



ARDIDEN EXERCISES OPTION TO ACQUIRE 100% OF SEYMOUR LAKE LITHIUM PROJECT, CANADA

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Ardiden Limited (ASX: ADV) is pleased to advise that it has now formally exercised the option with Stockport Exploration to acquire 100% of the advanced **Seymour Lake Lithium Project** in Ontario, Canada following completion of a due diligence review of the project, including a highly successful maiden drilling program.

TERMS OF THE OPTION

Following exercise of the option to acquire 100% of the Seymour Lake Lithium Project, arrangements have been made to pay the option fee of C\$75,000 cash and C\$250,000 worth of Ardiden shares (at the 20-day VWAP prior to the ASX Announcement dated 6 January 2016) to Stockport Exploration.

Ardiden notes the following additional terms under the option agreement in order to complete the full acquisition of the Seymour Lake Project from Stockport Exploration:

1. Upon exercising the option, Ardiden will pay quarterly instalments of C\$25,000 to Stockport Exploration, for a total C\$350,000;
2. A further C\$250,000 of Ardiden shares (at the 20-day VWAP prior to the ASX Announcement dated 6 January 2016) will be issued at the completion of the option agreement (or no later than 24 months from execution of option) for a total compensation of C\$1,000,000 to finalise the transfer of 100% of Seymour Lake;
3. Ardiden reserves both the right to accelerate all payments or withdraw from the option agreement at any time. Stockport Exploration will retain 100% of the Seymour Lake rights should Ardiden fail to complete any requirements of the option agreement; and
4. The property has an existing 3% net smelter royalty (NSR) held by an independent third party. The vendor maintains the option to purchase or buy back from the third party a 1.5% NSR for payment of C\$1,000,000.

FURTHER LITHIUM POTENTIAL

As previously announced by Ardiden on 23 May 2016, as a result of the due diligence review, at least five additional drill-ready targets have now been identified at the North and South Aubry prospects at the Seymour Lake Lithium Project (see Figure 1 below).

These drill targets have been identified by the Company after reviewing the current and historical drilling results, mapping and exploration reports, including an analysis of the historical soil and rock chip samples which defined a number untested anomalous zones in and around the North and South Aubry prospects.

The review has confirmed that only limited exploration has been undertaken at the project and the lithium-bearing pegmatite structures are yet to be fully defined and remain open in all directions at North and South Aubry prospects. **Ardiden has now identified five new drill-ready targets which will provide Ardiden with the opportunity to expand the known lithium mineralisation zones at the the North and South Aubry prospects.**

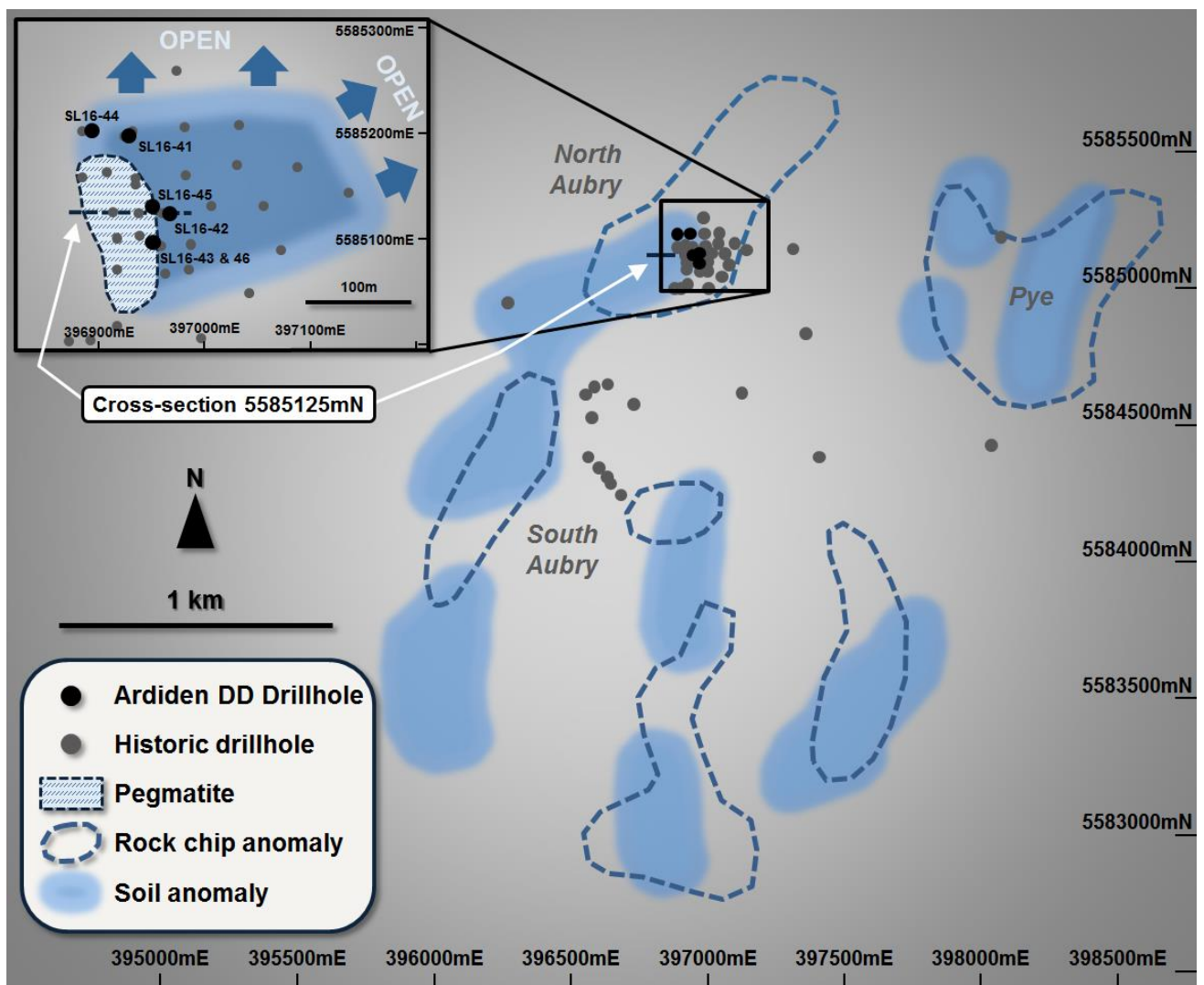


Figure 1. Drill collar map for North and South Aubry prospects. Further drill targets identified at the Seymour Lake lithium project in the Rock Chip and Soil anomalous zones.

Additionally, previous regional mapping at the project identified a further pegmatite structure (Pye), located approximately 1km due east of the North Aubry prospect, which has not been properly explored or drill tested. The Pye prospect provides a further significant opportunity for Ardiden to expand the known high grade lithium mineralisation zones at the project.

The identification of the Pye pegmatite also confirms the tangible potential to delineation even more pegmatite structures within the project.

Final preparations are being made to commence the next phase of exploration at the Seymour Lake Project. This program will include further analysis of the current and historical data in conjunction with a detailed geological and structural mapping, trenching and sampling program, in order to develop a better understanding of the pegmatites and the influence of the surrounding structures. Subject to these results additional drilling will be undertaken at the project with the intention of defining a maiden JORC compliant resource.

CONCLUSION

The successful completion of the due diligence review in conjunction with the limited drilling program helped Ardiden to recognize the possibility to delineate even more pegmatite structures within the project and the real potential of the Seymour Lake Lithium Project to host quality lithium deposit.

As previously advised the identification of the additional pegmatite structure at Pye and definition of five new drill-ready targets has provided Ardiden with the potential to substantially increase the known high grade lithium mineralisation zones which have already been outlined at the North and South Aubry prospects.

Ardiden looks forward to undertaking the next phase exploration on the project and to providing further updates as they come to hand.

-ENDS-

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About the Ardiden Ltd

The Seymour Lake Lithium Project (under option to acquire 100%) is located in Ontario, Canada. The project comprises 912 Ha of mining claims and has over 4,000m of historic drilling. Mineralisation is hosted in extensive outcropping spodumene-bearing pegmatite structures with widths up to 26.13m and grades of up to 2.386% Li₂O. In addition, tantalum and beryllium grades of up to 1,180 ppm (Ta₂O₅) and 1,270ppm (BeO) respectively were intersected.

The Root Lake Lithium Project (under option to acquire 100%) is located in Ontario, Canada. The project comprises 1,013 Ha of mining claims and has over 10,000m of historic drilling. Mineralisation is hosted in extensive outcropping spodumene-bearing pegmatite structures with widths up to 19m and grades of up to 5.10% Li₂O. In addition, tantalum grades of up to 380 ppm were intersected.

The 100%-owned Manitouwadge Jumbo Flake Graphite Project is located in Ontario, Canada. The Project area is 5,300 Ha and has a 20km strike length of EM anomalies with graphite prospectivity and is being subject to systematic exploration to determine areas that have potential to be a near-term development opportunity.

Metallurgical testwork has indicated that up to 80% of the graphite is high value jumbo or large flake graphite. Testwork has also indicated that simple, low-cost gravity and flotation beneficiation techniques can result in graphite purity levels of up to 96.8% for jumbo flake and 96.8% for large flake. Testing using the proven caustic bake process was able to produce ultra-high purity (>99.95%) graphite. The graphite can also be processed into high value expandable graphite and produces a high quality graphene and graphene oxide.

Competent Person's Statement

The information in this report that relates to exploration and drilling results for the Seymour Lake Lithium project is based on, and fairly represents, information and supporting geological information and documentation in this report has been reviewed by Mr Paul Nielsen who is a member of the Association of Professional Geoscientists of Ontario. Mr Nielsen is not a full-time employee of the Company. Mr Nielsen is employed as a Consultant Geologist. Mr Nielsen has more than five years relevant exploration experience, and qualifies as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (the JORC Code). Mr Nielsen consents to the inclusion of the information in this report in the form and context in which it appears.

The information in this report that relates to exploration results on the Seymour Lake project is extracted from the reports entitled ASX Release "Review Highlights Further Potential at Seymour Lake Lithium Project, Canada" created 23 May 2016, and is available to view on www.ardiden.com.au. The reports were issued in accordance with the 2012 Edition of the JORC Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and 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 Statement

This announcement may contain some references to forecasts, estimates, assumptions and other forward-looking statements. Although the company believes that its expectations, estimates and forecast outcomes are based on reasonable assumptions, it can give no assurance that they will be achieved. They may be affected by a variety of variables and changes in underlying assumptions that are subject to risk factors associated with the nature of the business, which could cause actual results to differ materially from those expressed herein. All references to dollars (\$) and cents in this presentation are to Australian currency, unless otherwise stated. Investors should make and rely upon their own enquiries and assessments before deciding to acquire or deal in the Company's securities.