



ASX ANNOUNCEMENT | 13 November 2017

## SCOPING STUDY GIVES GREEN LIGHT FOR ALTURA LITHIUM PROJECT EXPANSION PLANS

- *Scoping Study confirms **duplicating the size of the production plant to double output** is the best expansion option*
- *Mine life to remain greater than **10 years** (based on current JORC Ore Reserve estimate)*
- ***Definitive Feasibility Study to start immediately** to examine the doubling of capacity to **440,000 tpa** of lithium concentrate*
- ***Minimal disruption** expected to Stage 1 plant operations*
- ***Stage 1 commissioning remains on track for Q1 2018 and first sales in Q2 2018***

Altura Mining Limited (ASX: AJM) is pleased to advise it has approved the immediate start of a Definitive Feasibility Study (DFS) on potentially doubling the capacity of its flagship Altura Lithium Project to 440,000 tonnes per annum (tpa).

The study is expected to be completed in April 2018 and will leverage much of the design and other work completed last year for the DFS on the Stage 1 Altura Lithium Project at Pilgangoora in WA (see ASX release 26 September 2016), which remains on track for commissioning in Q1 2018.

An in-house Scoping Study team examined a number of options to increase output from the initial Stage 1 nameplate output of 220,000 tpa of 6% grade lithium oxide, and took into account the knowledge of capital costs and procurement order lead times gained from the current construction of the Altura Lithium Project.

Using key criteria of net present value, anticipated time to market and minimising disruption to the current Stage 1 construction the Scoping Study team concluded that doubling production using a basic plant duplication model is the best option to maximise shareholder value and is expected to place Altura in a strong operational and commercial position.

First production from the duplicated plant is expected to be achieved within 17 months after an investment decision, however by using the design and majority of parameters from the existing project, the timeframe could be brought forward with early ordering of long lead-time items such as ball mills and high pressure grinding rolls (HPGR).

Altura Mining Limited ABN 39 093 391 774

The Scoping Study was based on the recently-revised Altura Lithium Mineral Resource estimate of **44 million tonnes at 1.00% Li<sub>2</sub>O and 441,000 tonnes of contained Li<sub>2</sub>O** and the revised Ore Reserve estimate of **34.2 million tonnes at 1.04% Li<sub>2</sub>O and 357,000 tonnes of contained Li<sub>2</sub>O** (see ASX release 24 October 2017).

Further mine resource extension drilling is planned for the 2018 field season which is aimed at proving up additional resources immediately to the south of the current main pit and providing additional mine life from the current mining tenement.

The Scoping Study showed the existing mining fleet supplied by Altura's mining partner NRW Civil and Mining could be utilised by introducing a night shift and 24-hour operation compared to the existing day shift roster, while mine life would remain at greater than 10 years based on the current JORC Ore Reserve estimate. Altura looks forward to working with NRW on this expansion project due to the excellent working relationship that has been developed.

Only minor modifications to existing infrastructure will be required with the camp and water bores considered to have suitable capacity, while the power plant could be augmented with bigger generators. There is not expected to be any interruptions to the Stage 1 plant operations during the Stage 2 duplication construction process.

Altura Managing Director Mr James Brown said the Scoping Study was a positive development and the Company would work as quickly as possible to complete the DFS and lock in an investment decision.

*"Now is the right time to be considering such an expansion. We continue to see strength in the lithium market and positive demand signals from offtakers. Using existing designs and other parameters this effective duplication should be both relatively straightforward and result in no disruption from our Stage 1 production, which is still on track for first commissioning in Q1 and first sales in Q2 of next year."*



*ROM Wall nearing completion*



*Accelerated mining as Stage 1 operations continue at Pilgangoora*

**About Altura Mining Limited (ASX: AJM)**

*Altura is building a leading position in the independent supply of lithium raw materials, with a world class lithium project at Pilgangoora ready to set the platform and be the first new hard rock lithium product supplier in 2017. The Altura team has a track record of delivering mining projects with Pilgangoora the most advanced stage, near term producing lithium project; solid offtake partners and a market providing substantial growth opportunities to ensure positive shareholder returns.*

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