

Montepuez Development Update**Strong progress on construction and supply contracts puts Battery Minerals on track for commissioning in November**

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- **TEMPORARY CONSTRUCTION CAMP INSTALLED**
 - **CONSTRUCTION WATER DAMS BUILT AND FULL**
 - **CRUSHING CIRCUIT ARRIVED IN COUNTRY AND IN TRANSIT TO SITE**
 - **SITE CIVIL WORKS UNDERWAY**
 - **CAMP SUPPLY AND CONSTRUCTION CONTRACT AWARDED**
 - **CONTRACTS AWARDED FOR SUPPLY OF BALL MILL, FLOTATION CELLS, RE-GRIND MILLS, FLASH DRYER AND THICKENER**
 - **MINE OPERATIONS MANAGER APPOINTED**
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Battery Minerals Limited (ASX:BAT) is pleased to advise that it is well on track to producing graphite by November this year, with rapid progress being made on key construction items and supply contracts.

Several long-lead items have been ordered, other equipment has already arrived onsite and key supply contracts have been awarded.

The strong progress made on these fronts ensures that Battery Minerals is on track to commission its Montepuez Graphite Project in Mozambique in November this year, with first graphite exports set for the March Quarter, 2019.

Following Battery Minerals' successful capital raising in late 2017, the Company is fully-funded for these purchases and early earthworks totalling ~A\$10 million. The prices of these items are within previous budget estimates and in line with the costings provided in the Value Engineering Study (VES).

Battery Minerals Managing Director David Flanagan said the Company's development strategy was progressing to plan.

"The Company has placed orders for all the long-lead items to lock in delivery times, which will in turn help ensure we start commissioning Montepuez in late 2018," Mr Flanagan said.

"With recruitment well underway, offtake agreements in place, early earthworks happening and processing plant mobilising to site, the team has set a cracking pace and used the wet season to lock down all key equipment supply contracts and get ahead on services and early works.

"We are looking forward to generating cashflows from the March Quarter, 2019."

Montepuez – Background to an Exceptional Mining Project

Battery Minerals is developing Montepuez Stage1 (M1), which is a ~50,000tpa graphite flake project. The current project life is 20 years and the Company expects that to grow. The Company has also disclosed its intention to grow production to ~100,000tpa through the execution of Montepuez Stage 2 (M2). (See the results of the Montepuez DFS and Value Engineering Study released on 15 Feb & 18 Oct 2017 respectively).

While maintaining lower-quartile costs and supplying a high-value product through Montepuez Stage 1 at ~50,000tpa (M1) and Montepuez Stage 2 ~100,000tpa (M2), the Company expects to deliver strong returns to investors and make a significant contribution to the local and national economy of Mozambique.

Balama – Scoping Study Highlights Growth Pipeline

Battery Minerals has also recently announced delivery of a scoping study on its Balama Central project, which comprises a Stage 1 production rate of 55,000tpa (B1) and Stage 2 rate of 110,000tpa (B2). Balama is currently the subject of a feasibility study. Combined with Montepuez and subject to continued positive economic, social and technical investigations, Balama Central provides scope for self-funded growth from a ~50,000tpa production-rate in 2019 to more than 200,000tpa in 2022. (For full details on the Balama Central Graphite Project Scoping Study see ASX announcement dated 1st March 2018).

Mine Operations Manager Appointed

The appointment of Mine Operations Manager Dirk Coetzee, who has considerable graphite and Mozambique experience, will further assist in ensuring timely delivery of the projects.

Growth Outlook for the Graphite Market

The relevant global graphite market is estimated to be 2.5Mtpa and key industry analysis groups predict this will grow significantly to exceed 4Mtpa within 6 years. An important part of this market is the supply of graphite for anode production as an essential component in rapidly growing production of lithium-ion batteries. Battery Minerals has recently executed 4 graphite offtake agreements with customers which between them produce the full range of graphite products, including battery anode material.

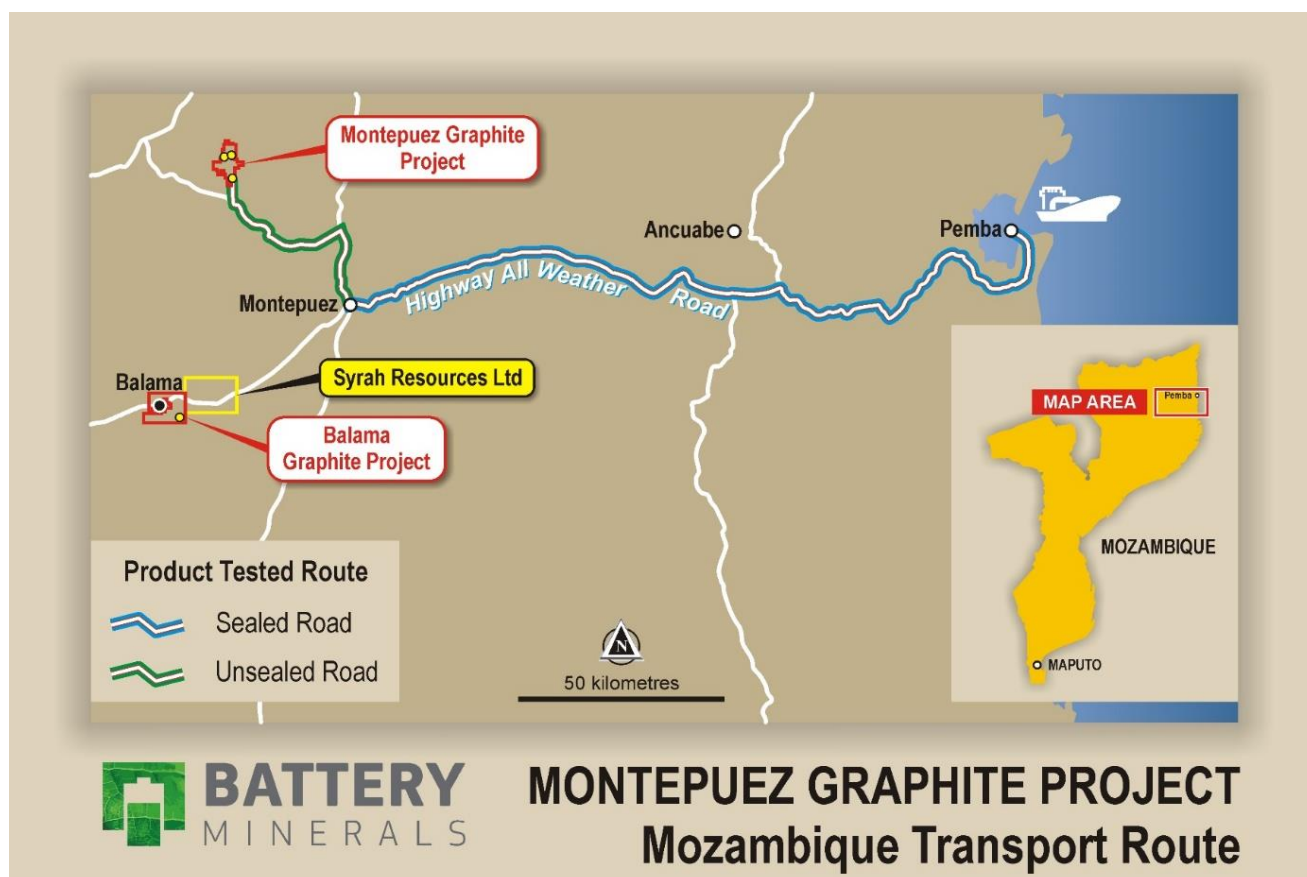


Figure 1. Project location plan showing the location of the Company's "Montepuez" and "Balama" graphite projects.

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Montepuez Project Crushing circuit being unloaded in Maputo



Access road upgrade as part of early earthworks contract prior to main camp installation at Montepuez Project



Early earthworks access road and civils work team at Montepuez Project



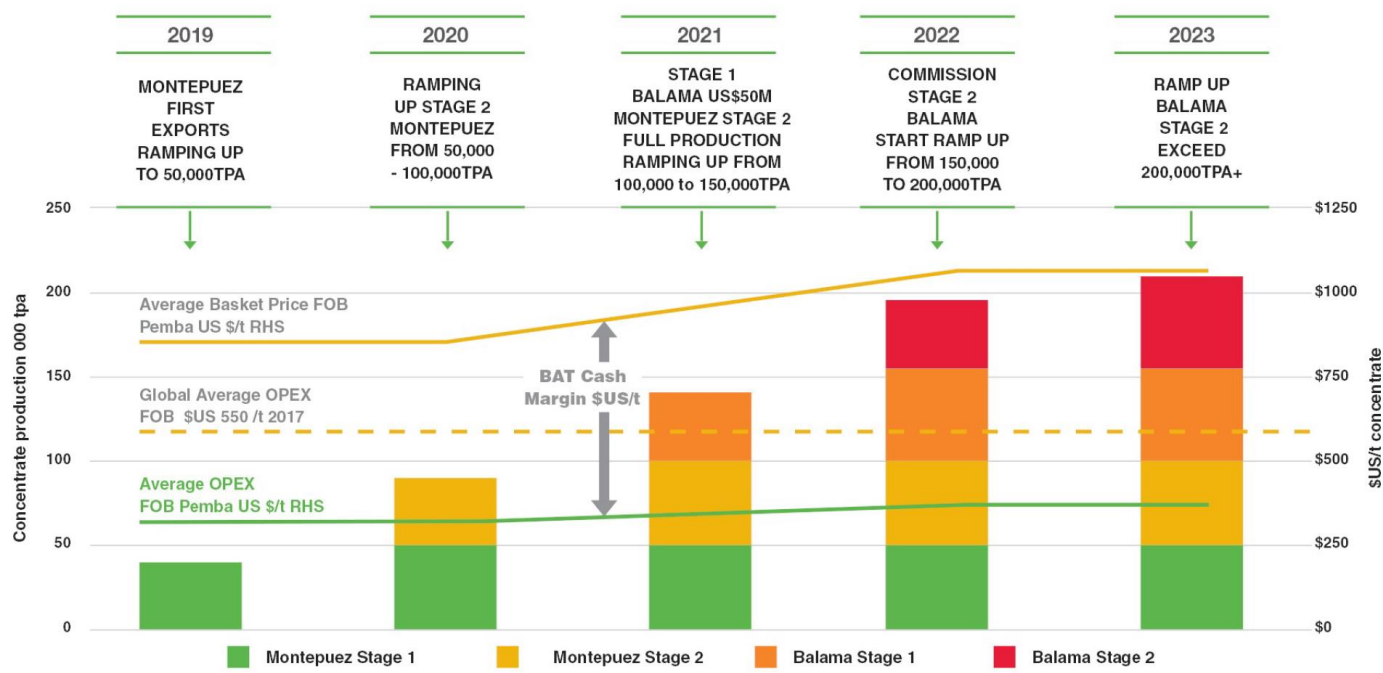
Construction water dam full and ready for earthworks at Montepuez Project



Fully installed temporary accommodation at Montepuez Project for advanced early earthworks team



Installing sewage systems to support main Montepuez Project camp



Production growth profile resulting from the recently disclosed Montepuez VES and the Balama Scoping Study reports (all US Dollars)

Note: Battery Minerals released the results of a DFS on its Montepuez Project on 15 Feb 2017 and its Value Engineering Study results for Montepuez on 18 Oct 2017. The results Balama Central Scoping Study were released on 1 March 2018. These releases are available on Battery Minerals' website & on ASX.

Important Notice

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Forward Looking Statements

Statements and material contained in this document, particularly those regarding possible or assumed future performance, resources or potential growth of Battery Minerals Limited, industry growth or other trend projections are, or may be, forward looking statements. Such statements relate to future events and expectations and, as such, involve known and unknown risks and uncertainties. Such forecasts and information are not a guarantee of future performance and involve unknown risk and uncertainties, as well as other factors, many of which are beyond the control of Battery Minerals Limited. Information in this presentation has already been reported to the ASX.

All references to future production and production & shipping targets and port access made in relation to Battery Minerals are subject to the completion of all necessary feasibility studies, permit applications, construction, financing arrangements, port access and execution of infrastructure-related agreements. Where such a reference is made, it should be read subject to this paragraph and in conjunction with further information about the Mineral Resources and Ore Reserves, as well as the relevant competent persons' statements.

Balama Central Scoping Study Parameters - Cautionary Statements in 1 March 2018 ASX announcement

This Scoping Study has been undertaken to determine the potential viability of an open pit mine and graphite processing plant constructed onsite at the Balama Central Project and to form a view of the order of magnitude potential and a basis on which to complete further studies. The Scoping Study has been prepared to an accuracy level of $\pm 35\%$. The results should not be considered a profit forecast or production forecast.

The Scoping Study is a preliminary technical and economic study of the potential viability of the Balama Central Project. In accordance with the ASX Listing Rules, the Company advises it is based on low-level technical and economic assessments that are not sufficient to support the estimation of ore reserves. Further evaluation work including infill drilling and appropriate studies are ongoing and they will contribute to our ability to estimate any ore reserves or to provide any assurance of an economic development case. This study does not warrant that reserves will be reported.

The total production target is based on Indicated resource exclusively. The Company has concluded that it has reasonable grounds for disclosing a production target.

The Scoping Study is based on the material assumptions outlined elsewhere in this announcement. These include assumptions about the availability of funding. While Battery Minerals considers all the material assumptions to be based on reasonable grounds, there is no certainty that they will prove to be correct or that the range of outcomes indicated by the Scoping Study will be achieved.

To achieve the range outcomes indicated in the Scoping Study, additional funding will likely be required. Investors should note that there is no certainty that Battery Minerals will be able to raise funding when needed. It is also possible that such funding may only be available on terms that dilute or otherwise affect the value of the Battery Minerals' existing shares. It is possible that Battery Minerals could fund development of Balama Central from cashflow from its Montepuez graphite project, approximately 60kms north of Balama Central, which is currently in the early stages of construction. It is also possible that Battery Minerals could pursue other 'value realisation' strategies such as sale, partial sale, or joint venture of the Project. If it does, this could materially reduce Battery Minerals' proportionate ownership of the Project.

The Company has concluded it has a reasonable basis for providing the forward looking statements included in this announcement and believes that it has a reasonable basis to expect it will be able to fund the development of the Project. Given the uncertainties involved, investors should not make any investment decisions based solely on the results of the Scoping Study.

Note: Battery Minerals released the results of a DFS on its Montepuez Project on 15 Feb 2017 and its Value Engineering Study results for Montepuez on 18 Oct 2017. The results Balama Central Scoping Study were released on 1 March 2018. These releases are available on Battery Minerals' website & on ASX.