



## NEW EXPLORATION TARGET IDENTIFIED AT BALD HILL

10 MAY 2019

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Alliance Mineral Assets Limited (ASX: A40; SGX: 40F) (the **Company** or **Alliance**) is pleased to advise that the recently commenced exploration drilling has demonstrated further evidence of an extensive mineralised pegmatite body at its Bald Hill Lithium and Tantalum Mine in Western Australia (**Bald Hill Mine**).

As anticipated, drill hole LRC0842 intercepted 20m of coarse grained spodumene-bearing pegmatite from 189m down hole (assays pending). Refer Table 2 on page 5 for further details.

The intercept is located between hole LRC0707 (21m @ 1.50% Li<sub>2</sub>O) to the north and a number of significant intercepts to the south. This area has been interpreted as a single sub-horizontal pegmatite body or group of bodies (**Pegmatite 3 West**), below the pegmatite bodies Alliance is currently mining at the Bald Hill Mine.

### **Pegmatite 3 West Exploration Target highlights include<sup>1</sup>:**

- 21 wide-spaced drill intercepts within an area 1.5km by 0.4km.
- All intercepts are mineralised, including 17 which contain significant mineralisation grading 1.0% to 2.5% Li<sub>2</sub>O or >500ppm Ta<sub>2</sub>O<sub>5</sub>.
- Exploration Target area is 2km long and 0.5km wide.
- Exploration Target ranging from 17Mt to 24Mt, grading 1.25% to 1.40% Li<sub>2</sub>O and 150 to 180ppm Ta<sub>2</sub>O<sub>5</sub> (refer Table 1). *The potential quantity and grade of the Exploration Target is conceptual in nature, there has been insufficient exploration to estimate a Mineral Resource, and it is uncertain if further exploration will result in the estimation of a Mineral Resource.*

In the coming months, systematic drilling of Pegmatite 3 West Exploration Target will be undertaken as part of the current 60,000m drill program.

Managing Director Mark Calderwood said:

*“We anticipated that the deepest pegmatite body below and to the west of the current pit design, referred to as Pegmatite 3 West, could be linked to the 21m at 1.5% Li<sub>2</sub>O intercept in a water exploration drill hole located some 1.15km to the north. The mineralised pegmatite intercept in LRC0842 strongly supports this interpretation.*

*The Exploration Target of 17-24Mt for Pegmatite 3 West does not include overlying pegmatites which form part of the current 13.5Mt Inferred mineral resource and which are currently the main focus of infill and extensional drilling.*

*Only 20% of the 8.8km<sup>2</sup> prospective Southern Mineralised Area (SMA) (refer Figure 3) has been drill tested for lithium to date. The SMA itself represents only 1.1% of the entire Bald Hill tenure.”*

**Mark Calderwood**  
Managing Director

<sup>1</sup> Refer to Figures 1 and 2 on pages 3 and 4 for locations and Tables 2, 3, 4 and 5 for drill hole details.

## Pegmatite 3 West

In 2017, drilling at the Bald Hill Mine intercepted a deeper pegmatite or group of sub-horizontal pegmatites (**Pegmatite 3 East**) at approximately 100m below surface. Pegmatite 3 East has been drilled to sufficient density for resource classification, and a portion of this is included in the current pit design and reserve.

Drilling to the west of the existing pit has been limited, however it returned a number of significant intercepts<sup>2</sup> prior to the end of the 2017 drilling campaign. Drilling further north also intercepted significant mineralisation in water exploration drill hole LRC0707 (21m @ 1.50% Li<sub>2</sub>O). It was interpreted that the LRC0707 intercept might be an extension to Pegmatite 3 West. Recent core drilling between these two areas has intercepted an approximate 20m interval of spodumene mineralised pegmatite from 189m which supports this interpretation.

The western and northern limits of the known extent of Pegmatite 3 West contain 21 wide-spaced drill intercepts, all of which are mineralised and 17 of which contain significant mineralisation. Based on these drill holes, Alliance has defined a 1km<sup>2</sup> Exploration Target area (refer Figure 1) and estimates the Exploration Target area ranges from 17Mt to 24Mt grading 1.25% to 1.40% Li<sub>2</sub>O and 150 to 180ppm Ta<sub>2</sub>O<sub>5</sub> (refer Table 1) extending generally between 140m and 220m below surface. The Exploration Target excludes any pegmatites or resources which overlie Pegmatite 3 West.

Pegmatite 3 West contains both coarse spodumene and tantalum minerals but is predominantly spodumene type pegmatite. It is located immediately adjacent to or below current operations and existing resources and reserves.

## Ongoing Exploration

Two RC drill rigs are currently drilling on the eastern extension of the current resource. A single diamond rig commenced on RCD0842 to test Pegmatite 3 West and potential deeper pegmatites to determine the optimal drill depth north and west of the pit. In the coming months Alliance will undertake systematic drilling of Pegmatite 3 West as part of the current 60,000m drill program.

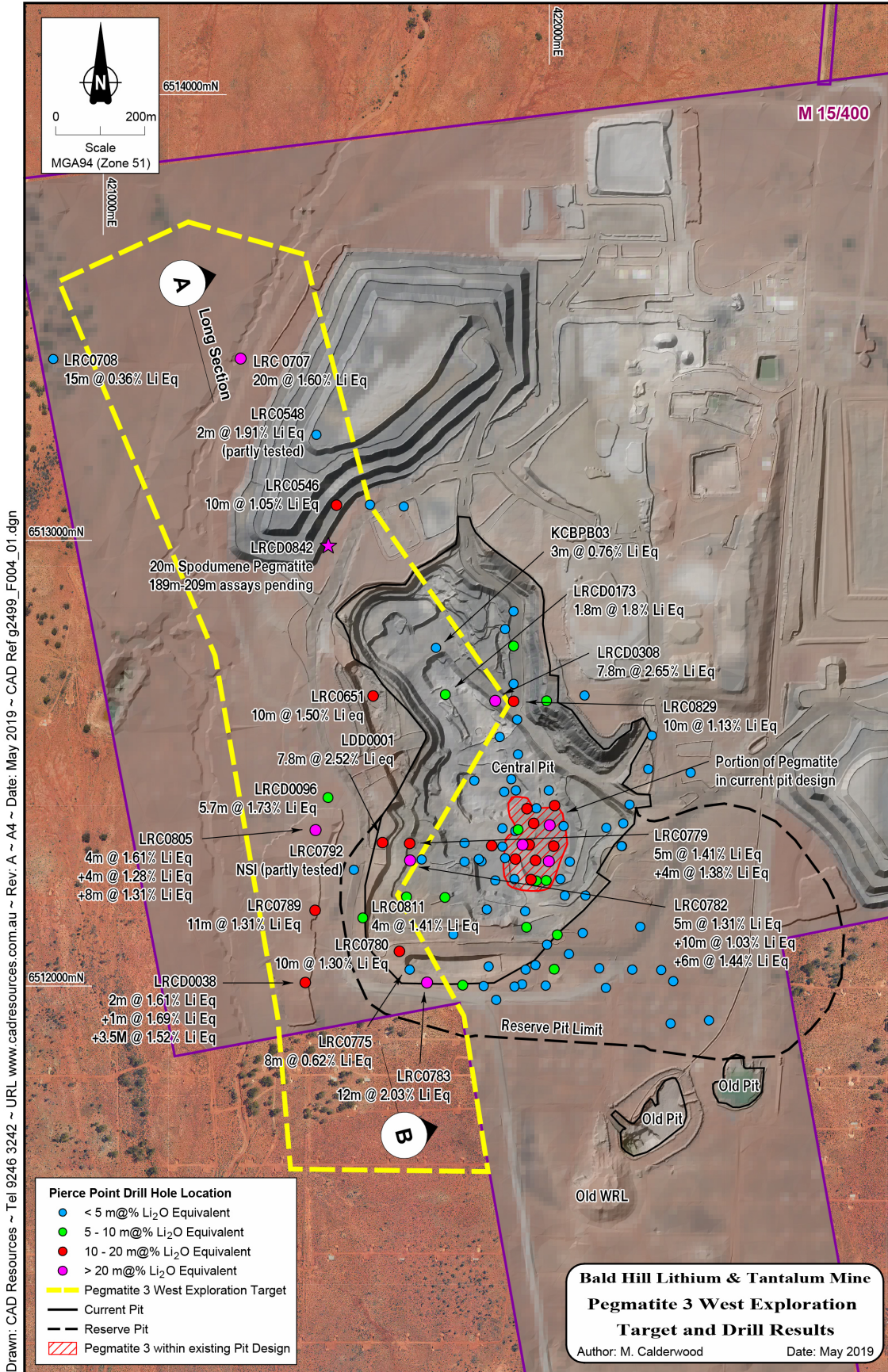
## Glossary

The following abbreviations and terms are used in this announcement.

Li <sub>2</sub> O	lithium oxide
m	metre
Mt	million tonnes
ppm	parts per million
RC	reverse circulation, which is a drilling technique
Ta <sub>2</sub> O <sub>5</sub>	tantalum pentoxide

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<sup>2</sup> Refer to SGX announcements: "Significant Exploration Results Continue at Bald Hill" on 6 December 2017, "Significant High-Grade Lithium Discoveries" on 2 August 2017 and "Lithium Ore Reserve Increase at Bald Hill" 6 June 2018



**Figure 1 | Pegmatite 3 West - Drill Target & Drill Results**

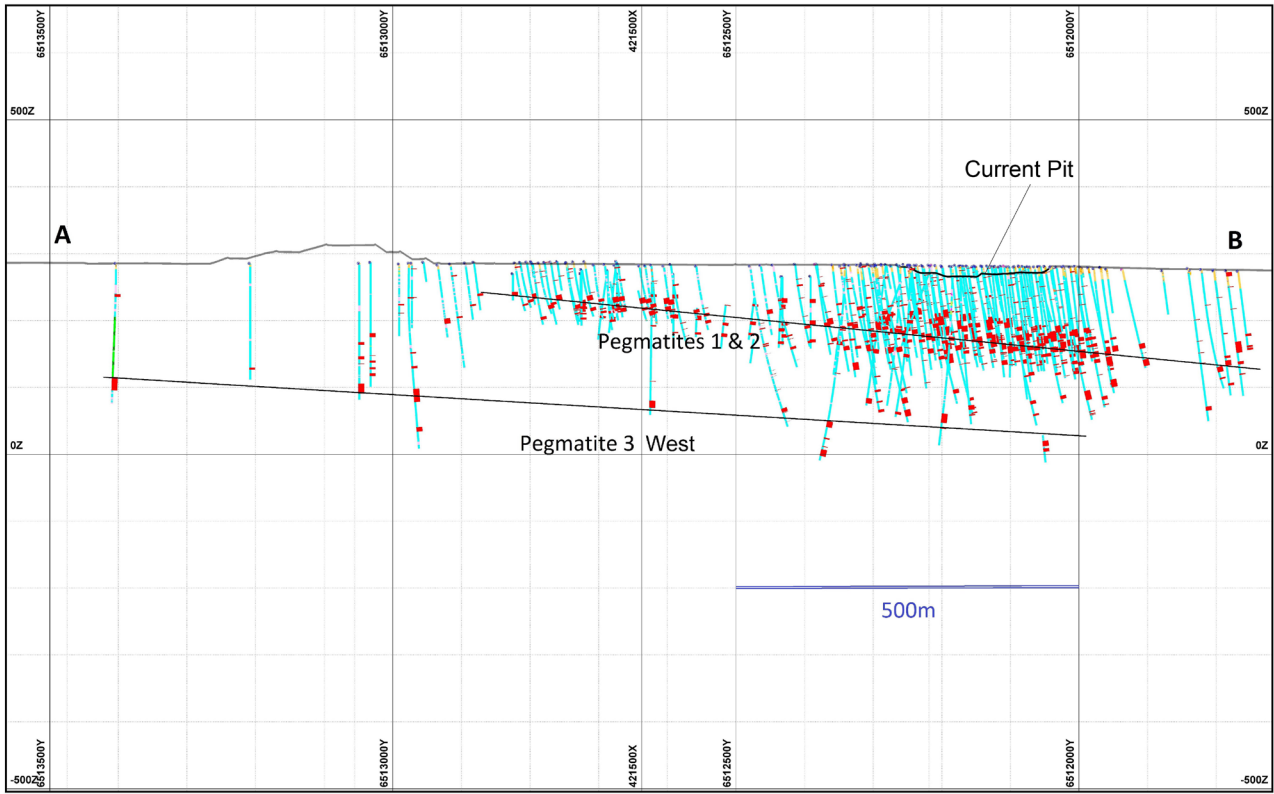


Figure 2 | Bald Hill Mine Long Section (showing pegmatites west of the current pit design)

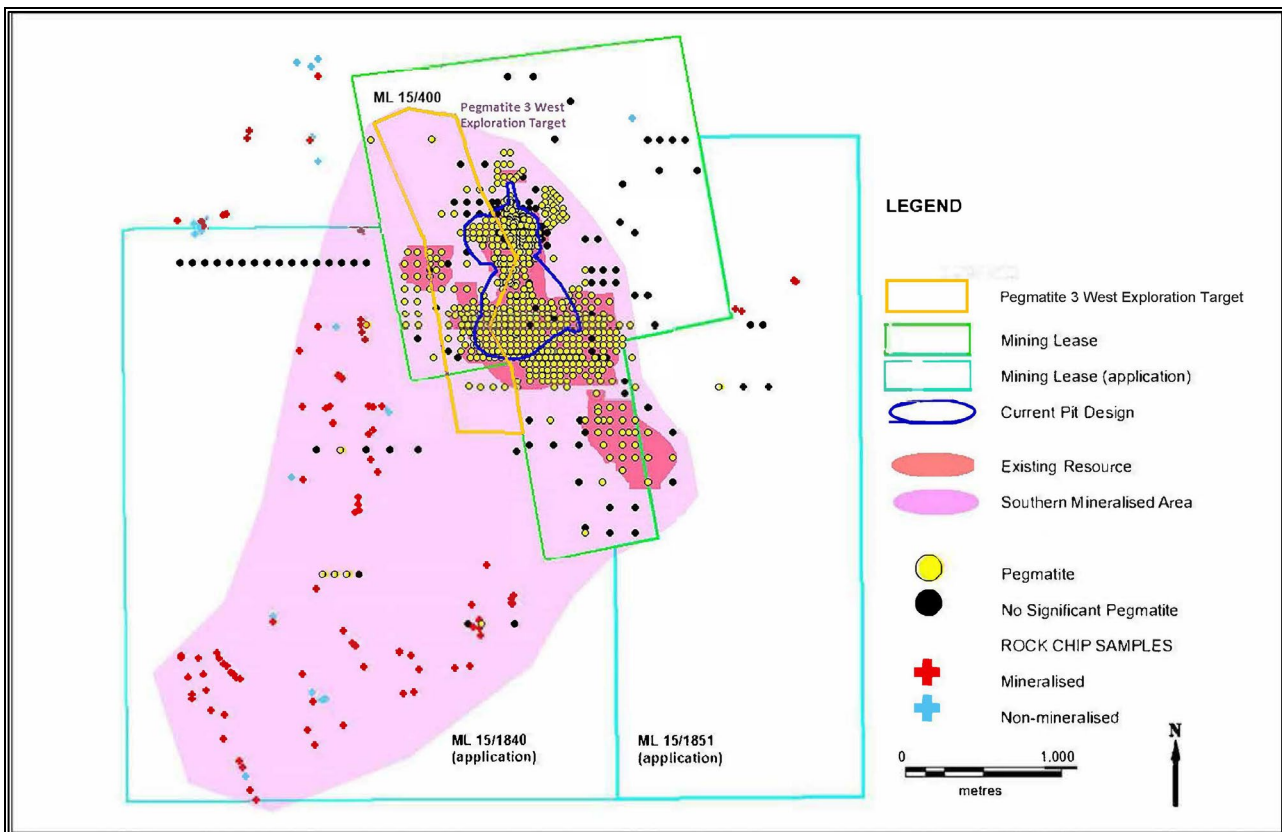


Figure 3 | Southern Mineralised Area (shown in pale magenta)

**Table 1 | Pegmatite 3 West Exploration Target Parameters and Assumptions**

Parameter	0.5% Cut-Off <sup>4</sup>	0.8% Cut-Off <sup>4</sup>
Horizontal Area (m <sup>2</sup> ) <sup>1</sup>	1,005,000	1,005,000
Intercept cut-off grade	0.5% Li <sub>2</sub> O or 300ppm Ta <sub>2</sub> O <sub>5</sub>	1.0% Li <sub>2</sub> O or 500ppm Ta <sub>2</sub> O <sub>5</sub>
Number of drill holes above cut off	17	13
Estimated portion of Horizontal Area above cut-off <sup>2</sup>	85%	65%
Estimate average width <sup>3</sup>	10.5m	10m
Bilk Density	2.65	2.65
Target Tonnage <sup>5</sup> (rounded to 0.5Mt)	24Mt	17Mt
Target Grade <sup>6</sup> Li <sub>2</sub> O	1.25%	1.40%
Ta <sub>2</sub> O <sub>5</sub> ppm	165 to 180	150 to 180

Notes

<sup>1</sup> Excludes 7,000m<sup>2</sup> included in the current Mineral Resource for the Bald Hill Mine.

<sup>2</sup> Estimated portion of Horizontal Area based on the number of intercepts exceeding the applicable cut-off.

<sup>3</sup> Average vertical width of all holes with single or multiple intercepts above the cut-off.

<sup>4</sup> Cut-off was applied based on entire intercepts above 0.3% Li<sub>2</sub>O or 150ppm Ta<sub>2</sub>O<sub>5</sub>.

<sup>5</sup> Rationale for Target Tonnage = Horizontal Area x average width x estimate portion of Horizontal Area x bulk density, rounded to nearest full number.

<sup>6</sup> Rationale for Target Grade = Average grade (equal weighting) of all drill intercepts above the cut off, rounded to 0.05% Li<sub>2</sub>O or 10ppm Ta<sub>2</sub>O<sub>5</sub>.

**Table 2 | Pegmatite Intervals for LRCD0842**

From (m)	To (m)	Intercept (m)	Preliminary Summary log
155.0	158.5	3.5	low spodumene
<b>189.0</b>	<b>209.0</b>	<b>20.0</b>	moderate coarse spodumene
<b>246.5</b>	<b>253.5</b>	<b>7.0</b>	first 3m moderate coarse spodumene
324.5	326.6	2.1	no visual spodumene
333.9	334.3	0.4	no visual spodumene
335.8	341.8	6.0	low spodumene
353.6	354.2	0.6	no visual spodumene
354.5	356.3	1.8	no visual spodumene
363.0	365.0	2.0	no visual spodumene
409.4	410.4	1.0	no visual spodumene

Note: LRCD0842 is an RC type drill hole with hole collar located at about 421,250mE and 651,300mN, 185mRL, drilled at -85 degrees towards SW-S, the hole was drilled to 501.2m.

**Table 3 | Significant Exploration Drill Intercepts Pegmatite 3 West (previously announced)**

Hole ID	From (m)	To (m)	Interval (m)	Li <sub>2</sub> O %	Ta <sub>2</sub> O <sub>5</sub> ppm	Nb <sub>2</sub> O <sub>5</sub> ppm	SnO <sub>2</sub> ppm
LRCD0038	295	297	2.0	1.36	218	383	81
	299	302	3.0	0.76	115	180	81
	306.5	310	3.5	1.48	32	92	74
LRCD0173	228	229.81	1.8	1.43	323	151	224
	238	240	2.0	0.75	215	168	150
LRCD0308	136.16	142.85	6.7	2.38	342	149	225
	144.22	146.92	2.7	1.18	131	62	130
LRCD0096	258	263.69	5.7	1.66	59	81	133
LRC0651 Incl.	240	250	10.0	1.74	356	195	212
	244	245	1.0	4.66	2043	930	610
KCBPB03	143	146	3.0	0.37	339	103	121
LRC0546 incl	181	182	1.0	0.05	297	79	338
	183	193	10.0	0.97	74	63	217
	184	187	3.0	1.75	65	88	248
	193	195	2.0	0.14	282	144	168
LRC0548 incl	157	159	2.0	0.69	1062	691	215
	157	158	1.0	1.12	1214	801	215
LDD0001 incl	234	241.78	7.78	2.46	49	64	220
	239	241.78	2.78	4.27	32	20	276
LRC0707 Incl. and	47	49	2.0	0.98	52	58	145
	169	190	21.0	1.50	41	76	114
	170	172	2.0	2.17	40	93	163
	178	188	10.0	1.96	39	84	115
LRC0708	42	44	2.0	0.05	216	54	127
	132	141	9.0	0.33	56	91	263
	144	145	1.0	0.31	2	14	19

Notes:

- 1) Holes previously reported in SGX announcements 2/8/2017, 6/12/2017, 6/6/2018
- 2) Only intercepts of 0.3% Li<sub>2</sub>O or 150ppm Ta<sub>2</sub>O<sub>5</sub> considered significant.

**Table 4 | Exploration Drill Intercepts of Pegmatite 3 West, Pre-2019 (not previously announced)**

Hole ID	Easting (m)	Northing (m)	RL (m)	Depth (m)	Azm	Dec.	Type	From (m)	To (m)	Width (m)	Pegmatite Type
LRC0775	421533	6512036	281	265	90	-65	RC	117	128	11	Li, Ta
								144	156	12	Li, Ta
								198	203	5	Li
								247	257	10	Li
LRC0779	421556	6512320	283	264	90	-60	RC	70	77	7	Li, Ta
								82	85	3	Ta
								129	134	5	Li
								141	150	9	Li
								221	227	6	Li
								242	251	9	Li
258	264	6	Li, Ta								
LRC0780	421508	6512078	280	306	90	-65	RC	30	33	3	Ta
								106	110	4	Ta
								120	132	12	Li, Ta
								156	159	3	Ta
								200	204	4	Li
								253	264	11	Li, Ta
282	287	5	Ta								
LRC0782	421520	6512282	282	312	90	-65	RC	78	87	9	Li, Ta
								145	147	2	Li
								151	161	10	Li, Ta
								194	196	2	Ta
								240	246	6	Li
								260	274	14	Li, Ta
286	300	14	Li, Ta								
LRC0783	421583	6512008	281	294	90	-65	RC	110	120	10	Li, Ta
								140	143	3	Li, Ta
								150	154	4	Li, Ta
								173	180	7	Li, Ta
								193	198	5	Li, Ta
								232	252	20	Li, Ta
275	278	3	Ta								
280	286	6	Li, Ta								
LRC0789	421494	6512158	281	270	0	-90	RC	105	113	8	Ta
								115	117	2	Ta
								220	236	16	Li
								242	245	3	Li, Ta
LRC0811	421553	6512161	281	240	0	-90	RC	90	101	11	Ta
								123	133	10	Li, Ta
								145	147	2	Ta
								211	220	9	Li
224	227	3	Ta								
LRC0829	421920	6512640	300	132	0	-90	RC	9	12	3	Ta
								63	66	3	Ta
								83	85	2	Ta
								110	125	15	Li, Ta

Notes

- 1) The true width of pegmatites are generally considered 80-95% of the intercept width.
- 2) Only pegmatite intercepts of 1m or more in width are included.

**Table 5 | Significant Intercepts of Pegmatite 3 West, Pre-2019 (not previously announced)**

Hole ID	From (m)	To (m)	Interval (m)	Li <sub>2</sub> O %	Ta <sub>2</sub> O <sub>5</sub> ppm	Nb <sub>2</sub> O <sub>5</sub> ppm	SnO <sub>2</sub> ppm
LRC0775	247	255	8	0.57	42	51	92
LRC0779	222	227	5	1.33	69	119	80
	242	246	4	1.28	91	89	109
LRC0780	253	254	1	0.24	200	157	64
	254	264	10	1.21	79	404	110
	282	286	4	0.12	194	63	167
LRC0782 incl	241	246	5	1.24	62	100	97
	260	264	4	0.09	816	694	153
	261	262	1	0.08	2,035	1,939	47
	264	269	5	0.78	288	330	208
	269	271	2	0.06	373	419	234
	288	297	9	0.98	92	106	115
LRC0783 incl	232	235	3	0.34	107	39	186
	237	249	12	1.86	151	140	131
	237	243	6	2.34	256	207	173
	251	252	1	0.30	274	107	159
	276	277	1	0.09	468	79	77
	280	285	5	0.45	247	99	121
LRC0789	222	236	14	1.03	57	87	83
	224	226	2	2.46	53	104	129
	243	245	2	0.28	260	100	101
LRC0792	219	221	2	0.57	31	68	90
	224	226	2	0.34	20	18	100
LRC0811 incl	211	220	9	0.97	33	53	69
	212	214	2	2.51	39	79	97
LRC0829 incl and	110	124	14	0.31	513	134	201
	114	115	1	2.44	611	114	239
	115	117	2	0.13	1,358	218	260

Note: Only intercepts of 0.3% Li<sub>2</sub>O or 150ppm Ta<sub>2</sub>O<sub>5</sub> considered significant.

### Competent Persons Statement

The information in this announcement that relates to exploration results and exploration target that have been reported for the first time is based on and fairly represents information and supporting documentation prepared by Mr Mark Calderwood, a full-time employee of the Company. Mr Calderwood is a member of the Australasian Institute of Mining and Metallurgy. Mr Calderwood has sufficient experience relevant to the style of mineralisation under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves” (JORC Code). Mr Calderwood consents to the inclusion in this announcement of the matters based on his information and supporting documents in the form and context in which it appears.

Mr Calderwood is a shareholder and Managing Director of the Company. Mr Calderwood and Alliance do not consider these relationships to constitute a potential conflict of interest to his role as Competent Person due to the overarching director and employee duties he owes to the Company. Mr Calderwood is not aware of any other relationship with Alliance which could constitute a potential for a conflict of interest.

The information in this announcement relating to Mineral Resource estimates and historical exploration results were reported by the Company in accordance with the 2012 edition of the JORC Code in an SGX announcement titled “Lithium Ore Reserve Increase of 105% at Bald Hill” dated 6 June 2018 which is available at [www.allianceminerals.com.au](http://www.allianceminerals.com.au) and [www.sgx.com](http://www.sgx.com). Alliance confirms that it is not aware of any new information or data that materially affects the information concerning Mineral Resources included in the said announcement and that all material assumptions and technical parameters underpinning the Mineral Resources estimates in the said announcement continue to apply and have not materially changed.



### Forward Looking Statements

This announcement may contain forward looking statements and projections including regarding estimated resources and reserves, production and operating costs profiles, capital requirements and strategies and corporate objectives. Such forward looking statements/projections are estimates for discussion purposes only and should not be relied upon as representation or warranty, express or implied, of the Company. 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 the Company. The forward looking statements/projections are inherently uncertain and may therefore differ materially from results ultimately achieved.

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## Appendix B

### Section 1 Sampling Techniques and Data

Criteria	JORC Code Explanation	Commentary
Sampling techniques	<p>Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.</p> <p>Include reference to measures taken to ensure sample representativity and the appropriate calibration of any measurement tools or systems used.</p> <p>Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.</p>	<p>Reverse Circulation Drilling, 1m samples collected</p> <p>Diamond drilling, ½ core nominally 1m crushed to 10mm. ½ of crushed sample assayed as below, ½ retained.</p> <p>Samples jaw crushed and riffle split to 2-2.5kg for pulverizing to 80% passing 75 microns.</p> <p>Prepared samples are fused with sodium peroxide and digested in dilute hydrochloric acid. The resultant solution is analysed by ICP, by Nagrom Laboratory.</p> <p>Certified standards. Field duplicates submitted at irregular intervals at the rate of approximately 1:20.</p>
Drilling techniques	<p>Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).</p>	<p>RC and Diamond drilling conducted in line with general industry standards.</p> <p>RC and Diamond drill holes are angled and vertical.</p> <p>Diamond tails have been drilled to a max depth of 330m.</p> <p>Diamond core has been oriented where possible using the Reflex Ezi-Ori tool.</p>
Drill sample recovery	<p>Method of recording and assessing core and chip sample recoveries and results assessed.</p> <p>Measures taken to maximise sample recovery and ensure representative nature of the samples.</p> <p>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</p>	<p>Chip recovery or weights for RC drilling were not conducted.</p> <p>Each metre of drill sample recovery and moisture content is visually estimated and recorded.</p> <p>Opportunity for sample bias is considered negligible for dry samples.</p>
Logging	<p>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</p> <p>Whether logging is qualitative or quantitative in nature.</p> <p>Core (or costean, channel, etc.) photography</p> <p>The total length and percentage of the relevant intersections logged.</p>	<p>Geological logs exist for all drill holes with lithological codes via an established reference legend.</p> <p>Drill holes have been geologically logged in their entirety. Where logging was detailed the subjective indications of mineral content (spodumene, tantalite) have been recorded.</p> <p>Assays have generally only been submitted through and adjacent to the pegmatites.</p>

<b>Criteria</b>	<b>JORC Code Explanation</b>	<b>Commentary</b>
Sub-sampling techniques and sample preparation	<p>If core, whether cut or sawn and whether quarter, half or all core taken.</p> <p>If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.</p> <p>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</p> <p>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</p> <p>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</p> <p>Whether sample sizes are appropriate to the grain size of the material being sampled.</p>	<p>RC samples were collected at 1m intervals and riffle or cone split on-site to produce a subsample less than 5kg.</p> <p>The RC drilling samples are considered robust for sampling the spodumene and tantalite mineralisation.</p> <p>Most samples were dry.</p> <p>Sampling is in line with general industry sampling practices.</p> <p>Field duplicates, standards, laboratory standards and laboratory repeats are used to monitor analyses.</p> <p>Sample size is considered appropriate.</p>
Quality of assay data and laboratory tests	<p>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</p> <p>For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</p> <p>Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.</p>	<p>The assay technique is considered to be robust as the method used (see above) offers total dissolution of the sample and is useful for mineral matrices that may resist acid digestions.</p> <p>Standards and duplicates were submitted in varying frequency throughout the exploration campaign and internal laboratory standards, duplicates and replicates are used for verification</p>
Verification of sampling and assaying	<p>The verification of significant intersections by either independent or alternative company personnel.</p> <p>The use of twinned holes.</p> <p>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</p> <p>Discuss any adjustment to assay data.</p>	<p>Twining of holes undertaken to date show good continuity</p> <p>The Ta and Li assays show a marked correlation with the pegmatite intersections via elevated downhole grades.</p> <p>Drill logs exist for all holes as electronic files and/or hardcopy (all 2017 logging has been input directly to field logging computers).</p> <p>Digital log sheets have been created with inbuilt validations to reduce potential for data entry errors.</p> <p>All drilling data has been loaded to a database and validated prior to use.</p>
Location of data points	<p>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</p> <p>Specification of the grid system used.</p> <p>Quality and adequacy of topographic control.</p>	<p>Accurate surveying using RTK DGPS is currently being undertaken on site. Hole collars have been preserved until completion of survey.</p> <p>All collars are surveyed using MGA Z51.</p>

Criteria	JORC Code Explanation	Commentary
Data spacing and distribution	<p>Data spacing for reporting of Exploration Results.</p> <p>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</p> <p>Whether sample compositing has been applied.</p>	<p>Initial exploration has been conducted on an 80m x 80m grid. The majority of infill drilling has been conducted on a 40m x 40m grid with a 15,000m<sup>2</sup> area drilled out to 20m x 20m.</p> <p>The spacing of holes is considered of sufficient density to provide an 'Indicated' or 'Inferred' Mineral Resource estimation and classification.</p> <p>There has been no sample compositing.</p>
Orientation of data in relation to geological structure	<p>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</p> <p>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</p>	<p>Approximately 2/3 of drilling is angled. Vertical holes have been drilled in areas where pegmatites are interpreted to be flat lying.</p> <p>The lithium tantalite-bearing pegmatites are generally flat to shallowly dipping in nature. The true width of pegmatites are generally considered 80-95% of the intercept width, with minimal opportunity for sample bias.</p>
Sample security	The measures taken to ensure sample security.	The RC samples are taken from the rig by experienced personnel and stored securely and transported to the laboratory by a registered courier and handed over by signature.
Audits or reviews	The results of any audits or reviews of sampling techniques and data.	An external review of sampling techniques and data has been carried out by CSA Global. No issues identified.

## Section 2 Reporting of Exploration Results

Criteria	Explanation	Commentary
Mineral tenement and land tenure status	Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	The Exploration Target area referred to in this announcement is located on M15/400 and R15/1, both owned 100% by the Company and its subsidiaries. The tenements are in good standing. The area of R15/1 is subject to an application for a mining lease M15/1840 by the Company. The grant of M15/1840 is subject to negotiation with the Ngadju Native Title rights holders. These tenements are currently not subject to any royalties, other than State Government royalty.
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	<p>Alluvial tantalite has been mined periodically from the early 1970s.</p> <p>Gwalia Consolidated Limited undertook exploration for tantalite-bearing pegmatites from 1983-1998. Work included mapping, costeaning, and several phases of drilling using RAB, RC, and diamond methods. The work identified mineral resources that were considered uneconomic at the time.</p> <p>Haddington entered agreement to develop the resource and mining</p> <ul style="list-style-type: none"> <li>commenced in 2001 and continued until 2005.</li> <li>Haddington continued with exploration until 2009.</li> </ul> <p>Living Waters acquired the project in 2009 and continued with limited exploration to the north of the main pit area.</p>

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Geology	Deposit type, geological setting and style of mineralisation.	<p>The Bald Hill area is underlain by generally north-striking, steeply dipping Archaean metasediments (schists and greywackes) and granitoids.</p> <p>Felsic porphyries and pegmatite sheets and veins have intruded the Archaean rocks. Generally, the pegmatites cross cut the regional foliation, occurring as gently dipping sheets and as steeply dipping veins.</p> <p>The pegmatites vary in width and are generally comprised quartz-albite- muscovite-spodumene in varying amounts. Late-stage albitisation in the central part of the main outcrop area has resulted in fine-grained, banded, sugary pegmatites with visible fine-grained, disseminated tantalite. A thin hornfels characterised by needle hornblende crystals is often observed in adjacent country rocks to the pegmatite.</p> <p>Tantalite generally occurs as fine disseminated crystals commonly associated with fine-grained albite zones, or as coarse crystals associated with cleavelandite.</p> <p>Weathering of the pegmatites yields secondary mineralised accumulations in alluvial/eluvial deposits.</p>
Drill hole Information	<p>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</p> <ul style="list-style-type: none"> <li>• easting and northing of the drill hole collar</li> <li>• elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>• dip and azimuth of the hole</li> <li>• down hole length and interception depth</li> <li>• hole length.</li> </ul> <p>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</p>	<p>Only results for drill holes that have intercepted lithium and or tantalum pegmatites of 1m or more in width that have been assayed for lithium and tantalum have been included in the release.</p> <p>All drill hole details are contained in Tables 3,4 and 5 of the release.</p>
Data aggregation methods	In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated. Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade	<p>No cutting to intercept grades has been undertaken.</p> <p>Assays are report as pure elements such as Li, Ta, Nb, Sn and converted to oxides using atomic formulas.</p>

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	<p>results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</p> <p>The assumptions used for any reporting of metal equivalent values should be clearly stated.</p>	<p>Reported intervals in Table 1 and 2 represent the aggregation of the intercepts containing samples of at least 0.3% Li<sub>2</sub>O and/or 150ppm Ta<sub>2</sub>O<sub>5</sub>, lower grade zones are included adjacent to higher grade zones where the grade varies significantly from the average of the entire width of the mineralised pegmatite. Only lithium, tin, niobium and tantalum oxide results are tabled, other potential by-products are currently considered to be insignificant in economic importance.</p> <p>When lithium equivalent is used this is calculated as tantalum pentoxide grade in parts per million divided by a factor of 870, added to lithium oxide grade and reported as a percentage. The mine sells both lithium and tantalum concentrates, current concentrate pricing is the only assumption used in the metal equivalent formulation.</p>
Relationship between mineralisation widths and intercept lengths	<p>These relationships are particularly important in the reporting of Exploration Results.</p> <p>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').</p>	<p>Approximately 2/3 of drilling is angled. Vertical holes have been drilled in areas where pegmatites are interpreted to be flat lying.</p> <p>The lithium tantalite-bearing pegmatites are generally flat to shallowly dipping in nature. The true width of pegmatites are generally considered 85-95% of the intercept width, with minimal opportunity for sample bias.</p>
Diagrams	<p>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</p>	<p>Drilling locations are shown on figure 1 of the release. Appendix A comprises is a long section through the principal pegmatites.</p>
Balanced reporting	<p>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</p>	<p>Results for all drill holes that have intercepted lithium pegmatites that have been assayed for lithium have been included in the release.</p>
Other substantive exploration data	<p>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</p>	<p>No metallurgical test work is referred to in this announcement.</p>
Further work	<p>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).</p> <p>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</p>	<p>Further RC and diamond drilling is warranted at the various deposits to explore for additional resources and improve the understanding of the current resources prior to mining.</p>