ACN: 009 146 794

Outstanding Drill Results from Sepeda Lithium Project

– For Immediate Release –

Highlights:

- **Further outstanding intercepts including <u>65.63m @ 1.32% Li_2O</u> from <u>exploration diamond drilling</u> in phase three programme, extending current known mineralisation down plunge - still open at depth**
- **Infill RC drilling in main mineralised shoot returns 65m @ 1.34% Li_2O from RC, providing increasingly robust confidence in current interpretation**
- **The planned phase four drilling programme has been brought forward to run concurrently with phase three**

Dakota Minerals Limited ("Dakota", "DKO", or "Company") is pleased to provide shareholders with an update on the Sepeda Lithium Project ("Sepeda"), Portugal, *the largest LCT pegmatite-hosted JORC compliant lithium Mineral Resource in Europe*.

Results continue to be received for the ongoing phase three Reverse Circulation ("RC") and diamond drilling programme. Exploration diamond drilling has yielded extensions to the current known mineralisation, with outstanding results including **65.63 m @ 1.32% Li_2O** from SSD004. The mineralised shoot remains open at depth and current drilling is pursuing this shoot, with additional results expected in the coming weeks and months.

Infill RC drilling has produced thick, well mineralised intercepts of 65m @ 1.34% Li_2O from SC066, providing increasingly robust confidence in the current interpretation of the mineralisation at Sepeda (Figure 1).

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. As previously reported, 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 Mineral Resource categories.

Full results will be used to calculate a Mineral Resource update still on schedule for CY Q3 2017.

Dakota Minerals CEO David Frances commented: *"With our growing confidence, based on excellent results from infill and extension drilling, we look forward to providing our shareholders with a Mineral Resource update in Q3."*

CORPORATE DIRECTORY

Non-Executive Chair
John Fitzgerald

Managing Director - CEO
David J Frances

Executive Technical Director
Francis Wedin

Non-Executive Director
Dudley J Kingsnorth

FAST FACTS

Issued Capital:	370.4m
Options Issued:	31.1m
Market Cap:	$18.9m
Cash:	$15.9m

CONTACT DETAILS

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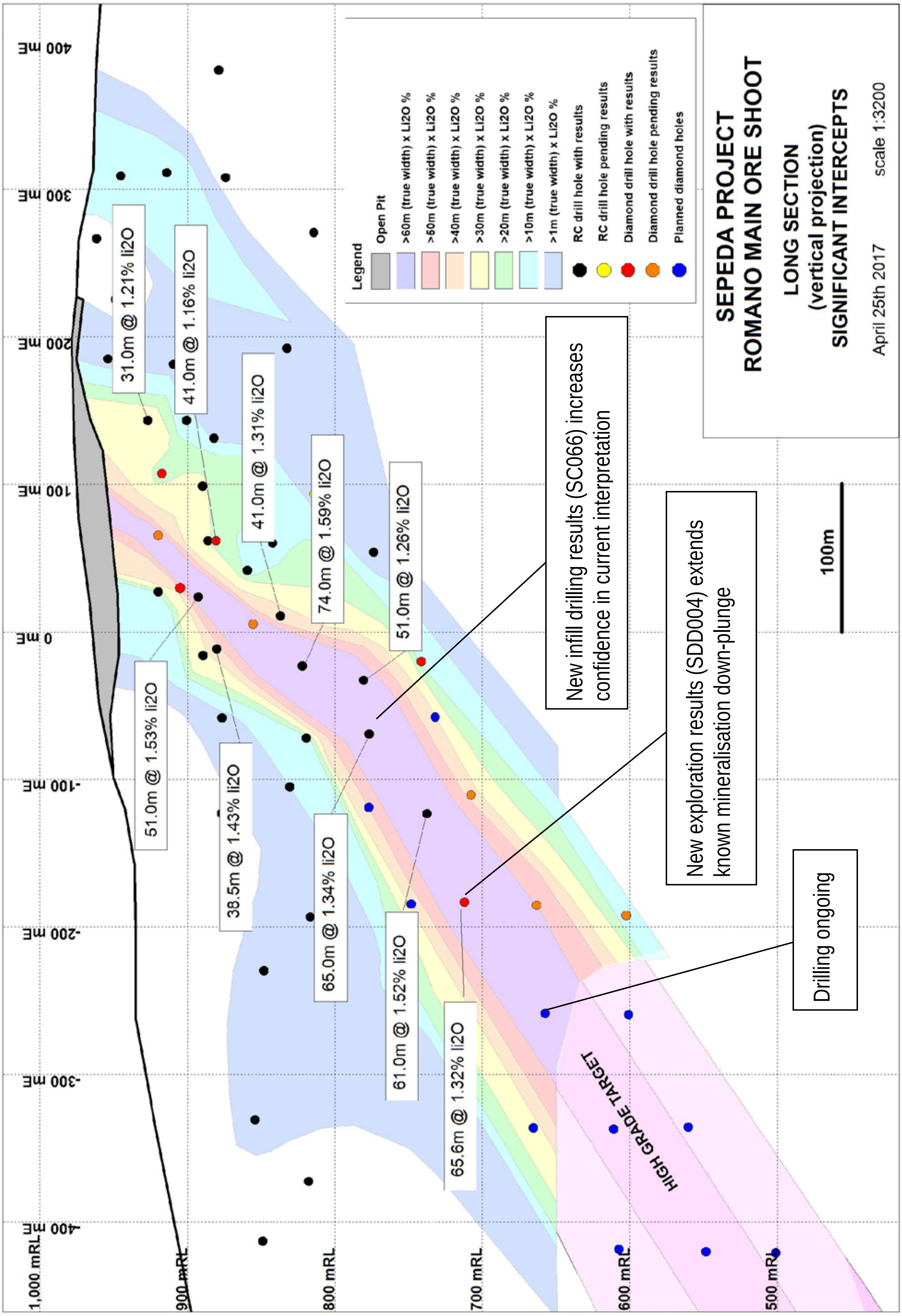

Figure 1: Long section showing completed and planned drilling, as well as grade-thickness contours

Drilling Progress Summary

Dakota has completed two phases of drilling, and is currently well advanced in phase three, having drilled over 13,000m of RC and diamond since exploration began at Sepeda 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.

The RC and diamond drilling programme is being conducted by SPI SA, a drilling company based in Leon, Spain, utilising a variety of RC and diamond rigs to carry out the work. 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. RC drilling has now been completed, with approximately 4,500m of diamond drilling remaining (Table 1).

Exploration drilling has extended the known mineralisation down plunge, with outstanding results of **65.63 m @ 1.32% Li_2O** from SSD004, the shoot is still open at depth. The Dakota team is pursuing this main shoot further down plunge; with diamond drilling currently under way as part of the phase three programme. Excellent infill RC drilling intercepts within the main interpreted plunge of mineralisation, including **65m @ 1.34% Li_2O**[1] from SC066, have provided the team with confidence in the current geological model at Sepeda, and will be used to upgrade Resource categories where possible later in the year. A full list of results received to date is available in Appendix 1.

Phase four drilling for metallurgical test work purposes is also now under way, as previously reported by the Company[2]. 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 have now been mobilised to site to facilitate this, bringing the total to five diamond rigs operational on site.

Table 1: Drilling carried out at Sepeda 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	9/2,269m
Total Completed	By 25/04/2017	83/11,816m	11/2,552m
Phase Three (Planned)	Q2 2017		12/4,701m
Total Post-Phase Three		83/11,816m	23/7,253m
Phase Four (brought forward)	Q2-Q3 2017	0/0	25/4,000m

[1] Includes 4m of internal dilution
[2] DKO announcement, 24/04/2017

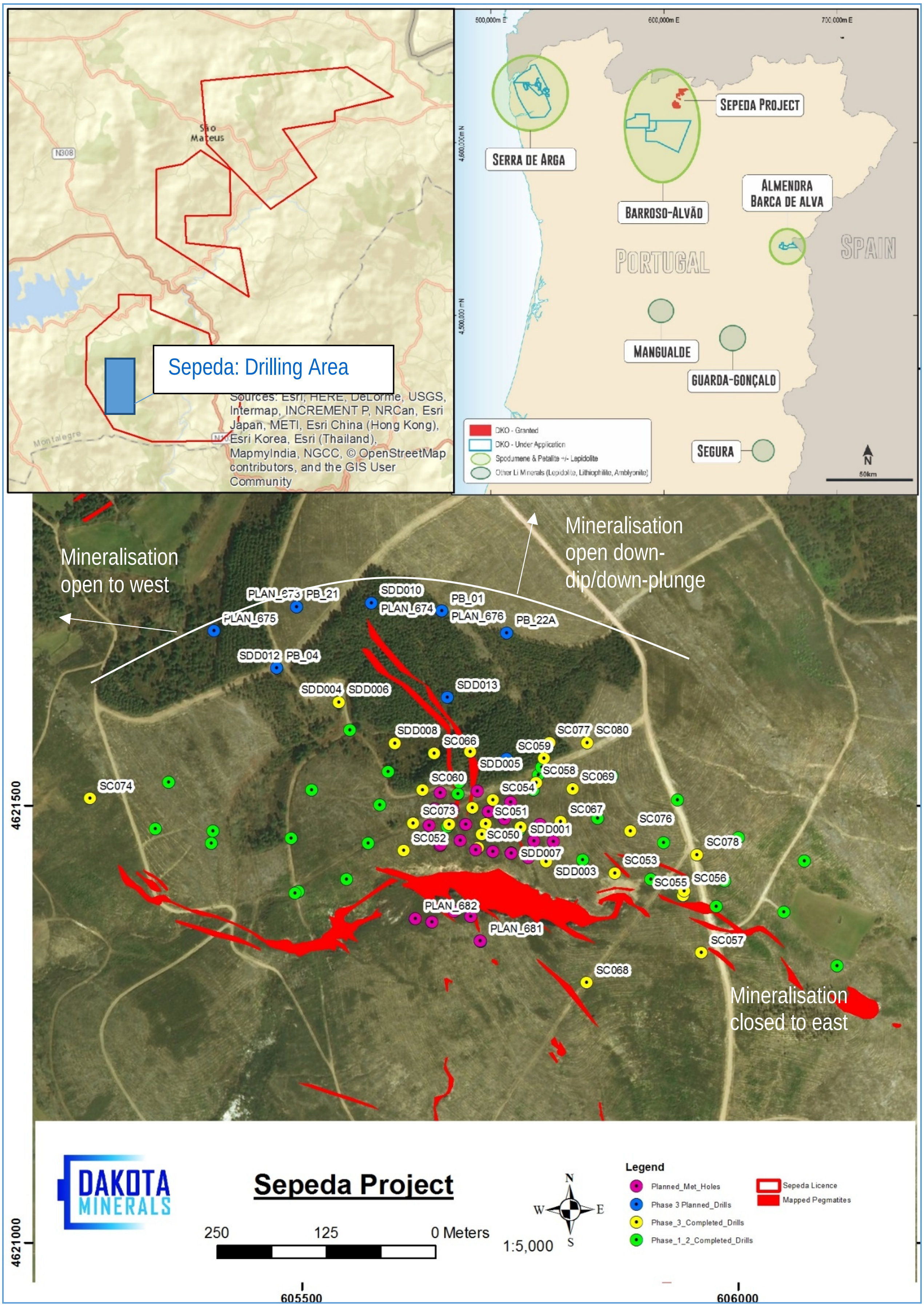

Figure 22: Drilling completed to date and planned drilling, Romano pegmatite, Sepeda Lithium Project

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[3], 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[4], Samsung[5], BMZ[6], Daimler-Mercedes[7], Tesla[8], Audi[9] and LG Chem[10].
- 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.
- 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[11].

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

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

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

The information in this report that relates to Exploration Results is based on information compiled by Dr Francis Wedin, who is a Member of the Australasian Institute of Mining and Metallurgy. Dr Wedin is a full-time employee of Dakota and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a competent person as defined in the 2012 Edition of the "Australasian Code for reporting of Exploration Results, Exploration Targets, Mineral Resources and Ore Reserves" (JORC Code). Dr Wedin consents to the inclusion in this report of the matters based upon the information in the form and context in which it appears. All material assumptions and technical parameters underpinning the JORC 2012 reporting tables in the relevant market announcements referenced in this text continue to apply and have not materially changed.

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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	199	-55	MNPP04612	31m @ 1.21% Li2O from 46m, 2m @ 1.28% Li2O from 101m
SC002	RC	159	605750	4621472	970	199	-58	MNPP04612	16m @ 1.48% Li2O from 60m, 41m @ 1.16% Li2O from 92m
SC003	RC	141	605667	4621476	960	198	-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	201	-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	198	-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	199	-63	MNPP04612	16m @ 1.15% Li2O from 80m, 10m @ 1.43% Li2O from 106m
SC021	RC	252	605681	4621527	962	197	-80	MNPP04612	51m @ 1.26% Li2O from 163m
SC022	RC	300	605772	4621535	975	196	-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	194	-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	199	-65	MNPP04612	NSI

HOLE ID	HOLE TYPE	TOT DEPTH M	EAST WGS84 29N	NORTH WGS84 29N	RL M	AZI WGS84 29N	DIP	CONCESSION	SIGNIFICANT INTECEPTS
SC029	RC	240	605488	4621463	933	197	-63	MNPP04612	8m @ 0.88% Li2O from 132m
SC030	RC	81	605900	4621416	973	196	-56	MNPP04612	NSI
SC031	RC	92	605975	4621385	968	196	-55	MNPP04612	26m @ 1.25% Li2O from 15m
SC032	RC	106	606053	4621378	961	197	-60	MNPP04612	NSI
SC033	RC	120	605552	4621416	941	193	-60	MNPP04612	NSI
SC034	RC	90	605497	4621402	928	137	-60	MNPP04612	1m @ 0.78% Li2O from 58m
SC035	RC	111	605493	4621400	928	198	-60	MNPP04612	NSI
SC036	RC	75	606114	4621316	953	198	-60	MNPP04612	NSI
SC037	RC	69	606076	4621437	960	199	-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	46	-89	MNPP04612	NSI
SC045	RC	210	605348	4621527	934	197	-60	MNPP04612	1m @ 0.513% Li2O from 159m
SC046	RC	117	605333	4621473	926	200	-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	247	-90	MNPP04612	NSI
SDD001	DD	158	605750	4621472	969	199	-58	MNPP04612	3.64m @ 1.09% Li2O from 73.09m, 34.68m @ 1.33% Li2O from 97.32m
SDD002	DD	124	605668	4621479	958	197	-61	MNPP04612	38.53m @ 1.48% Li2O from 73m
PHASE THREE – REPORTED RESULTS									
SC050	RC	96	605702	4621452	963	196	-55	MNPP04612	14m @ 1.32% Li2O from 60m
SC051	RC	150	605711	4621479	968	193	-63	MNPP04612	51m @ 1.53% Li2O from 69m
SC052	RC	81	605617	4621449	953	197	-54	MNPP04612	NSI
SC053	RC	70	605859	4621423	975	196	-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	200	-65	MNPP04612	NSI
SC057	RC	78	605958	4621332	965	19	-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	191	-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

HOLE ID	HOLE TYPE	TOT DEPTH M	EAST WGS84 29N	NORTH WGS84 29N	RL M	AZI WGS84 29N	DIP	CONCESSION	SIGNIFICANT INTECEPTS
PHASE THREE – NEW RESULTS									
SC061	RC	51	605901	4620967	983	137	-60	MNPP04612	NSI
SC062	RC	96	606194	4620254	892	199	-90	MNPP04612	NSI
SC063	RC	96	606839	4620227	860	217	-55	MNPP04612	NSI
SC064	RC	144	606309	4620291	895	212	-67	MNPP04612	NSI
SC065	RC	150	605910	4620411	874	217	-54	MNPP04612	NSI
SC066	RC	255	605652	4621560	957	187	-67	MNPP04612	4m @ 1.34% Li2O and 294 ppm Sn from 144m; 65m @ 1.34% Li2O and 598 ppm Sn from 167m*
SC067	RC	162	605797	4621482	977	198	-63	MNPP04612	5m @ 1.1% Li2O and 327 ppm Sn from 62m; 2m @ 1.15% Li2O and 177 ppm Sn from 72m; 33m @ 1.33% Li2O and 656 ppm Sn from 84m; 6m @ 0.57% Li2O and 184 ppm Sn from 127m
SC068	RC	216	605827	4621298	964	209	-55	MNPP04612	NSI
SC069	RC	216	605811	4621519	979	190	-69	MNPP04612	3m @ 1% Li2O and 241 ppm Sn from 56m; 26m @ 1.29% Li2O and 180 ppm Sn from 117m; 5m @ 0.93% Li2O and 50 ppm Sn from 178m
SC070	RC	120	605874	4620567	887	37	-54	MNPP04612	NSI
SC071	RC	150	606354	4620283	897	207	-80	MNPP04612	NSI
SC072	RC	99	605500	4622093	970	169	-69	MNPP04612	NSI
SC073	RC	143	605628	4621480	957	197	-61	MNPP04612	9m @ 1.04% Li2O and 682 ppm Sn from 90m; 1m @ 1.039% Li2O and 193 ppm Sn from 107m
SC074	RC	123	605258	4621508	917	197	-55	MNPP04612	1m @ 2.11% Li2O and 44 ppm Sn from 49m
SC075	RC	72	605931	4620920	980	217	-69	MNPP04612	NSI
SC076	RC	150	605877	4621471	980	199	-57	MNPP04612	9m @ 1.32% Li2O and 99 ppm Sn from 80m
SC077	RC	288	605784	4621572	976	186	-69	MNPP04612	6m @ 0.52% Li2O and 136 ppm Sn from 276m
SC078	RC	135	605953	4621444	975	196	-57	MNPP04612	14m @ 1.58% Li2O and 109 ppm Sn from 89m
SC079	RC	81	606508	4619729	882	137	-60	MNPP04612	Assays pending
SC080	RC	279	605827	4621572	982	189	-70	MNPP04612	Assays pending
SC081	RC	102	606259	4620327	889	197	-60	MNPP04612	Assays pending
SC082	RC	105	606259	4620327	889	197	-75	MNPP04612	Assays pending
SC083	RC	216	606197	4620332	892	214	-55	MNPP04612	Assays pending
SDD003	DD	92	605781	4621436	973	195	-55	MNPP04612	2.7m @ 0.97% Li2O and 387 ppm Sn from 43.33m; 22.4m @ 1.43% Li2O and 489 ppm Sn from 59.7m
SDD004	DD	359	605543	4621619	948	197	-64	MNPP04612	2.2m @ 0.75% Li2O and 515 ppm Sn from 229.98m; 65.63m @ 1.32% Li2O and 594 ppm Sn from 235.14m
SDD005	DD	280	605694	4621562	963	194	-81	MNPP04612	5.76m @ 1.09% Li2O and 509 ppm Sn (SDD005 from 120.45m)

HOLE ID	HOLE TYPE	TOT DEPTH M	EAST WGS84 29N	NORTH WGS84 29N	RL M	AZI WGS84 29N	DIP	CONCESSION	SIGNIFICANT INTECEPTS
SDD006	DD	350	605543	4621619	948	197	-74	MNPP04612	Assays pending
SDD007	DD	110	605740	4621447	969	196	-50	MNPP04612	Assays pending
SDD008	DD	332	605607	4621571	950	197	-78	MNPP04612	Assays pending
SDD009	DD	115	605707	4621467	965	194	-54	MNPP04612	Assays pending
SDD010	DD	460	605581	4621732	968	197	-70	MNPP04612	Assays pending
SDD011	DD	176	605696	4621498	966	197	-60	MNPP04612	Assays pending
SDD012	DD	TBD	605471	4621657	954	197	-69	MNPP04612	Drilling ongoing
SDD013	DD	TBD	605694	4621492	965	196	-64	MNPP04612	Drilling ongoing
SDD014	DD	TBD	605542	4621617	948	196	-58	MNPP04612	Drilling ongoing

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. *SC066 intercept contains 4m of internal dilution <0.4% Li_2O, however was hosted within one continuous pegmatite unit which exhibited anomalous mineralisation throughout, so was included in one intercept for geological continuity reasons.

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 nine diamond drill (DD) holes for 2,275.52 m so far in phase three. The results for 23 RC and three diamond 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. HQ core was cut into half and half of the core was sent for assay.
	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.

Criteria	JORC Code explanation	Commentary
	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 and/or HQ. Holes were geologically logged, measured and marked up and cut on site. Quarter-core samples for PQ and half core samples for HQ were submitted to NAGROM laboratory in Perth and analysed using ICP techniques for a suite of thirteen elements including Li_2O and Sn.
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.).*	RC 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 is conducting PQ and HQ diamond drilling as part of phase three. Core is orientated and orientations largely good. Downhole surveying was conducted using a Reflex Gyro system and supporting Reflex Multishot.
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 all PQ and HQ 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/HQ 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 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. Half core was retained for metallurgical testwork purposes. For HQ core, half-core was sent for grade analysis, and ¼ core retained for metallurgical testwork. In both cases, ¼ core is retained for future reference.
	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%.

Criteria	JORC Code explanation	Commentary
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	RC chip 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.
	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 5kg) 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 thirteen-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, 61 standards, 56 blanks, 47 duplicates and 57 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.

Criteria	JORC Code explanation	Commentary
	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.
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 40 to 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. Increased confidence is provided by Phase three drilling which has illustrated grade continuity in the down plunge direction.
	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. Diamond drill samples from phase three (SDD003 to SDD005) averaged 0.98 m in length and ranged from 0.41m to 1.30m in length and were composited to 1m as part of the maiden resource estimation process.. 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.

Criteria	JORC Code explanation	Commentary
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.