



NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

ASX/Media Announcement

19 June 2017

PILBARA SUCCESSFULLY RAISES \$80M IN HEAVILY OVERSUBSCRIBED PLACEMENT TO FINALISE PILGANGOORA DEVELOPMENT FUNDING

Completion of debt and equity funding paves the way for the commencement of major site works and production from the second quarter of 2018

HIGHLIGHTS:

- **A\$80 million Placement to fully fund the development of Pilbara's 100%-owned Pilgangoora Lithium-Tantalum Project in WA, inclusive of US\$20 million (~A\$27 million) from offtake partner Jiangxi Ganfeng Lithium Co Ltd.**
- **Placement heavily oversubscribed, supported by existing large shareholders and several new domestic and international institutions and follows the recent successful US\$100 million secured bond issue.**
- **Pilbara's major shareholder Mineral Resources Limited (ASX: MIN) participated in the Placement maintaining its percentage shareholding in Pilbara.**
- **\$15 million Share Purchase Plan (SPP) to be completed during July 2017, providing eligible shareholders with the opportunity to participate in this landmark capital raising.**

Australian lithium developer, Pilbara Minerals Limited (ASX: PLS) ("**Pilbara**" or "**Company**"), is pleased to announce that it has successfully raised a total of A\$80 million following strong interest from investors. The successful Placement completes the funding package required for the development of the 100%-owned Pilgangoora Lithium-Tantalum Project in Western Australia and paves the way for a final investment decision.

The Company has received commitments from qualified institutional and sophisticated investors in Australia and internationally to raise approximately A\$53 million (before costs) at \$0.35 per share, which combined with the US\$20 million (~A\$27 million) equity commitment from the Company's off-take partner, Jiangxi Ganfeng Lithium Co Ltd, raised a total of A\$80 million ("**Placement**").

The heavily oversubscribed institutional component of the Placement was strongly supported by both existing shareholders and new investors with several large institutions now introduced to the Pilbara Minerals share register through the Placement.

In light of the exceptionally strong support from existing shareholders and new institutions, Pilbara elected to increase the Placement announced on 15 June 2017 by A\$3 million to facilitate further participation by these groups.

Pilbara Minerals Managing Director and CEO, Mr Ken Brinsden, said the response from investors to the Company's equity raising had been exceptional.

"The institutional Placement closed on Friday with bids into the book well above the expected target – a remarkable result considering the current volatile conditions in the resource sector.

"We are very grateful for the support received from both existing and new investors – as well as the strong support of our major shareholder, Mineral Resources Limited, and our cornerstone off-take partner, Jiangxi Ganfeng Lithium Co Ltd," he said.



“The recent successful completion of the US\$100 million bond issue and now this landmark A\$80 million equity raise signals the green light for full-scale construction to begin at Pilgangoora which is widely regarded as the world’s leading lithium development project.”

“The completion of the funding package clears the way for the Pilbara Minerals Board to make a final investment decision – which is now expected to be imminent – and, with all major environmental and regulatory approvals in place, we can get on with the job of building an important new resources project in Western Australia.

“The importance of these landmark debt and equity funding packages for Pilgangoora should also not be underestimated in a global context.

“Pilgangoora will be a major new source of lithium supply to the global battery supply chain – a critical component in the electrification thematic which is rapidly gaining momentum as more and more investors understand the significance of the transformational changes that are occurring in China and elsewhere.

“This is an exciting time for the lithium industry globally, and we are very pleased that Australia is going to play such an important role in the supply of a high-value metal which could help facilitate one of the biggest transformations the global economy has seen in recent times.”

Additional Details

The Placement is being undertaken in two tranches:

- the first tranche of the Placement, comprising 189.9 million shares (A\$66.5 million) (**Tranche 1**) will be issued utilising all of Pilbara’s 15% placement capacity under ASX Listing Rule 7.1; and
- the second tranche of the Placement, comprising ~38.7 million shares (A\$13.5 million) (**Tranche 2**) is to be issued subject to shareholder approval at a General Meeting scheduled for on or about 26 July 2017.

Settlement of Tranche 1 of the Placement is scheduled to occur on 26 June 2017. Tranche 2 of the Placement is subject to shareholder approval at a General Meeting to be held on or around 26 July 2017 and is scheduled to settle on or around 2 August 2017.

Hartleys Limited and UBS AG, Australia Branch acted as Joint Lead Managers to the Placement, with the assistance of Enclave Capital LLC in relation to North America. Pilbara Minerals was advised on the Placement by BurnVoor Corporate Finance.

Share Purchase Plan

The Company will also undertake a Share Purchase Plan (**SPP**) to its existing eligible shareholders, providing them the opportunity to subscribe for up to a maximum of \$15,000 worth of shares at the Placement price of \$0.35 per share to raise up to \$15 million.

The SPP is proposed to open on 27 June 2017 and close at 5.00pm (AWST) on 17 July 2017. Participation in the SPP will be open to all eligible holders of Pilbara shares as at 14 June 2017 (“**Record Date**”) with a registered address in Australia or New Zealand.

An indicative timetable for the SPP is set out below:*

SPP – Summary of Key Dates	
Record Date	14 June 2017
SPP Opening Date	27 June 2017
SPP Offer Document Despatch Date	27 June 2017
SPP Closing Date	17 July 2017
SPP Issue and Allotment Date	2 August 2017
Quotation is New Shares	3 August 2017



*The timetable for the Placement and the SPP is indicative and remains subject to change at the Company's discretion, subject to compliance with applicable laws. Any changes will be advised to ASX.

Further details in respect of the SPP will be released to ASX shortly and distributed to eligible shareholders on or about 27 June 2017.

Following release of this announcement, the Company requests that trading of its shares be reinstated.

Additional Information:

ABOUT PILBARA MINERALS

Pilbara Minerals ("Pilbara" – ASX: PLS) is a mining and exploration company listed on the ASX, specialising in the exploration and development of the specialty metals Lithium and Tantalum. Pilbara owns 100% of the world class Pilgangoora Lithium-Tantalum project which is among the largest Spodumene (Lithium Aluminium Silicate) projects in the world. Pilgangoora is also one of the largest pegmatite hosted Tantalite resources in the world and Pilbara proposes to produce Tantalite as a by-product of its Spodumene production.

ABOUT LITHIUM

Lithium is a soft silvery white metal which is highly reactive and does not occur in nature in its elemental form. It has the highest electrochemical potential of all metals, a key property in its role in Lithium-ion batteries. In nature, it occurs as compounds within hard rock deposits and salt brines. Lithium and its chemical compounds have a wide range of industrial applications resulting in numerous chemical and technical uses. A key growth area is its use in lithium batteries as a power source for a wide range of applications including consumer electronics, power station-domestic-industrial storage, electric vehicles, power tools and almost every application where electricity is currently supplied by fossil fuels.

ABOUT TANTALUM

The Tantalum market is boutique in size with around 1,300 tonnes required each year. Its primary use is in capacitors for consumer electronics, particularly where long battery life and high performance is required such as smart phones, tablets and laptops.

Contacts:

Investors / Shareholders

Ken Brinsden
Chief Executive Officer, Managing Director
Ph. +61 (0)8 6266 6266

Media

Nicholas Read
Read Corporate
Ph. +61 (0)8 9388 1474

This Announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or in any other jurisdiction in which such an offer would be illegal. Any securities described in this announcement have not been, and will not be, registered under the U.S. Securities Act of 1933 (the "US Securities Act"), or the securities laws of any state or jurisdiction of the United States. Accordingly, the securities may not be offered or sold, directly or indirectly, in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and any applicable US state securities laws.

FORWARD LOOKING STATEMENTS AND IMPORTANT NOTICE

This announcement may contain some references to forecasts, estimates, assumptions and other forward-looking statements. Although the Company believes that its expectations, estimates and forecast outcomes are based on reasonable assumptions, it can give no assurance that they will be achieved. They are indicative and may be affected by a variety of variables and changes in underlying assumptions that are subject to risk factors associated with the nature of the business, which could cause actual results to differ materially from those expressed herein. All references to dollars (\$) and cents in this announcement are to Australian currency, unless otherwise stated.

Investors should make and rely upon their own enquiries before deciding to acquire or deal in the Company's securities.