HAWKSTONE MINING

ASX ANNOUNCEMENT
28 August 2019

BIG SANDY LITHIUM EXPLORATION TARGET INCREASED BY 15%

HIGHLIGHTS

- Additional exploration results in a 15% increase in the Exploration Target for the Big Sandy lithium Project, located in Arizona USA.
- Phase 2 diamond drilling program completed, and all results received with the objective of estimating a maiden JORC compliant resource in Northern Mineralised Zone by the end of September 2019.
- Further drilling is planned for Blocks B and C in the Northern Mineralised Zone (NMZ) as well as Block 1 in the Southern Mineralised Zone (SMZ).

Hawkstone Mining Limited (ASX:HWK) ("**Hawkstone**", the "**Company**") is pleased to announce that additional exploration has resulted in a 15% increase in the size of the Exploration Target for its Big Sandy sedimentary lithium project, located approximately 2.5 hours' drive northwest of Arizona's state capital, Phoenix. Geological mapping and surface sampling in the southern portion of the project have better defined the extent of mineralised sedimentary material in a previously underexplored area.

This announcement closely follows the completion of drill testing the Block A Exploration Target in the Northern Mineralised Zone as part of the Company's Phase 2, 37-hole diamond drill program[1,2,3,4,5,6,7,8,9]. This program successfully intersected lithium mineralisation in all holes, with the results being used towards the estimation of a targeted maiden JORC compliant resource, which is anticipated for completion by the end of September 2019.

EXPLORATION TARGET - BIG SANDY LITHIUM SEDIMENTARY PROJECT

In addition to the exploration previously completed on the Big Sandy Lithium Project, recent geological mapping and sampling in the southern claim area has resulted in the identification of the potential for between **38Mt and 75Mt at 1,000 to 1,500ppm Li** (SMZ Block 2) in an area lying to the NE of the previously identified potential in the Southern Mineralised Zone (SMZ Block 1), for an increase of 15% in the total estimation of an Exploration Target for the Big Sandy Project from **242.1Mt to 417.6Mt at 1,000 - >2,000ppm Li** to between **280.1Mt to 492.6Mt at 1,000 - >2,000ppm Li** as summarised below in Table 1. Note that the potential quantity and grade of the Exploration Target is conceptual in nature. There has been insufficient exploration to estimate a mineral resource and it is uncertain whether future exploration will result in the definition of a mineral resource.

[1] ASX Announcement - FINAL PHASE 2 DRILL RESULTS AWAITING JORC RESOURCE AND FURTHER DRILLING
https://www.asx.com.au/asxpdf/20190814/pdf/447gfj0bddy09l.pdf
[2] ASX Announcement - FURTHER DRILL RESULTS DELIVER SIGNIFICANT LITHIUM INTERCEPTS
https://www.asx.com.au/asxpdf/20190723/pdf/446t060f4jmp2q.pdf
[3] ASX Announcement - ADDITIONAL DRILL SECTION CONFIRMS CONTINUITY OF HIGH-GRADE LITHIUM MINERALISATION
https://www.asx.com.au/asxpdf/20190710/pdf/446ht7tjr4tbqd.pdf
[4] ASX Announcement – RESULTS CONFIRM EXCELLENT CONTINUITY OF HIGH-GRADE LITHIUM MINERALISATION
https://www.asx.com.au/asxpdf/20190627/pdf/44655ts98c0l5s.pdf
[5] ASX Announcement - BIG SANDY DRILLING GAINS MOMENTUM WITH NORTHERN RESULTS EXTENDING LITHIUM MINERALISATION
https://www.asx.com.au/asxpdf/20190514/pdf/4452bl7w3448nk.pdf
[6] ASX Announcement – THICK, HIGH-GRADE LITHIUM INTERSECTED AT SHALLOW DEPTH
https://www.asx.com.au/asxpdf/20190506/pdf/444vw0n3082w11.pdf
[7] ASX Announcement – DIAMOND DRILLING CONFIRMS WIDE, HIGH GRADE LITHIUM AT BIG SANDY
https://www.asx.com.au/asxpdf/20190404/pdf/4441k6pgyl4jpt.pdf
[8] ASX Announcement - DIAMOND DRILLING CONTINUES TO DELIVER HIGH-GRADE LITHIUM MINERALISATION
https://www.asx.com.au/asxpdf/20190429/pdf/444lphsg8psr4z.pdf
[9] ASX Announcement – BIG SANDY PROJECT – LITHIUM EXPLORATION TARGET
https://www.asx.com.au/asxpdf/20190328/pdf/443tym6c5wl88s.pdf

Zone	Resource Block	Grade Range Li ppm	Thickness Lower (m)	Thickness Upper (m)	Lower (tonnes)	Upper (tonnes)
North	A	1,000 - >2,000	30	50	21,600,000	36,000,000
North	B	1,000 - >2,000	40	60	82,800,000	124,200,000
North	C	1,000 - > 2,000	15	25	27,000,000	45,000,000
North	D	1,000 - > 2,000	30	50	27,000,000	45,000,000
South	SMZ 1	1,000 - > 1,500	30	60	83,700,000	167,400,000
South	SMZ 2	1,000 - > 1,500	30	60	38,000,000	75,000,000
				TOTALS	**280,100,000**	**492,600,000**

Table 1 – Summary of Exploration Target Ranges at varying thicknesses

The additional potential for the Exploration Target in SMZ Block 2 has been estimated using a range of thicknesses for the mineralised sedimentary material, calculated from data point elevations and geological mapping. The grade estimates a range of values demonstrated from surface sampling.

Hawkstone Mining Managing Director, Mr Paul Lloyd, commented:
"The increase in the Exploration Target forms part of an aggressive exploration program with the recently completed Phase 2 drill program confirming significant lithium mineralisation in Block A NMZ, assisting with the targeted conversion of a conceptual exploration target to a JORC estimated resource. We have further drilling planned as we continue to develop the Big Sandy lithium project."

NORTHERN MINERALISED ZONE (NMZ) – HISTORICAL EXPLORATION

Phase 1 and Phase 2 drill programs, geological mapping and surface sampling have defined a mineralised zone measuring 3,000m x 1,000m (Figure 2). The mineralised zone is bounded by the basin (graben) margin to the east as defined by basalt flows intersected in DDH5 and DDH8 (Phase 1), and in outcrop river cuts. The western margin was defined by surface geological mapping with the alteration associated with the Lithium mineralisation appearing to decrease to the west.

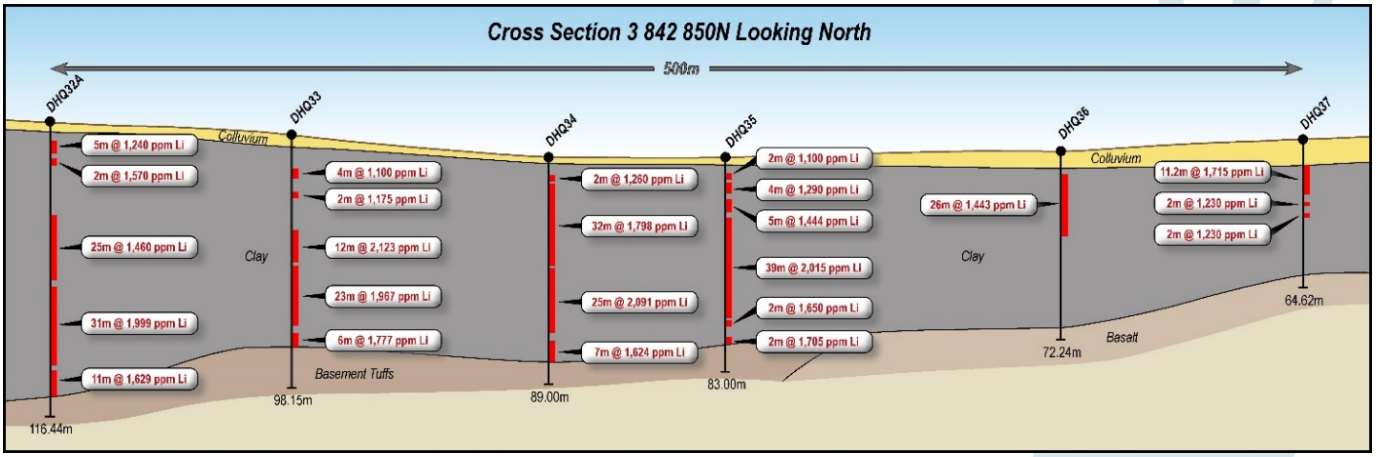

Figure 1 – Northern Mineralised Zone, Drill Line 3,842,850N

The Phase 2 drill program consisted of 37 holes on approximately a 100m x 100m grid, to depths ranging from 37m to 116m completed wholly within Block A, with all holes intersecting significant lithium mineralisation. The most western drill hole in the Phase 2 drill program (DHQ32A) is located at 264,300E, on the most northern line in the program (3,842,850N), intersected **25m @ 1,460ppm Li from 38m - 63m, 31m @ 1,999ppm Li from 66m – 97m and 11m @ 1,629ppm Li from 99m – 110m,** demonstrating that the

mineralisation has excellent potential to continue to the west. The interpreted NMZ boundary lies 500m west of this drill hole and lithium mineralisation has been traced 500m east along this drill line (Figure 2).

The southern limit of the mineralised zone is the granite-gneiss island and DDH2 defines the northern boundary.

The results from the Phase 1 and Phase 2 drill campaigns will be utilised in converting a portion of the existing the Exploration Target in NMZ Block A to a JORC compliant resource.

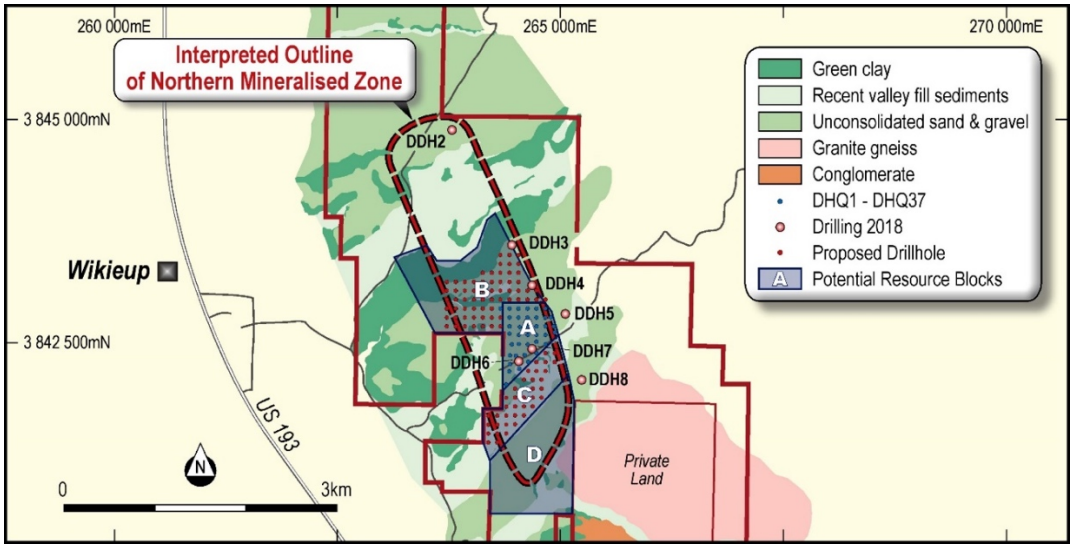

Figure 2 – Northern Mineralised Zone, Geology, Blocks and Drilling

Image 1 – Sedimentary mineralisation at the Big Sandy lithium project in Arizona, USA.

SOUTHERN MINERALISED ZONE (SMZ)

Geological mapping and sampling in the southern claim area demonstrated a similar stratigraphy to that intersected in the recently completed drilling in the NMZ Block A. In the NMZ Block A drilling, 2 thick sedimentary intervals (15m to 30m) were identified with a possible third developing at depth in DHQ32A. The

upper 2 sedimentary horizons are separated by a 1m – 3m carbonate horizon, signifying a period of evaporation/non-deposition. Below this, the lower sedimentaries transition rapidly into a brown sandy material or lie unconformably above basalt to the east.

In the southern area, an upper carbonate horizon separating the 2 sedimentary horizons occurs at a similar elevation as the NMZ, however mapping shows it to pinch to the west. The basal contact of the interpreted lower sedimentary was marked by a 20cm to 50m indurated tuff marker that was readily traceable throughout Block 1 (Photo 2). Although the material below the tuff marker appears to be less altered, it returned lithium values in the 1,000ppm Li range and becomes "greener" to the east potentially resulting from increased alteration. This may form a lower mineralised horizon (Photo 3). Upper sample returned 1m @ 1,500ppm Li and lower sample 1m @ 1,100ppm Li.

Image 2 – Indurated Tuff, Green Sedimentary above

Image 3 – Indurated Tuff, Green Sedimentary below

SMZ Block 1 comprises a large area in the southern portion of the claim block (Figure 3). Reconnaissance field work identified significant thicknesses of lithium mineralised sediment exposed in cliff faces (Photo 4). Surface sampling and geological mapping was used to estimate thickness and a possible grade. A lower thickness of 30m and an upper of 60m has been used in the calculations. A grade estimate of 1,000 -1,500 ppm Li was used given the results of surface sampling in the SMZ. The best result recorded was 1,330 ppm Li.

SMZ Block 2 consists of a large area to the northeast of the previously defined target SMZ Block 1 (Figure 3). The southern ¾'s of the block is covered primarily by a distinct, mesa capping "purple pyroclastic" flow. Where exposed along rivers cuts the pyroclastic cap ranges from 2m to 5m in thickness.

In the northern portion of SMZ Block 2 the sedimentary material is well exposed in river valleys. It transitions to brown sandy sediments with minor interbedded grits to the east reflecting a higher energy environment near the eastern basin margin. Samples of this sandy material returned generally less than 500ppm Li. Towards the south this transitional contact swings to the east. As with SMZ Block 1 a grade has been estimated from the sampling with the majority of samples in the mapped green sediments greater than 1,000ppm Li up to a maximum of 2,120ppm Li. As with Block 1 a grade range of 1,000ppm to 1,500ppm Li was applied. A lower thickness of 30m and an upper of 60m has been used in the calculations (Table 1). This is based on data point elevations that demonstrated potential thicknesses of up to 80m.

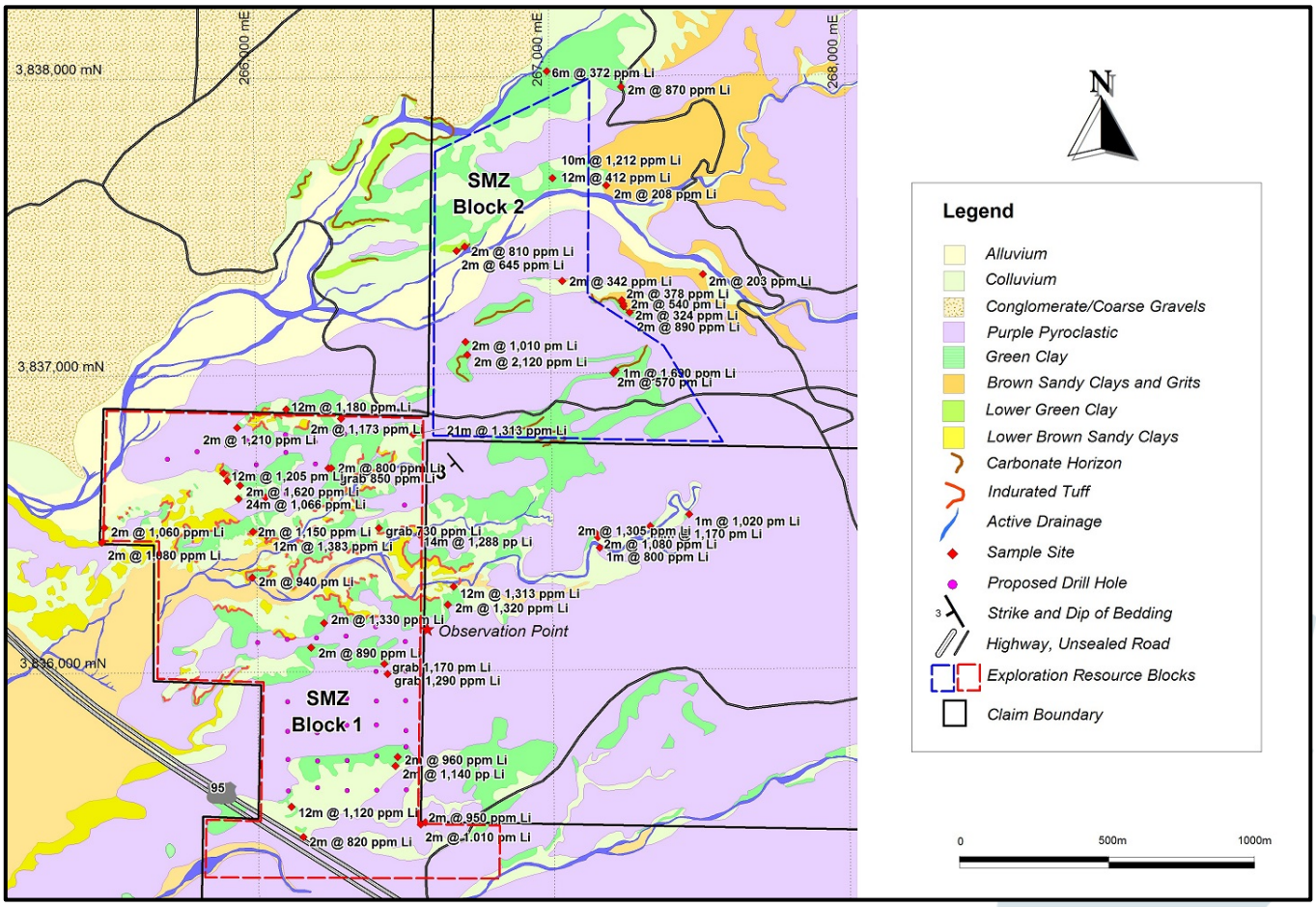

Figure 3 – SMZ Exploration Targets, Geology, Sampling

Photo 4 - SMZ Block 1 Sediments from *Observation Point* in Figure 3

EXPLORATION TARGET - PLANNED WORK

A 37-hole diamond drill program has been completed on Block A in the NMZ. The aim is to convert a significant portion of this Exploration Target (NMZ Block A) to a JORC compliant resource.

Further geological mapping and surface sampling will be completed to gain a better understanding of the target areas.

-END-

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ABOUT HAWKSTONE

Hawkstone's 100% owned Big Sandy and Lordsburg Projects (Figure 1) are located within the United States **Battery Corridor**, which includes Tesla Motors (NASDAQ:TSLA) Gigafactory 1, a lithium-ion battery and electric vehicle subassembly factory near Reno, Nevada.

The Company's flagship Big Sandy project is located some 2.5 hours' drive northwest of the state capital Phoenix, with access to world-class infrastructure including rail, road and grid power. The project is connected through the Interstate Highway System (I40) and cross-country Route 66, which both pass through the town of Kingman, 87km northeast of Big Sandy.

Kingman is located on the Southern Transcon route of the BNSF Railway, the main transcontinental route between Los Angeles and Chicago.

Big Sandy's 25.2km^2 project area contains an 11km-long lithium horizon with simple geology, lithium mineralisation from surface to a depth of 110m and a current Exploration Target of **280.1Mt - 492.6Mt at 1,000 - >2,000ppm Li**[10]. (Note that the potential quantity and grade of the Exploration Target is conceptual in nature. There has been insufficient exploration to estimate a mineral resource and it is uncertain whether future exploration will result in the definition of a mineral resource).

Arizona is a top 10 global mining investment destination[11] with the Big Sandy Project located within an area that has recently been designated as an economic opportunity zone[12], allowing companies to access tax concessions from state and federal authorities. Big Sandy's prospectivity is also bolstered by the recent designation of lithium by the US Commerce Department as a mineral deemed critical to U.S. national security and the economy by the US Federal Government[13].

[10] ASX Announcement - BIG SANDY PROJECT – LITHIUM EXPLORATION TARGET
https://www.asx.com.au/asxpdf/20190328/pdf/443tym6c5wl88s.pdf
[11] Frasier Institute – 2018 Survey of Mining Companies
https://www.fraserinstitute.org/sites/default/files/annual-survey-of-mining-companies-2018.pdf
[12] ARIZONA COMMERCE AUTHORITY - OPPORTUNITY ZONES
https://www.azcommerce.com/arizona-opportunity-zones/
[13] Interior's U.S. Geological Survey - list of critical minerals
https://www.usgs.gov/news/interior-releases-2018-s-final-list-35-minerals-deemed-critical-us-national-security-and

Figure 4 - Location of Hawkstone's Big Sandy and Lordsburg Projects

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COMPETENT PERSON'S STATEMENT

The information in this announcement that relates to exploration results and exploration targets for the Big Sandy Project is based on and fairly represents information compiled by Mr Gregory Smith, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Smith has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Smith consults to the Company as its Chief Technical Officer and holds shares in the Company. Mr Smith consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

EXPLORATION TARGET

ZONE	RESOURCE BLOCK	GRADE RANGE LI PPM	THICKNESS LOWER (M)	THICKNESS UPPER (M)	LOWER (TONNES)	UPPER (TONNES)
North	A	1,000 → 2,000	30	50	21,600,000	36,000,000
North	B	1,000 → 2,000	40	60	82,800,000	124,200,000
North	C	1,000 → 2,000	15	25	27,000,000	45,000,000
North	D	1,000 → 2,000	30	50	27,000,000	45,000,000
South	SMZ 1	1,000 → 1,500	30	60	83,700,000	167,400,000
South	SMZ 2	1,000 → 1,500	30	60	38,000,000	75,000,000
		1,000 → 2,000		**TOTAL**	**280,100,000**	**492,600,000**

Note that the potential quantity and grade of the Exploration Target is conceptual in nature. There has been insufficient exploration to estimate a mineral resource and it is uncertain whether future exploration will result in the definition of a mineral resource.

The Exploration Target has been estimated using a range of thicknesses for the mineralised sedimentaries calculated from drill intercepts, surface sampling and geological mapping. The grade estimates a range of values demonstrated from drilling and surface sampling.

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JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code Explanation	Commentary
Sampling techniques	Nature and quality of sampling (e.g. 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.	This announcement relates to sampling completed as part of geological mapping and sampling. It also refers to results from a diamond drill program.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	Surface rock chip samples were taken as chip channel samples along rock faces over 1 and 2 metre intervals. Samples of drill core were taken at 1m intervals with respect for geological contacts.
	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 (e.g. 'reverse circulation drilling was used to obtain 1m 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 (e.g. submarine nodules) may warrant disclosure of detailed information.	The rock chip samples were taken with a handheld hammer (geopick) across the flat bedded sediments. The samples are dispatched to ALS laboratories in Tucson, Arizona where it is prepared by Method Prep-31 (crush to 70% less than 2mm, riffle split off 250g, pulverize split to better than 85% passing 75 microns). Drilling: with the exception of the surficial colluvium that was not sampled the entire diamond core was split (halved) and sampled at 1m intervals. Sample procedures are identical to the rock chip samples with diamond saw cut ½ core dispatched to ALS.

Drilling techniques	Drill type (e.g. core, reverse circulation, open hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube,	The drilling was completed using a Mooroka mounted Longyear 44 and core recovered in a standard 3.05m core barrel. It produced HQ sized core of 63.4mm in diameter.
	depth of diamond tails, face sampling bit or other type, whether core is oriented and if so, by what method, etc.).	As all of the stratigraphy is flat lying all holes are drilled vertical and no core orientation is required. As all potentially mineralised zones lie within 100m of surface no downhole surveys were completed.
Drill sample recovery	Method of recording and assessing core and chip sample recoveries and results assessed.	All recoveries are calculated and 1m downhole depths marked prior to geological logging and sampling.
	Measures taken to maximise sample recovery and ensure representative nature of the samples.	The core was drilled with a bit that has been found to work exceptionally well in sediments. Both the rotation speed and feed rate are slowed to maximise recovery.
	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.	Core recovery was greater than 95% in the mineralised intervals. The Li mineralisation is hosted in sediment that is extremely fine grained and even textured.
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.	Geological logging was completed on all core noting the rock type, grainsize, colour, presence of carbonate and sediment type to a level required to support Mineral Resource estimation, mining studies and metallurgical studies.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography	Logging has been completed in the form of geology and recoveries. All core has been photographed both wet and dry.
	The total length and percentage of the relevant intersections logged.	The entire core is logged noting any intervals of low or non-recovery.

Sub-sampling techniques and sample preparation	If core, whether cut or sawn and whether quarter, half or all core taken.	All rock chips sample intervals are bagged in numbered calico bags. All core is halved using a diamond saw.
	If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.	All rock chips were sampled dry and no splitting was undertaken. Half core is taken and bagged in consecutively numbered bags for analysis.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	Both rock chip and core samples are representative of material sampled.
	Quality control procedures adopted for all subsampling stages to maximise representivity of samples.	A duplicate consisting of quarter core, a standard or blank were placed in the sample stream of the drill core at a ratio of 1:10.
	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.	Half core taken as the sample with the exception of the duplicate samples where the half core was split into 2 samples consisting of a quarter core each. No duplicate samples were submitted for the rock chip sampling.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	Sample sizes for both the rock chip and core samples are appropriate for grain size of material sampled. Lithium hosted in micron scale sediment minerals.
Quality of assay data and laboratory tests	The nature, quality and appropriateness of the Assaying and laboratory procedures used and whether the technique is considered partial or total.	The assay technique (ME-MS61) is a total process, as a 4 acid digest is used to remove the lithium from the sediment prior to analysis. This method was used for core samples.
	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.	These geophysical instruments are not used in assessing the mineralization at the Project. Quality control procedures during the drill program consist of inserting a standard, blank or duplicate sample into the sample stream at a ratio of 1:10. From the data to date the

	Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	results of the QC samples are within acceptable levels.
Verification of sampling and assaying	The verification of significant intersections by either independent or alternative company personnel.	All rock chip and diamond drill results were examined by GL Smith a consultant geologist whom is contracted to the company.
Verification of sampling and assaying	The use of twinned holes.	No twin holes were drilled or have been drilled.
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	The data are currently stored in hardcopy and digital format in the Company's office. A hard drive copy of this is stored with GL Smith.
	Discuss any adjustment to assay data.	No adjustment was made to assay data.
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.	All rock chip sample sites were located in NAD83 UTM Zone 12N using a handheld GPS accurate to 3m. All diamond drill holes have been surveyed by Mohave Engineers.
Location of data points Data spacing and distribution	Specification of the grid system used.	NAD83 UTM Zone 12N
	Quality and adequacy of topographic control.	All rock sample elevation data points were located using a handheld GPS. A drone enabled airphoto survey has been completed and control points and drill hole collars surveyed. A digital DTM has been created with an X axis accuracy of 40mm.

	Data spacing for reporting of Exploration Results.	The rock chip samples were taken at random locations on available outcrop at intervals considered sufficient to be representative of the mineralisation style and type. The diamond drilling described in the report preceding this table are at approximately 100m centres except where the holes have been moved slightly to minimise environmental impact or due to topography.
Data spacing and distribution Orientation of data in relation to geological structure	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.	The rock chip samples will not be used in the establishment of a JORC compliant resource. The diamond drilling described in the report preceding this table are holes specifically used to determine the lithium grades below the surface colluvium/oxidisation, the geology and potential extent.
	Whether sample compositing has been applied.	No sample compositing has been applied.
	Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.	The rock chip samples are taken at right angles across the bedding of the sediments. The diamond holes are being drilled to a depth of ~100m to determine the geology, grade distribution and potential extents. The core sampling occurs perpendicular to the flat lying strata and is therefore representative of the mineralisation.
Orientation of data in relation to geological structure Sample security	If the relationship between the drilling orientation and the orientation of key mineralised structures are considered to have introduced a sampling bias, this should be assessed and reported if material.	No sampling bias as the vertical diamond holes were drilled into flat lying lacustrine sediments.

	The measures taken to ensure sample security.	All samples were sampled and delivered directly to ALS sample preparation facility in Tucson, Arizona.
Audits or reviews	The results of any audits or reviews of sampling techniques and data.	No reviews have yet been completed.

Section 2: Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

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.	The Big Sandy project consists of 311 mining claims of approximately 20 acres each, physically staked on Bureau of Land Management, Federally administered land. All indigenous title is cleared and there are no other known historical or environmentally sensitive areas.
	The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	The claims have been granted and are subject to an annual payment. Other than the payment there is no requirement for minimum exploration or reporting. There is no expiry date on the claims.
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	There has been no exploration for lithium mineralisation on this project other than that completed previously by Big Sandy Inc (wholly owned subsidiary of Hawkstone Mining Ltd).
Geology	• Deposit type, geological setting and style of mineralisation.	The geology is characterized by flat-lying basin sediments comprising predominantly lacustrine sediments interpreted to have resulted from the alteration of tuffaceous material deposited in a broad block faulted graben. The alteration and accompanying lithium mineralisation is interpreted to have resulted from: (1) remobilisation from underlying or surrounding acid volcanics (2) interaction of hot springs within the basin and/or (3) periods of non-deposition where evaporation

		resulted in the upward migration and concentration of the lithium.
Drill hole Information	A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth hole length.	All information as listed is provided in the preceding tables.
	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.	This information has not 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.	Composite drill results at the Big Sandy Project are simple weighted averages with no upper or lower grade truncations. However significant intercepts generally include material grading >1,000 ppm Li and the higher grade internal intervals are determined by material exceeding 2,000 ppm Li.
	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.	Aggregated rock chip results have been done as a weighted average on the basis of geology. All drill samples are 1m or near 1m intervals dependent on geology. Aggregate intercepts are the weighted average of that interval.
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	No metal equivalent values are stated.
Relationship between mineralization widths and intercept lengths	These relationships are particularly important in the reporting of Exploration Results. If the geometry of the	Where thickness are stated from the rock chip sampling the intercepts reflect the true thickness as the sediments are flat lying.

	mineralization with respect to the drill hole angle is known, its nature should be reported.	Where thicknesses are stated from the drilling the intercepts reflect the true thickness as the lacustrine sediments are flat lying.
	If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').	As above.
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.	Appropriate maps are included.
Balanced reporting	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.	This release includes results to date from both the rock chip sampling and the drilling.
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.	The geology of the deposit is simple consisting of flat lying sediments within an intermontain lacustrine basin. These sediments are interpreted to have been tuffaceous sediments that have undergone alteration due to circulating groundwaters, evaporative pumping or hot springs. These processes have potentially contributed to the enhanced levels of lithium. No bulk sampling has been completed. Initial metallurgical test work shows the lithium to be acid leachable. No water table has been identified in drilling to date.
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).	Further geological mapping and rock chip sampling is planned.

		Ongoing diamond drill testing the lacustrine sediments is in planning.
	Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	The diagrams in the attached release show the zone of proposed future drilling as well as the areas of possible extensions.