

ASX Announcement

24 July 2017

Exploration Update – Lithium Brine Projects

Caeneus Minerals Limited (ASX: “CAD” or “the Company”) is pleased to provide the following exploration update on its 100% owned Lithium Brine Projects in Nevada, USA.

Highlights:

- **Phase One Drilling completed at Lida Valley.**
- **Lida Valley assays gathered and sent to lab with results pending.**
- **Drilling recommenced at Scotty’s South following delays.**
- **Drilling to commence at Columbus Marsh this week.**

Lida Valley:

The Phase One Drilling (Holes LV17-2 & LV17-4) has now been completed at the Lida Valley Lithium Brine Project. Assays have been gathered and sent to WETlab in Reno, Nevada for analysis. The results are expected in approximately 3 weeks.

Scotty’s South:

The drilling at the Scotty’s South Lithium Brine Project has recommenced following delays from unstable conditions with sand caving into the drill holes. Drilling is expected to take a further 2 weeks.

Columbus Marsh:

Following completion of the Phase One Drilling at the Lida Valley Lithium Brine Project, the drilling equipment is ready to be moved to the Columbus Marsh Lithium Brine Project to commence the work program there. Drilling is expected to commence this week.

Columbus Marsh is a large mature saline basin, surrounded by tertiary epithermal systems indicating that hot springs activity has been an influence. The Clayton Valley is located on trend to the South-East. Source rocks include the Fish Lake Valley, Rhodes Marsh, extensive areas of Esmeralda Formation including the entire South-West slope of the basin, and an active geothermal system.

The gravity program completed at Columbus Marsh confirms simple and broad gravity suggesting a deep basement with a large amount of sedimentary basin cover with the potential to host lithium brines.

CSAMT results at Columbus Marsh shows a very conductive, homogenous layer for several kilometers below the surface which may be the result of very saturated and conductive clays on surface or truly homogenous and conductive layers in the subsurface.

The Phase One Drilling campaign calls for an initial priority hole (CSM-1) to test stratigraphy and nature of groundwater with follow up refinement of further drill targets.

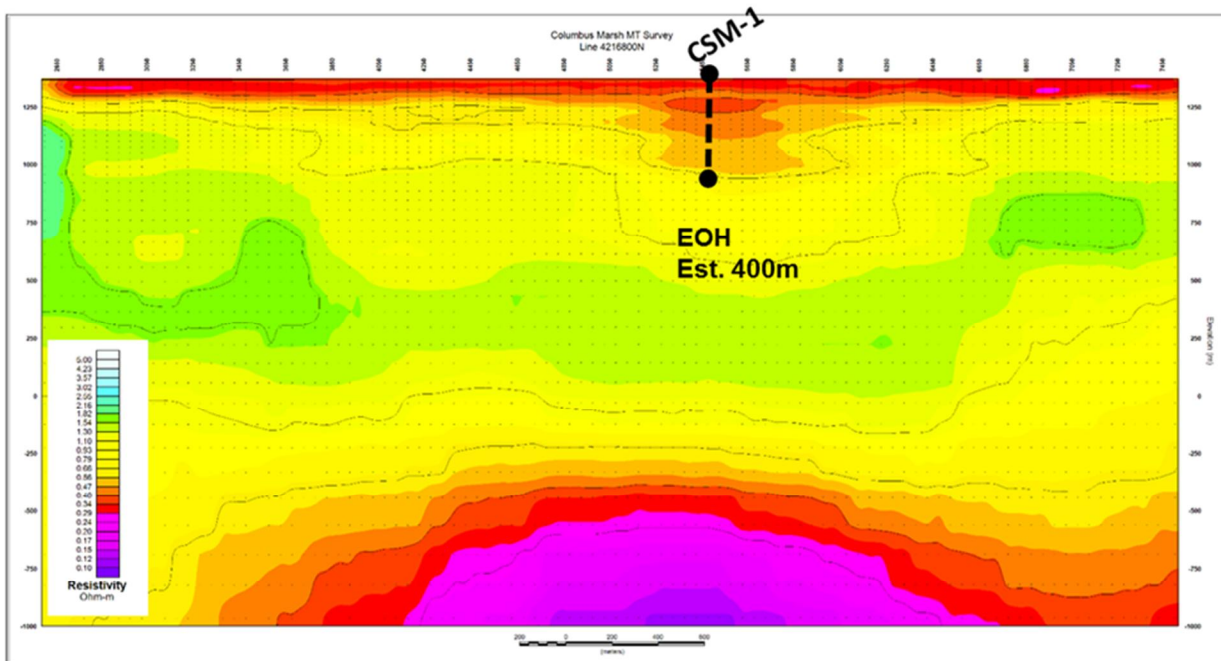


Figure 1: CSAMT Survey & First Planned Drill Hole Location - Columbus Marsh

For and on behalf of the Board



Steve Elliott
Managing Director

Competent Person Statement

The information in this announcement that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Steven Elliott who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Elliott is a director of the Company. Mr Elliott has sufficient experience which is relevant to the style and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves. Mr Elliott consents to the inclusion in the announcement of the matters based on his information in the form and context in which it appears.