

Letter of Intent for sale of the Bougouni Lithium Project

Birimian Limited (ASX:BGS; "Birimian" and "Company") advises that it has received an offer, and has subsequently executed a binding Letter of Intent (LOI), relating to the purchase of a 100% interest in the Bougouni Lithium Project (Project) by Shandong Mingrui Group (Mingrui) for a total consideration of \$AUD 107.5M in cash.

The LOI is subject to a number of conditions, including receipt of a deposit of \$AUD 10.75M on or before 20 January 2017, at which point the LOI becomes binding. Subject to receipt of this deposit, the Company will take this transaction to shareholders for approval at a general meeting to be arranged and advised in due course.

Ongoing Program and Evaluation Studies

Located in southern Mali, the 100%-owned Bougouni Lithium Project hosts the Goulamina lithium deposit. The Mineral Resource at Goulamina is 15.5Mt at 1.48% Li₂O for 229,000 tonnes contained Li₂O.

Birimian has formulated a clear and well defined pathway for the potential development of the Bougouni Project. It has been mutually agreed by the Parties that on-the-ground evaluation studies and drilling will continue pending completion of the proposed transaction.

The second phase, 10,000 metre drilling program at Goulamina remains on track for completion by late-January 2017 alongside initial assay results. The current schedule provides for an updated resource estimate later in the March Quarter, leading to the Pre-Feasibility Study and maiden reserve reporting in the June Quarter.

Offer and Transaction Details

Birimian and Mingrui (the Parties) have entered into a binding Letter of Intent, subject to conditions, to sell and transfer a 100% interest in Birimian's Torakoro Permit to Mingrui for total consideration consisting of \$AUD 107,500,000 in cash (plus any applicable taxes). The Torakoro Permit hosts the Goulamina Deposit.

Mingrui will pay a cash deposit of \$AUD 10,750,000 (Deposit) to an Australian solicitor's interest bearing account to be held in trust in accordance with the terms of the LOI (Stakeholder Account). The Deposit is not refundable except in the event that any consent or approval required by Birimian cannot be obtained or waived as follows,

ASX Code BGS
ACN 113 931 105

COMPANY DIRECTORS

Winton Willesee
Chairman

Kevin Joyce
Managing Director

Hugh Bresser
Director

CONTACT DETAILS

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- a) any third party, regulatory, shareholder, tax consents or required approvals (if any) being received on terms satisfactory to both parties;
- b) no legislation or regulation being proposed or passed that would prohibit or materially restrict the participation of either party in the Transaction.

Within 45 days of confirmation of receipt of the Deposit, Mingrui agrees to place the balance of the cash consideration (being \$ AUD 96,750,000 plus any applicable taxes) in the Stakeholder Account to be held in trust pending completion. If all conditions are not satisfied or waived on or before 31 March 2017 (or such other date which is mutually agreed in writing by the Parties) then the LOI will terminate.

For further information contact:

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Competent Persons Declaration

The information in this announcement that relates to Mineral Resources is based on information compiled by or under the supervision of Mr. Matt Bampton, who is a Member of The Australasian Institute of Mining and Metallurgy and a Member of the Australian Institute of Geoscientists. Mr Bampton is a full-time employee of Cube Consulting Pty Ltd and has sufficient experience which is relevant to the styles of mineralisation and types of deposit 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. Mr Bampton consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Forward Looking Statements

Statements regarding plans with respect to the Company's mineral properties are forward looking statements. There can be no assurance that the Company's plans for development of its mineral properties will proceed as expected. There can be no assurance that the Company will be able to confirm the presence of mineral deposits, that any mineralisation will prove to be economic or that a mine will successfully be developed on any of the Company's mineral properties.