

31 January 2018

QUARTERLY ACTIVITIES REPORT

For period ending 31 December 2017

HIGHLIGHTS

Goulamina Lithium Project

- Drilling program has delineated substantial additional spodumene-bearing pegmatite
 - Sangar consists of two distinct bodies extending over at least 1km - both are thicker and higher in grade than the Main and West pegmatites and remain open to the north and south.
 - Main and West deposits show significant extensions – both are also open to the north, south and at depth.
 - Wide-spaced drilling has established continuity of pegmatites at Danaya and Yando over 1.5km of strike.
- Work on Maiden Ore Reserve and updating Goulamina PFS progressing well.

Gold Projects

- Gold projects reviewed to define high priority targets and auger drilling planned.
- Airborne magnetic and radiometric survey at Goulamina extended to cover gold projects.

Corporate

- Highly successful placement raises A\$12 million to fund Goulamina Project.
- Malian subsidiary companies' financial and tax status now in good standing.

Birimian Limited (ASX: *BGS*; **Birimian** and the **Company**) made considerable progress during the December 2017 Quarter (the **Quarter**), marked by highly encouraging drilling and assay results at the Company's Goulamina Lithium Project (the **Project**). Work progressed on the revised Preliminary Feasibility Study (**PFS**) and, separately, in addressing outstanding commercial issues in Mali.

During the Quarter, Birimian released five announcements updating drilling and assay results, on the following dates: 23 and 26 October 2017; 7 and 21 November 2017 and 18 December 2017. A further update was released on 23 January 2018.

1. HEALTH, SAFETY AND ENVIRONMENT

1.1. Lost Time Injury

Birimian recorded the Company's first Lost Time Injury (**LTI**) after the end of the Quarter. A drilling contractor required offsite medical treatment when he was knocked to the ground by the release of high pressure air from a truck-mounted drilling booster operating at the Project. Following examination, he was discharged four hours later and assigned to light duties. He was absent from site for three days, resulting in the incident being classified as an LTI.

1.2. Safety Procedures

During the Quarter, Birimian adopted and implemented safety-related processes and procedures related to site activities, including safety guidelines and incident reporting procedures. All safety procedures and associated documentation will be reviewed regularly and updated as necessary. First aid training is also being undertaken by field staff.

1.3. Environment

Work progressed during the Quarter on the Goulamina Environmental and Social Impact Assessment (**ESIA**). Progress is reported in Section 2.4, titled ESIA Study.

2. LITHIUM – Goulamina Project

2.1. RC and Diamond Drilling Program

Following the highly successful Phase I and Phase 2 geochemical auger drilling program conducted at Goulamina, the Company commenced a reverse circulation (**RC**) drilling program of 5,000m in October 2017. The objectives were to establish the number, geometry, thickness and grades of the spodumene-bearing pegmatites within the auger-defined anomalies at Yando, Danaya and Sabali and to extend the Sangar Zone northwards. In November 2017, Birimian extended its drilling contract with Amco to undertake further 9,000m of resource expansion drilling at Sangar, West and Main zones. A second dual purpose diamond/RC drill rig was mobilised to site on 13 December 2017 (See Fig. 1 for locations).

A total of 10,928m of RC drilling was completed during the Quarter (Table 1).

<i>Deposit</i>	<i># Holes</i>	<i>Total Metres</i>	<i>Average Depth (m)</i>
Sangar	34	3,745	110.1
Yando	39	4,243	108.8
Main	3	298	99.3
Danaya	7	813	116.1
West	5	582	116.4
Sabali	4	423	105.8
Water bores	7	824	117.7
TOTAL	99	10,928	100.8

Table 1: Drilling at the Goulamina project during the Quarter.

Birimian is also undertaking 2,000m of diamond drilling, with the objective of collecting samples for metallurgical testwork, geotechnical analysis and obtaining geochemical samples for verification where twinning will be carried out on some existing RC holes.

All RC chip samples collected by year's end were submitted to the ALS Laboratory in Bamako, Mali, and were despatched to the ALS Laboratory in Perth for analysis. To-date, analytical data have been received for approximately 75% of the drill holes completed.

Birimian will continue RC drilling at Goulamina, with a further 10,250m of drilling to be carried out by the end of April 2018. The objectives of the program are to:

- Drill the Danaya and Yando pegmatites over approximately 1km of strike, to establish JORC-compliant *inferred* resources (*i.e.* on 100m spaced sections).
- Establish the economic potential of the Sabali area; and
- Conduct infill drilling at Sangar, Main and West, if required, to assure indicated resources.

As announced on 23 January 2018 (*BGS, 23 Jan 2018*), the drilling program carried out during the Quarter provided the following highly encouraging results:

- The Sangar deposit has been identified over 1.1km of strike, representing an increase in length of 500%. Sangar splits into two bodies (Sangar I and Sangar II) to the north. Both bodies are typically thicker and higher in grade than Main and West deposits and remain open to north, south and at depth.
- The West deposit has been extended to over 1km of strike and remains open to north, south and at depth.
- The Main deposit has been extended to over 1km of strike and remains open to north, south and at depth.
- The Sangar, West and Main extensions will lead to a substantial increase in the Goulamina resource and will require an expanded open pit design.

Drilling has also intersected thick and potentially economic pegmatites at Danaya and Yando anomalies, extending over approximately 1.5km in total. The apparent horizontal thickness of the Yando deposit averages 150m which includes several closely-spaced pegmatite bodies. The depth of weathering and hence Li₂O depletion is however greater than at Sangar, Main and West. Additional drilling is required to fully define the extent and grade of both deposits.

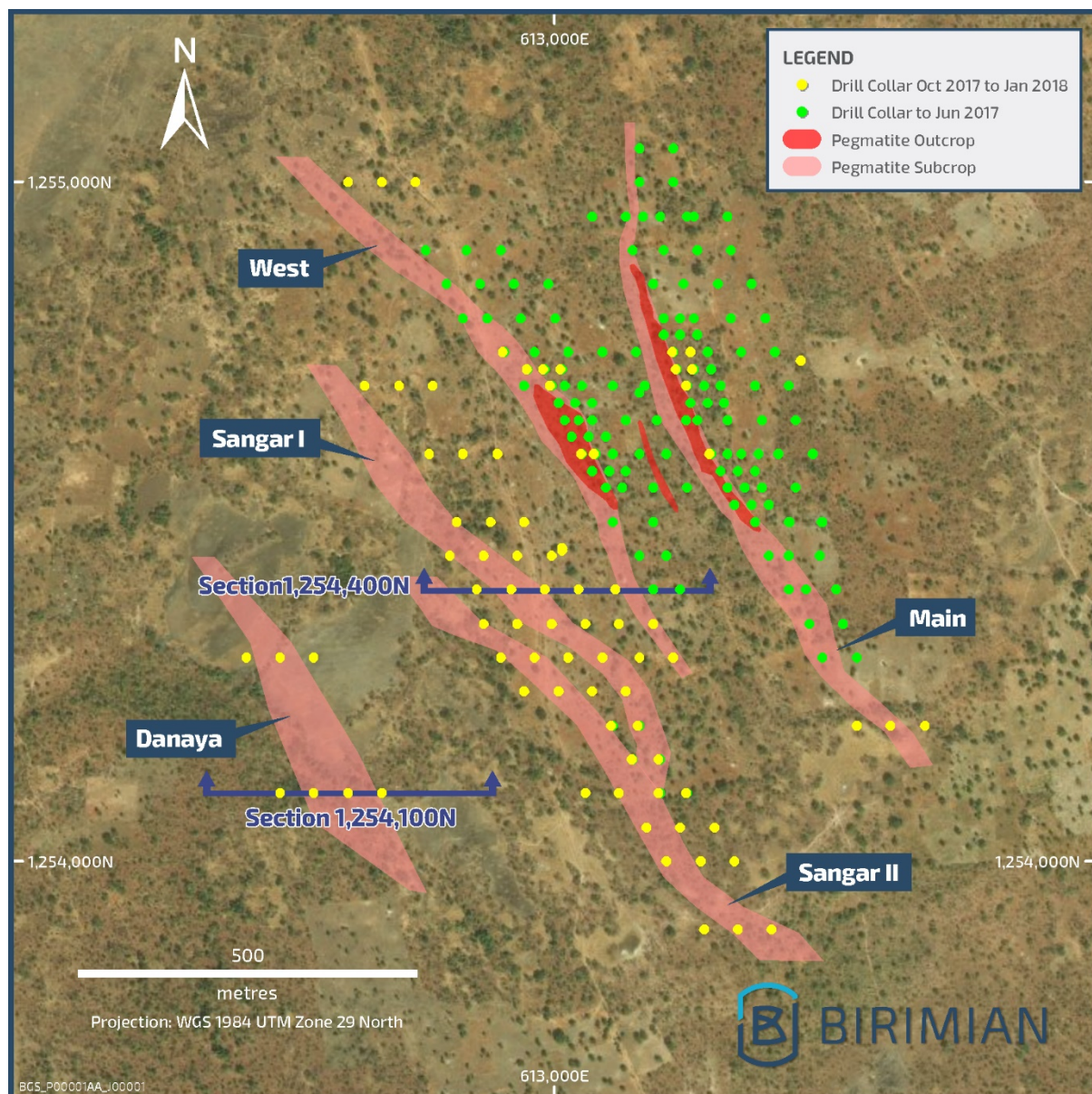


Figure 1: Plan of the Goulamina deposit showing five pegmatite bodies.

Sangar Deposit

Sangar was previously defined by only six drill holes, but now has been drilled with an additional 34 holes on a sectional spacing of 50 to 100m over 1.1km of strike to a vertical depth of 125 to 150m (figures 1,2; Annexure 1).

This work has introduced a significant increase in the extent of lithium mineralisation that occurs in this project. The new drilling has shown that:

- The extent of lithium-bearing pegmatite has been extended from 200m to more than 1.1km and remains open to north, south and at depth.
- Sangar consists of not one, but two discrete parallel spodumene-bearing pegmatites. These have been named Sangar I and II (Fig. 1).

- Both Sangar pegmatites are thicker than the Main and West pegmatites.
- Li_2O grades are typically higher in both Sangar pegmatites than at Main and West.
- The depth of weathering (and hence the probability of Li depletion) is generally greater at Sangar than at Main and West.

Significant intersections from the Sangar I and II assays are:

- 41m at 2.11% Li_2O % from 71m
- 50m at 2.08% Li_2O % from 92m
- 58m at 1.93% Li_2O % from 20m
- 35m at 1.96% Li_2O % from 58m
- 47m at 1.82% Li_2O % from 32m
- 53m at 1.79% Li_2O % from 48m
- 68m at 2.03% Li_2O % from 64m
- 60m at 2.02% Li_2O % from 42m
- 62m at 2.11% Li_2O % from 66m

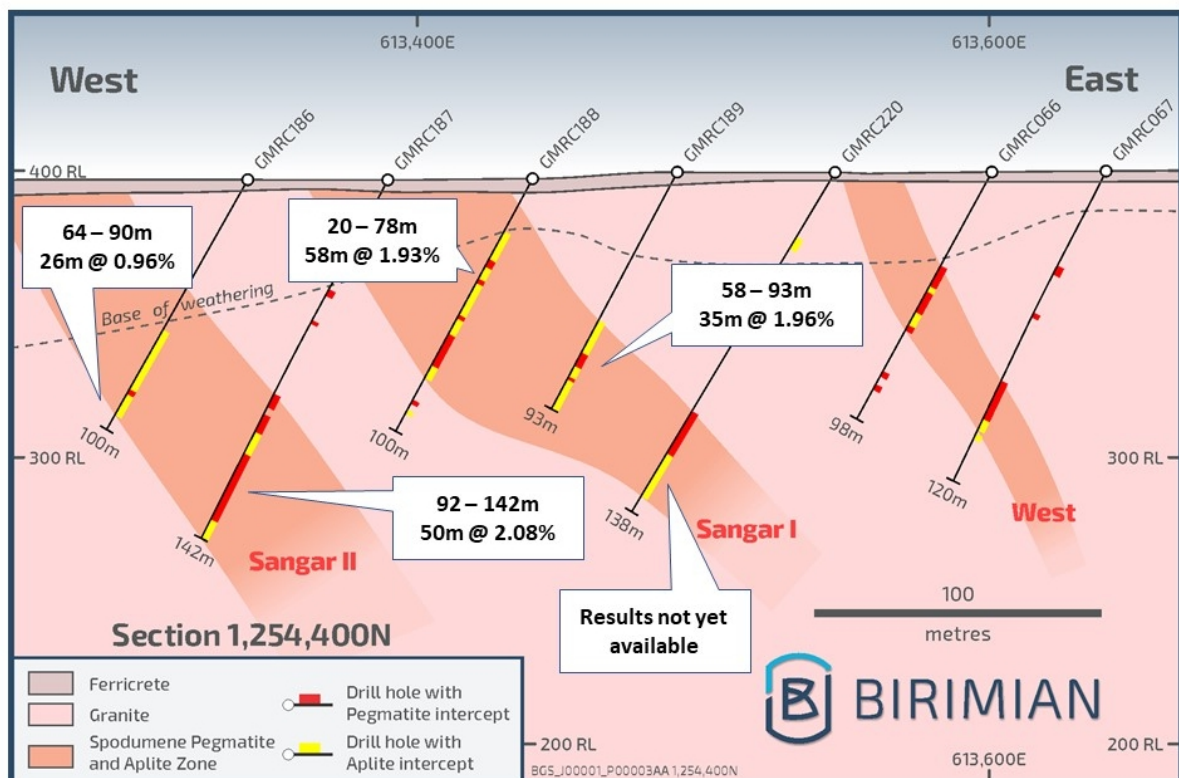


Figure 2: Section 1254400mN showing Sangar I & II and West pegmatites.

Danaya Prospect

Danaya has been drilled on two cross-sections (Fig. 1). The steeply-dipping Danaya pegmatite body is much larger than previously thought and is more than 100m thick on section 1254100mN (Fig. 3). Hole GMRC174 returned a total apparent thickness of 76m of mineralised material, terminating in ore and including 23m at 1.81% Li_2O and 13m at 2.46% Li_2O (Fig. 3). Hole GMRC173 intersected 80m of mineralised material, which included 40m at 1.66% Li_2O (Fig. 3).

The full thickness of pegmatite has not been defined on section 1254300mN. Only one of the three holes on this section intersected unweathered pegmatite: hole GMRC177 returned 47m at 1.44% Li_2O before terminating in mineralised pegmatite. The depth of weathering at Danaya varies from 45m on section 1254100mN to 77m on 1254300mN. Saprolitic (weathered) pegmatite shows marked depletion in Li_2O , with few intersections exceeding the nominal cut-off grade of 0.4%. The transition from saprolite to fresh pegmatite is a sharp one, reflected in steep increase in Li_2O grades across the boundary.

Significant intersections from the Danaya assays are:

- 23m at 1.81% Li_2O % from 85m
- 13m at 2.26% Li_2O % from 114m
- 13m at 1.87% Li_2O % from 130m
- 40m at 1.66% Li_2O % from 101m.

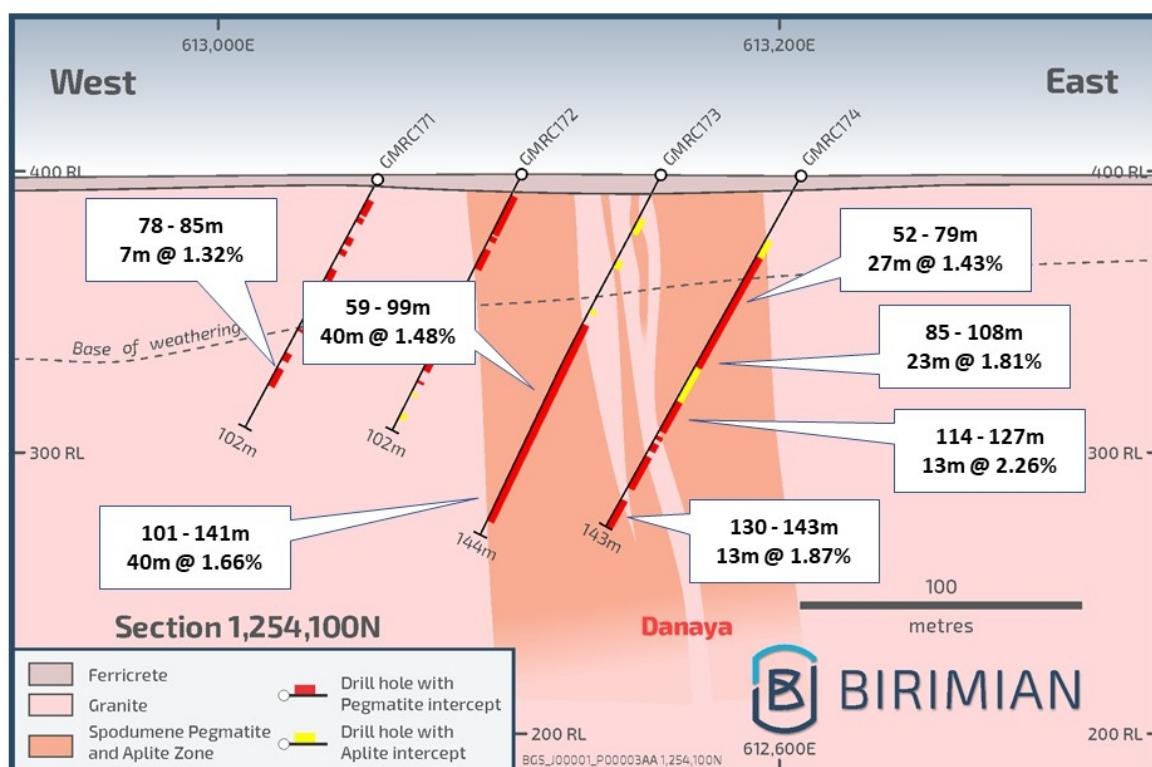


Figure 3: Section 1254100mN at Danaya.

Main and West Deposits

Main deposit has been extended to the north and is now 1km long. It also remains open to the north, south and at depth. West has been extended to north and south and is now more than 1km long (Fig. 1). It remains open to north, south and at depth. Further drilling will be undertaken to determine the extent of the defined pegmatites (see Fig 1).

Sabali Prospect

Analytical data from four RC holes at the Sabali Prospect indicate a paucity of spodumene-bearing pegmatite. The best intersection in the four holes was 4m at 1.04% Li₂O in GMRC185. To-date, the four holes have been drilled on one line at Sabali. It is anticipated that the ongoing auger program (see below) will allow the limits of the Sabali geochemical anomaly to be better defined and will guide further RC drilling.

2.2. Auger Drilling Program

The auger drilling program being undertaken continued during the Quarter. As at 31 December 2017, 1,863 holes had been completed for 15,788m, at an average depth of 8.5m, including several lines aimed at fully defining the Sabali anomaly.

Samples from 967 of these holes have been analysed by ALS Perth Laboratory and Birimian is awaiting results. The remaining 896 samples have been transported to Perth and are awaiting analysis. The auger rig is continuing to drill additional exploration holes within the Torakoro tenement. This program is expected to be completed in early February 2018.

2.3. Pre-Feasibility Study

Work continued during the Quarter on revision of the Project PFS announced in October 2017 (*BGS 4 Oct 2017*), which confirmed the potential technical and economic viability of a 1-2 Mtpa plant producing 198,000-396,000 tonnes of spodumene (6% Li₂O concentrate) over an operational mine life of 9 to 14 years. This projection was based solely on the Indicated Resource Estimate announced in June 2017 (*BGS, 22 June 2017*). With the anticipated additions to the Goulamina resource inventory (resulting from the highly successful drilling programs described in Section 2.1), Birimian is updating the PFS during the first half of 2018. In doing so, the Company's objectives are:

1. To sufficiently outline the resources at Goulamina to establish a JORC-compliant resource base and maiden Mineral Reserve Statement.
2. To determine a preferred development option to enable early completion of a DFS.
3. To explore options to fast track Project development with the objective of bringing production onstream by 2020.

Maiden Reserve - Birimian has commissioned Cube Consulting Pty Ltd (**Cube**) to undertake a resource update for the Project, as part of the work required to produce a maiden reserve. The reserve estimation will also depend on the results of metallurgical and geotechnical test work, which is currently in process.

Transport Cost Reduction - The PFS estimated transport and logistics costs at US\$173.75/t, based on a proposed road and rail model for concentrate shipment to the Port of Abidjan in Côte d'Ivoire and this accounts for approximately 50% of total operating costs. Birimian has set a target of significantly reducing these costs (30-50%). Meetings were held in Mali during and post the Quarter with national and international transportation contractors to examine means of reducing transport costs, based on road transport to either the Port of Abidjan or the Port of Dakar in Senegal. This work is progressing

and will involve a site visit by Birimian senior personnel to inspect bulk handling facilities and infrastructure at both ports in early February 2018.

Fuel Cost Reduction - Work has also advanced on securing a diesel supply contract at a significantly lower price than that included in the baseline PFS, which will reduce power and mining costs.

2.4. ESIA Report

Following meetings with Digby Wells Environmental (**DWE**) Malian field staff in Bamako in September 2017, Birimian met DWE senior management in London in December 2017 to review the status of the ESIA process. Given the likely timeframe for assessment of the ESIA Report by relevant governmental authorities prior to environmental permitting of the Project, discussions centred on reducing the timeframe for completion of the preliminary Report.

It is proposed that a preliminary (draft) ESIA Report will be submitted to the Government in the Second Quarter of 2018 for assessment and validation by government stakeholders. Submission of the preliminary ESIA Report will follow an extensive round of public consultation by Birimian and DWE. Following receipt of the preliminary ESIA, a Government Technical Committee will make a further visit to the Goulamina site and provide comments to be included in the ESIA Report prior to submission of the final ESIA Report for approval. There is a statutory 45-day period after submission of the final ESIA Report for environmental approval to be granted.

Pilot holes were drilled to establish two monitoring boreholes and two aquifer characterisation boreholes as part of the physical environmental assessments at Goulamina. One borehole has been completed and a mud rotary rig is being mobilised to drill the remaining three holes, which will complete the physical environmental survey work on the Project.

2.5. Product Marketing

Discussions continued during the Quarter with potential offtake partners as part of the Company's ongoing examination of options for Project financing and marketing of the Goulamina product. This work will continue in 2018.

2.6. Tenement Status

In January 2017, Birimian's wholly-owned Malian subsidiary company, Sudquest SARL (**Sudquest**) applied to the Direction Nationale de la Géologie et des Mines (Department of Geology and Mines) (**DNGM**) for exploration permits for 100 km² at Mafélé and 95 km² at Nkemene, adjacent to the Torakoro Tenement, which includes the Project. Birimian made representations to the DNGM during the Quarter to have Sudquest's applications processed as a matter of urgency.

The DNGM has advised that it currently has a backlog of some 400 applications awaiting processing. Birimian has advised the DNGM that it wishes to undertake exploration activity adjacent to Goulamina as part of the Project development program, hence approval of the exploration permits would assist the Company in meeting its development timeframe. All existing tenements in Mali (including Torakoro) are in good standing.

3. GOLD PROJECTS

3.1. Morila Options Agreement

Birimian continues to await the conclusion of the two option and purchase agreements (**Option Agreements**) signed in November 2016 by Birimian Gold Mines SARL (**BGM**) with Société des Mines de Morila SA (**Morila**), operator of the Morila gold mine. Morila applied to the Government of Mali for an extension of its mining permit to include the Areas of Interest in late September and this application has been processed by the DNGM and now awaits Prime Ministerial assent. The Decree to amend Morila's mining permit requires signing by the Prime Minister following formal reference to the Cabinet. The recent changes to the Prime Ministership and Cabinet may delay this process.

Birimian will receive US\$1M from Morila as a Completion Fee (US\$500,000 in respect of each transaction) and a Net Smelter Return of up to 4% on gold produced from Viper and N'tiola, subject to the satisfaction (or waiver) of the conditions precedent. Morila has been mining a satellite deposit at Domba village, located some six kilometres from Morila's treatment plant. Subject to obtaining a revised mining permit, Morila intends extending its haul road from Domba to Viper and N'tiola, which are located about 25 km north-west of Morila's treatment plant and commencing mining at Viper and N'tiola during the first half of 2018.

3.2. Gold Strategic Review

Birimian holds 10 exploration permits across the Massigui and Dankassa gold prospects through its subsidiaries, Birimian Gold Mali SARL and Timbuktu Ressources SARL. Work on the Company's gold tenements during 2017 was restricted due to prioritisation of drilling at Goulamina. Activity centred mainly on finalising the Morila Options Agreements and assessing three diamond drill holes at the Koting North (formerly Koting) prospect at Massigui. Assay results were reported in July 2017 (*BGS, 31 July 2017*), when the Company announced that it would conduct an additional program of auger drilling to define the Koting SW auger anomalies and identify targets for deeper drilling (RC or diamond).

Birimian will step up its gold exploration program in 2018. Birimian has commissioned Dr Oliver Kreuzer, of the Concept to Discovery consultancy, to provide an independent review of the gold prospectivity of Massigui and Dankassa and the broader region encompassing these projects, to prioritise exploration targets.

3.3. Airborne Magnetic Survey

The planned airborne magnetic survey at Goulamina awaits approval of a reapplication to the Malian Ministry of Transport National Agency of Civil Aviation (**ANAC**) for flying approval. The survey aircraft was delayed in neighbouring Liberia due to poor low flying condition. The survey will be undertaken when a new approval is granted and flying conditions improve. Deferment of the airborne survey will not delay any essential work at Goulamina. Birimian has extended the scope of the planned airborne survey to include the areas of Massigui and Dankassa to provide further data for prioritisation of gold targets. An application has been made to ANAC for permission to fly these areas and is pending.

3.4. Koting Auger Program

The auger drilling program for Koting (360 holes at 8m for 2,880m) will proceed in February 2018. A contract has been let for a second auger drill rig to carry out this work. This will not impact on the auger drilling program being carried out at Goulamina.

4. CORPORATE

4.1. Cash Position

The Company is adequately funded, with a cash balance of \$A 12.5 million at December 31, 2017.

4.2. Capital Raising

On 24 November 2017, Birimian announced the completion of a very successful capital raising from institutional, sophisticated and professional investors via placement, raising approximately \$12m before costs, through the issue of up to 31.7 million fully paid ordinary share. The issue was at a price of 38 cents and was heavily oversubscribed. Hartleys Limited acted as Sole Lead Manager to the Placement, with Nascent Capital Partners acting as Co-Manager. Funds raised are being utilised on the Project to advance its work programs focussed on resource expansion, completion of a revised pre-feasibility study, undertaking of a DFS and general working capital.

4.3. Mali Financial and Tax Position

Senior Birimian executives travelled to Mali in December to meet with the Company's financial adviser, EGCC, to finalise financial statements and tax returns for the Company's Malian subsidiaries and to hold assemblies (annual general meetings) to approve and adopt the financial statements and annual reports for the three subsidiaries. Following these meetings, financial statements and tax returns for 2011-16 for each of the three subsidiaries were lodged with the Malian Tax Authorities (**MTA**) in accordance with deadlines agreed on 15 December 2017, together with payment of outstanding taxes owed by the subsidiaries for this period.

A total of A\$ 404,000 was paid to MTA, which was A\$47,545 less than the provision made for settlement of taxes and penalties in the Company's accounts. Birimian's subsidiaries are now up-to-date and compliant with their statutory accounting and taxation obligations in Mali. In respect of the outstanding Australian tax position, an outcome from the Australian Taxation Office is awaited.

4.4. Change of Financial Year

On 17 November 2017, the Company announced the decision of the Board of Directors to change Birimian's financial year-end from 30 June to 31 December to coincide with the year-end of its operating subsidiaries in Mali. Following completion of the audited financial statements for the six months ended 31 December 2017, an Annual General Meeting will be held by 31 May 2018. The date of this Annual General Meeting will be advised in due course.

4.5. Annual General Meeting

The Company's Annual General Meeting was held in Perth on 29 November. All resolutions were well supported (*BGS, 29 Nov 2017*). Mr James McKay, Mr Greg Walker and Ms Gillian Swaby were elected to the Board of Directors

4.6. Board Changes

On 01 December 2017, the Company advised, as foreshadowed (*BGS, 15 Nov 2017*), that Mr Noel O'Brien had been appointed to the Board. Mr O'Brien is a metallurgist and lithium processing expert, Birimian also announced that, with effect from 01 December 2017, Mr James McKay would resume the position of a Non-executive Chairman of the Company.

4.7. Exercise of Options

Subsequent to the end of the Quarter, exercise notices were received in relation to 1M unlisted options (exercisable at 33.6 cents) and 1.5M unlisted options (exercisable at 31.6 cents). Preparation of a prospectus is currently in process in relation to these conversions. Funds received on exercise total \$810,000.

4.8. Industry Participation

Birimian participated in the 7th International Mali Mining and Petroleum Conference and Exhibition (JMP'17), organised by the DNGM and held in Bamako, Mali during 21-23 November 2017. The Company made a presentation on the Project and maintained a booth during the conference, which was well attended and visited by the Prime Minister, Mr Abdoulaye Idrissa Maiga, during his visit to the conference.

4.9. Government and Community Relations

In late December 2017, Mali's President Ibrahim Boubacar Keita reshuffled the country's Cabinet in preparation for this year's round of Presidential and Parliamentary elections. The former Prime Minister Abdoulaye Idrissa Maiga resigned on 20 December 2017 and was replaced by the President's Chief of Staff, Soumeylou Boubeye Maiga. President Keita confirmed that a national election would proceed as planned. The Minister of Mines, Professor Sangaré Tiemoko, remains as the Minister and is the third highest ranked government member. His reappointment means that there is unlikely to be a change in course of business at the DNGM.

5. Tenement Holdings and Location

Tenement Holder	Tenement Location	Tenement Designation	Tenement Number
Birimian Gold Mali SARL			
Within "circle" of Bougouni	Southern Mali	Finkola	PR 13/640
		N'tiola	PR 14/715
	Southern Mali	Diokele Bougou	PR 13/639
		Tiorola	PR 13/638
Within "circle" of Kati		Makano	PR 13/637
		Mana Bougou	PR 13/641
		Songoria	PR 13/636
Timbuktu Ressources SARL			
Within "circle" of Bougouni	Southern Mali	Diokelebougou-Nord	PR 13/671
		Finkola-Sud	PR 13/622
		Torakoro	PR 16/840
Within "circle" of Dioila	Southern Mali	Batouba Sud	Application
Within "circle" of Kati	Southern Mali	Sanankoroni	PR 16/805
Sudquest SARL			
Within "circle" of Bougouni	Southern Mali	Finkola Nord Mafele Sud Nkemene	Applications



Greg Walker

Executive Director and Chief Executive Officer
Birimian Limited

Competent Person's Declaration

The information in this announcement that relates to exploration results and exploration objectives is based on information compiled by or under the supervision of Birimian's Exploration Manager, Dr Andy Wilde. Dr Wilde is a Registered Professional Geoscientist and Fellow of the Australian Institute of Geoscientists. He is also a Fellow of the Society of Economic Geologists. Dr Wilde has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and 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, Mineral Resources and Ore Reserves (the JORC Code)". Dr Wilde consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.