

ALLIANCE MINERAL ASSETS LIMITED



NEWS RELEASE

ALLIANCE MINERAL ASSETS COMMENCES TRIAL PRODUCTION UPON APPROVAL OF OPERATING LICENCES; ACHIEVES KEY MILESTONE WITH MITSUBISHI WITH SAMPLING AND TESTING IN PROGRESS

- *Receipt of approvals for commencement of trial mining and recommissioning of various operational facilities*
- *Trial mining and production to begin with the first samples to be sent to Mitsubishi for testing.*
- *Mining contractors fully mobilised; commercial operations targeted to commence by the first half of year 2015*

SINGAPORE, 4 February 2015 – Alliance Mineral Assets Limited (“**AMA**” or the “**Company**”), the first tantalite mining company listed on the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”), is pleased to announce that the Company has commenced trial mining, production and treatment operations at an area – Boreline Pit - within its 59,000-hectare Bald Hill Project¹ in Western Australia. Full-scale commercial production and sale of tantalite concentrate is targeted for the first half of year 2015.

This is in line with the Company’s prior disclosure in its Offer Document dated July 14, 2014 in respect of its initial public offering, to commence production and sale of tantalite concentrate in the financial year ending June 30, 2015 (“**FY2015**”).

¹ *Comprises the Bald Hill tantalite mine, the various surrounding tenements, the project’s intellectual property and the Bald Hill treatment plant.*

Mr Tjandra Pramoko, Chief Executive Officer of AMA said, “While it has taken AMA some time to get to the trial production stage due to the delay in obtaining licensing approvals, we are pleased that the Bald Hill Project has reached this exciting milestone.

With preparation work completed and all our relevant mining contractors fully mobilised, we are now ready to prepare our first samples to be sent to Mitsubishi in Japan for testing. The sample concentrates will be prepared from our ore which will be analysed for purposes of verification on sampling methods in anticipation of receiving commercial quantities in the near future.

We are buoyed by the good start in 2015 and hope to be operating an income-generative mine within the year.”

AMA has a standing two-year distribution agreement² with Mitsubishi Corporation RtM Japan Ltd. for the exclusive right to negotiate for up to 50% of the total tantalite concentrate produced by the Company each month.

Mr Pramoko added, “Tantalite is a rare, non-radioactive metal widely used in surgical and chemical process equipment, the electronics industry as well as other wide-ranging applications.

Our distribution agreement with a reputable market player such as Mitsubishi underpins our sales and marketing efforts, and we are already in active discussions with potential customers and other distributors.

With growing global demand for conflict-free tantalum, our ethical mining operations will stand us in good stead to meet the strong demand from end-users globally.”

² Dated 1 April 2014

Following the recent receipt of approval from Australia's Department of Environment Regulation (DER) for the operating licence of its on-site processing plant and approval to embark on its project management plan from Australia's Department of Mining, the Company will be kicking off its initial phase of works at the Bald Hill Mine.

This phase includes the trial mining of free-dig material within the Boreline Pit and ramping up works to provide ore for the Company's processing plant. To support the plan, the Company will also re-commission the Tailings Storage Facility and an existing power generator and reconnect the borefields to the process water dam.

The refurbishment of the Primary Process Treatment Plant at the Bald Hill Mine Site, has been completed with the plant being successfully tested with processing water from the newly established Process Water Dam. Once the Tailings Storage Facility has been reinstated, and before any ore can be processed, the plant will run continuously with water to flush out any debris left behind from the refurbishment process.

Meanwhile, a 42-man accommodation camp has been constructed for mine workers, and roads and other infrastructure in the surrounding area will be rebuilt and/ or improved to support mining operations.



Upon the commencement of commercial mining and treatment of tantalite and tin-bearing cassiterite ores, the ores will be processed for sale as tantalite concentrate at the Group's on-site processing plant and off-site beneficiation plant, with a

projected processing capacity of approximately 350,000 to 400,000 tonnes per annum (tpa) of ore.



For the first year of operations, the Company plans to focus on mining operations at the Boreline Pit. In the next two (2) to ten (10) years, the Company will tap the mineral resources in the Central Mine Area and other pits containing mineral resources and ore reserves. The Company will also continue to expand its exploration program to sequentially develop deposits for mining as the Boreline deposit is mined.

The Company's Bald Hill Project has estimated tantalum mineral resources of approximately 2.58 million tonnes and is strategically located near Kalgoorlie, a major support mining centre in Western Australia which is well-connected by air, rail and road services, placing it in close proximity to potential end customers.

About AMA

AMA is a mining company headquartered in Perth, Australia, primarily engaged in the business of developing and exploiting tantalite mineral resources in Australia. It owns the Bald Hill Tantalite Mine located 580 km East of Perth together with the various surrounding Tenements, the Project Intellectual Property, and the Bald Hill Treatment Plant.

Tantalum is a non-radioactive metal which is ductile, easily fabricated, highly resistant to corrosion by acids, has a high melting point, and is an excellent conductor of heat and electricity. It is a key element in the production of capacitors. Consequently, the greatest demand for tantalum comes from the electronics industry. Tantalum capacitors are estimated to account for more than 60% of tantalum use. Major end uses for tantalum capacitors include automotive electronics, tablets, personal computers and mobile phones. Tantalum is also an element in super-alloys used in jet engine turbine blades, drilling tools and surgical instruments.

Australia has the second largest reserves of tantalum in the world, and the Company is one of the few producers of tantalum in Australia. The Bald Hill Mine has a history of production, and AMA is currently focusing on the resumption of mining and production of tantalite concentrate for sale through the refurbishment of existing facilities, reopening open pits, and construction of new facilities.

*"Alliance Mineral Assets Limited (the "**Company**") was listed on Catalist of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") on 25 July 2014. The initial public offering of the Company (the "**IPO**") was sponsored by PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**").*

This press release has been prepared by the Company and its contents have been reviewed by the Sponsor for compliance with the SGX-ST Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this press release. The Sponsor has also not drawn on any specific technical expertise in its review of this press release.

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The contact person for the Sponsor is Mr Lance Tan, Director, Continuing Sponsorship, at 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, telephone (65) 62298088."