

19 August 2021

Project and Corporate Update

Due diligence completed and condition precedent met for Fish Lake Valley Earn-in

Resource definition and direct lithium extraction technology development to progress in parallel

Formal submission to ASX for re-quotations

Changes to equity standby arrangement

Overview

Altura Mining Limited (**ASX: AJM** "Altura" or "the Company") pleased to advise that following the execution of the Letter of Intent (LOI) for Earn-in (refer to ASX announcement *Altura negotiates earn-in option for Nevada lithium brine project* released 3 May 2021), the Company has completed its due diligence efforts, satisfied the condition precedent and reached agreement with Lithium Corporation to commence the Earn-in period immediately. The Earn-in on the Fish Lake Valley (FLV) Project, for which Altura has the right to earn a 60% project interest, with follow on rights to acquire up to 100% interest, is a significant opportunity given the Project's location and a growing focus on localised supply chains.



Figure 1 – Fish Lake Valley Project location, Esmeralda County, Nevada, USA



Figure 2 – Fish Lake Valley Claim Map

The key terms of the LOI advised on 3 May 2021 will be expanded to form a formal Earn-in Agreement, expected to be finalised in the coming months. Lithium Corporation and Altura have agreed to commence project development in parallel with finalising the formal agreement.

Under the LOI, as well as project level expenditure to earn its interest, Altura is required to make share and cash payments to Lithium Corporation. The Parties have agreed that the issue of shares and cash payments, due as part of the execution milestone, will be made in accordance with Altura’s recapitalisation and re-listing plan. If these payments are outstanding from the 15 October 2021, then a 2.5% monthly interest charge will apply to the value of the share issue component.

Fish Lake Valley a strategic asset and growth opportunity

The FLV Project, as a US-located lithium resource, will have increasing strategic value as the Biden-administration seeks to implement the intentions of Executive Order 14008 (Tackling the climate crisis at home and abroad). The US Government has a clear agenda to address climate change. Establishing a domestic supply chain for lithium-based batteries is a cornerstone effort in the US Government’s plan to achieve a net-zero carbon economy¹.

FLV shares both structural and stratigraphic geological properties similar to Albemarle’s Silver Peak Project (located approximately 35 kilometres from FLV). Presently, Silver Peak is the only US-domestic source of lithium. With an increasing focus on localised supply chains and significant, multi-billion-dollar investments into vehicle electrification from US-based automotive manufacturers (General Motors, Tesla, Ford and elements of the Stellantis group), the FLV project is positioned to capitalise on the booming electrification movement in the USA.

¹ National Blueprint for Lithium Batteries 2021-2030 -released June 2021

Altura's immediate work focus will be to progress both resource development and technology activities in parallel. Passive seismic survey will be conducted to develop a better understanding of the sub-surface structures that comprise FLV. This data will then be used to plan a more detailed exploration program. Altura will also advance the collection of representative sample material to continue efforts to assess the suitability of FLV brines for direct lithium extraction (DLE). Initial reports and preliminary assessment by an independent third party, indicate that the FLV brine responds well to DLE through an absorption/ion-exchange process.

Corporate update

There has been a number of compliance items that have been addressed since the Company was returned to the control of the Directors in March 2021. These items included quarterly activity and cashflow reports, statutory accounts (both full and half year) all of which are now complete and lodged. The Full Year Accounts for the year ending 30 June 2021 are progressing as normal with lodgement expected before 30 September 2021.

The steps required to re-quote on the ASX are complex and Altura has continued to engage directly with the ASX to ensure all aspects are addressed. The Company has presented a formal briefing to the ASX outlining its re-capitalisation and listing plan and is seeking confirmation the process outlined is suitable.

The pathway forward will require additional capital in order to progress the development of the Company's Western Australian and US-based lithium projects, and as such Altura has engaged with prominent financial institutions in regard to the re-capitalisation process. As part of the process the Company is currently preparing a prospectus with content covering legal, financial and project subjects.

In conjunction with the above re-capitalisation process Altura will be issuing notice of meeting(s) for Annual General Meetings for 2020 and 2021. The time and location is yet to be determined and shareholders will be notified in due course.

Altura also advises that it has terminated its Put Option Agreement (POA) with LDA Capital LLC and LDA Capital Limited (together "LDA"). The POA (refer to ASX Announcement *Altura balance sheet strength underpinned by new financing package* issued 6 March 2020) provided Altura with a standby equity finance facility, with a total value of AUD\$50M over a 3-year term period. Given the current situation it was mutually agreed between Altura and LDA to formally terminate the agreement.

Altura CEO Alex Cheeseman said:

"We have been carefully working through the last stages of the re-quotations process and we fully understand the criticality of this process to our shareholders. The single aim of Altura is to focus on delivering results both corporately and physically with our revised portfolio of lithium assets. Each step we take must be positive and a key part is the presentation of a capital structure that is effective and simple."

"We are very excited about the Fish Lake Valley opportunity. The lithium industry is experiencing another step-change in growth and global-demand. This growth is fuelled by significant government and private enterprise investment in Europe and America all focused on a decarbonised economy. We now get to focus on developing the project which will occur in parallel with significant growth in the American EV and lithium battery market. It is an excellent way forward for the Company."

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This announcement has been authorised for release by the Board of Altura Mining Limited.

About Altura Mining Limited Altura is an exploration and resource development company focused on lithium and battery minerals. Altura is currently evaluating several development opportunities, strategically located, in Tier 1 mining jurisdictions in both Australia and the United States of America. Altura will secure and develop raw materials to support the surging demand for battery minerals, critical in enabling the global transition to green energy.

Forward Looking Statements and Important Notice This announcement may contain some references to forecasts, estimates, assumptions and other forward-looking statements. Although Altura believes that its expectations, estimates and forecast outcomes are based on reasonable assumptions, it can give no assurance that they will be achieved where matter lay beyond the control of Altura and its Officers. Forward looking statements may be affected by a variety of variables and changes in underlying assumptions that are subject to risk factors associated with the nature of the business, which could cause actual results to differ materially from those expressed herein.
