



ASX ANNOUNCEMENT | 18 June 2018

COMMISSIONING AND FIRST SHIPMENT UPDATE

- *Power station energised*
- *Reverse Osmosis (RO) plant commissioned*
- *8 mega litre raw water dam on line to supply water to process plant*
- *High Pressure Grinding Rolls (HPGR) and Dense Media Separation (DMS) systems complete*
- *On site laboratory operational and testing first samples*
- *Commissioning and performance testing of the Crushing Circuit complete*
- *Product storage shed in Port Hedland constructed and ready to receive spodumene concentrate for shipment*
- *Final negotiations with Chinese offtake partners to secure sale price and first shipment date*

Altura Mining Limited (ASX: AJM) is pleased to provide a further update on commissioning as it moves closer to first production from its 100% owned flagship Altura Lithium Project.

Following the successful start of crushing in May, Altura's dedicated commissioning team has continued to deliver a series of significant milestones towards commissioning the wet plant.

Despite a heavy rain event that affected works on site for several days, the team has overcome difficult conditions to largely meet all its milestones. In addition to the highlights listed above, other ongoing work fronts in the past four weeks included:

- Commissioning of the flotation circuit with first fill of collector and other reagents
- Completion of Ball Mill works
- Start of verification testing on the plant dust suppression system
- Ongoing recruitment to fill 90% of all positions needed under the owner operator model

The Altura senior management team has also spent time in China in recent weeks finalising product pricing, cargo sizes and delivery schedule. The discussions have provided a clearer understanding of each party's obligations and expectations to allow the development of the 2018 and 2019 shipping forecasts. Those forecasts and finalised sales agreements are expected to be completed and will be announced in coming weeks.

Altura Mining Limited ABN 39 093 391 774

Construction of the product storage facility to accommodate Altura's spodumene concentrate in readiness for shipment has also recently been completed. This shed, built and operated by Qube at Wedgefield in Port Hedland, closes another important link in Altura's logistics chain, ensuring Altura consistently and reliably loads cargos for supply to its customers.

It has also been confirmed that offtake partner Lionergy will take the first shipment of Altura spodumene concentrate. Lionergy plans to undertake large-scale lithium carbonate conversion testing with the outputs used for verification of its lithium carbonate / lithium hydroxide plant located in Inner Mongolia, China. Lionergy has also indicated it would like to receive as much as possible of the 100ktpa minimum supply allocation under the Binding Offtake Agreement (BOA) as Altura Lithium ramps up in H2 2018.

Lionergy has advised that its international shipping program should allow for it to arrange a vessel for delivery of the first concentrate to take place between July and mid-August 2018.

Altura Managing Director Mr James Brown said: "The commissioning work completed to date has been executed both safely and productively and I commend all teams involved in the process. We all understand that this process is exactly what our stakeholders expect, however the work involved should never be underestimated. Our recent China visit continued to echo the strong demand for more lithium supply. We are also still receiving regular demand queries from other sources as the project comes on line."

The Lionergy-owned lithium conversion plant is located in Chahar Youyi Houqi, Ulanqab, Inner Mongolia – an autonomous region of China approximately 350km north-west of Beijing. Stage 1 of the plant will process 120ktpa of spodumene concentrate (SC 6) to produce approximately 15ktpa LCE (lithium carbonate equivalent) and is scheduled for completion in Q4 2018. A Stage 2 doubling of the plant to produce 30ktpa LCE is scheduled for completion in H2 2019.

The recent China visit also included positive discussions with Altura's other offtake partner Shaanxi J&R Optimum Energy (JRO), which is currently undergoing a re-structure plan. That process is ongoing and has yet to conclude. Altura confirms there has been no change to any of the agreements that Altura has with JRO.



The Altura lithium mine site



Operations continue to ramp up ahead of first product sales



The completed product storage shed located in Port Hedland



Testing of first samples at the on-site laboratory

About Altura Mining Limited (ASX: AJM)

Altura is building a leading position in the independent supply of lithium raw materials, with a world-class Altura Lithium Project at Pilgangoora to become Australia's next major hard rock lithium product supplier in 2018. Altura has an experienced in-house team focussed on delivering the Altura Lithium Project into production. The project is the most advanced stage, near-term producing lithium project; coupled with solid offtake partners and a market providing substantial growth opportunities to ensure positive shareholder returns.

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