

18 April 2017

Execution of Bald Hill Joint Venture Agreement To Govern the Joint Venture Arrangement upon independent verification of A\$7.5m Exploration and A\$12.5m Capital Expenditure Commitments by Lithco

Tawana Resources NL (“Tawana” or “TAW”) (ASX: TAW) and Alliance Mineral Assets Limited (“AMAL”) (SGX: AMAL) are pleased to announce the completion of the agreements necessary to govern the joint venture arrangement between AMAL and a wholly-owned subsidiary of Tawana, Lithco 2 Pty Ltd (“Lithco”), as further elaborated herein.

Further to the Farm-In Agreement between AMAL and Lithco as announced on 23 February 2017 (“Farm-in Agreement”) and the entry into Lithium Rights Joint Venture Agreement between AMAL and Lithco as announced on 10 April 2017, the Boards of Tawana and AMAL wish to update shareholders that AMAL and Lithco (collectively, the “Parties”), have on 18 April 2017 finalised the terms of, and executed the Bald Hill Joint Venture Agreement (“BHJVA”) with respect to the Bald Hill project (“Bald Hill Project” or “Project”) in Western Australia for the purpose of, *inter alia*, joint exploration and exploitation of Lithium and other minerals (“Bald Hill Joint Venture”).

Under the Farm-in Agreement:

- Lithco is required to spend a minimum of A\$7.5 million on exploration, evaluation and feasibility by 31 December 2017 (“Expenditure Commitment”). Upon completion of this, it is entitled to 50% of all rights to Lithium minerals in the Project.
- Lithco also has to spend A\$12.5 million in capital spending for, *inter alia*, upgrading and converting the plant to process ore from the Project by 31 December 2019 (“Capital Commitment”). With this, it will be entitled to a 50% interest in the Project including all minerals from the Tenements, the processing plant and other infrastructure.

Notwithstanding the execution of the BHJVA, such joint venture agreement between the Parties have not come into effect as at the date of this announcement and will not come into effect unless until the conditions in the Farm-in Agreement are verified to have been met by Ernst & Young, AMAL’s existing auditors, or such other person or firm as may be subsequently jointly agreed between the Parties

. For the avoidance of doubt, the Lithium Rights Joint Venture Agreement has not come into effect as at the date of this agreement.

In essence, by agreeing and executing the BHJVA, the Parties have now agreed on the terms that will **govern their relationship** as an unincorporated joint venture to conduct exploration and if warranted, mining operations with a view to exploitation and development of the Tenements once the **conditions in the Farm-in Agreement have been satisfied**. At that time:

- a) the Lithium Rights Joint Venture (if in existence) will be deemed to have been dissolved by the Parties and thereafter will cease to apply;
- b) the Lithium Rights Joint Venture Agreement (if in force) will be deemed to have been terminated by the Parties;
- c) an unincorporated joint venture will be created between the Parties on the terms and conditions of the BHJVA;
- d) the terms of BHJVA will be deemed to have commenced; and
- e) the relationship of the Parties in relation to, *inter alia*, ongoing activities in respect of the Project and the funding and management of those activities will be governed by the BHJVA.

The material terms of the BHJVA are consistent with that of set out in paragraph 2.4.2 of AMAL’s circular to its shareholders dated 24 August 2017 (“Circular”), save

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for (a) decisions of the JV Committee will be by unanimous vote at a duly convened meeting; (b) the interests of the Parties are not subject to dilution; (c) Lithco shall be the initial manager of the JV (with any subsequent appointment of such manager to be approved by the JV Committee; and (d) BHJVA not providing that if and when the Bald Hill Joint Venture reaches the production stage, the Parties will negotiate and enter into a production sharing joint venture.

The following additional term apply (among other things):

In the event that the Parties discover minerals capable of economic exploitation on the Tenements, the Parties agree to negotiate and execute a **mining joint venture agreement** for the purposes of governing the joint exploitation of such minerals but the Parties agree that they shall, in the interim, be bound by the BHJVA and shall continue to develop the Tenements on the terms and conditions set out in the BHJVA.

AMAL does not consider that any of the aforementioned, and the terms of the BHJVA to be detrimental to the AMAL (or shareholders of AMAL).

This starts the process of AMAL and Lithco working very closely to become a spodumene producer in 2017

Further updates on any material developments in relation to the aforementioned will be disseminated to shareholders in a timely manner.

The BHJVA is available for inspection (by AMAL shareholders only) at the registered office of AMAL at Lakeside Corporate Building Unit 6, 24 Parkland Road, Osborne Park 6017, Western Australia and at the office of Dentons Rodyk & Davidson LLP at 80 Raffles Place, #33-00 UOB Plaza 1, Singapore 048624 during the normal business hours for 3 months from the date of this announcement.

Forward Looking Statement

This report may contain certain forward looking statements and projections regarding estimated, resources and reserves; planned production and operating costs profiles; planned capital requirements; and planned strategies and corporate objectives. Such forward looking statements/projections are estimates for discussion purposes only and should not be relied upon. They are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors many of which are beyond the control of Tawana Resources NL and Alliance Mineral Assets Limited. The forward looking statements/projections are inherently uncertain and may therefore differ materially from results ultimately achieved.

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This announcement has been prepared by Alliance Mineral Assets Limited (the "Company") and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor"), for compliance with the SGX-ST Listing Manual Section B: Rules of Catalyst. The Sponsor has not verified the contents of this announcement. The Sponsor has also not drawn on any specific technical expertise in its review of this announcement.

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement. The contact person for the Sponsor is Ms Gillian Goh, Director, Head of Continuing Sponsorship, at 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, telephone (65) 6229 8088.



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