ASX Announcement

25 July 2018

Argentine Lithium Projects Update

Dark Horse Resources Limited (ASX:DHR; **DHR**, **Dark Horse** or **Company**) is pleased to provide an update in relation to its lithium projects in Argentina comprising the Las Tapias Mine in Cordoba and the San Luis portfolio of exploration projects.

The drilling program continues at the Las Tapias Mine where a total of 18 diamond drillholes have been completed for a total of 1,820 metres to date as part of the planned initial 3,000 metre program (includes the two initial abandoned holes). Refer the figure for drillhole locations and table for drillhole summary statisitcs.

Initial assay results from the drill core have been received for the first five drillholes (LT-18-01 through to 04, and partial results for LT-18-05).

The assay results included drillhole LT-18-04 which intersected the Spodumene zone in the pegmatite where an average grade of 0.6% Li2O was recorded over 17.3m, including 1.7% Li2O over a 5-metre interval. A maximum value of 2.95% Li2O was recorded from this hole. Drillhole LT-18-03 returned 9m @ 0.3% Li2O including 1m @ 2.1% Li2O. (Sampling was carried out on a non-selective (representative) basis at mostly one metre intervals irrespective of lithology). Refer to the table below for the results of the major minerals and elements.

Some high Beryllium and Tantalum results were also recorded in the core samples – up to 9,810ppm Be (drillhole LT-18-04 sample 2356) and up to 154ppm Ta2O5 (drillhole LT-18-04 sample 2345).

Detailed evaluation of the results is being carried out to better understand the genesis, structure and mineralisation of the Las Tapias pegmatitie. Lithological and assay results of core from all drillholes is required before conclusions can be drawn, and to assist in the planning of the forward program.

A Reverse Circulation drilling rig has been contracted from Energold Argentina SA, the same drilling services company providing the diamond drill rig. This drilling will commence early August 2018 to test the lithium grades at depth of several large waste dumps that have previously been identified and sampled at surface at the Las Tapias Mine (refer prior ASX announcement 25 January 2018).

Meetings have been held recently with senior Cordoba Government officials to discuss the Las Tapias Mine project and the potential for future development in the region, should a commercial Spodumene resource be proven.

Geological exploration is also being carried out at the Company's El Totoral licence in San Luis Province where a large pegmatite complex has previously been discovered with some good Lithium Spodumene grades from representative surface rock chip samples (refer previous ASX announcement 5 March 2018). The objective of the program is to delineate definitive drilling targets over a suite of the more prospective spodumene bearing pegmatites, which will then be implemented when environmental permits are received from the government authorities.

Dark Horse Managing Director David Mason said: *"The diamond drilling program is advancing well and there are some encouraging initial assay results. Assay results are slow is coming as they require preparation in Argentina and subsequent analysis in Canada or Australia, though the flow of results has now commenced. As more data is received from the exploration, our understanding of the genesis, structure, mineralization and geometry of the Las Tapias pegmatite is continuously being enhanced, assisting in the planning of the ongoing program, which has*

objectives to define a JORC Resource. We are pleased to have sourced an RC drilling rig to be able to commence testing the large mine waste dumps at Las Tapias. Preliminary discussions held with senior Cordoba Government officials about potential development, should a commercially viable Spodumene resource be defined, have been positive.

In addition to the Las Tapias project activities, we have commenced further exploration works over the El Totoral pegmatite project in San Luis Province with the objective to define drilling targets for implementation when permitting allows."

The Company will continue to update the market as the exploration programs progress and as results become available, including the Company's extensive gold exploration portfolio in the provinces of Santa Cruz and Rio Negro.

On behalf of the Board
Mr Karl Schlobohm
Company Secretary

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Competent Persons Statement

The information herein that relates to Exploration Targets and Exploration Results is based on information compiled by Mr Neil Stuart, who is a Fellow of The Australasian Institute of Mining and Metallurgy. Mr Neil Stuart is a Director of Dark Horse Resources Ltd.

Mr Stuart has more than five years experience which is relevant to the style of mineralisation and type of deposit being reported 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, Minerals Resources and Ore Reserves' (the JORC Code). This public report is issued with the prior written consent of the Competent Person(s) as to the form and context in which it appears.

About Dark Horse Resources

Dark Horse Resources Ltd is an Australian, publicly listed mineral resource company (ASX: DHR), with a particular focus on Argentina, where it has invested in Lithium and Gold projects, with objectives to:

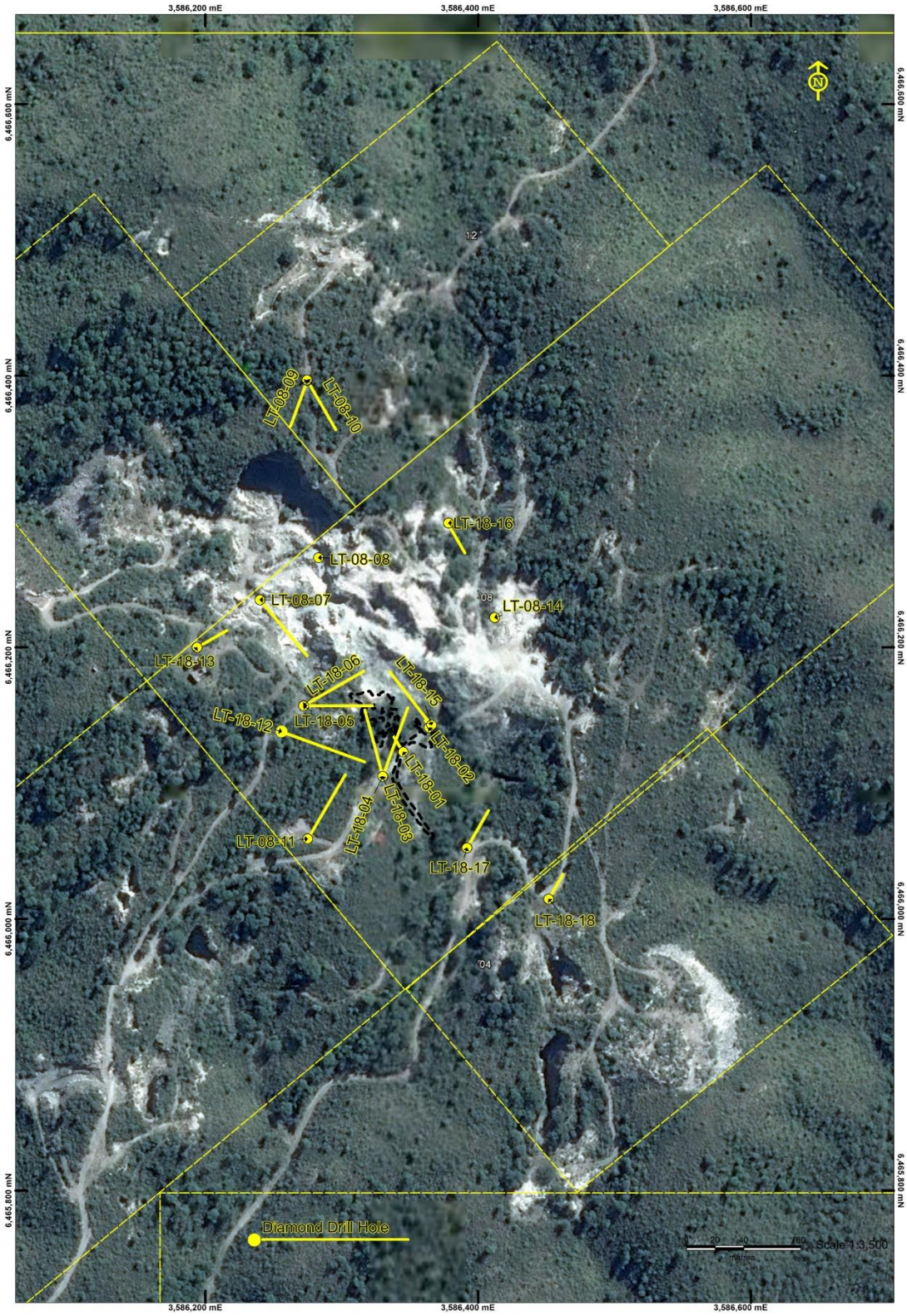
- Control a provincial stake of Lithium resources, mine Spodumene and produce high grade Lithium Hydroxide for the domestic and international battery and electronic markets.
- Discover and define several multimillion ounce Gold deposits and the production of Gold doré.

Dark Horse also has a power generation subsidiary, Dark Horse Energy and a substantial holding (33%) in Australian-based and ASX-listed oil and gas exploration company Lakes Oil NL (ASX:LKO).

Company website: www.darkhorseresources.com.au

Follow us on Twitter: @ASX_DHR

Figure - Las Tapias drillhole location map.



Annexure A - Las Tapias Summary Drillhole Table

Drillhole	Azimuth Degrees	Incline Degrees	Depth m	Easting m	Northing m	RL m	Pegmatite intersection m
LT-18-01	330	-60	25.5	3586345	6466123	724	abandoned
LT-18-02	330	-60	10.2	3586364	6466141	722	abandoned
LT-18-03	20	-60	108.1	3586330	6466105	725	14.8
LT-18-04	345	-60	101.4	3586330	6466105	725	30.1
LT-18-05	90	-60	103.4	3586272	6466157	739	54.7
LT-18-06	60	-60	102.1	3586272	6466157	739	63.8
LT-18-07	140	-60	108.5	3586240	6466235	721	83.5
LT-18-08	0	-90	100.5	3586283	6466266	723	14.2
LT-18-09	200	-70	105.0	3586275	6466397	749	16.0
LT-18-10	150	-70	121.5	3586275	6466397	749	15.8
LT-18-11	30	-65	129.0	3586275	6466059	729	10.0
LT-08-12	110	-55	165.0	3586256	6466120	739	108.4
LT-18-13	60	-75	95.0	3586194	6466200	746	22.9
LT-18-14	0	-90	101.0	3586412	6466222	721	8.0
LT-18-15	322	-60	100.0	3586364	6466141	722	29.8
LT-18-16	150	-75	100.0	3586378	6466291	727	0
LT-18-17	30	-75	127.0	3586391	6466052	701	26.0
LT-18-18	30	-80	117.0	3586451	6466014	708	0

DARK HORSE RESOURCES

Annexure B – Las Tapias Core Drillhole Assay Results

Drillhole	From	To	Interval	Type	SAMPLE	Li2O%	Ta2O5 ppm	Be_ppm	Li_ppm	Ta_ppm
LT-18-01	21.60	23.60	2.00	Core Chip	2301	0.14	3.3	42.6	660.0	2.7
LT-18-01	23.60	24.50	0.90	Core Chip	2302	0.06	16.5	230.0	280.0	13.5
LT-18-01	24.50	25.50	1.00	Core Chip	2303	0.03	2.7	16.0	134.0	2.2
LT-18-02	9.20	10.20	1.00	Core Chip	2304	0.07	7.1	3850.0	320.0	5.9
LT-18-03	32.30	33.30	1.00	Core Chip	2305	0.11	3.1	26.9	530.0	2.5
LT-18-03	33.30	34.30	1.00	Core Chip	2307	0.05	11.2	210.0	220.0	9.2
LT-18-03	34.30	35.30	1.00	Core Chip	2308	0.12	4.1	6820.0	540.0	3.4
LT-18-03	35.40	36.30	1.00	Core Chip	2309	0.06	7.8	109.0	270.0	6.4
LT-18-03	36.30	37.30	1.00	Core Chip	2311	2.08	4.9	5.5	9680.0	4.0
LT-18-03	37.30	38.30	1.00	Core Chip	2312	0.06	15.7	28.5	270.0	12.9
LT-18-03	38.30	39.30	1.00	Core Chip	2313	0.03	6.4	14.2	135.0	5.2
LT-18-03	39.30	40.30	1.00	Core Chip	2314	0.21	6.7	139.0	960.0	5.5
LT-18-03	40.30	41.30	1.00	Core Chip	2315	0.17	31.5	80.3	770.0	25.8
LT-18-03	41.30	42.30	1.00	Core Chip	2316	0.11	17.5	6130.0	520.0	14.3
LT-18-03	42.30	43.30	1.00	Core Chip	2317	0.04	20.5	14.4	165.0	16.8
LT-18-03	43.30	44.30	1.00	Core Chip	2318	0.09	37.1	17.8	400.0	30.4
LT-18-03	44.30	45.30	1.00	Core Chip	2319	0.09	29.8	410.0	430.0	24.4
LT-18-03	45.30	46.50	1.20	Core Chip	2321	0.12	14.8	138.0	580.0	12.2
LT-18-03	46.50	47.50	1.00	Core Chip	2322	0.06	19.5	168.5	290.0	16.0
LT-18-03	47.50	48.50	1.00	Core Chip	2323	0.10	29.9	53.9	470.0	24.5
LT-18-03	52.00	52.50	0.50	Core Chip	2324	0.03	9.4	148.0	121.0	7.7
LT-18-03	58.25	59.35	1.10	Core Chip	2325	0.08	52.9	280.0	370.0	43.3
LT-18-03	75.90	76.90	1.00	Core Chip	2326	0.03	1.3	2.7	140.0	1.0
LT-18-03	97.00	98.00	1.00	Core Chip	2327	0.02	1.0	4.1	77.0	0.8
LT-18-03	98.00	99.00	1.00	Core Chip	2329	0.02	0.9	2.4	72.0	0.7
LT-18-03	99.00	100.00	1.00	Core Chip	2330	0.02	1.0	3.9	80.0	0.9
LT-18-03	107.10	108.10	1.00	Core Chip	2331	0.02	1.1	2.8	108.0	0.9
LT-18-04	24.80	25.80	1.00	Core Chip	2332	0.13	1.6	6.2	620.0	1.3
LT-18-04	25.80	26.80	1.00	Core Chip	2333	0.01	0.2	2.1	43.0	0.1
LT-18-04	26.80	27.80	1.00	Core Chip	2334	0.01	0.2	0.6	65.0	0.1
LT-18-04	27.80	28.80	1.00	Core Chip	2336	1.82	1.3	2.1	8460.0	1.1
LT-18-04	28.80	29.80	1.00	Core Chip	2337	0.28	1.3	7.6	1320.0	1.1
LT-18-04	29.80	30.80	1.00	Core Chip	2338	0.47	1.4	6.4	2190.0	1.2
LT-18-04	30.80	31.80	1.00	Core Chip	2339	2.95	65.9	7.6	13700.0	54.0
LT-18-04	31.80	32.80	1.00	Core Chip	2340	2.95	7.6	18.9	13700.0	6.2
LT-18-04	32.80	33.80	1.00	Core Chip	2341	0.03	11.2	10.3	155.0	9.2
LT-18-04	33.80	34.60	0.80	Core Chip	2342	0.06	10.1	1260.0	300.0	8.3
LT-18-04	34.60	36.35	1.75	Core Chip	2344	0.18	1.2	11.9	830.0	1.0
LT-18-04	36.35	38.00	1.65	Core Chip	2345	0.04	153.9	74.3	174.0	126.0
LT-18-04	38.00	39.60	1.60	Core Chip	2346	0.16	0.6	11.4	740.0	0.5
LT-18-04	39.60	41.30	1.70	Core Chip	2347	0.17	1.2	3.4	770.0	1.0
LT-18-04	41.30	42.10	0.80	Core Chip	2348	0.14	23.1	36.3	650.0	19.0
LT-18-04	42.10	43.10	1.00	Core Chip	2349	0.11	10.6	5990.0	500.0	8.7
LT-18-04	43.10	44.10	1.00	Core Chip	2351	0.02	5.3	26.2	78.0	4.4

DARK HORSE RESOURCES

Annexure B – Las Tapias Core Drillhole Assay Results (continue)

Drillhole	From	To	Interval	Type	SAMPLE	Li2O%	Ta2O5 ppm	Be_ppm	Li_ppm	Ta_ppm
LT-18-04	45.10	46.10	1.00	Core Chip	2353	0.02	5.8	25.9	90.0	4.8
LT-18-04	46.10	47.10	1.00	Core Chip	2355	0.03	6.7	12.5	123.0	5.5
LT-18-04	47.10	48.10	1.00	Core Chip	2356	0.14	6.0	9810.0	630.0	4.9
LT-18-04	48.10	49.10	1.00	Core Chip	2357	0.05	12.6	1140.0	230.0	10.3
LT-18-04	49.10	50.30	1.20	Core Chip	2358	0.03	9.7	60.7	154.0	7.9
LT-18-04	50.30	51.20	0.90	Core Chip	2359	0.06	38.6	172.0	260.0	31.6
LT-18-04	51.20	53.30	2.10	Core Chip	2360	0.21	20.0	111.5	990.0	16.4
LT-18-04	53.30	54.10	0.80	Core Chip	2361	0.02	16.7	73.2	105.0	13.7
LT-18-04	54.10	54.90	0.80	Core Chip	2362	0.03	24.7	184.5	162.0	20.2
LT-18-04	54.90	55.90	1.00	Core Chip	2363	0.02	29.4	92.7	115.0	24.1
LT-18-04	55.90	56.90	1.00	Core Chip	2365	0.11	22.2	28.3	500.0	18.2
LT-18-04	100.40	101.40	1.00	Core Chip	2366	0.02	0.3	1.2	107.0	0.2
LT-18-05	14.90	15.90	1.00	Core Chip	2367	0.11	0.3	8.4	500.0	0.2
LT-18-05	15.90	18.20	2.30	Core Chip	2368	0.05	2.2	29.8	240.0	1.8
LT-18-05	18.20	20.20	2.00	Core Chip	2369	0.05	33.6	142.0	250.0	27.5
LT-18-05	20.20	22.20	2.00	Core Chip	2370	0.05	1.0	6.2	240.0	0.8
LT-18-05	22.20	24.20	2.00	Core Chip	2371	0.06	0.7	14.1	260.0	0.6
LT-18-05	24.20	26.20	2.00	Core Chip	2373	0.05	0.2	7.8	240.0	0.2
LT-18-05	26.20	27.10	0.90	Core Chip	2374	0.08	0.1	14.4	390.0	0.1
LT-18-05	27.10	29.00	1.90	Core Chip	2375	0.03	8.0	7.7	136.0	6.6
LT-18-05	29.00	31.00	2.00	Core Chip	2377	0.01	<	1.5	46.0	<0.04
LT-18-05	31.00	33.00	2.00	Core Chip	2378	0.20	0.1	1.9	920.0	0.1
LT-18-05	33.00	34.50	1.50	Core Chip	2379	0.42	0.6	3.4	1950.0	0.5
LT-18-05	34.50	36.00	1.50	Core Chip	2380	0.02	7.6	105.5	71.0	6.2
LT-18-05	36.00	38.00	2.00	Core Chip	2381	0.01	2.9	23.1	64.0	2.4
LT-18-05	38.00	40.00	2.00	Core Chip	2382	0.01	3.0	9.1	63.0	2.5
LT-18-05	40.00	42.00	2.00	Core Chip	2383	0.02	0.7	41.0	70.0	0.6
LT-18-05	42.00	43.30	1.30	Core Chip	2384	0.01	0.1	5.5	46.0	0.1
LT-18-05	43.30	44.60	1.30	Core Chip	2385	0.01	0.2	0.5	34.0	0.2
LT-18-05	44.60	45.60	1.00	Core Chip	2387	0.04	5.1	400.0	194.0	4.2
LT-18-05	45.60	46.30	1.00	Core Chip	2388	0.12	12.0	2250.0	560.0	9.8
LT-18-05	46.30	48.00	1.70	Core Chip	2389	0.13	1.4	26.2	590.0	1.1
LT-18-05	48.00	49.70	1.70	Core Chip	2390	0.12	0.2	2.6	540.0	0.1
LT-18-05	49.70	51.47	1.77	Core Chip	2391	0.09	1.4	12.6	420.0	1.2
LT-18-05	51.47	52.47	1.00	Core Chip	2392	0.03	6.3	97.6	122.0	5.1
LT-18-05	52.47	53.47	1.00	Core Chip	2393	0.01	3.5	7.6	66.0	2.9
LT-18-05	53.47	54.47	1.00	Core Chip	2395	0.01	1.1	3.8	34.0	0.9
LT-18-05	54.47	55.47	1.00	Core Chip	2396	0.01	49.0	16.5	37.0	40.1
LT-18-05	55.47	56.70	1.23	Core Chip	2397	0.02	17.0	112.0	81.0	13.9
LT-18-05	56.70	58.00	1.30	Core Chip	2398	0.12	2.0	106.0	550.0	1.6
LT-18-05	58.00	59.00	1.00	Core Chip	2399	0.06	3.9	144.5	270.0	3.2
LT-18-05	59.00	60.00	1.00	Core Chip	2400	0.09	1.0	7.5	400.0	0.8
LT-18-05	60.00	61.00	1.00	Core Chip	2402	0.04	19.8	172.0	191.0	16.3
LT-18-05	61.00	62.00	1.00	Core Chip	2403	0.04	12.3	154.0	184.0	10.1

JORC Code, 2012 Edition – Table 1 report template

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg 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.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *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 (eg '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 (eg submarine nodules) may warrant disclosure of detailed information.*	• Drilling geology results reported herein relate to DD drill holes at Las Tapias project, Cordoba Province, Argentina. • DDH hole LT-1801, LT-18-02, LT-18-03-LT-18-04 and LT-18-05 were drilled during May and June 2018. • The azimuth of cored drill holes is oriented approximately perpendicular to interpreted strike of the mineralized trend. • Core samples: selected typically 1 m samples of half core halved by diamond saw. Samples were up to 2.5m in length and narrow as 0.3m. Samples did not cross lithological boundaries.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg 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).*	• Drilling technique used a standard drill rig using HQ core assembling, drilling muds or water as required, wireline setup. The rig was operated by ENERGOLD Drilling Corp. • Core was orientated, and measurements collected relative to bottom line using the Reflex ACT II core orientation system.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *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.*	• Sample recoveries were generally very good and basic RQD was calculated (always > 95%). The samples were considered fit for purpose.
Logging	• *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*	• Standard sample logging procedures were utilised, including logging codes for lithology, minerals, pegmatite phase, texture, recovery, colour and structures.

Criteria	JORC Code explanation	Commentary
	studies. • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• Logging has primarily been qualitative. • The entire length of the drill holes was logged. A brief description of waste dump minerals was recorded.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *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.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Core samples were sawn in half. • Samples were logged into the laboratory tracking system, weighed as received, crushed so 70% < 2 mm, split and ¼ of the split sample pulverized so 85 % < 75 µm). Aliquots of pulverized samples were subject to Multi-Element Analysis by Sodium Peroxide Fusion and ICP-MS (ME-MS91) and Li Analysis by Sodium Peroxide Fusion and ICP-ES (ME-ICP82b). • Sample sizes were appropriate for grain size of material sampled considering the specific targeted nature of the sampling for spodumene. •
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *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.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• The Peroxide Fusion digestion is a specialized and appropriate method for accurately measuring ore grade Lithium content. • Standards Reference Materials, Blanks and duplicates were submitted with the samples for analysis. In a batch of 40 samples were included 2 Standards Reference Materials (both High and Low grade), 1 Blank and 2 duplicates samples (1/4 core diameter) • The Laboratory used was ALS Argentina • Standards and laboratory checks have been assessed. Most of the standards show results within acceptable limits of accuracy with good precision in most cases, not cross contamination was detected also. Internal laboratory checks indicate very high levels of precision.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• Drill hole have not been twinned at this stage of the project development. • Sample data were recorded on field logging sheets and data entered into a digital MS Access database. • Analysis is checked by the use of certified reference materials • Data is recorded on both paper and electronic formats with back up • The laboratory Li value is converted to industry standard lithia (Li2O). The factor used is Li * 2.2153 = Li2O.

Criteria	JORC Code explanation	Commentary
Location of data points	• *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.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• DDH collars were measured by hand GPS and are accurate ± 5m, but referenced to a number of fix points surveyed by differential GPS. • Reference system used was Posgar 2007, Faja3 (Argentina reference coordinates) • Downhole deviation tests were conducted with a Reflex EZ-shot single shot instrument and each test was verified for accuracy.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *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.* • *Whether sample compositing has been applied.*	• Individual drill holes • Diamond core spacing is too wide for a resource calculation at present. • No sample compositing occurred.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *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.*	• The azimuth and dip of holes was determined to ascertain the (unknown) geometry of bodies of pegmatite, which in turn have multiple orientations. In some cases, the topography restricted where drill sites could be set up, meaning the dip and azimuth were not optimal to intersect each pegmatite on a perpendicular basis. Mineralisation intersection thicknesses are likely to be wider than the actual thickness of the pegmatite lens. No sampling assay bias is thought to have been introduced. Orientation of measurements is not expected to contribute to sampling bias.
Sample security	• *The measures taken to ensure sample security.*	• Sample security was managed by the Company using industry standard chain of custody procedure. Company geologists and licensed couriers transported the samples from the field to the ALS laboratory for reception.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No external audit or review of the sampling techniques or data has been undertaken beyond that of normal internal Company procedures and that of the respective Competent Persons in the compilation of this and supporting, separate reports.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code 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.*	• Measurements carried out on Las Tapias Mine (file 912-38), La Protectora mine (file 1567-41), Rosita Mine (file 5601/58), San Telesforo Mine (file 1698/41), San Jose(file 5445/57), San Jose II (file 10874/04) and tenement (file 2013/2016) which is held by Dark Horse under an Option Agreement with Pampa Litio SA (ASX Announcement October 2016). • N-A.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Previous exploration has been carried out by Pampa Litio SA under the management of Dr Gustavo Rodriguez, a principal of Pampa Litio SA, which included geological mapping, rock chip sampling and assaying. These results were reported to the ASX in October 2016.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Mineralization model corresponds to pegmatite within diorites or intruded into low grade metamorphic schists. • In Cordoba province, the project is located in the area of the Achala Batholith, a prominent Devonian aged granite suite that intrudes the central part of the high-grade metamorphic rocks of Sierras de Cordoba. • Mineralization style corresponds to late stage, slower cooling of intrusive mineralised fluids from large intrusive bodies, with the subsequent formation of large crystals of a great variety of minerals.

Drill hole Information	• *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:*
	  ○ *easting and northing of the drill hole collar*
	  ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  ○ *dip and azimuth of the hole*
	  ○ *down hole length and interception depth*
	  ○ *hole length.*
	• *If the exclusion of this information is justified on the basis that the*
		• See Table in ASX release

Criteria	JORC Code explanation	Commentary
	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.	
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg 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 results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• Intersections noted in the Assay Table have the 'from' and 'to' meterage marked. • Intervals reported are generally above a 0.5 % Li2O (lower) cutoff however may include internal or marginal dilution. Lithium (Li) assays reported by the laboratory are converted to Lithia (Li2O) using the formula: Li assay * 2.2153 = Li2O determination
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *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 (eg 'down hole length, true width not known').*	• Downhole lengths are reported in the text, figures and tables are of drilled metres down the hole from surface, and most often are not an indication of true width.
Diagrams	• *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.*	• Refer to figures and tables in this report.
Balanced reporting	• *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.*	• Representative reporting of drill details has been provided in this announcement.
Other substantive exploration data	• *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.*	• All meaningful and material exploration data has been reported.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas,*	• While waiting for new assays results a 20 m x 20 m grid of RCs hole will be drilled in order to investigate the LI mineralization distribution within waste dumps.

Criteria	JORC Code explanation	Commentary
	provided this information is not commercially sensitive.	

Section 3 Estimation and Reporting of Mineral Resources

(Criteria listed in section 1, and where relevant in section 2, also apply to this section.)

Criteria	JORC Code explanation	Commentary
Database integrity	• *Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.* • *Data validation procedures used.*	• Not Applicable
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* • *If no site visits have been undertaken indicate why this is the case.*	• Not Applicable
Geological interpretation	• *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.* • *Nature of the data used and of any assumptions made.* • *The effect, if any, of alternative interpretations on Mineral Resource estimation.* • *The use of geology in guiding and controlling Mineral Resource estimation.* • *The factors affecting continuity both of grade and geology.*	• Not Applicable
Dimensions	• *The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.*	• Not Applicable
Estimation and modelling techniques	• *The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.* • *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.* • *The assumptions made regarding recovery of by-products.* • *Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).* • *In the case of block model interpolation, the block size in relation to*	• Not Applicable

Criteria	JORC Code explanation	Commentary
	the average sample spacing and the search employed. • *Any assumptions behind modelling of selective mining units.* • *Any assumptions about correlation between variables.* • *Description of how the geological interpretation was used to control the resource estimates.* • *Discussion of basis for using or not using grade cutting or capping.* • *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.*	
Moisture	• *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	• Not Applicable
Cut-off parameters	• *The basis of the adopted cut-off grade(s) or quality parameters applied.*	• Not Applicable
Mining factors or assumptions	• *Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.*	• Not Applicable
Metallurgical factors or assumptions	• *The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.*	• Not Applicable
Environmen-tal factors or assumptions	• *Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where*	• Not Applicable

Criteria	JORC Code explanation	Commentary
	these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.	
Bulk density	• *Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.* • *The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.* • *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*	• Not Applicable
Classification	• *The basis for the classification of the Mineral Resources into varying confidence categories.* • *Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).* • *Whether the result appropriately reflects the Competent Person's view of the deposit.*	• Not Applicable
Audits or reviews	• *The results of any audits or reviews of Mineral Resource estimates.*	• Not Applicable
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.* • *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* • *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	• Not Applicable

Section 4 Estimation and Reporting of Ore Reserves

(Criteria listed in section 1, and where relevant in sections 2 and 3, also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral Resource estimate for conversion to Ore Reserves	• *Description of the Mineral Resource estimate used as a basis for the conversion to an Ore Reserve.* • *Clear statement as to whether the Mineral Resources are reported additional to, or inclusive of, the Ore Reserves.*	• Not Applicable
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* • *If no site visits have been undertaken indicate why this is the case.*	• Not Applicable
Study status	• *The type and level of study undertaken to enable Mineral Resources to be converted to Ore Reserves.* • *The Code requires that a study to at least Pre-Feasibility Study level has been undertaken to convert Mineral Resources to Ore Reserves. Such studies will have been carried out and will have determined a mine plan that is technically achievable and economically viable, and that material Modifying Factors have been considered.*	• Not Applicable
Cut-off parameters	• *The basis of the cut-off grade(s) or quality parameters applied.*	• Not Applicable
Mining factors or assumptions	• *The method and assumptions used as reported in the Pre-Feasibility or Feasibility Study to convert the Mineral Resource to an Ore Reserve (i.e. either by application of appropriate factors by optimisation or by preliminary or detailed design).* • *The choice, nature and appropriateness of the selected mining method(s) and other mining parameters including associated design issues such as pre-strip, access, etc.* • *The assumptions made regarding geotechnical parameters (eg pit slopes, stope sizes, etc), grade control and pre-production drilling.* • *The major assumptions made and Mineral Resource model used for pit and stope optimisation (if appropriate).* • *The mining dilution factors used.* • *The mining recovery factors used.* • *Any minimum mining widths used.* • *The manner in which Inferred Mineral Resources are utilised in*	• Not Applicable

Criteria	JORC Code explanation	Commentary
	mining studies and the sensitivity of the outcome to their inclusion. • *The infrastructure requirements of the selected mining methods.*	
Metallurgical factors or assumptions	• *The metallurgical process proposed and the appropriateness of that process to the style of mineralisation.* • *Whether the metallurgical process is well-tested technology or novel in nature.* • *The nature, amount and representativeness of metallurgical test work undertaken, the nature of the metallurgical domaining applied and the corresponding metallurgical recovery factors applied.* • *Any assumptions or allowances made for deleterious elements.* • *The existence of any bulk sample or pilot scale test work and the degree to which such samples are considered representative of the orebody as a whole.* • *For minerals that are defined by a specification, has the ore reserve estimation been based on the appropriate mineralogy to meet the specifications?*	• Not Applicable
Environmen-tal	• *The status of studies of potential environmental impacts of the mining and processing operation. Details of waste rock characterisation and the consideration of potential sites, status of design options considered and, where applicable, the status of approvals for process residue storage and waste dumps should be reported.*	• Not Applicable
Infrastructure	• *The existence of appropriate infrastructure: availability of land for plant development, power, water, transportation (particularly for bulk commodities), labour, accommodation; or the ease with which the infrastructure can be provided, or accessed.*	• Not Applicable
Costs	• *The derivation of, or assumptions made, regarding projected capital costs in the study.* • *The methodology used to estimate operating costs.* • *Allowances made for the content of deleterious elements.* • *The source of exchange rates used in the study.* • *Derivation of transportation charges.* • *The basis for forecasting or source of treatment and refining charges, penalties for failure to meet specification, etc.* • *The allowances made for royalties payable, both Government and private.*	• Not Applicable
Revenue factors	• *The derivation of, or assumptions made regarding revenue factors including head grade, metal or commodity price(s) exchange rates, transportation and treatment charges, penalties, net smelter returns,*	• Not Applicable

Criteria	JORC Code explanation	Commentary
	etc. • *The derivation of assumptions made of metal or commodity price(s), for the principal metals, minerals and co-products.*	
Market assessment	• *The demand, supply and stock situation for the particular commodity, consumption trends and factors likely to affect supply and demand into the future.* • *A customer and competitor analysis along with the identification of likely market windows for the product.* • *Price and volume forecasts and the basis for these forecasts.* • *For industrial minerals the customer specification, testing and acceptance requirements prior to a supply contract.*	• Not Applicable
Economic	• *The inputs to the economic analysis to produce the net present value (NPV) in the study, the source and confidence of these economic inputs including estimated inflation, discount rate, etc.* • *NPV ranges and sensitivity to variations in the significant assumptions and inputs.*	• Not Applicable
Social	• *The status of agreements with key stakeholders and matters leading to social licence to operate.*	• Not Applicable
Other	• *To the extent relevant, the impact of the following on the project and/or on the estimation and classification of the Ore Reserves:* • *Any identified material naturally occurring risks.* • *The status of material legal agreements and marketing arrangements.* • *The status of governmental agreements and approvals critical to the viability of the project, such as mineral tenement status, and government and statutory approvals. There must be reasonable grounds to expect that all necessary Government approvals will be received within the timeframes anticipated in the Pre-Feasibility or Feasibility study. Highlight and discuss the materiality of any unresolved matter that is dependent on a third party on which extraction of the reserve is contingent.*	• Not Applicable
Classification	• *The basis for the classification of the Ore Reserves into varying confidence categories.* • *Whether the result appropriately reflects the Competent Person's view of the deposit.* • *The proportion of Probable Ore Reserves that have been derived from Measured Mineral Resources (if any).*	• Not Applicable

Criteria	JORC Code explanation	Commentary
Audits or reviews	• *The results of any audits or reviews of Ore Reserve estimates.*	• Not Applicable
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Ore Reserve estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the reserve within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors which could affect the relative accuracy and confidence of the estimate.* • *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* • *Accuracy and confidence discussions should extend to specific discussions of any applied Modifying Factors that may have a material impact on Ore Reserve viability, or for which there are remaining areas of uncertainty at the current study stage.* • *It is recognised that this may not be possible or appropriate in all circumstances. These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	• Not Applicable

Section 5 Estimation and Reporting of Diamonds and Other Gemstones

(Criteria listed in other relevant sections also apply to this section. Additional guidelines are available in the 'Guidelines for the Reporting of Diamond Exploration Results' issued by the Diamond Exploration Best Practices Committee established by the Canadian Institute of Mining, Metallurgy and Petroleum.)

Criteria	JORC Code explanation	Commentary
Indicator minerals	• *Reports of indicator minerals, such as chemically/physically distinctive garnet, ilmenite, chrome spinel and chrome diopside, should be prepared by a suitably qualified laboratory.*	• Not Applicable
Source of diamonds	• *Details of the form, shape, size and colour of the diamonds and the nature of the source of diamonds (primary or secondary) including the rock type and geological environment.*	• Not Applicable

Criteria	JORC Code explanation	Commentary
Sample collection	• *Type of sample, whether outcrop, boulders, drill core, reverse circulation drill cuttings, gravel, stream sediment or soil, and purpose (eg large diameter drilling to establish stones per unit of volume or bulk samples to establish stone size distribution).* • *Sample size, distribution and representivity.*	• Not Applicable
Sample treatment	• *Type of facility, treatment rate, and accreditation.* • *Sample size reduction. Bottom screen size, top screen size and re-crush.* • *Processes (dense media separation, grease, X-ray, hand-sorting, etc).* • *Process efficiency, tailings auditing and granulometry.* • *Laboratory used, type of process for micro diamonds and accreditation.*	• Not Applicable
Carat	• *One fifth (0.2) of a gram (often defined as a metric carat or MC).*	• Not Applicable
Sample grade	• *Sample grade in this section of Table 1 is used in the context of carats per units of mass, area or volume.* • *The sample grade above the specified lower cut-off sieve size should be reported as carats per dry metric tonne and/or carats per 100 dry metric tonnes. For alluvial deposits, sample grades quoted in carats per square metre or carats per cubic metre are acceptable if accompanied by a volume to weight basis for calculation.* • *In addition to general requirements to assess volume and density there is a need to relate stone frequency (stones per cubic metre or tonne) to stone size (carats per stone) to derive sample grade (carats per tonne).*	• Not Applicable
Reporting of Exploration Results	• *Complete set of sieve data using a standard progression of sieve sizes per facies. Bulk sampling results, global sample grade per facies. Spatial structure analysis and grade distribution. Stone size and number distribution. Sample head feed and tailings particle granulometry.* • *Sample density determination.* • *Per cent concentrate and undersize per sample.* • *Sample grade with change in bottom cut-off screen size.* • *Adjustments made to size distribution for sample plant performance and performance on a commercial scale.* • *If appropriate or employed, geostatistical techniques applied to model stone size, distribution or frequency from size distribution of*	• Not Applicable

Criteria	JORC Code explanation	Commentary
	exploration diamond samples. • *The weight of diamonds may only be omitted from the report when the diamonds are considered too small to be of commercial significance. This lower cut-off size should be stated.*	
Grade estimation for reporting Mineral Resources and Ore Reserves	• *Description of the sample type and the spatial arrangement of drilling or sampling designed for grade estimation.* • *The sample crush size and its relationship to that achievable in a commercial treatment plant.* • *Total number of diamonds greater than the specified and reported lower cut-off sieve size.* • *Total weight of diamonds greater than the specified and reported lower cut-off sieve size.* • *The sample grade above the specified lower cut-off sieve size.*	• Not Applicable

Value estimation	• *Valuations should not be reported for samples of diamonds processed using total liberation method, which is commonly used for processing exploration samples.*
	• *To the extent that such information is not deemed commercially sensitive, Public Reports should include:*
	  ○ *diamonds quantities by appropriate screen size per facies or depth.*
	  ○ *details of parcel valued.*
	  ○ *number of stones, carats, lower size cut-off per facies or depth.*
	• *The average $/carat and $/tonne value at the selected bottom cut-off should be reported in US Dollars. The value per carat is of critical importance in demonstrating project value.*
	• *The basis for the price (eg dealer buying price, dealer selling price, etc).*
	• *An assessment of diamond breakage.*
		• Not Applicable

Security and integrity	• *Accredited process audit.* • *Whether samples were sealed after excavation.* • *Valuer location, escort, delivery, cleaning losses, reconciliation with recorded sample carats and number of stones.* • *Core samples washed prior to treatment for micro diamonds.* • *Audit samples treated at alternative facility.* • *Results of tailings checks.* • *Recovery of tracer monitors used in sampling and treatment.* • *Geophysical (logged) density and particle density.*	• Not Applicable

Criteria	JORC Code explanation	Commentary
	• *Cross validation of sample weights, wet and dry, with hole volume and density, moisture factor.*	
Classification	• *In addition to general requirements to assess volume and density there is a need to relate stone frequency (stones per cubic metre or tonne) to stone size (carats per stone) to derive grade (carats per tonne). The elements of uncertainty in these estimates should be considered, and classification developed accordingly.*	• Not Applicable