

31 July 2018

**QUARTERLY ACTIVITIES REPORT****For period ending 30 June 2018****HIGHLIGHTS****Goulamina Lithium Project**

- **Maiden Ore Reserve for Goulamina declared at 31.2Mt grading 1.56% Li<sub>2</sub>O<sup>1</sup>**
  - 59.5Mt of Inferred Resource remain available for potential upgrade to Indicated Mineral Resource status and possible subsequent conversion to Ore Reserve, facilitating extension of Project life and/or future capacity expansion
- **Highly positive updated PFS confirms that Goulamina can be profitably developed as a large scale, low cost, hard rock lithium mine**
- **Commencement of Feasibility Study approved using a 16-year<sup>2</sup> operating mine life at a production rate of 2Mtpa, with production of 362,000tpa of 6% Li<sub>2</sub>O spodumene concentrate<sup>3</sup>**
- **Strong financial outcomes forecast:**
  - Pre-tax NPV<sub>10</sub> of A\$920M (US\$690M) with pre-tax IRR (real) of 49.5%
  - LOM Project EBITDA (real) of A\$2,691M (US\$2,018M) - average annual EBITDA of \$171M (US\$128M)
  - LOM net cash flow from operations (pre-tax, real) of A\$2,359M (US\$1,769M), which translates to average annual net cash flow from operations of A\$150M (US\$112M)

**Dankassa and Massigui Gold Projects**

- **Morila transaction completed with US\$1M in exercise option fees received.**

<sup>1</sup> The information in this announcement that relates to the maiden Ore Reserve is based on information previously announced by the Company in an announcement to the ASX entitled "High Grade Maiden Ore Reserve for Goulamina" (BGS, 04 July 2018), which is available to view on the Company's website at [www.birimian.com](http://www.birimian.com). The Company confirms that it is not aware of any other new information or data that materially affects the information included in the original market announcement, and that all material assumptions and technical parameters have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

<sup>2</sup> Subject to rounding.

<sup>3</sup> This production target was first announced in the ASX announcement entitled "Goulamina Pre-Feasibility Study Delivers Strong Project Outcomes" (BGS, 04 July 2018) and available on the Company's website at [www.birimian.com](http://www.birimian.com). All material assumptions underpinning the production target continue to apply and have not materially changed.

The June 2018 quarter (the **Quarter**) saw Birimian Limited (ASX: *BGS*; **Birimian** and the **Company**) reach several crucial and significant milestones in progressing the Goulamina Lithium Project (**Goulamina** or the **Project**) in southern Mali towards commercial production in the first quarter of 2020.

The Company announced two substantial Mineral Resource upgrades during the Quarter, with the Project's combined Indicated and Inferred Mineral Resource inventory now exceeding 100Mt, for contained lithium (Li<sub>2</sub>O) of 1.39Mt.

In late May 2018, Birimian announced (*BGS, 23 May 2018*) that its latest auger program had verified the existence of two additional and significant geochemical anomalies NW and SE of Sabali, confirming the strong exploration potential of what is emerging as an extensive Goulamina pegmatite field with no boundaries yet closed.

Also, the Company was pleased to announce the conclusion of the transactions between Birimian's wholly-owned subsidiary company, Birimian Gold Mali SARL (**BGM**) and Société des Mines de Morila SA (**Morila**) for the transfer of mineral property rights over the Viper and N'tiola Areas of Interest (**Areas of Interest**) in Birimian's Massigui Gold Project (*BGS, 07 June 2018*), netting the Company US\$0.8M in exercise option fees after payment of US\$0.2M to Société Hanne General Trading SARL (**Hanne**) in settlement of the Amendment Agreement (**Amendment Agreement**) concluded by BGM and Hanne in May 2018 (*BGS, 14 May 2018*). Birimian will earn a Net Smelter Royalty (**NSR**) on gold produced by Morila from the Areas of Interest.

Birimian released 16 announcements during the Quarter - updating exploration results at Goulamina on 11 April 2018, 27 April 2018, 23 May 2018 and 29 June 2018; and reporting on gold-related activities at Dankassa and Massigui (including Morila) on 05 April 2018, 14 May 2018, 25 May 2018 and 07 June 2018. The Company also provided a progress report on cost reduction initiatives related to the PFS on 28 May 2018 and published its AGM presentation and AGM results on 29 May 2018. Post Quarter, Birimian announced its maiden Ore Reserve and updated Pre-Feasibility Study<sup>4</sup> (**PFS**) findings on 04 July 2018 and its post-PFS roadshow presentation on 18 July 2018 (revised 19 July 2018).

## Post Quarter Results

Immediately post-Quarter, the Company announced the findings of the PFS completed during the Quarter (*BGS, 04 July 2018*) and the Project's maiden Ore Reserve (*BGS, 04 July 2018*) of 31.2Mt, grading 1.56% Li<sub>2</sub>O, based on the PFS findings, sufficient to support a 16-year mine life at a production rate of 2Mtpa, for 362,000tpa of 6% Li<sub>2</sub>O spodumene concentrate (**Concentrate**), full details of which are included in the above-mentioned announcement.

The PFS revealed excellent Project economic metrics and confirmed that Goulamina could be profitably developed as a large scale, low cost, hard rock lithium mine and recommended progression to a Feasibility Study (**FS**). The Board has accepted this recommendation.

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<sup>4</sup> The PFS was an update of the earlier Goulamina pre-feasibility study released in October 2017 (*BGS, 04 October 2017*) following further work by the Company.

## **1. HEALTH, SAFETY AND ENVIRONMENT**

### **1.1. Workplace Safety**

Birimian recorded no Lost Time Injury (**LTI**) incidents at the Company's operations during the Quarter, although a Bamako-based employee was slightly injured in a traffic accident in the city on 31 May 2018. A total of 11,780 hours was worked by Birimian staff and contractors in Mali during the Quarter. The 60% reduction in working hours compared with the previous quarter reflected the end of the 2017-18 drilling season and the consequent reduction in locally-engaged contractors. First aid training was provided to field and other staff. As a result of increasing activities, five new and replacement vehicles were delivered in Mali during the Quarter for use in exploration, administration and project work. Vehicles have been equipped with comprehensive first aid kits and standardised safety, communication and recovery equipment in accordance with the Company's safety and security protocols.

### **1.2. Environment**

Work progressed during the Quarter on the Goulamina Environmental and Social Impact Assessment (**ESIA**), with the preparation of a preliminary draft ESIA report by the Company's environmental consultant, Digby Wells Environmental (**DWE**). A highly successful round of community consultation meetings was held in late June 2018, with stakeholders confirming their support for the Project. The environmental permitting process is proceeding well and is reported more fully in Section 2.4, headed ESIA Study.

## **2. LITHIUM – Goulamina Project**

### **2.1. Mineral Resource Status<sup>5</sup>**

In late June 2018, Birimian announced a second substantial upgrade to the Goulamina Mineral Resource estimate (*BGS, 29 June 2018*) following the April 2018 Mineral Resource estimate (*BGS, 27 April 2018*). The second upgrade followed completion of the drilling program on the Yando and Danaya pegmatites, which demonstrated that the Yando and Danaya zones are continuous. Consequently, the Yando and Danaya pegmatite zones are now referred to simply as Danaya.

Cube Consulting Pty Ltd (**Cube**) prepared the updated Mineral Resource and advised that Danaya returned a maiden Inferred Mineral Resource of 38.2Mt, grading 1.14% Li<sub>2</sub>O. The combined Indicated and Inferred Mineral Resource is now 103.2Mt @ 1.34% Li<sub>2</sub>O, with a contained lithium content of 1.39Mt (increased from 931kt) with the inclusion of the Danaya Mineral Resource (see Table 1).

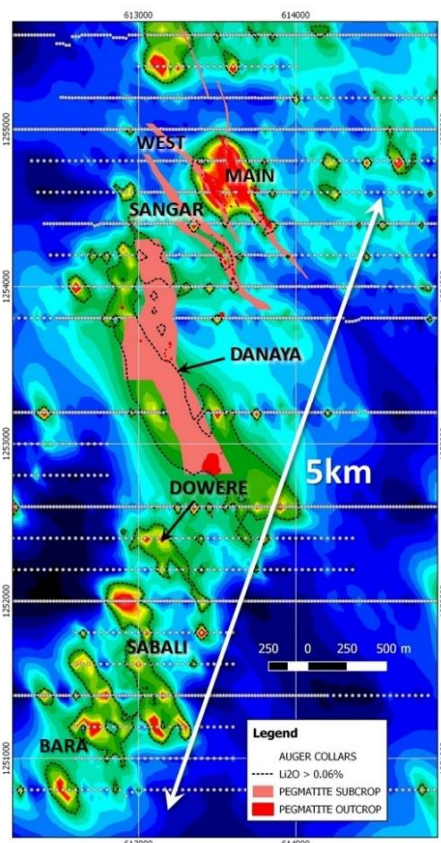
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<sup>5</sup> The information in this announcement that relates to the Goulamina Mineral Resource is based on information previously announced by the Company to the ASX in an announcement entitled "18 06 29 Danaya Mineral Resource Upgrade" BGS, 29 June 2018) which is available to view on the Company's website at [www.birimian.com](http://www.birimian.com). The Company confirms that it is not aware of any other new information or data that materially affects the information included in the original market announcement, and that all material assumptions and technical parameters have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

**Table 1: Mineral Resources JORC Code (2012)**

Mineral Resources					
Category	Domain	Tonnes (Mt)	Li <sub>2</sub> O (%)	Li <sub>2</sub> O (Mt)	Fe <sub>2</sub> O <sub>3</sub> (%)
Indicated	Main	12.2	1.24	0.15	0.96
	West	11.5	1.54	0.18	1.07
	Sangar I	13.8	1.64	0.23	1.03
	Sangar II	6.2	1.47	0.09	1.05
<b>SUB-TOTAL INDICATED</b>		<b>43.7</b>	<b>1.48</b>	<b>0.65</b>	<b>1.02</b>
Inferred	Main	3.3	0.91	0.03	1.05
	West	3.7	1.29	0.05	0.92
	Sangar I	10.1	1.53	0.15	1.00
	Sangar II	3.7	1.27	0.05	1.09
	West II	0.5	1.1	0.01	1.3
	Danaya	38.2	1.14	0.45	1.06
<b>SUB-TOTAL INFERRED</b>		<b>59.5</b>	<b>1.21</b>	<b>0.74</b>	<b>1.05</b>
<b>TOTAL RESOURCE</b>		<b>103.2</b>	<b>1.34</b>	<b>1.39</b>	<b>1.04</b>

*Note: Apparent errors of summation may occur due to rounding.*



**Figure 1:** Image showing Li<sub>2</sub>O in bottomhole auger samples at Goulamina. Anomalies are defined by the 0.06% threshold (dashed black line).

### Resource Definition Drilling

Drilling of the Danaya pegmatites was conducted on sections spaced 100m apart, with holes spaced at 50m intervals along the drill lines. A total of 99 reverse circulation (**RC**) holes, for 11,274m, was completed, plus three diamond holes with RC pre-collars, for a further 390m.

The drilling program identified multiple separate, near vertically-dipping spodumene-bearing pegmatite intrusions, all of which remain open to the north and south and at depth. Twelve of the largest pegmatites at Danaya have been investigated to-date, nine of which form the Danaya Mineral Resource. Considerable potential exists to further expand the current resource. Furthermore, it seems likely that at least some of the pegmatites intersect or coalesce with the Sangar I or Sangar II pegmatites at their northern extents (Fig. 1). All pegmatites drilled remain open to the north, south and at depth.

The depth of weathering at Danaya varies substantially. Several partially-weathered pegmatites outcrop in the central part of the zone, while weathering has been intersected down to a depth of 75m in the northernmost section. Weathered

pegmatite was excluded from the resource estimation because metallurgical testwork has yet to be conducted on this material.

## 2.2. Maiden Ore Reserve

Post Quarter, Birimian announced the maiden Ore Reserve estimate for Goulamina on 04 July 2018, based on the findings of the PFS announced the same day. The Ore Reserve estimate, as shown in Table 2, was prepared by Mr Quinton de Klerk, Director–Mining Engineering at Cube as Competent Person in accordance with the requirements of the JORC Code (2012 edition).

**Table 2: Maiden Ore Reserve Statement JORC Code (2012)**

Category	Cut-off Li <sub>2</sub> O%	Tonnes (M)	Li <sub>2</sub> O%	Fe <sub>2</sub> O <sub>3</sub> %	Li <sub>2</sub> O Tonnes
<b>Probable</b>	<b>0.00%</b>	<b>31.2</b>	<b>1.56</b>	<b>1.03</b>	<b>486,000</b>

The key PFS elements used to determine the Ore Reserve estimation are shown in Table 3 below.

**Table 3: Key Inputs from PFS to Ore Reserve Estimate**

Key Input	PFS
<b>LOM metallurgical recovery (avg.)</b>	70.4%
<b>Li<sub>2</sub>O concentration</b>	6%
<b>LOM operating cost C1 (avg.)</b>	US\$281*
<b>LOM product selling price</b>	US\$666/t*

\*Per tonne concentrate.

Processing and other costs utilised in the Ore Reserve estimation were as determined by the technical and financial consultants who contributed to the PFS. Ausenco Services Pty Ltd (**Ausenco**) was the lead contractor for the completion of the PFS and report generation. Ausenco also undertook process plant and infrastructure designs and the development of associated capital and operating cost estimates. The mine plan associated with the Ore Reserve assumes a two-stage mining schedule to minimise the initial strip ratio and improve Project economics. The mine plan is not yet fully optimised and further work will be required as part of the FS. The final pit design is depicted in Figure 2 below.

Birimian intends undertaking infill and extension drilling later this year aimed at increasing the Project's Ore Reserves and will also carry out further resource extension and definition drilling of the Company's other identified pegmatite systems at Goulamina (see Figure 1). The Company is confident that it can achieve significant increases to the Project's current Mineral Resource base.



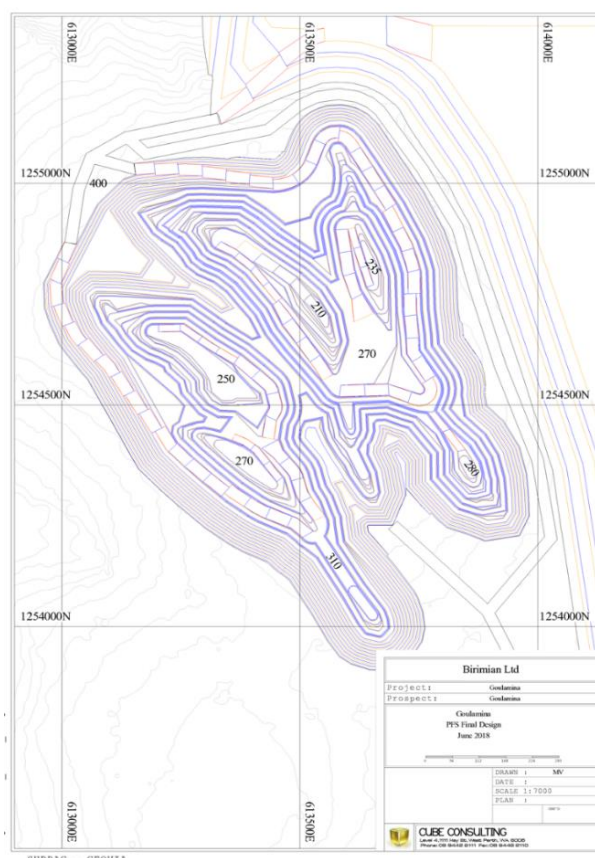
## Additional Information Used for Clarification of Ore Reserves

### Material Assumptions

The material assumptions and outcomes from the PFS material to understanding the reported estimates of Ore Reserves were disclosed in the announcement of PFS findings released on 04 July 2018.

An open pit optimisation was completed to form the basis for pit designs and subsequent mining and processing schedules. The mining costs used by Mr Quinton De Klerk to calculate the Ore Reserve estimate were based on LOM costs developed for the PFS.

### Criteria Used for the Classification of Ore Reserves



**Figure 2:** Goulamina PFS Proposed Pit Design

In determining the Ore Reserve estimate, only Indicated Resources, as detailed in Table 1 above, were considered and the Ore Reserve is a subset of those Indicated Resources. No Inferred Resources were used for the purposes of Ore Reserve determination and, where they occurred within the pit shell, they were treated as waste material. The classification of the Indicated Resources on which the Ore Reserve is based is addressed further under the heading "Mineral Resource Status" earlier in this announcement.

The pit optimisation was completed using Whittle software based on conventional open pit mining as described above. The model was estimated by Localised Uniform Conditioning methods with an assumption of mining selectivity dimensions of 5mN x 5mE x 5mRL. The Ore Reserve estimate has been classified based on the guidelines specified in the 2012 JORC Code and in the opinion of the Competent Person, the material costs and modifying factors used in the generation of the Ore Reserves are reasonable.

### Mining Method and Assumptions

Mining factors and assumptions are based on the PFS. An open pit optimisation was completed. Slope design criteria and processing recoveries were applied in the pit optimisation process, together with cost estimates for mining, processing, transport, sales and revenue projections, to form the basis for pit designs (see Figure 2) and subsequent mining and processing schedules. Mining would take place using conventional open pit mining methods of truck and excavator in back-hoe configuration. A small-scale mining fleet, utilising 100t excavators matched with 90t rear dump trucks, was selected using contract mining services. Open pit wall slope angles were based on a geotechnical assessment. A

ramp width of 25m was based on the selected truck size. The resulting overall slope angles on the final pit approximate 46° in fresh rock and 36° in weathered material, depending on ramp location. The shell selected for pit design from the open pit optimisation was based on key assumptions, including those as noted in Table 3.

Mine design criteria used for the detailed pit design include:

- 5m blast bench height mined in 2 x 2.5m flitches;
- pit stages large enough to negate any minimum mining width issues; and
- ramp width of 25m and 10% gradient.

Mining infrastructure was limited to Run of Mine (**ROM**) pad, haul roads, workshops and other buildings required for a contract mining operation. No mining dilution has been added to the Ore Reserve model due to it being a recoverable estimate and the fact that the whole-of-ore mining concept applied intrinsically includes internal dilution. A mining loss of 2% was applied to account for anticipated losses at the edges of the ore zones. The whole-of-ore mining concept also assumes a 0% Li<sub>2</sub>O cut-off grade.

The quantities of materials to be mined from the open pit are:

- 31.2Mt of spodumene-bearing ore at 1.56% Li<sub>2</sub>O head grade;
- 109.1Mt of waste material; and
- 140.3Mt of total material.

The mining operation will be conducted on a seven day per week, 24-hour per day basis. Each day will comprise 3 x 8 hour shifts to comply with Malian labour law. Water, power and telecommunications are delivered to the mining operations from infrastructure developed elsewhere on site. All material will require drilling and blasting, with costs for bulk explosives and blasting accessories based on budget quotes from two established explosives supply companies operating in the region. Road and running surface maintenance is not expected to be onerous, since much of the running will be on firm floors. Maintaining these surfaces will be possible with planning and management. This is considered to be a compact site with a relatively small fleet required. Ore will be delivered from the open pit to stockpiles on the ROM pad. This ore will then be re-handled for mill feed, using a front-end loader for delivery into the processing plant feed hopper. Mill feed operations will be available seven days/week, 24 hours/day, with a feed rate of up to 400 tph. Open pit mining will be undertaken by a contract mine services provider.

## Post Quarter Results

### 2.3. Updated PFS<sup>6</sup>

The PFS (*BGS, 04 July 2018*), prepared by Ausenco, confirms that Goulamina can be profitably developed as a large scale, low cost, hard rock lithium mine. The recommended development scenario comprises an open cut mining operation and a 2Mtpa mineral concentrating plant. Under this scenario,

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<sup>6</sup> The information in this announcement that relates to the PFS is based on information previously announced by the Company in an ASX announcement entitled "Goulamina Updated PFS Delivers Strong Project Outcomes" (*BGS, 04 July 2018*), which is available to view on the Company's website at [www.birimian.com](http://www.birimian.com). All material assumptions underpinning the production target and forecast financial information continue to apply and have not materially changed.

Goulamina would produce an average of 362,000t of Concentrate, or 53,700t of Lithium Carbonate Equivalent (**LCE**) annually, for the initial mine life of 16 years. Projected C1 costs (Brook Hunt) are A\$374/t (US\$281/t) of Concentrate produced, generating average annual EBITDA of A\$171M (US\$128M) and a 49.5% internal rate of return (**IRR**: pre-tax, real).

The PFS follows an earlier Goulamina pre-feasibility study released in October 2017 (*BGS, 4 October 2017*). Subsequently, the Company announced that it would undertake further work to produce a revised PFS, with a firm development recommendation, based on improved Project economics.

Specific objectives were to:

- increase the overall Mineral Resources available to the Project to ensure a minimum LOM of 20 years at a 2Mtpa treatment rate and which could be scaled to higher production rates, as required;
- declare a maiden Ore Reserve; and
- reduce operating costs to less than US\$300/t of Concentrate.

The PFS demonstrates that a 2Mtpa Project is feasible and can be developed to meet these objectives, as follows:

- a maiden Ore Reserve of 31.2Mt @ 1.56% Li<sub>2</sub>O will support a projected initial LOM of 16 years, providing a sound foundation for the commencement of the Project, with substantial Inferred Mineral Resources, which are expected to potentially further extend LOM; and
- C1 operating costs forecast at US\$281/t Concentrate, FOB Port of Abidjan, Ivory Coast – among the world's lowest for a hard-rock lithium mine.

The PFS confirms that the recommended development scenario for the Project is a 2Mtpa open cut mining operation using contract mining services. Operational details are included in Table 4 below:

**Table 4: Project Operational Summary**

Operating Outcomes	PFS
<b>Total Ore Reserve</b>	31.2Mt
<b>Average LOM head grade</b>	1.56% Li <sub>2</sub> O
<b>Initial mine operating life</b>	16 Years
<b>Processing capacity</b>	2Mtpa
<b>Average Concentrate production</b>	362,000 tpa
<b>Total Concentrate production (LOM)</b>	5.7Mt
<b>LOM metallurgical recovery (avg.)</b>	70.4%
<b>Waste to ore ratio (avg. LOM)</b>	3.5:1

The financial model, the outcomes of which are detailed in Table 5, is based on revenues derived from sales of a combined Dense Media Separation (**DMS**) and flotation Concentrate. It is assumed that all Concentrate will be 100% payable and priced on a contractual basis with the average real price achieved LOM anticipated to be A\$888/t (US\$666/t) FOB Abidjan. The figures in Table 5 demonstrate that the Project offers very robust financial returns.



**Table 5: Project Financial Summary**

Financial Outcomes	A\$ M	US\$ M
<b>NPV<sub>10</sub> (pre-tax)</b>	920	690
<b>NPV<sub>10</sub> (post-tax)</b>	653	490
<b>Total Net Cashflow Pre-tax (undiscounted)</b>	2,359	1,769
<b>Total Net Cashflow Post-tax</b>	1,760	1,320
<b>Pre-Tax IRR (real)</b>	49.5%	49.5%
<b>Post-Tax IRR (real)</b>	40.1%	40.1%
<b>LOM Project Revenue (real)</b>	5,062	3,796
<b>LOM Operating Costs (real)</b>	2,371	1,778
<b>LOM Project EBITDA (real)</b>	2,691	2,018
<b>EBITDA (LOM avg annual, real)</b>	171	128
<b>Total Project Construction Capex</b>	196	147
<b>Other Capital Costs</b>	25	19
<b>Contingencies (23% of construction capex)</b>	45	33
<b>Concentrate Price (FOB, real)</b>	888/t	666/t
<b>C1 Cash Cost (LOM, real)</b>	374/t	281/t
<b>All-in Sustaining Cost (LOM, real)</b>	425/t	319/t

### Summary of Key Findings

- The PFS demonstrates that Goulamina comprises a substantial lithium resource that can be developed as a robust, long-term, low-cost, hard-rock lithium concentrate supplier.
- Average production LOM is forecast to be 362,000 tpa of Concentrate (53,700 tpa LCE).
- Average C1 operating costs are forecast to be US\$281/t of Concentrate for LOM.
- Construction capex of A\$196M (US\$147M) plus contingencies of A\$44M (US\$33M) and mine development and indirect costs of A\$25M (US\$19M) for total capex of A\$266M (US\$199M).
- Project NPV<sub>10</sub> is forecast to be US\$690M and IRR 49.5%, both pre-tax.
- The Project's outstanding economic and technical metrics support a decision to rapidly proceed with a FS and engineering design work.
- Significant opportunities exist to further enhance the already excellent Project economics through process improvement and optimisation and further cost reductions.
- Continued exploration work on identified pegmatite zones has the potential to further extend the already very substantial resource base, thereby increasing Project operating life and potentially justifying an expansion of its size. Such expansion is provided for in the process plant design.

### **Project Development - Next Steps**

The Project's development plan envisages the following activities targeting a Final Investment Decision (**FID**) and commencement of construction in the first half of 2019 and plant commissioning in the first half of 2020:

- Completion of ESIA process; report submission and environmental permitting
- Completion of exploitation (mining) licence approval process
- Establishment of new subsidiary company to hold the exploitation (mining) licence
- Completion of FS and definitive engineering studies
- Signing of binding offtake agreements
- Securing of Project financing
- Procurement and ordering of long lead-time items
- Construction, commissioning and production ramp-up.

### **2.4. ESIA Report**

A draft preliminary ESIA report has been completed by DWE, based on terms of reference approved by the Ministry of the Environment, Sanitation and Sustainable Development (**DNACPN**) in February 2017. In June 2018, senior Birimian officials travelled to Mali to participate with DWE and government officials in a round of interactive public consultation meetings with government representatives, regional authorities and local village representatives held in the capital city of Bamako and regional centres near Goulamina during 18-22 June 2018.

The public participation meetings were well received and communities were highly supportive of the Project, with areas of interest focused on improving local employment prospects, health, sanitation, communication (mobile phone) access, education, training and community income generation.

Following submission and review of the preliminary ESIA report by the DNACPN, a validation meeting is scheduled with an Inter-Ministerial Technical Committee in September 2018 as the final step in the process before formally submitting the ESIA report. There is a statutory maximum of 45 days from ESIA submission to an approval decision.

Birimian and DWE also progressed work during the Quarter on developing a Community Development Plan (**CDP**), which is required to be submitted with the Project's Exploitation (Mining) Permit application. The objective of the CDP is to identify development projects aimed at improving the livelihoods of communities located in the Project's sphere of influence. The draft CDP will be provided for government review and submitted for approval following the Birimian-government validation meeting in September 2018.

## **2.5. Product Marketing**

Development of the Project with the recommended plant size of 2Mtpa would result in production of 362,000tpa of Concentrate, or approximately 53,700tpa of LCE for an initial mine-life of 16 years, based on current Ore Reserves only.

The Company has engaged with potential offtake partners interested in securing a long-term and reliable supply of lithium, principally for use in lithium battery manufacture. Birimian has also received several inquiries from potential offtake customers seeking a secure source of  $\text{Li}_2\text{O}$ . Announcement of the updated PFS, with its very strong Project financial and technical metrics, together with the Project's maiden Ore Reserve, enables Birimian to advance the negotiating process as potential customers gain a fuller appreciation of the Project's potential as a reliable, long-term and large-scale supplier of high quality Concentrate.

Birimian believes these changed circumstances create a favourable climate for the Company to conclude binding offtake arrangements. Accordingly, the Company is now accelerating global marketing activities, including following up on inquiries received during attendance at the 10<sup>th</sup> Lithium Supply & Markets Conference held in Las Vegas during 26-28 June 2018. Birimian is making available samples of Goulamina Concentrate for testing by secondary processors.

## **2.8. Project Funding**

The Company has continued discussions with a number of potential Project financiers and advisers. Birimian believes that, in concert with its negotiation of offtake arrangements, the Company is now better placed to advance these discussions following the release of the updated PFS and maiden Ore Reserve.

## **2.9 Tenement Status**

Birimian continues to engage with the Government of Mali over the status of two outstanding lithium exploration tenement applications – for Mafélé (100 km<sup>2</sup>) and Nkemene (95 km<sup>2</sup>) – situated adjacent to the Company's Torakoro tenement. At the request of the Department of Geology and Mines [Direction Nationale de la Géologie et des Mines] (**DNGM**), senior Company officials provided a Project briefing to the DNGM in Bamako on 03 May 2018, which was well received. Birimian also submitted proposed exploration work plans for Mafélé and Nkemene to the DNGM in support of its applications. On 19 June 2018, the matter was further discussed when the CEO and senior Birimian officers met the Minister for Mines, Prof. Tiémoko Sangaré, together with senior Ministerial and DMGM officials, to brief the Government on the Project's status.

Birimian wants to secure these leases in order to:

- carry out extensive exploration programs to determine whether there are additional lithium deposits adjacent to those delineated on the Torakoro tenement, and
- to sterilise ground for the location of Project infrastructure.

A further meeting on this subject will be held in early August 2018 at the request of the DNGM.

All existing tenements in Mali (including Torakoro) are in good standing.

### **3. GOLD PROJECTS**

#### **3.1. Morila Option and Purchase Agreements**

On 07 June 2018, Birimian announced (*BGS, 07 June 2018*) that the Company had received a total of US\$1M from Morila in exercise option fees payable on completion of the transactions between Morila and BGM for the transfer of mineral property rights over the Viper and N'tiola Areas of Interest in the Company's Massigui gold project. This followed approval by the Government of Mali of a Ministerial Decree extending the mineral exploitation permit held by Morila to the Areas of Interest previously surrendered by BGM (*BGS, 25 May 2018*). BGM subsequently paid Hanne US\$0.2M in settlement of the Amendment Agreement concluded by BGM and Hanne in May 2018 (*BGS, 14 May 2018*), in which BGM agreed to acquire the 5% mineral property right held by Hanne in the Viper Area of Interest (**Viper**). Morila commenced mining operations at N'tiola in June 2018.

Pursuant to the option agreements between Morila, Birimian and BGM, Morila will pay BGM a sliding scale NSR of 4% when gold price is \$1200/oz or higher and 3% when gold price is \$1100/oz to \$1199/oz on gold produced from the N'tiola and Viper deposits. Hanne remains entitled to its 1% NSR, which will be paid by BGM out of the NSR BGM receives from Morila, pursuant to the option agreement between BGM and Morila in relation to Viper.

### **4. CORPORATE**

#### **4.1. Cash Position**

The Company had A\$4.81M in cash as at 30 June 2018.

#### **4.2. Exercise of Options**

Post Quarter, the Company issued 3M fully paid shares following the exercise of 3M unlisted options, exercisable at \$0.336 each and with an expiry date of 30 June 2018. The Australian Securities and Investments Commission (**ASIC**) granted the Company relief pursuant to ASIC Instrument 18-0600, dated 10 July 2018, which enabled Birimian to issue a cleansing notice under section 708A(5) of the *Corporations Act 2001 (Cth)* (*BGS, 02 and 16 July 2018*). Funds received on exercise totalled A\$1.008M (before costs).

#### **4.3. Vesting of Unlisted Options**

Birimian announced (*BGS, 29 June 2018*) that the combined Indicated and Inferred Mineral Resource at the Project was now 103.2Mt @ 1.34% Li<sub>2</sub>O. In accordance with the terms and conditions of 7.5M unlisted options held by Directors or their related entities (exercisable at A\$0.45) and expiring on 19 October 2019), the vesting condition in relation to the demonstration of a Mineral Resource (Inferred or greater) of at least 70Mt within the Project has been met. Accordingly, these options have now vested.

#### **4.4. Annual General Meeting**

The Company's Annual General Meeting was held in Perth on Tuesday, 29 May 2018. All resolutions were passed with the exception of Resolution 6, relating to an additional 10% placement capacity, pursuant to ASX Listing Rule 7.1A. Mr James McKay and Mr Noel O'Brien were re-elected as Directors of the Company (*BGS, 29 May 2018*).

#### **4.5. Annual General Meeting – Mali Subsidiaries**

Following completion of the audited financial statements for the year ended 31 December 2017, the three Malian subsidiary companies lodged tax returns and held their annual shareholders meetings in Bamako, Mali, on 20 June 2018. These meetings were attended by Directors G Walker, representing the single shareholder, and G Swaby.

#### **4.6. Industry Participation**

Birimian attended the Sahel and West Africa Conference and Exhibition on Mining and Minerals in London in May 2018. The Company also attended the 10<sup>th</sup> Lithium Supply and Markets Conference held in Las Vegas during 26-28 June 2018.

#### **4.7. Investor Relations**

On 13 June 2018, Birimian announced the appointment of Mr Mark Hepburn as Corporate Development Manager, responsible for development of Birimian's external stakeholder relationships, focusing on shareholders and the institutional investment community.

Post Quarter, following release of the PFS and maiden Ore Reserve, Birimian conducted a series of investor briefings in Perth, Melbourne and Sydney to raise Project awareness. The investor presentation was announced on 18 July 2018 (revised 19 July 2018). This followed similar briefings in London and Las Vegas and further such activities are planned.

#### **4.8. Government and Community Relations**

Birimian met with the Minister for Mines, Prof. Tiémoko Sangaré, together with Ministerial and senior DNGM officials in Bamako on 19 June 2018. The Company briefed the Minister on the Project's status. Post Quarter, Birimian provided the Government with French versions of recent announcements related to the Mineral Resource upgrade, maiden Ore Reserve and PFS.

## 5. Tenement Holdings and Location

Tenement Holder	Tenement Location	Tenement Designation	Tenement Number
<b>Birimian Gold Mali SARL</b>			
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
<b>Timbuktu Ressources SARL</b>			
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
<b>Sudquest SARL</b>			
Within "circle" of Bougouni	Southern Mali	Finkola Nord	Applications
		Mafele Sud	
		Nkemene	



**Greg Walker**

Executive Director and Chief Executive Officer

Birimian Limited

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## APPENDIX

### **Forward looking and cautionary statements**

*This announcement contains “forward-looking information” that is based on the Company’s expectations, estimates and projections as of the date on which the statements were made. This forward-looking information includes, among other things, statements with respect to the pre-feasibility and feasibility studies, the Company’s business strategy, plan, development, objectives, performance, outlook, growth, cash flow, projections, targets and expectations, mineral resources, results of exploration and relations expenses. Generally, this forward-looking information can be identified by the use of forward-looking terminology such as ‘outlook’, ‘anticipate’, ‘project’, ‘target’, ‘likely’, ‘believe’, ‘estimate’, ‘expect’, ‘intend’, ‘may’, ‘would’, ‘could’, ‘should’, ‘scheduled’, ‘will’, ‘plan’, ‘forecast’, ‘evolve’ and similar expressions. Persons reading this announcement are cautioned that such statements are only predictions and that the Company’s actual future results or performance may be materially different. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the Company’s actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information.*

*Forward-looking information is developed based on assumptions about such risks, uncertainties and other factors set out herein, including but not limited to general business, economic, competitive, political and social uncertainties; the actual results of current exploration activities; conclusions of economic evaluations; changes in project parameters as plans continue to be refined; future prices of lithium and other metals; possible variations of ore grade or recovery rates; failure of plant, equipment or processes to operate as anticipated; accident, labour disputes and other risks of the mining industry; and delays in obtaining governmental approvals or financing or in the completion of development or construction activities. This list is not exhaustive of the factors that may affect our forward-looking information. These and other factors should be considered carefully and readers should not place undue reliance on such forward-looking information. The Company disclaims any intent or obligations to or revise any forward-looking statements whether as a result of new information, estimates, or options, future events or results or otherwise, unless required to do so by law.*

*Statements regarding plans with respect to the Company’s mineral properties may contain forward-looking statements in relation to future matters that can be only made where the Company has a reasonable basis for making those statements. Competent Person Statements regarding plans with respect to the Company’s mineral properties are forward looking statements. There can be no assurance that the Company’s plans for development of its mineral properties will proceed as expected. There can be no assurance that the Company will be able to confirm the presence of mineral deposits, that any mineralisation will prove to be economic or that a mine will successfully be developed on any of the Company’s mineral properties.*

***Previously reported information***

*This announcement refers to the following previously reported information:*

- *Mineral Resources in the announcement entitled "18.06.29 Danaya Mineral Resource Upgrade" and dated 29 June 2018; and*
- *Ore Reserves in the announcement entitled "High Grade Maiden Ore Reserve for Goulamina" and dated 04 July 2018.*

*The Company confirms that it is not aware of any other new information or data that materially affects the information included in the original market announcements, and that all material assumptions and technical parameters have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.*

*There is information in this announcement relating to the outcomes of the Goulamina updated Pre-feasibility Study announced to the market on 04 July 2018 in the release entitled 'Goulamina Updated PFS Delivers Strong Project Outcomes.'" The Company confirms that all the material assumptions underpinning the Production Target and the forecast financial information derived from the Production Target in the original announcement continue to apply and have not materially changed.*

***Previous Reported Exploration Results***

*This announcement refers to the following previously reported exploration results:*

- *"Goulamina Drilling Progress Report" dated 21 November 2017; and*
- *"Further Successful Drilling Results" dated 11 April 2018.*

*The Company confirms that it is not aware of any other new information or data that materially affects the information included in the original market announcement. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.*