



**ASX/Media Announcement**

**15 September 2016**

***Update on Right of First Refusal in Relation to General Lithium Offtake Agreement***

As foreshadowed in its announcement on 29 July 2016, Pilbara Minerals Limited (ASX: PLS) (“PLS” or ‘the Company’) advises that today it has issued a new sale notice to each of Mineral Resources Ltd (ASX:MIN) (“Mineral Resources”) and to Global Advanced Metals Wodgina (“GAMW”), in accordance with its first right of refusal obligations under the Pilgangoora Assets Sale Agreement between PLS and GAMW.

In accordance with the first right of refusal in the Pilgangoora Assets Sale Agreement, Mineral Resources will have 45 days in which to elect to purchase PLS’s product on terms no less favourable than those offered by General Lithium.

The Company advises that the agreements with General Lithium were recently amended and restated by the parties to provide:

- greater clarity and certainty of the input reference data for Chinese domestic and import battery grade lithium carbonate pricing as it relates to the spodumene sale price; and
- to consolidate into the offtake agreement the terms of the equity subscription and the MOU for the potential offshore chemical spodumene conversion plant.

The agreements remain largely on the same commercial terms and conditions announced to the market on 4 and 5 July 2016, including General Lithium’s commitment in relation to the offtake, \$17.75 million equity subscription and provision of technical and operating expertise for the proposed jointly owned chemical conversion plant.

Should there be a material change to the progress of the right of first refusal in relation to the General Lithium offtake agreement as identified in the new sale notice, the Company will advise.

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