

14 December 2018

BIRIMIAN COMPLETES BUSINESS REVIEW AND CAPITAL RAISING

Birimian Limited (ASX:BGS; **Birimian** or the **Company**) is pleased to announce that it has completed a business review, culminating in a successful capital raising for progression of Birimian's wholly owned Goulamina Lithium Project (**Project**).

Placement

Birimian is pleased to announce that it has received commitments from institutional, sophisticated and professional investors to raise \$5.95 million through the issue of 35 million fully paid ordinary shares (**Shares**) at an issue price of \$0.17 per Share (**Placement**).

The Placement Shares will be issued pursuant to the Company's capacity available under Listing Rule 7.1. Settlement of the Placement scheduled to occur on Friday, 21 December 2018.

Funds raised pursuant to the Placement will be used to advance offtake and financing activities and to progress the Definitive Feasibility Study, including further metallurgical test work programs, including assaying costs, and funding general working capital.

Hartleys Limited and Ironside Capital Pty Ltd acted as Joint Lead Managers to the Placement.

Anticipated Entitlement Issue

In addition to the Placement, Birimian intends to undertake a non-renounceable 1:20 entitlements issue at an issue price of \$0.17. Assuming the shares from the Placement announced today are issued, the 1:20 ratio would imply that the entitlement issue would consist of an offer of approximately 13,428,035 new shares (**Entitlements Issue**). The prospectus for the Entitlements Issue will be lodged late January 2019 in order to give shareholders maximum opportunity to participate.

Funds raised pursuant to the Anticipated Entitlements Issue will be also be directed towards the Company's wholly owned Project, consistent with the Placement.

Letter of Intent (LOI) signed with Changsha Research Institute of Mining and Metallurgy ("Changsha") A division of China Minmetals Corporation¹

Changsha is a specialist metallurgical, mining, research and development company situated in China. Changsha is a division of China Minmetals Corporation (**Minmetals**) which is one of the largest construction, metals and mining groups in China with revenues in 2017 of 500

¹ (See ASX Announcement: BGS 10 December 2018 "Letter of Intent Signed with Changsha")

billion yuan (AUD \$100B) and total profit of 13 billion yuan (AUD \$2.6B). The assets under management of Minmetals reached 1.6 trillion yuan (AUD \$320B) in 2017.

The LOI has been designed to promote the following between Changsha and Birimian:

-) discussion of opportunities to progress the Project, including but not limited to project finance, offtake and EPC matters;
-) collaborative work to determine how the two parties can together advance, or leverage off, the Changsha groups' expertise with respect to the Project; and
-) consideration of any other ways in which a relationship between the two parties may be mutually beneficial.

As the LOI does not create a binding obligation for any future agreements between the parties of any kind, the possible financial impact is not quantifiable at this time.

MOU signed to begin negotiations for 55% of planned production from the Goulamina Lithium Project²

Under the terms of the MOU, Birimian and General Lithium Corporation of China (**GLC**) have agreed to commence discussions to negotiate an offtake agreement for supply of 6% lithium oxide (Li₂O) spodumene concentrates from 2020. The Company and GLC have agreed to undertake negotiations under the MOU until 30 June 2019 ("negotiation period").

If an agreement is reached during the negotiation period it will only become unconditional once Birimian secures financing and approvals to commence development and construction of the Project.

The Company is in discussions with several other potential off-takers.

CEO Comment

Commenting on the announcements of the LOI, the MOU and the capital raising, Birimian's Chief Executive Officer, Mr Mark Hepburn, said: *"The Board and employees of the Company are extremely pleased that Changsha has signed an LOI with Birimian and identified the Goulamina Lithium Project as an asset of interest to them. As a division of Minmetals they are part of one of the largest mining houses in China. We look forward to beginning our discussions exploring financing, offtake and construction possibilities for our Project with this highly credentialed Chinese company. I'm sure our shareholders will be pleased to see the Project getting this kind of attention."*

With the MOU, General Lithium Corporation of China is an established company in the production of lithium products with very experienced management in the lithium industry and we look forward to discussing the possibility of establishing an offtake agreement that will account for a significant portion of our production.

Furthermore, we are pleased that the placement was oversubscribed and well received by the investors who participated."

² (See ASX Announcement BGS 11 December 2018 "General Lithium Corporation MOU")

Board & Management Changes

Following the changes to the Board announced on 13 November 2018, Mr Mark Hepburn (Executive Director and Chief Executive Officer) and Mr Brendan Borg (Non-Executive Director) were appointed as Directors of the Company.

Shortly after their appointment, the Company commenced a concerted process to identify long term candidates for the Managing Director and Chairman roles, with a view to gaining the requisite skills to support the progression of the Company through ongoing project development.

The Company is now in discussions with a number of leading candidates for each of these roles.

CEO Contract

As previously announced on 13 November 2018 Mr Mark Hepburn has been appointed as Chief Executive Officer and Executive Director. The Company has entered into a Consultancy Agreement with Greyhawk Pty Ltd (a company controlled by Mr Hepburn) and Mr Hepburn. The material terms of the Consultancy Agreement are set out in Schedule 1 to this announcement.

Business Review

BGS has been in trading halt and suspension since 13 November 2018. The Company maintained the suspension to today in order to complete a business review including the matters described above prior to recommencing trading. The review highlighted, amongst other things, the need to accelerate securing of an LOI on offtake for lithium prior to progressing the Definitive Feasibility Study.

During the business review, the Board and management undertook a full review of all operations in Mali including facilities, staffing, tenure of permits and the Environmental and Social Impact Assessment application as previously announced by the company that is currently being considered by the DNACPN3. A briefing took place with Environmental Consultants Digby Wells regarding the current status of the application. The CEO of Birimian and the Project Manager attended a meeting with the Mali Minister for Mines to advise of Birimian's Board changes and ongoing commitment to the development of the Project. The Company also visited regional representatives of the national government in Bougouni, Mali as well as regional and local authorities relevant to the Project. The Company is of the view that all of the Birimian's material interests in Mali are in good standing. Management also undertook a review of head office in Perth and was satisfied that the operations are in also good standing.

Following the review BGS also lodged the necessary paperwork with the Mali Ministry of Mines to relinquish four of its exploration permits that were initially of interest due to their gold prospectivity.

The decision to relinquish follows a comprehensive review of the prospectivity of the Company's exploration permits including a full assessment of the results from the following activities undertaken during 2018:

³ (See ASX Announcement BGS : Goulamina ESIA Report Submitted for Approval)

-) Auger drilling in March and April 2018 at the Koting project which identified significant, highly prospective new targets, at Massigui (announced BGS, 12 Sept 2018)
-) a combined airborne magnetic and radiometric survey completed in April 2018 over the Company's Dankassa and Massigui projects (announced BGS, 5th April 2018)
-) Interpretation of the airborne magnetic survey data and prospectivity analysis by consultants Concept to Discovery (announced BGS, 28th Sept 2018)

The Company determined from the review the 4 permits that were relinquished were not sufficiently prospective for gold to warrant further expenditure and it was preferable to focus future activities on the remaining permits which offered a high degree of potential prospectivity.

The relinquished permits are as follows:

Permit Holder	Permit Location	Project	Permit Designation	Permit Number
Birimian Gold Mali SARL	Within "circle" of Bougouni	Massigui	Tiorola	PR 13/638
		Dankassa	Manabougou	PR 13/641
		Dankassa	Songoria	PR 13/636
Timbuktu Ressources SARL	Within "circle" of Bougouni	Massigui	Diokelebougou-Nord	PR 13/671

After the relinquishment the Company continues to hold the following gold and lithium permits:

Permit Holder	Permit Location	Project	Permit Designation	Permit Number
Birimian Gold Mali SARL	Within "circle" of Bougouni	Massigui	Finkola	PR 13/640
		Massigui	N'tiola	PR 14/715
		Massigui	Diokelebougou	PR 13/639
	Within "circle" of Kati	Dankassa	Makono	PR 13/637
Timbuktu Ressources SARL	Within "circle" of Bougouni	Massigui	Finkola-Sud	PR 13/672
		Bougouni	Torakoro	PR 16/840
	Within "circle" of Dioila	Massigui	Batouba Sud	Application
	Within "circle" of Kati	Dankassa	Sanankoroni	PR 16/805
Sudquest SARL	Within "circle" of Bougouni	Bougouni	Finkola Nord	Applications
		Bougouni	Mafele Sud	
		Bougouni	Nkemene	

Suspension

This announcement lifts the voluntary suspension of the Company's securities.



Mark Hepburn
Executive Director and CEO

Schedule 1 – Key Terms of CEO and Executive Director Consultancy Contract

Birimian Limited (**Company**) has entered into an agreement (**Consultancy Agreement**) with Greyhawk Pty Ltd (**Consultant**) and Mr Hepburn pursuant to which the Company has appointed the Mr Hepburn as the key person being provided by the Consultant to:

- (a) act as an executive director and interim CEO of the Company; and
- (b) where Mr Hepburn ceases to hold the role of CEO, to continue to act as an executive director of the Company,
(**Services**).

The Company will pay the Consultant \$33,000 per calendar month (plus GST) for the Services. Neither the Consultant or Mr Hepburn shall receive any additional fee for acting as an officer of the Company. The Consultant is responsible for withholding, paying and reporting any and all required taxes.

Subject to shareholder approval, the Consultant shall be entitled to be granted 4,000,000 options over fully paid ordinary shares (**Options**) with a term of 3 years from the date of vesting (**Expiry Date**) and exercisable at 40 cents per Option. The vesting of these Options shall occur as follows:

- (a) 2,000,000 Options will vest on and from completion by Birimian of an equity placement pursuant to section 708 of the Corporations Act raising by 31 March 2019 or Birimian obtaining the shareholder approval for the grant of the Options whichever is the latter; and
- (b) 2,000,000 Options will vest on completion by Birimian of a Definitive Feasibility Study on the Goulamina lithium project provided that it occurs by 31 December 2019.

The notice of meeting to seek shareholder approval for the grant of the Options will include a fulsome description of the Options.

The Consultancy Agreement has a term of 2 years from the date of the Consultancy Agreement.

The Consultancy Agreement may be terminated by:

- (a) the Consultant giving 3 months prior notice to the Company; or
- (b) the Company giving 1 months prior notice to the Consultant.

Upon termination without cause, the Consultant will retain its Options.

If the Consultant breaches a material term of the Consultancy Agreement and the breach is not rectified within 10 business days of the Company notifying the Consultant, the Company may terminate the Consultancy Agreement immediately. Upon termination for cause, the Options will automatically lapse.