conditions imposed under federal or provincial rules and permits in connection with its development and exploration. See "*Risk Factors*".

Our VRFB business is also subject to environmental legislation and regulations relating to the lifecycle of our VRFB products which influence our development and deployment strategies. The Company helps reduces the environment, health and safety impact of our products by using a lifecycle approach.

Environmental licences associated with a mining project in Brazil involve the issuance of the relevant licences by a multidisciplinary technical review team appointed by the State Council for Environmental Matters ("**CEPRAM**") to review the project. This review team sets terms of reference for the environmental impact assessment ("**EIA**") and the Relatório de Impacto Ambiental (" **RIMA**"), an environmental impact report. The RIMA summarizes the full impact assessment so that it can be reviewed by the public. See "*Risk Factors - Risks Related to Brazil*".

Marketing and Distribution

Vanadium Sales

Global supply of vanadium is relatively concentrated and is not readily sold on global marketplaces. Benchmark prices are generally based on the Fastmarkets Metal Bulletin or CRU. However, due to the supply and demand characteristics of vanadium, pricing is often difficult to ascertain and is subject to wide fluctuations, see "*Risk Factors - Risks Related to the Business and Operations - Our business is highly dependent upon the price of V_2O_5 and FeV and our ability to produce V_2O_5 and FeV at the required customer specifications*". Global demand for vanadium is not as robust as compared to other minerals and so the marketing of vanadium products and the identification of key consumers and markets is critical to the distribution and sale of vanadium.

During 2022, the price of V_2O_5 in Europe ranged from $5.30 to $12.50 per pound and, as at March 3, 2023 the range posted by Fastmarkets Metal Bulletin was $10.50 to $11.05 per pound.

With the termination of the Offtake Agreement, the Company is responsible for the marketing and distribution of all vanadium production including VPURE Flake, VPURE+ Flake and VPURE+ Powder.

Our sales and marketing teams, operating under Largo Ireland (including its branch in Zug, Switzerland), Largo USA and VMSA, have successfully built out the Company's global sales capacity for all vanadium products having sold 11,091 tonnes (inclusive of 1,057 tonnes of purchased material) of V_2O_5 equivalent in 2022. Mr. Paul Vollant is VP Commercial with Largo, relocated from Ireland to Switzerland in Q1 2022 and is tasked with leading and implementing the Company's global sales and trading strategy. Mr. Francesco D'Alessio is Commercial Director, based in the USA and tasked with supporting this global effort, with a focus on energy storage applications.

The vanadium sales cycle commences in Q4 of the year preceding coincident with the main industry conferences in Europe and the United States. The Company intends to commit the majority of its anticipated annual vanadium production to annual sales contracts with remaining vanadium production being committed to spot sales. The Company has commitments for close to 85% of its 2022 vanadium production.

VRFB

Demand for long duration energy storage is fast-growing as governments and large organization push for net zero goals. While there are currently approximately 800 MWh across almost 200 VRFBs installed globally, according to Vanitec, long duration energy storage has the potential to be scaled up to 85-140 TWh by 2040 if 10% of all electricity generated would need to be stored in long duration energy at some point. (McKinsey & Company, 2021). VRFBs have emerged as a viable long duration (> 4 hour) renewable energy storage system and are considered a cost competitive alternative to lithium-ion technology with their safe and continuous energy storage over a 20+ year life cycle with zero degradation. The Corporation believes our VCHARGE system is well positioned to take advantage of this growing market demand.

Principal markets of the VCHARGE system are expected to be North America and Europe in the near to medium term. LDES systems are being solicited by utility companies and developers in both regions as they seek to incorporate higher percentages of renewable energy assets onto the electricity transmission systems. Commercial and Industrial customers seeking to improve resiliency, power quality, and flexibility while meeting ESG goals have also begun to look to VRFB solutions that have long asset life and non-volatile energy components. Microgrids continue to seek LDES as strive to achieve 100% renewable energy targets and cope with the intermittency inherent in the power production asset class.

Largo's commercial team, as described in the section above, are also responsible for the sales and distribution of the Company's VRFB products.

LCE and AGT continue to focus on the formation of a joint venture for the manufacturing and commercial deployment of VRFBs in the European, African and Middle East power generation markets. The memorandum of understanding has been extended to March 31, 2023 to allow for the completion of the agreement. AGT and LCE continue to develop a business path for the joint venture to service the European markets with LDES.

Maracás Menchen Mine

The terms of reference for the Maracás Menchen Mine EIA/RIMA included a social impact, alternatives, and archaeological assessment, in addition to the basic physical and biological environmental impact assessment. Generally, the following licences are issued by CEPRAM in order to bring a mine into production in the State of Bahia:

- localization license ("**LL**")
- installation license ("**LI**")
- preliminary operating license ("**LPO**")
- operating license ("**LO**")

Issuance of the LL allows the rest of the licensing process to proceed, and the EIA and RIMA are completed during this process. The LL involves the participation of the public and any non-government organization who wish to participate through public meetings. For the Maracás Menchen Mine, the Instituto do Meio Ambiente ("**IMA**"), the Bahia state environmental agency, hosted these meetings in February 2009 in Maracás and Porto Alegre, which are two towns located in the vicinity of the project site. Following this, IMA submitted the project to CEPRAM who at their April 2009 monthly meeting endorsed IMA's recommendation that the LL be granted. The LL is a very critical step in the environmental permitting process and concludes the active participation of the public.

The LI involves an approval process involving only Largo and the government agencies noted above. The process includes the submission of more detailed information regarding the project and a detailed description of the proposed environmental management system that was outlined in the LL documentation previously submitted.

The LO is granted during the final stages of commissioning and involves a site inspection by IMA, with the likely participation of CEPRAM, to confirm that the project has been constructed as planned and in accordance with the LI. For the Maracás Menchen Mine, Largo received its LL and LI, respectively, on May 13, 2009 and October 20, 2011. In May of 2014, Largo was granted its LPO for the Maracás Menchen Mine. The LPO is issued following completion of commissioning and prior to issuance of the LO for the project. The Company received the LO for the Maracás Menchen Mine in November 2014 which indicates that the plant was built, and was operating, according to its design specifications and environmental guidelines. The LO is valid for 2 years at which time it may be renewed for extension within 6 months of the LO's expiry date for an additional 2-5 years. The LO was last renewed in October 2018 and was initially valid until October 6, 2020. The renewal process commenced in May 2020, however, due to the COVID-19 pandemic, INEMA was unable to visit the Maracás Menchen Mine until the end of 2022. INEMA has not yet been able to complete its audit. As a result, the LO has been automatically extended until INEMA is able to complete its review and inspection process.

Employees

The Company and its material subsidiaries have approximately 479 persons on staff, working full time as either employees or on a consulting basis, and have also retained a service provider in Brazil who deploys approximately 986 additional persons. The Company also retains geologists, engineers, and other consultants on a contract basis as required. The Company has not experienced, and does not expect to experience, significant difficulty in attracting and retaining qualified personnel. However, no assurance can be given that a sufficient number of qualified employees can be retained by the Company when necessary. See "*Risk Factors - Risks Related to the Business and Operations* ".

Foreign Operations

At present, the Company's operating facilities are located in Brazil and the United States and its sales and trading functions are located in Ireland, Switzerland and the United States. Consequently, the Company is at the date of this AIF dependent on its foreign operations. See "*Risk Factors - Risks Related to Brazil*".

Social and Environmental Policies

The Company has adopted a People and Human Rights Policy (the " **Human Rights Policy**"), which articulates our responsibility to respect all human rights in line with the UN Guiding Principles on Business and Human Rights.

The Company has also adopted a Safety, Environmental and Social Responsibility Policy (the " **SESR Policy**"), which is applicable to our directors, officers, employees, consultants, and contractors. The SESR Policy outlines our expectation that Largo's business will be conducted in a safe and environmentally friendly manner, reflecting our high standards of corporate social responsibility. The SESR Policy is reflected in the development and application of procedures and standards with our organization.

Copies of the Human Rights Policy and SESR Policy are available at www.largoinc.com.

Material Project - Maracás Menchen Mine

Technical Report

At present, the only material project of the Company for the purposes of NI 43-101 is the Maracás Menchen Project. The Company plans to continue mining at the Campbell Pit and based on significant exploration and engineering work anticipates bringing the GAN and NAN deposits into the overall mine plan in the coming years. The Company will continue to mine for V_2O_5 as its primary metal but plans to also process non-magnetic concentrates from the V_2O_5 process stream to produce ilmenite for further processing to TiO_2 pigment. The Company intends to extend and increase production at the Maracás Menchen Project by developing the NAN and GAN deposits scheduled to begin mining operations when the Campbell Pit is depleted in 2032. The GAN and NAN deposits are expected to extend the mine life of the Maracás Menchen Project to 2041.

A report entitled *"An Updated Life of Mine Plan ("LOMP") for Campbell Pit and Pre-Feasibility Study for Novo Amparo Norte ("NAN") and Gulçari A Norte ("GAN") Deposits, Maracás Menchen Project, Bahia, Brazil"* effective October 10, 2021 and issued on December 16, 2021 (the "**Technical Report**") was prepared for the Company by GE21. The Technical Report is available under the Company's profile on SEDAR at www.sedar.com, on www.sec.gov, and on the Company's website at www.largoinc.com.

The following information is based, in part, on the Technical Report. Non-material updates since the date of the Technical Report are based on the Company's previously filed financial statements and MD&As. Readers are encouraged to review the complete text of the Technical Report. A full list of references cited by the authors are contained in the Technical Report. Porfírio Cabaleiro Rodriguez, Mining Engineer, BSc (Min Eng), FAIG, Guilherme Gomides Ferreira, BSc (Min Eng), MAIG, Marlon Sarges Ferreira, BSc (Geo), MAIG, Fabio Valério Câmera Xavier, Geologist, BSc (Geo), MAIG of GE21, are the Qualified Persons as defined in NI 43-101 responsible for the Technical Report and are all independent of the Company.

Project Description, Location and Access

The Maracás Menchen Mine is a high-grade, open pit vanadium mine located in the state of Bahia, Brazil that began producing V_2O_5 flake in the third quarter of 2014. The Campbell Pit Mine produces V_2O_5 rich ore which is sent to an on-site processing plant which produced 10,436 tonnes of V_2O_5 flake in 2022. Recent technical work indicates that modest grades of titanium can be recovered from the Campbell Pit. Additional work at the NAN and GAN deposits has elevated these deposits to reserve level and they have been included into a new LOMP that gives the overall project an anticipated life to 2041. The NAN and GAN deposits will also be open pit deposits mined for both vanadium and titanium once brought onstream in 2032 when the Campbell Pit is depleted. The Technical Report contemplates a four phased approach to build an ilmenite concentration plant (the "**Ilmenite Plant**") and TiO_2 pigment plant (the "**Pigment Plant**") in 2022-2023. Subsequent phases will expand these plants to a maximum capacity of 425,000 tonnes per annum ilmenite concentrate and 120,000 tonnes per annum TiO_2 pigment. V_2O_5 flake production is projected to be approximately 13,000 tonnes per annum while the Campbell Pit is being mined and will increase to approximately 15,900 tonnes per annum during the final phase of mining at NAN and GAN. The Vanadium Trioxide Plant was completed in Q3 2021, with ramp-up in Q4 2021 and the first shipments made in Q1 2022. Further development of the Pigment Plant has been postponed pending the availability of financing. See "*Description of the Business - Three-Year History - Operations*".

The Maracás Menchen Project is located within the greater municipality of Maracás in the eastern Bahia State, Brazil, and lies approximately 250 km southwest of the city of Salvador, the capital of Bahia. Access to the Maracás Menchen Project is via paved secondary road from the main coastal highway to the town of Maracás (350 km) and then a further 50 km via secondary highway and gravel road to the mine site. Access to water, the electrical power grid and railroad is within reasonable distance, and a trained workforce and local unskilled labour is available within the State of Bahia, the country of Brazil and the town of Maracás.

The property consists of eighteen (18) concessions totalling 17,690.5 hectares, and all permits are owned 100% by VMSA, which is controlled 99.94% directly and indirectly by Largo. Of this total, VMSA controls two mining permits of 1,000 hectares each, and one exploration permit (977.20 hectares). Largo controls the remaining fourteen exploration permits and final mining permit (1,713.88 hectares). All concessions are in good standing and there are no underlying royalty payments to any private entities. Companhia Baiana de Pesquisa Mineral ("**CBPM**"), an entity owned by the Bahia State Geological Survey, owns the underlying minerals rights to most of the project area, with the exception of NAN which is owned by VMSA. The properties are subject to the following royalties:

Deposit	Royalty Holder	Royalty or Fee
Campbell Pit	CBPM	3% of net revenues of vanadium products and ilmenite concentrate (sales revenue less taxes)
	Anglo Pacific PLC	2% Net Smelter Royalty on vanadium products and ilmenite concentrate (sales revenue less taxes, CFEM and CBPM)
	CFEM	2% fee on concentrate production (vanadium) and 2% of net revenues on ilmenite concentrate (sales revenue less taxes)
Gulçari A Norte (GAN)	CBPM	3% of net revenues on vanadium products and ilmenite concentrate (sales revenues less taxes)
	Anglo Pacific PLC	2% NSR on vanadium products and ilmenite concentrate (sales revenues less taxes, CBPM and CFEM)
	CFEM	2% fee on concentrate production (vanadium) and 2% of net revenues on ilmenite concentrate (sales revenue less taxes)
Novo Amparo Norte (NAN)	CFEM	2% fee on concentrate production (vanadium) and 2% of net revenues on ilmenite concentrate (sales revenue less taxes)

Otherwise, the concessions are free and clear of mortgages, encumbrances, prohibitions, injunctions and litigation.

Exploration licences are granted by the National Mining Agency (" **ANM**") based on an approved plan for a period of one to three years, with an option to extend for an additional three years. Annual fees of R$3.29 per hectare are paid on the first term and R$5.00 per hectare are paid on the second term. Once the exploration plan is completed, the licensee must submit a final exploration report and if the report is approved, they have up to one year to apply for an extraction licence. Once ANM has approved the final report carried out under the exploration licence the applicant moves to an extraction licence application. The extraction licence describes the details of an economic analysis of the project including environmental impacts, methods of operation and a plan for mine closure. Once approved by the ANM, exploitation permits are granted. Royalties are then payable to the government on products mined.

Largo reports that, to its knowledge, there are no existing permitting, environmental liabilities or other significant factors that would affect title or access with respect to the Maracás Menchen Mine.

History

Over the past 40 years, the Maracás Menchen Project has undergone several phases of exploration and economic evaluation, including geophysical surveys, prospecting, trenching, diamond drilling programs, geological studies, resource estimates, petrographic studies, metallurgical studies, mining studies and economic analyses. These studies have advanced the Maracás Project to its present status of an operating mine.

Exploration of the Rio Jacaré Sill by geologists of the CBPM initiated in 1980 during a regional geological survey and resulted in the discovery of VTM occurrences on what is now the Maracás Menchen Mine. Additional geological mapping, geochemistry, geochemical surveying, pitting, trenching and limited drilling was completed by CBPM.

In 1984 the CBPM formed a joint venture with the Odebrecht Group (" **Odebrecht**") who took over exploration of the project area and over the subsequent six years completed extensive geological and technical work. This work resulted in Odebrecht owning 93% of the project. In the early 1990's Odebrecht formed a 50/50 joint venture with CAEMI (Vale) with the intent of bringing additional mining, metallurgical and marketing expertise to help advance the project. Substantial work including diamond drilling, metallurgical studies, resource calculations and mine planning were carried out and numerous prefeasibility, feasibility and marketing studies were completed culminating in a 1999 Economic Update Report. In 2006, Largo (through VMSA) signed an option agreement with Odebrecht and Vale for the Maracás Menchen Project giving Largo the right to acquire a 90% interest in the project. In 2012, Largo exercised the option and acquired the interests of both Odebrecht and Vale resulting in VMSA owing 99.94% of the Maracás Menchen Project. Since the acquisition Largo has completed additional detailed engineering work and began construction of the Maracás Menchen Mine in June 2012. The Maracás Menchen Mine was commissioned March 2014 and production has steadily increased from 5,810 t/a in 2015 to 10,436 t/a in 2022.

Geological Setting, Mineralisation, and Deposit Types

The Rio Jacaré Sill (the "**RJS**") is a mafic-ultramafic intrusion, which hosts the Maracás Project vanadium mineralisation, and is located in the south-central part of Bahia state in northeastern Brazil. It lies within the Archean São Francisco craton, which in this area is composed of the Contendas-Mirante Complex and the Gavião and Jequié blocks. The RJS is located on the eastern edge of the Contendas-Mirante supracrustal sequence, which forms a large anticlinorium trending approximately north-south. The supracrustal rocks are located between the early Archean Gavião block to the west, which is composed predominantly of tonalite-trondhjemite granodiorite, and the Archean Jequié block to the east, which is composed predominantly of charnockite and enderbite intrusive rocks with strong calc-alkaline affinities and granulite facies metamorphic rocks. The Contendas-Mirante sequence is thought to be younger than the adjacent Gavião and Jequié blocks and consists of an Archean basal volcanic unit overlain by a Paleoproterozoic member containing flysch and metavolcanic rocks that are overlain by a clastic member.

The RJS is composed mainly of gabbro. The intrusion has been described previously as a sill intruded into the volcanic rocks of the lower unit of the Contendas-Mirante gneissic complex. However, the RJS is fault bounded to the east and west, and therefore, its contacts with both the Contendas-Mirante sequence and Jequié block are tectonic.

The RJS is a linear, sheet-like structure that strikes N 20 ^{o} E and dips approximately 70° to the east. The intrusion has been identified over a length of 70 km and has an average width of 1.2 km. The Campbell Pit contains the largest concentrations of vanadium-rich magnetite known on the property to date. This deposit crops out over an area of approximately 400 m along strike, up to 150 m width and is known to extend to approximately 350 m vertical depth, where it remains open. The Campbell Pit has been disrupted by northwest-southeast faulting. It is composed of magnetite grading into magnetite-rich pyroxenite, pyroxenite, and then gabbro which contains layers or lenses of magnetite-bearing pyroxenite that are sometimes sheared. The main magnetite body is on average about 25 m thick and thins to the south.

Within the Maracás Menchen Project the RJS can be traced for at least 10 km underlying the exploration permits north of the Campbell Pit. Six known VTM deposits including the Campbell Pit, GAN, São José ("**SJO**"), Novo Amparo ("**NAO**") and NAN (collectively the "**Near Mine Targets**" or "**NMT**", also referred to as 'Satellite Deposits' in the Technical Report) have been identified within the intrusion. The RJS can be traced a further +25 kilometres south of Campbell Pit and Largo controls much of this area with additional exploration permits. Numerous targets of interest have been identified in the "South Block" exploration area and the Company is systematically reviewing and exploring these areas.

The NMT are also defined as VTM deposits and bear many of the same features of the Campbell Pit. The deposits consist of magnetite closely associated with pyroxenite layers and hosted in gabbro. The magnetite layers have widths between <5 to +13 m and lengths of up to 250 m, with the layers being locally truncated or offset by faulting. Titanium rich layers have been identified throughout the stratigraphic sequence.

Based on extensive drill programs in 2018, 2019 and 2020, re-logging of holes from historical drilling campaigns, geological mapping and geophysical signatures, the RJS was interpreted as similar to tube/funnel transition "Eagle/Kalatonke Type" mafic to ultramafic layered intrusion, a pathway stagnated magmatic chamber with periodical injections of magma denominated as magmatic cycles. Cycles are divided according to the phase stratification of the mineral magnetite. Processes such as fractional crystallization and magma mixing are highlighted as the main drivers to changes in parameters such as pressure and oxygen fugacity, which provided for the formation of known mineralisation.

In total, 10 magmatic cycles have been identified in RJS, in response to successive magma inputs in an open system (cycle C1 to cycle C10). Cycles C1 to C3 appear to be restricted to the Campbell Pit, where more robust layers of magnetite and ultramafic rocks were formed. These layers are currently being mined in the GAN (Campbell Pit) deposit. Cycles C4 to C10 have been defined to the north and south beyond the Campbell Pit, with successive layers of magnetite associated with mafic rocks such as magnetite-gabbro, gabbro to anorthosite. These layers give rise to the deposits called NMT in the RJS. This genetic model may also explain the higher levels of vanadium in the GAN deposit, associated with more primitive magmas richer in vanadium metal. Elevated TiO_2 values appear to be associated with the higher stratigraphic levels of the overall complex. Titanium is incompatible within the magnetite crystal structure enriching the residual magma.

Sulphides account for up to 1% of the rock in the magnetite. The major phases are chalcopyrite and pentlandite with only very minor pyrite and pyrrhotite. High platinum and palladium ("**PGM**") values have been found in the magnetite zones in the RJS. The association of PGM enrichment with magnetite layers in the RJS has similarities with the Rincón del Tigre, Skaergaard and Stella Complexes as well as the Bushveld Complex.

Exploration

Exploration was undertaken by several parties prior to Largo's engagement in 2006. This work consisted of geological mapping, sampling, trenching, drilling, resource modelling and a series of metallurgical testing and resource studies culminating in several pre-feasibility and feasibility studies.

Beginning in 2007, Largo carried out significant geological work and interpretation over the project area, including check assaying and relogging of historical drill core where available. The entire property has been covered by 175 line-km of line cutting. The grid lines are 2.5 km long and oriented east-west with 100-m line spacing and 25-m stations along the lines. This line cutting work was done to facilitate geological mapping, sampling and ground geophysical surveys (magnetic and induced polarization). Geological mapping was done at a scale of 1:2,500 over the entire property concentrating on favourable areas that had a limited amount of information. This work was completed to gain a better understanding of the area's potential prior to conducting further drill testing.

Ground magnetic surveying (175 line -km) was completed over the entire property and total of 136 line-km of induced polarization surveying was completed on the property to help define magnetic horizons within the RJS. Geophysical surveys were important during the early of work to define targets for future drilling.

Data compilation, re-logging and additional resampling of previously drilled holes (1981 to 1986) were undertaken. This work was done to correlate the lithologies between holes and from section to section, and to test the platinum and palladium potential of the deposit to better understand the geological setting.

Exploration has resulted in significant opportunity to advance the NMT to host Mineral Resource estimates in support of the overall mine complex and long-term mine planning.

Ongoing exploration is conducted at the Maracás Menchen Project with the primary goal of supporting mining activities and increasing estimated Mineral Resources and Mineral Reserves available for mining. All existing exploration information is being compiled into a comprehensive 3D models to allow for evaluation and prioritization of exploration efforts.

Exploration work to date has led to a better understanding of the geology and controls on mineralisation with the RJS. The Company now has a strong understanding of the distribution of mineralised cycles in the area immediately to the south and to the north of the Campbell Pit. South Block exploration is at a relatively early stage, but the understanding gained to this date will positively impact exploration planning and execution in future years. Exploration work to date has identified numerous cycles within the RJS that host both vanadium and titanium mineralisation up to 25 km south of the Campbell Pit.

Drilling

Mineral Resources and Reserves are estimated based on information from surface drill holes. Prior to Largo's activity at the Maracás Project, previous operators had drilled 53 diamond drill holes (5,153 metres) on the GAN deposit (Campbell Pit), and 13 diamond drill holes (661 metres) on targets within the overall mine property. Largo completed four exploration drill campaigns at the Maracás Project (2007, 2008, 2011-2012 and 2017) with 57 drill holes (14,634 metres) at the Campbell Pit including 103 drill holes (12,960 metres) defined as infill for resource development, a further 91 drill holes (20,348 metres) targeting the NTM deposits and 4 drill holes (629 metres) targeting South Block anomalies. In 2018 the Company undertook an in-fill pit drilling program of 31 holes (2,323 metres) designed to further identify and delineate 2 to 3 years of mining at the Campbell Pit. In the same year Largo drilled 24 holes (4,223 metres) at NAN to advance the deposit and drilled 14 holes (2,219 metres) on targets in the South Block. In 2019 the Company completed 5 holes (1,925 metres) testing depth potential of mineralisation below the expected pit shell at the Campbell Pit and 123 drill holes (17,930 metres) at the NTM deposits is support of resource estimation. Exploration work continued in 2020 with 18 holes (4,755 metres) drilled at the Campbell Pit as a continuation of the deep drilling program and to better define lateral extents of mineralisation. That same year 107 drill holes (20,010 metres) were completed on NTM deposit, dominantly at the NAN and GAN deposits to aid in resource development. In 2021 the Company completed 57 drill holes (8,838 metres) across the Maracás Menchen Project area. Most work was focused at the Campbell Pit with an in-fill drill program of 26 drill holes (2,248 metres) in advance of a new short-term mine plan model and 7 drill holes (2,337 metres) continuing depth and lateral extension drilling. A limited number of holes were drilled at the NMT. In total 8 drill holes (1,998 metres) were drilled in support of the Technical Report and testing geophysical anomalies east of the Campbell Pit. Drilling concluded in 2021 with 15 drill holes (2,255 metres) testing two targets in the South Block.

Drilling has allowed the Company to advance both the GAN and NAN deposits into the overall mine plan and has led to the conversion of significant tonnes of mineralisation into both mineral resource and reserve categories for future mine planning. Other NMT (SJO and NAO) are currently in the process of being modelled for resource updating. The drilling indicates both deposits can be traced along strike over distances from 500 to +700 m. Both targets have intersected mineralisation to depths of +150 m below surface. In the South Block, limited drilling has been completed and work continues in to better understand the various cycles of mineralisation and their relationship to the well developed model at the Campbell Pit and the NMT. To date, the results indicate that numerous potential targets for additional drilling exist and future work will focus on developing these prospective areas.

For additional information on more recent drilling carried out on NAN see " *Description of the Business - Exploration, Development, and Production*".

Sampling, Analysis, and Data verification

Several periods of diamond drilling by different operators have resulted in somewhat varying sampling procedures. The actual sampling method carried out by CBPM (1981 and 1983) is not known, but during visits to the core facility it was observed that the core had been carefully half cut with all holes available for inspection. Clearly marked sample intervals were evident in all core boxes and it was concluded that sampling had been carried out in a very professional manner.

Drill core sampling during the Odebrecht period was also completed to industry standards and half sawn core was carefully logged and sampled. Sampled core was secured and shipped via commercial trucks to SGS GEOSOL Laboratorios Ltda. ("**SGS**") (1983-1987) and Paulo Abib Engenharia S.A. laboratory (1985 to 1987) both located in Belo Horizonte. In total, 1,675 core samples were analysed at SGS and Paulo Abib Engenharia. Samples were analysed for FeO, Fe_2O_3, SiO_2, TiO_2 and V_2O_5.

In 2006 and 2007, Largo undertook an extensive program of core relogging and sampling. Largo personnel collected quarter cut drill core samples which were then placed into sealed in plastic bags with corresponding sample tags. Samples were shipped via company truck to Salvador where they were handed over to a commercial trucking company for shipment to SGS in Belo Horizonte. Analytical quality control utilized by Largo included the insertion of blanks, referenced material samples and duplicates on a regular basis for all batches submitted for analysis. CBPM and Odebrecht sample pulps remain available to Largo.

All sample preparation and analysis of drill core from the 2006/2007 resampling program and all Largo directed drill programs were performed by SGS in Belo Horizonte, Brazil and Lakefield Ontario, Canada. During infill drilling at the Campbell Pit in 2012 both SGS in Belo Horizonte and Intertek in Cotia, Brazil were used for sample preparation and analysis. Samples were analysed for FeO, Fe_2O_3, SiO_2, TiO_2 and V_2O_5 by the XRF method and for platinum and palladium by 50 g fires assay at SGS. This was modified to a 20 g fire assay for the 2007 and later drill programs. SGS "complies with the requirements of the international standards ISO 9001:2000 and ISO 14001:2004 for chemical analysis and geochemistry of soils, rocks and ores" (SGS Minerals, 2006). Intertek also complies with ISO 9001:2008 for chemical analysis and geochemistry of soils, rocks and ores.

In 2015 Largo initiated Davis Tube test work to improve their understanding of vanadium in the ore at the Campbell Pit. This work was used to determine the magnetic percentage and the SiO2 and V_2O_5 grades in the magnetite concentrate. This work was completed by SGS. In total, 7,567 pulp samples collected from previous drill programs were analysed. A pulp duplicate, and one certified standard were inserted into every 40 sample batch.

Data verification work completed by Largo and Micon has led to confidence in the database compiled by the original owners of the property. Largo's ongoing quality assurance and quality control program has also led to confidence in the newly generated data.

In 2018-2019, Largo engaged SGS Geosol Laboratories, Brazil, based in Belo Horizonte for all drilling and sampling preparation and analytical services.

In 2020, Largo engaged ALS Global Brazil, based in Belo Horizonte for all sample preparation and analytical procedures. ALS Global Brazil operates under ISO 17025 quality management system. To greater generate a greater density database for Campbell Pit, NAN and GAN block models ALS was also contracted to pycnometer density tests.

In 2021, Largo re-engaged SGS Geosol Laboratories, Brazil, based in Belo Horizonte for all sample preparation and analytical procedures. SGS is a ISO 9000-2001 certified laboratory.

Mineral Processing and Metallurgical Testing

The original vanadium process design was based primarily on the metallurgical test work performed by SGS in 2007, a study undertaken by IMS Processing plant in 1990, a feasibility study completed by Lurgi in 1986, a metallurgical study performed by Rautaruukki Oy Research Centre between 1987 and 1989, and the detailed technical study produced by Engenharia e Consultoria Mineral S.A. (ECM) in 1990. A list of metallurgical and process technical and economic references can be found in Section 13.2 of the Technical Report.

Test work was undertaken by SGS between April and November 2007 to investigate the recovery of vanadium from the Maracás Project mineralisation. This program included mineral processing investigations using magnetic separation to recover vanadium contained in magnetite and hydrometallurgical extraction using roasting, leaching, precipitation and calcining to produce an intermediate vanadium oxide product. Additional SGS test work was undertaken in 2012 to investigate beneficiation recoveries and concentrate analyses for the additional ore-bodies included in the expanded plan presented in the Technical Report.

Pilot scale testing was undertaken by Largo in 2010 to test bulk samples of high grade and low-grade ore with respect to recovery and leaching performance.

After completion of the Definitive Feasibility Study ("**DFS**") in 2010, at the request of the financing bank's technical consultant, a pilot scale program was initiated to prove the viability of producing V_2O_5 from the Maracás Project ore and to confirm the process data reported in the feasibility study. Test work was done at Fundação Gorceix and involved obtaining a sample of the Maracás Project ore, beneficiating the ore to produce a V_2O_5 concentrate and then roasting the concentrate in a kiln to convert vanadium into a soluble form.

The roasted concentrate was then leached in water to produce a vanadium solution that was further processed through desilication and ammonium metavanadate ("**AMV**") precipitation steps. The AMV thus produced was then analysed and calcined at SGS to produce V_2O_5. The complete process route has been described in the DFS.

It was not possible with available facilities to pilot the production of V_2O_5 and Ferrovanadium from AMV. Since these are state of the art technologies utilized by major Ferrovanadium producers their exclusion from the pilot program was considered acceptable as long as the AMV produced was of acceptable quality.

Between 2019 and 2021 Largo undertook significant metallurgical recovery and process work on the titanium present in the deposits. This work showed that titanium in all deposits is associated with ilmenite making it possible for recovery. Advanced tests were carried from March to October 2020 at the SGS Geosol laboratory in Belo Horizonte and the VMSA laboratory under the direction of Largo personnel for the titanium bearing mineralisation at the Campbell Pit. The titanium process material is the non-magnetic material rejected from the vanadium concentration process and so it is easily incorporated into the current mineral processing flowsheet at Maracás. Test results showed that ilmenite, a by-product of the magnetic concentrate process for the V_2O_5 ore material, could be successfully concentrated and further processed to produce an acceptable TiO_2 pigment product.

Testing at NAN for both vanadium and titanium recovery were carried out by SGS Geosol laboratory in Belo Horizonte and the VMSA laboratory at the mine site from March 2019 to June 2020. Results for both V_2O_5 flake recovery, ilmenite concentration and TiO_2 pigment processing were positive. Like the Campbell Pit, titanium is concentrated in the non-magnetic reject of the standard vanadium concentration process.

Metallurgical test work for both vanadium and titanium recovery on the GAN deposit was undertaken by MinPro Solutions, Technological Characterisation Laboratory at the University of Sao Paulo and the VMSA laboratory from June to November 2020. Similar to the Campbell Pit and NAN deposit, test results showed excellent recoveries of V_2O_5 flakes and recovery of ilmenite and further processing to TiO_2 pigment could be achieved.

Mineral Resources and Mineral Reserve Estimates

On November 3, 2021 Largo disclosed Mineral Reserve and Mineral Resource estimates with an effective date of October 10, 2021 in a report titled *An Updated Life of Mine Plan ("LOMP") for Campbell Pit and Pre-Feasibility Study for NAN and GAN Deposits, Maracás Menchen Project, Bahia, Brazil*, prepared by GE21. The full Technical Report was filed on SEDAR December 20, 2021.

The Mineral Resources for the Campbell Pit are estimated from drill core information stored in a secured central database and were evaluated using a geostatistical block modelling approach. A three-dimensional block model was generated to enable grade estimation. The selected block size was based on the geometry of the domain interpretation and the data configuration. A block size of 5 m E by 5 m N by 5 m RL was selected. The "percent" block modelling technique was used to represent the volume of the interpreted wireframe models. Sufficient variables were included in the block model construction to enable grade estimation and reporting.

Resource estimation for the Campbell Pit was undertaken using ordinary kriging (" **OK**") as the principal estimation methodology for V_2O_5. The OK estimates were completed using Gemcom mining software. A cut-off of 0.30% V_2O_5 head grade and a cut-off 1.0% TiO_2 head grade, derived from an economic analysis was used. Resources were constrained by an economic pit built in Geovia Whittle 4.3 software and limited by geological factors and adopted economic factors from current operations.

Mineral Resources for the GAN and NAN deposits were estimated from drill core information stored in a secured central database and were evaluated using a geostatistical block modelling approach. A three-dimensional block model was generated to enable grade estimation. The selected block size was based on the geometry of the domain interpretation and the data configuration. At GAN, a block size of 10 m E by 10 m N by 5 m RL was selected. At NAN, a block size of 20 m E by 20 m by 5 m RL was selected. The "percent" block modelling technique was used to represent the volume of the interpreted wireframe models. Sufficient variables were included in the block model construction to enable grade estimation and reporting.

Resource estimation for both the GAN and NAN deposits was undertaken using ordinary kriging (" **OK**") as the principal estimation methodology for V_2O_5. The OK estimates were completed using Gemcom mining software. A cut-off of 0.30% V_2O_5 head grade and a cut-off 1.0% TiO_2 head grade, derived from an economic analysis was used. Resources were constrained by an economic pit built in Geovia Whittle 4.3 software and limited by geological factors and adopted economic factors from current operations allowing for additional transport costs where applicable. Resources are reported using a long term sales price of $15.60/lb of V_2O_5 with an additional premium of $5.50/lb for high purity products. TiO_2 long term sales price of $7,382/tonne was used in the calculation. The block models incorporate percent magnetics (percent of magnetic minerals in the mineralised rock) and magnetite concentrate grade for V_2O_5, SiO_2 and TiO_2. There have been no revisions to the models for our Mineral Resource and Mineral Reserve estimates.

The Mineral Resource estimate for the Campbell Pit has been reconciled for mining depletion as of December 31, 2022 from the original Mineral Resource estimate set out in the Technical Report (refer to Section 14 of the Technical Report for additional details). There has been no active mining at NAN or GAN and so there has been no update to those resources. The Mineral Resource estimates for the Campbell Pit and the NAN and GAN deposits as at December 31, 2022 are presented below.

Maracás Menchen Project - Mineral Resource Estimate (Effective Date - December 31, 2022)								
		Head		Magnetic Concentrate			Metal Content	
Classification	Tonnes (Mt)	%V_2O_5	%TiO_2	%MAG	%V_2O_5	%TiO_2	V_2O_5 (kt)	TiO_2 (kt)
Campbell Pit[2a)(5i)]								
Measured (M)	14.37	1.20	7.95	31.44	3.13	4.97	172.0	1,142.7
Indicated (I)	3.02	0.98	7.97	28.32	2.70	4.42	29.6	240.9
Total Campbell Pit M+I	***17.39***	***1.16***	***7.95***	***30.90***	***3.05***	***4.87***	***201.6***	***1,383.6***
GAN[2b)(5ii)]								
Measured (M)	12.11	0.49	7.55	17.70	1.88	1.93	59.8	914.5
Indicated (I)	9.25	0.58	8.28	21.13	2.08	2.27	54.1	766.5
Total GAN M+I	***21.37***	***0.53***	***7.87***	***19.18***	***1.97***	***2.07***	***113.8***	***1,681.0***
NAN[3c)(5iii)]								
Measured (M)	17.48	0.70	8.73	23.43	2.38	2.97	122.4	1,526.0
Indicated (I)	5.41	0.74	8.76	23.51	2.48	2.78	40.1	474.1
Total NAN M+I	***22.89***	***0.71***	***8.74***	***23.45***	***2.40***	***2.92***	***162.4***	***2,000.1***
Total Maracás Menchen Mine M+I								
Measured (M)	43.96	0.80	8.15	24.47	2.49	3.34	354.14	3,583.24
Indicated (I)	17.68	0.70	8.37	23.09	2.31	2.79	123.77	1,481.51
Total M+I	***61.66***	***0.77***	***8.21***	***24.07***	***2.44***	***3.18***	***477.91***	***5,064.76***
Campbell Pit Inferred	5.07	0.93	8.19	26.69	2.64	3.99	47.0	415.1
GAN Inferred	4.52	0.64	8.40	22.37	2.15	2.49	29.0	380.1
NAN Inferred	5.90	0.67	7.75	21.01	2.47	2.89	39.5	456.9
Total Maracás Menchen Mine Inferred	***15.48***	***0.75***	***8.08***	***23.27***	***2.43***	***3.13***	***115.5***	***1,252.1***

Notes:

1. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.

2. The Mineral Resource estimates were prepared in accordance with the CIM Definition Standards using geostatistical, plus economic and mining parameters appropriate to the deposit.

a. Ordinary kriging inside 5m x 5m x 5m block size.

b. Ordinary kriging inside 10m by 10m by 5m block size.

c. Ordinary kriging inside 20m by 20m by 5m block size.

3. Presented Mineral Resources inclusive of Mineral Reserves. All figures have been rounded to the relative accuracy of the estimates. Summed amounts may not add due to rounding.

4. Cut-off grade of 0.3% V_2O_5 head was applied to Mineral Resource.

5. Mineral Resources were estimated using the following the economic parameters:

i. Pit slope angles ranging from 37.5° to 64°. V_2O_5 long term price of $15.60/lb, with an additional premium of $5.50/lb for high purity product. TiO_2 pigment selling price of $7,382/tonne. Mining costs of $1.60/tonne for mineralisation and waste. Vanadium processing costs of $37.80/tonne ore feed. V_2O_5 concentrate recovery of 80.5%. Ilmenite concentrate costs of $55.00/tonne processed. TiO_2 pigment costs of $1,374/tonne of Ilmenite concentrate. TiO_2 overall recovery of 37.9%. General and Administrative costs of $0.16/lb V_2O_5.

ii. Pit slope angles ranging from 40.0° to 64°. V_2O_5 long term price of $15.60/lb, with an additional premium of $5.50/lb for high purity product. TiO_2 pigment selling price of $7,382/tonne. Mining costs of $1.60/tonne for mineralisation and waste. Vanadium processing costs of $37.80/tonne ore feed. V_2O_5 concentrate recovery of 79.2%. Ilmenite concentrate costs of $55.00/tonne processed. TiO_2 pigment costs of $1,374/tonne of Ilmenite concentrate. TiO_2 overall recovery of 40.25%. General and Administrative costs of $0.16/lb V_2O_5.

iii. Pit slope angles ranging from 40.0° to 64°. V_2O_5 long term price of $15.60/lb, with an additional premium of $5.50/lb for high purity product. TiO_2 pigment selling price of $7,382/tonne. Mining costs of $1.60/tonne for mineralisation and waste. Vanadium processing costs of $37.80/tonne ore feed. V_2O_5 concentrate recovery of 70.0%. Ilmenite concentrate costs of $55.00/tonne processed. TiO_2 pigment costs of $1,374/tonne of Ilmenite concentrate. TiO_2 overall recovery of 38.25%. General and Administrative costs of $0.16/lb V_2O_5.

The overall mine plan includes the processing of ongoing non-magnetic tailings from the ongoing vanadium operation to recover an ilmenite concentrate and then further processing of that concentrate to produce a TiO_2 pigment. On this basis, the Company has investigated the opportunity to recover ilmenite from the historical non-magnetic tailing ponds at the mine. The resources contained in the tailings ponds was based on production reconciliation data and topographic surveying of existing ponds. Tailings were systematically sampled every eight hours from the start of production in 2014, and sampling continues under the current operating conditions. The following table outlines the TiO_2 Mineral Resources within the current non-magnetic tailing ponds. There had been no processing of this material as of December 31, 2022.

TiO_2 Mineral Resources in Non-Magnetic Tailing (Effective Date - December 31, 2022)						
Pond	**Resource Classification**	**Volume (km^3)**	**Density (t/m^3)**	**Resource in Stock (kt)**	**Grade TiO_2 (%)**	**Metal Content (kt)**
BNM04	Indicated	1,270.40	1.80	2,286.73	11.35	259.54
BNM02	Indicated	640.30	1.80	1,152.53	11.35	130.81
BNM03	Indicated	521.14	1.80	938.05	11.35	106.47
Total Mineral Resources in Ponds	**Indicated**	**2,431.84**	**1.80**	**4,377.31**	**11.35**	**496.83**

Notes:

1. Stock of "Non-Magnetic concentrate" available in the tailings ponds.
2. Mineral Resource in tailings were estimated based on topographic surveys (primitive data and current data) and validated with monthly processing and reconciliation data.
3. Tailings material data was sampled once every 8 hours, with an average TiO_2 content of 11.35%.
4. Recovery is 100% and no dilution was applied to these Mineral Resources.

The mine plan developed in the Technical Report is based on Proven and Probable Mineral Reserves only and is more fully delineated in the Technical Report. Mineral Reserves are reported using a long-term sales price of $7.80/lb of V_2O_5 with an additional premium of $2.50/lb for high purity products. TiO_2 long term sales price of $3,691/tonne was used in the calculation. The ultimate pit design and mine plan was done to optimize the magnetic concentrate to the kiln feed, with non-magnetic TiO_2 rich concentrate material directed to the ilmenite concentration plant for processing. The ilmenite concentrate is then transported to the Pigment Plant to produce the final TiO_2 product. The open pit Mineral Reserve estimate is based on a mine plan and open pit designs developed using modifying parameters including metal prices, metal recovery based on performance of the processing plant, operating and sustaining capital cost estimates based on the production schedule and equipment requirements. Other factors including; dilution, mining recovery, shipping terms, geotechnical characteristics of the rock mass, and the likelihood of obtaining land title, required permits environmental, social and legal licenses may affect the final Mineral Resources and Mineral Reserves, see "*Risk Factors*".

The Mineral Reserve estimate for the Campbell Pit has been reconciled for mining depletion as of December 31, 2022 from the original Mineral Reserve estimate set out in the Technical Report (refer to Section 15 of the Technical Report for additional details). There has been no active mining at NAN or GAN and so there has been no update to those Mineral Reserves. The Mineral Reserve estimates for the Campbell Pit and the NAN and GAN deposits as at December 31, 2022 are presented below.

Maracás Menchen Project - Mineral Reserve Estimate (Effective Date - December 31, 2022)								
			Head		**Magnetic Concentrate**		**Metal Content**	
Classification	**Tonnage (Mt)**	**%Magnetics**	**%V_2O_5**	**%TiO_2**	**%V_2O_5**	**%TiO_2**	**V_2O_5 in Magnetic Concentrate (t)**	**TiO_2 Non-Magnetic Concentrate (t)**
Campbell Pit[6i]								
Proven	14.24	31.51	1.20	7.97	3.13	4.98	140,269	912,052
Probable	2.21	29.77	1.02	8.22	2.69	4.54	17,677	151,610
Total Campbell Pit Reserves	***16.45***	***31.28***	***1.17***	***8.01***	***3.07***	***4.92***	***157,946***	***1,063,662***

GAN[(6ii)]								
Proven	12.10	17.75	0.49	7.57	1.88	1.94	40,375	874,242
Probable	8.06	21.15	0.57	8.33	2.04	2.29	34,790	632,616
Total GAN Reserves	***20.16***	***19.11***	***0.52***	***7.87***	***1.95***	***2.08***	***75,165***	***1,506,858***
NAN[(6iii)]								
Proven	17.43	23.22	0.7	8.71	2.36	2.95	95,538	1,399,099
Probable	4.92	23.38	0.72	8.76	2.44	2.78	28,059	398,901
Total NAN Reserves	***22.35***	***23.26***	***0.70***	***8.72***	***2.38***	***2.91***	***123,598***	***1,798,000***
Total Maracás Menchen Mine Proven and Probable Mineral Reserves								
Proven	43.77	24.40	0.80	8.16	2.48	3.33	276,182	3,185,394
Probable	15.19	23.12	0.68	8.45	2.26	2.78	80,526	1,183,126
Total	***58.96***	***24.08***	***0.77***	***8.23***	***2.42***	***3.19***	***356,708***	***4,368,520***

Notes:

1. Mineral Reserves estimates were prepared in accordance with the CIM Definition Standards.

2. Mineral Reserves are the economic portion of the Measured and Indicated Mineral Resources.

3. The reference point at which the Mineral Reserves are defined is the point where the ore is delivered from the open pit to the crushing plant.

4. Vanadium product comes from magnetic concentrate, while TiO_2 product from non-magnetic portion.

5. Exchange rate $1.00 = R$5.10.

6. Mineral Reserves were estimated using the following the economic parameters:

i. Recovery 100% and dilution 3%. Pit slope angles ranging from 37.5° to 64°. V_2O_5 long term price of $7.80/lb, with an additional premium of $2.50/lb for high purity product. TiO_2 pigment selling price of $3,691/tonne. Mining costs of $1.60/tonne for mineralisation and waste. Vanadium processing costs of $37.80/tonne ore feed. V_2O_5 concentrate recovery of 80.5%. Ilmenite concentrate costs of $55.00/tonne processed. TiO_2 pigment costs of $1.374/tonne of Ilmenite concentrate. TiO_2 overall recovery of 37.9%. General and Administrative costs of $0.16/lb V_2O_5.

ii. Recovery 95% and dilution 5%. Pit slope angles ranging from 40° to 64°. V_2O_5 long term price of $7.80/lb, with an additional premium of $2.50/lb for high purity product. TiO_2 pigment selling price of $3,691/tonne. Mining costs of $1.60/tonne for mineralisation and waste. Vanadium processing costs of $37.80/tonne ore feed. V_2O_5 concentrate recovery of 79.2%. Ilmenite concentrate costs of $55.00/tonne processed. TiO_2 pigment costs of $1,374/tonne of Ilmenite concentrate. TiO_2 overall recovery of 40.25%. General and Administrative costs of $0.16/lb V_2O_5.

iii. Recovery 95% and dilution 5%. Pit slope angles ranging from 40° to 64°. V_2O_5 long term price of $7.80/lb, with an additional premium of $2.50/lb for high purity product. TiO_2 pigment selling price of $3,691/tonne. Mining costs of $1.60/tonne for mineralisation and waste. Vanadium processing costs of $37.80/tonne ore feed. V_2O_5 concentrate recovery of 70.0%. Ilmenite concentrate costs of $55.00/tonne processed. TiO_2 pigment costs of $1,374/tonne of Ilmenite concentrate. TiO_2 overall recovery of 38.25%. General and Administrative costs of $0.16/lb V_2O_5.

Mineral Reserves were also calculated for the TiO_2 contained in the non-magnetic tailings ponds. The same parameters that were used for the estimation of the TiO_2 contained in the non-magnetic tailings ponds in the Mineral Resources table set out above were used to estimate the Mineral Reserves in the non-magnetic tailing ponds, which are reported in the following table. There had been no processing of this material as of December 31, 2022.

TiO_2 Mineral Reserves in Non-Magnetic Tailing (Effective Date - December 31, 2022)						
Pond	**Resource Classification**	**Volume (km^3)**	**Density (t/m^3)**	**Resource in Stock (kt)**	**Grade TiO_2 (%)**	**Metal Content (kt)**
BNM04	Probable	1,270.40	1.80	2,286.73	11.35	259.54
BNM02	Probable	640.30	1.80	1152.53	11.35	130.81
BNM03	Probable	521.14	1.80	938.05	11.35	106.47
Total Mineral Reserves in Ponds	**Probable**	**2,431.84**	**1.80**	**4,377.31**	**11.35**	**496,83**

Notes:

1. Stock of "Non-Magnetic concentrate" available in the tailings ponds.
2. Mineral Resource in tailings were estimated based on topographic surveys (primitive data and current data) and validated with monthly processing and reconciliation data.
3. Tailings material data was sampled once every 8 hours, with an average TiO_2 content of 11.35%.
4. Recovery is 100% and no dilution was applied to these Mineral Resources.

The Technical Report did not update the Mineral Resources reported for the NAO and SJO deposits. The Company has completed drilling on these deposits in recent years and are currently working on updates to the Mineral Resources for these deposits. The Technical Report reports the following resources for NAO and SJO in the following table based on work completed with an effective date of May 2, 2017.

Near Mine Target Mineral Resources (Effective date - May 2, 2017)				
Deposits	**Category**	**Tonnage (kt)**	**V_2O_5 (%)**	**Contained V_2O_5 (t)**
Novo Amparo[(1)]	Inferred	1.5	0.72	11.2
São José[(1)]	Inferred	3.9	0.89	34.7
Total Near Mine Targets[(1)]	**Inferred**	**5.4**	**0.82**	**46.0**

Note:

1. Mineral Resource within a pit shell using $2.72/t all in operating cost and reported at a 0.45% V_2O_5 cut-off, as reported in the Technical Report.

Emerson Ricardo Re, BSc, MSc, MBA, MAusIMM (CP) and Registered Member (Chilean Mining Commission), of HCM Consultoria Geologica Eireli, Geology Advisor to the Company, a Qualified Person, is responsible for the Mineral Resource and Mineral Reserve estimates contained in this AIF.

Mining Operations

In January 2021 the Company completed feed rate improvements to the kiln resulting in a further increase in nameplate capacity from 1,000 tonnes per month to 1,100 tonnes per month. A new mining contractor (Minax) began work at the mine on May 1, 2021. The mine now has a new fleet of mining equipment which consists of eight hydraulic excavators equipped with a 3.5-5.16 m^3 bucket and a total of 20 Volvo and 12 Scania 45-tonne capacity trucks and other auxiliary equipment. The contract drill fleet consists of six Sandvik Ranger DX800 rotary drill rigs.

In 2022, mining operations at the Campbell Pit moved 1.36 million dry metric tonnes of ore and 9.16 million dry metric tonnes of waste. The overall Life of Mine ("**LOM**") show total ore reserves at the Campbell Pit of 16.45 million tonnes ore and stockpile (reconciled to December 31, 2022). LOM average V_2O_5 head grade of 1.17% and TiO_2 head grade of 8.01%. As of October 10, 2021, the effective date of the Technical Report, the LOM for the Campbell Pit was estimated at 11 years, with mining operations being completed in 2032. Leading up to the depletion of the Campbell Pit the Company is planning on executing the overall LOM plan and will initiate mining at the GAN and NAN deposits commencing in 2032. The LOM plan anticipates that GAN and NAN will extend the mine life of the overall operation by an additional 10 years, with all current deposits being depleted in 2041.

Processing and Recovery Operations

The Maracás vanadium recovery plant was commissioned in 2014 and achieved the nameplate capacity in 2018. In 2019, an expansion project was implemented increasing the process capacity to 1,900,000 t/a of ROM and the V_2O_5 production capacity to 12,000 t/a. In 2020, 11,825 t of V_2O_5 was produced with 81.5% of overall recovery. In 2021, improvements in the roasting/burning system increased the production capacity to 13,200 t/a V_2O_5. In December 2022, the plant produced 596 tonnes of V_2O_5 equivalent, which amount was impacted by approximately 36% more rainfall experienced at the Maracás Menchen Mine compared to December 2021, with a trend approaching design capacity of 13,200 t/a of V_2O_5 equivalent.

The current process flow sheet comprises the following: three stages of crushing, one stage of grinding, two stages of magnetic separation, magnetic concentrate roasting, vanadium leaching, ammonium meta-vanadate ("**AMV**") precipitation, AMV filtration, AMV calcining, and fusing to V_2O_5 flake as final product. A simplified process flow diagram for the production of V_2O_5 is presented in the Technical Report.

Largo expects to increase V_2O_5 production in 2032 through the expansion of the Maracás plant. The build for this project should start in 2028 and when complete will increase the production capacity from 13,200 t/a V_2O_5 to 16,000 t/a V_2O_5 in 2032 and coincide with mining expansion at the GAN and NAN deposits. In 2023, an Ilmenite Plant is scheduled to be implemented at the Maracás site to treat non-magnetic concentrate material generated from the wet magnetic separation process to produce an ilmenite concentrate. The Ilmenite Plant will be able to produce 140,000 t of concentrate per year initially and is designed to reach full capacity of 425,000 t/a of ilmenite concentrate in 2029.

The Company also plans to develop a Titanium Plant in the city of Camaçari, Bahia State. The first phase of this project commenced in 2022 and is expected to be completed in 2023 and will be designed to produce 30,000 t/a of TiO_2 pigment as main product and 20,000 t/a of ammonium sulfate and 14,500 t/a of sodium carbonate as coproducts. At full capacity the Pigment Plant is expected to produce 120,000 t/a of TiO_2 pigment. Further development of the Pigment Plant has been postponed pending the availability of financing.

Capital and Operating Costs

The Technical Report describes a four-phased development approach designed to increase vanadium production by bringing the GAN and NAN deposits into the overall mine plan as the Campbell Pit is depleted, as well as processing the non-magnetic concentrate material from current and future operations to produce an ilmenite concentrate with further processing to TiO_2 pigment at separate facility in Camaçari, Bahia. The Capital Expense ("**CAPEX**") estimate for Phase 1 meets international AACE Class 3 standards for ±15% accuracy. Phase 2 CAPEX estimates meet AACE Class 4 accuracy that ranges from-15% to 50%. Please refer to the Technical Report for additional details.

Total Phase 1 CAPEX amounted to US$121.6 million in 2022: Ilmenite Plant US$25.2 million, and US$96.4 million for the Pigment Plant. Phase 2 forecasts CAPEX of US$59.8 million for expansion to the Pigment Plant (US$29.9 million in 2024 and US$29.9 million in 2025). There is also a proposed expansion to the V_2O_3 plant in 2024 with estimated CAPEX of US$4.7 million. Phase 3 considers a further expansion to both the Ilmenite Plant and the Pigment Plant in 2026 and 2027, when they reach full anticipated capacity. Estimated CAPEX for the expansion of the Ilmenite Plant is US$36.5 million, and for the Pigment Plant estimated CAPEX is US$132 million. This phase also includes roadwork and pre-stripping at GAN and NAN with estimated CAPEX of US$4.6 million. The final expansion of the project, Phase 4, includes a duplication of the current vanadium infrastructure at the Maracás site to accommodate the increased mining rates expected at GAN and NAN at the depletion of the Campbell Pit in 2032. Estimated CAPEX of this final phase is US$230.7 million.

As noted in the section entitled "*Description of the Business - Three-Year History - Operations*", management of the Company has decided to postpone the Company's existing plans to further develop the Pigment Plant until additional funds are made available.

Sustaining CAPEX was US$8 million in 2022 and is estimated at US$13.5 million in 2023.

Operating Expenses ("**OPEX**") were also estimated in the Technical Report and the key assumptions were derived from Largo's actual costs analysis collected from January to September 2021. OPEX for future years were estimated based on several modifying factors. LOM OPEX are summarised below:

Average Operating Cost Summary		
Operating Cost	**Campbell Pit**	**GAN and NAN**
Mining (US$/t earth moving)	1.90	1.68
Vanadium Processing (US$/tonne ROM)	37.17	22.90
Ilmenite Processing Costs (US$/ tonne product)	28.00	28.00

Operating Cost - Titanium Pigment Plant		
Cost Type	**30 kt/Year Plant**	**60 and 120 kt/Year Plant**
Variable (US$/tonne TiO_2)	746.86	746.86
Fixed (US$/tonne TiO_2)	580.30	348.16
Total Pigment Plant - Processing Cost	**1,327.16**	**1,095.02**

For the year ended December 31, 2022, the Company reported cash operating costs excluding royalties of US$4.57 per pound V_2O_5 sold[1]. The Company has issued guidance for the cash operating costs excluding royalties of US$4.85 - US$5.25 per pound V_2O_5 sold[1] for 2023.

Exploration, Development, and Production

In 2018 exploration activities at the Campbell Pit included a close spaced diamond drilling program of 31 holes (2,323 metres) designed to give greater detail to the ore body and help to guide mine production over the next two to three years. This program began in the middle of April 2018 and was completed on May 30, 2018. The data was modelled and used for mine planning and development purposes. Consultants from GE21 assisted in the modelling.

Phase II included a 4,950 metre drilling program focused on upgrading and expanding the NMT and along strike high priority targets. Drilling began on June 4, 2018 with two rigs focused at NAN and the Company completed 24 holes totalling 4,223 metres prior to December 31, 2018. This included 13 infill and 11 step out holes. On December 19, 2018, the Company announced that this program had expanded the mineralisation to the north and south at NAN, defining targeted mineralisation over a strike length of 1.84 kilometres. Infill drilling was designed to upgrade the resource category at NAN.

Additionally, seven holes were drilled on targets south of the Campbell Pit. The drill program was completed on October 23, 2018.

Previous drilling at NAN completed by the Company from 2011 to 2012 outlined a consistent zone of mineralisation over 790 metres with an average width of 18 metres and an average grade of 0.87% V_2O_5. The 2018 program was successful in extending mineralisation both to the north and south along strike for a total length of approximately 1,840 metres. The deposit remains open to the south and to depth.

The Company extended the Phase II definition drilling program at NAN in the first quarter of 2019. Diamond drilling was initiated at NAN on January 15, 2019. In total, 47 diamond drill holes (5,404 metres) were completed. The work focused on increasing confidence in the resource categories and extending mineralisation at depth and along strike. This program was completed mid-February 2019. The exploration program resulted in the conversion of Inferred Mineral Resources to Measured and Indicated categories, in addition to increasing the overall Inferred Mineral Resources.

Exploration work shifted to NAN where 4,646 metres (24 drill holes) of drilling were completed. Drilling was also undertaken at the SJO deposit where 2,813 metres (18 drill holes) of drilling were completed. Further drilling was carried out on GAN where 21 drill holes (3,501 m) were completed. Drilling on all targets focused on extending and upgrading known mineralisation as defined in a 2017 technical report, which was superseded by the Technical Report. The Company also completed 1,177 metres of drilling (three holes) near the Campbell Pit to explore for target horizons down dip and along strike of the current reserve area. South of the Campbell Pit, 16 diamond drill holes (2,313 m) were completed on the Gulçari A South target.

Largo engaged ALS Global Brazil for all drilling and sampling preparation and analytical services.

In 2020 the Company completed 24,771 metres in 125 holes mostly in support of the planned NI 43-101 updated Technical Report. Work focused on the NAN - 8,188 metres (32 holes) and GAN - 6,898 metres (45 holes) deposits. Drilling was also undertaken at the SJO - 2,475 metres (15 holes) and NAN - 2,261 metres (14 holes) deposits to further understand the stratigraphy and extents of mineralisation to support future resource modelling. At the Campbell Pit - 4,761 metres (19 holes) were drilled to continue testing the extents of mineralisation down dip and along the edges of the current pit shell. Finally one condemnation hole (188 metres) was drilled east of the Campbell Pit in an area set aside as future potential waste dumps. Drilling was completed on December 17, 2020.

In 2021 the Company completed 8,838 metres of drilling (56 drill holes) at various target across the Maracás Menchen Project. At the Campbell Pit, 2,337 metres were drilled in 7 holes exploring depth extension opportunities. Another 2,248 metres of drilling (26 drill holes) were completed within the pit as part of a short-term drill program focused on defining ore/waste contacts and increasing grade control for short-term modelling and mining purposes. Limited drilling was completed at the NAN (483 metres - 2 holes) and GAN (706 metres - 4 holes) deposits in support of the Technical Report. Two holes (809 metres) were drilled testing geophysical anomalies adjacent to the mine operations, east of the Campbell Pit. Finally, 2,255 metres of drilling (15 drill holes) were completed on two targets in the South Block.

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[1] The cash operating costs per pound and cash operating costs excluding royalties per pound reported are non-GAAP ratios with no standard meaning under IFRS, and may not be comparable to similar financial measures disclosed by other issuers. Refer to the "Non-GAAP Measures" section of this AIF.

On November 3, 2021 the Company announced the results of a new NI 43-101 Technical Report titled "An Updated Life of Mine Plan ("LOMP") for Campbell Pit and Pre-Feasibility Study for GAN and NAN Deposits". The final report was filed on SEDAR on December 20, 2021. A summary of the Technical Report outcomes can be found in the aforementioned press release and the full Technical Report can be accessed via SEDAR. The Company also engaged SGS Laboratories for all rock and soil sampling preparation and analytical work.

In 2022, the Company completed 9,359 metres of drilling (66 holes) at various targets across the Maracás Menchen Mine, including approximately 1,409 metres of infill drilling in the Campbell Pit, 972 metres of near mine deep drilling and 2,402 metres of drilling to support the maintenance of the Company's mineral rights in Q4 2022. At the Campbell Pit, 971 metres were drilled in three holes to explore depth extension opportunities. A further 2,145 metres (20 holes) of infill drilling were completed within the pit as part of a short-term drill program focused on defining ore/waste contacts and increasing grade control for short-term modelling and mining purposes. 618 metres (4 holes) were drilled at NAN and NAO and no further drilling was conducted at GAN and SJO. Finally, 5,622 metres of drilling (39 holes) were completed on three targets in the South Block.

An integrated model including GAN, SJO and NAO is being developed using data from the recent drilling campaigns. Further work has been planned for 2023 in order to finalize this model, including the development of a density model. The Campbell Pit geological model was updated in Q4 2022 and provided to the mine planning team. This model will be updated quarterly and will assist with mine planning activities.

In December 2022, the Maracás Menchen Mine experienced approximately 36% more rainfall compared to December 2021, and at least 76% more rainfall on a single day during the same comparative month. This resulted in approximately 16 days of operational downtime in December 2022 and January 2023, during which time the Company performed preventative maintenance measure such as kiln refractory and electrostatic precipitator repairs, previously planned for February 2023. In 2021, the Company constructed a diversion channel surrounding the Campbell Pit and upgraded is pumping system capacity to mitigate rainwater accumulation inside the pit. In December 2022, the diversion channel successfully mitigated rain from entering the pit downstream; however, unexpected levels of heavy rainfall caused significant rainfall accumulation inside the pit. The Company plans to further upgrade its pumping system capacity and expects to build additional mined material stockpiles in 2023 to mitigate impacts to mining operations going forward.

RISK FACTORS

Investing in the Company involves risks that should be carefully considered. The operations of the Company are speculative due to the high-risk nature of its business. Investors should be aware that there are various risks, including those discussed below, that could have a material adverse effect on, among other things, the development of the Maracás Menchen Mine, and the operating results, earnings, business and condition (financial or otherwise) of the Company. See "*Cautionary Note Regarding Forward-Looking Information*" at the beginning of this AIF.

Risks Related to the Business and Operations

Our business is highly dependent upon the price of V_2O_5 and FeV and our ability to produce V_2O_5 and FeV at the required customer specifications.

Our financial performance is highly dependent on the market price of V_2O_5, which accounted for 55% of our gross revenue in 2022, and FeV, which accounted for 41% of our gross revenue in 2022. Mineral prices, including prices for V_2O_5 and FeV, fluctuate widely and are affected by numerous factors beyond the control of the Company. The level of global economic activity, interest rates, speculative activities, supply and demand balances and the stability of exchange rates can all cause significant fluctuations in prices. Such external economic factors are in turn influenced by changes in international investment patterns, monetary systems, and political developments. The price of mineral commodities, including V_2O_5 and FeV, has fluctuated widely in recent years, and future price declines could cause commercial production to be commercially unattractive, thereby having a material adverse effect on the Company's business, financial condition and result of operations.

The Fastmarkets Metal Bulletin price for V_2O_5 was trading in the range of $9.27 and $9.60 per pound V_2O_5 on December 30, 2022, compared to $8.50 and $9.00 on December 31, 2021, and $5.30 and $5.50 on December 31, 2020.

The Fastmarkets Metal Bulletin price for FeV in Europe was trading in the range of $36.00 and $37.00 per kilo of vanadium on December 30, 2022, compared to $32.50 and $33.00 on December 31, 2021, and $25.00 and $25.50 on December 31, 2020. Factors that are generally understood to contribute to variations in the price of V_2O_5 and FeV include changes in global steel production levels, changes in the specific vanadium consumption rate in the steel industry and high purity markets, global production and inventories. Future volatility in V_2O_5 and FeV prices will have a material effect on the Company's revenues, profitability and reserves.

As one of the few producers of high purity V_2O_5 globally, the Company is able to achieve premiums over the standard market prices for steel applications and we are expecting applications in the LDES industry to drive demand for high purity vanadium use moving forward. Our inability to continue to produce high purity V_2O_5 at specifications demanded by customers could have a material adverse effect on the Company's financial position, cash flows, and results of operations.

Our capital and operating cost estimates may prove inaccurate and, consequently, lead to unanticipated costs or capital expenditures, which could affect our financial condition and results of operations.

In our mining operations, capital and operating cost estimates made by our management are estimates which are in turn based on, among other things, our interpretation of geological data, feasibility studies, anticipated climatic conditions and other information. Any or all of these can affect the accuracy of the estimates including: (i) unanticipated changes in grade and tonnage to be mined and processed; (ii) incorrect data on which engineering assumptions are made; (iii) unanticipated transportation costs; (iv) accuracy of equipment and construction cost estimates; (v) difficulty or failure to meet scheduled construction completion dates, facility or equipment commissioning dates, or metal production dates; (vi) poor or unsatisfactory construction quality resulting in failure to meet completion, commissioning or production dates; (vii) increased expenditures required as a failure to meet completion, commissioning or production dates; (viii) capital overruns related to the completion of any construction phase including capital overruns associated with demobilization of construction workers and contractors; (ix) labour negotiations; (x) unanticipated costs relating to the commencement of operations, ramp up and production sustainment; (xi) changes in government regulation (including regulations regarding prices, cost of consumables, royalties, duties, taxes, permitting and restrictions on production quotas or exportation of our products); (xii) change in commodity input costs and quantities; and (xiii) communication issues including familiarity with language, between domestic and foreign employees, contractors, advisors, agents and government officials. If any of our estimates of capital and operating costs or capital expenditures are materially inaccurate, it could have a material adverse effect on our business, results of operations and financial condition. The Company is a new entrant in the LDES market. The accuracy of projected costs of the Company's VRFB products depend on assumptions regarding volume and implementation, which do not have the benefit of being based on historical data. Failure to accurately project costs in the negotiation of long lead time contracts could directly impact the profitability of the VRFB business and negatively impact the financial position of the Company. Material inaccuracies in projected costs of the VRFB products over the long term could affect the viability of the VRFB business.

Mineral Resource and Mineral Reserve estimates may be inaccurate. Our actual Mineral Reserves could be lower than such estimates, which could adversely affect our operating results, financial condition, cash flows and the life of our mine.

There are numerous uncertainties inherent in estimating Mineral Resources and Mineral Reserves, including, without limitation, many factors beyond the control of the Company. The accuracy of any Mineral Resource or Mineral Reserve estimate is a function of the quantity and quality of available data and of the assumptions made and judgments used in engineering and geological interpretation. These amounts are estimates only and the actual level of mineral recovery from such deposits may be different. Undue reliance should not be placed on estimates of Mineral Resources and Mineral Reserves, since these estimates are subject to numerous uncertainties. Differences between management's assumptions, including economic assumptions such as metal prices and market conditions, could have a material adverse effect on the Company's financial position, cash flows, results of operations and the life of our mine.

Our reported Mineral Reserves are estimated quantities of V_2O_5 and TiO_2 that we have determined can be economically mined and processed under present and assumed future conditions. There are numerous uncertainties inherent in estimating quantities of reserves and in projecting potential future rates of mineral production, including factors beyond our control. Reserve reporting involves estimating deposits of minerals that cannot be measured in an exact manner, and the accuracy of any reserve estimate is a function of the quality of available data, engineering and geological interpretation and judgment. As a result, no assurance can be given that the indicated amount of V_2O_5 or TiO_2 will be recovered or that it will be recovered at the rates we anticipate. Reserve estimates and estimates of mine life may require revisions based on actual production experience, projects, updated exploration drilling data and other factors. For example, lower market prices of minerals and metals, reduced recovery rates or increased operating and capital costs due to inflation, exchange rates, changes in regulatory requirements or other factors may render proven and probable reserves uneconomic to exploit and may ultimately result in a reduction of reserves. Such a reduction could affect depreciation and amortization rates and have an adverse effect on our financial performance.

Failure to achieve production targets or cost estimates and increasing inflation could adversely affect our sales, profitability, cash flows and financial performance.

The Company prepares future operating and capital cost estimates with respect to existing mining operations and for its VRFB business. In the existing mining operations, actual production and costs may vary from the estimates for a variety of reasons such as estimates of grade, tonnage, dilution and metallurgical and other characteristics of the ore varying from the actual ore mined, revisions to mine plans, risks and hazards associated with mining, adverse weather conditions, unexpected labour shortages or strikes, equipment failures and other interruptions in production capabilities. Operating costs may also be affected by increased mining costs, variations in predicted grades of the deposits, increases in level of ore impurities, raw material costs, inflation, labour costs and fluctuations in currency exchange rates. Failure to achieve production targets or cost estimates could have a material adverse impact on the Company's sales, profitability, cash flow and overall financial performance.

Similarly, the Company prepares future operating and capital cost estimate with respect to its VRFB business. Actual costs may vary from the estimates for a variety of reasons such as unanticipated costs of implementing VRFB technology on schedule and to specification, supply or service delays, equipment failures, varying cost and availability of input materials and availability of skilled personnel.

Substantially all of our revenues are derived from the sales of vanadium products produced at the Maracás Menchen Mine. This lack of diversification of our business could adversely affect our financial condition, results of operations and cash flows.

We rely on the V_2O_5 production from the Maracás Menchen Mine for all of our production and revenues. For the year ended December 31, 2022, revenues from the sales of vanadium products accounted for 100% of our total revenues.

While the Company expects that our VRFB products, the production of ilmenite and TiO_2 will contribute revenue in the future, such revenues cannot be depended upon in the near to medium term. As noted above, demand for V_2O_5 mainly depends on global demand for steel. As one of the few producers of high purity V_2O_5 globally, demand from the aerospace, chemical and energy storage industries are also essential to Largo and enables it to achieve premiums over the standard market prices for steel applications. At times, the pricing and availability of steel can be volatile due to numerous factors beyond our control. Since we are heavily dependent on the steelmaking industry, adverse economic conditions in that industry, even in the presence of otherwise favorable economic conditions in the broader vanadium mining industry, could have a significantly greater impact on our results of operations and financial condition than if our business were more diversified.

As the Company is dependent on the Maracás Menchen Mine for all of its production, any decrease in production levels from those anticipated by management could mean that the Company would not be able to fulfill customer contracts or meet demand - either of which could have a negative impact on our results of operations and financial condition.

Our lack of diversification may make us more susceptible to the above adverse economic conditions than our competitors with more diversified operations and/or asset portfolios.

We may not be able to generate enough revenue to achieve sustained profitability, in particular as our mining operations have a single asset.

As of the date of this AIF, the Company has recorded revenues from only one project, the Maracás Menchen Mine . There can be no assurance that losses (including significant losses) will not occur in the near future or that the Company will be profitable in the future. The Company's operating expenses and capital expenditures may increase in comparison to previous years for consultants, personnel and equipment associated with the continuing development and growth of our VRFB business and the phased development of the Maracás Menchen Project. There can be no assurance that the Company will generate revenues from its other projects or achieve profitability.

Our 2022 audited annual consolidated financial statements were prepared on a going concern basis, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business. As of December 31, 2022, the Company had an accumulated deficit of approximately $48 million, and had a net working capital surplus of $115 million. Total amounts due within 12 months on the Company's long term debt are $4 million. Although the Company has been successful in the past in obtaining financing there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company.

We may not be able to build, finance and successfully operate our VRFB business, which could adversely affect our sales, profitability, cash flows and financial performance.

The Company has allocated significant resources to further develop its VRFB business, which will result in increased costs and the attention of management diverted from our mining business. The Company may not be able to build, finance and successfully operate a VRFB business, protect and develop VRFB technology, maintain its VRFB intellectual property assets, market and sell our VCHARGE± battery system on specification or at a competitive price, or secure the required production resources to build our VCHARGE± battery system. There is no certainty that the actual market for VRFB technology will align with the Company's expectations. We may also be required to incur additional expenses and/or delays relating to the VRFB business beyond management's current forecasts. These increased costs, in addition to the possibility that the VRFB business may not prove to be profitable, could have a negative impact on our business, operating results and financial performance.

In July 2021, LCE entered into its first battery sales contract with EGPE to deliver a 5 hour 6.1 MWh VCHARGE VRFB system for a project in Spain. Due to supply chain, shipping and logistical delays related to the deployment of certain components for this project, commissioning was delayed and is now expected to occur sometime in Q2 2023. This project represents the Company's first VCHARGE± battery system installation and a failure in achieving a successful result (including, without limitation, any technical failures or further delays) could have a negative impact on our VRFB business, operating results and financial performance.

The Company's current model for the VRFB business is based in part on the ability to lease LPV-owned vanadium to LCE customers through its role as Safekeeper under its Safekeeping Agreement with LPV. Inability to access sufficient quantities of vanadium on the terms of the Safekeeping Agreement to satisfy the demand from prospective VRFB customers could have a negative impact on the Company's competitiveness in the LDES sector and its attractiveness to potential partners who could assist the growth of the Company's VRFB business.

The extent of LPV's success as a physical vanadium holder may adversely affect our sales, profitability, cash flows and financial performance.

The Company has allocated resources to, and currently holds a 65.70% interest in, LPV. The extent of LPV's success as a physical vanadium holder may impact our sales, profitability, cash flows and financial performance. Factors that may affect LPV's business are described in LPV's public filings available on SEDAR at www.sedar.com and may include: LPV's limited operating history; the price of vanadium; the small size and concentration of the vanadium market; that demand for vanadium is highly dependent on demand for steel; developments in China that could have a negative impact on demand for vanadium; risks associated with the safekeeping of vanadium; risks associated with vanadium lending or relocation; risks associated with the production of vanadium; and there can be no assurance regarding the adoption of new use cases for vanadium. The Company's ability to build, finance and successfully operate a VRFB business, protect and develop VRFB technology, maintain its VRFB intellectual property assets, market and sell our VCHARGE± battery system on specification or at a competitive price, or secure the required production resources to build our VCHARGE± battery system, may be adversely affected by factors that may affect LPV's business.

Our controlling shareholders have the ability to determine the outcome of corporate actions or decisions, and its interests may conflict with those of our other shareholders.

The ARC Funds are capable of controlling the direction of the Company through the right to nominate three of the six persons for election as directors of the Company, who will be subject to the vote of the shareholders. Unilateral control over a majority of the persons nominated for election as directors of the Company will enable the ARC Funds to determine the persons responsible for managing the direction of the Company. The ARC Funds directly own approximately 44% of our outstanding Common Shares as of the date of this AIF and therefore have the ability to determine the outcome of most corporate actions or decisions requiring the approval of our shareholders. The interests of our controlling shareholder may conflict with those of our other shareholders.

Our VRFB business is highly dependent on our ability to continue to develop competitive VRFB technology on a profitable basis.

The LDES market is extremely competitive and highly dependent on participants' ability to develop innovative technology which continues to reduce the cost and increase the functionality of LDES systems. There is no assurance that existing or new technologies will not have a competitive advantage over the Company's existing or yet to be developed VRFB technology.

We are subject to risks posed by litigation, arbitration and other disputes under binding agreements with various third parties and as a result of being a publicly listed issuer.

The Company has entered into legally binding agreements with various third parties under supply contracts and consulting agreements. The interpretation of the rights and obligations that arise from such agreements may be open to differing interpretations and the Company may disagree with the position taken by other parties to these agreements. This could result in a dispute which, if unresolved, might trigger a litigation or arbitration process, causing the Company to incur possible legal or similar costs in the future. Given the speculative and unpredictable nature of litigation or the arbitration process, final outcomes in such disputes may have material adverse effects on the Company.

Securities legislation in certain jurisdictions provides security holders with various rights and remedies when a reporting issuer's continuous disclosure contains a misrepresentation, and provides for ongoing rights to bring actions for civil liability for secondary market disclosure. If the Company's continuous disclosure contains any information a court or regulator finds to be inaccurate, the Company could be exposed to legal or regulatory liability. Any such proceedings or violations could force the Company to spend money in defense or settlement of these proceedings, resulting in the imposition of monetary liability or injunctive relief. This may also divert management's time and attention, increase the Company's costs of doing business, and materially adversely affect the Company's reputation.

Our business requires substantial capital expenditures to achieve its operational and strategic objectives and is subject to financing risks.

The mining business is capital intensive and the development and exploitation of vanadium and ilmenite reserves and the acquisition of machinery and equipment require substantial capital expenditure. We have a number of plans for our existing operations, including, without limitation, the phased development plan set out in the Technical Report, which could involve significant capital expenditure. In particular, we must continue to invest significantly to maintain or to increase the amount of reserves that we exploit and the amount of V_2O_5 that we produce. Some of our development projects and prospects may require greater investment than currently planned. In addition, our ability to continue our exploration, exploitation, development and operational activities will depend ultimately on our ability to generate cash flows and secure financing as required. There can be no assurance that we will be able to maintain our production levels and generate sufficient cash flow, or that we will have access to sufficient investments, loans or other financing alternatives, to continue our development and processing activities at or above present levels, and failure to do so could result in delays.

We are subject to comprehensive environmental and mining regulations. Compliance with environmental and mining regulations and procurement of the necessary environmental and mining permits to operate may result in significant costs, and failure to comply with environmental regulations may result in significant environmental liabilities.

Our mining operation in Brazil is subject to stringent Brazilian federal, state and local environmental and mining laws and regulations concerning, amongst other things, human health, the handling and disposal of solid and hazardous wastes, discharges of pollutants into the air and water and required work and reporting.

Any failure to comply with such laws and regulations may subject the Company to penalties, including warnings, payment of fines, embargo and suspension of activities, which may cause a significant adverse effect on the Company. We have incurred and we will continue to incur capital expenses in order to continue to comply with these laws and regulations. In addition, such laws and regulations are subject to change and can become more stringent, making our compliance efforts more costly.

In addition, Brazilian companies whose activities are deemed as potentially polluting activity may be subject to a licensing process. Such licensing process has three sequential stages:

- Preliminary License ("**LP**"): The LP is granted in the preliminary planning phase of a project or activity and it approves the location and the environmental impact assessment of a project, attesting to its environmental feasibility and determining the basic requirements and conditions to be observed in the subsequent permitting stages;
- Installation License ("**LI**"): The LI is granted so that a project or activity can be installed or constructed, in accordance with the specifications presented and subject to further conditions so as to mitigate and compensate any negative impacts;
- Operational License ("**LO**"): The LO is granted for a project or activity to commence the operational phase subject to further conditions.

In the State of Bahia, where our Maracás Menchen Mine operates, the licensing process is under the responsibility of INEMA.

Such process takes into consideration the nature and size of a project as well as the impacts and the characteristics of the ecosystem affected by the installation and operation of a project, based on the information provided by the Environmental Impact Assessment and Report ("**EIA**/**RIMA**"). The EIA/RIMA is a comprehensive study that includes analysis of the environmental, social and economic impact of the project.

Currently, the Maracás Menchen mine is fully licensed. The current Operation License (LO) - which is the main license for the company's operation, was initially valid until October 6, 2020. The renewal process commenced in May 2020, however, due to the COVID-19 pandemic, INEMA was unable to visit the Maracás Menchen Mine until the end of 2022. INEMA has not yet been able to complete its audit. As a result, the LO has been automatically extended until INEMA is able to complete their review and inspection process. A failure to obtain a future extension or renewal of the existing license or to obtain any necessary license, the permission or approval required for the development of our activities, may have a material adverse effect on our business, operation results and financial condition.

Our project in Canada is also subject to extensive Canadian laws and regulations relating to pollution, protection of the environment and the generation, storage, handling, transportation, treatment, disposal and remediation of hazardous substances and waste materials. Costs and capital expenditures relating to environmental, health or safety matters are subject to evolving regulatory requirements and depend on the promulgation and enforcement of specific standards which impose applicable requirements. Moreover, changes in environmental regulations could inhibit or interrupt our operations, or require modifications to our facilities. Accordingly, environmental, health or safety regulatory matters may result in significant unanticipated costs or liabilities.

Our VRFB business in the United States is subject to various local, state, and federal laws and regulations regarding generation, storage, handling, transportation, treatment, disposal and remediation of hazardous substances and waste materials.

In order to sell our products into the European market, the Company remains in compliance with the Regulation concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) (L396, 30.12.2006., pp. 1-849) which requires that information regarding our products is communicated throughout the supply chain in the stipulated forms. Failure to collect, collate and submit data to the European Chemicals Agency (ECHA), amongst other things, can result in significant delays which could affect our ability to satisfy contracts.

The mining business is subject to a number of risks and hazards, not all of which are fully covered by insurance.

The mining business is subject to risks and hazards, many of which are outside our control. Hazards associated with mining operations include environmental hazards, industrial accidents, encountering unusual or unexpected geological deposits, cave ins or landslides, flooding, earthquakes, underground fires and explosions, including those caused by flammable gas, gas and coal outbursts, falling rocks, tunnel collapses, lack of oxygen, air pollution, discharges of tailings, hazardous substances and materials, gases and toxic chemicals, sinkhole formations and ground subsidence, other accidents and conditions resulting from underground mining, such as drilling, blasting, removing and processing material. These occurrences could result in damage to, or destruction of, mineral properties or production facilities, human exposure to pollution, personal injury or death, environmental damage, reduced production and delays in mining, asset write downs, reputational damage, monetary losses and possible legal liability.

Although we maintain insurance in an amount we consider adequate, liabilities might exceed policy limits, which could cause us to incur significant costs that could materially and adversely affect our results of operations. Insurance that fully covers many environmental risks (including potential liability for pollution or other hazards as a result of disposal of waste products occurring from exploration and production) is not generally available to us or to other companies in the mining industry, particularly in Brazil following the Samarco dam collapse in 2015. The realization of any significant liabilities in connection with our mining activities as described above could have a material adverse effect on our results of operations or financial condition.

Our business is exposed to the cyclicality of global economic activity and requires significant investments of capital.

As a mining company, we are a supplier of industrial raw materials. Industrial production tends to be the most cyclical and volatile component of global economic activity, which affects demand for minerals and metals. At the same time, investment in mining requires a substantial amount of funds in order to replenish reserves, expand and maintain production capacity, build infrastructure, preserve the environment and minimize social impacts. Sensitivity to industrial production, together with the need for significant long term capital investments, are important sources of risk for our financial performance and growth prospects.

Developments in China could have a negative impact on our revenues, cash flows and results of operations.

The Chinese market is a significant source of global demand for commodities and has been the main driver of global demand for vanadium products over the last few years. Over the long term, we expect new applications in Energy Storage, an industry that China has been leading over the past few years, to drive incremental demand for vanadium use. This application values high purity vanadium content. While Energy Storage demand only account for approximately 4.7% of existing consumption as of Q3, 2022, it is up from 2.9% over the same period in 2021 and is now the second largest application, ahead of aerospace and chemicals for the first time on records according to Vanitec. We expect this ongoing fast growth to continue to spur additional long-term demand for vanadium in the future. Global climate change trends are also encouraging the research and implementation of battery systems to support renewable energy sources. VRFB, which use vanadium in different oxidation states to store energy, are considered to be a cost competitive alternative to lithium-ion technology for large scale, long duration energy storage. We believe our high purity products are well positioned to take advantage of this fast-growing market. Favorable economic conditions could increase supply beyond demand and depress pricing, which would also negatively impact our results.

Our business may be adversely affected by declines in demand for and prices of the products our customers produce.

Demand for vanadium depends on global demand for steel. Vanadium is used in the steel industry in the production of HSLA steels, high alloy steels, high speed and tool steels, and engineering steels. Demand for steel depends heavily on global economic conditions, but it also depends on a variety of regional and sectoral factors. The prices of different steels and the performance of the global steel industry are highly cyclical and volatile, and these business cycles in the steel industry affect demand and prices for our products.

We may not be able to obtain additional financing on acceptable terms, or at all.

Future exploration, development, mining, and processing of minerals from our properties could require substantial additional financing. No assurances can be given that we will be able to raise the additional funding that may be required for such activities, should such funding not be fully generated from operations. To meet such funding requirements, we may be required to undertake additional equity financing, which would be dilutive to shareholders. Debt financing, if available, may involve certain restrictions on operating activities or other financings. There is no assurance that such equity or debt financing will be available to us or that they would be obtained on terms favorable to us, if at all, which may adversely affect our business and financial position. Failure to obtain sufficient financing may result in delaying or indefinite postponement of exploration, development or production on any or all of our properties, or even a loss of property interests.

The mining industry is highly competitive, and increased competition could adversely affect our margins and market share.

The global mining industry is highly competitive. Our existing and potential competitors include some of the world's largest mining companies and the Company competes with many other mining companies that have substantially greater resources than the Company. We currently face, or may face in the future, competition from other producers of vanadium globally. Some of these companies may be able to produce at a lower cost than we can. For example, some of our domestic and international competitors may benefit from tax breaks and may be able to better compete against us. In addition, some of our competitors are larger than us and may have greater financial and technical resources, which may enable them to invest significant capital into their businesses, including expenditures for research and development. Such competition may result in the Company being unable to acquire desired properties, recruit or retain qualified employees or acquire the capital necessary to fund its operations and develop its properties. If a current or future competitor develops proprietary technology that enables it to produce at a significantly lower cost, our technology could be rendered uneconomical or obsolete. Increased competition could compel us to reduce the prices of our products, which could result in reduced margins and loss of market share and have a material adverse effect on us.

We also face competition from other processing, trading and industrial companies. Competition principally involves sales, supply and labour prices, contractual terms and conditions, attracting and retaining qualified personnel and securing the services and supplies we need for our operations. For example, lower cost producers of vanadium could be better positioned to manage future volatility through commodity price cycles. In addition, mines have limited lives and, as a result, we must periodically seek to replace and expand our reserves by acquiring new properties and by developing projects. Significant competition exists to acquire mining concessions, land and related assets with potential mineralisation. Some other mining companies may have greater financial resources than us, and we may be unable to acquire attractive new mining properties on terms that we consider acceptable. As a result, our revenues from the sales of vanadium products may decline over time, thereby materially and adversely affecting our results of operations or financial condition.

Potential changes to international trade regulations and agreements, as well as other political and economic arrangements (including direct or indirect subsidies) may benefit vanadium producers or traders operating in countries other than where our mining operations are currently located or adversely affect the prices we pay for the supplies we need and our export costs when we engage in international transactions. We cannot assure you that we will be able to compete on the basis of price or other factors with companies that in the future may benefit from favorable regulations, trading or other arrangements or that we will be able to maintain the cost of the supplies we require or our export costs. The Company's inability to compete with other mining companies for these resources would have a material adverse effect on the Company's results of operation and business.

We are dependent on third parties for development, deployment, construction, operations and maintenance.

The Company has relied upon external consultants, engineers and others and intends to rely on these parties for, among other things, the development, installation, construction, operating and maintenance expertise. In the case of our mining operations, substantial expenditures are required to construct mines, to establish Mineral Reserves through drilling, to carry out environmental and social impact assessments, to develop metallurgical processes to extract the metal from the ore and, in the case of new properties, to develop the exploration and plant infrastructure at any particular site. In addition, the Company relies on a service provider who deploys approximately 986 contractors for our mining, administration, maintenance and other operations. If such parties' work is deficient or negligent or is not completed in a timely manner, it could have a material adverse effect on the Company.

In our VRFB business the Company has used the services of independent engineers to assist in the continued development and refinement of our VRFB products. Similarly, depending on the location of our VRFB projects, the Company may depend on local service providers to assist in the initial deployment and ongoing maintenance of our VRFB products. If such parties' work is deficient or negligent or is not completed in a timely manner, it could have a material adverse effect on the Company.

Interruptions of energy supply or increases in energy costs and other production costs may materially and adversely affect our results of operations.

We obtain the necessary electric power for the operation of our equipment and facilities from third parties through electricity supply contracts. In the event of any interruption or failure of our sources of electricity or in transmission lines or in any part of the grid, we cannot assure you that we will have access to other energy sources at the same prices and conditions, which could materially and adversely affect our results of operations and have a material adverse effect on our business, financial condition and result of operations.

The availability of energy resources may be subject to change or curtailment, due to, among other things, new laws or regulations, imposition of new taxes or tariffs, supply interruptions, equipment damage, worldwide price levels and market conditions. Disruptions in energy supply could have a material adverse effect on our financial condition and results of operations.

Our operations depend on rail, port, marine, shipping or other transportation services provided by third parties.

Operation of our facilities, existing and future, will depend in part on the flow of materials, supplies, equipment, services and products. Due to the geographic location of the Company's operations, existing and future, it remains and will remain dependent on the provision by third parties of rail, port, marine, shipping or other transportation services. Potential issues including contractual disputes, demurrage charges, port or depot capacity handling issues, availability of vessels, rail cars or other modes of cargo transport, weather problems, force majeure and labour disruptions could have a material adverse effect on the Company's ability to transport various materials necessary for the operation of its facilities in accordance with schedules or contractual requirements. This might result in a material adverse effect on the Company's business, results of operations and financial performance.

Our ability to deliver on contracts and meet contractual milestones is similarly dependent on rail, port, marine or other transportation services. The global supply chain shortage continues to affect Largo's ability to deliver its vanadium products to customers in a timely manner. Shipping delays also have the potential to negatively impact our VRFB businesses timelines on VRFB product deployments.

Our VRFB products depend on third party suppliers to purify our electrolyte using a complex process. The electrolyte used in our VRFB products is produced by third party suppliers using a complex purification process which is sensitive to small changes in conditions. Despite the fact that the Company carefully selects the providers we use, it is possible for errors to occur in the process. The failure of our third-party service providers to provide adequate supplies of vanadium could have a negative effect on our ability to fulfill orders on schedule and/or at our projected costs.

Our concessions may be terminated or not renewed by governmental authorities.

Under the laws of the jurisdictions where our operations, development projects and prospects are located, Mineral Resources belong to the state and government concessions are required to explore for and exploit Mineral Reserves. The concessions we hold for our operations may be terminated under certain circumstances, including where minimum investment or production levels are not achieved (or a corresponding penalty is not paid), if certain fees are not paid or if environmental and safety standards are not met. Termination of any one or more of our mining or other concessions could have a material adverse effect on our financial condition or results of operations.

There are risks inherent with obtaining and maintaining title to properties.

The acquisition and maintenance of titles to resource properties is a very detailed and time-consuming process. The Company holds its interests in certain of its properties through mining claims. Title to, and the area of, the mining claims may be disputed. There is no guarantee that such title will not be challenged or impaired. There may be challenges to the title of the properties in which the Company may have an interest which, if successful, could result in the loss or reduction of the Company's interest in those properties.

Although the nature and extent of the interests of the Company in the properties in which it holds an interest has been reviewed by or on behalf of the Company, and title opinions have been obtained by the Company with regard to certain of such properties, there may still be undetected title defects affecting such properties. Title insurance generally is not available in Canada or Brazil, and the ability of the Company to ensure that it has obtained secure claim to individual mineral properties or mining concessions may be constrained.

The properties in which the Company holds an interest may be subject to prior unregistered liens, agreements, transfers or claims, and title may be affected by, among other things, the structure through which the Company maintains its interest in its properties and undetected defects which could have a material adverse impact on the Company's operations. In addition, the Company may be unable to, effectively (if at all), conduct business at or operate on its properties as permitted or to enforce its rights with respect to those properties.

No assurances can be given that title defects to the properties in which the Company has an interest do not exist. The properties may be subject to prior unregistered agreements, interests or aboriginal land claims and title may be affected by undetected defects. If title defects do exist, it is possible that the Company may lose all or a portion of its right, title, estate and interest in and to the properties to which the title defect relates. There is no guarantee that title to the properties will not be challenged or impugned.

The Company does not maintain insurance against title. Title on mineral properties and mining rights involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyance history of many mining properties. The Company has investigated title to its mineral claims; however, this should not be construed as a guarantee of title. The Company cannot give any assurance that title to any of its properties will not be challenged or impugned and cannot guarantee that the Company will have or acquire valid title to these mining properties. For example, title to existing properties or future prospective properties may be lost due to an omission in the claim of title, prior activities of the property vendors or changes in Brazilian mining laws or the application thereof which affects the Company's title or the Company's rights and interests in its properties. The Company has obtained title reports from Canadian and Brazilian legal counsel with respect to its interest, respectively, in its Canadian and Brazilian properties, but this should not be construed as a guarantee of title or the Company's rights to these claims. Other parties may dispute the title of the Company or the joint venture to any of its mineral properties and any of such properties may be subject to prior unregistered agreements or transfers or aboriginal land claims and title may be affected by undetected encumbrances or defects or governmental actions.

There are risks inherent with our corporate structure.

VMSA, the material Brazilian subsidiary of the Company which holds a 100% interest in the Company's Maracás Menchen Mine, is a limited liability company, and as such does not require a board of directors and is controlled by its shareholders. The management of the Company has control over VMSA by virtue of owning 99.94% of the shares of VMSA. Therefore, the management of the Company can effectively (i) appoint and dismiss at any time any and all of the officers of VMSA, (ii) instruct the officers of VMSA to pursue the Company's business activities, (iii) has legal rights as a shareholder to require the officers of VMSA to comply with their fiduciary obligations, and (iv) can also enforce its rights by way of the shareholder remedies available to it. As a result, the management of the Company can effectively align the Issuer's business objectives and effect the implementation of same at the level of VMSA.

The Company, as the holder of a 99.94% interest in VMSA, can remove and appoint officers by way of simple communication that such officer is being removed from his/her position and the subsequent filing of same with the Board of Trade. The Board, through its corporate governance practices and, in particular, the activities of its board committees, regularly receives management and technical updates and progress reports in connection with VMSA. In so doing, the Board maintains effective oversight of the operations and project development activities of VMSA.

The Board has the ability to exert effective control over VMSA as discussed herein. Accordingly, the Board will be able to cause VMSA to transfer funds and accomplish the various operating aspects of the business when VMSA is generating revenues.

Certain of the directors and officers of the Company have extensive experience doing business in both Canada and Brazil. In particular, Alberto Arias, a director of the Company, and Daniel Tellechea, a director and interim Chief Executive Officer of the Company, have experience in conducting business in Brazil. Moreover, Alberto Arias is fluent in Spanish and Portuguese.

Knowledge of the local business, culture and practices is imparted by these individuals to other directors and officers of the Company. Furthermore, several of the non-resident directors and officers visit Brazil on a regular basis in order to ensure effective control and management of the operations and as a result come into contact with other employees, personnel, government officials, business persons and customers who are locals in Brazil. This enables them to enhance their knowledge on these fronts.

All directors and executive officers of the Company have some familiarity with the legal and regulatory requirements of Brazil. Brazilian legal counsel (both internal at VMSA and external) and Brazilian management ensure that the Company's management is kept aware of relevant material legal developments in Brazil as they pertain to and affect the Company's business and operations. Any material developments are then discussed with the directors at the board level.

Other than as discussed herein, the Company does not currently have a formal communication plan or policy in place and has not, to date, experienced any communication-related issues due to the fact that the management team located in Brazil is proficient in the English language.

The Company will, from time to time, re-evaluate whether a formal communication policy is necessary. The Company hires and engages local experts and professionals (i.e. legal and tax consultants) to advise the Company with respect to current and new regulations in respect of banking, financial and tax matters. The Company utilizes large, established and well recognized financial institutions in both Canada and Brazil. Directors visit the Company’s operations in Brazil several times per year and have regular board meetings by telephone which include the Company’s Chief Executive Officer and Chief Financial Officer and other relevant VMSA officers and managers. The Company arranges for site visits to its projects as deemed appropriate. The Operations Committee of the Board held one site visit in 2022.

The directors and officers also work closely with Brazilian counsel and Brazilian employees of the Company and its subsidiaries to understand and subsequently adjust firm strategies and practices relating to changes in Brazilian laws and regulatory regimes.

Each member of the management team located in Brazil speaks fluent Portuguese and all are proficient in English. Álvaro Resende, Chief Operating Officer of VMSA, is fluent in Portuguese and English.

Alberto Arias is a director and non-executive Chairman of the Company and is fluent in English, Spanish and Portuguese. The primary language used in management and board meetings is English. The management team located in Brazil dealing with the operating staff and outside consultants communicate in Portuguese with such individuals as necessary. Both VMSA and the Company have translators on staff to assist with all communication requirements, as needed.

Material documents relating to the Company that are provided to the Board are in English. When original material documents are prepared in Portuguese, these are typically translated by the Company's Brazilian legal counsel, who are fluent in English and Portuguese. When required, the Company will sometimes use third party translation services.

We depend on key personnel and any inability to recruit and retain key personnel may adversely affect our business.

Recruiting and retaining qualified personnel in the future is critical to the Company's success. The number of persons skilled in the exploration and development of mining properties is limited and competition for this workforce is intense. Any expansion of the Company's properties and the development of the VRFB business may be significantly delayed or otherwise adversely affected if the Company cannot recruit and retain qualified personnel as and when required.

Our success also depends, in large measure, on the skills, experience and efforts of our senior management team and other key personnel. The loss of the services of one or more members of our senior management or of employees with critical skills may have a negative effect on our business, financial condition and results of operations. We may experience difficulty in attracting and retaining the skilled employees we may require to replace lost employees or grow our business. If we are unable to attract or retain highly skilled, talented and committed senior managers or other key employees, it may adversely affect our ability to fully implement our business objectives.

Our continued future growth depends upon the identification and management of growth opportunities.

In order to manage its current operations and any future growth effectively, the Company must examine opportunities to replace and expand its reserves through the exploration of its existing properties and through acquisitions of interests in new properties or of interests in companies which own such properties and consider expanding its energy storage and battery businesses. The development of the Company's business will be in part dependent on management's ability to identify, acquire and develop suitable acquisition targets in both new and existing markets as well as technology development for its energy storage and battery businesses. In certain circumstances, acceptable acquisition targets might not be available. The Company may also not be able to identify suitable partners with whom it could make such acquisitions. Acquisitions involve a number of risks, including: (i) the possibility that the Company, as a successor owner, may be legally and financially responsible for liabilities of prior owners; (ii) the possibility that the Company may pay more than the acquired company or assets are worth; (iii) the additional expenses associated with completing an acquisition and amortizing any acquired intangible assets; (iv) the difficulty of integrating the operations and personnel of an acquired business; (v) the challenge of implementing uniform standards, controls, procedures and policies throughout an acquired business; (vi) the inability to integrate, train, retain and motivate key personnel of an acquired business; and (vii) the potential disruption of the Company's ongoing business and the distraction of management from its day-to-day operations.

Additionally, the future viability of the Company will also depend on its ability to implement and improve its operational, financial and management information systems and to hire, train, motivate, manage and retain its employees. If and when any such growth occurs, there can be no assurance that the Company will be able to manage such growth effectively, that its management, personnel or systems will be adequate to support the Company's operations or that the Company will be able to achieve the increased levels of revenue commensurate with increased levels of operating expenses associated with this growth, and failure to do so could have a material adverse effect on the Company's business, financial condition and results of operations.

Our directors and officers may from time to time have a conflict of interest.

Certain of the Company's directors and officers serve or may agree to serve as directors or officers of other companies and, to the extent that such other companies may participate in ventures in which the Company may participate, the directors of the Company may have a conflict of interest in negotiating and concluding terms respecting such participation.

We are subject to anti-corruption, anti-bribery, anti-money laundering, sanctions and antitrust laws and regulations.

We are subject to anti-corruption, anti-bribery, anti-money laundering, sanctions, antitrust and other similar laws and regulations. We are required to comply with the applicable laws and regulations of the United States, Brazil and Canada, and we may become subject to such laws and regulations in other jurisdictions. There can be no assurance that our internal policies and procedures will be sufficient to prevent or detect any inappropriate practices, fraud or violations of law by our affiliates, employees, officers, executives, partners, agents, suppliers and service providers, nor that any such persons will not take actions in violation of our policies and procedures. Any violations by us or any of our affiliates, employees, directors, officers, partners, agents, suppliers and service providers of anti-bribery and anti-corruption laws or sanctions regulations could have a material adverse effect on our business, reputation, results of operations and financial condition.

Labour disputes may disrupt our operations from time to time.

A substantial number of our employees, and some of the employees of our subcontractors, are represented by labour unions and are covered by collective bargaining or other labour agreements, which are subject to periodic negotiation. Strikes and other labour disruptions at any of our operations could adversely affect the operation of facilities and the timing of completion and cost of our capital projects. Moreover, we could be adversely affected by labour disruptions involving unrelated parties that may provide us with goods or services. In May 2018, production at our Maracás Menchen Mine was suspended for four days due to a national truckers' strike in Brazil which was settled on May 30, 2018.

Our business may experience environmental, health and safety incidents.

Our operations involve the use, handling, storage, discharge and disposal of hazardous substances into the environment and the use of natural resources, and the mining industry is generally subject to significant risks and hazards, including fire, explosion, toxic gas leaks, spilling of polluting substances or other hazardous materials, rockfalls, incidents involving dams, failure of other operational structures and incidents involving mobile equipment, vehicles or machinery. This could occur by accident or by breach of operating and maintenance standards, and could result in significant environmental and social impacts, damage to or destruction of mineral properties or production facilities, personal injury, illness or death of employees, contractors or community members close to operations, environmental damage, delays in production, monetary losses and possible legal liability. Additionally, in remote localities, our employees may not have access to timely emergency medical care which may affect their health and safety. Notwithstanding our standards, policies and controls, our operations remain subject to incidents or accidents that could adversely affect our business, stakeholders or reputation.

Under Brazilian law, any individual or legal entity (whether public or private) that directly or indirectly causes harm to the quality of the environment may be held liable for the recovery, remediation or compensation of the damages that were generated, without regard to whether there is a direct or indirect connection between their act (or omission) and the damage caused to the environment. There are three types of liabilities that may be applied cumulatively: (i) civil, (ii) administrative and (iii) criminal.

Civil liability for environmental damages is strict, requiring that the responsible parties remediate the damage in full or pay compensation when remediation is not possible. Civil liability also applies jointly and severally to those who facilitate, benefit from and contribute to the occurrence of environmental damage. As a result, the party bringing the environmental claim may freely choose whom to sue.

There is no limit to the amount that Brazilian courts may award to cover the costs of repairing the damage. If the damage cannot be repaired, Brazilian courts may order the payment of an indemnity. Environmental civil liability is not subject to a statute of limitations under Brazilian law.

With respect to criminal liability, Federal Law 9,605/98 provides that the legal entity and its individual representatives whose criminal actions were taken for the benefit of such entity can be held liable for criminal offences against the environment. In the case of the liability of the individual representatives, there needs to be some element of willful misconduct. In the case of the legal entity, a strict liability rationale applies: the legal entity can be charged regardless of the implication of any other individual representatives if it is confirmed that willful misconduct was undertaken for the benefit of the legal entity and by a decision of its representatives. Criminal sanctions applicable to legal entities include fines, the partial or total suspension of activities and embargos, prohibitions on contracting with governmental entities, as well as on obtaining subsidies, grants or donations, for a maximum period of 10 years.

Administrative liability arises from any action or omission in violation of the Federal Decree No. 6,514/2008, which sets out the administrative environmental infractions and the corresponding penalties, setting fines amounting to a maximum of R$50 million, as well as suspension of activities. Such liability can be pursued against the legal entity or the individual person that may incur any such infraction.

Specifically regarding administrative infractions related to dam safety, Federal Law No. 12,334/2010 (*Política Nacional de Segurança de Barragens* or "**PNSB**") establishes that fines may range from R$2,000.00 to R$1.0 billion. In addition to such fines, the PNSB provides for the application of warning penalties, other daily fines, construction or activity embargo, construction demolition, partial or total suspension of activities, seizure of ores, goods and equipment, expiry of the title and restrictive sanction of rights (which includes suspension of license, registration, concession, permission or authorization, cancellation of license, registration, concession, permission or authorization, loss or restriction of tax incentives and benefits, and loss or suspension of participation in credit lines from official credit institutions).

We rely on various operating and financial systems and data which may expose us to cyber security threats.

The Company and its operations rely on various operating and financial systems and data. Cybersecurity risk is increasingly difficult to identify and quantify and cannot be fully mitigated because of the rapidly evolving nature of the threats, targets and consequences. A breach of the Company's information or operational technology systems may result in disruption of business activities, loss of confidential or proprietary data, failure of internal controls over financial reporting, failure to meet obligations and reputational damage. Such a breach may also expose the Company to legal and regulatory action. Policies and procedures are maintained to ensure the security of its information technology systems, and data and system security controls are regularly tested. The Company also relies on third-party service providers for the storage and processing of various data. There can be no assurance, however, that the Company will not suffer a business disruption or loss or corruption of proprietary data, whether inadvertent or otherwise.

Our operations are subject to various Anti-Corruption laws.

As a public company listed on the TSX and NASDAQ, the Company is subject to the Foreign Corrupt Practices Act (US) (" **FCPA**") and Corruption of Foreign Public Officials Act (Canada) ("**CFPOA**"), as well as various local anti-corruption laws. The FCPA and CFPOA prohibit US and Canadian (and Canadian-controlled) corporations and their intermediaries from making or offering to make an improper payment to any kind of foreign public official, or any other person for the benefit of a foreign public official, where the ultimate purpose is to obtain or retain a business advantage. Our Anti-Bribery and Corruption Policy prohibits the violation of the FCPA, CFPOA and other applicable anti-corruption laws. Some of the Corporation's operations are located in jurisdictions where governmental and commercial corruption presents a significant risk. The Company uses a risk-based approach to mitigate risks associated with corruption which includes training for employees and the logging of government payments and interactions. Despite the safeguards the Company has put in place, there can be no assurance that violations of the FCPA, CFPOA or other applicable anti-corruption law by the Company, its employees or agents will not occur. Such violations of the FCPA, CFPOA or other applicable anti-corruption laws could result in substantial civil and criminal penalties and could have a material adverse effect on the business, operations or financial results of the Company.

Enforcement of civil claims against the Company in Canada and the United States may be difficult as the majority of our assets are located outside of Canada and the United States.

The majority of our subsidiaries and the majority of our assets are located outside of Canada or the United States. Accordingly, it may be difficult for investors to enforce within Canada or the United States any judgments obtained against the Company, including judgments predicated upon the civil liability provisions of applicable securities laws or otherwise. Consequently, investors may be effectively prevented from pursuing remedies against the Company under Canadian or U.S. securities laws or otherwise.

The Company has subsidiaries incorporated in the United States, Brazil and Ireland. It may not be possible for shareholders to effect service of process outside of Canada against the directors and officers of the Company, and independent qualified persons engaged by the Company, who are not resident in Canada. In the event a judgment is obtained in a Canadian court against one or more of such persons for violations of Canadian securities laws or otherwise, it may not be possible to enforce such judgment against persons not resident in Canada. Additionally, it may be difficult for an investor, or any other person or entity, to assert Canadian securities law or other claims in original actions instituted in the United States, Brazil or Ireland. Courts in these jurisdictions may refuse to hear a claim based on a violation of Canadian securities laws or otherwise on the grounds that such jurisdiction is not the most appropriate forum to bring such a claim. Even if a foreign court agrees to hear a claim, it may determine that the local law, and not Canadian law, is applicable to the claim. If Canadian law is found to be applicable, the content of applicable Canadian law must be proven as a fact, which can be a time-consuming and costly process. Certain matters of procedure will also be governed by foreign law.

Claims arising out of the Company's foreign operations may be subject to the exclusive jurisdiction of foreign courts.

In the event of a dispute arising in respect of Company's foreign operations, the Company may be subject to the exclusive jurisdiction of foreign courts or arbitration tribunals or may not be successful in subjecting foreign persons to the jurisdiction of courts in Canada or international arbitration. If the Company is unsuccessful in enforcing its rights under the agreements to which it is a party, it could have a material adverse effect on the Company's business, results of operations and financial performance.

Diseases and epidemics (such as COVID-19) may adversely impact our business.

Emerging infectious diseases or the threat of outbreaks of viruses or other contagions or epidemic diseases, including the COVID-19 outbreak, could have a material adverse effect on the Company by causing operational and supply chain delays and disruptions (including as a result of government regulation and prevention measures), labour shortages and shutdowns, social unrest, breach of material contracts and customer agreements, government or regulatory actions or inactions, increased insurance premiums, decreased demand or the inability to sell and deliver its vanadium products or VRFB systems, declines in the price of V_2O_5, V_2O_3 and/or FeV, delays in permitting or approvals, governmental disruptions, capital markets volatility, or other unknown but potentially significant impacts. In addition, governments may impose strict emergencies measures in response to the threat or existence of an infectious disease. The full extent and impact of the COVID-19 pandemic is unknown and to date has included extreme volatility in financial markets, a slowdown in economic activity, extreme volatility in commodity prices (including V_2O_5, V_2O_3 and/or FeV) and has raised the prospect of a global recession. The international response to COVID-19 has led to significant restrictions on travel, temporary business closures, quarantines, global stock market volatility and a general reduction in global consumer activity. The estimates made by management are considered reasonable at this time, however, the full impact of the effects these conditions have on mining operations or financial results may vary significantly due to uncertainties relating to the ultimate spread of the virus, the severity of the disease, the duration of the outbreak, presence of virus variants, efficacy of vaccination programs and the length of the travel restrictions and business closures that have been or may be imposed by the governments of impacted countries. In addition, a significant outbreak of contagious diseases in the human population, such as COVID-19, could result in a widespread health crisis that could adversely affect the economies and financial markets of many countries, resulting in an economic downturn that could result in a material adverse effect on commodity prices, demand for metals, investor confidence, and general financial market liquidity, all of which may adversely affect the Company's business and the market price of the Common Shares. Accordingly, any outbreak or threat of an outbreak of an epidemic disease or similar public health emergency, including COVID-19, could have a material adverse effect on the Company's business, financial condition and results of operations. It is unknown whether and how the Company may be affected if a pandemic, such as the COVID-19 outbreak, continues to persist for an extended period of time.

Our business, financial condition and results of operations may be negatively affected by economic and other consequences from Russia's military action against Ukraine and the international sanctions imposed in response to that action.

In late February 2022, Russia launched a large-scale military attack on Ukraine. As a result, Canada, the United States, the United Kingdom, the European Union and certain other countries have imposed sanctions on Russia and could impose further sanctions that could damage or disrupt international commerce and the global economy, and increase market volatility. It is not possible to predict the extent and duration of the military action or future escalation of such hostilities, broader or longer-term consequences of this conflict or the sanctions imposed to date or which may be imposed in the future, which could include further sanctions, embargoes, regional instability, geopolitical shifts and adverse effects on macroeconomic conditions, security conditions, energy and fuel prices, currency exchange rates and financial markets. Such geopolitical instability and uncertainty could have a negative impact on our ability to sell to, ship products to, collect payments from, and support customers in certain regions based on trade restrictions, embargoes and export control law restrictions, and logistics restrictions, and could increase the costs, risks and adverse impacts from supply chain and logistics challenges.

While we continue to monitor the potential impacts of ongoing conflict between Russia and Ukraine and the resulting sanctions on our business, financial condition and results of operations, we are unable to predict the extent or these impacts. Potential effects of the ongoing conflict between Russia and Ukraine also could impact many of the other risk factors described herein. These potential effects could include, but are not limited to, changes in laws and regulations affecting our business, supply chain constraints, fluctuations in foreign currency markets, the availability of future debt or equity financing, the cost of borrowing, the sanctioning of one or more of our customers, and credit risks of our customers and counterparties, which could negatively affect our business, results of operations, and financial results.

As a foreign private issuer, the Company is subject to different U.S. securities laws and rules than a U.S. domestic issuer, which may limit the information publicly available to U.S. investors.

The Company is a "foreign private issuer", under applicable U.S. federal securities laws, and is, therefore, not subject to the same requirements that are imposed upon U.S. domestic issuers by the SEC. Under the U.S. Exchange Act, the Company is subject to reporting obligations that, in certain respects, are less detailed and less frequent than those of U.S. domestic reporting companies. As a result, the Company does not file the same reports that a U.S. domestic issuer would file with the SEC, although the Company is required to file with or furnish to the SEC the continuous disclosure documents that it is required to file in Canada under Canadian securities laws. In addition, the Company's officers, directors, and principal shareholders are exempt from the reporting and short-swing profit recovery provisions of Section 16 of the U.S. Exchange Act. Therefore, the Company's shareholders may not know on as timely a basis when the Company's officers, directors and principal shareholders purchase or sell Common Shares, as the reporting periods under the corresponding Canadian insider reporting requirements are longer. As a foreign private issuer, the Company is exempt from the rules and regulations under the U.S. Exchange Act related to the furnishing and content of proxy statements. The Company is also exempt from Regulation FD, which prohibits issuers from making selective disclosures of material non-public information. While the Company complies with the corresponding requirements relating to proxy statements and disclosure of material non-public information under Canadian securities laws, these requirements differ from those under the U.S. Exchange Act and Regulation FD and shareholders should not expect to receive the same information at the same time as such information is provided by U.S. domestic companies. In addition, the Company may not be required under the U.S. Exchange Act to file annual and quarterly reports with the SEC as promptly as U.S. domestic companies whose securities are registered under the U.S. Exchange Act. In addition, as a foreign private issuer, the Company has the option to follow certain Canadian corporate governance practices, except to the extent that such laws would be contrary to U.S. securities laws, and provided that the Company disclose the requirements it is not following and describe the Canadian practices it follows instead. The Company may in the future elect to follow home country practices in Canada with regard to certain corporate governance matters. As a result, the Company's shareholders may not have the same protections afforded to shareholders of U.S. domestic companies that are subject to all corporate governance requirements.

The Company may lose its foreign private issuer status in the future, which could result in significant additional costs and expenses to the Company.

In order to maintain its status as a foreign private issuer, a majority of the Common Shares must be either directly or indirectly owned by non-residents of the U.S. unless the Company also satisfies one of the additional requirements necessary to preserve this status. The Company may in the future lose its foreign private issuer status if a majority of its Common Shares are held in the U.S. and if the Company fails to meet the additional requirements necessary to avoid loss of its foreign private issuer status. The regulatory and compliance costs under U.S. federal securities laws as a U.S. domestic issuer may be significantly more than the costs incurred as a Canadian foreign private issuer eligible to use the MJDS. If the Company is not a foreign private issuer, it would not be eligible to use the MJDS or other foreign issuer forms and would be required to file periodic and current reports and registration statements on U.S. domestic issuer forms with the SEC, which are more detailed and extensive than the forms available to a foreign private issuer, and would be required to file financial statements prepared in accordance with United States generally accepted accounting principles. In addition, the Company may lose the ability to rely upon exemptions from Nasdaq corporate governance requirements that are available to foreign private issuers.

The Company relies upon certain accommodations available to it as an "emerging growth company."

The Company is an "emerging growth company" as defined in section 3(a) of the U.S. Exchange Act (as amended by the JOBS Act, enacted on April 5, 2012), and the Company will continue to qualify as an emerging growth company until the earliest to occur of: (a) the last day of the fiscal year during which the Company has total annual gross revenues of US$1,235,000,000 (as such amount is indexed for inflation every five years by the SEC) or more; (b) the last day of the fiscal year of the Company following the fifth anniversary of the date of the first sale of common equity securities of the Company pursuant to an effective registration statement under the U.S. Securities Act; (c) the date on which the Company has, during the previous three year period, issued more than US$1,000,000,000 in non-convertible debt; and (d) the date on which the Company is deemed to be a "large accelerated filer", as defined in Rule 12b-2 under the U.S. Exchange Act. The Company will qualify as a large accelerated filer (and would cease to be an emerging growth company) at such time when on the last business day of its second fiscal quarter of such year the aggregate worldwide market value of its common equity held by non-affiliates will be US$700,000,000 or more. For so long as the Company remains an emerging growth company, it is permitted to and intends to rely upon exemptions from certain disclosure requirements that are applicable to other public companies that are not emerging growth companies. These exemptions include not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act. The Company cannot predict whether investors will find the Common Shares less attractive because the Company relies upon certain of these exemptions. If some investors find the Common Shares less attractive as a result, there may be a less active trading market for the Common Shares and the Common Share price may be more volatile. On the other hand, if the Company no longer qualifies as an emerging growth company, the Company would be required to divert additional management time and attention from the Company's development and other business activities and incur increased legal and financial costs to comply with the additional associated reporting requirements, which could negatively impact the Company's business, financial condition and results of operations.

The trading price for the Company's securities is volatile.

The trading price of the Common Shares has been and may continue to be subject to large fluctuations which may result in losses to investors. The trading price of the Common Shares may increase or decrease in response to a number of events and factors, including:

- changes in the market price of V_2O_5 or other by-product metals the Company sells;
- events affecting economic circumstances in Canada, Brazil and the United States and elsewhere, including COVID-19;
- trends in the mining and energy storage industries and the markets in which the Company operates;
- changes in financial estimates and recommendations by securities analysts;
- acquisitions, investments, divestitures and financings;

- quarterly variations in operating results;
- compliance with new and existing regulations, including with respect to water and tailings management and greenhouse gas emissions;
- the actions of other companies in the mining industry;
- the sale of a large number of Common Shares; and
- the operating and share price performance of other companies that investors may deem comparable;

Wide price swings are currently common in the markets on which the Company's securities trade. This volatility may adversely affect the prices of the Common Shares regardless of the Company's operating performance.

The Company is subject to risks associated with climate change.

The Company is subject to risks associated with climate change. Mining and processing operations are energy intensive, resulting in a significant carbon footprint. The Company acknowledges climate change as an international and community concern. A number of governments or governmental bodies have introduced or are contemplating regulatory changes in response to the potential impacts of climate change. Where legislation already exists, regulation relating to emission levels and energy efficiency is becoming more stringent. Some of the costs associated with reducing emissions can be offset by increased energy efficiency and technological innovation. However, if the current regulatory trend continues, this may result in increased costs at some of the Company's operations. In addition, the physical risks of climate change may also have an adverse effect at some of the Company's operations. These may include extreme weather events, natural disasters, resource shortages, changes in rainfall and storm patterns and intensities, water shortages, changing sea levels and changing temperatures. For example, in December 2022, the Maracás Menchen Mine experienced unusually heavy rainfall (approximately 36% more rainfall compared to December 2021, and at least 76% more rainfall on a single day during the same comparative month), disrupting the Company's operations. This resulted in approximately 16 days of operational downtown in December 2022 and January 2023. While the Company has taken measures such as installing a rainwater diversion system around the Campbell Pit and revamping its pumping systems, to mitigate the impact of future rain events, there is no assurance that they will be sufficient or that additional measures will not be required. Associated with these physical risks is an increasing risk of climate-related litigation (including class actions) and the associated costs. Adverse publicity or climate-related litigation could have an adverse effect on the Company's reputation or financial condition.

We are subject to reputational risk from both actual and perceived occurrences of a number of events.

As a result of the increased usage and the speed and global reach of social media and other web-based tools used to generate, publish and discuss user-generated content and to connect with other users, companies today are at much greater risk of losing control over how they are perceived in the marketplace. Damage to the Company's reputation can be the result of the actual or perceived occurrence of any number of events, and could include any negative publicity (for example, with respect to the Company's handling of environmental, social or governance matters or the Company's dealings with community groups), whether true or not. The Company places a great emphasis on protecting its image and reputation, but the Company does not ultimately have direct control over how it is perceived by others. Reputation loss may lead to increased challenges in developing and maintaining community relations, decreased investor confidence and an impediment to the Company's overall ability to advance its projects, thereby having a material adverse impact on financial performance, cash flows and growth prospects.

Our level of indebtedness and debt service obligations could adversely affect our financial condition or our ability to fulfill our obligations, and make it more difficult for us to fund our operations.

As of December 31, 2022, we had cash and cash equivalents of approximately $54,471,000 (excluding restricted cash), total debt of approximately $40,000,000, and lease liabilities of approximately $2,054,000. Although the Company has been successful in repaying debt in the past and accessing debt financing as required, there can be no assurance that the Company can continue to do so. In addition, the Company may assume additional debt in the future, or reduce its holdings of cash and cash equivalents in connection with funding future acquisitions, existing operations, capital expenditures, dividends or in pursuing other business opportunities. The Company’s level of indebtedness could have important consequences for its operations. For example, the Company may need to use a large portion of its cash flow to repay principal and pay interest on its debt, which will reduce the amount of funds available to finance its operations and other business activities.

To service our indebtedness, we will require a significant amount of cash. Our ability to generate cash depends on many factors beyond our control.

The Company's primary source of liquidity for the payment of its expenses and principal and interest payable on its debt is cash flow from operations. Accordingly, the Company's ability to reduce its indebtedness and meet its payment obligations will depend on its future financial performance, which will be impacted by financial, business, economic and other factors. The Company will not be able to control many of these factors. The Company cannot be certain that its existing capital resources and future cash flow from operations will be sufficient to allow it to pay principal and interest on its debt and meet its other obligations. If these amounts are insufficient or if there is a contravention of its debt covenants, the Company may be required to refinance all or part of its existing debt, sell assets, borrow more money or issue additional equity, failing which the Company could face substantial cash flow problems. There can be no assurance that the Company will be able to refinance any of its indebtedness on commercially reasonable terms, or at all, or as to the timing of such asset sales or the proceeds which the Company could realize from such sales.

Risks Related to the Mining Industry

The vanadium market is small and highly concentrated and therefore susceptible to swings in the availability of supply.

Most of the world's supply of V_2O_5 is derived from mined ore, either directly as mineral concentrates derived from VTM or from steelmaking slags, where the steel was produced from VTM. A significant majority (approximately 88%) of the world's V_2O_5 comes from four source countries: China, South Africa, Russia and Brazil, according to Project Blue research. While Canada, Germany, Japan, and the United States, as well as several other European countries, continue to recover V_2O_5 from petroleum residues, the market is currently very small and highly concentrated.

Any collusion or concerted action between the major producers in China, South Africa and/or Russia could impact the availability of supply which could in turn have a negative impact on the price of V_2O_5.

Demand for V_2O_5 is highly dependent on demand for steel.

The steel industry accounted for approximately 88% of global total vanadium consumption in Q3, 2022, according to Vanitec, HSLA carbon steels account for more than half of global V_2O_5 consumption. HSLA steels are a class of relatively new steel alloys which use small amounts of vanadium, niobium, titanium or some combination of these microalloying elements to impart higher strength and fine grains structure in the steel. Special steels including tool steels, high speed steels and special alloy steels account for close to one third of global V_2O_5 consumption. Vanadium is also used in the production of titanium alloys for aerospace, industrial and consumer applications. It is used as a catalyst in oxidation reactions and in pollution control systems. Other applications include pigments, corrosion inhibitors and other minor chemical processes.

While new markets for V_2O_5 may arise in the future, for example, a market in energy storage applications, a significant majority of V_2O_5 is currently being used in connection with the steel industry, in particular HSLA carbon steels and special steels. Any fall in demand and/or production for HSLA carbon steels and special steels could impact industry demand for V_2O_5 and, in turn, have a negative impact on the price of V_2O_5.

The Company estimates the recoverable amount of long-lived assets using assumptions and if the carrying value of an asset is then determined to be greater than its actual recoverable amount, an impairment is recognized reducing the Company's earnings.

The Company assesses whether there is any indication that long-lived assets (such as plant and equipment) may be impaired. If an indicator of impairment exists, the recoverable amount of the asset is calculated in order to determine if any impairment loss is required. Testing for impairment involves a comparison of the recoverable amount of the cash generating unit to its carrying value. An impairment charge is recognized for any excess of the carrying amount of the asset group or reporting unit over its recoverable amount.

The assessment for impairment is subjective and requires management to make estimates and assumptions for a number of factors including estimates of production levels, mineral reserves and mineral resources, operating costs and capital expenditures reflected in the Company's life-of-mine plans, as well as economic factors beyond management's control, such as V_2O_5, V_2O_3 and FeV prices, discount rates and observable net asset value multiples. Should management's estimates and assumptions regarding these factors be incorrect, the Company may be required to realize impairment charges, which will reduce the Company's earnings. The timing and amount of such impairment charges is difficult to predict.

We may not be able to replenish our reserves, which could adversely affect our mining prospects.

We engage in mineral exploration, which is highly uncertain in nature, involves many risks and frequently is non-productive. Our exploration programs, which involve significant expenditures, may fail to result in the expansion or replacement of reserves depleted by current production. If we do not develop new reserves, we will not be able to sustain our current level of production beyond the remaining lives of our existing mines.

We face rising extraction costs or investment requirements over time as reserves deplete.

Reserves are gradually depleted in the ordinary course of a given open pit or underground mining operation. As mining progresses, distances to the primary crusher and to waste deposits become longer, pits become steeper, mines may move from being open pit to underground, and underground operations become deeper. In addition, for some types of reserves, mineralisation grade decreases and hardness increases at greater depths. As a result, over time, we may experience rising unit extraction costs with respect to our mine, or we may need to make additional investments, including adaptation or construction of processing plants and expansion or construction of tailings dams. Our mine may experience rising extraction costs per unit in the future.

Nature of mining operations, mineral exploration and development projects and mining businesses generally involve a high degree of risk.

Mining operations generally involve a high degree of risk. The Company's operations and those of its subsidiaries are subject to the hazards and risks normally encountered in mineral exploration, development and production, including environmental hazards, explosions, unusual or unexpected geological formations or pressures and periodic interruptions in both production and transportation due to inclement or hazardous weather conditions. Such risks could result in damage to, or destruction of, mineral properties or producing facilities, personal injury, environmental damage, delays in mining, monetary losses and possible legal liability.

Development projects have no operating history upon which to base estimates of future cash operating costs. For development projects, resource and reserve estimates and estimates of cash operating costs are, to a large extent, based upon the interpretation of geological data obtained from drill holes and other sampling techniques, and feasibility studies, which derive estimates of cash operating costs based upon anticipated tonnage and grades of ore to be mined and processed, ground conditions, the configuration of the ore body, expected recovery rates of minerals from the ore, estimated operating costs, anticipated climatic conditions and other factors. As a result, actual production, cash operating costs and economic returns could differ significantly from those estimated. Indeed, current market conditions are forcing many mining operations to increase capital and operating cost estimates. It is not unusual for new mining operations to experience problems during the start-up phase, and delays in the commencement of production can often occur.

Mineral exploration is highly speculative in nature. There is no assurance that exploration efforts will be successful. Even when mineralisation is discovered, it may take several years until production is possible, during which time the economic feasibility of production may change. Substantial expenditures are required to establish proven and probable Mineral Reserves through drilling. Because of these uncertainties, no assurance can be given that exploration programs will result in the establishment or expansion of Mineral Resources or Mineral Reserves. There is no certainty that the expenditures made by the Company towards the search and evaluation of mineral deposits will result in discoveries or development of commercial quantities of ore.

Risk Related to the LDES Market

In addition to the risks set out above relating to our VRFB business, the following risks apply to the LDES Market.

LDES System contracts generally have long lead times and fixed prices, which may expose the Company to additional risks related to inflation, exchange rate variability and changes in the cost and availability of input materials, labour or transportation.

Due to the nature of the technology and the scale of deployment, LDES system contracts are normally entered into with long lead times and fixed prices. The Company may not be able to negotiate terms which adequately cover the negative effect that inflation, exchange rate variability or the increased cost of input materials, labour or transportation on the profitability of a LDES system project.

The demand for LDES systems depends on the growth of the green economy generally and the adoption of long duration energy storage systems and VRFB technology, specifically.

The demand for LDES Systems (including our VRFB products) is highly dependent on the growth of the green economy and the adoption of LDES and VRFB technology, both of which are outside of the Company's control. While many governments and businesses have made commitments to the green economy and a low carbon future, it is possible that such commitments will be not be honoured. Similarly, there is no certainty that LDES or VRFB technologies will be the market's chosen "green alternative" to traditional forms of energy.

Risks Related to Brazil

The Brazilian government has historically exercised, and continues to exercise, significant influence over the Brazilian economy. Brazilian political and economic conditions may adversely affect us.

In 2020, 100% of our revenue was derived from sales of vanadium products originating from our operations in Brazil. Accordingly, our business, financial condition, results of operations and cash flows depend, to a considerable extent, upon economic and political conditions in Brazil.

Political and economic conditions directly affect our business and can result in a material adverse effect on us. Macroeconomic policies imposed by the Brazilian government can have significant impact on Brazilian companies or companies with significant operations in Brazil, including us. On January 8, 2023, protesters broke into Brazil's Congress building, Supreme Court, and presidential palace, following the inauguration of Luiz Inácio "Lula" da Silva on January 1, 2023, after a victory over Brazil's former leader, Jair Bolsonaro, in a run-off election on October 30, 2022. The political unrest associated with the former administration coming to an end and the new administration taking over is reminiscent of the January 6, 2021 insurrection by rioters on the U.S. capitol building, and the short and long-term impacts on business and capital markets are unknown. Any actions taken by the current administration may have a negative impact on the economy and on the businesses, financial condition, results of operations, prospects and the valuation of mining companies, which could also negatively impact the Company, which negative impact could prove to be material over time.

The Brazilian economy has been characterized by frequent and occasionally significant intervention by the Brazilian government and unstable economic cycles. The Brazilian government has often changed monetary, taxation, credit and other policies to influence the course of Brazil's economy. The Brazilian government's actions to control inflation have at times involved setting wage and price controls, blocking access to bank accounts, imposing exchange controls, capital inflow and outflow controls and limiting imports and exports.

We cannot control or predict whether the current Brazilian government will implement changes to existing policies or the impact such changes may have on our operations in Brazil and, consequently, our business. Our business, operating results and financial condition and prospects, as well as the market price of our securities, may be adversely affected by changes in Brazil's public policies, whether federal, state or local, that affect, without limitation:

- inflation;
- fluctuations in exchange rates;
- exchange controls and restrictions on remittances abroad, such as those imposed in 1989 and early 1990;
- interest rates and monetary policies;
- import and export controls;
- liquidity of domestic capital, credit and financial markets;
- expansion or contraction of the Brazilian economy, as measured by rates of growth in gross domestic product, or GDP;
- fiscal policies; and
- other political, social and economic developments in or affecting Brazil.

Government policies and measures to combat inflation, along with public speculation about such policies and measures, have often had adverse effects on the Brazilian economy, contributed to economic uncertainty in Brazil and increased volatility in the Brazilian securities markets. The Brazilian government's actions to control inflation have often involved price and salary controls, currency devaluations, capital limitations, limits on imports and other actions.

Other policies and measures adopted by the Brazilian government, including interest rate adjustments, intervention in the currency markets or actions to adjust or fix the value of the Brazilian real may adversely affect the Brazilian economy, our business and results of operations.

Uncertainty over whether the Brazilian federal government will implement reforms or changes in policy or regulation affecting these or other factors in the future may affect economic performance and contribute to economic uncertainty in Brazil, which may in turn have adverse effects on our operations in Brazil and consequently on the results of our operations. Recent economic and political instability has led to a negative perception of the Brazilian economy and higher volatility in the Brazilian securities markets.

Changes in rain patterns and other climatic effects may adversely impact the Company's operations.

The effects of changes in rainfall patterns, water shortages and changing storm patterns and intensities have from time to time adversely impacted, and may in the future adversely impact, the cost, production levels and financial performance of the Company's operations. There is no guarantee that there will be sufficient future rainfall to support the Company's future demands in relation to its sites and operations, and this has and could adversely affect production or the Company's ability to develop or expand projects and operations in the future. In addition, there can be no assurance that the Company will be able to obtain alternative water sources on commercially reasonable terms or at all in the event of prolonged drought conditions. Conversely, some of the Company's sites and operations may in the future be subject, from time to time, to severe storms and high rainfalls leading to flooding and associated damage, which may result in, delays to, or loss of production and development of some of its sites, projects or operations. Extreme rain and flood conditions may exceed site water storage capacity with the potential for involuntary release by way of overflow from tailings storage facilities, which may cause environmental damage. Environmental damage may result in fines or even in criminal sanctions for violations, in addition to the obligation to redress any environmental damages cause, all of which may negatively affect our results of operations or financial condition.

Changes in tax laws, tax incentives and benefits, or differing interpretations of tax laws, may adversely affect our results of operations.

The Brazilian tax authorities have frequently implemented changes to tax regimes that may affect the Company and ultimately the demand of the Company's customers for the products the Company sells. These measures include changes in prevailing tax rates and enactment of taxes, both temporary and permanent. For example, the Brazilian government reduced the Reintegra tax credit available to exporters from 2% to 0.1% in order to offset tax cuts that it had implemented on diesel fuel in a proposal to end a truck driver's strike in June 2018. While this reduction does not materially affect the Company, it is demonstrative of the Brazilian Government's ability to quickly make changes to Brazilian laws.

Some of these changes may increase the Company's tax burden, which may increase the prices the Company charges for the products the Company sells, restrict the Company's ability to do business in the Company's existing markets and, therefore, materially adversely affect the Company's results of operations. There can be no assurance that the Company will be able to maintain the Company's projected cash flows and results of operations following any increases in Brazilian taxes that apply to us and the Company's operations.

In addition, the Company currently receives certain tax benefits. There can be no assurance that these benefits will be maintained or renewed. Also, given the current Brazilian political and economic environment, there can be no assurance that the tax benefits the Company receives will not be judicially challenged as unconstitutional. If the Company is unable to renew the Company's tax benefits, such benefits may be modified, limited, suspended, or revoked, which may adversely affect us.

Moreover, certain tax laws may be subject to controversial interpretation by tax authorities. In the event that tax authorities interpret tax laws in a manner that is inconsistent with the Company's interpretations, the Company may be adversely affected.

During the 2022 presidential campaign there were discussions regarding the implementation of a broad tax reform in Brazil, which may include the revocation of income tax exemptions over payment of dividends, which currently exist in Brazil. Although it is not possible to determine whether the president and the members of Congress will pass legislation to this effect, it is possible that the revocation of such exemptions and other reforms in Brazil's tax system may be discussed and eventually implemented by the current government. If broad tax reforms are implemented, such reforms may have significant impact on the Company's financial results and operations in Brazil.

Our operations are exposed to political, economic, and policy risks relating to operating in Brazil.

The Company's principal properties are located in Brazil. As in any foreign country, mineral exploration and mining activities may be affected to varying degrees by changes in political, social and financial stability, and inflation. Any shifts in political, social or financial stability conditions are beyond the control of the Company and may adversely affect the Company's business. Brazil's status as a developing country may make it more difficult for the Company to obtain sufficient financing required for the exploration and development of its properties due to real or perceived increased investment risk.

The Company's operations may also be adversely affected by changes in foreign government policies and legislation and other factors which are not within the control of the Company, including, but not limited to, renegotiation or nullification of existing contracts, claims or licenses, changes in mining policies or the legislation or regulatory requirements affecting mining or the personnel administering them, interruption of activities and other measures taken by the Brazilian government due to the COVID-19 pandemic, currency fluctuations and devaluations, exchange controls, factors (including withholding taxes) affecting foreign subsidiaries' abilities to remit funds to the Company, economic sanctions, royalty and tax increases and retroactive tax claims, risk of terrorist activities, revolution, border disputes, implementation of tariffs and other trade barriers and protectionist practices, taxation policies, volatility of financial markets and fluctuations in foreign exchange rates, labour disputes and other risks arising out of foreign governmental sovereignty over the areas in which the Company's operations are conducted. The Company's operations may also be adversely affected by laws and policies of such foreign jurisdictions affecting foreign trade, taxation and investment. If the Company's operations are disrupted and/or the economic integrity of its contracts is threatened for unexpected reasons, there may be a corresponding material adverse effect on the Company's business or operations.

In the event of a dispute arising in connection with the Company's operations in a foreign jurisdiction where the Company conducts its business, the Company may be subject to the exclusive jurisdiction of foreign courts or may not be successful in subjecting foreign persons to the jurisdictions of the courts of Canada or enforcing Canadian judgments in such other jurisdictions. The Company may also be hindered or prevented from enforcing its rights with respect to a governmental instrumentality because of the doctrine of sovereign immunity. Accordingly, the Company's activities in foreign jurisdictions could be substantially affected by factors beyond the Company's control, any of which could have a material adverse effect on the Company.

The Company may in the future enter into agreements in order to expand its business and activities beyond the jurisdictions in which it currently does so. Such an expansion may present challenges and risks that the Company has not faced in the past, any of which could materially adversely affect the results of operations and/or financial condition of the Company.

Inflation and efforts by the Brazilian government to combat inflation may contribute significantly to economic uncertainty in Brazil and could have an adverse effect on us.

Brazil has historically experienced periods of high inflation. Inflation, as well as governmental measures put in place to combat inflation, have had a material adverse effect on the Brazilian economy. Inflationary pressures persist, and actions taken in an effort to curb inflation, coupled with public speculation about possible future governmental actions, have in the past contributed to economic uncertainty in Brazil and heightened volatility in the Brazilian securities market. The inflation rate in Brazil, as reflected by the Broad Consumer Price Index (*Índice Nacional de Preços ao Consumidor Amplo)* published by the Brazilian Institute of Geography and Statistics or IBGE (*Instituto Brasileiro de Geografia e Estatística*), was 12% in 2022, 10.6% in 2021, and 4.52% in 2020.

As a result of inflationary pressures and macroeconomic instability, the Brazilian government has historically adopted monetary policies that have resulted in Brazil's interest rates being historically among the highest in the world. The Central Bank of Brazil sets the base interest rates (Sistema Especial de Liquidação e Custódia) (the "**SELIC rate**") generally available to the Brazilian banking system, based on the expansion or contraction of the Brazilian economy, inflation rates and other economic indicators. The SELIC rate was 13.75% on December 31, 2022, 9.25% on December 31, 2021, and 2.00% on December 31, 2020. As of March 2023, the SELIC rate was 13.75%. Any future increase in interest rates could negatively affect our profitability and results of operations and could increase the costs associated with financing our operations.

Inflation and government measures to combat inflation, along with speculation about possible future governmental measures, have had and are expected to continue to have significant negative effects on the Brazilian economy, including heightened volatility in the Brazilian securities market. In addition, measures to control inflation have often and historically included maintaining a tight monetary policy with high interest rates, thereby restricting the availability of credit and limiting economic growth. On the other hand, these policies may be incapable of preventing increases in inflation rates. Furthermore, the absence of such policies may trigger increases in inflation rates and thereby adversely affect economic stability. In the event of an increase in inflation, we may not be able to adjust the prices we charge our customers to offset the effects of inflation on our cost structure, which may adversely affect us.

Exchange rate fluctuations in Brazil against the U.S. dollar could adversely affect us.

Exchange rate instability may have a significant negative effect on the economies in which we operate and could adversely affect us. For example, the Brazilian currency has been historically volatile and has been devalued frequently over the past three decades. Since 1999, the Central Bank of Brazil has allowed the Brazilian real to U.S. dollar exchange rate to float freely, and during this period, the Brazilian real to U.S. dollar exchange rate has experienced frequent and substantial variations in relation to the U.S. dollar and other foreign currencies. Throughout this period, the Brazilian government has implemented various economic plans and used various exchange rate policies, including sudden devaluations, periodic mini-devaluations (during which the frequency of adjustments has ranged from daily to monthly), exchange controls, dual exchange rate markets and a floating exchange rate system.

Although long-term depreciation of the Brazilian real is generally linked to the rate of inflation in Brazil, depreciation of the Brazilian real occurring over shorter periods of time has resulted in significant variations in the exchange rate between the Brazilian real, the U.S. dollar and other currencies. We cannot predict whether the Central Bank of Brazil or the Brazilian government will continue to let the Brazilian real float freely or intervene in the exchange rate market by returning to a currency band system or otherwise. The Brazilian real may depreciate or appreciate substantially against the U.S. dollar and other currencies. Furthermore, Brazilian law provides that, whenever there is a serious imbalance in Brazil's balance of payments or there are substantial reasons to foresee a serious imbalance, temporary restrictions may be imposed on remittances of foreign capital abroad. We cannot assure you that such measures will not be taken by the Brazilian government in the future.

The Brazilian real/U.S. dollar exchange rate reported by the Central Bank was R$3.8748 per $1.00 on December 31, 2018, which reflected a 17% depreciation of the *real* against the U.S. dollar during 2018. As of December 31, 2019, the exchange rate for the purchase of U.S. dollars as reported by the Central Bank was R$ 4.0307 per $1.00, which reflected a 4% depreciation of the Brazilian real against the U.S. dollar during 2019. As of December 31, 2020, the exchange rate for the purchase of U.S. dollars as reported by the Central Bank was R$5,1967 per $1.00, which reflected a 28.9% depreciation of the Brazilian real against the U.S. dollar during 2020. As of December 31, 2021, the exchange rate for the purchase of U.S. dollars as reported by the Central Bank was R$5.5860 per $1.00, which reflected a 7.4% depreciation of the Brazilian real against the U.S. dollar during 2021. As of December 31, 2022, the exchange rate for the purchase of U.S. dollars as reported by the Central Bank was R$5.2177 per $1.00, which reflected a 6.5% appreciation of the Brazilian real against the U.S. dollar during 2022.

Also, the prices of certain raw materials used in our operations in Brazil are denominated in or linked to the U.S. dollar. When the Brazilian real depreciates against the U.S. dollar, the cost in Brazilian reals of our U.S. dollar-linked raw materials increases, and our operating income in Brazilian reals decreases to the extent that we are unable to pass on these cost increases to our customers.

In the course of our business, we may decide to enter into financial derivative transactions in the future to hedge our exposure to foreign currency exchange rate variations. However, we cannot assure you that these instruments will be available to us at favorable terms, if at all, or will fully hedge our exposure.

A devaluation of the Brazilian real against the U.S. dollar might also create inflationary pressures in Brazil and lead to increases in interest rates, which could adversely affect the growth of the Brazilian economy as a whole, and undermine our financial situation and operating results. On the other hand, the appreciation of the Brazilian real in relation to the U.S. dollar may undermine the economy growth driven by exports in Brazil.

Because of the degree of volatility and the uncertainty of the factors that impact the Brazilian real's exchange rate, it is difficult to predict future exchange rate movements. In addition, the Brazilian government may change its foreign currency policy, and any governmental interference in the exchange rate, or the implementation of exchange control mechanisms, could influence the Brazilian real's exchange rate. In light of the foregoing, there can be no assurance we will be able to protect ourselves against the effects of adverse fluctuations of the Brazilian real against the U.S. dollar.

Any further downgrading of Brazil's credit rating could adversely impact the Brazilian economy and our operations.

Credit ratings affect investors' perceptions of risk and, as a result, the trading value of securities and yields required on future debt issuance in the capital markets. Rating agencies regularly evaluate Brazil and its sovereign ratings, which are based on a number of factors, including macroeconomic trends, fiscal and budgetary conditions, indebtedness metrics and the prospect of changes in any of these factors.

Rating agencies began the classification review of Brazil's sovereign credit rating in September 2015. Brazil lost its investment grade status by the three main rating agencies. On September 30, 2015, S&P initially reduced Brazil's credit rating from BBB- to BB+ and, subsequently, in February 2016, reduced it again from BB+ to BB, and maintained its negative outlook on the rating, citing a worsening credit situation since the first downgrade. In February 2018, S&P lowered its rating for Brazil's long-term foreign and local currency sovereign credit from BB to BB–, with a stable outlook, citing budget deficit and less timely and effective reform policymaking. Such rating was most recently reaffirmed in June 2022. In December 2015, Moody's placed Brazil's Baa3 issuer and bond ratings on review for a downgrade, and subsequently downgraded Brazil's issuer and bond ratings to below investment grade, to Ba2 with a negative outlook. In April 2018, Moody's affirmed its Ba2 rating but changed its outlook from negative to stable, citing stabilization of macroeconomic conditions, signs of recovery in the economy, falling inflation rates and a clearer fiscal outlook as reasons for the change. Such rating was most recently reaffirmed in April 2022. Fitch Ratings Inc. ("**Fitch**") downgraded Brazil's sovereign credit rating to BB+ with a negative outlook in December 2015 and again to BB in May 2016, with a negative outlook. In February 2018, Fitch lowered its Long Term Issuer Default Rating for Brazil's sovereign credit from BB to BB-, which was most recently reaffirmed with a stable outlook in December 2022. As a result of credit rating downgrades in 2018, Brazil's sovereign debt lost its investment grade status with all three major rating agencies and, consequently, the trading prices of securities of the Brazilian debt and equity markets were negatively affected.

Any further downgrade of Brazil's sovereign credit ratings could heighten investors' perception of risk and, as a result, adversely affect the Brazilian economy and our operations.

The developing consequences of the Samarco and Brumadinho dam failures may adversely affect us.

On November 5, 2015, the Samarco Mineração S.A. (" **Samarco**") iron ore operations experienced a tailings dam failure that resulted in a release of mine tailings, flooding the communities of Bento Rodrigues, Gesteira and Paracatu and impacting other communities downstream and the environment of the Rio Doce basin. Samarco is a joint venture owned equally by BHP Billiton Brasil Limitada and Vale S.A.

On January 25, 2019, the Córrego do Feijão mine owned by Vale S.A. experienced a tailings dam failure that resulted in a release of mine tailings, flooding the communities of Brumadinho and impacting other communities downstream and the environment of the Rio Paraopeba.

The heightened awareness of mining impact particularly in Brazil following the Samarco and Brumadinho dam collapses in 2015 and 2019, respectively, as well as increased regulatory oversight may result in the amount and timing of future environmental and related expenditures to vary substantially from those currently anticipated. We may encounter delays in obtaining environmental and other operating licenses, or not be able to obtain and/or renew an authorization, permit and/or license. These events and additional costs may have a negative impact on our operations and have an adverse effect on our financial performance.

The heightened awareness of the potential impacts of mining activities following the Brumadinho dam failure as well as increased regulatory oversight may cause the amount and timing of future environmental and related expenditures to vary substantially from those currently anticipated and we may encounter delays in obtaining environmental and other operating licenses, or not be able to obtain and/or renew an authorization, permit and/or license. These events and additional costs may have a negative impact on our operations and have an adverse effect on our financial performance.

DIVIDENDS

The constating documents of the Company do not limit its ability to pay dividends on its Common Shares. However, the Company has not paid any dividends since incorporation. In addition, the payment of dividends in the future, if any, will be made at the discretion of the Board.

DESCRIPTION OF CAPITAL STRUCTURE

The authorized capital of the Company consists of an unlimited number of Common Shares. As of December 31, 2022 there were 64,004,956 Common Shares issued and outstanding. As of the date of this AIF, the Company had 64,004,956 Common Shares issued and outstanding, 1,008,260 Common Shares reserved for issuance pursuant to stock options (“**Options**”) granted to directors, officers, employees and consultants, 200,023 Common Shares reserved for issuance upon vesting of restricted share units (“**RSU**”), and approximately 341,667 Common Shares reserved for issuance upon the exercise of share purchase warrants.

Common Shares

Holders of Common Shares are entitled to receive notice of and to attend any meetings of shareholders and shall have one vote per share at all meetings, except meetings at which only holders of another class or series of shares are entitled to vote separately as such class or series. Holders of Common Shares are entitled to receive on a pro rata basis such dividends, if any, as and when declared by the Board and, upon liquidation, dissolution or winding up of the Company, are entitled to receive on a pro rata basis the net assets of the Company after payment of debts and other liabilities, in each case subject to the rights, privileges, restrictions and conditions attaching to any other series or class of shares ranking senior in priority to or on a pro rata basis with the holders of Common Shares. The Common Shares do not carry any pre-emptive, subscription, redemption or conversion rights, nor do they contain any sinking or purchase fund provisions.

Options and RSUs

On June 8, 2020, shareholders adopted a 10% rolling share compensation plan under which the Company may issue RSUs, and Options to purchase Common Shares. Unlike the Options, the RSUs do not require the payment of any monetary consideration to the Company. Instead, each RSU represents a right to receive one Common Share following the attainment of vesting criteria determined at the time of the award.

MARKET FOR SECURITIES

Trading Price and Volume

The Common Shares trade on the TSX and NASDAQ under the symbol "LGO". The table below shows the price ranges and volume of trading for each month of the financial year ended December 31, 2022 and for each month of the current financial year up to the close of the day prior to the date of this AIF. Subsequent to the shareholder approval granted at the Company's special meeting of shareholders held on March 1, 2021, the Board implemented a consolidation of the Company's Common Shares on 10 pre-consolidation shares for 1 post-consolidation share.

TSX Trading Price and Volume

Month	High(C$)	Low(C$)	Volume
(2023)			
March 1-8	9.30	8.21	445,955
February	9.20	7.86	1,517,058
January	9.48	7.15	1,459,031
(2022)			
December	7.56	6.5	1,281,531
November	8.86	6.34	1,938,230
October	8.88	7.09	806,917
September	9.12	6.98	1,055,759
August	10.07	8.49	1,452,761
July	9.91	8.17	1,469,098
June	11.75	8.63	1,864,378
May	13.05	8.85	3,280,334
April	16.4	10.59	1,821,067
March	18.2	13.01	3,720,867
February	13.4	9.92	1,540,120
January	13.88	9.39	1,749,711

NASDAQ Trading Price and Volume

Month	High($)	Low($)	Volume
(2023)			
March 1-8	6.86	5.94	313,822
February	6.87	5.86	938,924
January	7.06	5.27	1,258,213
(2022)			
December	5.61	4.78	1,416,285
November	6.55	4.75	1,542,766
October	6.55	5.13	859,037
September	7.04	5.07	1,208,240
August	7.91	6.50	1,372,835
July	7.75	6.29	954,432
June	9.42	6.65	1,283,538
May	10.18	6.77	2,516,546
April	13.17	8.23	2,461,380
March	14.27	10.22	4,494,618
February	10.56	7.82	1,554,523
January	11.07	7.39	2,503,683

DIRECTORS AND OFFICERS

The following table sets forth the name, province of residence and position held with the Company of each director and executive officer effective as of the date of this AIF. All directors hold office until the next annual meeting of shareholders of the Company or until their successors are elected or appointed.

Name and Residence	Current Position(s) with the Company	Principal Occupation
Alberto Arias *Florida, United States*	Non-Executive Chair Director since: April 11, 2011 Committee Membership(s): • Compensation (Chair) • Governance (Chair) • Sales • Energy	Mr. Arias is the founder and Portfolio Manager of Arias Resource Capital Management LP and has over 25 years of experience in the field of international mining finance. Prior to founding Arias Resource Capital Management LP, Mr. Arias worked for eight years at Goldman, Sachs & Co., most recently acting as Managing Director and Head of Equity Research for metals and mining in the U.S., Canada and Latin America. Prior to Goldman Sachs, Mr. Arias worked for four years at UBS Warburg as Executive Director and Analyst covering the Latin American metals and mining sector.
David Brace *Ontario, Canada*	Director since: June 26, 2012 Committee Membership(s): • Audit • Compensation • Operations	Mr. Brace served as Chief Executive Officer of Karmin Exploration Inc. from September 2011 to October 2019. Between January through September of 2011, Mr. Brace served as President of Lambton Capital Inc., a private investment firm focused on evaluating mining investments. Prior to this, Mr. Brace served as the Chief Executive Officer and a director of GlobeStar Mining Corporation until that company's acquisition by Perilya Limited in December of 2010. Prior to this, Mr. Brace served as Executive Vice President of Business Development with Aur Resources until August of 2007.

Name and Residence	Current Position(s) with the Company	Principal Occupation
Jonathan Lee *New York, United States*	Director since: April 4, 2019 Director of LPV since: September 15, 2022 Committee Membership(s): • Operations • Sales • Energy • Audit	Mr. Lee is a Vice President with the private equity firm Arias Resource Capital Management LP. Prior to Arias Resource Capital Management, Mr. Lee worked with Ambac Assurance Corporation, a global bond insurer. Prior to Ambac, Mr. Lee held positions with the investment firm Raging River Capital, the mining hedge fund Geologic Resource Partners LLC, and Byron Capital Markets Ltd. in Canada as a mining & metals equity research analyst. Additionally, Mr. Lee has prior experience as an Environmental Engineer with several construction and engineering firms. Mr. Lee previously sat on the boards of Park Lawn Company Ltd. and Bearing Lithium Corp. Mr. Lee earned his MBA from the Stern School of Business at New York University and holds a BS in Chemical Engineering with a minor in Economics from Tufts University.
Daniel Tellechea *Arizona, United States*	Interim Chief Executive Officer[1] Director since: July 9, 2015 Committee Membership(s): • Operations (Chair) • Sales (Chair)	Mr. Tellechea was appointed Interim Chief Executive Officer of Largo in February 2023. He has business experience in Brazil and extensive experience in international mining, most recently serving as President & CEO of Sierra Metals, Inc. between 2007 and 2014, a Toronto based mining company listed on both the TSX and the Lima Stock Exchange (BVL) with assets in Mexico and Peru. Prior to Sierra Metals, Mr. Tellechea was President and CEO of Asarco LLC from 2003 to 2005, he served as the Managing Director of Finance and Administration for Asarco's parent, Grupo Mexico from 1994 to 2003 and also served as Asarco's Chief Financial Officer and Vice-president of finance for Southern Copper Corporation from 1999 to 2003, which was majority owned by Grupo Mexico.
Koko Yamamoto *Ontario, Canada*	Director since: July 9, 2015 Committee Membership(s): • Audit (Chair) • Compensation • Governance	Ms. Yamamoto is a chartered professional accountant. She is a partner at McGovern Hurley LLP, a CPAB registered firm, since 2003 and her practice includes a focus on assurance engagements for reporting issuers in the resource sector. Ms. Yamamoto is involved in initial public offerings and private placements, mergers and acquisitions. Ms. Yamamoto is also registered as a panel auditor with the Investment Industry Regulatory Organization of Canada (IIROC), which enables her to conduct audits of investment dealers. Prior to joining McGovern Hurley LLP in 1998, Ms. Yamamoto worked for a start-up Japanese medical technology company, both in Tokyo and San Francisco.
Ernest Cleave *Ontario, Canada*	Chief Financial Officer Interim President of LCE	Mr. Cleave is a financial professional with over 26 years' experience in finance strategy, compliance, financial reporting, internal control and strategic planning. Prior to joining the Company, Mr. Cleave served as a director, CFO and corporate controller and in other senior finance positions for large, multi-national companies in the mining, manufacturing and retail sectors, including Goldcorp Inc. and Falconbridge Limited. Mr. Cleave started his career with PricewaterhouseCoopers and holds a Bachelor of Commerce with a minor in Law from Free State University, a Bachelor of Computational Science from UniSA and a Master of Business Administration from Deakin University. He holds the CA designation in Australia and New Zealand, the CPA designation in Canada and the CPA designation in Australia.

Name and Residence	Current Position(s) with the Company	Principal Occupation
Paul Vollant *Zurich, Switzerland*	Vice-President, Commercial Chief Executive Officer of LPV	Mr. Vollant is highly experienced in the sales and marketing of metals and minerals and has specialized in strategic metals, particularly vanadium and titanium. He is the Chairman of Vanitec's Market Development Committee. Mr. Vollant's experience includes holding the position of General Manager of Sales and Marketing at TNG Limited, Shanghai, where his responsibility included the setup and operation of TNG's vanadium, titanium and iron products distribution strategy. Mr. Vollant was a founding Director of global commodity distribution company Element Commodities which is specialized in vanadium and titanium and was formerly with the Noble Group in London and Hong Kong. He is a Director of the HLG Group and a Non-Executive Director of Nairobi Securities Exchange. Mr. Vollant holds a M.Sc. in finance and international business from the University of Lyon ESDES Business School.

Note:

(1) On February 16, 2023, Largo announced Paulo Misk's departure as the President and Chief Executive Officer of the Company, with immediate effect, and the appointment of Daniel Tellechea as the interim Chief Executive Officer of the Company. Mr. Misk resigned as a director of the Company on March 7, 2023.

Mr. Alberto Arias is the sole director of the general partner for Arias Resource Capital Fund II LP and Arias Resource Capital Fund II (Mexico) LP which, as at the date of this AIF, in aggregate beneficially own 27,969,940 of our Common Shares representing approximately 44% of our outstanding Common Shares. Mr. Arias also controls, directly and indirectly, 69,080 Common Shares representing approximately 0.1% of our outstanding Common Shares. Our remaining directors and executive officers, as a group, beneficially own, directly or indirectly, or exercise control or direction over, 118,568 Common Shares, representing less than 1% of the total number of Common Shares outstanding.

Corporate Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Other than as set forth below, no director, executive officer or chief financial officer of the Company:

(a) is, as at the date of this document, or has been, within ten years before the date of this AIF, a director, chief executive officer or chief financial officer of any company (including the Company) that, while that person was acting in that capacity: (i) was the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under the securities legislation, for a period of more than 30 consecutive days; (ii) was subject to an event that resulted, after the director, chief executive officer or chief financial officer ceased to be a director, chief executive officer or chief financial officer, in the company being the subject of a cease trade order or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or (iii) within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, or

(b) has, within the ten years before the date of this AIF, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

Except as set out below, no director or executive officer of the Company, or a shareholder holding sufficient number of securities of the Company to affect materially the control of the Company, has been subject to: (i) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

From March 28, 2013 until January 21, 2014, Mr. Arias served as a director on the board of Colossus Minerals Inc. (" **Colossus**"). On January 14, 2014, Colossus filed a notice of intention to make a proposal under the *Bankruptcy and Insolvency Act* (Canada). Colossus was delisted from the TSX effective February 21, 2014.

Mr. Tellechea was a director of Mercator Minerals, Ltd. until September 4, 2014. Mercator filed a notice of intention to make a proposal under the *Bankruptcy and Insolvency Act* (Canada) on August 26, 2014.

Conflicts of Interest

Certain of the Company's directors and officers serve or may agree to serve as directors or officers of other reporting companies or have significant shareholdings in other reporting companies. For a list of the other reporting issuers in which directors of the Company also serve as directors, please see the most recent management information circular of the Company dated May 24, 2022 for the Company's June 30, 2022 annual and special meeting of shareholders. To the extent that such other companies may participate in ventures in which the Company may participate, the directors of the Company may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In the event that such a conflict of interest arises at a meeting of the Company's directors, a director who has such a conflict will step out of the room during discussions and abstain from voting for or against the approval of such participation or such terms. From time to time, several companies may participate in the acquisition, exploration and development of natural resource properties thereby allowing for their participation in larger programs, permitting involvement in a greater number of programs and reducing financial exposure in respect of any one program. It may also occur that a particular company will assign all or a portion of its interest in a particular program to another of these companies due to the financial position of the company making the assignment. Under the laws of Canada, the directors of the Company are required to act honestly, in good faith and in the best interests of the Company. In determining whether or not the Company will participate in a particular program and the interest therein to be acquired by it, the directors will primarily consider the degree of risk to which the Company may be exposed and its financial position at that time.

AUDIT COMMITTEE DISCLOSURE

The purposes of the audit committee of the Board (the " **Audit Committee**") are to assist the Board's oversight of: the integrity of the Company's financial statements; the Company's compliance with legal and regulatory requirements; the qualifications and independence of the Company's independent auditors; and the performance of the independent auditors and the Company's internal audit function.

National Instrument 52-110 - *Audit Committees* of the Canadian Securities Administrators (" **NI 52-110**") governs composition and function of audit committees for every TSX listed company, including the Company. NI 52-110 requires the Company to have a written audit committee Charter and to make the disclosure required by Form 52-110F1, which includes disclosure of the text of the audit committee charter in the management information circular of the Company wherein management solicits proxies from the security holders of the Company for the purpose of electing directors to the Board.

Audit Committee Charter

The Board has developed a written Audit Committee charter (the " **Charter**"). A copy of the Charter is attached hereto as Schedule "B".

Composition of the Audit Committee

As of the December 31, 2022, the Audit Committee was comprised of three directors: Koko Yamamoto (Chair), David Brace and Daniel Tellechea, all of whom were independent and are financially literate, as such terms are defined in NI 52-110. Effective February 16, 2023, Daniel Tellechea was appointed as interim Chief Executive Officer of the Company and resigned as a member of the Audit Committee. As of the date of this AIF, the Audit Committee is comprised of three directors: Koko Yamamoto (Chair), David Brace and Jonathan Lee, each of whom is financially literate and independent, as such terms are defined in NI 52-110.

Relevant Education and Experience

For a description of the education and experience of each Audit Committee member that is relevant to the performance of his responsibilities as a member of the Audit Committee, see "*Directors and Officers*".

Pre-Approval Policies and Procedures

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services.

Audit Fees

On March 15, 2022, PricewaterhouseCoopers LLP, the former auditor of the Company, resigned at the Company's request, and the Board appointed KPMG LLP, Chartered Professional Accountants, as its successor auditor.

KPMG LLP agreed upon fees in the fiscal year ended December 31, 2022 for audit services were C$851,276. PricewaterhouseCoopers LLP agreed upon fees in the fiscal year ended December 31, 2021 for audit services were C$240,000, R$586,000 in Brazil and €70,000 in Ireland.

Audit-Related Fees

KPMG LLP fees incurred in the fiscal year ended December 31, 2022 for assurance and related services related to the performance of the auditor's review for the Company's financial statements not included in audit fees above were $nil. PricewaterhouseCoopers LLP fees incurred in the fiscal year ended December 31, 2021 for assurance and related services related to the performance of the auditor's review for the Company's financial statements not included in audit fees above were C$55,000.

Tax Fees

KPMG LLP fees incurred in the fiscal year ended December 31, 2022 for professional tax services rendered were C$162,120 and €28,446. PricewaterhouseCoopers LLP fees incurred in the fiscal year ended December 31, 2021 for professional tax services rendered were C$nil and €76,826. The professional tax services related to tax compliance, tax planning and other related tax services.

All Other Fees

KPMG LLP fees incurred in the fiscal year ended December 31, 2022 for other advisory services rendered were C$29,960, of which C$10,700 were incurred in 2022 prior to KPMG LLP's appointment as auditor. PricewaterhouseCoopers LLP fees incurred in the fiscal year ended December 31, 2021 for other advisory services rendered were C$62,769.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Except as disclosed below, to the best of the Company's knowledge, there were no legal proceedings during the year ended December 31, 2022 to which the Company was a party or of which any of the Company's property was subject that would have had a material adverse effect on the Company, nor are there any such legal proceedings existing or contemplated to which the Company is a party or of which any of the Company's property is subject that would have a material adverse effect on the Company.

There have been no penalties or sanctions imposed against the Company by a court relating to securities legislation or by a securities regulatory authority during the fiscal year ended December 31, 2022 or any other time that would likely be considered important to a reasonable investor making an investment decision in the Company. The Company has not entered into any settlement agreements with a court relating to securities legislation or with a securities regulatory authority during the fiscal year ended December 31, 2022.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

No director or executive officer of the Company or any person or company who or that beneficially owns, or controls or directs, directly or indirectly, more than 10% of the Company's Common Shares (or any associate of affiliate of that person or company) has had any direct or indirect material interest in any transaction involving the Company since January 1, 2020 to the date hereof, or in any proposed transaction which has materially affected or would materially affect the Company or its subsidiaries other than as disclosed herein.

TRANSFER AGENT AND REGISTRAR

The Company's transfer agent is TSX Trust Company which is located in Toronto, Ontario.

MATERIAL CONTRACTS

Except for contracts entered into by the Company in the ordinary course of business or otherwise disclosed herein, the only material contracts entered into during the financial year ended December 31, 2022, or which remain in effect and can reasonably be regarded as presently material are:

- **Governance Agreement**, see "*Glossary*"; and
- **Director Nomination Agreement**, see "*Glossary*".

INTERESTS OF EXPERTS

Porfírio Cabaleiro Rodriguez, Mining Engineer, BSc (Min Eng), MAIG employed by GE21, Guilherme Gomides Ferreira, Mining Engineer, BSc (Min Eng), MAIG, associated to GE21, Fabio Valério Xavier, Geologist, BSc, Geol, MAIG, associated to GE21, and Marlon Sarges Ferreira, BSc (Geo), MAIG, associated to GE21 were the authors of the Technical Report - see "*Description of the Business - Material Project - Maracás Menchen Mine*".

To the knowledge of the Company, none of the aforementioned individuals had an interest in any securities or other properties of the Company, its associates or affiliates as at the date the individual prepared the applicable report or as at the date hereof, and none of the aforementioned individuals holds any other interest in the assets of the Company nor do they expect to receive such an interest.

The Company's Independent Registered Public Accounting Firm is KPMG LLP, Chartered Professional Accountants, Licensed Public Accountants, who have issued an independent auditor's report dated March 9, 2023 in respect of the Company's consolidated financial statements as at and for the year ended December 31, 2022. KPMG LLP has advised that it is independent with respect to the Company within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of Ontario and Public Company Accounting Oversight Board Rule 3520 Auditor Independence.

The Company's former Independent Registered Public Accounting Firm is PricewaterhouseCoopers LLP, Chartered Professional Accountants, Licensed Public Accountants, which issued a Report of Independent Registered Public Accounting Firm dated March 15, 2022 in respect of the company's consolidated financial statements as at and for the year ended December 31, 2021. PricewaterhouseCoopers LLP has advised that prior to March 15, 2022, they were independent with respect to the Company within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of Ontario and Public Company Accounting Oversight Board Rule 3520 Auditor Independence.

ADDITIONAL INFORMATION

Additional information, including directors' and officers' remuneration and indebtedness, principal holders of the Company's securities, and securities authorized for issuance under the Company's stock option plan is contained in the management information circular of the Company dated May 24, 2022.

Additional financial information is provided in the Company's annual consolidated financial statements and management's discussion and analysis for the year ended December 31, 2022. These documents and other information about the Company can be found on SEDAR under the Company's profile at www.sedar.com and on EDGAR at www.sec.gov.

Additional information, including directors' and officers' remuneration and indebtedness, principal holders of your company's securities and securities authorized for issuance under equity compensation plans is contained in the Company's management information circular dated May 24, 2022 for the annual and special meeting of its shareholders held on June 30, 2022. This document can be found on SEDAR under the Company's profile at www.sedar.com and on EDGAR at www.sec.gov.

Additional information about our LPV subsidiary, including discussion of its business and results, can be found in its public filings available on SEDAR at www.sedar.com.

SCHEDULE A
GLOSSARY

The following is a glossary of certain terms used in this AIF. Words below importing the singular, where the context requires, include the plural and vice versa, and words importing any gender include all genders .

"**AIF**"	means this annual information form.
"**ARC Funds**"	means, collectively, Arias Resource Capital Fund LP, Arias Resource Capital Fund II LP, and Resource Capital Fund II (Mexico) LP.
"**Audit Committee**"	means the audit committee of the Board.
"**Board**"	means the board of directors of the Company.
"**Campbell Pit**"	refers to the main vanadium deposit, the Campbell deposit, of the Maracás Menchen Mine.
"**Campo Alegre Project**"	means the Campo Alegre de Lourdes iron-titanium-vanadium exploration project in Brazil.
"**CCC**"	means Column Capital Corp.
"CFPOA"	means the Corruption of Foreign Public Officials Act of Canada
"**Common Shares**"	means the common shares in the capital of the Company.
"**Currais Novos Project**"	means the Currais Novos tungsten tailings project in Rio Grande De Norte, Brazil.
"**CRU**"	means the CRU Indices, which provide price assessments in the commodity markets.
"**DOE**"	means the United States Department of Energy
"**Director Nomination Agreement**"	means the amended and restated director nomination agreement entered into between the Company and ARC Funds in May 2015, as amended and restated March 2016, enabling them to designate (a) a total of three (3) additional persons to be nominated for election to Largo's Board for election by Largo shareholders for so long as the ARC Funds, whether individually or together, own at least 50% of the issued and outstanding Common Shares, (b) a total of two (2) additional persons to be nominated for election to Largo's Board for election by Largo shareholders for so long as the ARC Funds, whether individually or together, own less than 50% but not less than 40% of the issued and outstanding Common Shares, and (c) a total of one (1) additional person to be nominated for election to Largo's Board for election by Largo shareholders, for so long as the ARC Funds, whether individually or together, own less than 40% but not less than 20% of the issued and outstanding Common Shares. These nomination rights are supplemented the ARC Funds' existing right to nominate one (1) director to the Board under the Governance Agreement.
"**Expansion**"	means the Company's expansion of the Maracás Menchen Mine to increase production capacity from the nameplate rate of approximately 800 t month of V_2O_5 to 1,100 t/month, being an increase of 37.5% over nameplate capacity.
"**FCPA**"	means the Foreign Corrupt Practices Act of the United States.

"**feasibility study**"	is a comprehensive technical and economic study of the selected development option for a mineral project that includes appropriately detailed assessments of applicable Modifying Factors together with any other relevant operational factors and detailed financial analysis that are necessary to demonstrate, at the time of reporting, that extraction is reasonably justified (economically mineable). The results of the study may reasonably serve as the basis for a final decision by a proponent or financial institution to proceed with, or finance, the development of the project. The confidence level of the study will be higher than that of a Pre Feasibility Study.
"**FeV**"	means Ferrovanadium, an alloy formed by combining iron (Fe) and vanadium (V).
"**GAAP**"	means Generally Accepted Accounting Principles.
"**GE21**"	means GE21 Consultoria Mineral Ltda.
"GMR"	means Gladieux Metals Recycling.
"**Governance Agreement**"	means the amended and restated investor nomination rights and governance agreement, made as of the 9 th day of March, 2012, by the Company and the Lead Investors pursuant to which the Lead Investors are each entitled, among other things, to nominate one director to the Board so long as their holding of Common Shares represents no less than 10% of the issued and outstanding Common Shares.
"**Indicated Mineral Resource**"	is that part of a Mineral Resource for which quantity, grade or quality, densities, shape and physical characteristics are estimated with sufficient confidence to allow the application of Modifying Factors in sufficient detail to support mine planning and evaluation of the economic viability of the deposit. Geological evidence is derived from adequately detailed and reliable exploration, sampling and testing and is sufficient to assume geological and grade or quality continuity between points of observation. An Indicated Mineral Resource has a lower level of confidence than that applying to a Measured Mineral Resource and may only be converted to a Probable Mineral Reserve.
"**INEMA**"	means Instituto do Meio Ambiente e Recursos Hídricos.
"**Inferred Mineral Resource**"	is that part of a Mineral Resource for which quantity and grade or quality are estimated on the basis of limited geological evidence and sampling. Geological evidence is sufficient to imply but not verify geological and grade or quality continuity. An Inferred Mineral Resource has a lower level of confidence than that applying to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.
"**kg**"	means kilogram.
"**km**"	means kilometre.
"**kt**"	thousand tonnes.
"Largo Ireland"	means Largo Commodities Trading Limited, a 100% owned subsidiary of the Company.
"Largo USA"	Largo Resources USA Ltd.
"**Lead Investors**"	means ARC Funds, EP Cayman Ltd., Eton Park Master Fund, Ltd. and Ashmore Cayman SPC No. 2 Limited.

"**LCE**"	Largo Clean Energy Corporation, a 100% subsidiary of the Company.
"LDES"	means long duration energy storage.
"LPV"	Largo Physical Vanadium Corp.
"**m**"	means metre.
"**Maracás Menchen Mine**"	means the Maracás vanadium mine in Bahia State, Brazil, later renamed the Maracás Menchen Mine, which includes the Campbell Pit and the Ford Facility.
"**Maracás Project**"	means the vanadium deposit property in the municipality of Maracás in eastern Bahia State, Brazil.
"**Measured Mineral Resource**"	is that part of a Mineral Resource for which quantity, grade or quality, densities, shape, and physical characteristics are estimated with confidence sufficient to allow the application of Modifying Factors to support detailed mine planning and final evaluation of the economic viability of the deposit. Geological evidence is derived from detailed and reliable exploration, sampling and testing and is sufficient to confirm geological and grade or quality continuity between points of observation. A Measured Mineral Resource has a higher level of confidence than that applying to either an Indicated Mineral Resource or an Inferred Mineral Resource. It may be converted to a Proven Mineral Reserve or to a Probable Mineral Reserve.
"**Mineral Reserve**"	is the economically mineable part of a Measured and/or Indicated Mineral Resource. It includes diluting materials and allowances for losses, which may occur when the material is mined or extracted and is defined by studies at Pre Feasibility or Feasibility level as appropriate that include application of Modifying Factors. Such studies demonstrate that, at the time of reporting, extraction could reasonably be justified. The reference point at which Mineral Reserves are defined, usually the point where the ore is delivered to the processing plant, must be stated. It is important that, in all situations where the reference point is different, such as for a saleable product, a clarifying statement is included to ensure that the reader is fully informed as to what is being reported. The public disclosure of a Mineral Reserve must be demonstrated by a Pre Feasibility Study or Feasibility Study.
"**Mineral Resource**"	is a concentration or occurrence of solid material of economic interest in or on the Earth's crust in such form, grade or quality and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade or quality, continuity and other geological characteristics of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge, including sampling.
"**Modifying Factors**"	are considerations used to convert Mineral Resources to Mineral Reserves. These include, but are not restricted to, mining, processing, metallurgical, infrastructure, economic, marketing, legal, environmental, social and governmental factors.
"**NAN**"	Novo Amparo Norte.
"**Near Mine Targets**" or "**NMT**"	has the meaning given to that term under heading " *Description of the Business - Material Project - Maracás Menchen Mine*".
"**NI 43-101**"	means the Canadian Securities Administrators National Instrument 43-101 - *Standards of Disclosure for Mineral Projects*.

"**Northern Dancer Project**"	means the tungsten-molybdenum deposit property in Yukon Territory, Canada.
"**Offtake Agreement**"	means the offtake agreement dated May 13, 2008 with Glencore International AG pursuant to which the Company agreed to sell in U.S. dollars to Glencore, and Glencore agreed to acquire, 100% of the V_2O_5 production at the Maracás Menchen Mine. The Offtake Agreement was terminated effective April 30, 2020.
"**Pre Feasibility Study**"	is a comprehensive study of a range of options for the technical and economic viability of a mineral project that has advanced to a stage where a preferred mining method, in the case of underground mining, or the pit configuration, in the case of an open pit, is established and an effective method of mineral processing is determined. It includes a financial analysis based on reasonable assumptions on the Modifying Factors and the evaluation of any other relevant factors which are sufficient for a Qualified Person, acting reasonably, to determine if all or part of the Mineral Resource may be converted to a Mineral Reserve at the time of reporting. A Pre Feasibility Study is at a lower confidence level than a Feasibility Study.
"**Probable Mineral Reserve**"	is the economically mineable part of an Indicated, and in some circumstances, a Measured Mineral Resource. The confidence in the Modifying Factors applying to a Probable Mineral Reserve is lower than that applying to a Proven Mineral Reserve.
"**Proven Mineral Reserve**"	is the economically mineable part of a Measured Mineral Resource. A Proven Mineral Reserve implies a high degree of confidence in the Modifying Factors.
"SESR Policy"	means the Company's Safety, Environment and Social Responsibility Policy.
"TiO_2"	means titanium dioxide.
"**tonnes**" or "**t**"	means metric tonnes, where 1 tonne = 1,000 kg.
"**t/a**" or "**t/y**"	means tonnes per annum (year).
"**Technical Report**"	has the meaning given to that term under heading " *Description of the Business - Material Project - Maracás Menchen Mine*".
"**TSX**"	means the Toronto Stock Exchange.
"**V_2O_3**"	means vanadium trioxide.
"**V_2O_5**"	means vanadium pentoxide, the form vanadium is, generally, converted to following extraction.
"**vanadium**"	vanadium is a naturally occurring chemical element with the symbol "V" and atomic number 23. It is a hard, silvery-grey, ductile, malleable transition metal.
"**VMSA**"	means Largo Vanádio de Maracás S.A., a subsidiary of the Company.
"**VPURE Flakes**"	V_2O_5 flakes, have a guaranteed vanadium content of 98.5% and typical vanadium content of 99.0%.
"**VPURE+ Flakes**"	high purity V_2O_5 flakes, have a guaranteed vanadium content of 99.0% and a typical vanadium content of 99.9%.

"**VPURE+ Powder**" V_2O_5 powder, has a guaranteed vanadium content of 99.0% and a typical vanadium content of 99.9%.

"VRFB" means vanadium redox flow battery.

References to various elements, where not defined above, have the meaning given to them in the periodic table which is available in the public domain.

SCHEDULE B
AUDIT COMMITTEE CHARTER

LARGO INC.

This charter (the "**Charter**") sets forth the purpose, composition, responsibilities, duties, powers and authority of the Audit Committee (the "**Committee**") of the Board of Directors (the " **Board**") of Largo Inc. ("**Largo**").

1. PURPOSE

1.1 The purpose of the Committee is to assist the Board in fulfilling its oversight responsibilities with respect to:

- financial reporting and disclosure requirements;
- ensuring that an effective risk management and financial control framework has been implemented and tested by management of Largo; and
- external and internal audit processes.

2. COMPOSITION AND MEMBERSHIP

2.1 The Board will appoint the members ("**Members**") of the Committee after the annual general meeting of shareholders of Largo. The Members will be appointed to hold office until the next annual general meeting of shareholders of Largo or until their successors are appointed. The Board may remove a Member at any time and may fill any vacancy occurring on the Committee. A Member may resign at any time and a Member will cease to be a Member upon ceasing to be a director.

2.2 The Committee will consist of at least three directors, all of whom must be an " **Independent Director**"[1], taking into account the rules and regulations of any securities regulatory authorities and/or stock exchanges that may be applicable to Largo. All Members must be "**Financially Literate**"[2] and the Committee shall have at least one Member who has past employment experience in finance or accounting, requisite professional certification in accounting, or any other comparable experience or background which results in the individual's financial sophistication, including being or having been a chief executive officer, chief financial officer or other senior officer with financial oversight responsibilities. In addition, Members (i) must not, directly or indirectly, accept any consulting, advisory, or other compensatory fee from Largo (or any subsidiary), other than for Board or Committee service; (ii) must not be an "**Affiliated Person**"[3] of Largo or any of its subsidiaries; and (iii) must not have participated in the preparation of Largo's financial statements or those of any current Largo subsidiary at any time during the past three years. Each Member must also be free of any relationship which could, in the view of the Board, reasonably interfere with the exercise of such Member's independent judgment.

2.3 The Board will appoint one of the Members to act as the Chair of the Committee. The secretary of Largo (the " **Corporate Secretary**") will be the secretary of all meetings and will maintain minutes of all meetings and deliberations of the Committee. In the absence of the Corporate Secretary at any meeting, the Committee will appoint another person who may, but need not, be a Member to be the secretary of that meeting.

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[1] An **"Independent Director"** is a director who is "independent" as the term is defined in both National Instrument 52-110 - Audit Committees ("NI 52-110") and Nasdaq Rule 5605(a)(2), as each may be amended from time to time**,** and is, without limitation, a person other than an executive officer or employee of Largo or any other individual having a relationship which, in the opinion of the Board, would interfere with the exercise of independent judgment in carrying out the responsibilities of a director.

[2] "**Financially Literate**" means the ability to read and understand a set of fundamental financial statements, including Largo's balance sheet, income statement, and cash flow statement, that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised in Largo's financial statements.

[3] "**Affiliated Person**" means an "affiliate" of, or a person "affiliated" with, a specified person, which is a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the person specified.

3. MEETINGS

3.1 Meetings of the Committee will be held at such times and places as the Chair may determine, but in any event not less than four (4) times per year. Twenty-four (24) hours advance notice of each meeting will be given to each Member orally, by telephone, by facsimile or email, unless all Members are present and waive notice, or if those absent waive notice before or after a meeting. Members may attend all meetings either in person or by conference call.

3.2 At the request of the external auditors of Largo, the Chief Executive Officer or the Chief Financial Officer of Largo or any Member of the Committee, the Chair will convene a meeting of the Committee. Any such request will set out in reasonable detail the business proposed to be conducted at the meeting so requested.

3.3 The Chair, if present, will act as the Chair of meetings of the Committee. If the Chair is not present at a meeting of the Committee, then the Members present may select one of their number to act as Chair of the meeting.

3.4 Two Members will constitute a quorum for a meeting of the Committee. Each Member will have one vote and decisions of the Committee will be made by an affirmative vote of the majority. The Chair will not have a deciding or casting vote in the case of an equality of votes. Powers of the Committee may also be exercised by written resolution signed by all Members.

3.5 The Committee may invite from time to time such persons as it sees fit to attend its meetings and to take part in the discussion and consideration of the affairs of the Committee. The Committee will meet in camera without management at each meeting of the Committee.

3.6 In advance of every regular meeting of the Committee, the Chair, with the assistance of the Corporate Secretary, will prepare and distribute to the Members and others, as deemed appropriate by the Chair, an agenda of matters to be addressed at the meeting together with appropriate briefing materials. The Committee may require officers and employees of Largo to produce such information and reports as the Committee may deem appropriate in order to fulfill its duties.

4. DUTIES AND RESPONSIBILITIES

4.1 The duties and responsibilities of the Committee as they relate to the following matters are to:

Financial Reporting and Disclosure

4.2 Review and recommend to the Board for approval, the audited annual financial statements, including the auditors' report thereon, the quarterly financial statements, management discussion and analysis, financial reports, guidance with respect to earnings per share, and any public release of financial information through press release or otherwise, with such documents to indicate whether such information has been reviewed by the Board or the Committee.

4.3 Review and recommend to the Board for approval, where appropriate, financial information contained in any prospectus, annual information form, annual report to shareholders, management proxy circular, material change disclosure of a financial nature, and similar disclosure documents.

4.4 Review with management of Largo and with external auditors significant accounting principles and disclosure issues and alternative treatments under International Financial Reporting Standards ("**IFRS**"), all with a view to gaining reasonable assurance that financial statements are accurate, complete and present fairly Largo's financial position and the results of its operations in accordance with IFRS, as applicable.

4.5 Annually review Largo's Corporate Disclosure Policy and recommend any proposed changes to the Board for consideration.

4.6 Review the minutes from each meeting of the disclosure committee, established pursuant to Largo's Corporate Disclosure Policy, since the last meeting of the Committee.

4.7 Coordinate with and provide information to the Governance Committee as required in connection with the Governance Committee's responsibilities relating to environmental, social and governance ("**ESG**") related disclosure, policies and procedures, in particular relating to anti-bribery and corruption, cybersecurity and risk management generally.

Internal Controls and Audit

4.8 Review and assess the adequacy and effectiveness of Largo's system of internal control and management information systems, through discussions with management and the external auditor to ensure that Largo maintains:

(a) the necessary books, records and accounts in sufficient detail to accurately and fairly reflect Largo's transactions;

(b) effective internal control and management information systems (including to address cybersecurity threats); and

(c) adequate processes for assessing the risk of material misstatement of the financial statements and for detecting control weaknesses or fraud. From time to time the Committee will assess whether a formal internal audit department is necessary or desirable having regard to the size and stage of development of Largo at any particular time.

4.9 Satisfy itself that management has established adequate procedures for the review of Largo's disclosure of financial information extracted or derived from Largo's financial statements.

4.10 Satisfy itself that management has periodically assessed the adequacy of internal controls, systems and procedures in order to ensure compliance with regulatory requirements and recommendations.

4.11 Review and discuss Largo's major financial risk exposures and the steps taken to monitor and control such exposures, including the use of any financial derivatives and hedging activities, and the integration of relevant ESG risks into the Corporation's enterprise risk management (ERM) monitoring and control procedures.

4.12 Review and assess, and in the Committee's discretion make recommendations to the Board regarding, the adequacy of Largo's risk management policies and procedures with regard to identification of Largo's principal risks and implementation of appropriate systems to manage such risks, including, without limitation, an assessment of the adequacy of insurance coverage maintained by Largo.

4.13 Review and assess annually, and in the Committee's discretion make recommendations to the Board regarding Largo's investment policy.

External Audit

4.14 Be directly responsible for recommending the appointment, compensation, retention and termination of the external auditor and for oversight of the work of any external auditors for Largo.

4.15 Ensure the external auditors report directly to the Committee on a regular basis.

4.16 Review the independence of the external auditors, including a written report from the external auditors respecting their independence and consideration of applicable auditor independence standards.

4.17 Review and approve the fee, scope and timing of the audit and other related services rendered by the external auditors.

4.18 Review the audit plan of the external auditors prior to the commencement of the audit.

4.19 Establish and maintain a direct line of communication with Largo's external and internal auditors.

4.20 Meet in camera with only the auditors, with only management, and with only the Members of the Committee.

4.21 Review the performance of the external auditors who are accountable to the Committee and the Board as representatives of the shareholders, including the lead partner of the independent auditor's team.

4.22 Oversee the work of the external auditors appointed by the shareholders of Largo with respect to preparing and issuing an audit report or performing other audit, review or attest services for Largo, including the resolution of issues between management of Largo and the external auditors regarding financial disclosure.

4.23 Review the results of the external audit and the report thereon including, without limitation, a discussion with the external auditors as to the quality of accounting principles used, any alternative treatments of financial information that have been discussed with management of Largo, and the ramifications of their use as well as any other material changes. Review a report describing all material written communication between management and the auditors such as management letters and schedule of unadjusted differences.

4.24 Discuss with the external auditors their perception of Largo's financial and accounting personnel, records and systems, the cooperation which the external auditors received during their course of their review, and availability of records, data and other requested information and any recommendations with respect thereto.

4.25 Review the reasons for any proposed change in the external auditors which is not initiated by the Committee or Board and any other significant issues related to the change, including the response of the incumbent auditors, and enquire as to the qualifications of the proposed auditors before making its recommendations to the Board.

4.26 Review annually a report from the external auditors in respect of their internal quality-control procedures, any material issues raised by the most recent internal quality-control review, or peer review of the external auditors, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the external auditors, and any steps taken to deal with any such issues.

Associated Responsibilities

4.27 Monitor and periodically review the Whistleblower Policy and associated procedures for:

(a) the receipt, retention and treatment of complaints received by Largo regarding accounting, internal accounting controls or auditing matters;

(b) the confidential, anonymous submission by directors, officers and employees of Largo of concerns regarding questionable accounting or auditing matters; and

(c) any violations of any applicable law, rule or regulation that relates to corporate reporting and disclosure, or violations of Largo's Code of Business Conduct & Ethics, Anti-Corruption & Bribery Policy or other governance policies.

4.28 Review and approve Largo's hiring policies regarding employees and partners, and former employees and partners, of the present and former external auditor of Largo.

Non-Audit Services

4.29 Pre-approve all audit and non-audit services to be provided to Largo or any subsidiary entities by its external auditors or by the external auditors of such subsidiary entities. The Committee may delegate to one or more of its Members the authority, within certain limits, to pre-approve audit and non-audit services but pre-approval by such Member or Members so delegated shall be presented to the full Committee at its first scheduled meeting following such preapproval.

Oversight Function

4.30 While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that Largo's financial statements are complete and accurate or are in accordance with IFRS and applicable rules and regulations. These are the responsibilities of Management and the external auditors. The Committee, the Chair and any Members identified as having accounting or related financial expertise are members of the Board, appointed to the Committee to provide broad oversight of the financial, risk and control related activities of Largo, and are specifically not accountable or responsible for the day to day operation or performance of such activities. Although the designation of a Member as having accounting or related financial expertise for disclosure purposes is based on that individual's education and experience, which that individual will bring to bear in carrying out their duties on the Committee, such designation does not impose on such person any duties, obligations or liability that are greater than the duties, obligations and liability imposed on such person as a Member of the Committee and Board in the absence of such designation. Rather, the role of a Member who is identified as having accounting or related financial expertise, like the role of all Members, is to oversee the process, not to certify or guarantee the internal or external audit of Largo's financial information or public disclosure.

5. REPORTING

5.1 The Chair will report to the Board at each Board meeting on the Committee's activities since the last Board meeting. The Committee will annually review and approve the Committee's report for inclusion in the management proxy circular. The Corporate Secretary will circulate the minutes of each meeting of the Committee to the members of the Board.

6. ACCESS TO INFORMATION AND AUTHORITY

6.1 The Committee will be granted unrestricted access to all information regarding Largo and all directors, officers and employees will be directed to cooperate as requested by Members of the Committee. The Committee has the authority to retain, at Largo's expense, independent legal, financial and other advisors, consultants and experts, to assist the Committee in fulfilling its duties and responsibilities. The Committee also has the authority to communicate directly with internal and external auditors.

7. FUNDING

7.1 Largo must provide for appropriate funding, as determined by the Committee, for the payment of: (i) compensation to any external auditor engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for Largo; (ii) compensation to any advisors employed by the Committee pursuant to Section 6.1 hereof; and (iii) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

8. REVIEW OF CHARTER

8.1 The Committee will annually review and assess the adequacy of this Charter and recommend any proposed changes to the Board for consideration.

As approved on March 15, 2022.

Updated November 23, 2022.



Largo Inc.

Annual Consolidated Financial Statements

For the Years Ended December 31, 2022 and 2021

(Expressed in thousands / 000's of U.S. dollars)

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Management's Responsibility for Financial Reporting

The accompanying consolidated financial statements of Largo Inc. (formerly Largo Resources Ltd.) (the "Company" or "Largo") for the years ended December 31, 2022 and 2021 have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board. Management is responsible for the preparation and presentation of the consolidated financial statements, including responsibility for significant accounting judgments and estimates and, where relevant, the choice of accounting principles.

In discharging its responsibility for the integrity and fairness of the consolidated financial statements, management designs and maintains the necessary accounting systems and an appropriate system of internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained.

The board of directors (the "Board" or "Board of Directors") and the Audit Committee are composed primarily of Directors who are neither management nor employees of the Company. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial information presented. The Board fulfills these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and the independent auditors. The Audit Committee has the responsibility of meeting with management and the independent auditors to discuss the internal controls over the financial reporting process, auditing matters and financial reporting issues. The Board is also responsible for recommending the appointment of the Company's external independent auditors.

The Company's independent auditors audit the consolidated financial statements annually on behalf of the Company's shareholders. The Company's independent auditors have full and free access to management and the Audit Committee.

/s/ "Daniel Tellechea"

Daniel Tellechea

Interim Chief Executive Officer

March 9, 2023

/s/ "Ernest Cleave"

Ernest Cleave

Chief Financial Officer

March 9, 2023

Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Directors of Largo Inc.

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated statement of financial position of Largo Inc. (the Company) as of December 31, 2022, the related consolidated statement of income (loss) and comprehensive income (loss), statement of changes in equity, and statement of cash flows for the year ended December 31, 2022, and the related notes (collectively, the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2022, and the results of its financial performance and its cash flows for the year ended December 31, 2022, in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audit, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audit included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audit provides a reasonable basis for our opinion.

/s/ KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

We have served as the Company's auditor since 2022.

Toronto, Canada

March 9, 2023

Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Directors of Largo Inc. (formerly Largo Resources Ltd.)

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated statement of financial position of Largo Inc. (formerly Largo Resources Ltd.) and its subsidiaries (together, the Company) as of December 31, 2021, and the related consolidated statements of income (loss) and comprehensive income (loss), changes in equity and cash flows for the year then ended, including the related notes (collectively referred to as the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2021, and its financial performance and its cash flows for the year then ended in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's consolidated financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit of these consolidated financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud.

Our audit included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audit provides a reasonable basis for our opinion.

/s/ PricewaterhouseCoopers LLP

Chartered Professional Accountants, Licensed Public Accountants

Toronto, Canada

March 15, 2022

We served as the Company's auditor from 2014 to 2022.

Largo Inc.

Expressed in thousands / 000's of U.S. dollars

Consolidated Statements of Financial Position

	Notes	As at December 31, 2022	December 31, 2021
Assets			
Cash		**$ 54,471**	$ 83,790
Restricted cash		**470**	448
Amounts receivable	4	**20,975**	23,684
Inventory	5	**64,221**	45,322
Prepaid expenses		**14,007**	6,734
Total Current Assets		**154,144**	159,978
Other intangible assets	6	**7,263**	3,929
Mine properties, plant and equipment	7	**175,237**	146,659
Vanadium assets	14	**14,510**	-
Deferred income tax asset	16(b)	**4,596**	3,343
Total Non-current Assets		**201,606**	153,931
Total Assets		**$ 355,750**	$ 313,909
Liabilities			
Current portion of lease liability	8	**581**	563
Accounts payable and accrued liabilities	9	**$ 26,634**	$ 19,723
Deferred revenue		**1,698**	5,469
Debt	10	**4,000**	15,000
Current portion of provisions	11	**6,060**	913
Total Current Liabilities		**38,973**	41,668
Lease liability	8	**1,473**	1,987
Non-current accounts payable and accrued liabilities	9	**326**	-
Long term debt	10	**36,000**	-
Provisions	11	**4,424**	4,557
Total Non-current Liabilities		**42,223**	6,544

Total Liabilities		**81,196**	48,212
Equity			
Issued capital	12	**411,646**	415,982
Equity reserves	13	**14,138**	17,814
Accumulated other comprehensive loss		**(112,165)**	(118,772)
Deficit		**(48,227)**	(49,327)
Equity attributable to owners of the Company		**265,392**	265,697
Non-controlling Interest	14	**9,162**	-
Total Equity		**274,554**	265,697
Total Liabilities and Equity		**$ 355,750**	$ 313,909
Commitments and contingencies	7, 19		
Subsequent events	24		

--The accompanying notes form an integral part of the consolidated financial statements--

Largo Inc.

Expressed in thousands / 000's of U.S. dollars and shares (except per share information)

Consolidated Statements of Income (Loss) and Comprehensive Income (Loss)

	Notes	Years ended December 31, 2022	2021
Revenues	22	**$ 229,251**	$ 198,280
Expenses			
Operating costs	23	**(169,719)**	(133,010)
Professional, consulting and management fees		**(25,277)**	(17,922)
Foreign exchange gain		**1,584**	610
Other general and administrative expenses	23	**(14,319)**	(6,404)
Share-based payments	13	**(2,372)**	(3,135)
Finance costs	23	**(1,588)**	(1,135)
Interest income		**1,109**	403
Technology start-up costs		**(12,695)**	(3,835)
Exploration and evaluation costs		**(1,935)**	(2,093)
		(225,212)	(166,521)
Net income before tax		**$ 4,039**	$ 31,759
Income tax expense	16(a)	**(7,688)**	(5,430)
Deferred income tax recovery (expense)	16(a)	**1,423**	(3,758)
Net income (loss)		**$ (2,226)**	$ 22,571
Other comprehensive income (loss)			
Items that subsequently will be reclassified to operations:			
Unrealized gain (loss) on foreign currency translation		**6,607**	(10,334)
Comprehensive income		**$ 4,381**	$ 12,237
Net income (loss) attributable to:			
Owners of the Company		**$ (1,451)**	$ 22,571
Non-controlling interests		**$ (775)**	$ -
		$ (2,226)	$ 22,571
Comprehensive income attributable to:			
Owners of the Company		**$ 5,156**	$ 12,237
Non-controlling interests		**$ (775)**	$ -
		$ 4,381	$ 12,237
Basic earnings (loss) per Common Share	15	**$ (0.03)**	$ 0.35
Diluted earnings (loss) per Common Share	15	**$ (0.03)**	$ 0.35
Weighted Average Number of Shares Outstanding (in 000's)			
- Basic	15	**64,446**	64,048
- Diluted	15	**64,446**	65,045

--The accompanying notes form an integral part of the consolidated financial statements--

Largo Inc.

Expressed in thousands / 000's of U.S. dollars and shares

Consolidated Statements of Changes in Equity

	Attributable to owners of the Company						
	Shares	Issued Capital	Equity Reserves	Accumulated Other Comprehensive Loss	Deficit	Non-controlling interest	Shareholders' Equity
Balance at December 31, 2020	58,779	$ 406,214	$ 21,291	$ (108,438)	$ (71,903)	$ -	$ 247,164
Grant of stock options and restricted share units	-	-	1,580	-	-	-	1,580
Share-based payments	-	-	1,555	-	-	-	1,555
Exercise of warrants	5,723	7,982	(5,344)	-	-	-	2,638
Exercise of stock options	156	944	(421)	-	-	-	523
Exercise of restricted share units	69	842	(842)	-	-	-	-
Expiry of warrants	-	-	(5)	-	5	-	-
Currency translation adjustment	-	-	-	(10,334)	-	-	(10,334)
Net income for the year	-	-	-	-	22,571	-	22,571
Balance at December 31, 2021	64,727	$ 415,982	$ 17,814	$ (118,772)	$ (49,327)	$ -	$ 265,697
Share-based payments	**-**	**-**	**2,372**	**-**	**-**	**-**	**2,372**
Exercise of warrants	**10**	**124**	**(34)**	**-**	**-**	**-**	**90**
Exercise of stock options	**36**	**320**	**(133)**	**-**	**-**	**-**	**187**
Exercise of restricted share units	**106**	**1,308**	**(1,308)**	**-**	**-**	**-**	**-**
Expiry of warrants	**-**	**-**	**(4,573)**	**-**	**4,573**	**-**	**-**
Share repurchase	**(873)**	**(6,088)**	**-**	**-**	**-**	**-**	**(6,088)**
Sale of non-controlling interest (note 14)	**-**	**-**	**-**	**-**	**(2,022)**	**9,937**	**7,915**
Currency translation adjustment	**-**	**-**	**-**	**6,607**	**-**	**-**	**6,607**
Net loss for the year	**-**	**-**	**-**	**-**	**(1,451)**	**(775)**	**(2,226)**
Balance at December 31, 2022	**64,006**	**$ 411,646**	**$ 14,138**	**$ (112,165)**	**$ (48,227)**	**$ 9,162**	**$ 274,554**

--The accompanying notes form an integral part of the consolidated financial statements--

Largo Inc.

Expressed in thousands / 000's of U.S. dollars

Consolidated Statements of Cash Flows

	Notes	Years ended December 31, 2022	2021
Operating Activities			
Net income (loss) for the year		**$ (2,226)**	$ 22,571
Adjustment for Non-cash Items			
Depreciation		**23,278**	22,511
Share-based payments	13	**2,372**	3,135
Unrealized foreign exchange (gain) loss		**(4,580)**	324
Non-cash listing expense	14	**571**	-
Finance costs	23	**1,588**	1,135
Interest income		**(1,109)**	**(403)**
Income tax expense	16(a)	**7,688**	5,430
Deferred income tax (recovery) expense	16(a)	**(1,423)**	3,758
Income tax paid		**(4,735)**	(3,099)
Cash Provided Before Working Capital Items		**21,424**	55,362
Change in amounts receivable		**3,573**	(5,447)
Change in inventory		**(15,710)**	(11,047)
Change in prepaid expenses		**(7,232)**	(3,155)
Changes in accounts payable and accrued liabilities and provisions		**5,176**	1,818
Change in deferred revenue		**(3,771)**	2,246
Net Cash Provided by Operating Activities		**3,460**	39,777
Financing Activities			
Receipt of debt	10	**55,000**	15,000
Repayment of debt	10	**(30,000)**	(24,788)
Interest paid		**(616)**	-
Interest received		**1,109**	403
Lease payments		**(569)**	(230)
Change in restricted cash		**(22)**	(448)
Sale of non-controlling interest	14	**7,344**	-
Share repurchase	12	**(6,088)**	-
Issuance of common shares	13	**277**	3,161
Net Cash Provided by (Used in) Financing Activities		**26,435**	(6,902)
Investing Activities			
Intangible asset**s**		**(3,444)**	-
Mine properties, plant and equipment		**(42,193)**	(27,399)
Vanadium assets		**(14,510)**	-
Net Cash Used in Investing Activities		**(60,147)**	(27,399)
Effect of foreign exchange on cash		**933**	(831)
Net Change in Cash		**(29,319)**	4,645
Cash position - beginning of the year		**83,790**	79,145
Cash Position - end of the year		**$ 54,471**	$ 83,790

--The accompanying notes form an integral part of the consolidated financial statements--

Notes to the Annual Consolidated Financial Statements

1) Nature of operations

Largo Inc. ("the Company") is a producer and supplier of high-quality vanadium products, which are sourced from one of the world's highest-grade vanadium deposits at the Company's Maracás Menchen Mine located in Brazil. The Company is also focused on the advancement of renewable energy storage solutions through Largo Clean Energy and its vanadium redox flow battery technology ("VRFB"), as well as providing investors with exposure to physical vanadium through Largo Physical Vanadium Corp. ("LPV"). In addition to advancing its US- based clean energy storage business, the Company is in the process of implementing an ilmenite concentration plant using feedstock from its existing operations. While the Company's Maracás Menchen Mine has reached commercial production, future changes in market conditions and feasibility estimates could result in the Company's mineral resources not being economically recoverable.

On November 8, 2021, the Company changed its legal name from Largo Resources Ltd. to Largo Inc.

The Company is a corporation governed by the Business Corporations Act (Ontario) and domiciled in Canada whose shares are listed on the Toronto Stock Exchange ("TSX") and on the Nasdaq Stock Market ("Nasdaq"). The head office, principal address and records office of the Company are located at 55 University Avenue, Suite 1105, Toronto, Ontario, Canada M5J 2H7.

2) Statement of compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to a going concern. The significant accounting policies applied in these consolidated financial statements are presented in note 3 and are based on IFRS effective as at December 31, 2022.

The consolidated financial statements were approved by the Board of Directors of the Company on March 9, 2023.

3) Basis of preparation, significant accounting policies, and future accounting changes

These consolidated financial statements have been prepared on a historical cost basis except for certain financial instruments which are measured at fair value and certain inventory balances carried at net realizable value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

The preparation of financial statements in accordance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

These consolidated financial statements are presented in thousands of U.S. dollars, unless otherwise noted. References to the symbol "C$" or "CAD" mean the Canadian dollar, references to the symbol "EUR" mean the Euro and references to the symbol "R$" or "BRL" mean the Brazilian real, the official currency of Brazil.

a) Basis of consolidation

Subsidiaries consist of entities over which the Company is exposed to, or has rights to, variable returns as well as the ability to affect those returns through the power to direct the relevant activities of the entity. Subsidiaries are consolidated from the date control is transferred to the Company and are de-consolidated from the date control ceases. The consolidated financial statements include all the assets, liabilities, revenues, expenses and cash flows of the Company and its subsidiaries after eliminating inter-entity balances and transactions.

On February 3, 2022, the Company announced the creation of Largo Physical Vanadium Corp ("LPV"), the shares of which commenced trading on the TSX Venture Exchange ("TSXV") on September 28, 2022 (refer to note 14)..

The consolidated financial statements include the financial condition and results of operations of the Company and its subsidiaries as outlined below.

Name	Property (Country)	December 31, 2022	December 31, 2021	Arrangement	Accounting Method
Largo Vanádio de Maracás S.A.	Maracás Menchen Mine (Brazil)	99.94%	99.94%	Subsidiary	Consolidation
Largo Titânio Ltda.	N/A (Brazil)	100%	100%	Subsidiary	Consolidation
Largo Commodities Trading Ltd.	N/A (Ireland)	100%	100%	Subsidiary	Consolidation
Largo Resources USA Inc.	N/A (USA)	100%	100%	Subsidiary	Consolidation
Largo Clean Energy Corp.	N/A (USA)	100%	100%	Subsidiary	Consolidation
Largo Physical Vanadium Corp.	N/A (Canada)	65.70%	-%	Subsidiary	Consolidation

b) Functional and presentation currency

The consolidated financial statements are presented in U.S. dollars which is the functional and reporting currency of the Company. The functional currency of the Company's subsidiares is also the U.S. Dollar, other than its Brazilian subsidiaries, for which it is the Brazilian Real, and Largo Resources (Yukon) Ltd., for which it is the Canadian dollar. The Company reconsiders the functional currency of its operations if there is a change in events and conditions which determine the primary economic environment. This is a significant judgment considering the significance of the revenues and costs to the Company's activities, and the primary economic environments in which the Company and its subsidiaries operate.

On October 1, 2022, the functional currency of LPV changed prospectively to the U.S. Dollar from the Canadian Dollar. The change occurred because LPV began its principal operations and made purchases of vanadium, which is predominantly priced in U.S. Dollars.

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items denominated in foreign currencies are translated at the rates prevailing on the transaction dates. Income and expenses are translated at the average exchange rates for the period where these approximate the rates on the dates of transactions.

Exchange differences are recognized in the consolidated statement of income (loss) and comprehensive income (loss) in the period in which they arise. All other foreign exchange gains and losses are presented in the consolidated statement of income (loss) and comprehensive income (loss) within "foreign exchange (loss)".

The financial statements of subsidiaries that do not have the U.S. dollar as the functional currency are translated into U.S. dollars as follows: assets and liabilities - at the closing rate at the date of the statement of financial position; income and expenses - at the average rate for the period (if this is considered a reasonable approximation to actual rates) or at the rate on the date of transaction. All resulting changes are recognized in other comprehensive income (loss) as foreign currency translation adjustments.

c) Significant accounting policies

1. Cash and cash equivalents

   Cash and cash equivalents comprise cash on hand and call deposits, and other short-term (90 days or less) highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. At December 31, 2022 and 2021, the Company held no cash equivalents.

Notes to the Annual Consolidated Financial Statements

2. Inventories

Finished products inventory, work-in-process inventory and stockpiles are measured at the lower of weighted average production cost or average purchase cost and net realizable value. Warehouse materials are measured at the lower of average purchase cost and net realizable value. Battery components inventory is measured at the lower of average purchase cost and net realizable value. Net realizable value is calculated as the difference between the estimated selling price and estimated costs to complete processing into a saleable form and variable selling expenses. The Company's vanadium products are accounted for as finished products inventory.

Production costs include the cost of materials, labour, mine site production overheads, depreciation and conversion costs to the applicable stage of processing.

The cost of ore stockpiles is increased based on the related current cost of production for the period and decreases in stockpiles are charged to cost of sales using the weighted average cost per tonne. Stockpiles are segregated between current and non-current inventories in the consolidated statement of financial position based on the period of planned usage.

Provisions for redundant and slow-moving items are made by reference to specific items of inventory. The Company reverses provisions where there is a subsequent increase in net realizable value and where the inventory is still on hand.

Spare parts, stand-by and servicing equipment held are generally classified as inventories. Major capital spare parts and stand-by equipment (insurance spares) are classified as a component of mine properties, plant and equipment.

3. Vanadium assets

Vanadium assets are the quantities of vanadium owned by LPV, or owned by another Largo entity pending future transfer to LPV, that are intended to be held for rental to others and long-term price appreciation. This differs from the quantities held for sale to customers that are recognized as finished products inventory. Vanadium assets are measured at cost less accumulated impairment losses. The initial cost of vanadium assets comprises its purchase price or cost of production. Purchased vanadium assets are recognized on the date that control of the vanadium asset passes to the Company.

4. Mineral exploration, evaluation and development properties

- Exploration and evaluation properties

Expenditures on exploration and evaluation activities are expensed to exploration and evaluation costs in the consolidated statement of income (loss) and comprehensive income (loss). The cost of acquiring prospective properties and exploration rights is capitalized to exploration and evaluation properties in the consolidated statement of financial position.

Post-acquisition exploration and evaluation costs relate to the initial search for deposits with economic potential and to detailed assessments of deposits or other projects that have been identified as having economic potential.

Once an area is determined to be technically feasible and commercially viable, and the decision to proceed with development has been approved, exploration and evaluation assets attributable to that area are first tested for impairment and then reclassified to development properties.

Subsequent recovery of the resulting carrying value depends on successful development or sale of the undeveloped project.

- Development properties

Once an area is determined to be technically feasible and commercially viable, and the decision to proceed with development has been approved, the expenditures related to construction are capitalized to development properties in the consolidated statement of financial position. Costs associated with the commissioning of new assets in the period before they are operating in the way intended by management are capitalized. Interest on borrowings related to the construction and development of qualifying assets are capitalized until substantially all the activities required to make the asset ready for its intended use are complete.

Amounts received from selling items produced while the Company prepares the asset for its intended use are recognized in the consolidated statement of income (loss) and comprehensive income (loss) together with the cost of producing these items.

5. Mine properties, plant and equipment

The initial cost of an asset comprises its purchase price or construction cost, any costs directly attributable to bringing the asset into operation, the initial estimate of the rehabilitation obligation, and for qualifying assets, borrowing costs. The purchase price or construction cost is the aggregate amount paid and the fair value of any other consideration given to acquire or construct the asset and includes the direct charges associated with bringing the asset to the location and condition necessary for putting it into use. The capitalized value of a right of use asset is also included within mine properties, plant and equipment.

When a mine construction project moves into the production stage, the capitalization of certain mine construction costs ceases and costs are either regarded as inventory or expensed, except for costs which qualify for capitalization relating to mining asset additions or improvements, or mineable reserve development.

When parts of an item of plant and equipment have different useful lives, they are accounted for as separate items (major components) of equipment.

6. Depreciation

Effective from the point an asset is available for its intended use, mine properties, plant and equipment are depreciated using either the straight line, or units-of-production methods over the shorter of the estimated economic life of the asset or the mining operation. Depreciation and amortization are determined based on the method which best represents the use of the assets.

The reserve and resource estimates for each mining operation are the prime determinants of the life of a mine. In general, when the useful life of mine properties, plant and equipment is akin to the life of the mining operation and the ore body's mineralization is reasonably well defined, the asset is depreciated on a units-of-production basis over its proven and probable mineral reserves. The Company evaluates the estimate of mineral reserves and resources at least on an annual basis and adjusts the units-of- production calculation prospectively. In 2022 and 2021, the Company has not incorporated any non- reserve material in its depreciation calculations on a units-of-production basis. Life of Mine ("LOM") plans are typically developed annually and are based on management's current best estimates of optimized mine and processing plans, future operating costs and the assessment of capital expenditures of a mine site. Any change in the useful life is adjusted prospectively.

The estimated useful lives for buildings, machinery and equipment ranges from 10 to 30 years. Office equipment and computers are depreciated using the straight-line method, with estimated useful lives of 5 years and 3 years, respectively. Vehicles are depreciated using the declining balance method using a rate of 20%.

Amounts related to capitalized costs of exploration and evaluation assets, development properties and construction in progress are not amortized as the assets are not available for use.

Costs associated with stripping activities in an open pit mine are expensed within cost of sales unless the stripping activity can be shown to improve access to further quantities of ore that will be mined in future periods, in which case, the stripping costs are capitalized to mining properties within property, plant and equipment. Furthermore, stripping costs are capitalized to inventory to the extent that the benefits of the stripping activity relate to production inventories or ore stockpiles. Capitalized stripping costs are depreciated over the reserves that directly benefit from the specific stripping activity using the units-of-production method. Capitalized borrowing costs are amortized over the useful life of the related asset. Residual values, useful lives and amortization methods are reviewed at least annually and adjusted if appropriate. The impact of changes to the estimated useful lives, change in depreciation method or residual values is accounted for prospectively.

Notes to the Annual Consolidated Financial Statements

7. Other intangible assets

   Other intangible assets includes acquired intellectual property, which is initially recognized at fair value, and software developed for the Company's sole use and benefit, which is initially recognized at cost, including license fees and software development costs. The initial fair value of the acquired intellectual property was determined through reference to the acquisition cost paid. Other intangible assets are amortized on a straight-line basis over their useful life. The estimated useful life of the intellectual property is 10 years and 5 years for software.

8. Impairment of non-financial assets

   The carrying values of capitalized exploration and evaluation properties, development properties, mine properties, plant and equipment, vanadium assets and other intangible assets are assessed by management for impairment when indicators of such impairment exist. If any indication of impairment exists an estimate of the asset's recoverable amount is calculated. The recoverable amount is determined as the higher of the fair value less costs of disposal ("FVLCD") of the asset and the asset's value in use ("VIU").

   Impairment is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. If this is the case, the individual assets of the Company are grouped together into cash generating units ("CGUs") for impairment purposes. Such CGUs represent the lowest level for which there are separately identifiable cash inflows that are largely independent of the cash flows from other assets or other groups of assets. This generally results in the Company evaluating its non-financial assets on a mine or project basis.

   If the carrying amount of the asset or CGU exceeds its recoverable amount, the asset or CGU is impaired, and an impairment loss is charged to the consolidated statement of income (loss) and comprehensive income (loss) so as to reduce the carrying amount to its recoverable amount.

   A previously recognized impairment loss is reversed only if there has been a change in the factors which gave rise to the triggering event. If this is the case, the carrying amount of the asset is increased to its recoverable amount. The increased amount cannot exceed the carrying amount that would have been determined, net of depreciation/amortization, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the consolidated statement of income (loss) and comprehensive income (loss).

9. Borrowing costs

   Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

   Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are recognized in the consolidated statement of income (loss) and comprehensive income (loss) in the period in which they are incurred.

Notes to the Annual Consolidated Financial Statements

10. Revenues

Revenues include sales of vanadium products and will include sales of vanadium redox flow batteries in future periods. The Company's three principal vanadium products are vanadium pentoxide ("V^2O^5"), ferrovanadium ("FEV"), and vanadium trioxide ("V^2O^3"). The Company recognizes revenue when it transfers control of a product to the customer. The principal activity from which the Company generates its revenue is the sale of vanadium products to third parties. Delivery of the vanadium product is considered to be the only performance obligation. Revenues are measured based on the consideration specified in the contract with the customer.

Revenues are recognized on the sale of VRFBs as the Company satisfies the performance obligations in its contracts. For the Company's current VRFB contract, the performance obligation is assessed to be the acceptance of the installed VRFB by the customer.

11. Deferred revenue

Deferred revenue is recognized in the consolidated statement of financial position when a cash prepayment is received from a customer prior to the recognition of revenue. Revenue is subsequently recognized in the consolidated statement of income (loss) and comprehensive income (loss) when control has been transferred to the customer. The Company determines the current portion of deferred revenue based on quantities anticipated to be delivered over the next twelve months.

12. Share-based payments

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based payment transactions are set out in note 13.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a graded vesting basis over the period during which the employee becomes unconditionally entitled to equity instruments, based on the Company's estimate of equity instruments that will eventually vest. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognized in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity reserve.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

For those options and warrants that expire after vesting, the recorded value is transferred to deficit.

13. Taxation

Income and deferred income tax expense or recovery is comprised of current and deferred tax. Current and deferred taxes are recognized in the consolidated statement of income (loss) and comprehensive income (loss) except to the extent that they relate to an asset acquisition, or items recognized directly in equity or in other comprehensive income (loss). The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether it is probable that additional taxes will be due.

- Current tax

  Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using the tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of the previous years.

- Deferred tax

  Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

  Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

  The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

  Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

  Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its tax assets and liabilities on a net basis.

14. Financial instruments

Financial instruments are recognized on the consolidated statement of financial position on the trade date, the date on which the Company or its subsidiaries become party to the contractual provisions of the financial instrument. All financial instruments are required to be classified and measured at fair value on initial recognition. The Company recognizes financial assets and financial liabilities on the date the Company becomes a party to the contractual provisions of the instruments. A financial asset is derecognized either when the Company has transferred substantially all the risks and rewards of ownership of the financial asset or when cash flows expire. A financial liability is derecognized when the obligation specified in the contract is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the consolidated statement of income (loss) and comprehensive income (loss). Certain financial instruments are recorded at fair value in the consolidated statement of financial position.

- Non-derivative financial instruments

  Non-derivative financial instruments are recognized initially at fair value plus attributable transaction costs, where applicable, for financial instruments not classified as fair value through profit or loss. Subsequent to initial recognition, non-derivative financial instruments are classified and measured as described below.

  Financial assets at fair value through profit or loss ("FVTPL")

  Cash and restricted cash are classified as financial assets at FVTPL and are measured at fair value. Cash includes short-term investments with initial maturities of three months or less. The unrealized gains or losses related to changes in fair value of cash and restricted cash are reported in the consolidated statement of income (loss) and comprehensive income (loss).

  Amortized cost

  Amounts receivable are classified as and measured at amortized cost using the effective interest rate ("EIR") method, less expected credit losses. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. EIR amortization is included in finance costs in the consolidated statement of income (loss) and comprehensive income (loss).

  Non-derivative financial liabilities

  Accounts payable and accrued liabilities, debt, and other long-term liabilities are classified as and accounted for at amortized cost, using the EIR method. The amortization of any long-term debt issue costs is calculated using the EIR method. Gains and losses are recognized in the consolidated statement of income (loss) and comprehensive income (loss) when the liabilities are derecognized, as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

- Derivative financial instruments

  The Company may hold derivative financial instruments to hedge its risk exposure to fluctuations of other currencies compared to the U.S. dollar. All derivative instruments not designated in a hedge relationship that qualifies for hedge accounting are classified as financial instruments at
  FVTPL.

  Further, any equity instrument that does not satisfy the fixed-for-fixed criteria for classification in equity at the grant date will be classified as a derivative financial instrument.

  Derivative financial instruments at FVTPL, including embedded derivatives requiring separation from its host, are recorded in the consolidated statement of financial position at fair value.

  Changes in estimated fair value of non-hedge derivatives at each reporting date are included in the consolidated statement of income (loss) and comprehensive income (loss).

  Embedded derivatives in financial liabilities measured at amortized cost are separated from the host contract and accounted for separately if the economic characteristics and risks of the host contract and the embedded derivative are not closely related.

Fair value of financial instruments

The fair value of financial instruments that are traded in active markets at each reporting date is determined by reference to quoted market prices or dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction costs. For financial instruments not traded in an active market, the fair value is determined using appropriate valuation techniques. Such techniques may include using recent arm's length market transactions; reference to the current fair value of another instrument that is substantially the same; discounted cash flow analysis or other valuation models.

Impairment of financial assets

The Company recognizes loss allowances for expected credit losses ("ECLs") on its financial assets measured at amortized cost. Loss allowances for other receivables are always measured at an amount equal to the lifetime ECL. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information. The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 60 days past due.

The Company considers a financial asset to be in default when the debtor is unlikely to pay its credit obligations to the Company in full when due or if the financial asset is more than 120 days past due.

- Measurement of ECLs

  ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls, which is the difference between the cash flows due to the Company and the cash flows expected to be received.

- Credit-impaired financial assets

  At each reporting date, the Company assesses whether financial assets carried at amortized cost are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred, such as a default or being more than 120 days past due.

- Presentation of allowance for ECLs

  Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

- Write-off

  The gross carrying amount of a financial asset carried at amortized cost is written off, either partially or in full, to the extent that there is no realistic prospect of recovery.

15. Provisions

- General

  Provisions are recognized when (a), the Company has a present obligation (legal or constructive) as a result of a past event, and (b), it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to any provision is presented in the consolidated statement of income (loss) and comprehensive income (loss), net of any reimbursements received, or virtually certain to be received. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized in the consolidated statement of income (loss) and comprehensive income (loss).

- Environmental rehabilitation

  The Company records the present value of estimated costs of legal and constructive obligations required to restore operating locations in the period in which the obligation is incurred. The nature of these restoration activities includes dismantling and removing structures, rehabilitating mines and tailings ponds, dismantling operating facilities, closure of plant and waste sites, and restoration, reclamation and re-vegetation of affected areas.

  The obligation generally arises when the asset is installed or the ground / environment is disturbed at the production location. When the liability is initially recognized, the present value of the estimated cost is capitalized by increasing the carrying amount of the related asset. Over time, the discounted liability is increased for the change in present value based on the discount rates that reflect current market assessments and the risks specific to the liability. The periodic unwinding of the discount is recognized in the consolidated statement of income (loss) and comprehensive income (loss). Additional disturbances or changes in rehabilitation costs will be recognized as additions or charges to the corresponding assets and rehabilitation liability when they occur. For closed sites, changes to estimated costs are recognized immediately in the consolidated statement of income (loss) and comprehensive income (loss).

16. Earnings (loss) per share

Earnings (loss) per share is based on the weighted average number of common shares of the Company outstanding during the period. The diluted earnings (loss) per share reflects the potential dilution of common share equivalents, such as outstanding stock options, warrants and restricted share units, in the weighted average number of common shares outstanding during the period, if dilutive. In the Company's case, diluted loss per share is the same as basic loss per share in the current period presented as the effects of including all convertible securities would be anti-dilutive. If the number of ordinary or potential ordinary shares outstanding increases as a result of a capitalization, bonus issue or share split, or decreases as a result of a reverse share split, the calculation of basic and diluted earnings per share for all periods presented shall be adjusted retrospectively. If these changes occur after the reporting period but before the financial statements are authorized for issue, the per share calculations for those and any prior period financial statements presented shall be based on the new number of shares.

17. Leases

At the inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset;
- the Company has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use; and
- the Company has the right to direct the use of the asset.

The Company recognizes a right-of-use asset and a lease liability at the commencement date of the lease (i.e. the date the underlying asset is first made available for use). Right-of-use assets are measured at cost, less any accumulated amortization and impairment losses, and adjustments are made for any remeasurement of lease obligations. The cost of a right-of-use asset includes the initial lease obligations recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate.

The lease liability is measured at amortized cost using the effective interest method and is remeasured when there is a change in future lease payments arising from a change in an index or rate or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the consolidated statement of income (loss) and comprehensive income (loss) if the carrying amount of the right-of-use asset has been reduced to zero.

Lease payments for short-term leases, leases of low-value assets and variable lease payments not included in the measurement of the lease liability are classified as cash flows from operating activities. Cash payments for the principal portion of the lease liability are included in financing activities and cash payments for the interest paid portion of the lease liability are included in debt issue costs, interest, guarantee fees and other associated fees paid in financing activities.

The Company has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

18. Operating segments

The segments presented reflect the way in which the Company's management reviews its business performance. Operating segments are reported in a manner consistent with the internal reporting provided to executive management who act as the chief operating decision-maker. Executive management is responsible for allocating resources and assessing performance of the operating segments. The Company's operating segments are its sales & trading, mine properties, corporate, exploration and evaluation properties ("E&E properties"), Largo Clean Energy and Largo Physical Vanadium segments.

d) Critical judgements and estimation uncertainties

The preparation of consolidated financial statements in conformity with IFRS requires the Company's management to make judgments, estimates and assumptions about the carrying amount of its assets and liabilities that are not readily apparent from other sources. These estimates and assumptions are based on management's best knowledge of the relevant facts and circumstances taking into account previous experience, but actual results may differ from the amounts included in the consolidated financial statements.

The following are the critical judgments and areas involving estimates that management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the consolidated financial statements.

1. Determination of mineral reserve and resource estimates

The estimates for mineral reserves and mineral resources are determined based on a professional evaluation using accepted international standards for the assessment of mineral reserves and resources. The assessment involves geological and geophysical studies and economic data and the reliance on a number of assumptions. The estimates of the reserves and resources may change based on additional knowledge gained subsequent to the initial assessment. This may include additional data available from continuing exploration, results from the reconciliation of actual mining production data against the original reserve and resource estimates, or the impact of economic factors such as changes in the price of commodities or the cost of components of production.

A number of accounting estimates are impacted by the mineral reserve and resource estimates:

- Capitalization and depreciation of stripping costs;

- Determination of the useful life of mine properties, plant and equipment and measurement of the depreciation expense;
- Impairment analysis of non-financial assets including evaluation of estimated future cash flows of CGUs; and
- Estimates of the timing of outlays for environmental rehabilitation obligations.

A change in the original estimate of reserves and resources could have a material effect in the future on the Company's financial position and results of operations.

2. Valuation of mine properties, plant and equipment, development properties, exploration and evaluation properties and other intangible assets

   The Company carries its mine properties, plant and equipment, development properties, exploration and evaluation properties and other intangible assets at cost less accumulated depreciation and any provision for impairment.

   The Company undertakes a review of the carrying values of mine properties, plant and equipment, development properties, exploration and evaluation properties and other intangible assets whenever events or changes in circumstances indicate that their carrying values may exceed their estimated net recoverable amounts determined by reference to estimated future operating results and, for mine properties, discounted net future cash flows.

   In undertaking the assessment of whether impairment indicators exist, management is required to apply significant judgment in assessing whether changes to certain external and internal factors would be considered an indicator of impairment. Internal and external factors, such as (i) changes in future production and sales volumes; (ii) changes in quantity and grade of the recoverable reserves and resources; (iii) changes in vanadium prices, capital and operating costs; and (iv) changes in discount rates, are evaluated by management in determining whether there are any indicators of impairment. Estimated quantities and grades of the recoverable reserves and resources are based on information compiled by qualified persons (management's experts). No impairment indicators were noted in the year ended December 31, 2022.

   If an indicator of impairment exists, the recoverable amount of the asset is calculated in order to determine if any impairment loss is required. An impairment loss is recognized when the carrying value of those assets is not recoverable. In undertaking this review, management of the Company is required to make significant estimates of, amongst other things, future production and sale volumes, reserve and resource quantities, metal prices, future capital and operating costs, discount rates and reclamation costs to the end of the mine's life. These estimates are subject to various risks and uncertainties which may ultimately have an effect on the expected recoverability of the carrying values of the Company's mine properties, plant and equipment (see note 7) and other intangible assets (see note 6).

3. Estimates of provisions for environmental rehabilitation

   The Company has obligations for environmental rehabilitation related to its mine and development properties. The future obligations for mine closure activities are estimated by the Company using mine closure plans or other similar studies which outline the requirements that will be carried out to meet the obligations. Because the obligations are dependent on the Brazilian laws and regulations under which the mines operate, the requirements could change as a result of amendments in the laws and regulations relating to environmental protection and other legislation affecting resource companies.

   As the estimate of obligations is based on future expectations, a number of estimates and assumptions are made by management in the determination of environmental rehabilitation provision. The environmental rehabilitation provisions are more uncertain the further into the future the mine closure activities are to be carried out.

The Company's policy for recording reclamation and other closure provisions is to establish provisions for future costs based on the present value of the future cash flows required to satisfy the environmental obligations. This provision is updated as the estimate for future closure costs change. The amount of the present value of the provision is added to the cost of the related development asset or mine property and will be depreciated over the life of the mine. The provision is accreted to its future value over the life of mine through a charge to finance costs in the consolidated statement of income (loss) and comprehensive income (loss). Refer to note 11(c).

4) Amounts receivable

	December 31, 2022	December 31, 2021
Trade receivables (note 21(b))	**$ 18,285**	$ 22,144
Current taxes recoverable - Brazil	**2,156**	1,154
Current taxes recoverable - Other	**506**	358
Other receivables	**28**	28
Total	**$ 20,975**	$ 23,684

5) Inventory

	December 31, 2022	December 31, 2021
Finished products	**$ 48,546**	$ 32,069
Work-in-process	**998**	967
Stockpiles	**284**	593
Warehouse materials	**14,393**	11,693
Total	**$ 64,221**	$ 45,322

During the year ended December 31, 2022, the Company recognized a net realizable value write-down of $ 1,987 for finished products (year ended December 31, 2021 - $558), $6,435 for battery components (year ended December 31, 2021 - $ nil) and $317 for warehouse materials (year ended December 31, 2021 - $nil). The write- downs for finished products and warehouse materials are included in operating costs (note 23) and the write- down for battery components is included in technology start-up costs. At December 31, 2022, the net realizable value allowance was $1,987 for finished products, $6,435 for battery components and $ 317 for warehouse materials (December 31, 2021 - $558, $nil and $nil). The value of battery components inventory at December 31, 2022 and December 31, 2021 was $ nil. As inventory is sold, previously recorded net realizable value write-downs are reclassified from inventory write-down to direct mine and production costs or product acquisition costs as appropriate (note 23).

6) Other intangible assets

At December 31, 2022, the remaining estimated useful life of patents held by the Company is 8 years (December 31, 2021 - 9 years). During the year ended December 31, 2022, the Company began capitalizing costs relating to a software implementation. The estimated useful life is 5 years.

	Intellectual Property	Software	Total
Cost			
Balance at December 31, 2020	$ 4,366	$ -	$ 4,366
Additions	-	-	-
Balance at December 31, 2021	$ 4,366	$ -	$ 4,366
Additions	**-**	**4,041**	**4,041**
Balance at December 31, 2022	**$ 4,366**	**$ 4,041**	**$ 8,407**
Accumulated Depreciation			
Balance at December 31, 2020	$ -	$ -	$ -
Depreciation	437	-	437
Balance at December 31, 2021	$ 437	$ -	$ 437
Depreciation	**436**	**271**	**707**
Balance at December 31, 2022	**$ 873**	**$ 271**	**$ 1,144**
Net Book Value			
At December 31, 2021	$ 3,929	$ -	$ 3,929
At December 31, 2022	**$ 3,493**	**$ 3,770**	**$ 7,263**

7) Mine properties, plant and equipment

At December 31, 2022 and December 31, 2021, the Company's economic interest in the Maracás Menchen Mine totaled 99.94%. The remaining 0.06% economic interest is held by Companhia Baiana de Pesquisa Mineral ("CBPM") owned by the state of Bahia. CBPM retains a 3% net smelter royalty ("NSR") in the Maracás Menchen Mine. The property is also subject to a royalty of 2% on certain operating costs under the Brazilian Mining Act. Under a separate agreement, Anglo Pacific Plc receives a 2% NSR in the Maracás Menchen Mine.

	Office and Computer Equipment	Vehicles	Mine Properties	Buildings, Plant and Equipment	Construction In Progress	Total
Cost						
Balance at December 31, 2020	$ 919	$ 261	$ 91,444	$ 153,743	$ 8,308	$ 254,675
Additions	3,278	-	7,884	6,122	11,639	28,923
Disposals	(177)	-	-	(6)	-	(183)
Reclassifications	-	-	-	14,862	(14,862)	-
Effects of changes in foreign exchange rates	(52)	(18)	(4,851)	(11,487)	28	(16,380)
Balance at December 31, 2021	$ 3,968	$ 243	$ 94,477	$ 163,234	$ 5,113	$ 267,035
Additions	**2,530**	**61**	**7,147**	**6,788**	**27,575**	**44,101**
Disposals	**(152)**	**-**	**-**	**(4,205)**	**-**	**(4,357)**
Reclassifications	**-**	**-**	**-**	**3,523**	**(3,523)**	**-**
Effects of changes in foreign exchange rates	**42**	**17**	**4,831**	**10,963**	**259**	**16,112**
Balance at December 31, 2022	**$ 6,388**	**$ 321**	**$ 106,455**	**$ 180,303**	**$ 29,424**	**$ 322,891**

	Office and Computer Equipment	Vehicles	Mine Properties	Buildings, Plant and Equipment	Construction In Progress	Total
Accumulated Depreciation						
Balance at December 31, 2020	$ 523	$ 261	$ 26,940	$ 77,986	$ -	$ 105,710
Depreciation	194	-	7,069	15,031	-	22,294
Disposals	(177)	-	-	(6)	-	(183)
Effects of changes in foreign exchange rates	(32)	(18)	(1,559)	(5,836)	-	(7,445)
Balance at December 31, 2021	$ 508	$ 243	$ 32,450	$ 87,175	$ -	$ 120,376
Depreciation	**1,198**	**5**	**4,701**	**18,270**	**-**	**24,174**
Disposals	**(152)**	**-**	**-**	**(4,205)**	**-**	**(4,357)**
Effects of changes in foreign exchange rates	**21**	**17**	**1,595**	**5,828**	**-**	**7,461**
Balance at December 31, 2022	**$ 1,575**	**$ 265**	**$ 38,746**	**$ 107,068**	**$ -**	**$ 147,654**
Net Book Value						
At December 31, 2021	$ 3,460	$ -	$ 62,027	$ 76,059	$ 5,113	$ 146,659
At December 31, 2022	**$ 4,813**	**$ 56**	**$ 67,709**	**$ 73,235**	**$ 29,424**	**$ 175,237**

Of the additions noted above, $36,556 related to the Mine Properties segment (year ended December 31, 2021 - $ 21,316) and $3,599 related to Largo Clean Energy (year ended December 31, 2021 - $7,408).

8) Leases

	Year ended December 31, 2022	December 31, 2021
Recognized in the consolidated statements of income (loss) and comprehensive income (loss):		
Interest on lease liabilities (note 23)	**$ 84**	$ 59
Variable lease payments not included in the measurement of lease liabilities	**$ 10,897**	$ 7,387
Expenses relating to short-term leases	**$ 730**	$ 4,626
Recognized in the consolidated statements of cash flows:		
Total cash outflow for leases	**$ 10,787**	$ 12,151

During the year ended December 31, 2022, the Company entered into an agreement with a new mining contractor. This contract, which began on September 1, 2022 and runs until August 31, 2025, was assessed to contain a lease in accordance with IFRS 16 Leases. The contractual payments are variable in that they are directly linked to operational volumes and distances. Accordingly, these payments were excluded from the measurement of the lease liability and the right-of-use asset, with no resulting lease liability or right-of-use asset. The variable lease payments are recognized in operating costs (note 23) in the consolidated statements of income (loss) and comprehensive income (loss).

At December 31, 2022 and December 31, 2021, the Company had one right-of-use asset and lease liability.

Notes to the Annual Consolidated Financial Statements

Right-of-use assets

Mine properties, plant and equipment (note 7) includes a leased building recognized as a right-of-use asset.

	Buildings	Total
Cost		
Balance at December 31, 2021	$ 2,723	$ 2,723
Additions	**-**	**-**
Balance at December 31, 2022	**$ 2,723**	**$ 2,723**
Accumulated Depreciation		
Balance at December 31, 2021	$ 383	$ 383
Depreciation	**511**	**511**
Balance at December 31, 2022	**$ 894**	**$ 894**
Net Book Value		
At December 31, 2021	$ 2,340	$ 2,340
At December 31, 2022	**$ 1,829**	**$ 1,829**

Lease liabilities

	December 31, 2022	December 31, 2021
Maturity analysis - contractual undiscounted cash flows:		
Less than one year	**$ 581**	$ 563
One to five years	**1,585**	2,165
Total undiscounted lease liabilities	**$ 2,166**	$ 2,728
Lease liabilities included in the consolidated statements of financial position:		
Current	**$ 581**	$ 563
Non-current	**$ 1,473**	$ 1,987

9) Accounts payable and accrued liabilities

	December 31, 2022	December 31, 2021
Accounts payable	**$ 20,459**	$ 14,050
Accrued liabilities	**3,122**	2,962
Accrued financial costs	**287**	174
Other taxes	**3,092**	2,537
Total	**$ 26,960**	$ 19,723
Current	**$ 26,634**	$ 19,723
Non-current	**326**	-
Total	**$ 26,960**	$ 19,723

Notes to the Annual Consolidated Financial Statements

10) Debt

	December 31, 2022	December 31, 2021
Total debt	**$ 40,000**	$ 15,000

	December 31, 2021	Cash flows: Proceeds	Cash flows: Repayment	December 31, 2022
Total debt	$ 15,000	$ 55,000	$ (30,000)	**$ 40,000**
Total liabilities from financing activities	$ 15,000	$ 55,000	$ (30,000)	**$ 40,000**

	December 31, 2020	Cash flows: Proceeds	Cash flows: Repayment	December 31, 2021
Total debt	$ 24,788	$ 15,000	$ (24,788)	$ 15,000

Credit facilities

In April 2022, the Company repaid in full its $ 15,000 working capital facility. At the same time, the Company secured a new working capital facility with a bank in Brazil. This facility was fully drawn down and proceeds of $15,000 were received. This facility was originally due to be repaid as a lump sum payment in April 2023, together with accrued interest at a rate of 3.65% per annum. The facility was repaid in full in December 2022.

In October 2022, the Company secured an additional debt facility of $ 20,000 with a bank in Brazil. The facility is for three years, with equal principal repayments due after 18, 24, 30 and 36 months. In addition to a fee of 0.7%, accrued interest at a rate of 8.33% p.a. is to be paid every six months.

In December 2022, the Company secured an additional debt facility of $ 20,000 with a bank in Brazil. The facility is for three years, with equal principal repayments due semi-annually after a grace period of 360 days. In addition to a fee of 0.7%, accrued interest at a rate of 8.20% p.a. is to be paid every six months.

Refer to note 24 for details of debt secured after the statement of financial position date.

11) Provisions

a) Provision for litigation claims

By their nature, contingencies will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events. The assessment of contingencies inherently involves the exercise of significant judgments and estimates of the outcome of future events.

The Company, through its subsidiaries, is party to legal proceedings in the ordinary course of its operations related to legally binding agreements with various third parties under supply contracts and consulting agreements. During the year ended December 31, 2022, the Company received a ruling regarding one such proceeding in Brazil. This relates to a supply agreement for the Maracás Menchen Mine which was filed with the courts in October 2014. The ruling requires the Company to pay amounts due, plus interest and legal fees. At December 31, 2022, the Company recognized a provision of R$26,487 ($5,076) in the current portion of provisions (December 31, 2021 - $230). The Company is awaiting a further ruling from a higher court in Brazil and will consider its options for an appeal once this ruling is received. Refer to note 19. At December 31, 2022, the Company recognized a total provision of $5,310 for legal proceedings regarding labour matters (December 31, 2021 - $314).

Notes to the Annual Consolidated Financial Statements

b) Provision for environmental compensation

In accordance with the terms of the Company's environmental license for its Maracás Menchen Mine, the Company recognized a provision for future social and environmental compensation. Following the direction of the Secretary of the Environment for the state of Bahia, Brazil, the Company will be required to fund social or environmental projects. At December 31, 2022, the Company recognized a provision of $531, with the full $ 531 expected to be incurred within the next 12 months (December 31, 2021 - $ 496).

c) Provision for closure and reclamation

The following table presents the reconciliation of the beginning and ending aggregate carrying amount of the provision for closure and reclamation associated with the retirement of the Company's projects:

	Maracás Menchen Mine	Currais Novos Tungsten	Total
Balance at December 31, 2020	$ 4,885	$ 482	$ 5,367
Changes in estimated cash flows and discount rates	(879)	11	(868)
Accretion	132	15	147
Effect of foreign exchange	(314)	(34)	(348)
Balance at December 31, 2021	$ 3,824	$ 474	$ 4,298
Changes in estimated cash flows and discount rates	**(583)**	**(2)**	**(585)**
Accretion	**162**	**21**	**183**
Effect of foreign exchange	**261**	**33**	**294**
Balance at December 31, 2022	**$ 3,664**	**$ 526**	**$ 4,190**

The Company makes a provision for the future cost of rehabilitating mine sites and related production facilities on a discounted basis on the development of mines or installation of those facilities. The rehabilitation provision represents the present value of estimated future rehabilitation costs relating to mine sites. These provisions have been created based on the Company's internal estimates. Assumptions, including a real discount rate of 6.17% (December 31, 2021 - nominal discount rate of 7.00% and inflation of 3.00%), have been made which management believes are a reasonable basis upon which to estimate the future liability.

The provision for closure and reclamation of the Maracás Menchen Mine at December 31, 2022 is based on total anticipated undiscounted cash outflows of R$60,409 ($11,577) (December 31, 2021 - R$ 46,223 ($8,283)) and is expected to be incurred between 2041 and 2045 (December 31, 2021 - between 2041 and 2046).

The provision for closure and reclamation of the Currais Novos Tungsten project at December 31, 2022 is based on anticipated undiscounted cash outflows of approximately R$3,238 ($621) (December 31, 2021 - R$ 3,058 ($548)), with reclamation expected to be incurred between 2024 and 2028 (December 31, 2021 - between 2024 and 2028).

At December 31, 2022, the Company recognized a provision of $ nil (December 31, 2021 - $362) to remove infrastructure from a location that Largo Clean Energy had secured access to for product testing purposes, and a provision of $453 (December 31, 2021 - $nil) for contract penalties expected to be incurred within the next 12 months.

Notes to the Annual Consolidated Financial Statements

12) Issued capital

a) Authorized

Unlimited common shares without par value.

b) Issued

	Year ended December 31, 2022		Year ended December 31, 2021	
	Number of Shares	**Cost**	Number of Shares	Cost
Balance, beginning of the year	**64,727**	**$ 415,982**	58,779	$ 406,214
Exercise of warrants (note 13)	**10**	**124**	5,723	7,982
Exercise of stock options (note 13)	**36**	**320**	156	944
Exercise of restricted share units (note 13)	**106**	**1,308**	69	842
Share repurchase	**(873)**	**(6,088)**	-	-
Balance, end of the year	**64,006**	**$ 411,646**	64,727	$ 415,982

During the year ended December 31, 2022, the Company paid $ 6,088 for the repurchase and cancellation of 873 shares.

On March 4, 2021, the Company completed the consolidation of its issued and outstanding common shares on the basis of one post-consolidation common share for every 10 pre-consolidation common shares. Any quantity relating to common shares, RSUs, stock options and warrants or any per unit price such as exercise prices disclosed throughout the consolidated financial statements have been retrospectively adjusted for the share consolidation, including the weighted average number of shares outstanding and the basic and diluted earnings (loss) per share for the periods presented.

13) Equity reserves

	RSUs		Options			Warrants			
	Number	**Value**	**Number**	**Weighted average exercise price**	**Value**	**Number**	**Weighted average exercise price**	**Value**	**Total value**
December 31, 2020	226	$ 1,329	588	C$ 8.27	$ 3,207	8,366	C$ 4.88	$ 16,755	$ 21,291
Share-based payments	-	587	-	-	998	-	-	-	1,585
Granted	76	499	467	15.59	1,081	-	-	-	1,580
Exercised	(81)	(842)	(164)	(4.68)	(421)	(6,527)	(2.94)	(5,344)	(6,607)
Expired	-	-	-	-	-	(7)	(2.90)	(5)	(5)
Forfeited	(5)	(22)	(2)	(6.70)	(8)	-	-	-	(30)
December 31, 2021	216	$ 1,551	889	C$ 12.78	$ 4,857	1,832	C$ 11.78	$ 11,406	$ 17,814
Share-based payments	**-**	**564**	**-**	**-**	**1,714**	**-**	**-**	**-**	**2,278**
Granted	**111**	**640**	**363**	**11.79**	**359**	**-**	**-**	**-**	**999**
Exercised	**(123)**	**(1,308)**	**(36)**	**(6.70)**	**(133)**	**(10)**	**(11.50)**	**(34)**	**(1,475)**
Expired	**-**	**-**	**-**	**-**	**-**	**(1,480)**	**-**	**(4,573)**	**(4,573)**
Forfeited	**(4)**	**(7)**	**(208)**	**(13.23)**	**(898)**	**-**	**-**	**-**	**(905)**
December 31, 2022	**200**	**$ 1,440**	**1,008**	C$ **12.55**	**$ 5,899**	**342**	C$ **13.00**	**$ 6,799**	**$ 14,138**

Notes to the Annual Consolidated Financial Statements

During the year ended December 31, 2022, the Company recognized a share-based payment expense related to the grant and vesting of stock options and RSUs of $2,372 (year ended December 31, 2021 - $3,135) for stock options and RSUs granted to the Company's directors, officers, employees and consultants. The total share- based payment expense was charged to operations. The weighted average share price on the date of option exercise in the year ended December 31, 2022 was $10.69.

a) RSUs

During the year ended December 31, 2022, the Company granted 111 RSUs to officers and employees of the Company. These RSUs vest over time, with one-third vesting during each of the three month periods ending June 30, 2023, June 30, 2024 and June 30, 2025.

During the year ended December 31, 2021, the Company granted 76 RSUs to officers and employees of the Company. These RSUs vest over time, with one-third vesting during each of the years ended 2022, 2023 and 2024.

b) Stock options

Range of prices	No. outstanding	No. exercisable	Weighted average remaining life (years)	Weighted average exercise price	Weighted average grant date share price
C$ 6.70 - 10.00	459	371	3.0	C$ 6.78	C$ 6.78
10.01 - 15.00	150	-	0.1	13.87	13.87
15.01 - 20.00	338	108	3.8	17.12	17.12
20.01 - 25.00	29	29	0.6	24.00	24.00
30.01 - 30.40	32	32	1.0	30.40	30.40
	1,008	**540**		C$ **12.55**	

During the year ended December 31, 2022, the Company granted 363 (year ended December 31, 2021 - 467) stock options with a weighted average exercise price of C$11.79. The chart below details the inputs to the Black-Scholes model used in determining the fair value of the options granted during the year (with 0% dividend yield and 0% expected forfeiture rate).

	Year ended					
	December 31, 2022			December 31, 2021		
	Grant 1	Grant 2	Grant 3	Grant 1	Grant 2	Grant 3
Risk-free interest rate	**1.62%**	**2.46%**	**2.94%**	0.92%	0.95%	0.50%
Expected volatility	**75.53%**	**76.33%**	**68.84%**	83.70%	81.13%	76.78%
Expected life of options	**5**	**5**	**5**	5	5	2
Fair value on grant date	**C$ 6.93**	**C$ 9.84**	**C$ 4.13**	C$ 11.92	C$ 12.58	C$ 4.81
Exercise price	**C$ 11.22**	**C$ 15.61**	**C$ 6.99**	C$ 18.10	C$ 19.52	C$ 13.87
Number of options granted (000)	**54**	**176**	**133**	97	70	300
Expiry	**01/20/27**	**04/01/27**	**12/14/27**	03/24/26	06/22/26	02/01/23

Options vest in equal installments of one-third on the anniversary date of the grant. The remaining weighted average contractual life of options outstanding at December 31, 2022 was 2.7 years (December 31, 2021 - 2.6 years).

c) Warrants

No. outstanding	No. exercisable	Grant Date	Expiry Date		Exercise price	Expected volatility	Expected life (years)	Expected dividend yield	Risk-free Interest rate
342	342	12/07/20	12/08/25	C$	13.00	88%	5.00	0%	0%
342	**342**			**C$**	**13.00**				

14 Non-controlling interest

In September 2022, the Company's subsidiary, LPV, completed a reverse takeover of Column Capital Corp. ("CPC") whereby the shareholders of LPV obtained control of CPC. The combined entity was named Largo Physical Vanadium Corp. and commenced trading on the TSX Venture Exchange. The fair value of the shares issued by LPV exceeded the fair value of CPC's net assets by $571 , which was recorded as a listing expense. As part of the transaction, the Company invested cash of C$20,000 and vanadium assets with a fair value at the time of investment of $5,503 (C$7,264) into LPV. LPV received cash from other investors of C$ 10,220 and incurred share issuance costs of C$638 in connection with this transaction. The difference of $ 2,022 between the proceeds from the share issuance and the increase in non-controlling interests was recognized in equity. Total vanadium assets acquired in the year ended December 31, 2022 was $14,510 (year ended December 31, 2021 - $ nil) and the total vanadium assets held at December 31, 2022 was $ 14,510 (December 31, 2021 - $nil).

	Total
Balance at December 31, 2021	$ -
Sale of non-controlling interest	**9,937**
Net income (loss) attributable to NCI	**(775)**
Balance at December 31, 2022	**$ 9,162**

Selected summarized information relating to LPV is provided below, before any intercompany eliminations:

	December 31, 2022	December 31, 2021
Current assets	**$ 11,742**	$ -
Non-current assets	**15,344**	-
Total assets	**$ 27,086**	$ -
Current liabilities	**374**	-
Total Liabilities	**$ 374**	$ -

15) Earnings (loss) per share

The total number of shares issuable from options, warrants and RSUs that are excluded from the computation of diluted earnings (loss) per share because their effect would be anti-dilutive was 1,550 for the year ended December 31, 2022 (year ended December 31, 2021 - 227).

Notes to the Annual Consolidated Financial Statements

16) Taxes

a) Tax expense

	Year ended December 31, 2022	December 31, 2021
Income tax expense	**$ (7,688)**	(5,430)
Deferred income tax recovery (expense)	**1,423**	(3,758)
Total	**$ (6,265)**	(9,188)

The major items causing the Company's income tax expense to differ from the Canadian combined federal and provincial statutory rate of 26.50% (2021 - 26.50%) were:

	Year Ended December 31, 2022	December 31, 2021
Net income before tax	**$ 4,039**	$ 31,759
Expected income tax expense based on statutory rate	**(1,070)**	(8,416)
Adjustments to expected income tax (expense) recovery:		
Permanent differences and other	**(15,023)**	(9,722)
Tax effect of unrecognized temporary differences and tax losses	**(1,442)**	(3,465)
Tax incentives and tax loss benefit not previously recognized	**4,581**	8,712
Effect of tax rates in foreign jurisdictions	**6,636**	4,971
Foreign exchange	**53**	(1,268)
Income tax expense	**$ (6,265)**	$ (9,188)

b) Changes in deferred tax assets and liabilities

	Year ended December 31, 2022	2021 December 31, 2021
Net deferred income tax asset, beginning of the year	**$ 3,343**	$ 7,178
Deferred income tax recovery (expense)	**1,423**	(3,758)
Effect of foreign exchange	**(170)**	(77)
Net deferred income tax asset, end of the year	**$ 4,596**	$ 3,343

	December 31, 2022	December 31, 2021
Deferred income tax asset	**$ 4,596**	$ 3,343
Net deferred income tax asset	**$ 4,596**	$ 3,343

Notes to the Annual Consolidated Financial Statements

c) Deferred income tax balances

	December 31, 2022	December 31, 2021
Brazil		
Recognized deferred tax assets:		
Non-capital losses	**$ 11,210**	$ 10,565
Mine properties	**1,999**	1,754
Recognized deferred tax liabilities:		
Transitional tax regime	**(7,825)**	(7,713)
Provisions	**(3,402)**	(4,227)
	$ 1,982	$ 379
Canada		
Recognized deferred tax assets:		
Non-capital losses	**$ 1,690**	$ 2,009
Ireland		
Recognized deferred tax assets:		
Non-capital losses	**$ 911**	$ 943
U.S.		
Recognized deferred tax assets:		
Non-capital losses	**$ 1,738**	$ 1,900
Provisions and other	**13**	12
Recognized deferred tax liabilities:		
Mine properties, plant and equipment	**(1,738)**	(1,900)
	$ 13	$ 12
Net deferred income tax asset	**$ 4,596**	$ 3,343

Deferred tax assets have not been recognized in respect of the following deductible temporary differences:

	December 31, 2022	December 31, 2021
Canada		
Non-capital loss carry-forwards	**$ 45,649**	$ 46,921
Mine properties, plant and equipment	**17,561**	18,778
Capital losses and foreign exchange	**11,760**	9,215
Share issue costs	**438**	1,856
Ireland		
Mine properties, plant and equipment	**$ -**	$ 2
U.S.		
Non-capital loss carry-forwards	**$ 36,645**	$ 10,633
Provisions and other	**361**	394
Mine properties, plant and equipment	**267**	584

Notes to the Annual Consolidated Financial Statements

The Company has non-Canadian resident subsidiaries that have undistributed earnings of $ 28,381 at December 31, 2022. These undistributed earnings are not expected to be repatriated in the foreseeable future and the Company has control over the timing of such repatriations. Accordingly, taxes that may apply on repatriation have not been provided for.

The Company has approximately $17,561 (December 31, 2021 - $18,778) of Canadian development and exploration expenditures and $1,999 (December 31, 2021 - $1,754) of development costs in Brazil at December 31, 2022, which under certain circumstances can be used to reduce the taxable income of future years.

The non-capital losses in the United States, Brazil and Ireland carry forward indefinitely. The non-capital losses in Canada expire as follows:

Expiry Date	Amount	Expiry Date	Amount	Expiry Date	Amount
2033	**$ 3,092**	2036	**$ 2,754**	2039	**$ 13,751**
2034	**16,691**	2037	**3,848**	2040	**7**
2035	**133**	2038	**11,315**	2042	**109**
					$ 51,700

Deferred tax assets have only been recognized to the extent of the value of the deferred tax liabilities because it is not probable that the remaining temporary difference will reverse in the foreseeable future and that taxable profit will be available against which the tax benefits can be utilized.

17) Related party transactions

In accordance with IAS 24, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company.

The remuneration of directors and other members of key management personnel during the year was as follows:

	Year ended	
	December 31, 2022	December 31, 2021
Short-term benefits	**$ 3,499**	$ 3,879
Share-based payments	**2,285**	2,428
Total	**$ 5,784**	$ 6,307

Refer to note 19 for additional commitments with management.

18) Segmented disclosure

The Company has six operating segments: sales & trading, mine properties, corporate, exploration and evaluation properties ("E&E properties") (included as part of inter-segment transactions & other), Largo Clean Energy and Largo Physical Vanadium. Corporate includes the corporate team that provides administrative, technical, financial and other support to all of the Company's business units, as well as being part of the Company's sales structure.

	Sales & trading	Mine properties	Corporate	Largo Clean Energy	Largo Physical Vanadium	Inter-segment transactions & other	Total
Year ended December 31, 2022							
Revenues	$ 198,767	$ 185,434	$ 162,506	$ -	$ -	$ (317,456)	$ 229,251
Operating costs	(195,591)	(142,945)	(156,737)	-	-	325,554	(169,719)
Professional, consulting and management fees	(1,832)	(4,969)	(6,705)	(10,044)	(1,727)	-	(25,277)
Foreign exchange (loss) gain	(107)	1,091	100	2	498	-	1,584
Other general and administrative expenses	(525)	(6,497)	(1,830)	(4,743)	(265)	(459) [1]	(14,319)
Share-based payments	-	-	(2,372)	-	-	-	(2,372)
Finance costs	(36)	(1,394)	(16)	(79)	(40)	(23) [1]	(1,588)
Interest income	-	596	351	-	162	-	1,109
Technology start-up costs	-	-	-	(11,956)	-	(739) [1]	(12,695)
Exploration and evaluation costs	-	(1,928)	-	-	-	(7) [2]	(1,935)
	(198,091)	(156,046)	(167,209)	(26,820)	(1,372)	324,326	(225,212)
Net income (loss) before tax	676	29,388	(4,703)	(26,820)	(1,372)	6,870	4,039
Income tax expense	(71)	(7,617)	-	-	-	-	(7,688)
Deferred income tax recovery (expense)	(31)	1,773	(319)	-	-	-	1,423
Net income (loss)	$ 574	$ 23,544	$ (5,022)	$ (26,820)	$ (1,372)	$ 6,870	$ (2,226)
Revenues (after inter-segment eliminations)	$ 198,274	$ 30,663	$ 314	$ -	$ -	$ -	$ 229,251
At December 31, 2022							
Total non-current assets	$ 934	$ 148,508	$ 20,525	$ 12,389	$ 15,344	$ 3,906	$ 201,606
Total assets	$ 73,874	$ 250,926	$ 90,770	$ 15,941	$ 27,086	$ (102,847)[3]	$ 355,750
Total liabilities	$ 56,566	$ 72,842	$ 53,373	$ 5,092	$ 374	$ (107,051)[4]	$ 81,196

1. Amounts relating to Largo Titânio Ltda. and Largo Tech Ltda., which are not an operating segment.
2. Amount relating to E&E properties.
3. Inter-segment transaction elimination of $(106,773) partially offset by Largo Titânio Ltda. and Largo Tech Ltda. total assets of $ 3,924 and E&E properties total assets of $ 2.
4. Inter-segment transaction elimination of $(107,225) partially offset by Largo Titânio Ltda. and Largo Tech Ltda. total liabilities of $ 174.

	Sales & trading	Mine properties	Corporate	Largo Clean Energy	Inter-segment transactions & other	Total
Year ended December 31, 2021						
Revenues	$ 163,105	$ 161,790	$ 135,309	$ -	$ (261,924)	$ 198,280
Operating costs	(153,387)	(110,184)	(130,165)	-	260,726	(133,010)
Professional, consulting and management fees	(1,642)	(4,162)	(7,036)	(5,081)	(1) [2]	(17,922)
Foreign exchange (loss) gain	(161)	574	207	(10)	-	610
Other general and administrative expenses	(414)	(1,500)	(2,358)	(2,029)	(103) [3]	(6,404)
Share-based payments	-	-	(3,135)	-	-	(3,135)
Finance costs	(32)	(1,022)	(13)	(62)	(6) [1]	(1,135)
Technology start-up costs	-	-	-	(3,121)	(714) [1]	(3,835)
Interest income	-	275	128	-	-	403
Exploration and evaluation costs	-	(2,078)	-	-	(15) [2]	(2,093)
	(155,636)	(118,097)	(142,372)	(10,303)	259,887	(166,521)
Net income (loss) before tax	7,469	43,693	(7,063)	(10,303)	(2,037)	31,759
Income tax expense	(74)	(5,356)	-	-	-	(5,430)
Deferred income tax (expense) recovery	955	(4,388)	(325)	-	-	(3,758)
Net income (loss)	$ 8,350	$ 33,949	$ (7,388)	$ (10,303)	$ (2,037)	$ 22,571
Revenues (after inter-segment eliminations)	$ 160,535	$ 33,705	$ 4,040	$ -	$ -	$ 198,280
At December 31, 2021						
Total non-current assets	$ 961	$ 123,783	$ 18,303	$ 10,884	$ -	$ 153,931
Total assets	$ 56,631	$ 191,086	$ 111,703	$ 18,084	$ (63,595)[4]	$ 313,909
Total liabilities	$ 39,907	$ 34,604	$ 21,467	$ 6,488	$ (54,254)[5]	$ 48,212

1. Amounts relating to Largo Titânio Ltda. and Largo Tech Ltda., which are not an operating segment.
2. Amount relating to E&E properties.
3. $100 relating to Largo Titânio Ltda. and Largo Tech Ltda., which are not an operating segment, and $ 3 relating to E&E properties.
4. Inter-segment transaction elimination of $ 63,711 partially offset by Largo Titânio Ltda. and Largo Tech Ltda. total assets of $ 114 and E&E properties total assets of $2.
5. Inter-segment transaction elimination of $ 54,327 partially offset by Largo Titânio Ltda. and Largo Tech Ltda. total liabilities of $ 73.

In the year ended December 31, 2022, the Company's revenues are from transactions with multiple customers, including one customer in the Sales & trading segment who represented more than 10% (and less than 15%) of revenues during that period. In the year ended December 31, 2021, the Company's revenues are from transactions with three customers who each represented more than 10% of revenues during that period.

19) Commitments and contingencies

At December 31, 2022, the Company was party to certain management and consulting contracts. Minimum commitments under the agreements are approximately $2,648 and all payable within one year. These contracts also require that additional payments of up to approximately $3,972 be made upon the occurrence of certain events such as change of control. As the triggering event has not occurred, the contingent payments have not been reflected in these consolidated financial statements.

In 2021, the Company signed a 10-year exclusive off-take agreement with a third party for the purchase of all standard and high purity grade vanadium products they produce. The annual quantity to be delivered to the Company in 2023 is 220 tonnes of V_2O_5, with the Company having a right of first refusal over additional amounts.

The Company's Largo Clean Energy business is required to pay a royalty of 7.5% of the net sales price of each VRFB which contains a manufactured licensed product or uses or transfers a licensed product on or after January 1, 2022. Refer to note 7 for details of the royalties payable at the Maracás Menchen Mine.

The Company is committed to a minimum amount of rental payments under five leases of office space which expire between February 28, 2023 and May 1, 2027. Minimum rental commitments remaining under the leases are approximately $397, including $243 due within one year.

At the Company's Maracás Menchen Mine and at Largo Clean Energy, the Company has entered into purchase order contracts with remaining amounts due related to goods not received or services not rendered as of December 31, 2022 of $10,693.

The Company and its subsidiaries are party to legal proceedings regarding labour matters. A provision was recorded at December 31, 2021 for such proceedings in Brazil in an amount of R$469 ($84). At December 31, 2022, the provision recognized was R$ 1,223 ($234). Refer to note 11 for details of provisions recognized. The outcome of these proceedings remains dependent on the final judgment. Management does not expect the outcome of any of the remaining proceedings to have a materially adverse effect on the results of the Company's financial position or results of operations.

20) Capital management

The Company manages its capital to ensure that it will be able to continue to meet its financial and operational strategies and obligations, whilst maximizing the return to shareholders.

In the management of capital, the Company includes the components of shareholders' equity and debt. The Company manages the capital structure and makes adjustments thereto in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust its capital structure, the Company may attempt to issue new shares, acquire or dispose of assets, attempt to obtain additional debt financing or repay debt facilities.

		December 31, 2022		December 31, 2021
Equity attributable to owners of the Company	**$**	**265,392**	$	265,697
Debt		**40,000**		15,000
	$	**305,392**	$	280,697

There were no changes in the Company's capital management strategy during the year ended December 31, 2022 compared to the previous year.

Notes to the Annual Consolidated Financial Statements

21) Financial instruments

Financial assets and financial liabilities at December 31, 2022 and December 31, 2021 were as follows:

	December 31, 2022	December 31, 2021
Cash	**$ 54,471**	$ 83,790
Restricted cash	**470**	448
Trade and other receivables	**18,313**	22,172
Accounts payable and accrued liabilities (including non-current)	**26,960**	19,723
Total debt	**40,000**	15,000

Restricted cash refers to cash amounts the Company was required to place on deposit. Refer to the liquidity risk discussion below regarding liabilities.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below. There have been no changes in the risks, objectives, policies and procedures from the previous year.

a) Fair value

IFRS requires that the Company disclose information about the fair value of its financial assets and liabilities. Fair value estimates are made based on relevant market information and information about the financial instrument.

These estimates are subjective in nature and involve uncertainties in significant matters of judgment and therefore cannot be determined with precision. Changes in assumptions could significantly affect these estimates.

The fair value hierarchy categorizes into three levels the inputs to valuation techniques used to measure fair value. The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly such as those derived from prices.
- Level 3 inputs are unobservable inputs for the asset or liability.

The carrying amounts for trade receivables, amounts receivable and accounts payable and accrued liabilities in the consolidated statements of financial position approximate fair values because of the limited term of these instruments. Cash and restricted cash are classified as FVTPL and included in level 1. The debt facilities were secured at interest rates consistent with the rates seen at December 31, 2022 and thus the carrying amount of debt approximates fair value.

There have been no changes in the classification of financial instruments in the fair value hierarchy since December 31, 2021. The Company does not have any financial instruments measured using Level 3 inputs. The Company does not offset financial assets with financial liabilities and there were no transfers between Level 1 and Level 2 input financial instruments.

b) Credit risk

The Company's maximum amount of credit risk is attributable to cash, restricted cash and amounts receivable.

Notes to the Annual Consolidated Financial Statements

The Company minimizes its credit risk with respect to cash by placing its funds on deposit with the highest rated banks in Canada, Ireland, the U.S. and Brazil. Financial instruments included in amounts receivable consist primarily of receivables from unrelated companies. Sales to customers outside of Brazil are protected either by the Company's credit insurance policies, which establishes credit limits for each customer, or by the Company requiring letters of credit or up-front payment prior to delivery occurring.

Of the total trade receivables balance of $ 18,285, $8,359 relates to customers in Brazil, which are not covered by the Company's credit insurance policies. The ratings for these companies range from AA to AAA. The Company applies the IFRS 9 simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance for all trade receivables.

To measure expected credit losses, trade receivables are grouped based on risk characteristics and due dates. At December 31, 2022, no amounts are past due and in the year ended December 31, 2022, the Company has not experienced any credit losses. At December 31, 2022, the loss allowance for trade receivables was determined to be $nil (December 31, 2021 - $58), with any movement recognized as a component of finance costs (note 23). There have been no write offs of trade receivables.

c) Liquidity risk

The following table details the Company's expected remaining contractual cash flow requirements at December 31, 2022 for its financial liabilities with agreed repayment periods.

	Less than 6 months	6 months to 1 year	1 to 3 years	Over 3 years
Accounts payable and accrued liabilities (note 9)	$ 26,634	$ -	$ 326	$ -
Debt (note 10)	-	4,000	36,000	-
Operating and purchase commitments	12,139	1,446	132	22
Total	$ 38,773	$ 5,446	$ 36,458	$ 22

The Company's principal sources of liquidity are its cash flows from operating activities and cash of $ 54,471 (December 31, 2021 - $83,790). Refer to note 8 for lease commitments, note 19 for other commitments and contingencies and note 24 for debt facilities secured subsequent to December 31, 2022.

d) Market risk

Interest rate risk

The Company's interest rate exposure is limited to that portion of its debt that is subject to floating interest rates. At December 31, 2022, the Company had no debt that is subject to floating interest rates and does not have any exposure to floating interest rates.

Foreign currency risk

At December 31, 2022, the Company's outstanding debt is 100% denominated in U.S. dollars (December 31, 2021 - 100% U.S. dollar denominated).

The impact of fluctuations in foreign currency on cash and debt relates primarily to fluctuations between the U.S. dollar, the Canadian dollar, the Brazilian real and the Euro. At December 31, 2022, the Company's U.S. dollar functional currency entities had cash denominated in Canadian dollars, Euros and Swiss francs and the Company's Brazilian real functional currency entities had cash and debt denominated in U.S. dollars.

A 5% change in the value of the Canadian dollar, the Euro and the Swiss franc relative to the U.S. dollar would affect the value of these cash balances at December 31, 2022 by approximately $445. A 5% change in the value of the Brazilian real relative to the U.S. dollar would affect the value of Brazilian real cash balances by approximately $241.

Notes to the Annual Consolidated Financial Statements

Price risk

The Company does not have any financial instruments with significant exposure to price risk.

22) Revenues

	Year ended December 31, 2022	December 31, 2021
Vanadium sales from contracts with customers	$ **229,251**	$ 198,280
Total	$ **229,251**	$ 198,280

	Year ended December 31, 2022	December 31, 2021
V_2O_5 revenues		
Produced products	**$ 123,529**	$ 100,901
Purchased products	**3,184**	455
	126,713	101,356
V_2O_3 revenues		
Produced products	**$ 8,534**	$ -
Purchased products	**962**	-
	9,496	-
FeV revenues		
Produced products	**$ 71,025**	$ 88,761
Purchased products	**22,017**	8,163
	93,042	96,924
Total	**$ 229,251**	$ 198,280

23) Expenses

	Year ended December 31, 2022	December 31, 2021
Finance costs:		
Interest expense and fees	**$ 1,379**	$ 922
Interest on lease liabilities	**84**	59
Accretion	**183**	147
Loss allowance for trade receivables	**(58)**	7
	$ 1,588	$ 1,135

Notes to the Annual Consolidated Financial Statements

	Year ended	
	December 31, 2022	December 31, 2021
Operating costs:		
Direct mine and production costs	**$ 94,521**	$ 75,126
Conversion costs	**8,070**	9,252
Product acquisition costs	**24,426**	9,666
Royalties	**10,371**	8,867
Distribution costs	**9,169**	5,302
Inventory write-down (note 5)	**2,304**	3,210
Depreciation and amortization	**20,882**	21,537
Iron ore costs	**659**	50
Insurance proceeds	**(683)**	-
	$ 169,719	$ 133,010
Other general and administrative expenses:		
Shareholder and regulatory	**$ 241**	$ 358
Travel	**1,055**	590
Donations	**358**	1,005
Occupancy	**553**	459
Information technology	**1,025**	1,076
Depreciation and amortization	**2,396**	974
Provisions	**5,107**	-
Office and other	**3,584**	1,942
	$ 14,319	$ 6,404
Employee compensation amounts included in the consolidated statements of income (loss):		
Compensation	**$ 12,039**	$ 8,218
Share-based payments	**2,372**	3,135
	$ 14,411	$ 11,353

24) Subsequent events

In January 2023, the Company entered into a two-year loan agreement for $ 15,000, bearing interest at 6.85% per annum. Payments are due quarterly with principal repayments starting after a grace period of 180 days. Also in January 2023, the Company entered into a three-year loan agreement for $10,000, bearing interest at 8.36% per annum and an initial fee of 0.70% of the principal. Payments are due semi-annually with principal repayments starting after a grace period of 360 days.



Management's Discussion and Analysis

For The Year Ended December 31, 2022

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To Our Shareholders

The following Management's Discussion and Analysis ("MD&A") relates to the financial condition and results of operations of Largo Inc. (formerly Largo Resources Ltd.) ("we", "our", "us", "Largo", or the "Company") for the year ended December 31, 2022 ("2022") and should be read in conjunction with the annual consolidated financial statements and related notes for the same period. References in the below discussion refer to the note disclosures contained in the annual consolidated financial statements for the years ended December 31, 2022 and 2021 ("2022 annual consolidated financial statements"). References in the below discussion to "Q4 2022" and "Q4 2021" refer to the three months ended December 31, 2022 and December 31, 2021 and references to "2021" refer to the year ended December 31, 2021.

The financial statements and related notes of Largo have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to a going concern. Certain non-GAAP measures are discussed in this MD&A, which are clearly disclosed as such. Additional information, including the Company's press releases, has been filed electronically through the System for Electronic Document Analysis and Retrieval ("SEDAR") and is available online under the Company's profile at www.sedar.com and www.sec.gov.

This MD&A reports the Company's activities through March 9, 2023, unless otherwise indicated. References to "date of this MD&A" mean March 9, 2023. Except as otherwise set out herein, all amounts expressed herein are in thousands of U.S. dollars, denominated by "$". The Company's shares, options, units and warrants are expressed in thousands. Prices are not expressed in thousands. References to the symbol "C$" mean the Canadian dollar and references to the symbol "R$" mean the Brazilian real.

Mr. Emerson Ricardo Re, MSc, MBA, MAusIMM (CP) (No. 305892), Registered Member (No. 0138) (Chilean Mining Commission), is a Qualified Person as defined under National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101") and has reviewed the technical information in the MD&A.

The Company

Largo is a Canadian based company that is one of the world's leading high-quality vanadium suppliers with its VPURE ^{TM} and VPURE+^{TM} products, which are sourced from the Company's Maracás Menchen Mine in Brazil. In addition to advancing its U.S.-based clean energy storage business, the Company is in the process of implementing an ilmenite concentration plant using feedstock from its existing operations. Largo's VCHARGE vanadium batteries offer an efficient, safe, and long-life storage system that is fully recyclable at the end of its expected 25+ year lifetime. The Company's strategy is centered around two important pillars: a profitable supply of its industry-preferred vanadium products from Brazil combined with its emerging clean energy storage business to support the world's low carbon future.

On November 8, 2021, the Company changed its legal name from Largo Resources Ltd. to Largo Inc.

The Company is organized and exists under the Business Corporations Act (Ontario) and its common shares are listed on the Toronto Stock Exchange ("TSX") under the symbol "LGO" and on the Nasdaq Stock Market ("Nasdaq") under the symbol "LGO".

2022 Highlights

- The Company's Maracás Menchen Mine produced 10,436 tonnes of vanadium pentoxide ("V_2O_5") in 2022, including quarterly production 2,004 tonnes of V_2O_5 produced in Q4 2022. The global V_2O_5 recovery rate for 2022 was 79.1%, with 74.7% seen in Q4 2022. The Company sold 11,091 tonnes of V_2O_5 equivalent in 2022, with sales in Q4 2022 of 2,774 tonnes.
- The Company recorded net income before tax of $4,039 for 2022 and net loss of $2,226 after the recognition of an income tax expense of $7,688 and a deferred income tax recovery of $1,423.
- The Company's cash balance at December 31, 2022 was $54,471.

- On February 3, 2022, the Company announced the creation of Largo Physical Vanadium Corp. ("LPV") and a proposed qualifying transaction pursuant to the policies of the TSX Venture Exchange with Column Capital Corp. (the "CPC"), a capital pool company. On April 19, 2022, the Company announced that LPV and CPC had entered into a definitive agreement that will result in CPC acquiring all of the issued and outstanding securities of LPV in exchange for securities of CPC and the reverse-takeover of CPC by LPV to form a combined entity (the "Resulting Issuer"). On September 15, 2022, the Company announced the completion of the qualifying transaction for LPV with CPC. As part of the transaction, the Company contributed approximately 200 tonnes of V^2O^5 equivalent and C$20,000 of the C$30,220 that LPV raised in a financing that closed in April 2022. On September 27, 2022, the Company announced that LPV shares had commenced trading on the TSX Venture Exchange under the ticker symbol "VAND".

- In April 2022, the Company repaid in full its $15,000 working capital facility with a bank in Brazil. At the same time, the Company secured a new working capital facility with another bank in Brazil. This facility was fully drawn down and proceeds of $15,000 were received. This facility is due to be repaid as a lump sum payment in April 2023, together with accrued interest at a rate of 3.65% per annum. In December 2022, the Company secured an additional debt facility of $20,000 with a bank in Brazil, which was used for the early settlement of the previously mentioned $15,000 facility. The facility is for three years, with equal principal repayments due semi-annually after a grace period of 360 days. In addition to a fee of 0.7%, accrued interest at a rate of 8.20% p.a. is to be paid every six months.

- On May 30, 2022, the Company announced that the TSX had accepted its notice of intention to make a normal course issuer bid ("NCIB") to purchase for cancellation its common shares (the "Common Shares"). Largo may purchase up to 3,641 Common Shares under the NCIB. Purchases of Common Shares may be effected through the facilities of the TSX, NASDAQ, and alternative trading systems during the period starting on June 1, 2022 and ending no later than May 31, 2023. The price that Largo will pay for any Common Shares will be the market price at the time of purchase. The actual number of Common Shares that may be purchased pursuant under the NCIB and timing of any such purchases will be determined by Largo. During 2022, the Company paid $6,088 for the repurchase and cancellation of 873 shares.

- On July 19, 2022, the Company announced that it had published its 2021 Sustainability Report detailing the Company's approach and progress towards integrating sustainability into all aspects of its business. Largo's 2021 Sustainability Report has been compiled in accordance with the Global Reporting Initiative ("GRI") Standards: Core option, as well as Value Reporting Foundation - Sustainability Accounting Standards Board ("SASB") Metals & Mining Industry Standard requirements.

- On August 4, 2022, the Company announced that Largo Clean Energy ("LCE") had signed a non-binding memorandum of understanding ("MOU") with Ansaldo Green Tech to negotiate the formation of a joint venture for the manufacturing and commercial deployment of vanadium redox flow batteries ("VRFB") in the European, African and Middle East power generation markets.

- In October 2022, the Company secured an additional debt facility of $20,000 with a bank in Brazil. The facility is for three years, with equal principal repayments due after 18, 24, 30 and 36 months. In addition to a fee of 0.7%, accrued interest at a rate of 8.33% p.a. is to be paid every six months.

Significant Events and Transactions Subsequent to 2022

- In January 2023, the Company entered into a two-year loan agreement for $15,000, bearing interest at 6.85% per annum. Payments are due quarterly with principal repayments starting after a grace period of 180 days. Also in January 2023, the Company entered into a three-year loan agreement for $10,000, bearing interest at 8.36% per annum and an initial fee of 0.70% of the principal. Payments are due semi-annually with principal repayments starting after a grace period of 360 days.

- On February 16, 2023, the Company announced a change in leadership in which Mr. Daniel Tellechea has been appointed as interim Chief Executive Officer following Mr. Paulo Misk's departure from the Company with immediate effect.

2022 Summary

Financial

	Three months ended			
	December 31, 2022	December 31, 2021	**Movement**	
Revenues	**$ 47,501**	$ 50,326	$ (2,825)	(6%)
Operating costs	**(44,455)**	(37,746)	(6,709)	18%
Direct mine and production costs	***(28,401)***	*(21,370)*	*(7,031)*	*33%*
Professional, consulting and management fees	**(5,735)**	(5,557)	(178)	3%
Foreign exchange (loss) gain	**(326)**	79	(405)	(513%)
Other general and administrative expenses	**(3,454)**	(2,297)	(1,157)	50%
Share-based payments	**(940)**	(1,153)	213	(18%)
Finance costs	**(801)**	(368)	(433)	118%
Interest income	**311**	137	174	127%
Technology start-up costs	**(8,181)**	(3,105)	(5,076)	163%
Exploration and evaluation costs	**(1,144)**	(653)	(491)	75%
	(64,725)	(50,663)	(14,062)	28%
Net loss before tax	**(17,224)**	(337)	(16,887)	5,011%
Income tax recovery (expense)	**1,336**	(402)	1,738	(432%)
Deferred income tax recovery	**252**	1,528	(1,276)	(84%)
Net income (loss)	**$ (15,636)**	$ 789	$ (16,425)	(2,082%)
Unrealized gain (loss) on foreign currency translation	**6,016**	(4,086)	10,102	(247%)
Comprehensive loss	**$ (9,620)**	$ (3,297)	$ (6,323)	192%
Basic earnings (loss) per share	**$ (0.24)**	$ 0.01	$ (0.25)	(2,500%)
Diluted earnings (loss) per share	**$ (0.24)**	$ 0.01	$ (0.25)	(2,500%)
Cash (used) provided before working capital items	**$ (14,055)**	$ 6,102	$ (20,157)	(330%)
Net cash (used in) provided by operating activities	**(5,429)**	3,427	(8,856)	(258%)
Net cash provided by (used in) financing activities	**24,078**	(2)	24,080	(1,204,000%)
Net cash used in investing activities	**(26,819)**	(6,985)	(19,834)	284%
Net change in cash	**(8,242)**	(3,777)	(4,465)	118%

	Year ended December 31, 2022	December 31, 2021	Movement	
Revenues	**$ 229,251**	$ 198,280	$ 30,971	16%
Operating costs	**(169,719)**	(133,010)	(36,709)	28%
Direct mine and production costs	***(94,521)***	*(75,126)*	*(19,395)*	*26%*
Professional, consulting and management fees	**(25,277)**	(17,922)	(7,355)	41%
Foreign exchange gain	**1,584**	610	974	160%
Other general and administrative expenses	**(14,319)**	(6,404)	(7,915)	124%
Share-based payments	**(2,372)**	(3,135)	763	(24%)
Finance costs	**(1,588)**	(1,135)	(453)	40%
Interest income	**1,109**	403	706	175%
Technology start-up costs	**(12,695)**	(3,835)	(8,860)	231%
Exploration and evaluation costs	**(1,935)**	(2,093)	158	(8%)
	(225,212)	(166,521)	(58,691)	35%
Net income before tax	**$ 4,039**	$ 31,759	$ (27,720)	(87%)
Income tax expense	**(7,688)**	(5,430)	(2,258)	42%
Deferred income tax recovery (expense)	**1,423**	(3,758)	5,181	(138%)
Net income (loss)	**$ (2,226)**	$ 22,571	$ (24,797)	(110%)
Unrealized gain (loss) on foreign currency translation	**6,607**	(10,334)	16,941	(164%)
Comprehensive income	**$ 4,381**	$ 12,237	$ (7,856)	(64%)
Basic earnings (loss) per share (note 15)	**$ (0.03)**	$ 0.35	$ (0.38)	(109%)
Diluted earnings (loss) per share (note 15)	**$ (0.03)**	$ 0.35	$ (0.38)	(109%)
Cash provided before working capital items	**$ 21,424**	$ 55,362	$ (33,938)	(61%)
Net cash provided by operating activities	**3,460**	39,777	(36,317)	(91%)
Net cash provided by (used in) financing activities	**26,435**	(6,902)	33,337	(483%)
Net cash used in investing activities	**(60,147)**	(27,399)	(32,748)	120%
Net change in cash	**$ (29,319)**	$ 4,645	$ (33,964)	(731%)

The movements in the discussion below refer to those shown in the previous table.

- The Company recorded net loss of $2,226 in 2022, compared with a net income of $22,571 in 2021. This movement was influenced by a 28% increase in operating costs, a 41% increase in professional, consulting and management fees, a 124% increase in other general and administrative expenses and a 231% increase in technology start-up costs. This was partially offset by a 16% increase in revenues.
- For Q4 2022, the Company recorded net loss of $15,636, compared with net income of $789 for Q4 2021. This movement was primarily attributable to a 6% decrease in revenues, an 18% increase in operating costs, a 3% increase in professional, consulting and management fees, a 50% increase in other general and administrative expenses and a 163% increase in technology start-up costs.

Commercial

- In Q4 2022, the Company sold 2,774 tonnes of V_2O_5 equivalent (Q4 2021 - 2,899 tonnes), including 118 tonnes of purchased products (Q4 2021 - 56 tonnes). Produced V_2O_5 equivalent sold decreased, with 5,855 (000s lb) sold in Q4 2022, as compared with 6,267 (000s lb) sold in Q4 2021. The Company delivered both standard grade and high purity V_2O_5, as well as vanadium trioxide ("V_2O_3") and ferrovanadium ("FeV") to customers globally.

- For 2022, the Company achieved the lower end of its revised annual sales guidance of 11,000 to 12,000 tonnes of V_2O_5 equivalent with total sales of 11,091 tonnes of V_2O_5 equivalent (2021 - 11,393 tonnes).
- The Company continues to actively manage its logistics and supply chain operations to provide premium products and service to its customers. Logistical challenges and transport costs have eased from their highs and the Company expects further improvements in the coming quarters. The Company continued to deliver on all its commercial commitments.
- During Q4 2022, the average benchmark price per lb of V_2O_5 in Europe was $8.25, an increase of 0.2% from the average of $8.23 seen in Q3 2022 and a decrease of 0.6% from the average of $8.30 seen in Q4 2021. The average benchmark price at December 31, 2022 was approximately $9.44, compared with approximately $8.00 at September 30, 2022 and $8.75 at December 31, 2021. During Q4 2022, the average benchmark price per kg of FeV in Europe was $33.35, a decrease of 1.5% from the average of $33.85 seen in Q3 2022 and an increase of 3.3% from the average of $32.29 seen in Q4 2021. The average benchmark price at December 31, 2022 was approximately $36.50, compared with approximately $32.65 at September 30, 2022 and $32.75 at December 31, 2021. The Company is now selling products with pricing based on several different V_2O_5 and FeV benchmarks. The Company's revenues will be driven by the movements in these prices.
- At December 31, 2022, the Company recognized an inventory write-down of $1,987 for its purchased products. This was primarily due to the high cost of purchased FeV relative to current benchmark prices.
- Spot demand in Q4 2022 increased from the previous quarter, primarily due to higher than expected demand from the aerospace sector. Demand in the steel market, particularly in Europe, was weaker than previous quarters due to ongoing geopolitical uncertainties and concerns over energy prices and availability.
- The Company maintains a strong focus on developing new markets for its high purity products and increased sales of V_2O_3 in Europe during the period.
- LPV began its principal activities during Q4 2022 and by December 31, 2022, $14,510 had been spent on the purchase of vanadium assets.
- Subsequent to Q4 2022, sales in January 2023 were 1,080 tonnes of V_2O_5 equivalent.
- During Q4 2022, the Company recognized revenues of $47,501 (Q4 2021 - $50,326) from sales of 2,774 tonnes of V_2O_5 equivalent (Q4 2021 - 2,899 tonnes). Of the total revenues, $42,653 is related to the Sales & trading segment, $4,848 is related to the Mine properties segment and $nil is related to the Corporate segment (after the elimination of inter-segment transactions).
- During 2022, the Company recognized revenues of $229,251 (2021 - $198,280) from the sales of 11,091 tonnes of V_2O_5 equivalent (2021 - 11,393 tonnes). Of the total, $198,274 is related to the Sales & trading segment, $30,663 is related to the Mine properties segment and $314 is related to the Corporate segment (after the elimination of inter-segment transactions).

	Three months ended		Year ended	
	December 31, 2022	December 31, 2021	**December 31, 2022**	December 31, 2021
V_2O_5 revenues per pound of V_2O_5 sold[1, 2]				
- Produced material	**$ 7.15**	$ 7.58	**$ 8.63**	$ 7.47
- Purchased material	**$ -**	$ -	**$ 12.02**	$ 8.27
- Total	**$ 7.15**	$ 7.58	**$ 8.70**	$ 7.48
V_2O_3 revenues per pound of V_2O_3 sold[1, 2]				
- Produced material	**$ 11.12**	$ -	**$ 11.63**	$ -
- Purchased material	**$ 11.43**	$ -	**$ 11.32**	$ -
- Total	**$ 11.15**	$ -	**$ 11.59**	$ -
FeV revenues per kg of FeV sold [1, 2]				
- Produced material	**$ 28.02**	$ 26.72	**$ 33.27**	$ 27.30
- Purchased material	**$ 26.77**	$ 24.44	**$ 36.51**	$ 26.85
- Total	**$ 27.89**	$ 26.63	**$ 33.98**	$ 27.26
Revenues per pound sold[1, 2]	**$ 7.77**	$ 7.88	**$ 9.38**	$ 7.89

1. *V^2O^5 revenues per pound of V^2O^5 sold, V^2O^3 revenues per pound of V^2O^3 sold, FeV revenues per kg of FeV sold and revenues per pound sold are non-GAAP ratios with no standard meaning under IFRS, and may not be comparable to similar financial measures disclosed by other issuers. Refer to the "Non- GAAP Measures" section of this MD&A.*
2. *Calculated based on the quantity sold during the stated period.*

Costs

- Operating costs of $44,455 in Q4 2022 (Q4 2021 - $37,746) include direct mine and production costs of $28,401 (Q4 2021 - $21,370), conversion costs of $2,231 (Q4 2021 - $2,592), product acquisition costs of $3,775 (Q4 2021 - $1,010), royalties of $2,106 (Q4 2021 - $2,279), distribution costs of $2,282 (Q4 2021 - $1,463), inventory write-down of $362 (Q4 2021 - $3,208), depreciation and amortization of $5,959 (Q4 2021
  - $5,824) and iron ore costs of $22 (Q4 2021 - $nil), partially offset by insurance proceeds of $683 (Q4 2021 - $nil).

- The increase in direct mine and production costs is attributable to a decrease in the global recovery (Q4 2022 - 74.7%, Q4 2021 - 76.0%), cost increases in critical consumables, including heavy fuel oil ("HFO") and ammonium sulfate, as well as increased consumption of these critical consumables and sodium carbonate. Costs were further impacted by the Company's mining contractor transition and corrective maintenance in the plant. Further, the Company's Maracás Menchen Mine experienced approximately 36% more rainfall in December 2022 compared to December 2021, and more than 76% more rainfall on a single day during the same comparative month. Higher costs of production in the current and previous periods related to shutdowns caused by abnormally high rainfall and corrective maintenance continue to impact operating costs as a result of the time between production and sales. Product acquisition costs relate to the cost of previously purchased products that have been sold in the period. Insurance proceeds relate to amounts received in Q4 2022 in connection with the write-down of inventory in Q4 2021. Of the total operating costs, $37,807 is related to the Sales & trading segment, $6,243 is related to the Mine properties segment and $405 is related to the Corporate segment (after the elimination of inter-segment transactions).

- Operating costs of $169,719 for 2022 (2021 - $133,010) include direct mine and production costs of $94,521 (2021 - $75,126), conversion costs of $8,070 (2021 - $9,252), product acquisition costs of $24,426 (2021 - $9,666), royalties of $10,371 (2021 - $8,867), distribution costs of $9,169 (2021 - $5,302), inventory write- down of $2,304 (2021 - $3,210), depreciation and amortization of $20,882 (2021 - $21,537) and iron ore costs of $659 (2021 - $50), partially offset by insurance proceeds of $683 (2021 - $nil). The increase in direct mine and production costs is primarily attributable to the cost impacts of elevated levels of rainfall as noted above, the plant shutdowns throughout 2022 for corrective maintenance, the impact of the mining contractor transition and cost and consumption increases for critical consumables as noted above. Of the total, $138,321 is related to the Sales & trading segment, $30,330 is related to the Mine properties segment and $1,068 is related to the Corporate segment (after the elimination of inter-segment transactions).

	Three months ended		Year ended	
	December 31, 2022	December 31, 2021	**December 31, 2022**	December 31, 2021
Cash operating costs per pound[1]	**$ 5.51**	$ 4.04	**$ 5.04**	$ 3.74
Cash operating costs excluding royalties per pound[1]	**$ 5.15**	$ 3.68	**$ 4.57**	$ 3.37

1. *Cash operating costs per pound and cash operating costs excluding royalties per pound are non-GAAP ratios with no standard meaning under IFRS, and may not be comparable to similar financial measures disclosed by other issuers. Refer to the "Non-GAAP Measures" section of this MD&A.*

- Cash operating costs excluding royalties per pound were $5.15 per lb in Q4 2022, compared with $3.68 for Q4 2021. The increase seen in Q4 2022 compared with Q4 2021 is largely due to the reasons noted above for operating costs, including the impact of cost and consumption increases for critical consumables, including HFO, diesel, sodium carbonate and ammonium sulfate. The previously noted plant shutdowns for repairs and maintenance negatively impacted the operational and financial performance, as did the mining contractor transition and the elevated levels of rainfall. Further, produced V_2O_5 equivalent sold decreased as compared with Q4 2021, with 5,855 (000s lb) sold in Q4 2022, as compared with 6,267 (000s lb) sold in Q4 2021.

- For 2022, cash operating costs excluding royalties per pound were $4.57 per lb, just about the 2022 guidance range of $4.10 - $4.50 per lb. The higher costs are primarily attributable to the performance in Q4 2022 due to the factors noted above.

- Professional, consulting and management fees in Q4 2022 increased from Q4 2021 by 3%. Of the total professional, consulting and management fee expense in Q4 2022, $468 related to the Sales & trading segment (Q4 2021 - $523), $1,185 related to the Mine properties segment (Q4 2021 - $1,176), $1,478 related to Corporate (Q4 2021 - $1,946), $2,581 related to Largo Clean Energy (Q4 2021 - $1,912) and $23 related to Largo Physical Vanadium (Q4 2021 - $nil). For 2022, total professional, consulting and management fees increased from 2021 by 41%. The increase is primarily attributable to costs incurred earlier in 2022 in connection with LCE, which was not fully operational earlier in 2021 and transaction and listing related costs incurred by LPV in connection with the completion of its qualifying transaction. Of the total, $1,832 related to the Sales & trading segment (2021 - $1,642), $4,969 related to the Mine properties segment (2021 - $4,162), $6,705 related to Corporate (2021 - $7,036), $10,044 related to Largo Clean Energy ($5,081) and $1,727 related to Largo Physical Vanadium ($nil).

- Other general and administrative expenses in Q4 2022 increased from Q4 2021 by 50% (or $1,157), which is primarily attributable to a further increase in legal provisions in the Mine properties segment of $215, as well as costs incurred in Q4 2022 in connection with LPV, and in LCE which has scaled up activities throughout 2022. Of the total other general and administrative expenses in Q4 2022, $145 related to the Sales & trading segment (Q4 2021 - $124), $746 related to the Mine properties segment (Q4 2021 - $497), $660 related to Corporate (Q4 2021 - $783), $1,314 related to Largo Clean Energy (Q4 2021 - $793) and $259 related to Largo Physical Vanadium (Q4 2021 - $nil). For 2022, total other general and administrative expenses increased from 2021 by 124%, primarily due to an increase in provisions of $5,107 following a ruling regarding a legal proceeding in Brazil. This relates to a supply agreement for the Maracás Menchen Mine which was filed with the courts in October 2014. The ruling requires the Company to pay amounts due, plus interest and legal fees. Of the total, $525 related to the Sales & trading segment (2021 - $414), $6,497 related to the Mine properties segment (2021 - $1,500), $1,830 related to Corporate (2021 - $2,358), $4,743 related to Largo Clean Energy (2021 - $2,029) and $265 related to Largo Physical Vanadium ($nil). In addition, $330 related to initial activities for the titanium project.

- Share-based payments in Q4 2022 decreased from Q4 2021 by 18%. The decrease was attributable to the lower total vesting expense of restricted share units ("RSUs") and a reduced number of stock options granted in 2022. The total in Q4 2022 of $940 was related to the Corporate segment (Q4 2021 - $1,153). For 2022, share-based payments decreased from the same prior year period by 24%, with the total of $2,372 related to Corporate (2021 - $3,135).

- Finance costs in Q4 2022 increased from Q4 2021 by 118% (or $433), which is attributable to increased debt, as well as the initial financing fees on the Company's new debt facilities.

- Exploration and evaluation costs in Q4 2022 increased from Q4 2021 by 75%. This was driven by increased drilling and exploration activity at the Maracás Menchen Mine in the current quarter compared to Q4 2021. Overall exploration and evaluation costs decreased by 8% in 2022. Costs in 2021 were higher due to work conducted on the technical report.

- Technology start-up costs relate to activities at LCE focused on the ramp up of operations for the deployment of its VCHARGE VRFB system (Q4 2022 - $8,181 and 2022 - $11,956) and costs related to initial activities for the titanium project in Brazil (Q4 2022 - $nil and 2022 - $739). This includes a full write-down of battery components inventory at LCE of $6,435 (Q4 2022 and 2022) (Q4 2021 and 2021 - $nil) to their expected net realizable value.

- Comprehensive loss for Q4 2022 increased from Q4 2021 by 192% primarily due to the aforementioned decrease in revenue and increase in costs. This was partially offset by a decrease in the unrealized loss on foreign currency translation of 247% (to a gain of $6,016). For 2022, comprehensive income decreased from 2021 by 64% primarily due to the decrease in net income, which was partially offset by a decrease in the unrealized loss on foreign currency translation of 164%. The unrealized gain on foreign currency translation in 2022 is primarily due to a strengthening of the Brazilian Real against the U.S. Dollar by approximately 7% since December 31, 2021, and against the Canadian Dollar by approximately 12% since December 31, 2021.

Cash Flows

- Cash used in operating activities of $5,429 in Q4 2022 is a decrease from cash provided by operating activities of $3,427 in Q4 2021. This is primarily due to a decrease in cash provided before working capital items of $20,157, partially offset by a net increase in working capital items of $11,301. The change in working capital items is primarily attributable to a decrease in amounts receivable and an increase in accounts payable and accrued liabilities. For 2022, cash provided by operating activities was $3,460, compared with cash provided by operating activities of $39,777 in 2021. This movement is primarily attributable to a decrease in cash provided before working capital items of $33,938 and a net change in working capital items of $(2,379), which is largely driven by increases in inventory and prepaid expenses and a decrease in deferred revenue, partially offset by a decrease in amounts receivable and an increase in accounts payable and accrued liabilities.

- Cash provided by financing activities in Q4 2022 increased from cash used in financing activities in Q4 2021 by $24,080. This movement was primarily due to the receipt of new debt of $40,000, partially offset by a repayment of debt of $15,000. For 2022, cash provided by financing activities increased from cash used in financing activities in 2021 by $33,337. The movement is primarily attributable to the receipt of debt of $55,000 and cash received from the sale of non-controlling interest of $7,344 (2021 - $nil), partially offset by the repayment of debt of $30,000 (2021 - $24,788) and share repurchases of $6,088 ($nil).

- Cash used in investing activities in Q4 2022 of $26,819 is an increase of $19,834 from the $6,985 seen in Q4 2021. This movement was primarily driven by the purchase of vanadium assets for LPV and continued work on the ilmenite project. For 2022, the increase from 2021 was $32,748. Expenditures in 2022 primarily relate to the ilmenite project, mining equipment, costs relating to a software implementation and cash outflows for purchased product vanadium assets.

- The net change in cash in Q4 2022 was a decrease of $8,242, compared with a decrease of $3,777 for Q4 2021. For 2022, the net change in cash was a decrease of $29,319 (an increase of $4,645 in 2021).

Net income reconciliation

		2022	
Total V_2O_5 equivalent sold	000s lbs	**24,451**	**A**
	tonnes[1]	**11,091**	
Produced V_2O_5 equivalent sold	000s lbs	**22,121**	**B**
	tonnes[1]	**10,034**	
Revenues per pound sold	$/lb	**$ 9.38**	**C**
Cash operating costs per pound[2]	$/lb	**$ 5.04**	**D**

1. *Conversion of tonnes to pounds, 1 tonne = 2,204.62 pounds or lbs.*
2. *Cash operating costs per pound is a non-GAAP ratio with no standard meaning under IFRS, and may not be comparable to similar financial measures disclosed by other issuers. Refer to the "Non-GAAP Measures" section of this MD&A.*

		2022	
Revenues		**$ 229,251**	A x C 11,091 tonnes of V_2O_5 equivalent sold (2021 - 11,393 tonnes), with revenues per pound sold of $9.38 (2021 - $7.89).
Cash operating costs		**(111,568)**	B x D Global recovery of 79.1% (2021 - 79.7%), impact of cost increases for critical consumables, including HFO and diesel, and abnormal rainfall.
Other operating costs			
Conversion costs *(costs incurred in converting V_2O_5 to FeV that are recognized on the sale of FeV)*	**(8,070)**		Note 23 2,135 tonnes of FeV sold. Unit conversion costs are increasing due to aluminium price increases.
Product acquisition costs *(costs incurred in purchasing products from 3rd parties that are recognized on the sale of those products)*	**(24,426)**		Note 23 1,057 tonnes of V_2O_5 equivalent of purchased products sold, compared with 528 tonnes in 2021 with a cost of $9,666.
Distribution costs	**(9,169)**		Note 23
Depreciation	**(20,882)**		Note 23
Increase in legal provisions	**(5,107)**		See "other general and administrative expenses" section on page 7.
Purchased products inventory write-down	**(1,987)**		Note 23 and Note 5
Insurance proceeds	**683**		Note 23
Iron ore costs	**(659)**		Note 23
		(69,617)	
Commercial & Corporate costs			
Professional, consulting and management fees	**(8,537)**		Note 18 (Sales & trading plus Corporate) Increased insurance, legal, regulatory and compliance costs in 2022 as a result of the Nasdaq listing in 2021 and ongoing U.S. regulatory requirements.
Other general and administrative expenses	**(2,355)**		
Share-based payments	**(2,372)**		
		$ (13,264)	

	2022	
Largo Clean Energy	**(26,743)**	Note 18 (excluding finance costs and FX) - includes an inventory write-down of $6,435 2022 guidance between$15,000 and $18,000
Largo Physical Vanadium	**(1,992)**	Note 18
Titanium project	**(1,198)**	Note 18 - "other"
Foreign exchange gain	**1,584**	
Finance costs	**(1,588)**	
Interest income	**1,109**	
Exploration and evaluation costs	**(1,935)**	
Net income before tax	**$ 4,039**	
Income tax expense	**(7,688)**	
Deferred income tax recovery	**1,423**	
Net income (loss)	**$ (2,226)**	

Operations

- V_2O_5 production in October 2022 was 803 tonnes, with 605 tonnes produced in November and 596 tonnes produced in December, for a total of 2,004 tonnes of V_2O_5 produced in Q4 2022. Production in October was impacted by corrective maintenance at the leaching and deammoniator areas, as well as the transition to a new mining contractor, with full mobilization having been completed by the end of the month. Production in November was impacted by changes in the mining sequence, while December was impacted by heavy rainfall, which resulted in a 16-day shutdown.

- For 2022, production was 10,436 tonnes of V_2O_5 equivalent, which is below the 2022 guidance of 11,000 - 12,000 tonnes. This is primarily attributable to the performance in Q4 2022, which saw the lowest production quantity of any quarter in 2022 (see table below).

- Production quantities and non-GAAP unit cost measures are summarized in the following table:

Period	Production Tonnes	Production Pounds Equivalent[1]	Average Quarterly V_2O_5 price[2] $/lb	Cash operating costs excluding royalties per pound[3] $/lb
Q4 2022	2,004	4,418,058	$ 8.25	$ 5.15
Q3 2022	2,906	6,406,626	$ 8.23	$ 4.86
Q2 2022	3,084	6,799,048	$ 11.08	$ 4.23
Q1 2022	2,442	5,383,682	$ 10.72	$ 3.97
Q4 2021	2,003	4,415,854	$ 8.30	$ 3.68
Q3 2021	3,260	7,187,061	$ 9.40	$ 3.53
Q2 2021	3,070	6,768,184	$ 8.19	$ 3.39
Q1 2021	1,986	4,378,375	$ 7.09	$ 2.87

1. *Conversion of tonnes to pounds, 1 tonne = 2,204.62 pounds or lbs.*
2. *Average benchmark price per lb of V_2O_5 in Europe for the stated period.*
3. *Cash operating costs excluding royalties per pound is a non-GAAP ratio with no standard meaning under IFRS, and may not be comparable to similar financial measures disclosed by other issuers. Refer to the "Non-GAAP Measures" section of this MD&A.*

- The global recovery achieved in Q4 2022 was 74.7%, a decrease of 1.7% from the 76.0% achieved in Q4 2021 and 7.4% lower than the 80.7% achieved in Q3 2022. The global recovery in October 2022 was 75.0%, with 67.8% achieved in November and 80.8% achieved in December.

- In Q4 2022, the Company produced 839 V_2O_5 equivalent tonnes of high purity products, including 650 tonnes of high purity V_2O_5 and 189 tonnes of high purity V_2O_3. This represented 42% of the total quarterly production. In 2022, the Company produced 1,801 V_2O_5 equivalent tonnes of high purity products, including 1,368 tonnes of high purity V_2O_5 and 433 tonnes of high purity V_2O_3.

- Subsequent to Q4 2022, production in January 2023 was 354 tonnes of V_2O_5.

Selected Quarterly Information

Summary financial information for the eight quarters ended December 31, 2022, prepared in accordance with IFRS (in thousands of U.S. dollars, except for basic earnings (loss) per share and diluted earnings (loss) per share):

Period	Revenue	Net (Loss) Income	Basic (Loss) Earnings per Share[1]	Diluted (Loss) Earnings per Share[1]	Total Assets	Non-current Liabilities
Q4 2022	$ 47,501	$ (15,636)	$ (0.24)	$ (0.24)	$ 355,750	$ 42,223
Q3 2022	54,258	(2,601)	(0.04)	(0.04)	347,569	6,187
Q2 2022	84,804	17,965	0.28	0.28	358,739	6,700
Q1 2022	42,688	(1,954)	(0.03)	(0.03)	348,755	8,883
Q4 2021	50,326	789	0.01	0.01	313,909	6,544
Q3 2021	53,861	9,193	0.14	0.14	315,577	6,911
Q2 2021	54,292	8,445	0.13	0.13	318,276	8,259
Q1 2021	39,801	4,144	0.07	0.07	261,018	5,440

1. *Basic earnings (loss) per share and diluted earnings (loss) per share have been adjusted in order to reflect the effect of the share consolidation that was completed on March 4, 2021 (refer to note 12).*

For Q4 2022, the Company recorded a net loss of $15,636, compared with a net income of $789 for Q4 2021. This movement was primarily attributable to a 6% decrease in revenues and an 18% increase in operating costs. The increase in non-current liabilities is due to the new debt facilities secured in the period.

The net income seen in Q2 2022 was primarily attributable to revenues of $84,804 from the sale of 3,291 tonnes of V_2O_5 equivalent.

2023 Guidance

The Company has committed a significant proportion of its monthly production in 2023 to sales of its VPURE+ ^{TM} and VPURE^{TM} products, as well as FeV produced from VPURE^{TM}.

The Company's Maracás Menchen Mine continued operations during 2022. Although there have been some challenges with logistics, including delays and higher costs, there continues to be no significant impact on the Company's production or on the shipment of products out of Maracás. To date, there continues to be no significant disruption to the Company's supply chain for its operations and the level of critical consumables continues to be at normal levels. In addition, COVID-19 restrictions imposed by the government in Brazil have not significantly impacted operations. The Company continues to follow the recommendations provided by health authorities and the Company continues to staff critical functions at the Maracás Menchen Mine.

The Company's 2023 guidance is presented on a "business as usual" basis. The Company continues to monitor ongoing geopolitical uncertainties the impact that these may have on the Company's operations, sales and guidance for 2023. Ongoing developments may significantly change the guidance and forecasts presented and will, if and when necessary, update its guidance accordingly. Refer to the Company's Annual Information Form for the year ended December 31, 2022 for the full discussion of the Company's Risks and Uncertainties.

The Company's guidance for 2023 is presented below.

		2023 Guidance
Annual V_2O_5 equivalent production	tonnes	11,000 - 12,000
Annual V_2O_5 equivalent sales[1]	tonnes	10,300 - 11,300
Cash operating costs excluding royalties per pound[2]	$/lb	4.85 - 5.25
Distribution costs	$	9,000 - 10,000
Corporate and Sales & trading administrative costs[3]	$	9,000 - 10,000
Largo Clean Energy administrative costs[4]	$	13,500 - 14,500
Capital expenditures - components		
Sustaining capital expenditures (excluding capitalized stripping costs)	$	13,000 - 14,000
Capitalized stripping costs	$	12,000 - 13,000
Ilmenite concentration plant capital expenditure	$	17,500 - 18,500
Dry magnetic separator capital expenditure	$	2,000 - 3,000
Carry-over capital expenditures	$	3,500 - 4,500

Tonnes V_2O_5	Q1		Q2		Q3		Q4		2023	
	Low	High	Low	High	Low	High	Low	High	Low	High
Production	1,900	2,200	3,000	3,200	3,050	3,300	3,050	3,300	11,000	12,000
Sales[1]	2,300	2,500	2,300	2,500	2,850	3,150	2,850	3,150	10,300	11,300

1. *Annual sales guidance does not include purchased products.*
2. *Cash operating costs excluding royalties per pound is a non-GAAP ratio with no standard meaning under IFRS, and may not be comparable to similar financial measures disclosed by other issuers. Refer to the "Non-GAAP Measures" section of this MD&A.*
3. *Consists of the total of professional, consulting and management fees and other general and administrative expenses for the Corporate and Sales & Trading segments.*
4. *Consists of the total of professional, consulting and management fees, other general and administrative expenses and technology start-up costs for the Largo Clean Energy segment.*

Operations

Largo Clean Energy

Recent Developments

During Q4 2022, LCE continued to make significant progress on the delivery of the Enel Green Power España ("EGPE") contract, which remains a priority focus. Substantially all the hardware is either in transit to or is in Spain awaiting installation. The only remaining items to ship are six of the 12 electrolyte storage containers, which were shipped in early 2023. The Field Service team has been on site in Q1 2023 and work is ongoing to install and interconnect the AC and DC power systems. Hot commissioning of the VRFB system is expected to be completed by the end of March. Provisional acceptance, which requires the completion of as-build drawings, manuals, final punch-list items, and operational testing by EGPE, is expected to be completed by the end of May 2023.

LCE and Ansaldo Green Tech continue to focus on the formation of a joint venture for the manufacturing and commercial deployment of VRFBs in the European, African and Middle East power generation markets. The MOU has been extended to March 31, 2023 to allow for the completion of the agreement. Ansaldo and LCE continue to develop a business path for the joint venture to service the European markets with Long Duration Energy Storage ("LDES").

At December 31, 2022, LCE wrote down its battery components inventory to $nil following an assessment of the net realizable value. A write down of $6,435 (Q4 2022 and 2022) (Q4 2021 and 2021 - $nil) was recognized in technology start-up costs.

Maracás Menchen Mine

Recent Developments

Expenditures of $44,101 were capitalized to mine properties, plant and equipment during 2022 (2021 - $28,923), including $7,730 of capitalized waste stripping and push back costs (2021 - $8,726) and $3,906 relating to the titanium project.

The production of 2,004 tonnes of V_2O_5 in Q4 2022 was in line with the 2,003 tonnes of V_2O_5 produced in Q4 2021. In Q4 2022, the Company experienced reduced massive ore inventory arising from the transition in mining contractors and unusually heavy rainfall in December 2022. In Q4 2021, the Company experienced abnormally elevated levels of rainfall in both November and December 2021. In Q4 2022, 326,552 tonnes of ore were mined with an effective grade of 0.96% of V_2O_5. The ore mined in Q4 2022 was 18% higher than in Q4 2021. The Company produced 90,797 tonnes of concentrate with an effective grade of 2.94%.

The COVID-19 restrictions put in place did not have an impact on the Company's operational performance in Q4 2022.

The following table is a summary of production statistics at the Maracás Menchen Mine.

	Q4 2022	Q4 2021	**YTD 2022**	YTD 2021
Total Ore Mined (tonnes)	**326,552**	277,783	**1,359,927**	1,248,967
Ore Grade Mined - Effective Grade [1] (%)	**0.96**	1.00	**1.11**	1.12
Effective Grade of Ore Milled (%)	**1.06**	1.16	**1.26**	1.24
Concentrate Produced (tonnes)	**90,797**	86,129	**406,951**	398,847
Grade of Concentrate (%)	**2.94**	3.13	**3.18**	3.23
Contained V_2O_5 (tonnes)	**2,671**	2,697	**12,944**	12,879
Crushing Recovery (%)	**97.8**	96.7	**97.8**	97.7
Milling Recovery (%)	**98.5**	97.1	**97.8**	97.6
Kiln Recovery (%)	**84.8**	86.6	**88.0**	89.0
Leaching Recovery (%)	**96.1**	97.7	**98.3**	98.0
Chemical Plant Recovery (%)	**95.1**	95.7	**95.6**	95.9
Global Recovery [2] (%)	**74.7**	76.0	**79.1**	79.7
V_2O_5 Produced (Flake + Powder) (tonnes)	**2,004**	2,003	**10,436**	10,319

1. *Effective grade represents the percentage of magnetic material mined multiplied by the percentage of V_2O_5 in the magnetic concentrate.*
2. *Global recovery is the product of crushing recovery, milling recovery, kiln recovery, leaching recovery and chemical plant recovery.*

Exploration Developments

During Q4 2022, the Company completed approximately 1,409 metres of infill drilling in the Campbell Pit, 972 metres of near mine deep drilling and 2,402 metres of drilling to support the maintenance of the Company's mineral rights. An integrated model including Gulçari A Norte ("GAN"), São Jose ("SJO") and Novo Amparo ("NAO") is being developed using data from the recent drilling campaigns. Further work in 2023 has been planned in order to finalize this model, including the development of a density model. The Campbell Pit geological model was updated in Q4 2022 and provided to the mine planning team. This model will be updated quarterly and will assist with mine planning activities.

In 2022, the Company completed 9,359 metres of drilling (66 holes) at various targets across the Maracás Menchen Mine. At the Campbell Pit, 971 metres were drilled in three holes to explore depth extension opportunities. A further 2,145 metres (20 holes) of infill drilling were completed within the pit as part of a short- term drill program focused on defining ore/waste contacts and increasing grade control for short-term modelling and mining purposes. 618 metres (4 holes) were drilled at Novo Amparo Norte ("NAN") and NAO and no further drilling was conducted at GAN and SJO. Finally, 5,622 metres of drilling (39 holes) were completed on three targets in the South Block.

In 2021 the Company completed 8,838 metres of drilling (56 holes) at various targets across the Maracás Menchen Mine. At the Campbell Pit, 2,337 metres were drilled in seven holes to explore depth extension opportunities. A further 2,248 metres of drilling (26 holes) were completed within the pit as part of a short-term drill program focused on defining ore/waste contacts and increasing grade control for short-term modelling and mining purposes. Limited drilling was completed at NAN (483 metres in two holes) and GAN (706 metres in four holes) in support of the technical report. Two holes (809 metres) were drilled to test geophysical anomalies adjacent to the existing mine operations, east of the Campbell Pit. Finally, 2,255 metres of drilling (15 holes) were completed on two targets in the South Block.

On November 3, 2021 the Company announced the results of a new NI 43-101 technical report titled "An Updated Life of Mine Plan ("LOMP") for Campbell Pit and Pre-Feasibility Study for GAN and NAN Deposits" (the "Technical Report"). The Technical Report was filed on December 20, 2021. A summary of the report outcomes can be found in the aforementioned press release and the full report can be accessed via SEDAR (www.sedar.com) and EDGAR (www.sec.gov).

Exploration Outlook

The Company is planning for approximately 2,700 metres of infill drilling in 2023 using rotopercussive drill rigs in order to reduce gaps in the 2023 and 2024 ore zones in the Campbell Pit and provide more detail to the mine planning team.

The Company is planning for approximately 11,200 metres of exploration drilling in 2023. Efforts will focus on areas in the South Block with known magnetic and geochemical anomalies and on concessions that require work to maintain them in good standing in accordance with the applicable rules and regulations in Brazil.

Campo Alegre de Lourdes

Recent Developments

No field work was undertaken at Campo Alegre de Lourdes in Q4 2022. In 2023, the Company is planning for the collection of approximately 2,250 soil samples and the completion of 3,000 metres of diamond drilling. The goal of this program is to support the maintenance of the Company's mineral rights in these areas.

During Q4 2022, the Company incurred $nil in expenditures (Q4 2021 - $nil) at the Campo Alegre de Lourdes project and in 2022, the Company incurred $nil in expenditures (2021 - $nil).

Financial Instruments

Financial assets and financial liabilities at December 31, 2022 and 2021 were as follows:

	December 31, 2022	December 31, 2021
Cash	**$ 54,471**	$ 83,790
Restricted cash	**470**	448
Trade and other receivables	**18,313**	22,172
Accounts payable and accrued liabilities (including non-current)	**26,960**	19,723
Lease liability (including non-current)	**2,054**	2,550
Debt	**40,000**	15,000

The Company's risk exposures and the impact on the Company's financial instruments are summarized in note 21. There have been no changes in the risks, objectives, policies and procedures from the previous year.

Liquidity And Capital Resources

The Company's continuance as a going concern is dependent on its ability to maintain profitable levels of operations.

At December 31, 2021, the benchmark price per lb of V_2O_5 was between $8.50 and $9.00. This increased to a range of between $9.27 and $9.60 at December 31, 2022, with an average of approximately $8.25 for Q4 2022, compared with approximately $8.23 for Q3 2022 and $8.30 for Q4 2021.

The average benchmark price per lb of V_2O_5 was approximately $9.90 and the average benchmark price per kg of FeV was approximately $37.90 for January 2023. At the date of the MD&A, the market price of V_2O_5 was in a range of $10.50 to $11.05 per lb and the market price of FeV was in a range of $40.25 to $41.50 per kg.

The Company is continuing to monitor any developing impacts of the COVID-19 pandemic and will take all possible actions to help minimize the impact on the Company and its people.

The adequacy of the Company's capital structure is assessed on an ongoing basis and adjusted as necessary after taking into consideration the Company's strategy, vanadium prices, economic conditions and associated risks. To maintain or adjust its capital structure, the Company may adjust capital expenditures, issue new common shares or take on new debt. At December 31, 2022, the Company's debt balance was $40,000.

Credit facilities

In April 2022, the Company repaid in full its $15,000 working capital facility. At the same time, the Company secured a new working capital facility with a bank in Brazil. This facility was fully drawn down and proceeds of $15,000 were received. This facility was originally due to be repaid as a lump sum payment in April 2023, together with accrued interest at a rate of 3.65% per annum. The facility was repaid in full in December 2022.
In October 2022, the Company secured an additional debt facility of $20,000 with a bank in Brazil. The facility is for three years, with equal principal repayments due after 18, 24, 30 and 36 months. In addition to a fee of 0.7%, accrued interest at a rate of 8.33% p.a. is to be paid every six months.

In December 2022, the Company secured an additional debt facility of $20,000 with a bank in Brazil. The facility is for three years, with equal principal repayments due semi-annually after a grace period of 360 days. In addition to a fee of 0.7%, accrued interest at a rate of 8.20% p.a. is to be paid every six months.

Refer to note 24 for details of debt secured after the statement of financial position date. Refer to "Significant Events and Transaction Subsequent to 2022" for details of an additional debt facility secured by the Company.

Capital resources

At December 31, 2022, the Company had an accumulated deficit of $48,227 since inception (December 31, 2021 - $49,327) and had a net working capital surplus of $115,171 (December 31, 2021 - $118,310) (defined as current assets less current liabilities). At December 31, 2022, the total amount due within 12 months on the Company's debt was $4,000 (December 31, 2021 - $15,000).

The following table details the Company's expected remaining contractual cash flow requirements at December 31, 2022 for its liabilities and commitments with agreed repayment periods. The amounts presented are based on the undiscounted cash flows and therefore, may not equate to the carrying amounts on the consolidated statement of financial position.

	Less than 6 months	6 months to 1 year	1 to 3 years	Over 3 years
Accounts payable and accrued liabilities	$ 26,634	$ -	$ 326	$ -
Debt	-	4,000	36,000	-
Operating and purchase commitments	12,139	1,446	132	22
	$ 38,773	$ 5,446	$ 36,458	$ 22

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. The Company's principal sources of liquidity are its cash flow from operating activities and cash of $54,471 (December 31, 2021 - $83,790). Refer to note 8 for lease commitments, note 19 for other commitments and contingencies and note 24 for debt facilities secured subsequent to December 31, 2022. As a consequence of vanadium price fluctuations in recent years, a risk may exist that the Company will not have sufficient liquidity to meet its obligations as they come due.

Outstanding Share Data

(Exercise prices presented in this section are in Canadian dollars and also not thousands).

At December 31, 2022, there were 64,006 common shares of the Company outstanding. At the date of this MD&A, there were 64,006 common shares of the Company outstanding.

At December 31, 2022, under the share compensation plan of the Company, 200 RSUs were outstanding and 1,008 stock options were outstanding with exercise prices ranging from C$6.70 to C$30.40 and expiry dates ranging between February 1, 2023 and December 14, 2027. If exercised, the Company would receive proceeds of C$11,712. The weighted average exercise price of the stock options outstanding is C$12.55.

As of the date of this MD&A, 120 RSUs and 645 stock options were outstanding with stock option exercise prices ranging from C$6.70 to C$30.40 and expiry dates ranging between August 16, 2023 and December 14, 2027.

At December 31, 2022, 342 common share purchase warrants were outstanding with an exercise price of C$13.00 and expiring on December 8, 2025. If these warrants were exercised, the Company would receive proceeds of C$4,446.

As of the date of this MD&A, 342 common share purchase warrants were outstanding with an exercise price of C$13.00 and expiring on December 8, 2025.

Transactions With Related Parties

The 2022 annual consolidated financial statements include the financial statements of the Company and its subsidiaries. There have been no changes in the Company's ownership interests in its subsidiaries since December 31, 2021 except as disclosed in note 14. The Company had transactions with related parties during 2022. Refer to note 17.

Additional information regarding the compensation of officers and directors of the Company is disclosed in the Company's management information circular, which is available under the Company's profile at www.sedar.com and www.sec.gov.

Commitments and Contingencies

At December 31, 2022, the Company was party to certain management and consulting contracts. Minimum commitments under the agreements are approximately $2,648 and all payable within one year. These contracts also require that additional payments of up to approximately $3,972 be made upon the occurrence of certain events such as change of control. As the triggering event has not occurred, the contingent payments have not been reflected in these consolidated financial statements.

In 2021, the Company signed a 10-year exclusive off-take agreement with a third party for the purchase of all standard and high purity grade vanadium products they produce. The annual quantity to be delivered to the Company in 2023 is 220 tonnes of V^2O^5, with the Company having a right of first refusal over additional amounts.

The Company's Largo Clean Energy business is required to pay a royalty of 7.5% of the net sales price of each VRFB which contains a manufactured licensed product or uses or transfers a licensed product on or after January 1, 2022. Refer to note 7 for details of the royalties payable at the Maracás Menchen Mine.

The Company is committed to a minimum amount of rental payments under five leases of office space which expire between February 28, 2023 and May 1, 2027. Minimum rental commitments remaining under the leases are approximately $397, including $243 due within one year.

At the Company's Maracás Menchen Mine and at Largo Clean Energy, the Company has entered into purchase order contracts with remaining amounts due related to goods not received or services not rendered as of December 31, 2022 of $10,693.

The Company, through its subsidiaries, is party to legal proceedings in the ordinary course of its operations related to legally binding agreements with various third parties under supply contracts and consulting agreements. During the year ended December 31, 2022, the Company received a ruling regarding one such proceeding in Brazil. This relates to a supply agreement for the Maracás Menchen Mine which was filed with the courts in October 2014. The ruling requires the Company to pay amounts due, plus interest and legal fees. At December 31, 2022, the Company recognized a provision of R$26,487 ($5,076) in the current portion of provisions (December 31, 2021 - $230). The Company is awaiting a further ruling from a higher court in Brazil and will consider its options for an appeal once this ruling is received. Refer to note 19. At December 31, 2022, the Company recognized a total provision of $5,310 for legal proceedings regarding labour matters (December 31, 2021 - $314).

Disclosure Controls And Procedures And Internal Controls Over Financial Reporting

Disclosure Controls and Procedures

The Company's disclosure controls and procedures ("DC&P") are designed to provide reasonable assurance that all relevant information is communicated to management to allow timely decisions regarding required disclosure. An evaluation of the effectiveness of the Company's DC&P, as defined under the rules of the Canadian Securities Administration, was conducted as at December 31, 2022 under the supervision of the Chief Executive Officer ("CEO") and the Chief Financial Officer ("CFO") and with the participation of management. Based on the results of that evaluation, the CEO and CFO concluded that the Company's DC&P were effective as at December 31, 2022 providing reasonable assurance that the information required to be disclosed in the Company's annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported in accordance with securities legislation.

Internal Control over Financial Reporting

Internal control over financial reporting ("ICFR") is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. ICFR should include those policies and procedures that establish the following:

- maintenance of records in reasonable detail, that accurately and fairly reflect the transactions and dispositions of assets;
- reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with applicable IFRS;
- receipts and expenditures are only being made in accordance with authorizations of management or the Board of Directors; and
- reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial instruments.

The Company's management, under supervision of the CEO and CFO, assessed the effectiveness of the Company's ICFR based on the criteria established in Internal Control - Integrated Framework (2013) issued by The Committee of Sponsoring Organizations of the Treadway Commission and concluded that as at December 31, 2022, the Company's ICFR was effective.

During the year ended December 31, 2022, the Company did not make any significant changes to its ICFR that would have materially affected, or reasonably likely to materially affect, its ICFR.

Limitations of Disclosure Controls and Procedures and Internal Control over Financial Reporting

The Company's management, including the CEO and CFO, believe that due to inherent limitations, any DC&P or ICFR, no matter how well designed and operated, can provide only reasonable, not absolute, assurance of achieving the desired control objectives. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that any design will not succeed in achieving its stated goals under all potential future conditions. Accordingly, because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected. Additionally, management is required to use judgment in evaluating DC&P and ICFR.

Significant Accounting Judgments, Estimates And Assumptions

The preparation of the 2022 annual consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These 2022 annual consolidated financial statements include estimates, which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the annual consolidated financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised, and the revision affects both current and future periods.

Significant areas requiring the use of estimates and assumptions relate to the determination of mineral reserve estimates and the impact on stripping costs, useful lives of mine properties, plant and equipment, impairment analysis of non-financial assets, estimates of the timing of outlays for asset retirement obligations and the determination of functional currencies. Other significant areas include the valuation of mine properties, plant and equipment and development properties, estimates of provisions for environmental rehabilitation, current and deferred taxes and contingencies. Refer to note 3(d) for a detailed description of these areas of significant judgment, estimates and assumptions. Actual results could differ from those estimates.

Changes In Accounting Policies

The basis of presentation, and accounting policies and methods of their application in the 2022 annual consolidated financial statements are consistent with those used in the Company's annual consolidated financial statements for the year ended December 31, 2021, except for any changes as disclosed in note 3.

Non-GAAP[1] Measures

The Company uses certain non-GAAP measures in its MD&A, which are described in the following section. Non- GAAP financial measures and non-GAAP ratios are not standardized financial measures under IFRS, the Company's GAAP, and might not be comparable to similar financial measures disclosed by other issuers. These measures are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

Revenues Per Pound

The Company's MD&A refers to revenues per pound sold, V_2O_5 revenues per pound of V_2O_5 sold, V_2O_3 revenues per pound of V_2O_3 sold and FeV revenues per kg of FeV sold, which are non-GAAP financial measures that are used to provide investors with information about a key measure used by management to monitor performance of the Company.

These measures, along with cash operating costs, are considered to be key indicators of the Company's ability to generate operating earnings and cash flow from its Maracás Menchen Mine and sales activities. These measures differ from measures determined in accordance with IFRS, and are not necessarily indicative of net earnings or cash flow from operating activities as determined under IFRS.

The following table provides a reconciliation of revenues per pound sold, V_2O_5 revenues per pound of V_2O_5 sold, V_2O_3 revenues per pound of V_2O_3 sold and FeV revenues per kg of FeV sold to revenues and the revenue information presented in note 18 as per the 2022 annual consolidated financial statements.

	Three months ended		Year ended	
	December 31, 2022	December 31, 2021	**December 31, 2022**	December 31, 2021
Revenues - V_2O_5 produced[1]	**$ 24,908**	$ 24,520	**$ 123,529**	$ 100,901
V_2O_5 sold - produced (000s lb)	**3,483**	3,234	**14,307**	13,499
V_2O_5 revenues per pound of V_2O_5 sold - produced ($/lb)	**$ 7.15**	$ 7.58	**$ 8.63**	$ 7.47
Revenues - V_2O_5 purchased[1]	**$ -**	$ -	**$ 3,184**	$ 455
V_2O_5 sold - purchased (000s lb)	**-**	-	**265**	55
V_2O_5 revenues per pound of V_2O_5 sold - purchased ($/lb)	**$ -**	$ -	**$ 12.02**	$ 8.27
Revenues - V_2O_5[1]	**$ 24,908**	$ 24,520	**$ 126,713**	$ 101,356
V_2O_5 sold (000s lb)	**3,483**	3,234	**14,571**	13,554
V_2O_5 revenues per pound of V_2O_5 sold ($/lb)	**$ 7.15**	$ 7.58	**$ 8.70**	$ 7.48

[1] GAAP - Generally Accepted Accounting Principles.

	Three months ended		Year ended	
	December 31, 2022	December 31, 2021	**December 31, 2022**	December 31, 2021
Revenues - V_2O_3 produced[1]	**$ 4,736**	$ -	**$ 8,534**	$ -
V_2O_3 sold - produced (000s lb)	**426**	-	**734**	-
V_2O_3 revenues per pound of V_2O_3 sold - produced ($/lb)	**$ 11.12**	$ -	**$ 11.63**	$ -
Revenues - V_2O_3 purchased[1]	**$ 480**	$ -	**$ 962**	$ -
V_2O_3 sold - purchased (000s lb)	**42**	-	**85**	-
V_2O_3 revenues per pound of V_2O_3 sold - purchased ($/lb)	**$ 11.43**	$ -	**$ 11.32**	$ -
Revenues - V_2O_3[1]	**$ 5,216**	$ -	**$ 9,496**	$ -
V_2O_3 sold (000s lb)	**468**	-	**819**	-
V_2O_3 revenues per pound of V_2O_3 sold ($/lb)	**$ 11.15**	$ -	**$ 11.59**	$ -
Revenues - FeV produced[1]	**$ 15,664**	$ 24,853	**$ 71,025**	$ 88,761
FeV sold - produced (000s kg)	**559**	930	**2,135**	3,251
FeV revenues per kg of FeV sold - produced ($/kg)	**$ 28.02**	$ 26.72	**$ 33.27**	$ 27.30
Revenues - FeV purchased[1]	**$ 1,713**	$ 953	**$ 22,017**	$ 8,163
FeV sold - purchased (000s kg)	**64**	39	**603**	304
FeV revenues per kg of FeV sold - purchased ($/kg)	**$ 26.77**	$ 24.44	**$ 36.51**	$ 26.85
Revenues - FeV[1]	**$ 17,377**	$ 25,806	**$ 93,042**	$ 96,924
FeV sold (000s kg)	**623**	969	**2,738**	3,555
FeV revenues per kg of FeV sold ($/kg)	**$ 27.89**	$ 26.63	**$ 33.98**	$ 27.26
Revenues[1]	**$ 47,501**	$ 50,326	**$ 229,251**	$ 198,280
V_2O_5 equivalent sold (000s lb)	**6,116**	6,390	**24,451**	25,117
Revenues per pound sold ($/lb)	**$ 7.77**	$ 7.88	**$ 9.38**	$ 7.89

1. *As per note 22.*
   Three months ended calculated as the amount per note 22 less the corresponding amount disclosed for the nine-month period in note 18 of the Company's unaudited condensed interim consolidated financial statements for the three and nine months ended September 30, 2022 and 2021.

Cash Operating Costs and Cash Operating Costs Excluding Royalties

The Company's MD&A refers to cash operating costs per pound and cash operating costs excluding royalties per pound, which are non-GAAP ratios based on cash operating costs and cash operating costs excluding royalties, which are non-GAAP financial measures, in order to provide investors with information about a key measure used by management to monitor performance. This information is used to assess how well the Maracás Menchen Mine is performing compared to plan and prior periods, and also to assess its overall effectiveness and efficiency.

Cash operating costs includes mine site operating costs such as mining costs, plant and maintenance costs, sustainability costs, mine and plant administration costs, royalties and sales, general and administrative costs (all for the Mine properties segment), but excludes depreciation and amortization, share-based payments, foreign exchange gains or losses, commissions, reclamation, capital expenditures and exploration and evaluation costs. Operating costs not attributable to the Mine properties segment are also excluded, including conversion costs, product acquisition costs, distribution costs and inventory write-downs.

Cash operating costs excluding royalties is calculated as cash operating costs less royalties.

Cash operating costs per pound and cash operating costs excluding royalties per pound are obtained by dividing cash operating costs and cash operating costs excluding royalties, respectively, by the pounds of vanadium equivalent sold that were produced by the Maracás Menchen Mine.

Cash operating costs, cash operating costs excluding royalties, cash operating costs per pound and cash operating costs excluding royalties per pound, along with revenues, are considered to be key indicators of the Company's ability to generate operating earnings and cash flow from its Maracás Menchen Mine. These measures differ from measures determined in accordance with IFRS, and are not necessarily indicative of net earnings or cash flow from operating activities as determined under IFRS.

The following table provides a reconciliation of cash operating costs and cash operating costs excluding royalties, cash operating costs per pound and cash operating costs excluding royalties per pound for the Maracás Menchen Mine to operating costs as per the 2022 annual consolidated financial statements.

	Three months ended		Year ended	
	December 31, 2022	December 31, 2021	**December 31, 2022**	December 31, 2021
Operating costs[1]	**$ 44,455**	$ 37,746	**$ 169,719**	$ 133,010
Professional, consulting and management fees[2]	**1,185**	1,176	**4,969**	4,162
Other general and administrative expenses[3]	**530**	497	**1,390**	1,500
Add: insurance proceeds[1]	**683**	-	**683**	-
Less: iron ore costs[1]	**(22)**	-	**(659)**	(50)
Less: conversion costs[1]	**(2,231)**	(2,592)	**(8,070)**	(9,252)
Less: product acquisition costs[1]	**(3,775)**	(1,010)	**(24,426)**	(9,666)
Less: distribution costs[1]	**(2,282)**	(1,463)	**(9,169)**	(5,302)
Less: inventory write-down[4]	**(332)**	(3,208)	**(1,987)**	(3,210)
Less: depreciation and amortization expense[1]	**(5,959)**	(5,824)	**(20,882)**	(21,537)
Cash operating costs	**32,252**	25,322	**111,568**	89,655
Less: royalties[1]	**(2,106)**	(2,279)	**(10,371)**	(8,867)
Cash operating costs excluding royalties	**30,146**	23,043	**101,197**	80,788
Produced V_2O_5 sold (000s lb)	**5,855**	6,267	**22,121**	23,953
Cash operating costs per pound ($/lb)	**$ 5.51**	$ 4.04	**$ 5.04**	$ 3.74
Cash operating costs excluding royalties per pound ($/lb)	**$ 5.15**	$ 3.68	**$ 4.57**	$ 3.37

1. *Year ended as per note 23.*
   Three months ended calculated as the amount per note 23 less the corresponding amount disclosed for the nine-month period in note 19 of the Company's unaudited condensed interim consolidated financial statements for the three and nine months ended September 30, 2022 and 2021.
2. *Year ended as per the Mine properties segment in note 18.*
   Three months ended calculated as the amount for the Company's Mine properties segment in note 18 less the corresponding amount disclosed for the Mine properties segment for the nine-month period in note 15 of the Company's unaudited condensed interim consolidated financial statements for the three and nine months ended September 30, 2022 and 2021.
3. *Year ended as per the Mine properties segment in note 18 less the increase in legal provisions of $5,107 as noted in the "other general and administrative expenses" section on page 7 of this MD&A.*
   Three months ended calculated as the amount for the Company's Mine properties segment in note 18 less the increase in legal provisions of $215, less the corresponding amount disclosed for the Mine properties segment for the nine-month period in note 15 of the Company's unaudited condensed interim consolidated financial statements for the three and nine months ended September 30, 2022 and 2021.
4. *Year ended as per notes 5 for purchased finished products.*
   Three months ended calculated as the amount per note 5 for purchased finished products less the corresponding amount disclosed for the nine-month period in note 5 of the Company's unaudited condensed interim consolidated financial statements for the three and nine months ended September 30, 2022 and 2021.

Risks And Uncertainties

The Company is subject to various business, financial and operational risks that could materially adversely affect the Company's future business, operations and financial condition. These risks could cause such future business, operations and financial condition to differ materially from the forward-looking statements and information contained in this MD&A and as described in the Cautionary Statement Regarding Forward-Looking Information found in this MD&A.

The Company's business activities expose it to significant risks due to the nature of mining, development and exploration activities, as well as due to the nature of its VRFB business. The ability to manage these risks is a key component of the Company's business strategy. Management is forward looking in its assessment of risks. Identification of key risks occurs in the course of business activities, pursuing approved strategies and as part of the execution of risk oversight responsibilities at the management and Board of Directors' level.

For a full discussion of the Company's Risks and Uncertainties, please refer to the Annual Information Form for the year ended December 31, 2022, which is filed on www.sedar.com and www.sec.gov.

Cautionary Statement Regarding Forward-Looking Information

The information presented in this MD&A contains "forward-looking information" and "forward-looking statements" within the meaning of applicable Canadian and United States securities laws concerning the Company's projects, capital, anticipated financial performance, business prospects and strategies and other general matters. Forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". All information contained in this MD&A, other than statements of current and historical fact, is forward looking information. Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company or Largo Clean Energy to be materially different from those expressed or implied by such forward-looking statements, including but not limited to those risks described in the Annual Information Form of the Company and in its public documents filed on www.sedar.com and available on www.sec.gov from time to time. Forward-looking statements are based on the opinions and estimates of management as of the date such statements are made. Although management of the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Company does not undertake to update any forward-looking statements, except in accordance with applicable securities laws.

Trademarks are owned by Largo Inc. (formerly Largo Resources Ltd).

Forward-looking information in this MD&A includes, but is not limited to, statements with respect to the timing and amount of estimated future production and sales; costs of future activities and operations; the extent of capital and operating expenditures; the timing and cost related to the build out of the ilmenite plant and the titanium project, eventual production from the ilmenite plant and/or the titanium project, the ability to sell ilmenite, titanium dioxide pigment, V_2O_5 or other vanadium commodities on a profitable basis; the ability to produce V_2O_3 according to customer specifications, the extent and overall impact of the COVID-19 pandemic in Brazil and globally, the extent and impact of global freight delays and higher inventory transit time. Forward- looking information in this MD&A also includes, but is not limited to, statements with respect to the Company's ability to build, finance and operate a profitable VRFB business, the projected timing and cost of the completion of the EGPE project, the ability to negotiate and enter into a joint venture agreement with Ansaldo Green Tech on terms satisfactory to the Company, the Company's ability to protect and develop its technology, the Company's ability to maintain its IP, the Company's ability to market, sell and fulfill orders for its VCHARGE battery system on specification and at a competitive price, the Company's ability to secure the required resources to build its VCHARGE battery, and the adoption of VFRB technology generally in the market.

The following are some of the assumptions upon which forward-looking information is based: that general business and economic conditions will not change in a material adverse manner; demand for, and stable or improving price of V^2O^5, other vanadium commodities, iron ore, ilmenite and titanium dioxide pigment; receipt of regulatory and governmental approvals, permits and renewals in a timely manner; that the Company will not experience any material accident, labour dispute or failure of plant or equipment or other material disruption in the Company's operations at the Maracás Menchen Mine or relating to Largo Clean Energy, specifically in respect of the installation of the EGPE project; the availability of financing for operations and development; the ability to mitigate the impact of heavy rainfall; the Company's ability to procure equipment and operating supplies in sufficient quantities and on a timely basis; that the estimates of the resources and reserves at the Maracás Menchen Mine are within reasonable bounds of accuracy (including with respect to size, grade and recovery and the operational and price assumptions on which such estimates are based); the competitiveness of the Company's VRFB technology; the ability to obtain funding through government grants and awards for the green energy sector, the accuracy of cost estimates and assumptions for future variations of the VCHARGE battery system design; that the Company's current plans for iron ore, ilmenite, titanium dioxide pigment and VRFBs can be achieved; the Company's "two-pillar" business strategy will be successful; the Company's sales and trading arrangements will not be affected by the evolving sanctions against Russia; and the Company's ability to attract and retain skilled personnel and directors; the ability of management to execute strategic goals.

Actual results could differ materially from those anticipated in this forward-looking information as a result of the risks and uncertainties including, without limitation: volatility in prices of, and demand for, V_2O_5, ilmenite, titanium dioxide and other vanadium commodities; risks inherent in mineral exploration and development; uncertainties associated with estimating mineral resources; uncertainties related to title to the Company's mineral projects; the risks inherent with the introduction and reliance on recently developed VRFB technology; revocation of government approvals; tightening of the credit markets, global economic uncertainty and counterparty risk; failure of plant, equipment or processes to operate as anticipated; unexpected operational events and delays; competition for, among other things, capital and skilled personnel; geological, technical and drilling problems; fluctuations in foreign exchange or interest rates and stock market volatility; rising costs of labour and equipment; risks associated with political and/or economic instability in Brazil; compliance with applicable sanctions regimes; inherent uncertainties involved in the legal dispute resolution process, including in foreign jurisdictions; changes in income tax and other laws of foreign jurisdictions; and other factors discussed under "Risk Factors" in the Company's Annual Information Form for the year ended December 31, 2022 which is filed on www.sedar.com and www.sec.gov, and any additional risks as included in "Risks and Uncertainties" above. Assumptions relating to the potential mineralization of the Maracás Menchen Mine are discussed in the Technical Report. Statements relating to mineral resources are also forward-looking information, as they involve the implied assessment, based on certain estimates and assumptions that the mineral resources described can be profitably produced in the future. There is no certainty that it will be commercially viable to produce any portion of the mineral resources.

The forward-looking information is presented in this MD&A for the purpose of assisting investors in understanding the Company's plans, objectives and expectations in making an investment decision and may not be appropriate for other purposes. This forward-looking information is expressly qualified in its entirety by this cautionary statement. Forward-looking information contained in this MD&A or documents incorporated herein by reference are made as of the date hereof or the document incorporated herein by reference, as applicable, and are accordingly subject to change after such date. The Company disclaims any obligation to update any such forward-looking information to reflect events or circumstances after the date of such information, or to reflect the occurrence of anticipated or unanticipated events, except as required by law.

Certain terms appearing in the following table are defined previously in this MD&A. This table contains the material forward-looking statements made by the Company in this MD&A, the assumptions made by the Company in making those statements and the risk factors associated with those assumptions.

Forward-looking Statements	Assumptions	Risk Factors
The 2022 annual consolidated financial statements were prepared on a going concern basis. The going concern basis assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business.	The Company has assumed that it will be able to continue in operation for the foreseeable future and will be able to discharge its liabilities and commitments in the normal course of business, as it anticipates that it will address working capital and other shortfalls through positive cash flow from operations.	The Company's continuance as a going concern is dependent on its ability to maintain profitable levels of operations. The adequacy of the Company's capital structure is assessed on an ongoing basis and adjusted as necessary after taking into consideration the Company's strategy, vanadium prices, economic conditions and associated risks. To maintain or adjust its capital structure, the Company may adjust capital expenditures, issue new common shares or take on new debt. At the date of this MD&A, the Company's debt balance was $65,000. Refer to note 10.
Production volumes are expected to achieve the expanded nameplate capacity of 1,100 tonnes per month during 2023. 2023 Production Guidance: 11,000 - 12,000 tonnes	The Company assumes that consistent production levels will achieve a level of or in excess of 1,100 tonnes per month in 2023 during normal operation.	The Company prepares future production estimates with respect to existing operations. Actual production and costs may vary from the estimates for a variety of reasons such as estimates of grade, tonnage, dilution and metallurgical and other characteristics of the ore varying from the actual ore mined, revisions to mine plans, risks and hazards associated with mining, adverse weather conditions, unexpected labour shortages or strikes, equipment or design failures and other interruptions in production. Production costs may also be affected by increased mining costs, variations in predicted grades of the deposits, increases in level of ore impurities, labour costs, raw material costs, inflation and fluctuations in currency exchange rates. Failure to achieve production targets or cost estimates could have a material adverse impact on the Company's sales, profitability, cash flow and overall financial performance. In the event that the Company obtains debt financing, repayment terms associated with such financing will likely be based, among other things, on production schedule estimates. Any failure to meet such timelines or to produce amounts forecast may constitute defaults under such debt financing, which could result in the Company having to repay loans.

Forward-looking Statements	Assumptions	Risk Factors
2023 Costs Guidance: Cash operating costs excluding royalties per pound $4.85 - $5.25	The Company assumes that its current estimation of future operating costs is accurate, as it is largely based on the current cost profile of operations at the Maracás Menchen Mine.	Capital and operating cost estimates made by management with respect to future projects, or current operations in the early stages of production are estimates which are in turn based, among other things, on interpretation of geological data, feasibility studies, anticipated climactic conditions and other information. Any or all of the above could affect the accuracy of the estimates including unanticipated changes in grade and tonnage to be mined and processed; incorrect data on which engineering assumptions are made; unanticipated transportation costs; accuracy of equipment and construction cost estimates; difficulty or failure to meet scheduled construction completion dates, facility or equipment commissioning dates, or metal production dates; poor or unsatisfactory construction quality resulting in failure to meet completion, commissioning or production dates; increased expenditures required as a failure to meet completion, commissioning or production dates; capital overrun related to the completion of any construction phase including capital overrun associated with demobilization of construction workers and contractors; labour negotiations; unanticipated costs relating to the commencement of operations, ramp up and production sustainment; changes in government regulation (including regulations regarding prices, cost of consumables, royalties, duties, taxes, permitting and restrictions on production quotas or exportation of the Company's products; and change in commodity input costs and quantities).

Forward-looking Statements	Assumptions	Risk Factors
Sustaining capital expenditures of approximately $13,000 to $14,000 are expected to be required in 2023 to sustain the operational capacity to produce 1,100 tonnes per month (excluding capitalized waste stripping costs).	Management assumes that its current estimation of capital expenditures is accurate, as based on operational estimates produced and current experience with operations.	Capital and operating costs estimates made by management with respect to future projects, or current operations in production, or not yet in the production phase are estimates which are in turn based, among other things, on interpretation of geological data, feasibility studies, anticipated climactic conditions and other information. Any or all of these can affect the accuracy of the estimates including unanticipated changes in grade and tonnage to be mined and processed; incorrect data on which engineering assumptions are made; unanticipated transportation costs; accuracy of equipment and construction cost estimates; difficulty or failure to meet scheduled construction completion dates, facility or equipment commissioning dates, or metal production dates; poor or unsatisfactory construction quality resulting in failure to meet completion, commissioning or production dates; increased expenditures required as a failure to meet completion, commissioning or production dates; capital overrun related to the completion of any construction phase including capital overrun associated with demobilization of construction workers and contractors; labour negotiations; unanticipated costs relating to the commencement of operations, ramp up and production sustainment; changes in government regulation (including regulations regarding prices, cost of consumables, royalties, duties, taxes, permitting and restrictions on production quotas or exportation of the Company's products; and change in commodity input costs and quantities).

Forward-looking statements and forward looking information are based on the opinions and estimates of management as of the date such statements are made, and they are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking statements or forward looking information, including, but not limited to, unexpected events during operations; variations in ore grade; risks inherent in the mining industry; delay or failure to receive board approvals; timing and availability of external financing on acceptable terms; risks relating to international operations; actual results of exploration activities; conclusions of economic valuations; changes in project parameters as plans continue to be refined; and fluctuating metal prices and currency exchange rates.

Although management of the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements or forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements and forward-looking information. The Company does not undertake to update any forward-looking statements or forward-looking information that are incorporated by reference herein, except in accordance with applicable securities laws.

Investors are advised that National Instrument 43-101 of the Canadian Securities Administrators ("NI 43-101") requires that each category of mineral reserves and mineral resources be reported separately. Mineral resources that are not mineral reserves do not have demonstrated economic viability.

A Note for US Investors Regarding Estimates of Measured, Indicated and Inferred Mineral Resources and Proven and Probable Mineral Reserves

This MD&A uses the terms "Mineral Reserve", "Proven Mineral Reserve", "Probable Mineral Reserve", "Mineral Resource", "Measured Mineral Resource", "Indicated Mineral Resource" and "Inferred Mineral Resource", which are Canadian mining terms as defined in and required to be disclosed in accordance with National Instrument 43-101 - Standards of Disclosure for Mineral Projects ("NI 43-101"), which references the guidelines set out in the Canadian Institute of Mining, Metallurgy and Petroleum (the "CIM") - CIM Definition Standards on Mineral Resources and Mineral Reserves ("CIM Standards"), adopted by the CIM Council, as amended. Until recently, the CIM Standards differed significantly from standards in the United States. The U.S. Securities and Exchange Commission (the "SEC" or the "Commission") adopted amendments to its disclosure rules to modernize the mineral property disclosure requirements for issuers whose securities are registered with the SEC under the Exchange Act. These amendments became effective February 25, 2019 (the "SEC Modernization Rules") with compliance required for the first fiscal year beginning on or after January 1, 2021. The SEC Modernization Rules replace the historical disclosure requirements for mining registrants that were included in SEC Industry Guide 7. As a result of the adoption of the SEC Modernization Rules, the SEC now recognizes estimates of "Measured Mineral Resources", "Indicated Mineral Resources" and "Inferred Mineral Resources". In addition, the SEC has amended its definitions of "Proven Mineral Reserves" and "Probable Mineral Reserves" to be "substantially similar" to the corresponding definitions under the CIM Standards, as required under NI 43-101.

United States investors are cautioned that while the above terms are "substantially similar" to the corresponding CIM Definition Standards, there are differences in the definitions under the SEC Modernization Rules and the CIM Standards. Accordingly, there is no assurance any Mineral Reserves or Mineral Resources that the Company may report as "Proven Mineral Reserves", "Probable Mineral Reserves", "Measured Mineral Resources", "Indicated Mineral Resources" and "Inferred Mineral Resources" under NI 43-101 would be the same had the Company prepared the reserve or resource estimates under the standards adopted under the SEC Modernization Rules.

United States investors are also cautioned that while the SEC now recognizes "Indicated Mineral Resources" and "Inferred Mineral Resources", investors should not assume that any part or all of the mineralization in these categories will ever be converted into a higher category of Mineral Resources or into Mineral Reserves. Mineralization described using these terms has a greater amount of uncertainty as to their existence and feasibility than mineralization that has been characterized as reserves. Accordingly, investors are cautioned not to assume that any "Indicated Mineral Resources" or "Inferred Mineral Resources" that the Company reports are or will be economically or legally mineable. Further, "Inferred Mineral Resources" have a greater amount of uncertainty as to their existence and as to whether they can be mined legally or economically. Therefore, United States investors are also cautioned not to assume that all or any part of the "Inferred Mineral Resources" exist. In accordance with Canadian securities laws, estimates of "Inferred Mineral Resources" cannot form the basis of feasibility or other economic studies, except in limited circumstances where permitted under NI 43-101.

Accordingly, information contained in this MD&A and the documents incorporated by reference herein containing descriptions of the Company's mineral deposits may not be comparable to similar information made public by U.S. companies subject to the reporting and disclosure requirements under the United States federal securities laws and the rules and regulations thereunder.

Exhibit 99.4

CERTIFICATION
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Daniel Tellechea, certify that:

1. I have reviewed this annual report on Form 40-F of Largo Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations, and cash flows of the issuer as of, and for, the periods presented in this report;

4. The issuer's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the issuer and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the issuer's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the issuer's internal control over financial reporting; and

5. The issuer's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the issuer's auditors and the audit committee of the issuer's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting that are reasonably likely to adversely affect the issuer's ability to record, process, summarize, and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the issuer's internal control over financial reporting.

Date: March 9, 2023

/s/ Daniel Tellechea
Name: Daniel Tellechea
Title: Interim Chief Executive Officer
(principal executive officer)

Exhibit 99.5

CERTIFICATION
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Ernest Cleave, certify that:

1. I have reviewed this annual report on Form 40-F of Largo Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations, and cash flows of the issuer as of, and for, the periods presented in this report;

4. The issuer's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the issuer and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the issuer's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the issuer's internal control over financial reporting; and

5. The issuer's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the issuer's auditors and the audit committee of the issuer's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting that are reasonably likely to adversely affect the issuer's ability to record, process, summarize, and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the issuer's internal control over financial reporting.

Date: March 9, 2023

/s/ Ernest Cleave
Ernest Cleave
Chief Financial Officer
(principal financial officer)

Exhibit 99.6

CERTIFICATION
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

The undersigned, as the Interim Chief Executive Officer of Largo Inc. certifies that, to the best of his knowledge and belief, the annual report on Form 40-F for the fiscal year ended December 31, 2022, which accompanies this certification, fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934, as amended, and the information contained in the annual report on Form 40-F for the fiscal year ended December 31, 2022 fairly presents, in all material respects, the financial condition and results of operations of Largo Inc. at the dates and for the periods indicated. The foregoing certification is made pursuant to § 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. § 1350) and shall not be relied upon for any other purpose. The undersigned expressly disclaims any obligation to update the foregoing certification except as required by law.

Date: March 9, 2023

/s/ Daniel Tellechea
Daniel Tellechea
Interim Chief Executive Officer
(principal executive officer)

Exhibit 99.7

CERTIFICATION
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

The undersigned, as the Chief Financial Officer of Largo Inc. certifies that, to the best of his knowledge and belief, the annual report on Form 40-F for the fiscal year ended December 31, 2022, which accompanies this certification, fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934, as amended, and the information contained in the annual report on Form 40-F for the fiscal year ended December 31, 2022 fairly presents, in all material respects, the financial condition and results of operations of Largo Inc. at the dates and for the periods indicated. The foregoing certification is made pursuant to § 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. § 1350) and shall not be relied upon for any other purpose. The undersigned expressly disclaims any obligation to update the foregoing certification except as required by law.

Date: March 9, 2023

/s/ Ernest Cleave
Ernest Cleave
Chief Financial Officer
(principal financial officer)

Exhibit 99.8

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors
Largo Inc.

We consent to the use of our report dated March 9, 2023 on the consolidated financial statements of Largo Inc. (the "Entity") which comprise the consolidated statement of financial position as at December 31, 2022, the related consolidated statement of income (loss) and comprehensive income (loss), changes in equity and cash flows for the year ended December 31, 2022, and the related notes (collectively the "consolidated financial statements") which is included in the Annual Report on Form 40-F of the Entity for the fiscal year ended December 31, 2022.

We also consent to the incorporation by reference of such report in the Registration Statements No. 333-256282 on Form F-10, and No. 333-258713 on Form S-8 of the Entity.

/s/ KPMG LLP

March 9, 2023

Toronto, Canada

Exhibit 99.9

CONSENT OF REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in this Annual Report on Form 40-F of our report dated March 15, 2022, with respect to the consolidated financial statements of Largo Inc. as at and for the year ended December 31, 2021, which appears in Exhibit 99.2 to this Annual Report on Form 40-F.

We also hereby consent to the incorporation by reference in the Registration Statements on Form F-10/A (No. 333-256282), and Form S-8 (No. 333-258713) of Largo Inc. of our report dated March 15, 2022 which appears in the Form 40-F referred to above.

/s/ PricewaterhouseCoopers LLP

Chartered Professional Accountants
Toronto, Ontario, Canada

March 9, 2023