BATTERY MINERALS

ASX Announcement 29 March 2018

# Mineral Resource Doubles at Balama Central Graphite Project in Mozambique

## Feasibility Study on Battery Minerals' second graphite project on track for completion in August, 2018

### Highlights

- **Total Mineral Resources at Balama double to 32.9Mt at 10.2% TGC**
- **Indicated Mineral Resources almost triple to 26.6Mt at 10.3% TGC**
- **Balama feasibility study on track for completion by August 2018**

Battery Minerals Limited (ASX: BAT) is pleased to advise that its strategy to develop a second graphite project in Mozambique has taken a major step forward with total Mineral Resources doubling to 32.9 million tonnes at 10.2 per cent TGC following 1,600m of diamond drilling.

As part of the Mineral Resource, Indicated Mineral Resources have almost tripled to 26.6Mt at 10.3 per cent TGC. This grade is up from 9.3 per cent in the previous Resource estimate.

The Mineral Resource was estimated by independent mining consultants; RPMGlobal Holdings Limited ("RPM").

Battery Minerals Managing Director David Flanagan said the Mineral Resource increase was an outstanding result.

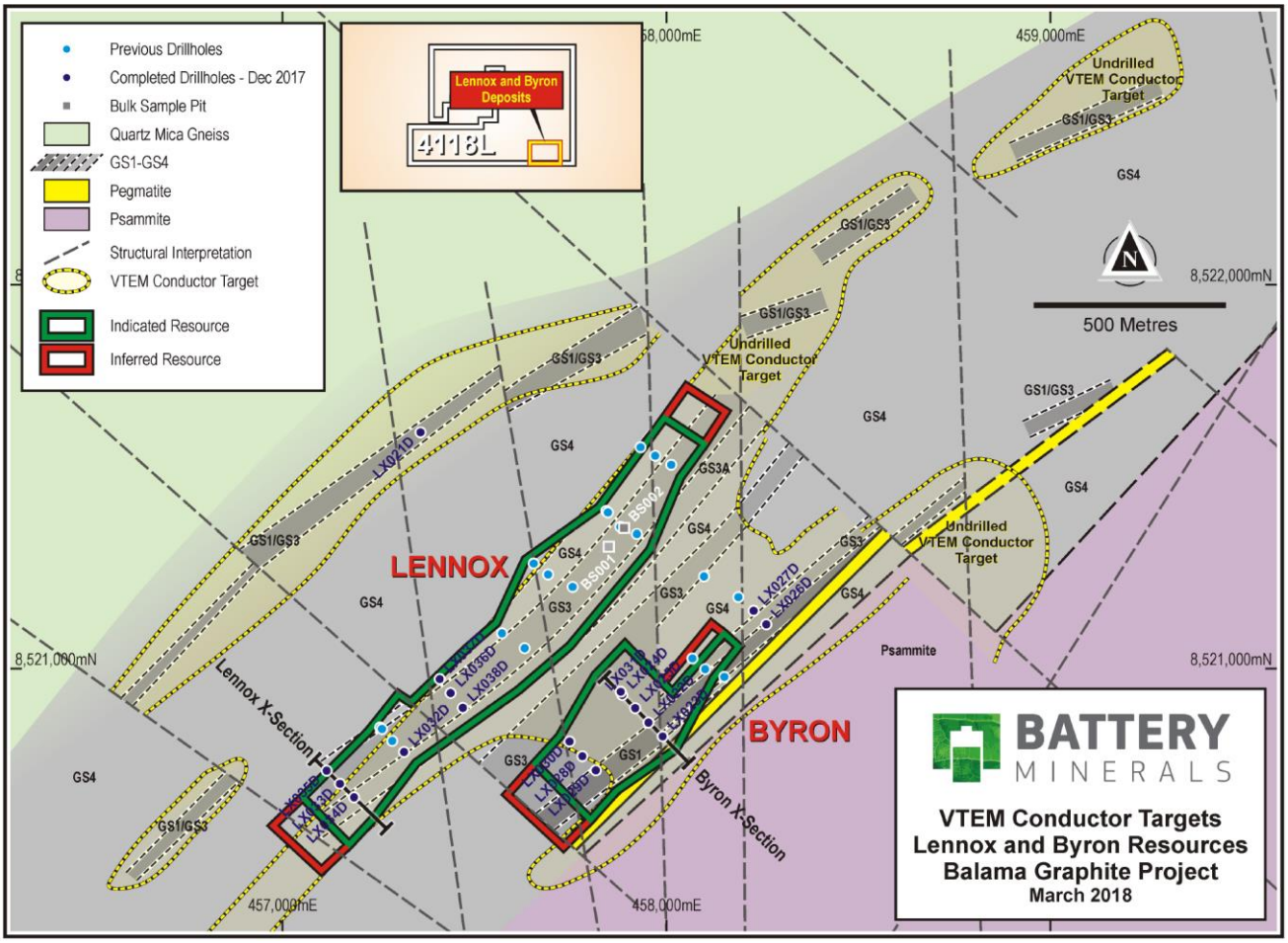
"With the Mining Licence now secured for our Montepuez project and the Resource inventory for Balama increased to such a huge extent, our strategy to become a major graphite supplier to the battery industry is well on track," Mr Flanagan said.

**Balama Central Graphite Project**
**Summary of March 2018 Mineral Resource Estimate (6% TGC Cut-off)**

| Type | Total Mineral Resource | | |
|---|---|---|---|
| | Tonnage Mt | TGC % | Cont. Graphite Kt |
| Weathered | 7.4 | 10.7 | 790 |
| Primary | 25.6 | 10.1 | 2,573 |
| **Total** | **33.0** | **10.2** | **3,363** |

*Notes:*
*1. Totals may differ due to rounding, Mineral Resources reported on a dry in-situ basis.*
*2. Product flake sizes, concentrate grades and recoveries for the Mineral Resource are tabulated in the table below.*
*2. The Statement of Estimates of Mineral Resources has been compiled by Mr. Shaun Searle who is an associate of RPMGlobal and a Member of the AIG. Mr. Searle has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he has undertaken to qualify as a Competent Person as defined in the JORC Code (2012).*
*4. All Mineral Resources figures reported in the table above represent estimates at 29h March, 2018. Mineral Resource estimates are not precise calculations, being dependent on the interpretation of limited information on the location, shape and continuity of the occurrence and on the available sampling results. The totals contained in the above table have been rounded to reflect the relative uncertainty of the estimate. Rounding may cause some computational discrepancies.*

*5. Mineral Resources are reported in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The Joint Ore Reserves Committee Code – JORC 2012 Edition).*
*6. Reporting cut-off grade selected based on an RPMGlobal cut-off calculator assuming an open pit mining method, a 90% metallurgical recovery for graphitic carbon and costs and product sales prices derived from the March 2018 Balama Scoping Study.*
*7. TGC = total graphitic carbon.*
*8. See Appendix 1 for the breakdown by resource category*




## Geology and Geological Interpretation

The Balama Central Graphite Project is located within the Xixano Complex. The Xixano Complex includes a variety of metasupracrustal rocks enveloping predominantly mafic igneous rocks and granulites that form the core of a regional north-northeast to south-southwest trending synform. Graphite-bearing mica schist and gneiss are found in the Xixano Complex. Locally at the Balama, the geology includes granitic gneiss, schists, quartzite and graphitic schist ± sericite ± roscoelite. The rocks are typical of the graphitic psammopelite observed at the adjacent Syrah Resources deposit. The Lennox and Byron prospects are composed of relatively 'simple' geology with interpreted steeply dipping northwest host lithologies. The graphite forms as a result of high grade (amphibolite) metamorphism of organic carbonaceous matter

## Drilling, Sampling and Sub-sampling Techniques

Diamond core was the sole drill method at Balama, using HQ3 core size diameter with standard triple tube. Core recoveries of 94.5% were achieved at the Project. The mineralised core was sampled as quarter core at 1 or 2m intervals using a standard electric core saw.

## Sample Analysis

Analysis of the samples was conducted at ALS in Brisbane using the following methods: Method C-IR18 Total Graphitic Carbon, Method C-IR07 Total Carbon, Method S-IR08 Total Sulphur, Method Ash-01 Ash Content, Method ME-GRA05g Loss on Ignition, Method ME-ICP06 Major Oxides, Method ME-MS81 Ultra Trace Level Method, and Method ME-ACD81 Four Acid Digest. The methods are appropriate for understanding graphite deposits and are total methods.

## Estimation Methodology

The block model was created and estimated in Surpac using Ordinary Kriging ("OK") grade interpolation. The mineralisation was constrained by Mineral Resource outlines based on mineralisation envelopes prepared using a nominal 1% Total Graphitic Carbon ("TGC") cut-off grade, with a minimum down-hole length of 2m. Internal high grade mineralisation was constrained using a 10% TGC cut-off grade.

Samples were composited to 2m based on an analysis of sample lengths inside the wireframes. After review of the project statistics, it was determined that high grade cuts were not necessary.

The block dimensions used in the model were 100m NS by 10m EW by 5m vertical with sub-cells of 12.5m by 2.5m by 1.25m. The block model was rotated 45° to match the strike of the mineralisation. Bulk densities ranging between 2.00t/$m^3$ and 2.73t/$m^3$ were assigned in the block model dependent on mineralisation and weathering. These densities were applied after averaging the bulk density measurements obtained from core over the deposit.

## Mineral Resource Classification Criteria

The Mineral Resource was classified as Indicated and Inferred Mineral Resource based on data quality, sample spacing, and lode continuity. The Indicated Mineral Resource was defined within areas of close spaced diamond drilling of less than 200m by 50m, and where the continuity and predictability of the lode positions was good. The Inferred Mineral Resource was assigned to areas where drill hole spacing was greater than 200m by 50m, where small isolated pods of mineralisation occur outside the main mineralised zones, and to geologically complex zones.

## Cut-off Grade

The Mineral Resource has been reported at a 6% TGC cut-off. The cut-off was selected based on an RPM cut-off calculator assuming an open pit mining method, a 90% metallurgical recovery for graphitic carbon and costs and product sales prices derived from the March 2018 Balama Scoping Study.

## Mining and Metallurgical Methods and Parameters

RPM has assumed that the deposit could potentially be mined using open cut mining techniques. No assumptions have been made for mining dilution or mining widths, however mineralisation is generally broad.

The Project has had Mineral Liberation Analysis ("MLA") analysis completed to determine flake size and liberation and was conducted on a simulated product. Results are tabulated below and are indicative of likely product from the Project but are subject to modifications introduced through the Feasibility study. In addition, high concentrate grades >96% TGC can be achieved for all material types and an average metallurgical recovery for the Project is approximately 90%.

**Project Product Flake Distribution**

| Sieve Size (µm) | % in Interval | Cumulative % |
|---|---|---|
| >300 | 24.2 | 24.2 |
| 180-300 | 7.0 | 31.2 |
| 150-180 | 20.4 | 51.7 |
| 106-150 | 14.7 | 66.4 |
| 74-106 | 9.6 | 76.0 |
| 45-74 | 10.7 | 86.6 |
| <45 | 13.4 | 100.0 |
| | **Concentrate TGC%** | **Met Rec %** |
| | 97.8 | 89.8 |

Potential graphite products include flake graphite concentrate of >96% TGC +300µm; -300 +180µm; -180+106µm; -106+45µm. For pricing guide, please refer to Balama Central Graphite Project Scoping Study see ASX announcement dated 1st March 2018. Discussions with potential offtake partners are ongoing and BAT will update the market with further developments in the future.

## Background Information

Battery Minerals Limited ("Battery Minerals") is an ASX listed Australian company with two world-class graphite deposits in Mozambique, those being Montepuez and Balama Central. Battery Minerals has produced high quality graphite flake concentrate at multiple laboratories. Battery Minerals intends to commence graphite flake concentrate production from its Montepuez graphite project with first shipment in the March 2019 Quarter at export rates of 45,000 to 50,000tpa at an average flake concentrate grade of 96.7% TGC. In December 2017 and January 2018, Battery Minerals signed four binding offtake agreements for up to 41,000tpa of graphite concentrate, representing over 80% of Montepuez's forecast annual production. The Mozambican Government has granted Battery Minerals a Mining Licence for its Montepuez graphite project and accepted the Company's EIA for the Montepuez graphite project.

As Battery Minerals executes subsequent expansions, it expects production to grow to over 100,000 tonnes per annum graphite flake concentrate from its Montepuez graphite project by 2020.

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 an additional ~55,000tpa (B2) for an aggregate of 110,000tpa from Balama. 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. Also see notes below below).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**Competent Person's Statement**
The Statement of Estimates of Mineral Resources has been compiled by Mr. Shaun Searle who is an associate of RPM Global and a Member of the AIG. Mr. Searle has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he has undertaken to qualify as a Competent Person as defined in the JORC Code (2012). Mr Searle consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

**Important Notice**
This ASX Announcement does not constitute an offer to acquire or sell or a solicitation of an offer to sell or purchase any securities in any jurisdiction. In particular, this ASX Announcement does not constitute an offer, solicitation or sale to any U.S. person or in the United States or any state or jurisdiction in which such an offer, tender offer, solicitation or sale would be unlawful. The securities referred to herein have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act"), and neither such securities nor any interest or participation therein may not be offered, or sold, pledged or otherwise transferred, directly or indirectly, in the United States or to any U.S. person absent registration or an available exemption from, or a transaction not subject to, registration under the United States Securities Act of 1933.

**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 ±35%. The results should not be considered a profit forecast or production forecast.

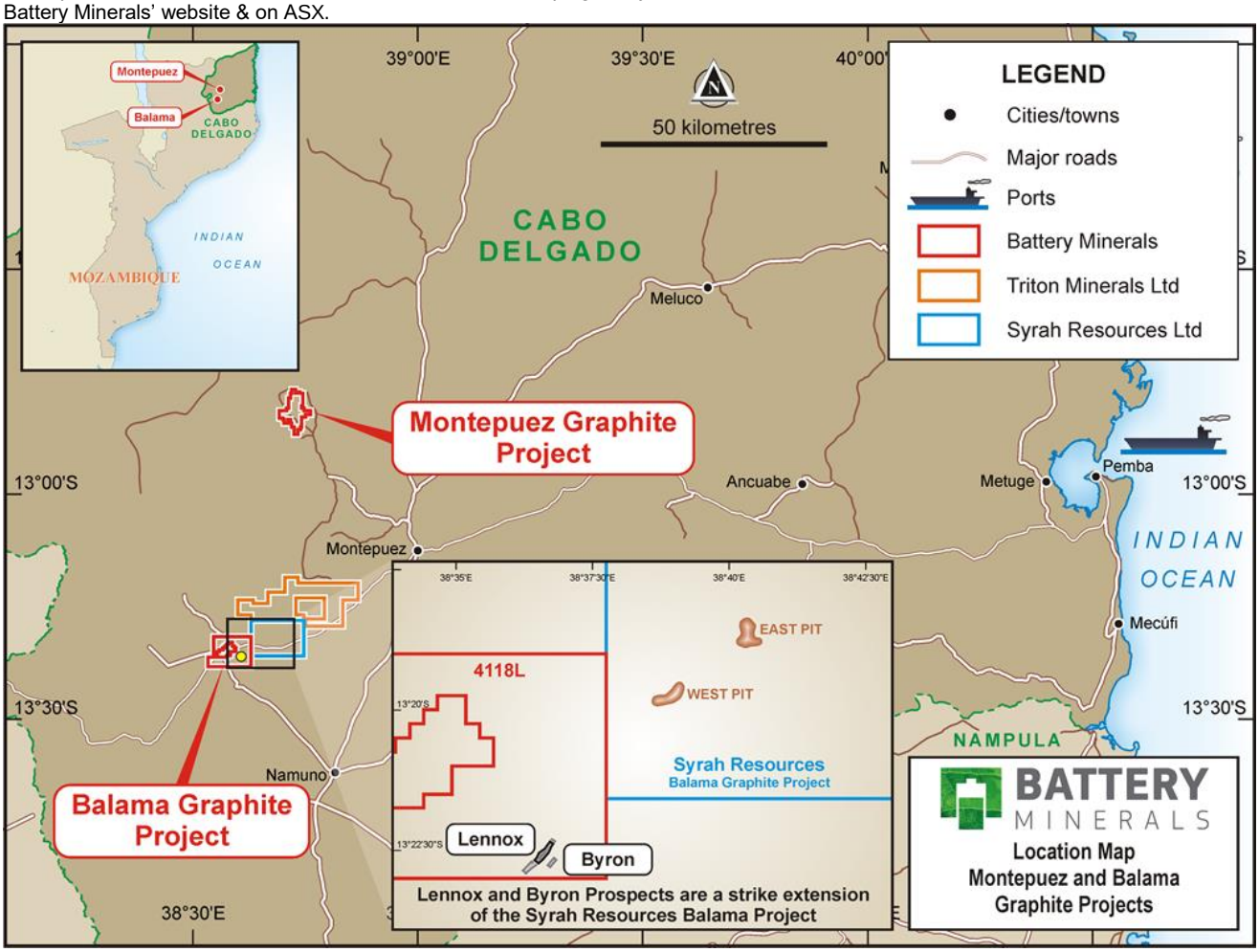
The Scoping Study is a preliminary technical and economic study of the potential viability of the Balama Central Project. In accordance with the ASX Listing Rules, the Company advises it is based on low-level technical and economic assessments that are not sufficient to support the estimation of ore 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. Other than the mineral resource upgrade in this announcement, Battery Minerals confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement of 1 March 2018 and that all material assumptions and technical parameters underpinning the production estimates in the market announcements continue to apply and have not materially changed. Other than the mineral resource upgrade in this announcement, Battery Minerals confirms that the form and context in which the Scoping Study findings as presented have not been materially modified from the original market announcements.. 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.



**Appendix 1: Mineral Resource Tables**

**Balama Graphite Project**

**March 2018 Mineral Resource Estimate (6% TGC Cut-off)**

| Type | Indicated Mineral Resource | | |
|---|---|---|---|
| | Tonnage Mt | TGC % | Cont. Graphite kt |
| Weathered | 6.0 | 10.7 | 644 |
| Primary | 20.6 | 10.1 | 2,089 |
| **Total** | **26.6** | **10.3** | **2,733** |

| Type | Inferred Mineral Resource | | |
|---|---|---|---|
| | Tonnage Mt | TGC % | Cont. Graphite kt |
| Weathered | 1.3 | 10.7 | 142 |
| Primary | 4.9 | 9.8 | 482 |
| **Total** | **6.3** | **10.0** | **624** |

| Type | Total Mineral Resource | | |
|---|---|---|---|
| | Tonnage Mt | TGC % | Cont. Graphite kt |
| Weathered | 7.3 | 10.7 | 786 |
| Primary | 25.6 | 10.1 | 2,571 |
| **Total** | **32.9** | **10.2** | **3,357** |

*Notes:*

*1. Totals may differ due to rounding, Mineral Resources reported on a dry in-situ basis.*

*2. Product flake sizes, concentrate grades and recoveries for the Mineral Resource are tabulated in the table below.*

*2. The Statement of Estimates of Mineral Resources has been compiled by Mr. Shaun Searle who is an associate of RPMGlobal and a Member of the AIG. Mr. Searle has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he has undertaken to qualify as a Competent Person as defined in the JORC Code (2012).*

*4. All Mineral Resources figures reported in the table above represent estimates at 29th March, 2018. Mineral Resource estimates are not precise calculations, being dependent on the interpretation of limited information on the location, shape and continuity of the occurrence and on the available sampling results. The totals contained in the above table have been rounded to reflect the relative uncertainty of the estimate. Rounding may cause some computational discrepancies.*

*5. Mineral Resources are reported in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The Joint Ore Reserves Committee Code – JORC 2012 Edition).*

*6. Reporting cut-off grade selected based on an RPMGlobal cut-off calculator assuming an open pit mining method, a 90% metallurgical recovery for graphitic carbon and costs and product sales prices derived from the March 2018 Balama Scoping Study.*

*7. TGC = total graphitic carbon.*

**Combined Balama Project Simulated Product Flake Size Classification**

| Sieve Size (µm) | % in Interval | Cumulative % |
|---|---|---|
| >300 | 24.2 | 24.2 |
| 180-300 | 7.0 | 31.2 |
| 150-180 | 20.4 | 51.7 |
| 106-150 | 14.7 | 66.4 |
| 74-106 | 9.6 | 76.0 |
| 45-74 | 10.7 | 86.6 |
| <45 | 13.4 | 100.0 |
| | **Concentrate TGC%** | **Met Rec %** |
| | 97.8 | 89.8 |

**Appendix 2: Summary by Deposit**

**Balama Graphite Project**

**March 2018 Mineral Resource Estimate (6% TGC Cut-off)**

| Deposit | Type | Indicated Mineral Resource | | |
|---|---|---|---|---|
| | | Tonnage Mt | TGC % | Cont. Graphite kt |
| Lennox | Weathered | 4.0 | 10.8 | **426** |
| | Primary | 13.4 | 10.1 | **1,347** |
| | **Sub-Total** | **17.4** | **10.2** | **1,773** |
| Byron | Weathered | 2.1 | 10.6 | **218** |
| | Primary | 7.2 | 10.3 | **741** |
| | **Sub-Total** | **9.3** | **10.3** | **960** |
| | **Total** | **26.6** | **10.2** | **2,733** |

| Deposit | Type | Inferred Mineral Resource | | |
|---|---|---|---|---|
| | | Tonnage Mt | TGC % | Cont. Graphite kt |
| Lennox | Weathered | 0.8 | 11.3 | **91** |
| | Primary | 3.8 | 9.8 | **370** |
| | **Sub-Total** | **4.6** | **10.1** | **461** |
| Byron | Weathered | 0.5 | 9.8 | **51** |
| | Primary | 1.2 | 9.6 | **112** |
| | **Sub-Total** | **1.7** | **9.7** | **163** |
| | **Total** | **6.3** | **10.0** | **624** |

| Deposit | Type | Total Mineral Resource | | |
|---|---|---|---|---|
| | | Tonnage Mt | TGC % | Cont. Graphite kt |
| Lennox | Weathered | 4.8 | 10.9 | **517** |
| | Primary | 17.2 | 10.0 | **1,717** |
| | **Sub-Total** | **21.9** | **10.2** | **2,234** |
| Byron | Weathered | 2.6 | 10.4 | **269** |
| | Primary | 8.4 | 10.2 | **854** |
| | **Sub-Total** | **11.0** | **10.2** | **1,123** |
| | **Total** | **32.9** | **10.2** | **3,357** |

*Note:*

*1. Totals may differ due to rounding, Mineral Resources reported on a dry in-situ basis.*

*2. Flake sizes, concentrate grades and recoveries for the Mineral Resource are tabulated in Tables 2 to 4 below.*

*2. The Statement of Estimates of Mineral Resources has been compiled by Mr. Shaun Searle who is an associate of RPMGlobal and a Member of the AIG. Mr. Searle has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he has undertaken to qualify as a Competent Person as defined in the JORC Code (2012).*

*4. All Mineral Resources figures reported in the table above represent estimates at 29th March, 2018. Mineral Resource estimates are not precise calculations, being dependent on the interpretation of limited information on the location, shape and continuity of the occurrence and on the available sampling results. The totals contained in the above table have been rounded to reflect the relative uncertainty of the estimate. Rounding may cause some computational discrepancies.*

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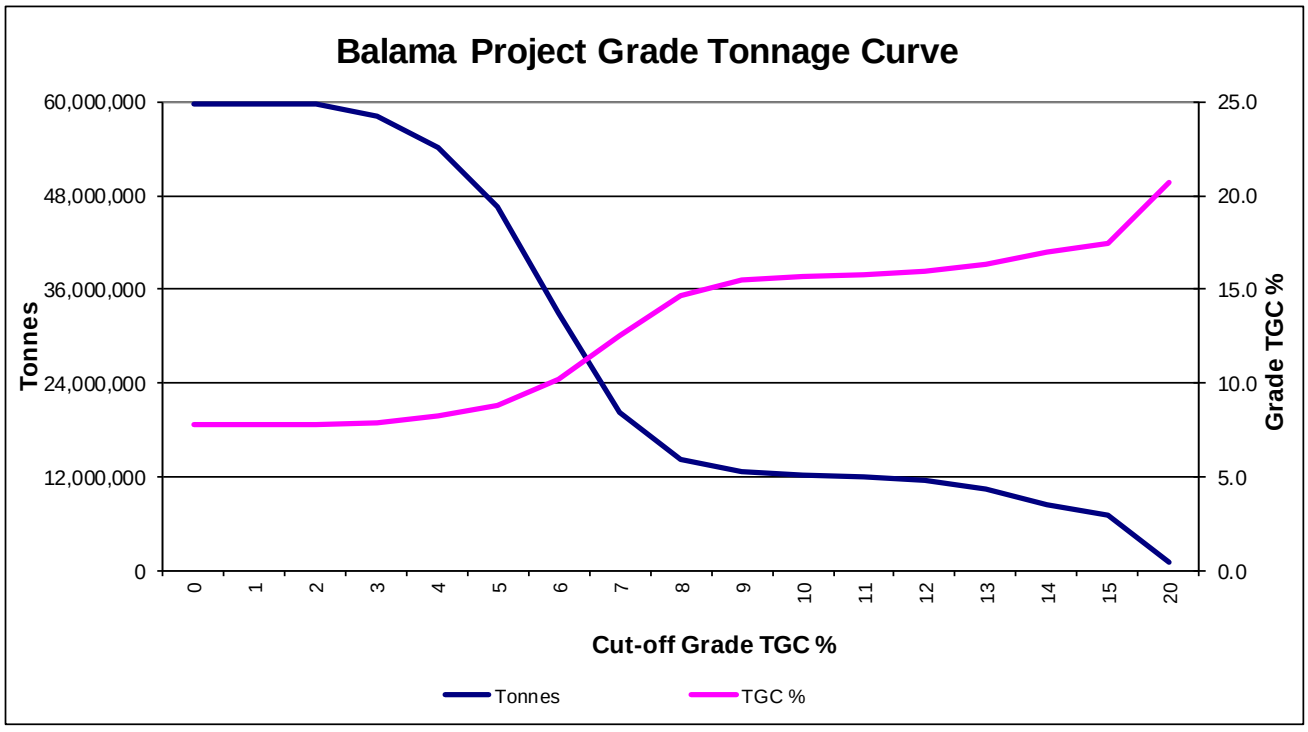
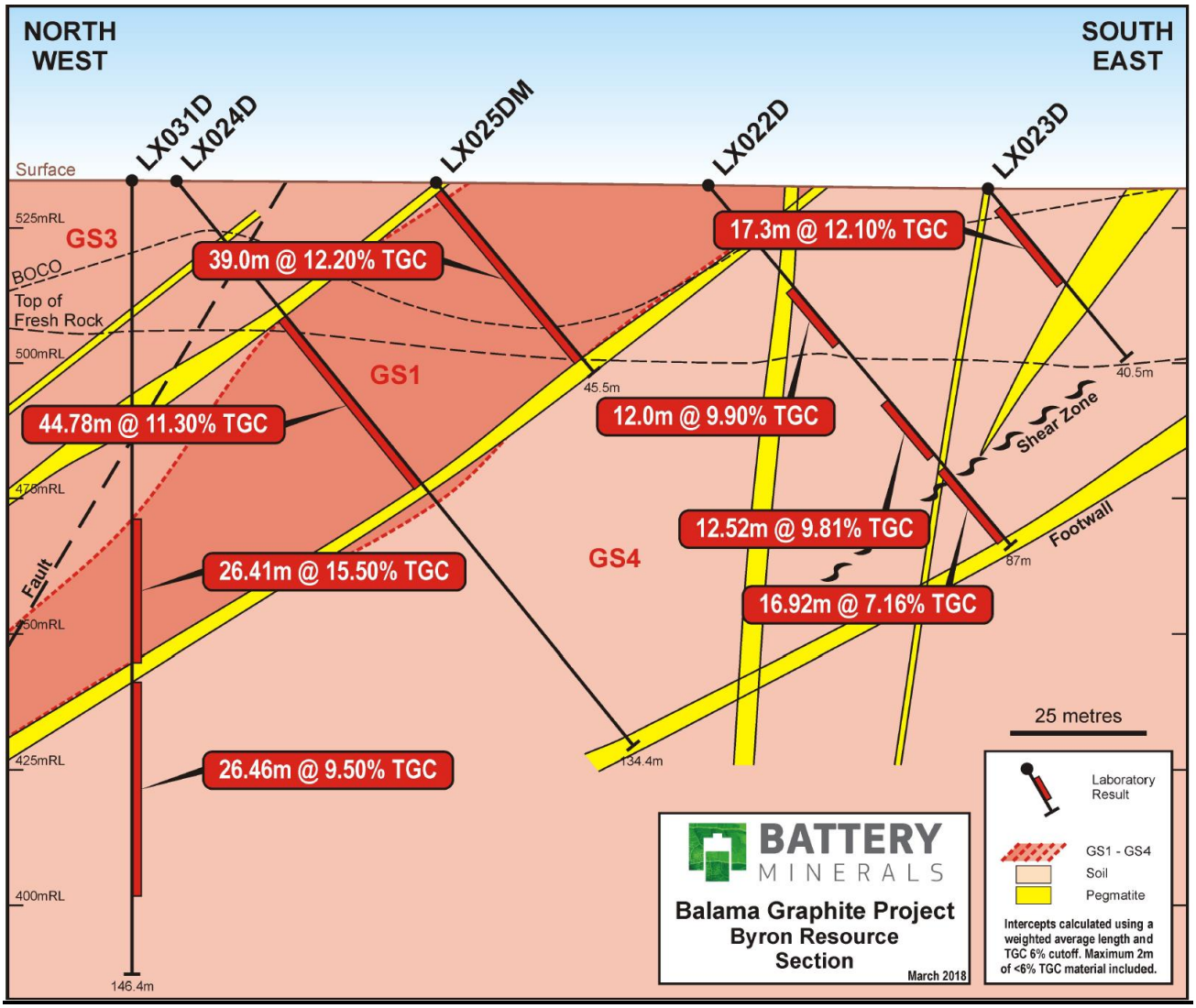
*6. Reporting cut-off grade selected based on an RPMGlobal cut-off calculator assuming an open pit mining method, a 90% metallurgical recovery for graphitic carbon and costs and product sales prices derived from the March 2018 Balama Scoping Study.*
*7. TGC = total graphitic carbon.*

## Appendix 3 : Balama Central Project Grade Tonnage Table and Curve
## Balama Graphite Project
## March 2018 Mineral Resource Estimate

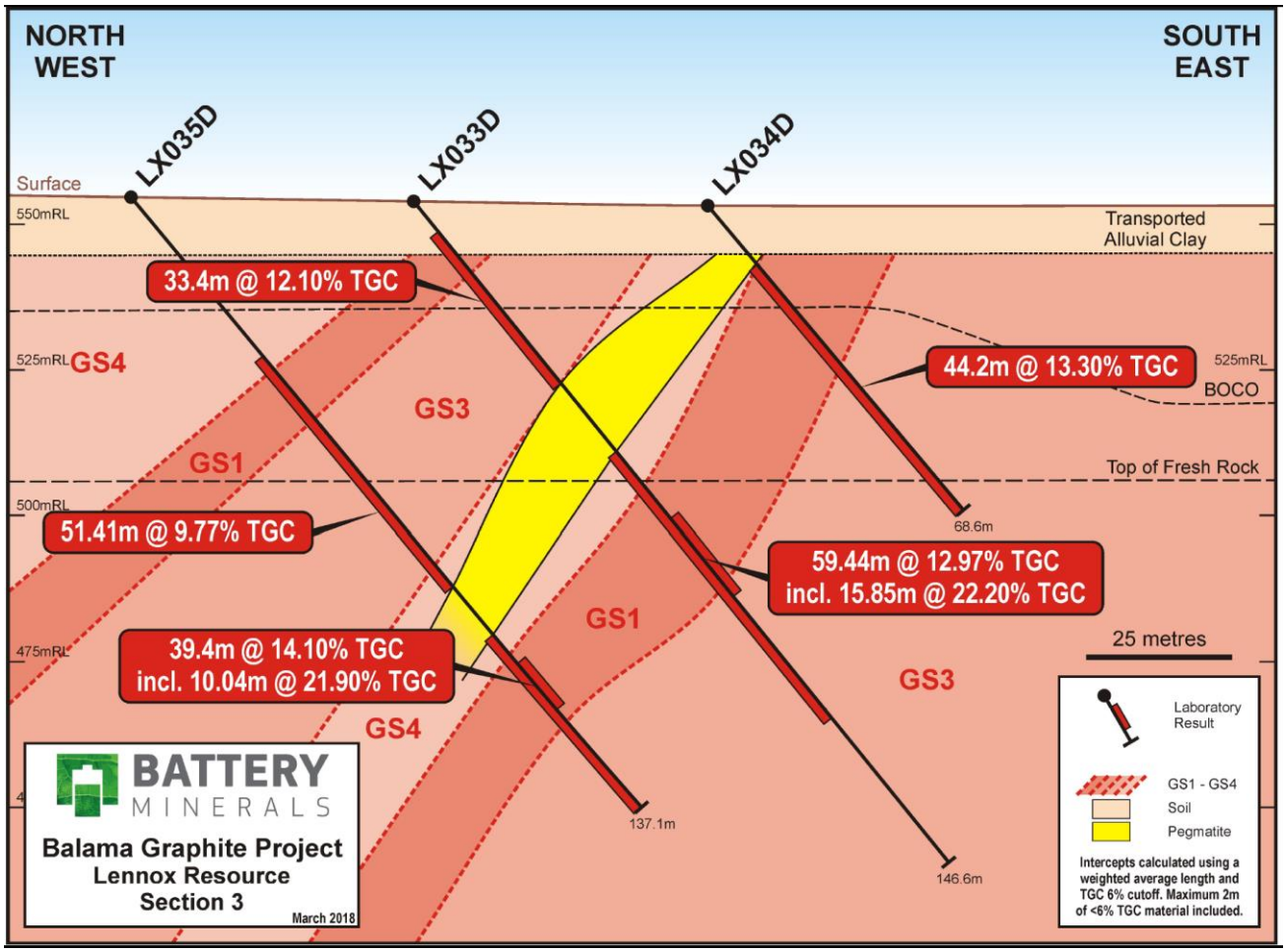
| Grade Range TGC% | Incremental Resource Tonnes t | TGC % | Contained Graphite (t) | Cut-off Grade TGC% | Cumulative Resource Tonnes t | TGC % | Contained Graphite (t) |
|---|---|---|---|---|---|---|---|
| 0.0 - 1.0 | 45,651 | 0.86 | 393 | 0 | 59,843,922 | 7.76 | 4,644,504 |
| 1.0 - 2.0 | 149,862 | 1.53 | 2,300 | 1 | 59,798,271 | 7.77 | 4,644,111 |
| 2.0 - 3.0 | 1,390,455 | 2.66 | 36,972 | 2 | 59,648,409 | 7.78 | 4,641,811 |
| 3.0 - 4.0 | 4,126,536 | 3.55 | 146,672 | 3 | 58,257,954 | 7.90 | 4,604,839 |
| 4.0 - 5.0 | 7,502,790 | 4.56 | 342,160 | 4 | 54,131,418 | 8.24 | 4,458,167 |
| 5.0 - 6.0 | 13,722,827 | 5.53 | 759,305 | 5 | 46,628,628 | 8.83 | 4,116,007 |
| 6.0 - 7.0 | 12,697,170 | 6.43 | 816,996 | **6** | **32,905,801** | **10.20** | **3,356,702** |
| 7.0 - 8.0 | 5,940,030 | 7.48 | 444,252 | 7 | 20,208,631 | 12.57 | 2,539,706 |
| 8.0 - 9.0 | 1,704,855 | 8.45 | 144,106 | 8 | 14,268,601 | 14.69 | 2,095,454 |
| 9.0 - 10.0 | 267,028 | 9.30 | 24,846 | 9 | 12,563,746 | 15.53 | 1,951,348 |
| 10.0 - 11.0 | 275,751 | 10.51 | 28,991 | 10 | 12,296,718 | 15.67 | 1,926,503 |
| 11.0 - 12.0 | 545,890 | 11.47 | 62,641 | 11 | 12,020,967 | 15.79 | 1,897,512 |
| 12.0 - 13.0 | 1,111,508 | 12.64 | 140,543 | 12 | 11,475,077 | 15.99 | 1,834,871 |
| 13.0 - 14.0 | 1,986,224 | 13.53 | 268,637 | 13 | 10,363,569 | 16.35 | 1,694,328 |
| 14.0 - 15.0 | 1,320,328 | 14.47 | 190,994 | 14 | 8,377,345 | 17.02 | 1,425,690 |
| 15.0 - 20.0 | 6,107,558 | 17.00 | 1,038,072 | 15 | 7,057,017 | 17.50 | 1,234,696 |
| > 20.0 | 949,459 | 20.71 | 196,624 | 20 | 949,459 | 20.71 | 196,624 |
| **Total** | **59,843,922** | **7.76** | **4,644,504** | | | | |



## Appendix 4: Balama Central Project - Byron and Lennox sections




Balama Central Project - Byron section



Balama Central Project - Lennox section

# Appendix 5: Table 1 of JORC Code

JORC Code, 2012 Edition Table 1 Appendix 5 to Announcement: Balama Central Resource Upgrade

## Section 1 Sampling Techniques and Data

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| ***Sampling techniques*** | • *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.*<br>• *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.*<br>• *Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.* | All mineralised samples were obtained from ¼ HQ3 core and sampled at 2m intervals or to geological contacts.<br><br>The mean sample length for mineralised samples was 1.95m. Non-mineralised (barren pegmatites) were sampled at a larger interval with a maximum length of 3m ¼ core sample size due to the barren nature of the pegmatites that is not containing any graphite, this does not produce a sampling bias.<br><br>Standard industry electric core saw was used to cut core with quarter core submitted for analysis.<br><br>The maiden drill program completed in 2015 consisted of 20 x HQ3 diamond core holes for 1,599m and infill drilling was undertaken in Q4 2017 and consisted of 18 x HQ3 diamond core holes for 1,624m. |
| ***Drilling techniques*** | • *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).* | Triple tube diamond core drilling was used to provide the best core recovery possible. Detailed lithology and structural logs were completed. Competent and intact drill core provides a more representative sample for geochemical sampling and physical mineral properties assessment of graphite products.<br><br>All drill holes were collared with HQ3 (63.5mm) core diameter and drilled to depth with a mean hole depth of 84.8m. |
| ***Drill sample recovery*** | • *Method of recording and assessing core and chip sample recoveries and results assessed.*<br>• *Measures taken to maximise sample recovery and ensure representative nature of the samples.*<br>• *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.* | Diamond core was reconstructed into continuous runs using an iron angle cradle for orientation marking by trained field technicians, with sample core recovery measured for each core run.<br><br>Down hole depths were validated against core blocks and drillers run sheets.<br><br>Average core recovery returned was 94.5% and there was no observed relationship with core recovery and graphite grade and no sample bias identified.<br><br>Some core loss was encountered in the oxide zone however is not interpreted to be sufficiently |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | | significant to warrant hole re-drilling to recover further sample for laboratory re-analysis. |
| ***Logging*** | • *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*<br>• *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.*<br>• *The total length and percentage of the relevant intersections logged.* | Drill holes were logged by trained and experienced geologists and the level of detail supports the Mineral Resource classification.<br><br>Geological logging of all drill core included; weathering, lithology, colour, mineralogy, mineralisation and visual graphite estimates.<br><br>Core was oriented with alpha and beta measurements converted to strike and dip for planar and linear features such as bedding, faults, joints etc.<br><br>Geotechnical logging was conducted on all drill core, verifying core recovery and capture of RQD and fracture frequency on run intervals.<br><br>All data is initially captured on paper logging sheets and transferred to locked excel format tables for validation and is then loaded into the parent access database.<br><br>All diamond drill core has been photographed and archived, firstly after mark-up and secondly after sampling.<br><br>The logging and reporting of visual graphite percentages on preliminary logs is semi-quantitative and not absolute. |
| ***Sub-sampling techniques and sample preparation*** | • *If core, whether cut or sawn and whether quarter, half or all core taken.*<br>• *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.*<br>• *For all sample types, the nature, quality and appropriateness of the sample preparation technique.*<br>• *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.*<br>• *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.*<br>• *Whether sample sizes are appropriate to the grain size of the material being sampled.* | Core samples were cut using an industry standard saw, with ¼ cored sent for geochemical analysis thereby leaving sufficient core sample to conduct further preliminary metallurgical test work.<br><br>Samples were submitted to the ALS Minerals facility in Johannesburg, South Africa for sample preparation. Samples were weighed, assigned a unique bar code and logged into the ALS system. The entire sample was oven dried at 105˚ and crushed to -2mm. A 300g sub-sample of the crushed material was then pulverised to better than 85% passing -75µm using a LM5 pulveriser. The pulverised sample was split with multiple feed in a Jones riffle splitter until a 100-200g sub-sample was obtained.<br><br>The sub-sample (pulp) was dispatched to the ALS Minerals Laboratory in Brisbane, Australia for analysis. |
| ***Quality of assay data and*** | • *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* | Loss on Ignition (LOI) has been determined between 105° and 1,050°C. Results are reported on a dry sample basis. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| ***laboratory tests*** | • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.*<br>• *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.* | Analysis includes Total Carbon Total Sulphur analysis by LECO, LOI TGA and ICP-AES.<br><br>The detection limits and precision for the Total Graphitic Carbon (TGC) and Total Sulphur (TS) analysis are considered adequate for resource estimation.<br><br>Trace element analysis was undertaken with ME-ICP85, using a borate fusion, with ICPAES determination. The suite of silicate included; Al, Ba, Ca, Cr, Fe, K, Mg, Mn, Na, P, Si, Sr, Ti, V.<br><br>QAQC protocols include the use of a coarse blank to monitor contamination during the preparation process, Certified Reference Materials (CRM) were inserted at a ratio of 1 in 20. No duplicates were obtained from the core.<br><br>All laboratory batch QC measures are checked for bias before final entry in the database, no bias has been identified in the results received.<br><br>The CRM TGC values range between 4-24%. The blank samples comprise 1-2kg of dolomitic marble quarried from a location 50km east of the Balama Central project.<br><br>Four CRM's (GGC_01, GGC_04, GGC_05 and GGC_10) were used to monitor graphitic carbon, carbon and sulphur.<br><br>One base metal CRM (AMIS_0346) was utilised to monitor vanadium. |
| ***Verification of sampling and assaying*** | • *The verification of significant intersections by either independent or alternative company personnel.*<br>• *The use of twinned holes.*<br>• *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.*<br>• *Discuss any adjustment to assay data.* | Significant intersections were visually field verified and inspected by Robert Dennis of RPM during his 2016 site visit.<br><br>No twinned drill holes have been drilled on the project to date however no sampling bias is believed to exist due to quality triple tube core recovery.<br><br>Assays reporting below the detection limit were set to a value of half the detection limit prior to Mineral Resource estimation. |
| ***Location of data points*** | • *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*<br>• *Specification of the grid system used.*<br>• *Quality and adequacy of topographic control.* | All spatial data across the Project was collected in WGS84 UTM Zone 37 South datum.<br><br>Planned drill holes were surveyed using Garmin 62s GPS devices which typically have a ±5m error in the project area. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | | Final collar locations were surveyed by GEOSURVEY utilising a differential GPS system with 0.02cm accuracy.<br><br>DEM data was obtained from the heliborne VTEM survey flown in 2014.<br><br>The topography used in the Mineral Resource estimate was generated from drill hole collars. This is appropriate as the topography of the project area is relatively flat.<br><br>Relex ACTII orientation survey tools were used to orientate the drill core and Reflex Ezy shot tools were used to survey the diamond core holes. |
| ***Data spacing and distribution*** | • *Data spacing for reporting of Exploration Results.*<br>• *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.*<br>• *Whether sample compositing has been applied.* | Diamond drill holes are drilled at shallow angles (nominally -50° towards 100-110° UTM grid east) in an attempt to drill perpendicular to stratigraphy as defined by the mapping and the VTEM conductor model.<br><br>BAT's graphite prospects adopt drill line spacing on 400m and 200m spaced lines with 50m hole spacing on section. This drill hole spacing is believed appropriate in which to classify Mineral Resources.<br><br>Samples were composited to 2m prior to Mineral Resource estimation. |
| ***Orientation of data in relation to geological structure*** | • *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*<br>• *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.* | Reconnaissance geological mapping and pitting was conducted prior to drilling the prospect in 2015. Mapping and pitting identified the regional stratigraphic southwest-northeast trend and moderate (-50°-70° towards northwest) dipping rocks. Drill orientation was designed accordingly to limit potential bias.<br><br>The drilling is considered to have no significant sampling bias relative to geological structure. |
| ***Sample security*** | • *The measures taken to ensure sample security.* | The samples are stored in the company's field base until laboratory dispatch. Samples are shipped by courier to ALS – Johannesburg, South Africa for sample preparation and then the sub-sample couriered to ALS Brisbane Australia for geochemical analysis.<br><br>Any visible signs of tampering are reported by the laboratory and none have been reported to date. |
| ***Audits or reviews*** | • *The results of any audits or reviews of sampling techniques and data.* | Robert Dennis of RPM reviewed drilling and sampling procedures during the 2016 site visit and found that all procedures and practices conform to industry standards. |

## Section 2 Reporting of Exploration Results

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| ***Mineral tenement and land tenure status*** | • *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.*<br>• *The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.* | The Balama Central Project, license 4118L comprises an area covering 59 km² was renewed in the name of a Battery Minerals Limited subsidiary Suni Resources Lda.<br><br>The exploration license was renewed for a five (5) year period on the 29th of June 2016.<br><br>This announcement provides information regarding the Lennox and Byron Prospects on the Balama Central Project. Both prospects are discoveries by MTA / BAT.<br><br>All statutory approvals have been acquired to conduct exploration activity and the Company has established a good working relationship with the government departments of Mozambique. The company is not aware of any impediments relating to the license or area. |
| ***Exploration done by other parties*** | • *Acknowledgment and appraisal of exploration by other parties.* | The Project area has been mapped at 1:250,000 scale as part of a nation-wide geological study prepared by a consortium funded by the Nordic Development Fund. The Project area has also been flown with regionally spaced airborne geophysics (magnetics and radiometrics) as part of a post war government investment initiative.<br><br>There is no record of past direct exploration activities on the ground that BAT has knowledge of. |
| ***Geology*** | • *Deposit type, geological setting and style of mineralisation.* | The company conducted an exploration program at the Project, which consisted of drill testing a series of coincident VTEM conductors co-incident with prospective graphite bearing stratigraphy identified during a pitting and mapping program.<br><br>The Balama Central Project is located on the Xixano Complex which is dated 735Ma. The complex consists of meta-supercrustal rocks surrounding mafic igneous and granolithic rocks at the core of a regional NNE-SSW trending synform. The complex comprises intermediate to mafic orthogneiss with intercalations of para-gneiss including mica gneiss, schist, quartz feldspar gneiss, metasandstone, quartzite and marble. The metamorphic grade amphibolite facies with preserved lenses of granulite facies rocks.<br><br>Graphite-bearing mica schist and gneiss are found in different tectonic complexes in the Cabo Delgado Province of Mozambique. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | | The Balama Central rocks on a local scale include granitic gneiss, schists, quartzite and graphitic schist ± sericite ± roscoelite. The rocks are typical of the graphitic psammopelite observed in Syrah Resources nearby Balama Project. The rocks are dominated by coarse granoblastic quartz with often 10-15% bright green vanadiferous sericite and roscoelite.<br><br>The deposit is predominantly disseminated with some massive graphitic schist zones dispersed throughout the stratigraphy; the latter being the target for the high-grade mineralisation.<br><br>The graphite forms as a result of high grade (amphibolite) metamorphism of organic carbonaceous matter, the depositional source of graphite may have been globular carbon, composite flakes, homogenous flakes or crystalline graphite. |
| ***Drill hole information*** | • *A summary of all information material to the under-standing of the exploration results including a tabulation of the following information for all Material drill holes:*<br>  • *easting and northing of the drill hole collar*<br>  • *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*<br>  • *dip and azimuth of the hole*<br>  • *down hole length and interception depth*<br>  • *hole length*<br>• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.* | All exploration results have previously been reported by MTA/ BAT between 2015 and 2018.<br><br>All drill hole information has been included in Appendix 1 of this report. No drill hole information has been excluded. |
| ***Data aggregation methods*** | • *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.*<br>• *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.*<br>• *The assumptions used for any reporting of metal equivalent values should be clearly stated.* | Exploration results are not being reported.<br><br>Not applicable as a Mineral Resource is being reported.<br><br>Metal equivalent values have not been used. |
| ***Relationship between mineralisation widths and intercept lengths*** | • *These relationships are particularly important in the reporting of Exploration Results.*<br>• *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.*<br>• *If it is not known and only the down hole lengths* | Exploration results are not being reported.<br>Mineralised stratigraphy was observed -50° to -70° in surface trenches and pits, in the resource model is steeply dipping -70° to 80° and drill hole angle -50° therefore holes are not drilled perpendicular to angle of stratigraphy. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | *are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').* | The geology at the Lennox and Byron Prospects are relatively well constrained as a result of infill drilling. The deposits remain open along strike and down-dip. |
| ***Diagrams*** | • *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.* | Relevant diagrams have been included within the Mineral Resource report main body of text. |
| ***Balanced Reporting*** | • *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*<br>• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.* | The report is believed to include all representative and relevant information and is believed to be comprehensive.<br><br>Exploration results are not being reported. |
| ***Other substantive exploration data*** | • *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples - size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.* | Regional airborne geophysical (magnetics, radiometrics), DEM, regional geological and local trench and pit mapping was used to assist the mapping interpretation and drill hole targeting for the Project.<br><br>Subsequent to mapping, VTEM data was acquired from a neighbouring concession holder. BAT also flew a VTEM and magnetic survey.<br><br>Metallurgical assessments have been conducted and are reported in Section 3.<br><br>Bulk density work was conducted on drill core samples. |
| ***Further work*** | • *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large- scale step-out drilling).*<br>• *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.* | Further drilling to increase the size and/or confidence in the Mineral Resource will be conducted.<br><br>Further geotechnical and hydrogeological drilling is planned. |

## Section 3 Estimation and Reporting of Mineral Resources

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| ***Database integrity*** | • *Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.*<br>• *Data validation procedures used.* | Geological and field data is collected using customised Excel logging sheets on tablet computers. The data is verified by company geologists before the data is imported into an Access database<br><br>RPM performed initial data audits in Surpac. RPM checked collar coordinates, hole depths, hole dips, assay data overlaps and duplicate records. No errors were found. |
| ***Site visits*** | • *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.*<br>• *If no site visits have been undertaken indicate why this is the case.* | A site visit was conducted by Robert Dennis of RPM during January 2016. Robert inspected the deposit area, drill core, outcrop and the core logging and sampling facility. During this time, notes and photos were taken. Discussions were held with site personnel regarding drilling and sampling procedures. No major issues were encountered. |
| ***Geological interpretation*** | • *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.*<br>• *Nature of the data used and of any assumptions made.*<br>• *The effect, if any, of alternative interpretations on Mineral Resource estimation.*<br>• *The use of geology in guiding and controlling Mineral Resource estimation.*<br>• *The factors affecting continuity both of grade and geology.* | The confidence in the geological interpretation is considered to be good and is based on visual confirmation in outcrop.<br>Geochemistry and geological logging has been used to assist identification of lithology and mineralisation.<br>The deposit consists of northwest dipping units. Infill drilling has supported and refined the model and the current interpretation is considered robust.<br>Outcrops of mineralisation and host rocks confirm the geometry of the mineralisation.<br>Infill drilling has confirmed geological and grade continuity. |
| ***Dimensions*** | • *The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.* | The Lennox Mineral Resource area extends over a southwest-northeast strike length of 1.6 km, has a maximum width of 150 m and includes the 140 m vertical interval from 550mRL to 410mRL. The Byron Mineral Resource area extends over a southwest-northeast strike length of 700 m, has a maximum width of 220 m and includes the 180 m vertical interval from 550mRL to 370mRL. |
| ***Estimation and modelling techniques*** | • *The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.*<br>• *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.* | Using parameters derived from modelled variograms, Ordinary Kriging (OK) was used to estimate average block grades in three passes using Surpac software. Linear grade estimation was deemed suitable for the Balama Mineral Resource due to the geological control on mineralisation. Maximum extrapolation of wireframes from drilling was 200m along strike and 55m down-dip. This was half drill hole spacing in this region of the Project. Maximum extrapolation was generally half drill hole spacing. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | • *The assumptions made regarding recovery of by-products.*<br>• *Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).*<br>• *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.*<br>• *Any assumptions behind modelling of selective mining units.*<br>• *Any assumptions about correlation between variables.*<br>• *Description of how the geological interpretation was used to control the resource estimates.*<br>• *Discussion of basis for using or not using grade cutting or capping.*<br>• *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.* | Reconciliation could not be conducted due to the absence of mining.<br><br>No recovery of by-products is anticipated.<br><br>In addition to graphitic carbon (TGC), $V_2O_5$, S and LOI were interpolated into the block model. Flake size was not estimated into the block model but was assigned based on grade, weathering and prospect.<br><br>The parent block dimensions used were 100m NS by 10m EW by 5m vertical with sub-cells of 12.5m by 2.5m by 1.25m. The parent block size dimension was selected on the results obtained from Kriging Neighbourhood Analysis that suggested this was the optimal block size for the dataset.<br><br>An orientated 'ellipsoid' search was used to select data and adjusted to account for the variations in lode orientations, however all other parameters were taken from the variography derived from Object 1. Three passes were used for each domain. The first pass had a range of 200m, with a minimum of eight samples. For the second pass, the range was extended to 400m, with a minimum of four samples. For the final pass, the range was extended to 800m, with a minimum of two samples. A maximum of 30 samples was used for all three passes.<br><br>No assumptions were made on selective mining units.<br><br>TGC had a strong positive correlation with $V_2O_5$ and LOI. $V_2O_5$ and LOI also had a strong positive correlation. Remaining pairs had no correlations or weak negative correlations.<br><br>The deposit mineralisation was constrained by wireframes constructed using a nominal 3% TGC cut-off grade. In addition, internal high grade domains were defined for >10% TGC material. The wireframes were applied as hard boundaries in the estimate.<br><br>Statistical analysis was carried out on data from seven domains. After analysis, it was determined that no top-cuts were required.<br><br>Validation of the model included detailed comparison of composite grades and block grades by northing and elevation. Validation plots showed good correlation between the composite grades and the block model grades. |

<table>
<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr><td>Moisture</td><td>• Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.</td><td>Tonnages and grades were estimated on a dry in situ basis.</td></tr>
<tr><td>Cut-off parameters</td><td>• The basis of the adopted cut-off grade(s) or quality parameters applied.</td><td>The Mineral Resource has been reported at a 6% TGC cut-off grade. The reporting cut-off grade selected based on an RPM cut-off calculator assuming an open pit mining method, a 90% metallurgical recovery for graphitic carbon and costs and product sales prices derived from the March 2018 Balama Scoping Study.</td></tr>
<tr><td>Mining factors or assumptions</td><td>• Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.</td><td>RPM has assumed that the deposit could potentially be mined using open cut mining techniques. No assumptions have been made for mining dilution or mining widths, however mineralisation is generally broad. It is assumed that mining dilution and ore loss will be incorporated into any Ore Reserve estimated from this Mineral Resource.</td></tr>
<tr><td>Metallurgical factors or assumptions</td><td>• The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.</td><td>The Project has had MLA analysis completed to determine flake size and liberation and was conducted on a simulated product. Results are tabulated below. In addition, high concentrate grades >96% TGC can be achieved for all material types and an average metallurgical recovery for the Project is approximately 90%.<br><br>Project Product Flake Distribution<br><table><tr><th>Sieve Size (µm)</th><th>% in Interval</th><th>Cumltve %</th></tr><tr><td>>300</td><td>24.2</td><td>24.2</td></tr><tr><td>180-300</td><td>7.0</td><td>31.2</td></tr><tr><td>150-180</td><td>20.4</td><td>51.7</td></tr><tr><td>106-150</td><td>14.7</td><td>66.4</td></tr><tr><td>74-106</td><td>9.6</td><td>76.0</td></tr><tr><td>45-74</td><td>10.7</td><td>86.6</td></tr><tr><td><45</td><td>13.4</td><td>100.0</td></tr></table></td></tr>
<tr><td>Environmental factors or assumptions</td><td>• Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported.</td><td>No assumptions have been made regarding environmental factors. BAT will work to mitigate environmental impacts as a result of any future mining or mineral processing.</td></tr>
</table>

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | *Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.* | |
| ***Bulk density*** | • *Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.*<br>• *The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.*<br>• *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.* | Various bulk densities have been assigned in the block model based on weathering and mineralisation. These densities were determined after averaging the density measurements obtained from diamond core.<br><br>Bulk density was measured using the water immersion technique. Moisture is accounted for in the measuring process. A total of 1,394 bulk density measurements were obtained from core drilled at the Project.<br><br>It is assumed that the bulk density will have some variation based on weathering and this has been accounted for in the method of assigning densities within the block model. |
| ***Classification*** | • *The basis for the classification of the Mineral Resources into varying confidence categories.*<br>• *Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).*<br>• *Whether the result appropriately reflects the Competent Person's view of the deposit.* | The Mineral Resource estimate is reported here in compliance with the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' by the Joint Ore Reserves Committee (JORC). The Mineral Resource was classified as Indicated and Inferred Mineral Resource based on data quality, sample spacing, and lode continuity. The Indicated Mineral Resource was defined within areas of close spaced diamond drilling of less than 200m by 50m, and where the continuity and predictability of the mineralised positions was good. The Inferred Mineral Resource was assigned to areas of the Project where drill hole spacing was greater than 200m by 50m and less than 400m by 100m, where small isolated pods of mineralisation occur outside the main mineralised zones, and to geologically complex zones.<br><br>The input data is comprehensive in its coverage of the mineralisation and does not favour or misrepresent in-situ mineralisation. The definition of mineralised zones is based on high level geological understanding producing a robust model of mineralised domains. Validation of the block model shows good correlation of the input data to the estimated grades.<br><br>The Mineral Resource estimate appropriately reflects the view of the Competent Person. |
| ***Audits or reviews*** | • *The results of any audits or reviews of Mineral Resource estimates.* | Internal audits have been completed by RPM which verified the technical inputs, methodology, parameters and results of the estimate. |
| ***Discussion of relative*** | • *Where appropriate a statement of the relative accuracy and confidence level in the Mineral* | The lode geometry and continuity has been adequately interpreted to reflect the applied level of Indicated and Inferred Mineral Resource. The |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| ***accuracy/ confidence*** | *Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.*<br>• *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.*<br>• *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.* | data quality is good and the drill holes have detailed logs produced by qualified geologists. A recognised laboratory has been used for all analyses.<br><br>The Mineral Resource statement relates to global estimates of tonnes and grade.<br><br>Reconciliation could not be conducted as no mining has occurred at the deposit. |

## Appendix 6: Drill Hole Collar – Table 1.

| Table 1 | Drill hole Collar Summary (DD HQ3( | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Datum | Collar coordinates are given in WGS84 Zone 37South, Survey method: DGPS GNSS_0.02 | | | | | | | | | | |
| **Hole ID** | **Prospect** | **Lease_ID** | **UTM East** | **UTM North** | **Elevation** | **Plan Depth** | **DIP** | **Grid Azimuth** | **Max Depth** | **DH BOCO** | **DH TFR** |
| LX001D | Lennox | 4118L | 457,755 | 8,521,213 | 535 | 90 | -50 | 115 | 92.55 | 10 | 16.7 |
| LX002D | Lennox | 4118L | 457,691 | 8,521,245 | 537 | 150 | -50 | 120 | 92.55 | 12 | 54 |
| LX003D | Lennox | 4118L | 457,880 | 8,521,370 | 536 | 90 | -50 | 130 | 110.55 | 4 | 19 |
| LX004D | Lennox | 4118L | 457,923 | 8,521,350 | 537 | 50 | -50 | 130 | 48.19 | 8 | 13 |
| LX005D | Lennox | 4118L | 457,631 | 8,521,053 | 539 | 90 | -50 | 130 | 76.05 | 5 | 19 |
| LX006D | Lennox | 4118L | 457,571 | 8,521,092 | 540 | 150 | -50 | 130 | 101.55 | 13 | 39 |
| LX007D | Lennox | 4118L | 457,654 | 8,521,274 | 537 | 130 | -50 | 130 | 122.55 | 5 | 15 |
| LX008D | Lennox | 4118L | 457,843 | 8,521,411 | 535 | 120 | -50 | 130 | 35.25 | 14.5 | |
| LX009D | Lennox | 4118L | 457,847 | 8,521,407 | 535 | 120 | -50 | 130 | 113.55 | 12 | 39 |
| LX010D | Lennox | 4118L | 458,013 | 8,521,531 | 540 | 40 | -50 | 130 | 45.60 | 5 | 42 |
| LX011D | Lennox | 4118L | 457,970 | 8,521,555 | 539 | 90 | -50 | 130 | 92.55 | 27 | 36 |
| LX012D | Lennox | 4118L | 457,933 | 8,521,577 | 538 | 120 | -50 | 130 | 131.55 | 34 | 55 |
| LX013D | Lennox | 4118L | 457,285 | 8,520,811 | 551 | 70 | -50 | 130 | 86.55 | 18 | 57 |
| LX014D | Lennox | 4118L | 457,252 | 8,520,846 | 551 | 90 | -50 | 130 | 121.90 | 17 | 58 |
| LX015D | Byron | 4118L | 458,153 | 8,520,978 | 535 | 70 | -50 | 130 | 44.55 | 12 | 25 |
| LX016D | Byron | 4118L | 458,067 | 8,521,026 | 533 | 130 | -50 | 130 | 110.55 | 16 | 40 |
| LX017D | Lennox | 4118L | 457,259 | 8,520,842 | 551 | 40 | -50 | 130 | 40.10 | 9.8 | |
| LX018D | Byron | 4118L | 458,191 | 8,521,188 | 538 | 100 | -50 | 120 | 71.55 | 15 | 34 |
| LX019D | Lennox | 4118L | 458,102 | 8,521,240 | 538 | 100 | -50 | 130 | 22.62 | | |
| LX020DM | Lennox | 4118L | 458,102 | 8,520,998 | 533 | 50 | -50 | 0 | 38.65 | 12 | 32 |
| LX021D | Lennox | 4118L | 457,360 | 8,521,616 | 543 | 50 | -50 | 130 | 20.17 | 10 | |
| LX022D | Byron | 4118L | 457,953 | 8,520,859 | 533 | 100 | -50 | 130 | 86.55 | 14.2 | 37.5 |
| LX023D | Byron | 4118L | 457,990 | 8,520,823 | 532 | 50 | -50 | 130 | 40.45 | 15 | 39.5 |
| LX024D | Byron | 4118L | 457,885 | 8,520,931 | 534 | 150 | -50 | 130 | 134.40 | 12.6 | 39 |
| LX025DM | Byron | 4118L | 457,919 | 8,520,896 | 533 | 50 | -50 | 130 | 45.45 | 15 | 33.7 |
| LX026D | Byron | 4118L | 458,260 | 8,521,115 | 537 | 100 | -50 | 130 | 68.45 | 17 | 34 |
| LX027D | Byron | 4118L | 458,227 | 8,521,150 | 537 | 150 | -50 | 130 | 58.25 | 7 | 12.25 |
| LX028D | Byron | 4118L | 457,781 | 8,520,771 | 537 | 50 | -50 | 130 | 92.45 | 11 | 41 |
| LX029D | Byron | 4118L | 457,817 | 8,520,735 | 536 | 100 | -50 | 130 | 74.50 | 12 | 46.4 |
| LX030D | Byron | 4118L | 457,748 | 8,520,810 | 537 | 150 | -50 | 130 | 122.50 | 15 | 39.5 |
| LX031D | Byron | 4118L | 457,881 | 8,520,939 | 534 | 150 | -50 | 130 | 155.65 | 10 | 39 |
| LX032D | Lennox | 4118L | 457,317 | 8,520,782 | 550 | 50 | -50 | 130 | 65.45 | 13.3 | 49.7 |
| LX033D | Lennox | 4118L | 457,150 | 8,520,699 | 554 | 150 | -50 | 130 | 146.60 | 19 | 60 |
| LX034D | Lennox | 4118L | 457,187 | 8,520,664 | 553 | 70 | -50 | 130 | 68.55 | 24 | 57.2 |
| LX035D | Lennox | 4118L | 457,115 | 8,520,734 | 555 | 150 | -50 | 130 | 137.05 | 25 | 53 |
| LX036D | Lennox | 4118L | 457,438 | 8,520,936 | 545 | 100 | -50 | 130 | 104.55 | 10 | 47 |
| LX037D | Lennox | 4118L | 457,410 | 8,520,972 | 546 | 150 | -50 | 130 | 152.35 | 12 | 56 |
| LX038D | Lennox | 4118L | 457,470 | 8,520,897 | 545 | 50 | -50 | 130 | 50.45 | 17.4 | |