

ASX ANNOUNCEMENT



30 July 2020

Geochemistry substantiates nickel and PGE targets at Wundowie, Western Australia

HIGHLIGHTS

- **Lithium Australia NL, Mercator Metals Pty Ltd and Australian Vanadium Ltd hold contiguous tenements with a combined area of 59 square kilometres covering the entire Coates Mafic Intrusive Complex, near Wundowie in Western Australia (collectively, ‘the Coates project’).**
- **The tenements are located 29 kilometres southeast of the recent nickel, copper and platinum group elements (‘PGE’) discovery at Chalice Gold Mines’ Julimar project.**
- **Coincident drill-geochemistry anomalies generated from copper, PGE and gold assays have been identified adjacent to the Coates Mafic Intrusion.**
- **Field work will include extensive geochemical and geophysical programmes across the combined Lithium Australia, Australian Vanadium and Mercator tenement area.**

ACN: 126 129 413

ASX: LIT

Level 1

675 Murray St
West Perth WA 6005PO Box 1088
West Perth WA 6872

Phone +61 (0) 8 6145 0288

Fax +61 (0) 8 9475 0847

info@lithium-au.com

lithium-au.com

Background

In an announcement to the ASX dated 25 May 2020, Lithium Australia NL (‘LIT’), Australian Vanadium Ltd (‘AVL’) and Mercator Metals Pty Ltd (‘Mercator’) (together ‘the Companies’) provided details of a collaboration to advance exploration for nickel (‘Ni’), copper (‘Cu’), PGE and gold at the Coates Mafic Intrusive Complex near Wundowie in Western Australia (Figures 1 & 2). Drilling geochemistry completed in 2013 by a Mercator joint-venture (‘JV’) partner supports this exploration strategy.

ASX ANNOUNCEMENT

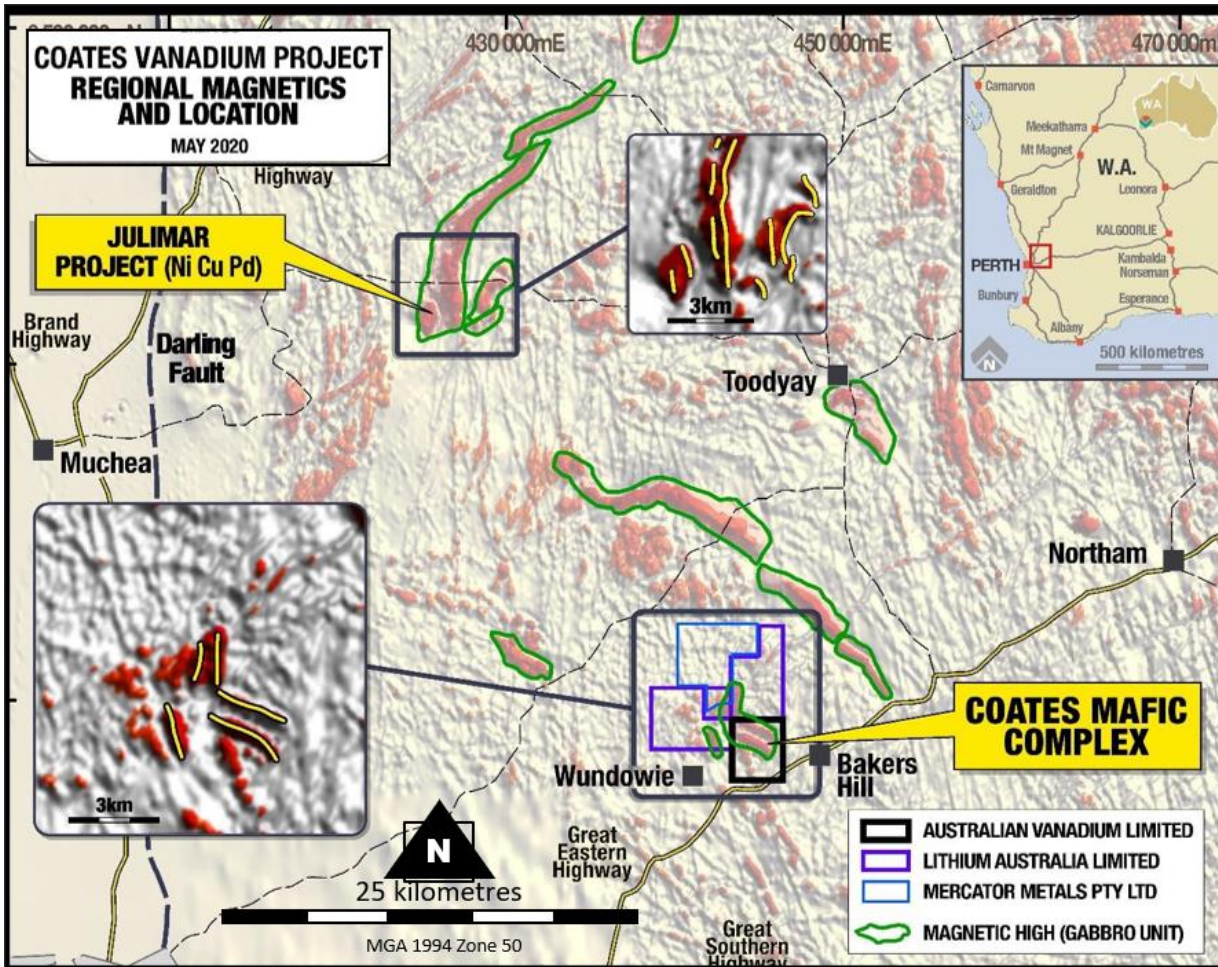


Figure 1. Location of Coates project alongside known base metal, vanadiferous titanomagnetite and PGE projects.

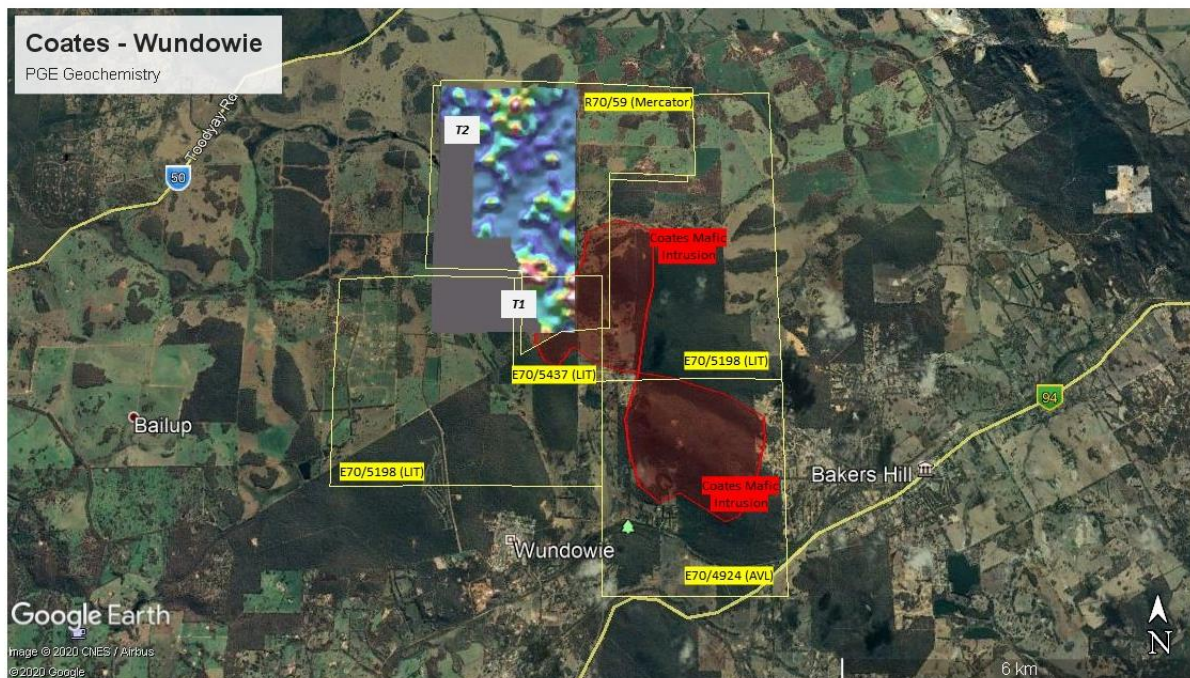


Figure 2. Tenements outlined over Google Earth image. The interpreted outline of the Coates Mafic Intrusion is shown in red, while the overlying colour image of Pd + Pt geochemistry reveals the extent of the Mercator vacuum drilling and two anomalous areas, the priority T1 target being on the outer margin of the Coates Mafic Intrusion.

2013 drilling data demonstrated PGE anomalies

Together, LIT and AVL have compiled much of the available geological and geochemical information for the Coates project, including geochemical analyses from 522 vacuum holes drilled in 2013 within Mercator's R70/59 by its JV partner (Figure 3). Drill-hole collar co-ordinates are tabulated in Appendix I, Table 1, and selected and assay results are shown in Appendix 1, Table 2.

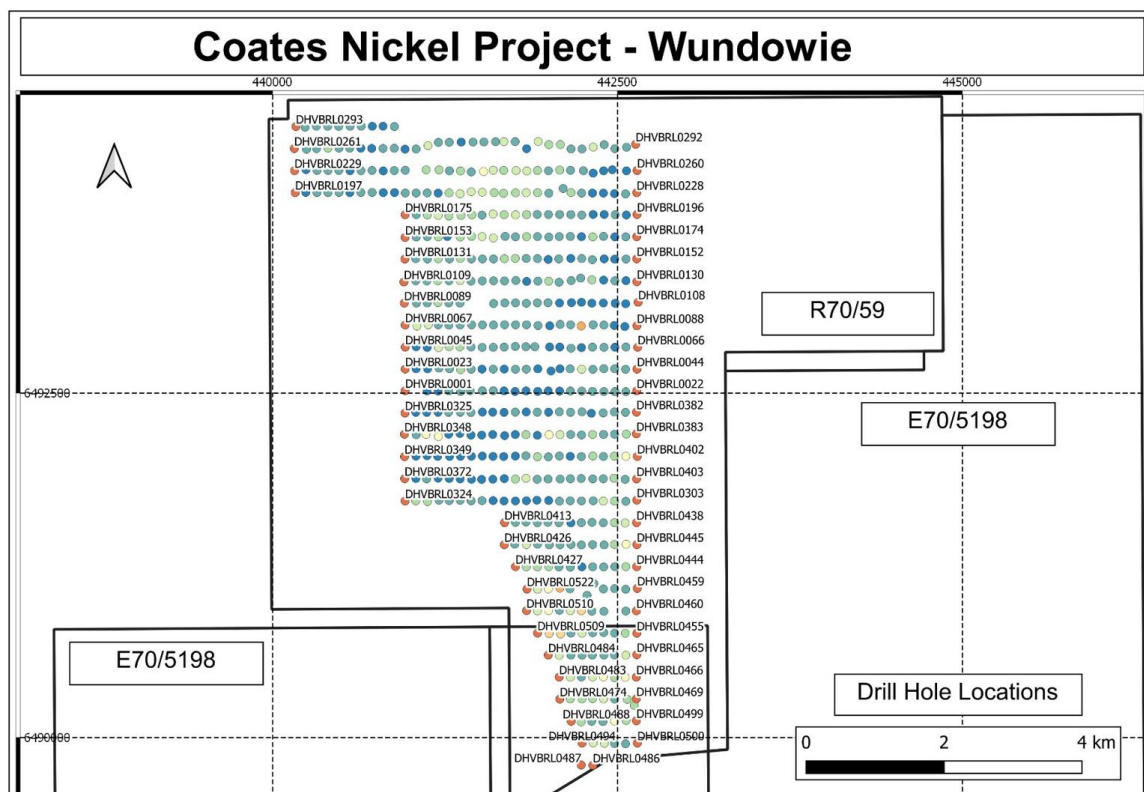


Figure 3. Collar locations of Mercator geochemical drill holes.

While bauxite was being targeted at the time, end-of-hole samples were also analysed for a range of precious and base metals. It is noteworthy that where drill locations are adjacent to the interpreted margin of the Coates Mafic Intrusion, anomalous and often coincident Cu, platinum ('Pt') (maximum 37 parts per billion ('ppb')), palladium ('Pd') (maximum 53 ppb) and gold ('Au') (maximum 108 ppb) are evident. (Cu, Pt and Pd are often considered pathfinder elements for nickel sulphide mineralisation.) Element distribution maps are shown in Figure 4.

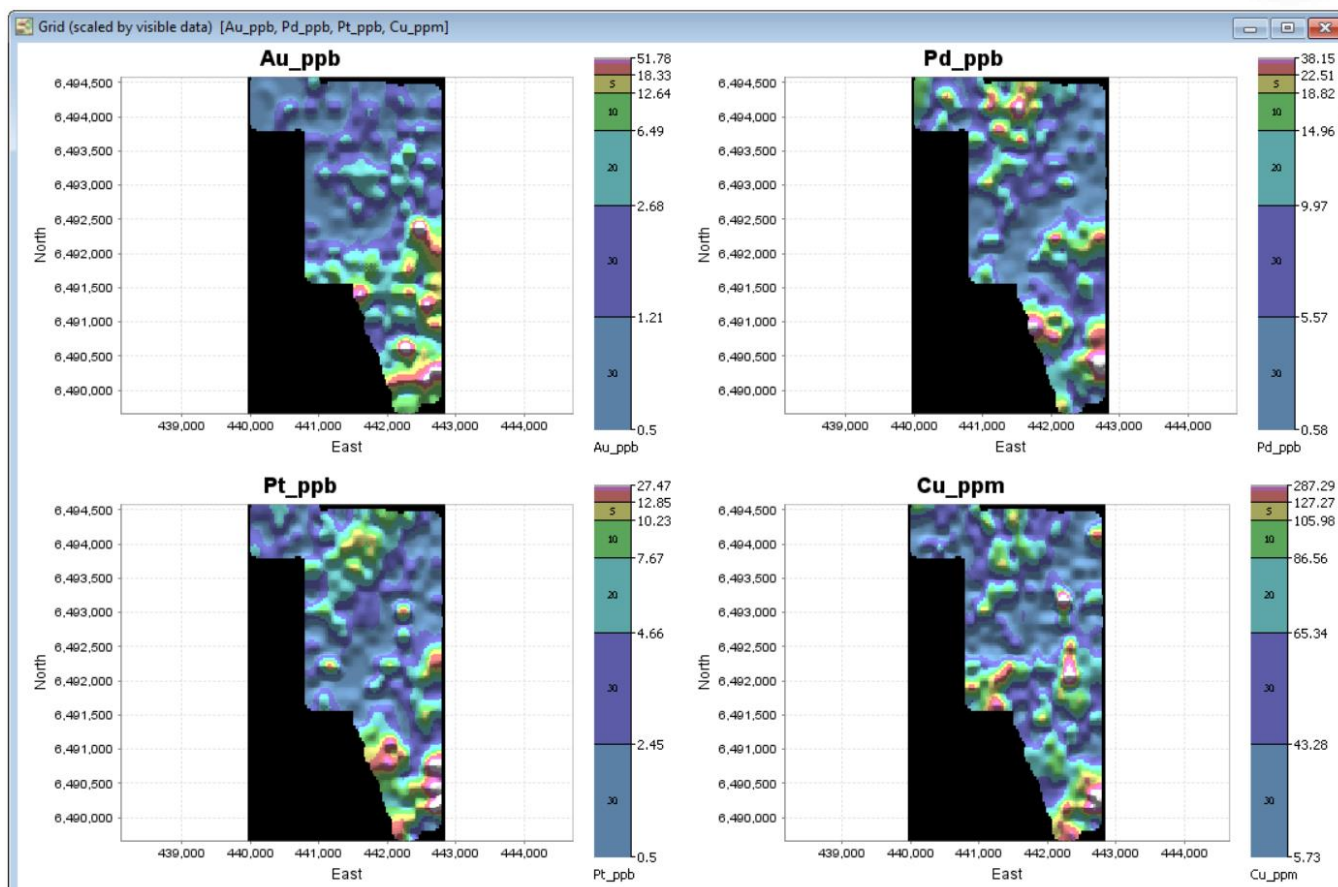


Figure 4. Element distribution maps from geochemical drilling on Mercator's R70/59.

Upcoming fieldwork

Before fieldwork can begin, statutory approvals are required. To that end, the Companies are developing a conservation management plan and drawing up land-owner access agreements. Meanwhile, the Companies have completed early modelling of available aeromagnetic data to determine the extent of proposed soil geochemistry and geological mapping programmes.

Rapid analysis of soil samples for Ni, Cu and chromium using field-portable X-ray fluorescence will be followed by analysis for precious metals (Au, palladium and platinum) by a commercial laboratory. The resulting Ni geochemical targets will be surveyed using moving-loop electromagnetic equipment to detect conductive rock types, which may include Ni sulphides. Conductive targets will then be drilled.

About the Coates project

The recent discovery of Ni-Cu-PGE sulphide mineralisation at Chalice Gold Mines' Julimar project, as well as indications of mineralisation discovered by other explorers in mafic and ultramafic rocks within the Jimperding Metamorphic Belt, serve to highlight the great potential of this geological terrain. Combined, the Companies' adjoining tenements cover 59 square kilometres of a mafic-ultramafic sequence similar to that which hosts the mineralisation at Julimar.



ASX ANNOUNCEMENT

Although the timeframe for commencing fieldwork is dependent on receiving the statutory approvals referred to previously, it is anticipated that geochemical sampling and electromagnetic surveys will commence in the September 2020 quarter.

Comment from Lithium Australia MD Adrian Griffin

“The Companies are well aware of the market excitement generated by nickel and PGE targets such as the Coates Mafic Intrusion and are keen to get onto the ground; however, we take our social and environmental responsibilities very seriously, and getting these things right at the start of a project will pave the way for enduring good relations with all stakeholders as the project develops.”

Comment from Australian Vanadium MD Vincent Algar

“The discovery of nickel-copper-PGE at the Julimar project is generating a lot of interest in the Western Yilgarn as a new province for nickel and PGE. Already, the Companies’ strategic alliance is bearing fruit as we streamline our exploration activity to target potential new discoveries in this exciting region.”

Authorised for release by the Board.

Adrian Griffin

Managing Director

Mobile +61 (0) 418 927 658

Adrian.Griffin@lithium-au.com

Barry Woodhouse

CFO and Company Secretary

Mobile +61 (0) 438 674 259

Barry.Woodhouse@lithium-au.com

About Lithium Australia NL

Lithium Australia aims to ensure an ethical and sustainable supply of energy metals to the battery industry (enhancing energy security in the process) by creating a circular battery economy. The recycling of old lithium-ion batteries to new is intrinsic to this plan. While rationalising its portfolio of lithium projects/alliances, the Company continues with R&D on its proprietary extraction processes for the conversion of *all* lithium silicates (including mine waste), and of unused fines from spodumene processing, to lithium chemicals. From those chemicals, Lithium Australia plans to produce advanced components for the battery industry globally, and for stationary energy storage systems within Australia. By uniting resources and innovation, the Company seeks to vertically integrate lithium extraction, processing and recycling.

Media contacts

Adrian Griffin, Lithium Australia NL

Kevin Skinner, Field Public Relations

08 6145 0288 | +61 (0) 418 927 658

08 8234 9555 | +61 (0) 414 822 631

ASX ANNOUNCEMENT



Competent person's statement – exploration strategy

The information in this statement that relates to exploration strategy and geochemical results is based on information provided to, and compiled by, consulting geologist David Crook BSc GAICD, who is a member of The Australian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Mr Crook provides the service of Manager – Raw Materials to Lithium Australia NL.

Mr Crook has sufficient experience which is relevant to the style of mineralisation and exploration processes as reported herein 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 Crook consents to the inclusion in the report of the matters based on the information made available to him, in the form and context in which it appears.





APPENDIX 1

Table 1. End-point coordinates for geochemistry drilling traverses.

Traverse	Hole ID	East	North		Hole ID	East	North
1	DHVBRL0302	440,883	6,494,435	to	DHVBRL0293	440,169	6,494,435
2	DHVBRL0261	440,158	6,494,275	to	DHVBRL0292	442,631	6,494,306
3	DHVBRL0229	440,159	6,494,114	to	DHVBRL0260	442,642	6,494,116
4	DHVBRL0197	440,164	6,493,955	to	DHVBRL0228	442,639	6,493,954
5	DHVBRL0175	440,961	6,493,794	to	DHVBRL0196	442,642	6,493,796
6	DHVBRL0153	440,961	6,493,629	to	DHVBRL0174	442,640	6,493,635
7	DHVBRL0131	440,959	6,493,473	to	DHVBRL0152	442,640	6,493,475
8	DHVBRL0109	440,952	6,493,306	to	DHVBRL0130	442,640	6,493,309
9	DHVBRL0108	442,650	6,493,160	to	DHVBRL0089	440,954	6,493,153
10	DHVBRL0067	440,961	6,492,994	to	DHVBRL0088	442,641	6,492,988
11	DHVBRL0045	440,962	6,492,834	to	DHVBRL0066	442,646	6,492,833
12	DHVBRL0023	440,961	6,492,674	to	DHVBRL0044	442,641	6,492,674
13	DHVBRL0001	440,961	6,492,518	to	DHVBRL0022	442,640	6,492,516
14	DHVBRL0325	440,960	6,492,355	to	DHVBRL0382	442,638	6,492,362
15	DHVBRL0348	440,955	6,492,202	to	DHVBRL0383	442,637	6,492,204
16	DHVBRL0349	440,957	6,492,039	to	DHVBRL0402	442,643	6,492,041
17	DHVBRL0372	440,957	6,491,879	to	DHVBRL0403	442,639	6,491,877
18	DHVBRL0303	442,640	6,491,724	to	DHVBRL0324	440,961	6,491,717
19	DHVBRL0413	441,681	6,491,560	to	DHVBRL0438	442,638	6,491,560
20	DHVBRL0426	441,680	6,491,400	to	DHVBRL0445	442,641	6,491,400
21	DHVBRL0427	441,761	6,491,241	to	DHVBRL0444	442,639	6,491,240
22	DHVBRL0460	442,637	6,490,920	to	DHVBRL0510	441,841	6,490,921
23	DHVBRL0455	442,640	6,490,757	to	DHVBRL0509	441,921	6,490,759
24	DHVBRL0465	442,640	6,490,601	to	DHVBRL0484	441,998	6,490,599
25	DHVBRL0466	442,636	6,490,439	to	DHVBRL0483	442,077	6,490,439
26	DHVBRL0469	442,637	6,490,281	to	DHVBRL0474	442,082	6,490,279
27	DHVBRL0488	442,164	6,490,119	to	DHVBRL0499	442,637	6,490,122
28	DHVBRL0494	442,244	6,489,960	to	DHVBRL0500	442,644	6,489,960
29	DHVBRL0486	442,322	6,489,799	to	DHVBRL0487	442,237	6,489,801

- Grid: GDA94-50.
- All vacuum holes drilled vertically: dip -90, azimuth 0.
- Holes nominally spaced 80m apart along lines that are 150m apart.
- One sample analysed from the bottom of each vacuum hole for Au, Pt, Pd by fire assay, Ag, As, Cu, Pb, V and Zn by chemical digestion, ICP finish. Refer to Table 1 for further details.



Table 2. Selected assay results.

Hole ID	East	North	RL	Sample ID	From	To	Au_ppb	Pd_ppb	Pt_ppb	Ag_ppm	As_ppm	Cu_ppm	Pb_ppm	V_ppm	Zn_ppm
DHVBRL0082	442,160	6,492,996	407	BRL006664	3.5	4	8	13	3	0.02	4	12	5	315	6
DHVBRL0083	442,237	6,492,987	407	BRL006656	9.5	10	5	32	29	0.02	4	166	5	515	22
DHVBRL0084	442,323	6,492,996	402	BRL006293	8	8.5	2	3	2	0.02	4	30	5	280	16
DHVBRL0102	442,166	6,493,156	409	BRL006635	5	5.5	2	3	0.5	0.02	3	14	5	420	4
DHVBRL0103	442,239	6,493,159	409	BRL006624	6	6.5	7	0.5	0.5	0.02	3	602	5	445	10
DHVBRL0104	442,314	6,493,152	403	BRL006304	5	5.5	0.5	0.5	0.5	0.02	5	22	5	805	6
DHVBRL0159	441,443	6,493,638	392	BRL007261	8	8.5	3	6	10	0.02	4	66	5	535	1
DHVBRL0160	441,519	6,493,636	392	BRL007244	9	9.5	3	39	15	0.02	2	90	5	485	10
DHVBRL0161	441,601	6,493,626	390	BRL007224	12	12.5	2	28	13	0.02	2	70	5	535	12
DHVBRL0177	441,122	6,493,793	370	BRL003232	11.5	12	1	6	7	0.02	2	52	5	525	24
DHVBRL0178	441,200	6,493,790	378	BRL007054	10.5	11	1	42	12	0.02	2	122	5	395	14
DHVBRL0179	441,278	6,493,785	387	BRL007070	7.5	8	0.5	23	8	0.02	4	76	10	495	12
DHVBRL0213	441,440	6,493,962	396	BRL006980	7.5	8	0.5	11	13	0.02	2	64	5	530	6
DHVBRL0214	441,521	6,493,958	398	BRL006964	14.5	15	3	42	13	0.02	4	90	5	440	10
DHVBRL0215	441,606	6,493,955	398	BRL006933	6.5	7	0.5	5	10	0.02	4	98	5	570	2
DHVBRL0239	440,962	6,494,117	351	BRL003074	10	10.5	0.5	8	4	0.02	5	50	10	845	28
DHVBRL0241	441,114	6,494,120	365	BRL006731	11.5	12	0.5	35	9	0.02	2	58	5	515	12
DHVBRL0242	441,207	6,494,120	375	BRL006745	6.5	7	3	19	7	0.02	4	72	5	475	16
DHVBRL0243	441,282	6,494,113	381	BRL006767	10	10.5	2	13	3	0.02	2	34	5	450	14
DHVBRL0244	441,362	6,494,112	387	BRL006785	8.5	9	0.5	31	9	0.02	2	80	5	395	74
DHVBRL0245	441,440	6,494,105	388	BRL006801	7	7.5	0.5	19	3	0.02	3	16	5	505	6
DHVBRL0246	441,530	6,494,108	389	BRL006823	10.5	11	2	44	16	0.02	0.5	86	5	420	22
DHVBRL0247	441,599	6,494,117	387	BRL006850	12.5	13	0.5	32	12	0.02	0.5	124	5	420	10
DHVBRL0248	441,675	6,494,116	385	BRL006865	7	7.5	2	4	9	0.02	5	36	5	1280	4
DHVBRL0249	441,765	6,494,115	382	BRL006888	10.5	11	4	43	12	0.02	6	54	5	540	6

ASX ANNOUNCEMENT



Hole ID	East	North	RL	Sample ID	From	To	Au_ppb	Pd_ppb	Pt_ppb	Ag_ppm	As_ppm	Cu_ppm	Pb_ppm	V_ppm	Zn_ppm
DHVBRL0250	441,843	6,494,112	377	BRL005577	11.5	12	0.5	5	11	0.02	1	54	5	520	8
DHVBRL0264	440,402	6,494,278	374	BRL001645	12	12.5	0.5	15	7	0.02	2	58	5	660	30
DHVBRL0265	440,481	6,494,278	367	BRL001673	13.5	14	0.5	35	5	0.02	0.5	76	5	315	16
DHVBRL0266	440,559	6,494,277	362	BRL001702	13.5	14	0.5	11	2	0.02	1	34	5	375	18
DHVBRL0272	441,040	6,494,271	350	BRL001827	12	12.5	2	7	2	0.5	3	58	5	685	58
DHVBRL0273	441,127	6,494,296	356	BRL001871	8	8.5	0.5	41	12	0.02	2	180	5	470	30
DHVBRL0274	441,202	6,494,319	360	BRL001886	6.5	7	0.5	11	2	0.02	2	34	5	445	12
DHVBRL0306	442,397	6,491,717	367	BRL007585	13	13.5	4	13	11	0.02	6	124	5	530	16
DHVBRL0307	442,324	6,491,719	366	BRL007609	11	11.5	34	6	2	0.02	5	66	5	130	10
DHVBRL0308	442,239	6,491,718	366	BRL007631	9.5	10	9	12	4	0.02	4	120	10	1130	32
DHVBRL0379	442,397	6,492,356	373	BRL009283	11	11.5	8	7	2	0.02	2	104	5	580	32
DHVBRL0380	442,477	6,492,363	372	BRL009308	11.5	12	108	28	5	0.02	4	56	5	280	18
DHVBRL0381	442,558	6,492,361	372	BRL009332	11	11.5	7	10	5	0.02	3	86	5	445	6
DHVBRL0386	442,399	6,492,200	371	BRL009449	10.5	11	31	13	2	0.02	5	44	5	160	10
DHVBRL0387	442,320	6,492,200	372	BRL009479	13.5	14	3	14	6	0.02	3	316	10	1710	96
DHVBRL0388	442,239	6,492,196	374	BRL009505	12	12.5	3	18	4	0.02	8	88	5	630	12
DHVBRL0389	442,161	6,492,200	377	BRL009527	10	10.5	0.5	9	3	0.02	5	18	5	290	4
DHVBRL0390	442,083	6,492,199	383	BRL009554	13	13.5	2	36	11	0.02	4	98	5	440	10
DHVBRL0391	442,004	6,492,198	390	BRL009571	7.5	8	2	32	17	0.02	5	48	5	320	8
DHVBRL0397	442,239	6,492,039	372	BRL009721	11	11.5	5	12	2	0.02	2	98	5	465	6
DHVBRL0398	442,321	6,492,044	371	BRL009746	11.5	12	2	20	7	0.02	2	470	10	1770	16
DHVBRL0427	441,761	6,491,241	367	BRL010438	12	12.5	2	17	10	0.02	4	46	5	405	12
DHVBRL0442	442,481	6,491,241	353	BRL010732	6	6.5	2	4	2	0.02	10	52	10	445	8
DHVBRL0443	442,560	6,491,241	353	BRL010745	5.5	6	60	12	8	0.02	5	80	5	360	8
DHVBRL0444	442,639	6,491,240	353	BRL010758	6	6.5	18	7	3	0.02	18	26	5	310	14
DHVBRL0448	442,403	6,491,398	361	BRL010838	10	10.5	2	10	5	0.02	3	88	5	475	8
DHVBRL0449	442,320	6,491,401	360	BRL010864	12	12.5	45	8	2	0.02	0.5	16	5	70	12

ASX ANNOUNCEMENT



Hole ID	East	North	RL	Sample ID	From	To	Au_ppb	Pd_ppb	Pt_ppb	Ag_ppm	As_ppm	Cu_ppm	Pb_ppm	V_ppm	Zn_ppm
DHVBRL0450	442,239	6,491,398	361	BRL010885	9.5	10	2	3	2	0.02	12	16	10	475	6
DHVBRL0454	442,243	6,490,758	353	BRL010952	11	11.5	2	17	14	0.02	6	92	5	200	38
DHVBRL0455	442,640	6,490,757	355	BRL010977	12	12.5	2	26	28	0.02	10	50	5	610	30
DHVBRL0468	442,479	6,490,435	341	BRL011199	9.5	10	10	17	10	0.02	54	118	10	410	64
DHVBRL0469	442,637	6,490,281	342	BRL011229	14	14.5	57	53	22	0.02	17	400	40	390	44
DHVBRL0470	442,571	6,490,278	339	BRL011238	3.5	4	3	8	7	0.02	90	50	5	1100	8
DHVBRL0497	442,479	6,490,120	345	BRL011843	9	9.5	15	16	19	0.02	169	118	5	460	70
DHVBRL0498	442,563	6,490,124	341	BRL011867	11	11.5	64	18	6	0.02	7	178	5	460	54
DHVBRL0499	442,637	6,490,122	337	BRL011885	8.5	9	14	28	37	0.02	20	260	20	435	36
DHVBRL0500	442,644	6,489,960	341	BRL011913	13	13.5	8	3	0.5	0.02	3	36	10	245	46
DHVBRL0501	442,317	6,490,598	346	BRL011928	7	7.5	85	3	3	0.02	11	126	10	520	20
DHVBRL0502	442,243	6,490,597	349	BRL011951	10.5	11	71	4	3	0.02	0.5	48	5	130	38
DHVBRL0503	442,162	6,490,598	354	BRL011971	9.5	10	5	6	5	0.02	0.5	138	5	395	28
DHVBRL0504	442,560	6,490,919	346	BRL011979	3.5	4	8	15	4	0.02	12	34	10	365	12
DHVBRL0505	442,622	6,490,234	339	BRL012000	9	9.5	48	16	8	0.02	17	54	20	190	78
DHVBRL0514	442,155	6,491,080	360	BRL012182	12.5	13	12	11	3	0.02	3	58	5	320	12
DHVBRL0515	442,083	6,491,085	362	BRL012210	13.5	14	3	33	28	0.02	4	98	10	210	22
DHVBRL0516	441,999	6,491,079	365	BRL012241	14	14.5	3	21	17	0.02	6	122	5	285	22
DHVBRL0519	442,159	6,490,921	361	BRL012300	7	7.5	0.5	8	13	0.02	5	100	5	630	10
DHVBRL0520	442,238	6,490,920	356	BRL012323	10.5	11	2	37	21	0.02	4	108	5	695	26
DHVBRL0521	442,315	6,490,917	351	BRL012341	8	8.5	2	6	4	0.02	3	44	5	320	6

- Grid: GDA94-50.
- All vacuum holes drilled vertically: dip -90, azimuth 0.
- Au, Pd, Pt by ultratrace FA003 fire assay, Ag and As by Ultratrace ICP302 chemical analysis and Cu, Pb, V, Zn by Ultratrace ICP102 Chemical analysis.



Appendix 2

JORC Code, 2012 Edition – Table 1 report template

Section 1 Sampling Techniques and Data

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

Criteria	JORC Code explanation	Commentary
Sampling techniques	<p><i>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.</i></p> <p><i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i></p> <p><i>Aspects of the determination of mineralisation that are Material to the Public Report.</i></p> <p><i>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.</i></p>	<p>The Fortuna Bauxite Project was drilled by Bauxite Resources Limited (“BRL” now Australian Silica Quartz Group ASX: ASQ) with results, including JORC 2012 Tables, released to the market on 26 June 2014.</p> <ul style="list-style-type: none"> • Vacuum drilling used to generate samples generally at 0.5m intervals. Whole samples were taken when sample return was less than 2kg. • Sampling and QAQC procedures were carried out to industry standards. • BRL attests to sample representivity in the 26 June 2016 announcement, and Lithium Australia believes that the results are “fit for purpose”, being exploration level geochemistry. • Approximately 520 end-of-hole samples relevant to this announcement were analysed by Ultratrace Laboratories, Perth for As, Cu, V, Zn, Pb and Ag by 4 acid, ICP determination and for Au, Pt and Pd by fire assay. • The information reported herein is from WAMEX A101004.
Drilling techniques	<p><i>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).</i></p>	<ul style="list-style-type: none"> • All Drilling was undertaken using a tractor mounted vacuum drill rig utilising a 45mm drill bit (“VAC”).

ASX ANNOUNCEMENT



<p><i>Drill sample recovery</i></p>	<p><i>Method of recording and assessing core and chip sample recoveries and results assessed.</i></p> <p><i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i></p> <p><i>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.</i></p>	<ul style="list-style-type: none"> • All samples were weighed. This provides an indirect record of sample recovery. • All VAC samples were visually checked for recovery, moisture and contamination. • No relationship exists between sample recovery and grade.
<p><i>Logging</i></p>	<p><i>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.</i></p> <p><i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.</i></p> <p><i>The total length and percentage of the relevant intersections logged.</i></p>	<ul style="list-style-type: none"> • All holes were field logged by company (BRL) supervised geologists. Weathering, lithology, alteration and mineralogy information were recorded. • No diamond core was drilled. • All drill holes were logged in full. • Logging was qualitative in nature
<p><i>Sub-sampling techniques and sample preparation</i></p>	<p><i>If core, whether cut or sawn and whether quarter, half or all core taken.</i></p> <p><i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i></p> <p><i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i></p> <p><i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i></p> <p><i>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.</i></p> <p><i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i></p>	<ul style="list-style-type: none"> • All 0.5m VAC samples are collected at the rig. • Typically, entire samples were analysed, however those weighing more than 2kg were split using a twin riffle splitter (50:50) used at the rig. • All samples were dry. • Samples were first submitted to Nagrom Laboratories in Perth for analysis. Samples at Nagrom were dried in a convection oven for 12 hours at 105°C. Dried samples were weighed to determine that they were less than 2kg and any overweight samples were crushed to -6.3mm if necessary then split to less than 2kg. Samples were then pulverised in a vibrating disc LM-5 pulveriser to produce a 150µm pulp. These pulps were split into 100g samples for retention and analysis. • Field QC procedures involved the use of certified reference materials (1 in 40), and field duplicates (1 in 20 for samples >2kg in weight). The field duplicates have accurately reflected the original assay. Recognised laboratories have been used for analysis of samples. • The standard sampling procedure used by BRL is to submit the entire sample to Nagrom for analysis. Samples were only split at the rig when the sample weight exceeded 2kg. • A twin riffle splitter is used to collect a sample for analysis with the remainder dropped on the ground. Field duplicates are collected from these split samples at a rate of 1:20.

ASX ANNOUNCEMENT



		<ul style="list-style-type: none"> • Sample sizes are considered fit for purpose.
<p><i>Quality of assay data and laboratory tests</i></p>	<p><i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i></p> <p><i>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.</i></p> <p><i>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.</i></p>	<ul style="list-style-type: none"> • Samples were initially analysed at Nagrom Laboratories, Perth by Fourier-Transform Infrared (FTIR). Samples returning greater than or equal to 23% available alumina subsequently underwent low temperature caustic analysis (148°) bomb digestion (BOMB) for analysis by ICP-OES using $1.0 \pm 0.04g$ samples to determine available alumina and reactive silica. • End of hole sample pulps (representing saprolite beneath the bauxite horizon) from approximately 520 drill holes were further analysed by Ultratrace for Au, Pt and Pd (FA-003) using a 50g charge Fire Assay, plus Ag, As (ICP_302), Cu, Pb, V and Zn (ICP_102) by a mixed acid digest and ICP finish. The results were provided to Mercator Metals Pty Ltd and then Lithium Australia NL as SIF and CSV files as received from Nagrom or Ultratrace. Data is recorded in WAMEX A101004. • No geophysical tools were used to determine any element concentrations used in this resource estimate. • Laboratory QAQC includes the use of internal standards using certified reference material, laboratory duplicates and pulp repeats. The QAQC results confirm the suitability of the drilling data as fit for purpose, being geochemical indicators for further prospecting.
<p><i>Verification of sampling and assaying</i></p>	<p><i>The verification of significant intersections by either independent or alternative company personnel.</i></p> <p><i>The use of twinned holes.</i></p> <p><i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i></p> <p><i>Discuss any adjustment to assay data.</i></p>	<ul style="list-style-type: none"> • No additional checks have been undertaken as the samples are for early stage mineral prospecting and are fit for purpose for the stage of the project. • Original result files have been backed up, with collated spreadsheets dispersed to allow data analysis. • No adjustments have been made to assay data.
<p><i>Location of data points</i></p>	<p><i>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.</i></p> <p><i>Specification of the grid system used.</i></p> <p><i>Quality and adequacy of topographic control.</i></p>	<ul style="list-style-type: none"> • Sample locations picked up with hand-held Garmin GPSmap 62sc, with approximately 3-5m accuracy, which is sufficient for first pass pegmatite mapping. • All locations recorded in MGA 94 Zone 51. • Topographic locations interpreted from GPS pickups (barometric altimeter) and field observations. Adequate for first pass pegmatite mapping.

ASX ANNOUNCEMENT



<i>Data spacing and distribution</i>	<p><i>Data spacing for reporting of Exploration Results.</i></p> <p><i>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.</i></p> <p><i>Whether sample compositing has been applied.</i></p>	<ul style="list-style-type: none"> • Vacuum drill holes were generally on an approximate 150x80m grid. Bottom of hole samples reported herein were to provide geochemical information, not material for resource or reserve calculations. • Sample compositing was not applied.
<i>Orientation of data in relation to geological structure</i>	<p><i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i></p> <p><i>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.</i></p>	<ul style="list-style-type: none"> • The density and orientation of sample points is considered “fit-for-purpose”.
<i>Sample security</i>	<p><i>The measures taken to ensure sample security.</i></p>	<ul style="list-style-type: none"> • Samples were securely packaged when transported to ensure safe arrival at assay facility. Samples continue to be securely stored.
<i>Audits or reviews</i>	<p><i>The results of any audits or reviews of sampling techniques and data.</i></p>	<ul style="list-style-type: none"> • None considered necessary at this stage of the exploration.



Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<p><i>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.</i></p> <p><i>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.</i></p>	<ul style="list-style-type: none"> • The results reported in this announcement are from within a granted retention licence, R70/59. Registered Title is held by Mercator Metals Pty Ltd. Yankuang Resources Pty Ltd holds the rights to Bauxite within the Retention Licence. • The Wundowie Project is located about 60km east of Perth in WA. • Retention Licence R70/59 is in good standing. Conditions that apply to the tenement are listed on the DMIRS 'Mineral Titles On-line' service. The releasing party is not aware of any additional impediments exist.
<i>Exploration done by other parties</i>	<i>Acknowledgment and appraisal of exploration by other parties.</i>	<ul style="list-style-type: none"> • Other than the work of Bauxite Resources Limited, no prior work is acknowledged herein.
<i>Geology</i>	<i>Deposit type, geological setting and style of mineralisation.</i>	<ul style="list-style-type: none"> • Archaean-aged Mafic-hosted nickel-copper-platinum group metal mineralisation.
<i>Drill hole Information</i>	<p><i>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:</i></p> <ul style="list-style-type: none"> • <i>easting and northing of the drill hole collar</i> • <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> • <i>dip and azimuth of the hole</i> • <i>down hole length and interception depth</i> • <i>hole length.</i> <p><i>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.</i></p>	<ul style="list-style-type: none"> • Refer to Appendix 1, Tables 1 and 2

ASX ANNOUNCEMENT



<p><i>Data aggregation methods</i></p>	<p><i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i></p> <p><i>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.</i></p> <p><i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i></p>	<ul style="list-style-type: none"> • Not applicable. Bottom of hole sample results reported as individual samples without modification.
<p><i>Relationship between mineralisation widths and intercept lengths</i></p>	<p><i>These relationships are particularly important in the reporting of Exploration Results.</i></p> <p><i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></p> <p><i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</i></p>	<ul style="list-style-type: none"> • Not applicable. Bottom of hole sample results reported as individual samples providing a 2-dimensional data spread. They do not provide any guidance for geometry.
<p><i>Diagrams</i></p>	<p><i>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.</i></p>	<ul style="list-style-type: none"> • Refer to maps within the text and Appendix 1 of the Announcement.
<p><i>Balanced reporting</i></p>	<p><i>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.</i></p>	<ul style="list-style-type: none"> • A selection of results is presented in Appendix 1, Table 2.

ASX ANNOUNCEMENT



<p><i>Other substantive exploration data</i></p>	<p><i>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.</i></p>	<ul style="list-style-type: none"> • All meaningful & material exploration data has been reported.
<p><i>Further work</i></p>	<p><i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i></p>	<ul style="list-style-type: none"> • The next programs of work will include soil geochemistry, followed by, if warranted, ground EM surveys.