DAKOTA MINERALS
ACN: 009 146 794

LYNAS FIND LITHIUM PROJECT UPDATE

CONTACT DETAILS

25-27 Jewell Parade
North Fremantle 6159
info@dakotaminerals.com.au

T: +61 8 9336 6619
F: +61 8 9335 3565

www.dakotaminerals.com.au

ACN: 009 146 794

HIGHLIGHTS:

- **Programme of Work (PoW) approved for Lynas Find maiden drilling programme**
- **Drilling at Lynas Find lithium project on-schedule for commencement early April 2016**
- **New drill targets identified from reconnaissance rock-chip sampling - with multiple anomalous grades of up to 3.7% Li2O and 389ppm Ta on recently discovered additional spodumene-bearing pegmatites**
- **Ultra-detailed airborne geophysics completed, targeting under way, initial results indicative of further potentially lithium-bearing pegmatites**

Dakota Minerals Limited ("Dakota" or "Company") is pleased to announce the latest update at its Lynas Find lithium project, in the highly prospective Pilgangoora region of Western Australia. The Company has been actively advancing the project towards its maiden drilling programme which is on-schedule to commence early April. Further rock-chip sampling and mapping has been highly encouraging with more spodumene bearing pegmatites identified in the greater Lynas Find pegmatite area.

DRILLING PROGRAMME UPDATE

Dakota had previously announced its intention to drill-test the Lynas Find lithium project, in particular the Lynas Find central pegmatite, in April 2016[1]. Drilling is on track to commence in the first half of April, with a Programme of Works (PoW) recently approved by the Department of Mines and Petroleum (DMP), and the recent completion of a heritage survey over the planned drill sites organised by Yamatji Marlpa Aboriginal Corporation (YMAC).

[1] DKO announcement, 18/02/2016

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LYNAS FIND LITHIUM PROJECT – MAPPING/SAMPLING PROGRAMME DETAILS

This work follows on from the successful gridded rock-chipping at the Central Lynas Find pegmatite in January, which yielded average results of 1.7% Li_2O and up to 5.12 Li_2O, and reconnaissance rock-chipping in the area, which produced multiple new pegmatites grading >1% Li_2O[2]. The Dakota team continued in February to explore for spodumene-bearing pegmatites throughout the Lynas Find lithium project. Follow-up rock-chipping (48 samples) was conducted at the newly discovered pegmatites, to confirm presence of grade. Some additional areas were also explored. In summary:

- Previous sampling[2] of the Track pegmatite yielded a rock chip sample result of 3.67 % Li_2O and 195.5 ppm Ta from very coarse spodumene-bearing pegmatite. To gain a more comprehensive idea of grade distribution, follow-up sampling of the Track pegmatite involved three 2m continuous channel samples taken over 6m width of the visible outcrop. Results for the three channel samples included 3.68 % Li_2O and 139ppm Ta, averaging 6m @ 1.96% Li_2O and 167ppm Ta.
- Following initial results[2] of 2.61% Li_2O and 104 ppm Ta from the Lynas Find South West pegmatite (east of the Pilbara Minerals Monster pegmatite), additional rock chip samples were taken along strike. Two samples yielded 3.17% Li_2O, 285ppm Ta and 2.88 % Li_2O, 58.8 ppm Ta respectively. A sample collected from the footwall aplitic pegmatite graded 0.13% Li_2O and 316ppm Ta.
- Following initial results[2] of 3.03% Li_2O and 50ppm Ta from the hanging-wall of the Lynas Find North East pegmatite, additional sampling was conducted to better understand grade distribution within the pegmatite. Sampling in the central part of the pegmatite yielded 2.28 % Li_2O and 69 ppm Ta, while a sample 30m along strike assayed 3.32% Li_2O and 54ppm Ta.
- One sample collected from the northern tenement at Lynas Find (E45/4633) from a NNE striking pegmatite yielded 0.48% Li_2O.The mineralised pegmatite has shallow pits over 150m strike (presumably for Ta exploration). The pegmatite is up to 10m wide and has been mapped over 370m, open to the north. Further mapping and significant additional rock chip sampling is required along the 1km corridor where multiple prospective pegmatites were observed during reconnaissance mapping.

[2] DKO announcement, 10/02/2016

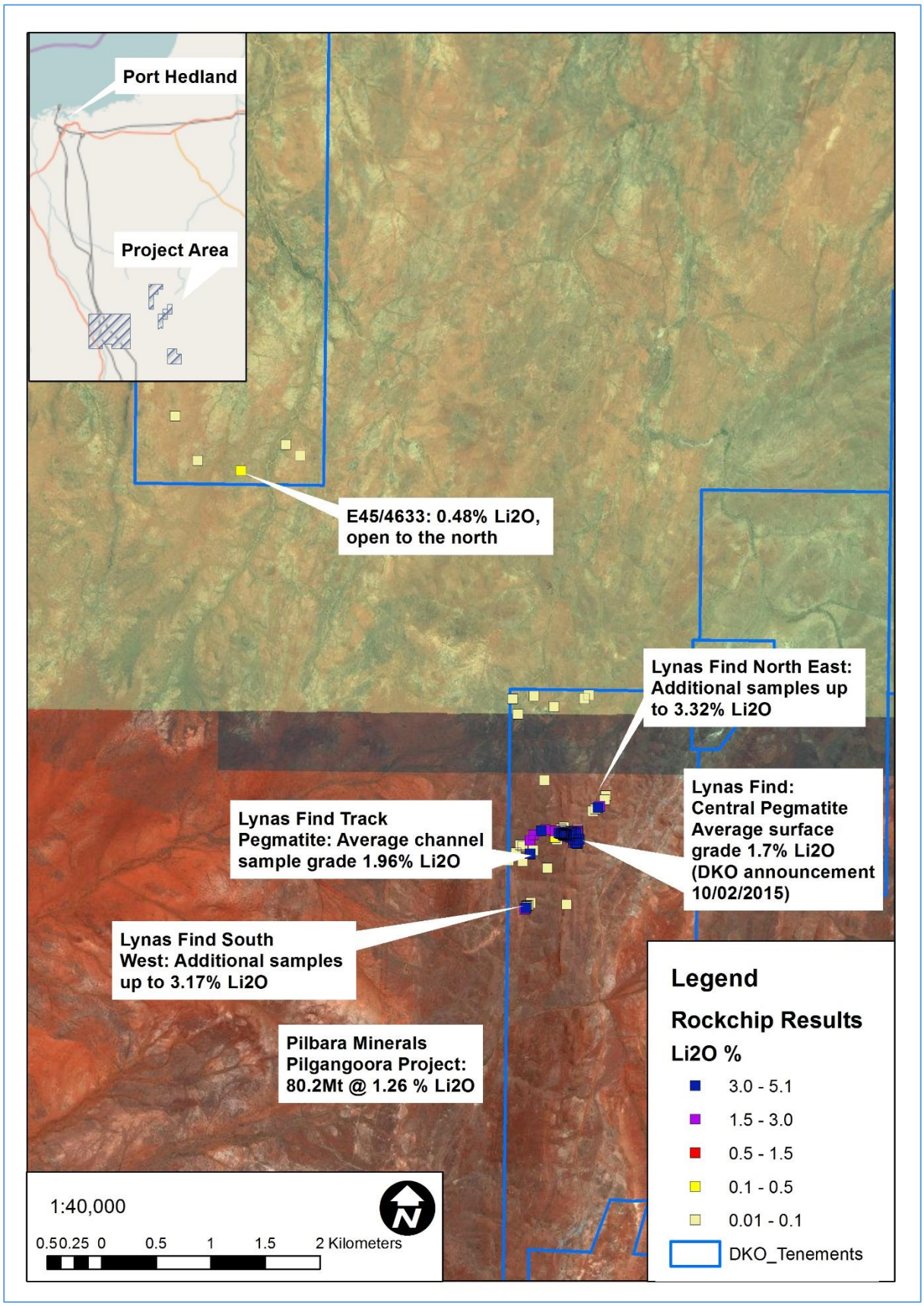

Figure 1: Rock-chip results from follow up of reconnaissance sampling of pegmatites surrounding main Lynas Find pegmatite, including results from previous announcement

GEOPHYSICS PROGRAMME

In February 2016, Dakota commissioned Magspec Airborne Surveys Pty Ltd to conduct a highly detailed airborne geophysics survey across its Lynas Find lithium project tenements. The survey was conducted on 25m line spacing, and aims to use high quality magnetic and radiometric data to assist with drill targeting. The survey has been completed, and data-processing/targeting is under way; an initial review of the radiometric data indicates a positive response from known mineralised pegmatites such as Lynas Find Central, and possible extensions to the Lynas Find South West lithium-bearing pegmatite discovery[3]. The limitations of radiometric data are such that it is very likely that if a pegmatite is covered by more that 5-10cm of transported material it will essentially be invisible in this dataset. Regional targeting will now commence using the radiometric data to identify additional pegmatite targets. Aero-magnetics will be used to refine the structural model for the Lynas Find Central drilling target prior to drilling, as well as the regional structural model and mapping.

[3] DKO announcement, 10/02/2016

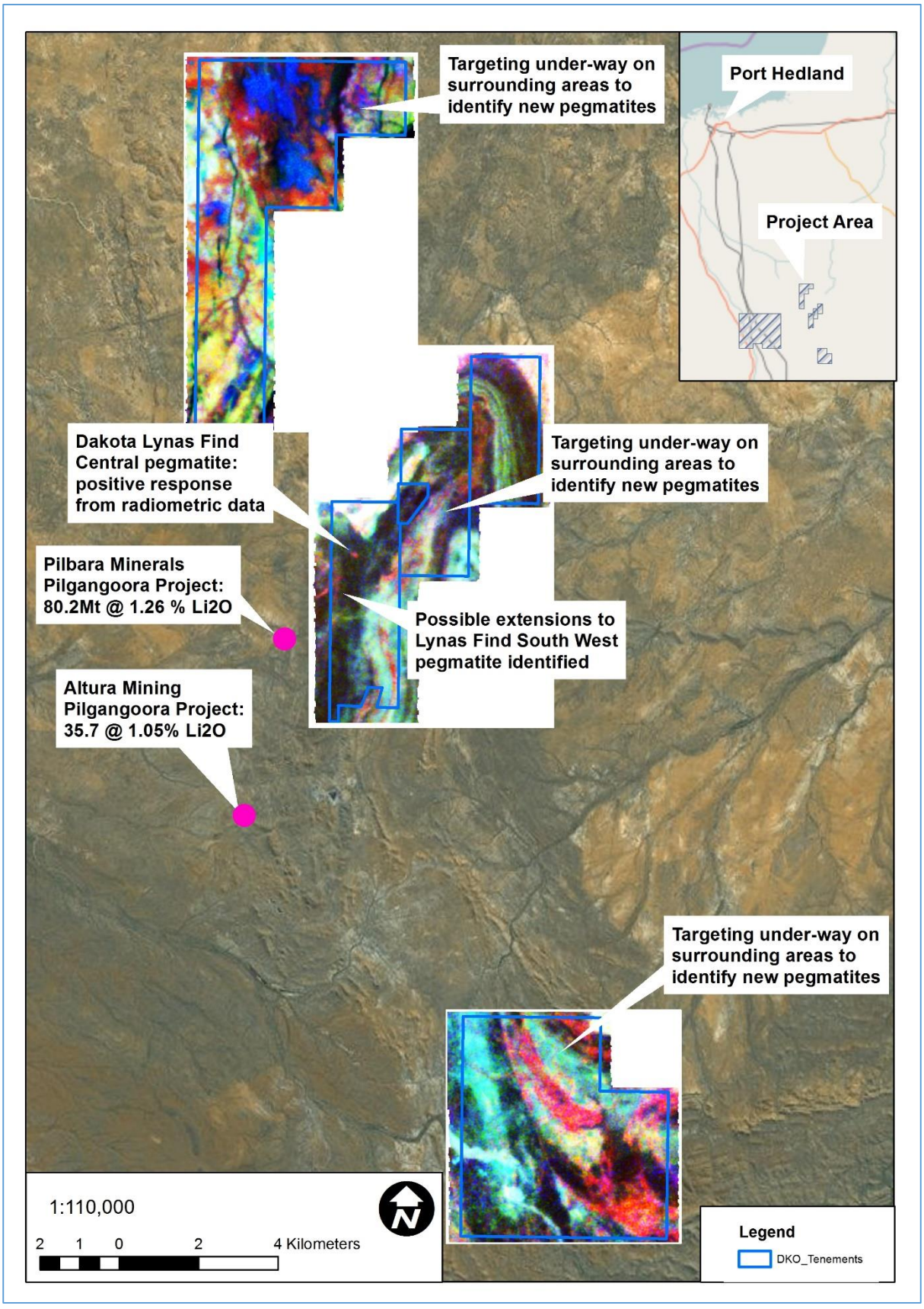

Figure 2: Airborne radiometrics survey conducted over Dakota's Lynas Find lithium project. The image is an RGB radiometric image where R=potassium, G=thorium and B=uranium. Discrete, linear red features can indicate pegmatite targets.

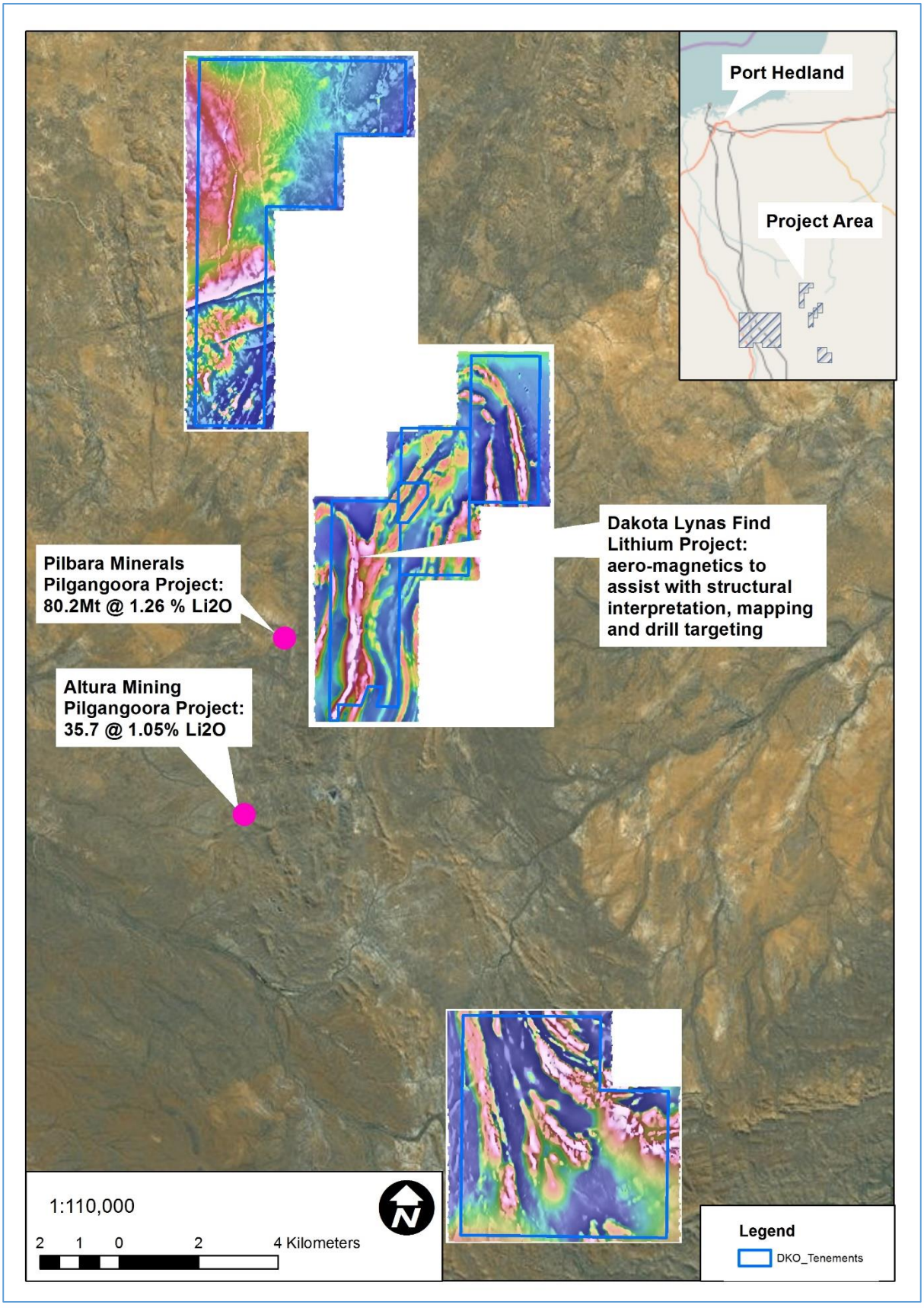

Figure 3: Aeromagnetic data (first vertical derivative, reduced to pole), over Dakota's Lynas Find lithium project

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Lynas Find Lithium Project

Dakota's Lynas Find lithium project, to which Dakota has 100% rights, is located on and in the vicinity of an extensive lithium-tantalum bearing pegmatitic dyke swarm. Peer activity in the immediate area known as Pilgangoora, includes Pilbara Minerals Limited (ASX:PLS) and Altura Mining Limited (ASX:AJM), which have both discovered significant lithium and tantalum resources in recent times. Pilbara Minerals has identified a total Indicated and Inferred resource of 80.2Mt @ 1.26% Li_2O and 32.9Mt @ 0.022% Ta_2O5. On a neighbouring property, Altura Mining has identified an Indicated and Inferred resource of 35.7Mt @ 1.05% Li_2O. Following recent exploration activity, the Pilgangoora area has been confirmed to contain one of the world's largest hard-rock lithium deposits, mostly in the form of the mineral spodumene.

Competent Person Statement

The technical information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Dr Francis Wedin, who is a member of the Australasian Institute of Mining and Metallurgy. Dr Wedin is a full-time employee of Dakota and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a competent person as defined in the 2012 Edition of the "Australasian Code for reporting of Exploration Results, Exploration Targets, Mineral Resources and Ore Reserves" (JORC Code). Dr Wedin consents to the inclusion in this report of the matters based upon the information in the form and context in which it appears.

The geophysical information in this report is based on information compiled by Mr Barry Bourne, who is employed as a Consultant to the Company through geophysical consultancy Terra Resources Pty Ltd. Mr Bourne is a fellow of the Australian Institute of Geoscientists and a member of the Australian Society of Exploration Geophysicists and has sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and activities undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mt Bourne consents to the inclusion in the report of matters based on information in the form and context in which it appears

CONTACTS:

Dakota Minerals Limited Tel: +61 (8) 9336 6619
David Frances, Chief Executive Officer
Francis Wedin, Executive Technical Director

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APPENDIX 1: ROCK CHIP RESULTS

SAMPLE_ID	SAMPLE_TYPE	Prospect	TENEMENT	Area Sampled Diameter (m)	Outcrop Quality	Weathering_0_to_5	Li %	Li_2O %	Ta ppm
123115	Rock Chip	Lynas Find	E45/4523	2	g	1	1.338	2.877	59
123116	Rock Chip	Lynas Find	E45/4523	1	g	0	0.059	0.127	316
123117	Rock Chip	Lynas Find	E45/4523	1	g	0	1.473	3.167	285
123118	Rock Chip	Lynas Find	E45/4523	2	vg	1	0.013	0.028	89
123119	Rock Chip	Lynas Find	E45/4523	1	m	0	0.021	0.045	41
123120	Rock Chip	Lynas Find	E45/4523	0.5	g	1	0.024	0.052	132
123121	Rock Chip	Lynas Find	E45/4523	2	g	2	0.011	0.024	37
123122	Rock Chip	Lynas Find	E45/4523	10	g	0	0.018	0.039	23
123123	Rock Chip	Lynas Find	E45/4523	1	g	0	0.002	0.004	29
123124	Rock Chip	Lynas Find	E45/4523	5	g	0	0.002	0.004	12
123125	Rock Chip	Lynas Find	E45/4523	2	g	0	0.008	0.017	9
123126	Rock Chip	Lynas Find	E45/4523	0.6	g	1	0.008	0.017	9
123127	Rock Chip	Lynas Find	E45/4523	10	g	0	0.019	0.041	8
123128	Rock Chip	Lynas Find	E45/4523	20	g	1	0.006	0.013	12
123129	Rock Chip	Lynas Find	E45/4523	10	p	0	0.033	0.071	26
123130	Rock Chip	Lynas Find	E45/4523	2	m	2	0.002	0.004	37
123131	Rock Chip	Lynas Find	E45/4523	1	g	0	1.061	2.281	69
123132	Rock Chip	Lynas Find	E45/4523	1	g	2	0.021	0.045	119
123133	Rock Chip	Lynas Find	E45/4523	2	g	0	1.545	3.322	54
123134	Rock Chip	Lynas Find	E45/4523	2	g	0	0.011	0.024	27
123135	Rock Chip	Lynas Find	E45/4523	3	g	0	0.012	0.026	33
123136	Rock Chip	Lynas Find	E45/4523	2	p	3	0.111	0.239	92
123137	Rock Chip	Lynas Find	E45/4523	2	m	1	0.914	1.965	270
123138	Rock Chip	Lynas Find	E45/4523	2	g	0	1.711	3.679	139
123139	Rock Chip	Lynas Find	E45/4523	1	g	1	0.031	0.067	389

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SAMPLE_ID	SAMPLE_TYPE	Prospect	TENEMENT	Area Sampled Diameter (m)	Outcrop Quality	Weathering_0_to_5	Li %	Li_2O %	Ta ppm
123140	Rock Chip	Lynas Find	E45/4689	2	m	0	0.011	0.024	5
123141	Rock Chip	Lynas Find	E45/4689	1	p	1	0.021	0.045	8
123142	Rock Chip	Lynas Find	E45/4689	1	g	1	0.01	0.022	3
123143	Rock Chip	Lynas Find	E45/4689	1	p	4	0.006	0.013	3
123144	Rock Chip	Lynas Find	E45/4689	1	p	4	0.015	0.032	8
123145	Rock Chip	Lynas Find	E45/4689	1	m	0	0.014	0.030	3
123146	Rock Chip	Lynas Find	E45/4689	5	g	0	0.015	0.032	5
123147	Rock Chip	Lynas Find	E45/4689	2	g	0	0.008	0.017	6
123148	Rock Chip	Lynas Find	E45/4633	30	g	0	0.009	0.019	6
123149	Rock Chip	Lynas Find	E45/4633	2	g	0	0.015	0.032	11
123150	Rock Chip	Lynas Find	E45/4633	2	g	0	0.223	0.479	6
123151	Rock Chip	Lynas Find	E45/4633	5	g	0	0.02	0.043	1
123152	Rock Chip	Lynas Find	E45/4633	5	g	0	0.032	0.069	6
123153	Rock Chip	Lynas Find	E45/4633	3	g	0	0	0.000	1
123154	Rock Chip	Lynas Find	E45/4640	1	g	4	0	0.000	1
123155	Rock Chip	Lynas Find	E45/4523	2	p	1	0.011	0.024	117
123156	Rock Chip	Lynas Find	E45/4523	0.2	m	1	0.044	0.095	16
123157	Rock Chip	Lynas Find	E45/4523	1	p	0	0.044	0.095	46
123158	Rock Chip	Lynas Find	E45/4633	2	g	1	0.014	0.030	3
123159	Rock Chip	Lynas Find	E45/4633	0.2	p	5	0.002	0.004	1
123160	Rock Chip	Lynas Find	E45/4633	1	g	0	0.016	0.034	4
123161	Rock Chip	Lynas Find	E45/4633	3	m	1	0.012	0.026	3
123162	Rock Chip	Lynas Find	E45/4633	5	m	0	0.014	0.030	1

Outcrop Quality: p – poor; m – medium; g – good; vg – very good

APPENDIX 2: PILGANGOORA - JORC TABLE 1

Section 1 Sampling Techniques and Data

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. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. 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 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 (e.g. submarine nodules) may warrant disclosure of detailed information.	Reconnaissance rock-chip samples collected, from surface rock outcrops and subcrops. Samples submitted for assay typically weigh 3-4kg. Not applicable.
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, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).	Not applicable.
Drill Sample Recovery	Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. 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.	Not applicable.
Logging	Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support	

Criteria	JORC Code Explanation	Commentary
	appropriate Mineral Resource estimation, mining studies and metallurgical studies. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography. The total length and percentage of the relevant intersections logged.	Not applicable.
Sub-sampling techniques and sample preparation	If core, whether cut or sawn and whether quarter, half or all core taken. If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry. For all sample types, the nature, quality and appropriateness of the sample preparation technique. Quality control procedures adopted for all sub- sampling stages to maximise representivity of samples. Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field Quality control procedures adopted for all sub- sampling stages to maximise representivity of samples 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. Whether sample sizes are appropriate to the grain size of the material being sampled.	Sample preparation was conducted at ALS laboratories to industry best practice standards: jaw crushing so that >70% passes -6mm, pulverizing and splitting the samples. Sample size accepted as general industry standard. Every effort is made whilst sampling to provide a representative sample from the chosen sample point.
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.	Analytical procedures used included ALS technique ME-MS85 - a lithium borate fusion – for select elements, and by ME-ICP82b, a sodium peroxide

Criteria	JORC Code Explanation	Commentary
		fusion used to analyse for high grade lithium.
	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.	Not applicable.
	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	Lab standards and blanks were used, and no external blanks or duplicates were inserted, due to reconnaissance nature of samples. No external laboratory checks have been used.
Verification of sampling and assaying	The verification of significant intersections by either independent or alternative company personnel.	Not applicable.
	The use of twinned holes.	Not applicable.
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols	All field data is manually collected in the field, entered into Excel spread sheets, then validated and stored electronically and in hard copy in the Perth office.
	Discuss any adjustment to assay data.	Li was converted to Li_2O for the purposes of reporting. The conversion used was Li_2O = Li x 2.153
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 geochemical samples were located using a hand-held GPS. Location of airborne geophysical data is via GPS units with an accuracy of +/- 5m, which is considered sufficient accuracy for the purpose of interpreting the results.
	Specification of the grid system used	The grid system used is GDA 1994 MGA Zone 50.
	Quality and adequacy of topographic control.	All RL data to date has been collected using a hand-held GPS.
Data spacing and distribution	Data spacing for reporting of Exploration Results.	Due to reconnaissance nature of samples, sample spacing is variable and based on outcrop location, apart from the track pegmatite, where 2m channel samples were collected. Airborne data was flown on 25m line spacing, and at 25m flight height.

Criteria	JORC Code Explanation	Commentary
		Sampling along line was dependent on flight speed, but was approximately 5m.
	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.	Not applicable.
	Whether sample compositing has been applied.	Not applicable.
Orientation of data in relation to geological structure	Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.	Sampling completed at right angles to interpreted strike of pegmatite dykes, from selected points along the strike of the pegmatites. Orientation of airborne geophysical survey acquisition was E-W, perpendicular to the dominant strike direction of lithium mineralisation in the region.
	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.	Not applicable.
Sample security	The measures taken to ensure sample security	Contract geologist and field assistant conducted all sampling and subsequent storage in field. Samples were then delivered via road freight to ALS Global laboratories in Perth.
Audits or reviews	The results of any audits or reviews of sampling techniques and data.	None completed for geochemical survey. Magspec's airborne geophysical data was reviewed by a Consultant from Terra Resources.

Section 2 Reporting of Exploration Results

Criteria	JORC Code Explanation	Commentary
Mineral tenement and land tenure status	Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. 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 Lynas Find Project tenements and interests, which Dakota has entered into an agreement with Asgard Metals Pty Ltd (ASM) and Slipstream Capital (SRI) to acquire, comprise: (a) exploration licence E45/3648 (from ASM); (b) prospecting licence P45/2783 (from ASM); (c) a contractual right to acquire a 100% legal and beneficial interest in E45/4523, subject to Ministerial consent to the transfer under the Mining Act if the transfer is to occur before the first anniversary of grant; and (d) all of the shares in Slipstream, which holds a contractual right, upon the grant of exploration licence applications E45/4624, E45/4633 and E45/4640 to Slipstream Resources Investments Pty Ltd, to acquire a 100% legal and beneficial interest in E45/4624, E45/4633 and E45/4640, subject to Ministerial consent to the transfers under the Mining Act in respect of any transfer that is to occur before the first anniversary of grant. All tenements are in good standing.
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	Lithex Resources Ltd. took some rock-chip samples from the Lynas Find pegmatite in 2012, which graded up to 5%Li_2O. No drilling is known to have been conducted by any party within the sampling area.
Geology	Deposit type, geological setting and style of mineralisation.	The Lynas Find Project sits within a broad area of pegmatite hosted lithium-tantalum mineralisation. The pegmatites are interpreted to have been intruded into N-S trending faults within the metamorphic greenstone rocks of the Archaean-aged Warrawoona group, close to the contact of a granite of the Carlindi Batholith. The amphibolite-grade

Criteria	JORC Code Explanation	Commentary
		metamorphic rocks are composed of mafic lavas, chert and pyroclastics, some of which are also Au-bearing. The pegmatites are LCT spodumene type with minor cleavelandite replacement units. The cleavelandite units usually contain lepidolite, spodumene, tantalite-columbite, cassiterite and beryl (Guidebook to the Pegmatites of Western Australia, Jacobson et al, 2007).
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.	Not applicable.
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 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. The assumptions used for any reporting of metal equivalent values should be clearly stated.	Not applicable. Not applicable. Not applicable.
Relationship between mineralisation widths and intercept lengths	These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. 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')	Not applicable.
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	See Figure 1 in body of report.

Criteria	JORC Code Explanation	Commentary
	plan view of drill hole collar locations and appropriate sectional views.	
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.	Results for all rock chip sampling are listed in Appendix 1.
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.	All meaningful and material data relating to the geochemical programme has been reported. The details of the geophysical survey are: Flight Height: 25m. Line Spacing: 25m. Line Direction: 90-270. Tie Line Spacing: 250m. Tie Line Direction: 0-180. Magnetometer: CS-2 (x3). Magnetometer Sensitivity: 0.001nT. Magnetometer Resolution: 0.001nT. Magnetometer Sampling Rate: 0.1sec (4-5m). Magnetic Compensator: RMS-AADC II. Radar Altimeter: King KRA405. Radiometric System: Exploranium GR-820
Further work	The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or largescale step-out drilling).	First pass RC drilling, due to commence in the first half of April.