

28 June 2016

ASX : BGS

*An emerging West African
Exploration Company*

*Targeting lithium and gold
in Mali and Liberia*

*Rapidly evaluating the high
grade Bougouni Lithium
Project*

Winton Willesee
Chairman

Kevin Joyce
Managing Director

Hugh Bresser
Non-Executive Director

Suite 9, 5 Centro Ave,
Subiaco WA 6008
PO Box 457
West Perth WA 6872

P: +61 8 9286 3045
F: +61 8 9226 2027
E: info@birimiangold.com

ABN 11 113 931 105

BOUGOUNI LITHIUM PROJECT UPDATE

Diamond Drilling Commenced

Birimian Gold Limited (ASX:BGS; "Birimian Gold" and "Company") advises that diamond drilling has commenced at the Company's 100% owned Bougouni Lithium Project in southern Mali.

The Project comprises a large licence area spanning some 250 km², and hosts the potential high-grade, bulk-tonnage Goulamina lithium deposit.

Diamond drilling will evaluate lithium mineralised pegmatite at depth along the Goulamina zone and augment highly encouraging recent shallow Reverse Circulation (RC) drilling. Approximately 700 metres of diamond drilling is planned during this phase of work. A portion of this material will also be utilised for additional processing test work, complementing previous test work by CSA Global consultants that yielded a high quality, chemical grade, lithium concentrate.

The Company's maiden drilling campaign at Goulamina has been ongoing since early May. A total of 42 holes for 3,639 metres of RC drilling have been completed (Figure 1) and the RC rig is now de-mobilising from site. Drilling has confirmed the shallow depth extensions of lithium mineralised pegmatite over the 700 metre long surface expression of the Goulamina zone. Geological logging suggests mineralisation is open along strike beneath shallow soil cover to the north and south of the current limits of drilling. Initial assay results are anticipated in early July, with subsequent batches of results to be announced throughout the quarter.

In addition to the drilling at the Goulamina Main Zone, highly encouraging observations from reconnaissance RC drilling targeting recently identified spodumene (lithium) bearing pegmatites to the immediate west of the main Goulamina outcrop broadly confirms the discovery of additional wide zones of lithium mineralised pegmatite in this area.

The current drilling program will provide the necessary geological and grade data to, if appropriate, estimate an initial JORC compliant resource at Goulamina. This first phase work program is intended to provide inputs for a Scoping Study which will define the parameters of subsequent phases of detailed work on the deposit.

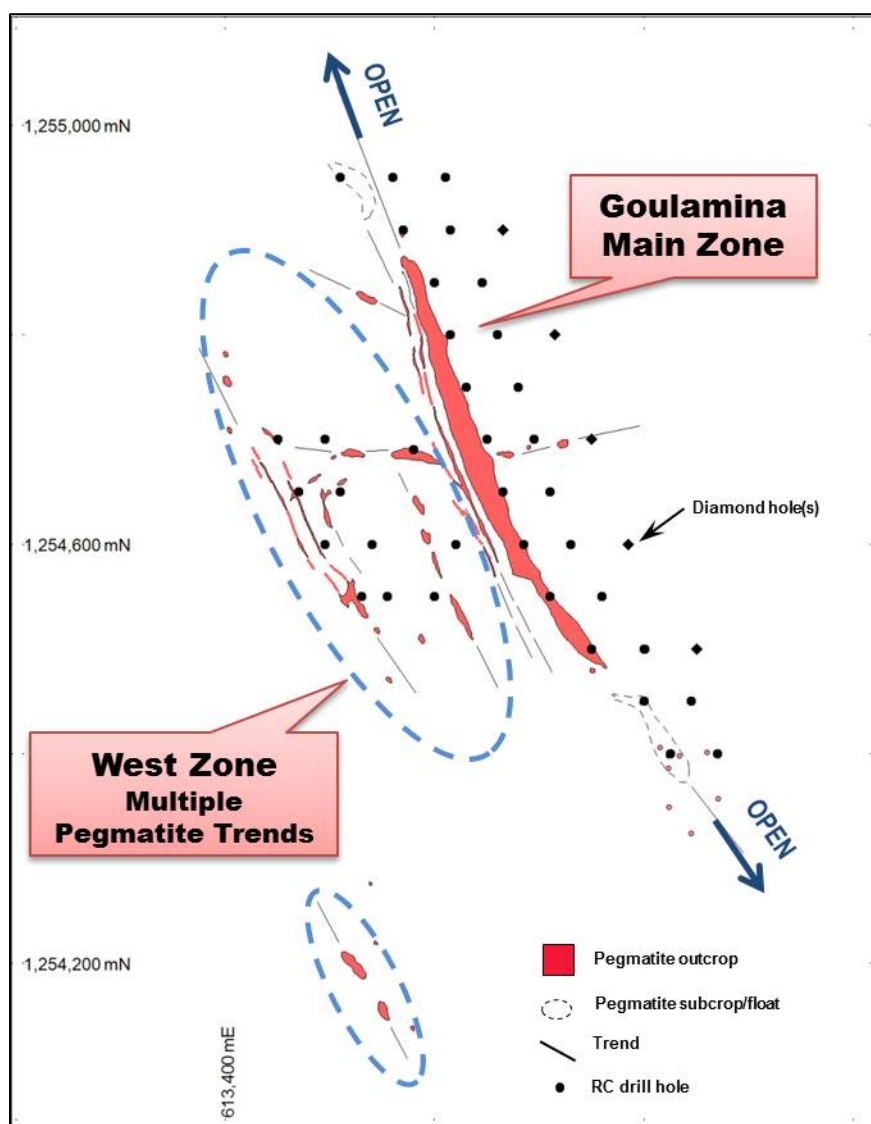


Figure 1. Goulamina Deposit. Lithium pegmatite outcrop map and drill hole locations.

Goulamina Deposit

The Goulamina Lithium Deposit indicates significant high-grade and bulk tonnage potential. The deposit is situated in close proximity to a sealed highway, grid power and abundant water, with the Selingue hydroelectric power station located some 45km to the north west.

An initial Exploration Target at Goulamina is estimated in the range of 15Mt to 18Mt at grades between 1.8% and 2.2% Li_2O (see ASX release 2 March 2016)*. Mineralisation is open along strike in outcrop and geological evidence suggests strike extensions are likely beneath shallow soil cover. Hard-rock deposits which are currently under development host resources in the range of 16Mt at 1.1% Li_2O (Mt Cattlin, Galaxy Resources) to 23Mt at 1.4% Li_2O (Mt Marion, Neometals).

* The Company notes that this Exploration Target is reported in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (2012 Edition). No drilling has been undertaken on the Project area. The potential quantity and grade of this Exploration Target is therefore conceptual in nature. There has been insufficient work to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource.

Processing test work has confirmed the viability of the pegmatite at Goulamina to produce **a high quality chemical grade lithium concentrate**. Test results show good spodumene (lithium) recoveries (84.7%) and high mass yield **to produce a high quality, chemical grade (6.7%) spodumene concentrate**. For reference, concentrate grades of 6% are typically demanded by global lithium carbonate producers.



“Crowded” spodumene rock at Goulamina

Lithium

The lithium market has recently seen strong demand and constrained supply, resulting in increasing lithium prices. Future demand for lithium looks likely to be even stronger, driven primarily by uptake of lithium batteries for electric cars and static storage. Significantly, lithium battery production capacity is set to triple by 2020.

Spodumene is the main lithium bearing mineral in most hard rock lithium deposits. Ores are typically upgraded at the mine site by crushing, screening and dense media separation techniques to produce a spodumene concentrate. Chemical grade concentrate, typically containing 6% Li_2O , is sold and converted into lithium carbonate and lithium hydroxide for use in battery manufacturing and other industrial applications. Recent lithium concentrate (grade 6%) prices are approximately US\$600/t.

Of note, Birimian’s Goulamina Deposit has returned highly favourable initial processing testwork results; concentrate grades of 6.7% at Goulamina are in excess of those demanded by global lithium carbonate producers.

For further information please contact :

Mr Kevin Joyce

Managing Director

(08) 9286 3045

info@birimiangold.com

Competent Persons Declaration

The information in this announcement that relates to exploration results is based on information compiled by or under the supervision of Kevin Anthony Joyce. Mr Joyce is Managing Director of Birimian Gold Limited and a Member of the Australian Institute of Geoscientists. Mr Joyce has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and 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. Mr Joyce consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Previous Reported Results

There is information in this announcement relating to previous Exploration Results at the Bougouni Project. The Company confirms that it is not aware of any other new information or data that materially affects the information included in the original market announcement, and that all material assumptions and technical parameters have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Forward Looking Statements

Statements regarding plans with respect to the Company's mineral properties are forward looking statements. There can be no assurance that the Company's plans for development of its mineral properties will proceed as expected. There can be no assurance that the Company will be able to confirm the presence of mineral deposits, that any mineralisation will prove to be economic or that a mine will successfully be developed on any of the Company's mineral properties.