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ASX RELEASE

Marquee Signs Non-Binding MoU for Offtake With Significant Chinese Enterprise

- **Non-binding Cobalt-Copper Offtake Agreement (over Werner Lake Sulphide Cobalt project) signed with Zhejiang Meidu Haichuang Lithium Battery Technology Co. Ltd (China Hitrans)**
- **China Hitrans is a one of the most significant Chinese operating enterprises involved in the manufacture of battery cathode materials**
- **China Hitrans is ranked highly in Chinese cathode material manufacturing community**
- **Negotiations underway for a Formal Offtake agreement with China Hitrans**
- **Marquee will provide China Hitrans with a metallurgical sample for independent testing within the next 3 months and China Hitrans will work together with Marquee to design the best products to be the potential feed of China Hitrans**
- **The MoU confirms the positive response to Marquee’s Cobalt Sulphide marketing strategy in China and recent site visits to end users**
- **Further Werner Lake drill results expected shortly**

Marquee Resources Limited (“**Marquee**” or the “**Company**”) (**ASX:MQR**) is pleased to announce that it has signed a non-binding Memorandum of Understanding (“**MoU**”) regarding a cobalt-copper offtake agreement with Zhejiang Meidu Haichuang Lithium Battery Technology Co. (“**China Hitrans**”), a subsidiary of Shanghai Stock Exchange listed Meidu Energy Co. Ltd. (Code 600175).

China Hitrans is a high-tech enterprise that develops, produces and sells ternary cathode materials and ternary precursors of lithium battery. Further information on China Hitrans can be found at the end of this announcement.

Preparations are underway for Marquee to provide China Hitrans with a metallurgical product sample for independent testing within the next 3 months. China Hitrans will conduct lab scale research on the best products Marquee can produce out of its cobalt projects. During this time the Company will commence negotiations to enter into a formal binding offtake agreement for the sale and purchase of any Werner Lake product.

The Company will update the market accordingly regarding these negotiations.

The Company notes, however:

- Marquee is still in its exploration phase and there is no guarantee that it will proceed to commercial mining operations; and
- the MoU is non-binding and there is no guarantee that the parties will proceed to a binding offtake agreement.

- Marquee currently has a 30% interest in the Werner Lake deposit and as such this proposed agreement would only apply to the interest in the project that Marquee holds.

Marquee Managing Director Mr Charles Thomas Commented:

“Signing this type of agreement at this stage of development is another very important milestone for the Company. The interest shown by numerous Chinese end users demonstrates the strong appetite for cobalt and in particular the potential product that Werner Lake could deliver. One thing that was evident from our China visit was the strong demand for Cobalt Sulphide projects, such as Werner Lake.”



L-R: Mr Paul Sarjeant – General Manager MQR Canada, Mr Charles Thomas – Managing Director MQR, Mr Haijun Wu – General Manager China Hitrans, Mrs Chunhong Shi – Vice General Manager China Hitrans, Mr Qingtao Zeng – CEO Geosmart Consulting

About: Zhejiang Meidu Haichuang Lithium Battery Technology Co., Ltd. ("China Hitrans")

China Hitrans was established in December 2015 and is a holding subsidiary of Meidu Energy Co. Ltd. (stock code 600175). The company is located in Shangyu economic and technological development zone, Hangzhou Bay, Zhejiang Province, the south wing of the Yangtze River Delta, the most economically developed area in China.

The company occupies an area of 300 acres and has more than 250 employees. In 2017, it achieved an operating income of 470 million yuan, and successfully succeeded in the top 100 industrial enterprises of the economic and technological development zone. The sales volume of the products jumped to the top 10 in China, and won the two awards of "Top 10 Brands of Power Lithium Battery Cathode Materials in China" and "2017 Most Investment Value Award of Lithium Battery in China".

As an important part of Meidu Energy Co. Ltd.'s layout of new energy industry chain, the company has formed a complete industrial chain of "upstream raw materials – nickel-cobalt-manganese ternary precursor – nickel-cobalt-manganese ternary cathode materials – downstream power lithium battery". It integrates raw material supply, research and development, production and sales.

The company has established its own research institutes. It has received more than 20 patents and granted patents. While enhancing its own R&D capabilities, it has established a long-term strategic partnership with Zhejiang University, Zhejiang University of Technology, and Ningbo Institute of Materials of the Chinese Academy of Sciences based on domestic and international market demand. The company has developed a series of high-quality products, and has formed a multi-level product structure led by lithium battery ternary precursor (nickel-cobalt-manganese precursor, nickel-cobalt-aluminum precursor, nickel-cobalt precursor), lithium battery ternary cathode material (Lithium nickel cobalt manganese oxide, Lithium nickel cobalt aluminum oxide). The products include polycrystalline and single crystal NCM111, NCM523, NCM622, NCM811, NCA and other models. The product range covers electric vehicles, power tools, high-end digital products, energy storage and other fields.

The company has won a number of strategic customers by the high-tech content and stable quality of the product, and good service. With the continuous expansion of the application fields of new energy and new materials, the company has adapted to the market demand and continuously expanded its investment scale.

For further information visit <http://www.marqueeresources.com.au/> or contact:

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