DAKOTA MINERALS
ACN: 009 146 794

Sepeda – Drill Results & Metallurgical Testwork Update

– For Immediate Release –

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FAST FACTS

Issued Capital:	363.8m
Options Issued:	31.1m
Market Cap:	$18.2m
Cash:	$16.0m

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Highlights:

- **Phase four drill programme brought forward to run concurrently with phase three, incorporating 4,000 additional metres of dual-purpose drilling**
- **Further significant results received from ongoing phase three drilling programme; additional results expected in the coming weeks and months**
- **Thick high-grade intercepts include 51 m @ 1.53% Li_2O, 41 m @ 1.31% Li_2O**
- **Highly encouraging sighter metallurgical test work: flotation produces premium low-iron petalite concentrate, and first stages of hydrometallurgical tests are complete; final stages of precipitation of Li_2CO_3 and preparation of LiOH underway.**

Dakota Minerals Limited ("Dakota", "DKO", or "Company") is pleased to advise that the planned phase four drilling programme has been brought forward and to provide shareholders with an update on the Sepeda Lithium Project ("Sepeda"), Portugal, *the largest LCT pegmatite-hosted JORC compliant lithium Resource in Europe*.

The first results for the phase three Reverse Circulation ("RC") and diamond drilling programme, which is still ongoing, have now been received. Results include **51 m @ 1.53% Li_2O** from SC051 and **41 m @ 1.31% Li_2O** from SC054. Results for 11 holes have been received out of a total programme of 55 holes. Further results are expected in the coming weeks and months, and full results will be used to calculate a Mineral Resource update still on schedule for CY Q3 2017.

As part of Dakota's efforts to **fast-track future feasibility study work, t**wo extra diamond rigs are being mobilised to site, bringing the total to five diamond rigs operational on site.

With access to these additional resources, the planned phase four drilling programme has been brought forward to run concurrently with phase three, and will comprise approximately **4,000m of additional diamond drilling**. The purpose of phase four is to provide 20 tonnes of material for pilot plant processing test work, and to infill and extend key areas to upgrade Resource categories.

Concurrent with the material progress at site, updates on sighter metallurgical test work have been provided by Dorfner-Anzaplan in Germany, and ANSTO in Australia. These show that a **very-low impurity petalite concentrate** has been produced by flotation, potentially suitable for the technical high-tech glass and ceramics market, and that the first stages of hydrometallurgical test work have also been completed. The final stage of the hydrometallurgical test work, involving precipitation of Li_2CO_3 and preparation of LiOH, is now underway. Slight delays have been experienced by Anzaplan, and the final report for the test work is now expected at the end of May.

Dakota Minerals CEO David Frances commented: *"It is great to see such promising results from our Sepeda project, which give us the confidence to rapidly progress the feasibility studies. The ability to produce very-low impurity petalite concentrate now gives us the added benefit of being able to potentially supply the high-tech glass and ceramic technical market as part of the overall business plan to be a sustainable European lithium supplier."*

Drilling Progress Summary

Dakota has completed two phases of drilling, and is currently half-way through phase three, having drilled over 13,000m of RC and diamond since exploration at Sepeda began in mid-2016. The current programme has multiple objectives:

1. to grow and upgrade the current maiden Mineral Resource at Sepeda;
2. to provide a 300kg sample for metallurgical test work to be used in a feasibility study; and
3. to collect geotechnical data for feasibility studies.

Figure 1; RC drilling at Romano (photo credit: I. Groves)

The RC and diamond drilling programme is being conducted by SPI SA, a drilling company based in Leon, Spain, utilizing a variety of RC and diamond rigs to carry out the work (Figure 1). The planned drilling is resource development in nature, aiming to grow the current resource by stepping out from known areas, and upgrade existing resources where possible by infill drilling.

Drill holes are logged and samples dispatched to Nagrom Laboratories for analysis in Perth. All RC drilling has now been completed, with approximately 5,000m of diamond drilling still to be completed (Table 1).

Very wide, well-mineralised intersections of petalite-bearing pegmatite were reported from initial results, including **51 m @ 1.53% Li_2O** from SC051 and **41 m @ 1.31% Li_2O** from SC054 (Figure 2). A full list of results received to date is available in Appendix 1.

The results represent approximately 20% of the total expected analyses to be conducted on samples from the drilling campaign, with 11 from a total of 55 planned and completed holes reported. Further results are expected in the coming weeks and months, and full results will be used in a Mineral Resource update later in the year, which is on schedule for CY Q3 2017.

The recently planned phase four drilling programme has been brought forwards to run concurrently with phase three. This programme consists of 4,000m of additional planned diamond drilling (Figure 4), the purpose of which is twofold: to provide approximately 20 tonnes of material for pilot plant processing test work, and to infill-drill key areas to upgrade Mineral Resource categories.

This is part of Dakota's efforts to fast-track future feasibility study work, made possible by Dakota's strong cash position. Two extra diamond rigs are being mobilised to site to facilitate this, bringing the total to five diamond rigs operational on site.

Table 1: Drilling carried out at Sepeda since discovery in 2016, and planned drilling

	Date	RC Holes/M	Diamond Holes/M
Phase One	Q3 2016	18/2,090m	0/0
Phase Two	Q4 2016	31/4,899m	2/282m
Phase Three (Completed)	Q1 2017	34/4,827m	7/1,636m
Total Completed	By Q1 2017	83/11,816m	9/1,918m
Phase Three (Planned)	Q2 2017		14/5,335m
Total Post-Phase Three		83/11,816m	23/7,253m
Phase Four (brought forward)	Q2-Q3 2017	0/0	25/4,000m

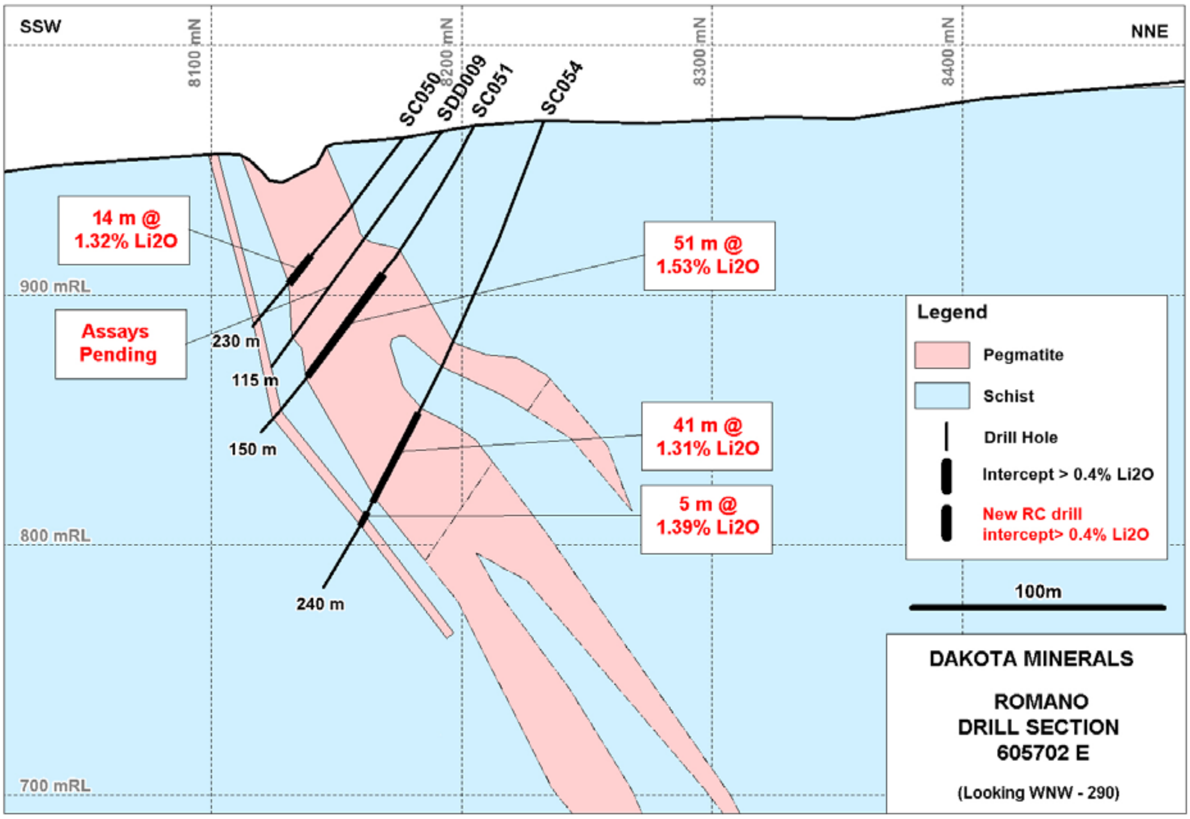

Figure 2: Drill section 605702E showing initial phase three results (downhole widths). Pegmatite is open down-dip.

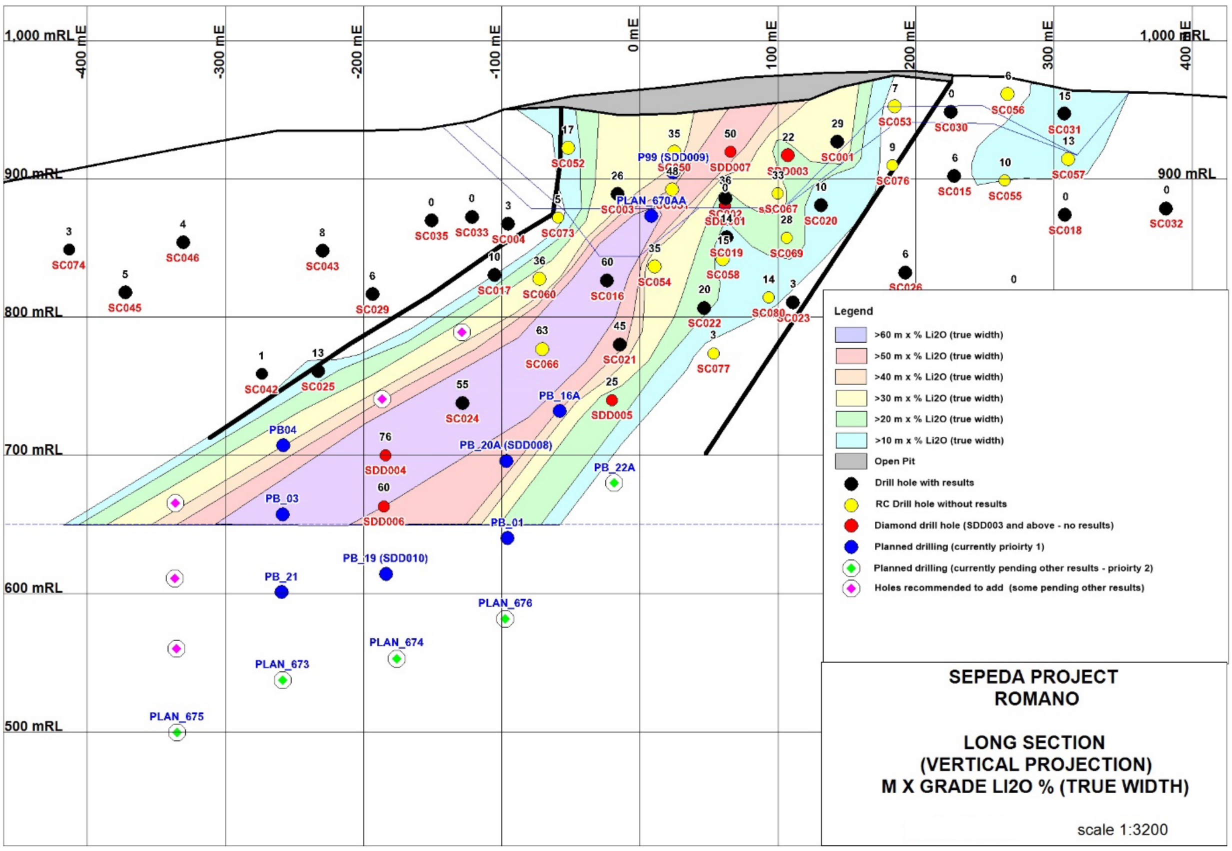

Figure 3: Long section showing completed and planned drilling, as well as grade-thickness contours

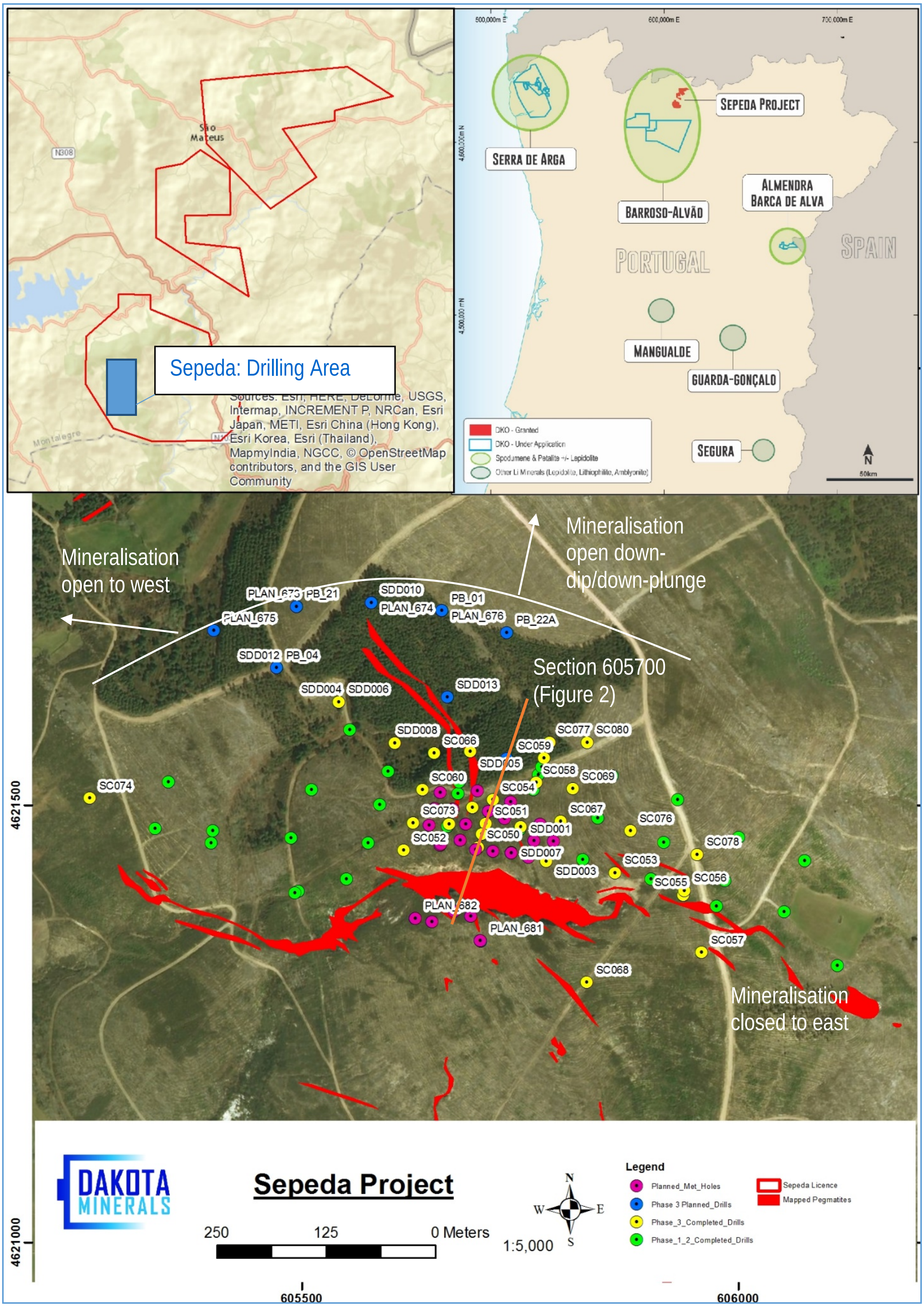

Figure 4: Drilling completed to date and planned drilling, Romano pegmatite, Sepeda Lithium Project

Metallurgical Test Work Update

Dorfner-Anzaplan have provided an update on the ongoing sighter metallurgical test work. This test work is being conducted on a composite sample from phase one RC drilling produced in 2016, and is designed to give a preliminary indication on material from Sepeda and the possibility of processing with conventional, commercially tested methods, to produce a technical-specification concentrate, and chemical grade lithium carbonate and/or lithium hydroxide.

Dorfner-Anzaplan Completed Tests: Concentrate Production:

- Comminution to various grind sizes
- Mineral liberation analysis (MLA)
- Desliming
- Flotation tests to produce petalite concentrate
- Magnetic separation

Flotation tests successfully produced a 4.4% Li_2O petalite concentrate, in line with commercial specifications. After magnetic separation, this was shown to contain very low iron (Table 2), at 0.01% Fe_2O_3, making the concentrate potentially suitable for the premium technical market. Exact recovery percentages were not determined as locked cycle tests were not conducted, due to the preliminary nature of the test work; these will be conducted during future, feasibility test work. The petalite concentrate was sent to the Australian Nuclear Science and Technology Organisation (ANSTO) for further mineralogical assessment. Major and minor mineralogical constituents were assessed using a combination of semi-quantitative X-ray diffraction (XRD) and QEMSCAN (an automated mineralogical technique). Manual scanning electron microscopy (SEM) and x-ray microanalysis (EDS) was undertaken to examine whether any Fe was present within the petalite crystal structure.

Table 2: Sighter flotation test results, Dorfner-Anzaplan

		Petalite concentrate	Petalite concentrate after MagSep
Li2O	wt.-%	4.4	4.4
Rb2O	wt.-%	<0.01	<0.01
SiO2	wt.-%	77.8	78.2
Al2O3	wt.-%	17.1	17.0
Fe2O3	wt.-%	0.05	0.01
TiO2	wt.-%	<0.01	<0.01
K2O	wt.-%	0.13	0.07
Na2O	wt.-%	0.10	0.07
CaO	wt.-%	<0.01	<0.01
MgO	wt.-%	<0.01	<0.01
MnO	wt.-%	<0.01	<0.01
P2O5	wt.-%	<0.01	<0.01
LOI	wt.-%	0.40	0.20

XRD

X-ray diffraction (XRD) analysis of the sample was conducted; petalite was the major phase identified by XRD. Albite and quartz were identified as only minor components.

Table 3: X-Ray Diffraction – Semi-quantitative Analysis

Mineral/Compound	Formula	Semi-Quant (%)
Petalite	$LiAlSi_4O_{10}$	90
Quartz	SiO_2	1
Albite	$KAlSi_3O_8$	9

QEMSCAN

QEMSCAN particle mineralogical analysis (PMA) was carried out. A list of the minerals identified in the sample by QEMSCAN, their empirical chemical formulae and modal abundance is given in Table 4. The concentrate consists of 89.9 wt% petalite with minor concentrations of albite (4.1 wt %), K-feldspar (2.42 wt %), spodumene (1.56 wt %) and quartz (1.08 wt %). Traces of cookeite, muscovite/lepidolite and pyrite were also detected by QEMSCAN.

Table 4: Summary of QEMSCAN Modal Mineralogy Results (wt %)

Mineral	Chemical Formula	%
Petalite	$LiAlSi_4O_{10}$	89.9
Albite	$NaAlSi_3O_8$	4.11
K-Feldspar	$KAlSi_3O_8$	2.42
Spodumene	$LiAlSi_2O_6$	1.56
Quartz	SiO_2	1.08
Cookeite	$LiAl_4(Si_3Al)O_{10}(OH)_8$	0.35
Muscovite/Lepidolite		0.17
Muscovite	$KAl_2(Si,Al)_4O_{10}(OH,F)_2$	*0.165*
Lepidolite	$K(Li,Al)_3(Si,Al)_4O_{10}(F,OH)_2$	*0.003*
Pyrite	FeS_2	0.07
Others	Various	0.02
Unclassified		0.32

Scanning Electron Microscopy

X-ray microanalysis (energy dispersive system – EDS) was undertaken to determine whether any iron was present in solution within the petalite. In order to determine if Fe was present in the petalite mineral structure, EDS analysis was carried out on 15 random petalite particles. In all particles analysed, Fe was below the detection limit.

Conclusions

A very-low impurity petalite concentrate, potentially suitable for the premium technical markets, can be produced from Sepeda via conventional flotation methods. No Fe was detected within the petalite crystal structure, and the overall concentrate Fe grade (0.01%) is very low. Any Fe present in solution within the petalite is at a concentration below the limits of detection by EDS. A trace amount of pyrite (0.07 wt%) was detected in the sample by QEMSCAN, and this accounts for most of the Fe detected by chemical analysis. Petalite is the dominant mineral in the concentrate as determined by XRD and QEMSCAN. Petalite constitutes 89.9 wt% of the sample. Minor concentrations of albite (4.1 wt %), K-feldspar (2.42 wt %), spodumene (1.56 wt %) and quartz (1.08 wt %) are present along with traces of cookeite, muscovite/lepidolite and pyrite. Future test work will be conducted on diamond core from phase three, and will incorporate Dense Media Separation (DMS), as well as locked cycle tests to determine recoveries.

Dorfner-Anzaplan Completed Tests – Hydrometallurgy:

- Calcination test work
- Acid baking and leaching
- Impurity removal by neutralisation, ion exchange and crystallisation

The above process involving calcination, acid baking, leaching and impurity removal is an industry standard, commercially-proven methodology for processing lithium aluminium silicates such as spodumene or petalite into a lithium carbonate and/or a lithium hydroxide product suitable for the battery industry. These steps have now been completed, with only the final precipitation process to be finished (below).

Next Metallurgical Test Work Steps:

- Precipitation of Li_2CO_3; first test complete, results pending
- Purification by bicarbonation
- Preparation of LiOH

The precipitation of Li_2CO_3 and preparation of LiOH are the final steps in Dakota's sighter metallurgical study with Dorfner-Anzaplan, to demonstrate that petalite material from Sepeda can produce both a technical grade and a chemical grade lithium product via conventional, commercially tested methods. As outlined above, a final report with full details of the hydro-metallurgical test work is scheduled for completion at the end of May 2017.

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About Dakota Minerals

Dakota Minerals' aim is to become a sustainable supplier of ultra-low impurity petalite concentrate and lithium carbonate/hydroxide, to the high-tech glass and ceramics industry and the European electric vehicle and stationary storage battery markets via its projects in northern Portugal. *The Company has already made progress towards this objective through the discovery of the largest JORC lithium pegmatite resource in Europe at its Sepeda project.*

Portugal: Lusidakota

Dakota's Lusidakota lithium projects in Northern Portugal, to which Dakota has 100% rights through its binding agreement with Lusorecursos LDA, are located over three broad districts of pegmatitic dyke swarms, which contain spodumene- and petalite-bearing pegmatites. The three main districts are the Serra de Arga, Barroso-Alvão and Barca de Alva pegmatite fields, all three of which are highly prospective for lithium mineralisation. The Lusidakota tenement package consists of thirteen exploration licences (one granted and twelve under application). After encouraging initial results, work at the Sepeda lithium project near the Barroso-Alvão district has accelerated, with a maiden JORC Mineral Resource announced in Feb 2017, and a scoping study, EIA and metallurgical testwork programme to produce lithium carbonate under way. Portugal, as the leading lithium producer in Europe[1], was identified by the Company to be a high priority jurisdiction for lithium exploration, for the following reasons:

- Portugal contains numerous swarms of known LCT pegmatites in multiple districts.
- Many countries in Europe are leading the world in uptake of electric vehicles (EVs) using lithium-ion batteries, with EVs already totalling 24% of all new vehicle sales in Norway in 2016.
- Lithium-ion batteries are already being produced in Europe to meet this increasing demand, and production capacity in car-producing countries such as Germany is growing dramatically to keep up.
- Nine lithium-ion "megafactories" across Europe are either already producing, under construction or planned for development, including Nissan[2], Samsung[3], BMZ[4], Daimler-Mercedes[5], Tesla[6], Audi[7] and LG Chem[8].
- Battery producers will require a large lithium supply from safe, nearby jurisdictions. Sourcing lithium from Europe would also significantly reduce the carbon footprint of the car production supply chain.

[1] USGS Mineral Commodity Summaries, 2016
[2] http://europe.autonews.com/article/20160121/ANE/160129975/nissan-will-produce-leafs-new-advanced-batteries-in-uk
[3] http://www.samsungsdi.com/sdi-news/1482.html, https://cleantechnica.com/2015/05/25/samsung-sdi-begun-operations-former-magna-steyr-battery-pack-plant/
[4] http://www.electronics-eetimes.com/news/european-battery-gigafactory-opens-1/page/0/1
[5] http://media.daimler.com/deeplink?cci=2734603
[6] https://electrek.co/2016/11/08/tesla-location-gigafactory-2-europe-2017-both-batteries-and-cars/
[7] http://europe.autonews.com/article/20160120/ANE/160129994/-audi-will-build-electric-suv-in-belgium-shift-a1-output-to-spain
[8] http://www.lgchem.com/global/lg-chem-company/information-center/press-release/news-detail-783

- Portugal has public policies deemed to be highly supportive of mining: it ranked in the global Top 10 of all countries in the Fraser Institute 2015 Survey of Mining Companies for Policy Perception Index, an assessment of the attractiveness of mining policies[9].

For these reasons, the Company has been pursuing projects in areas most prospective for the lithium-bearing minerals, petalite and spodumene, in Portugal.

Lithium Processing in Europe

Dakota is of the view that as the Company's Portuguese deposits of petalite are closer to potential downstream processing locations than the spodumene deposits in Australia and Canada, which tend to be in remote locations, they offer the following economic advantages:

- The established storage and transportation infrastructure associated with the distribution of minerals in Europe will reduce the investment required by Dakota for these capabilities. The net result is that deliveries of concentrates will probably be made on a daily basis.
- The proximity of potential downstream processing facilities will reduce the storage facility requirements at the mine/concentrator site.
- The proximity of the Dakota lithium projects to established communities familiar with the mining and processing of petalite will eliminate the need for fly-in fly-out arrangements.
- The combination of the above factors is likely to reduce the minimum size of an economic independent supply lithium battery supply chain in Europe; reducing the capital requirements of the supply chain.

Competent Person Statement

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[9] Fraser Institute Survey of Mining Companies 2015

Contacts:

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David J Frances

Managing Director – CEO

Appendix 1: Complete Drilling Results, Sepeda Lithium Project

HOLE ID	HOLE TYPE	TOT DEPTH M	EAST WGS84 29N	NORTH WGS84 29N	RL M	AZI WGS84 29N	DIP	CONCESSION	SIGNIFICANT INTECEPTS
SC001	RC	135	605822	4621438	975	197	-55	MNPP04612	31m @ 1.21% Li2O from 46m, 2m @ 1.28% Li2O from 101m
SC002	RC	159	605750	4621472	970	197	-58	MNPP04612	16m @ 1.48% Li2O from 60m, 41m @ 1.16% Li2O from 92m
SC003	RC	141	605667	4621476	960	197	-61	MNPP04612	28m @ 1.47% Li2O from 69m
SC004	RC	111	605577	4621457	950	197	-65	MNPP04612	8m @ 1.06% Li2O from 63m, 3m @ 0.87% Li2O from 93m
SC005	RC	50	605877	4620942	924	140	-85	MNPP04612	NSI
SC006	RC	48	605927	4620994	932	159	-75	MNPP04612	NSI
SC007	RC	150	605968	4620676	900	215	-60	MNPP04612	NSI
SC008	RC	114	605969	4620808	918	215	-61	MNPP04612	9m @ 1.29% Li2O from 52m
SC009	RC	64	606030	4620757	910	215	-81	MNPP04612	NSI
SC010	RC	93	605894	4620718	909	214	-60	MNPP04612	NSI
SC011	RC	84	605881	4620826	915	215	-62	MNPP04612	NSI
SC012	RC	60	606315	4620226	890	35	-51	MNPP04612	2m @ 0.46% Li2O from 25m and 4m @ 0.48% Li2O from 35m
SC013	RC	48	606281	4620246	890	215	-71	MNPP04612	NSI
SC014	RC	90	606253	4620273	891	215	-61	MNPP04612	NSI
SC015	RC	150	605915	4621458	978	195	-59	MNPP04612	7m @ 1.52% Li2O from 88m
SC016	RC	219	605679	4621513	962	195	-70	MNPP04612	74m @ 1.59% Li2O from 116m
SC017	RC	231	605590	4621501	952	194	-69	MNPP04612	9m @ 1.44% Li2Ofrom 131m, 4m @ 1.73% Li2O from 151m, 11m @ 1% Li2O from 162m, 4m @ 1.23% Li2O from 177m
SC018	RC	143	605985	4621414	970	195	-63	MNPP04612	7m @ 0.34% Li2O from 13m
SC019	RC	231	605766	4621518	974	197	-60	MNPP04612	12m @ 1.14% Li2O from 97m, 14m @ 1.01% Li2O from 139m, 6m @ 0.63% Li2O from 170m, 9m @ 0.69% Li2O from 183m
PHASE TWO RESULTS (ALREADY REPORTED)									
SC020	RC	195	605839	4621486	979	197	-63	MNPP04612	16m @ 1.15% Li2O from 80m,

HOLE ID	HOLE TYPE	TOT DEPTH M	EAST WGS84 29N	NORTH WGS84 29N	RL M	AZI WGS84 29N	DIP	CONCESSION	SIGNIFICANT INTECEPTS
									10m @ 1.43% Li2O from 106m
SC021	RC	252	605681	4621527	962	195	-80	MNPP04612	51m @ 1.26% Li2O from 163m
SC022	RC	300	605772	4621535	975	197	-74	MNPP04612	8m @ 1.15% Li2O from 87m, 28m @ 1.25% Li2O from 166m, 6m @ 0.82% Li2O from 219m
SC023	RC	252	605856	4621534	982	197	-64	MNPP04612	7m @ 1.28% Li2O from 105m, 4m @ 1.32% Li2O from 192m
SC024	RC	273	605599	4621539	951	197	-74	MNPP04612	16m @ 1.25% Li2O from 163m, 61m @ 1.52% Li2O from 195m
SC025	RC	279	605556	4621586	942	202	-63	MNPP04612	16m @ 1.38% Li2O from 249m
SC026	RC	240	605931	4621507	982	197	-62	MNPP04612	8m @ 1.41% Li2O from 179m, 3m @ 1.03% Li2O from 197m
SC027	RC	231	606000	4621463	973	197	-63	MNPP04612	1m @ 0.575% Li2O from 113m
SC028	RC	198	605512	4621518	941	197	-65	MNPP04612	NSI
SC029	RC	240	605488	4621463	933	197	-63	MNPP04612	8m @ 0.88% Li2O from 132m
SC030	RC	81	605900	4621416	973	197	-56	MNPP04612	NSI
SC031	RC	92	605975	4621385	968	197	-55	MNPP04612	26m @ 1.25% Li2O from 15m
SC032	RC	106	606053	4621378	961	197	-60	MNPP04612	NSI
SC033	RC	120	605552	4621416	941	137	-60	MNPP04612	NSI
SC034	RC	90	605497	4621402	928	137	-60	MNPP04612	1m @ 0.78% Li2O from 58m
SC035	RC	111	605493	4621400	928	197	-60	MNPP04612	NSI
SC036	RC	75	606114	4621316	953	197	-60	MNPP04612	NSI
SC037	RC	69	606076	4621437	960	197	-60	MNPP04612	NSI
SC038	RC	93	605932	4620830	919	217	-60	MNPP04612	NSI
SC039	RC	78	606008	4620792	915	217	-65	MNPP04612	2m @ 0.97% Li2O from 45m
SC040	RC	111	605990	4620834	919	217	-64	MNPP04612	NSI
SC041	RC	84	605562	4622060	980	237	-60	MNPP04612	NSI
SC042	RC	201	605399	4621471	931	187	-75	MNPP04612	1m @ 0.94% Li2O from 186m
SC043	RC	150	605397	4621457	930	187	-55	MNPP04612	10m @ 1.12% Li2O from 108m
SC044	RC	162	605775	4621544	975	357	-89	MNPP04612	NSI
SC045	RC	210	605348	4621527	934	197	-60	MNPP04612	1m @ 0.513% Li2O from 159m
SC046	RC	117	605333	4621473	926	197	-54	MNPP04612	5m @ 0.67% Li2O from 81m, 10m @ 0.79% Li2O from 99m
SC047	RC	90	606163	4620417	889	217	-60	MNPP04612	NSI
SC048	RC	99	606111	4620479	889	217	-59	MNPP04612	NSI
SC049	RC	69	606162	4620191	883	357	-90	MNPP04612	NSI
SDD001	DD	158	605750	4621472	969	197	-58	MNPP04612	3.64m @ 1.09% Li2O from 73.09m, 34.68m @ 1.28% Li2O from 97.32m
SDD002	DD	124	605668	4621479	958	197	-61	MNPP04612	38.53m @ 1.43% Li2O from 73m
PHASE THREE – NEW RESULTS									
SC050	RC	96	605702	4621452	963	197	-55	MNPP04612	14m @ 1.32% Li2O from 60m

HOLE ID	HOLE TYPE	TOT DEPTH M	EAST WGS84 29N	NORTH WGS84 29N	RL M	AZI WGS84 29N	DIP	CONCESSION	SIGNIFICANT INTECEPTS
SC051	RC	150	605711	4621479	968	193	-63	MNPP04612	51m @ 1.53% Li2O from 69m
SC052	RC	81	605617	4621449	953	189	-54	MNPP04612	NSI
SC053	RC	70	605859	4621423	975	197	-54	MNPP04612	14m @ 0.83% Li2O from 22m
SC054	RC	210	605719	4621506	970	193	-70	MNPP04612	41m @ 1.31% Li2O from 128m; 5m @ 1.39% Li2O from 174m
SC055	RC	81	605937	4621397	972	197	-54	MNPP04612	NSI
SC056	RC	36	605939	4621403	972	197	-65	MNPP04612	NSI
SC057	RC	78	605958	4621332	965	17	-59	MNPP04612	17m @ 1.23% Li2O from 54m
SC058	RC	240	605769	4621526	976	190	-66	MNPP04612	13m @ 1% Li2O from 85m, 16m @ 1.25% Li2O from 139m
SC059	RC	144	605778	4621554	976	189	-84	MNPP04612	NSI
SC060	RC	192	605638	4621518	958	195	-63	MNPP04612	2m @ 0.99% Li2O from 112m; 3m @ 0.78% Li2O from 146m; 13m @ 1.5% Li2O from 154m
SC061	RC	51	605901	4620967	983	137	-60	MNPP04612	Assays pending
SC062	RC	96	606194	4620254	892	199	-90	MNPP04612	Assays pending
SC063	RC	96	606839	4620227	860	207	-55	MNPP04612	Assays pending
SC064	RC	144	606309	4620291	895	212	-67	MNPP04612	Assays pending
SC065	RC	150	605910	4620411	874	217	-54	MNPP04612	Assays pending
SC066	RC	255	605652	4621560	957	187	-67	MNPP04612	Assays pending
SC067	RC	162	605797	4621482	977	195	-63	MNPP04612	Assays pending
SC068	RC	216	605827	4621298	964	207	-55	MNPP04612	Assays pending
SC069	RC	216	605811	4621519	979	189	-69	MNPP04612	Assays pending
SC070	RC	120	605874	4620567	887	37	-54	MNPP04612	Assays pending
SC071	RC	150	606354	4620283	897	207	-80	MNPP04612	Assays pending
SC072	RC	99	605500	4622093	970	169	-69	MNPP04612	Assays pending
SC073	RC	143	605628	4621480	957	197	-61	MNPP04612	Assays pending
SC074	RC	123	605258	4621508	917	197	-55	MNPP04612	Assays pending
SC075	RC	72	605931	4620920	980	207	-69	MNPP04612	Assays pending
SC076	RC	150	605877	4621471	980	197	-57	MNPP04612	Assays pending
SC077	RC	288	605784	4621572	976	187	-69	MNPP04612	Assays pending
SC078	RC	135	605953	4621444	975	197	-57	MNPP04612	Assays pending
SC079	RC	81	606508	4619729	882	137	-60	MNPP04612	Assays pending
SC080	RC	279	605827	4621572	982	187	-70	MNPP04612	Assays pending
SC081	RC	102	606259	4620327	889	194	-60	MNPP04612	Assays pending
SC082	RC	105	606259	4620327	889	194	-75	MNPP04612	Assays pending
SC083	RC	216	606197	4620332	892	214	-55	MNPP04612	Assays pending
SDD003	DD	92	605781	4621436	973	197	-55	MNPP04612	Assays pending
SDD004	DD	356	605543	4621619	948	197	-64	MNPP04612	Assays pending
SDD005	DD	280	605694	4621562	963	197	-81	MNPP04612	Assays pending

HOLE ID	HOLE TYPE	TOT DEPTH M	EAST WGS84 29N	NORTH WGS84 29N	RL M	AZI WGS84 29N	DIP	CONCESSION	SIGNIFICANT INTERCEPTS
SDD006	DD	350	605543	4621619	948	197	-74	MNPP04612	Assays pending
SDD007	DD	110	605740	4621447	969	197	-50	MNPP04612	Assays pending
SDD008	DD	332	605607	4621571	950	192	-78	MNPP04612	Assays pending
SDD009	DD	115	605707	4621467	965	197	-54	MNPP04612	Assays pending
SDD010	DD	445	605581	4621732	968	197	-70	MNPP04612	Assays pending
SDD011	DD	160	605696	4621498	966	197	-60	MNPP04612	Assays pending

Complete phase one, two and three drilling to date from Sepeda, showing downhole significant intercepts using 0.4% Li_2O cut with no more than 2m internal dilution. Phase two holes are from Hole ID SC019 onwards, Phase three from SC050 onwards. NSI = No significant intercepts.

Appendix 2: Sepeda - JORC Table 1

Section 1: Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	*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.*	DKO have drilled 34 Reverse Circulation (RC) holes for 4,827m, and seven diamond drill (DD) holes for 1,636 m so far in phase three. The results for 11 RC holes are reported here. RC holes were sampled every metre, with a rig-mounted cyclone splitter and one tier riffle splitter, including a dust suppression system, used to split samples off the rig. Approximately 85% of the RC chips were split to 600x900mm green plastic bags, for potential re-sampling, whilst 15% was captured at the sample port in draw-string calico sample bags. Drill PQ core was geologically, structurally and geotechnically logged, photographed, and marked up for cutting. The core was cut and sampled according to the geologist's instructions in Boticas, Portugal. Half the core was taken for metallurgical test-work purposes, the remaining half core was cut again, and a quarter core sample was taken for assay from each sample interval.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used	To ensure sample representivity, drilling was conducted as perpendicular as possible to the strike of the main mineralised pegmatite bodies as mapped on the surface. Samples were split and weights were ensured to be of sufficient size (1-3kgs) to be adequately representative of the pegmatite body, which was verified with the use of field and lab duplicates.
	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 30g 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	All RC samples were 1 m split samples sent to NAGROM laboratory in Perth, and analysed using ICP techniques for a suite of ten elements including Li_2O and Sn. All diamond holes were PQ. Holes were geologically logged, measured and marked up and cut on site. Quarter-core samples were submitted to NAGROM laboratory in Perth and analysed using ICP techniques for a suite of ten elements including Li_2O and Sn.

Criteria	JORC Code explanation	Commentary
Drilling techniques	*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.).*	Drilling has been conducted by SPI SA using a truck-mounted SPIDRILL 260 rig (and compressor (rated 33 bar, 35m^3/min). The drill rig utilised a reverse circulation face sampling hammer, with 5.5-inch bit. The sampling was conducted using a rig-mounted cyclone with cone splitter and dust suppression system. In addition, DKO completed two PQ diamond holes for 282 metres in 2016. The diamond drill holes were drilled predominantly for grade verification and metallurgical purposes and are twins of RC holes. Core was orientated but orientations failed in the majority of cases. Downhole surveying was conducted using a Reflex Gyro system.
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed*	Sample recovery in percent, sample quality and moisture content was recorded by the geologist for all 1m intervals in RC holes. Sample recoveries were measured for diamond drill holes. Generally, RC samples were dry (only three wet samples within mineralised intercepts), sample quality is good and recoveries excellent, generally above 80%. Sample recovery was recorded by the geologist as "good" for all RC holes. Sample recovery was nearly 100% for mineralised intercepts in both PQ holes.
	Measures taken to maximise sample recovery and ensure representative nature of the samples	Sample recovery on RC was closely monitored by the geologist whilst drilling, for consistency of sample volume. Rods were flushed with air after each three-metre interval to prevent contamination.
	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.	No material bias has been identified.
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 studies.*	One metre samples were laid out in lines of 20, with RC chips collected and geologically logged for each metre interval on a plastic logging sheet, then stored in RC chip trays marked with hole IDs and depth intervals. Geological logging information (including but not limited to main rock types, mineralogy in percent abundance, degree of weathering, degree of schistosity, colour and vein percent) was recorded directly onto hard-copy sheets, and later transferred to an Excel spread sheet. The rock-chip trays are stored at the Lusidakota office in Portugal for future reference. PQ core was logged and cut according to geological boundaries, but generally at 1m intervals. Geological logging information was recorded directly onto hard-copy sheets, and later transferred to an Excel spread sheet. The PQ core will be stored at the DKO Boticas warehouse for future reference.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.	Logging has been primarily quantitative. All RC chips and core has been photographed.
	The total length and percentage of the relevant intersections logged	The logging database contains lithological data for all intervals in all holes in the database.
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	PQ core was sawn and a sample equivalent to a ¼ core size was taken for grade analysis.
	If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.	The RC samples were split at the rig using a cyclone splitter, which is considered appropriate and industry standard. Where samples could not be split due to moisture content, they were speared to gain a representative sample. Proportion of wet samples was less than 1%.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	RC rockchip and diamond core samples were submitted to Nagrom Laboratories. Samples submitted to Nagrom were crushed to -2mm and then milled to 80% passing 75 microns in a steel bowl.
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	Quality Assurance and Quality Control utilised standard industry practice, using prepared standards, field blanks (approximately 1kg), replicates sampled in the field and pulp replicates at the lab. Field and lab duplicate results demonstrated good precision. Results were within two standard deviations.

Criteria	JORC Code explanation	Commentary
	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.	Duplicates submitted by DKO included field RC duplicates, pulp duplicates from diamond core, and coarse crushed diamond core duplicates. Results from these samples correlated well and showed good precision.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	Drilling sample sizes (generally 1 to 3kg) are appropriate and industry-standard size, to correctly represent the relatively homogenous, medium-grained, lithium-bearing pegmatite-style mineralisation at Sepeda. As noted above duplicates samples correlated well, therefore sample sizes are considered to be acceptable to accurately represent lithium mineralisation.
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.*	RC and diamond samples were assayed at NAGROM's laboratory in Perth, for a ten-element suite using a sodium peroxide fusion digest, an ICP-MS finish.
	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.	No downhole geophysical surveys were conducted and no geophysical tools were used to determine any elemental concentrations.
	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.	Three different grades of certified reference material (CRM) for lithium mineralisation was inserted, as well as laboratory duplicates and blanks. The CRM's submitted represented a weakly mineralised pegmatite (AMS0338), a moderate to high grade lithium mineralised pegmatite (AMS0340), and a high-grade lithium mineralised pegmatite (AMS0339). Quality Assurance and Quality Control utilised standard industry practice, using prepared standards, field blanks (approximately 1kg), replicates sampled in the field and pulp replicates at the lab. 815 samples from phase one were sent to Nagrom Laboratories in total, including 32 field replicates, 34 standards, 34 blanks and 33 laboratory duplicates. A further 1,609 samples were sent from phase two drilling, which included 82 blanks, 86 standards, 73 field duplicates and 84 laboratory duplicates of which all samples have been reported. To date, 9 standards, 20 blanks and 22 laboratory duplicates have been reported in phase three representing a QAQC insertion rate of approximately 18%. Results were within two standard deviations for Li_2O. Field RC duplicates, pulp duplicates and coarse diamond field duplicates generally indicate good repeatability of samples. Assay results of CRMs have been satisfactory, demonstrating acceptable levels of accuracy and precision.
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.*	Independent verification was carried out by a consultant to the Company, Iain Groves.
	The use of twinned holes.	Twinning of two RC holes with diamond drilling was attempted in the 2016 drilling, which showed variable consistency, both positive and negative, of width and mineralisation; however, the extensive dip and azimuth deviation of the RC holes meant that diamond holes could not be considered true twins. Further, more accurate twinned holes are currently in progress in phase three, and the use of whole-core sampling will be tested.
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	Hard copy field logs are entered into and validated on an electronic Excel database, both of which are stored at the DKO Perth office. Data verification is carried out by the Senior Geologist on site. Diamond core drilled was photographed on site and then sent to the NAGROM Laboratories, Perth. Geological logging and sampling took place on-site.
	Discuss any adjustment to assay data.	Li_2O was used for the purposes of reporting, as reported by NAGROM. Ta was adjusted to Ta_2O_5 by multiplying by 1.2211. Fe was adjusted to Fe_2O_3 by multiplying by 1.4297. No other adjustment or data calibration was carried out.

Criteria	JORC Code explanation	Commentary
Location of data points	*Accuracy and quality of surveys used to locate drillholes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	All drill-hole locations were located using a Leica Viva GNSS CS15, which has an accuracy of +/- 5mm vertical and +/-10mm horizontal. Down hole surveying of drill holes was conducted using a Reflex Gyroscope.
	Specification of the grid system used.	The grid system used is WGS84 Zone 29N.
	Quality and adequacy of topographic control.	RL data to date has been collected using a Leica Viva GNSS CS15, which has an accuracy of +/- 5mm vertical and +/-10mm horizontal. Topographic control is also assured using data provided by a drone detailed topographic survey conducted in 2016, with an accuracy of 0.1m.
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	Drill spacing between holes is generally between 40 and 60m on section, and generally 80m between sections, depending on site accessibility.
	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.	The continuity of the pegmatite can confidently be interpreted from the geology of the pegmatite dykes, which have also been mapped on surface as extending over several hundred metres length. The continuity of the mineralised portions of the pegmatite is variable, and the poor grade continuity between sections reflects the classification applied.
	Whether sample compositing has been applied.	Diamond drill samples from phase one and two averaged 0.95m in length and ranged from 0.45m to 1.13m in length and were composited to 1m as part of the maiden resource estimation process. No information on diamond drill samples was yet available for phase three. RC samples were all 1 m in length with no compositing.
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.*	The orientation of drilling was designed to intersect pegmatites perpendicular to the dominant geometry. The pegmatite varies between 60 to 90-degree dip. Most of the drilling was conducted with -85 to -50-degree dip, meaning samples collected were generally almost perpendicular to mineralisation, which is deemed appropriate as per industry standard.
	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.	No orientation-based sampling bias has been identified.
Sample security	*The measures taken to ensure sample security.*	DKO contract geologists and field assistant conducted all sampling and subsequent storage in field. Samples were then delivered via air and road freight to NAGROM laboratories in Perth.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	The collar and assay data were reviewed by compiling the database on Excel, and importing into various three-dimensional modelling packages. Some minor numbering discrepancies were thus identified and amended. No audits or reviews of sampling techniques have been carried out, due to the early stage nature of the project.

Section 2: Reporting of Exploration Results

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 Lusidakota tenements and interests, to which Dakota has 100% rights (subject to grant of application areas), comprise: (a) granted exploration licence MNPP04612 (Sepeda Project); (b) exploration licence applications MNPPP0274, MNPPP0275, MNPPP0393, MNPPP0394, MNPPP0395, MNPPP0396, MNPPP0407, MNPPP0424, MNPPP0427, MNPPP0426, MNPPP0430, MNPPP0431; Tenement application MNPPP0395 is awaiting a decision on a proposed hydroelectric dam development. This tenement and tenement MNPPP0407 also have some overlapping claims. The grant of MNPP0393 may be affected by an overlapping national park area. All tenements are in good standing.
	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 tenements are in good standing. Local environmental consultants have been engaged to assist with the Environmental Impact Assessment for mining operations at Sepeda, and currently there are no known impediments to operating in the Sepeda project area.
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	Historical, open-source academic literature from Dakota's three districts in Portugal refer to historical rock-chip, bulk samples, diamond drilling and surface channel sampling. These consist of: Martins, T, Lima, A, and Noronha, F, 2007. Locality No.1 – An Overview of the Barroso-Alvão Aplite-Pegmatite Field. Granitic Pegmatites: the state of the art – International Symposium. Field Trip Book; Lima, A and Noronha, F, 1999. Exploration for Lithium Deposits in the Barroso-Alvão Area, Northern Portugal. Mineral Deposits: Processes to Processing. Stanley et al (eds) 1999 Balkema, Rotterdam, ISBN 90 5809 068.; Charoy, B, Lhote, F, and Dusausoy, Y, 1992. The Crystal Chemistry of Spodumene in Some Granitic; Lima, A, 2000. Estrutura, mineralogia e génese dos filões aplitopegmatíticos com espodumena da região do Barroso-Alvão. Dissertation – Universidade do Porto; Lopes Nunes, J E, and Leal Gomes, C, 1994. The Crystal Chemistry of Spodumene in Some Granitic Aplite-Pegmatite Bodies of Northern Portugal. The Canadian Mineralogist. Vol. 32, pp 223-226. and Moura, S, Leal Gomes, C, and Lopes Nunes, J, 2010. The LCT-NYF signatures in rare-metal Variscan aplite-pegmatites from NW Portugal. Revista Electronics de Ciencias da Terra Geosciences On-line Journal ISSN 1645-0388, Vol 20, No 8. Dakota does not warrant that the work completed could be referred to as "industry standard", but is indicative of petalite and spodumene-hosted, potentially economic lithium mineralisation
Geology	Deposit type, geological setting and style of mineralisation.	The Barroso- Alvão aplite-pegmatite field, located in the "Galacia-Tras-os-Montes" geotectonic zone, is characterised by the presence of dozens of pegmatite and aplite-pegmatite dykes and sills of granitic composition. The Pegmatitic dykes are typically intruded in the granitic rocks of the region, whilst the aplite-pegmatite dykes are hosted by low-to medium-grade strongly deformed metasedimentary rocks of Silurian age. The Sepeda Project, to the north of the Barroso- Alvão region, contains a swarm of multiple WNW-striking, lithium-bearing pegmatites of the LCT (Lithium-Caesium-Tantalum) type, within a pegmatite swarm area known as "Carvalhais". The main swarm area has recently been mapped to 3,000m long by 1,000m wide at its widest point. Some of the pegmatites do not outcrop and are visible only in historic underground workings. It is thought that the pegmatites form a folded system of mineralised pegmatite dykes. Lithium mineralisation grading up to 2.8% Li_2O was noted in petalite and spodumene samples at surface, which has now been confirmed through three phases of drilling.

Criteria	JORC Code explanation	Commentary
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.	Collar data from drilling conducted in 2016-17 are tabulated in Appendix 1 of this report, as reported on 30/01/2017 and 07/11/2016
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.	Length weighted averages used for exploration results are reported in Appendix 1 of this announcement. Maximum 2m internal dilution, and 0.4% Li_2O cut-off was used for reporting, which is deemed to be appropriate for this style of mineralisation. Cutting of high grades was not applied in the reporting of intercepts.
	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.	Aggregation issues are not material in this type of deposit. No metal equivalent values were used.
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 (e.g. 'down hole length, true width not known').	Appendix 1 reports downhole lengths of pegmatite width, which is clearly stated. True widths are not known. However, due to the estimated dip of the pegmatites, and the -85 to -50-degree dip of the drill holes, the thicknesses shown are generally close to true widths, in the range 70 to 100% 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 diagrams in the body of text.
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.	All exploration results have been reported.
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.	Metallurgical testwork is ongoing at Anzaplan in Germany; an update has been provided in the body of this report, which shows that a low-iron concentrate has been successfully produced from conventional flotation methods. Hydro-metallurgical testwork to produce lithium carbonate and lithium hydroxide is still ongoing. Surface mapping of the main pegmatite exposures has been carried out, with further surface mapping to continue in the coming months. All meaningful and material exploration data has been reported.
Further work	The nature and scale of planned further work (e.g. 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, provided this information is not commercially sensitive	Further drilling (phase three) is being conducted to test extensions to the currently known mineralised pegmatites, and to infill some areas of the known ore body to convert Mineral Resources to high confidence classification (Inferred to Indicated and Indicated to Measured). Phase four drilling, to produce 20 tonnes of material for a pilot metallurgical processing testwork programme, will commence concurrently with phase three in the coming weeks.