ASX Announcement

Blesberg Exploration Update

Drilling results highlight path to commercial opportunity

Highlights:

- 41 RC drill holes (3128m) completed;
  - New pegmatite discovery extends strike to over 1km.
  - pegmatite intersected in all holes and thickening along strike,
- Laboratory results for 14 holes received, highlights include;
  - BBRC002 - 8m @ 1532ppm tantalum including 1m @ 8190ppm tantalum and 1m @ 2880ppm tantalum
  - BBRC005 - 12m @ 263ppm tantalum including 1m @ 1645ppm tantalum
  - BBRC005 - 2m @ 1000ppm beryllium including 1m @1160ppm
  - BBRC009 - 2m @ 913ppm beryllium including 1m @1490ppm
  - High quality commercial feldspar in all completed holes, intersections contain 50% average feldspar content
  - Accessory lithium, beryl and/or tantalum detected in 14 holes
  - Final assay results expected by August 2017.
- Opportunity for niche, high-value feldspar product with accessory lithium, beryl & tantalum credit
- MOU discussions underway regarding feldspar offtake, mining project development
- Extension of tenement area granted along strike of Noumas 1

5 July 2017

ASX ANNOUNCEMENT

Australian Vanadium Limited

ASX: AVL
FRA: JT7.F

ABN: 90 116 221 740

T: +61 8 9321 5594
F: +61 8 6268 2699
E: info@australianvanadium.com.au
W: australianvanadium.com.au

Street Address:

Level 1 Havelock Street,
West Perth, WA, 6005

Postal Address:

Level 1 Havelock Street,
West Perth, WA, 6005

Projects:

Gabanintha - Vanadium
Blesberg – Lithium/Tantalum
Nowthanna Hill- Uranium/ Vanadium

Australian Vanadium Limited (ASX: AVL, “the Company” or “AVL”) is pleased to provide an update of the activities undertaken at the Blesberg Project in the Northern Cape Province of South Africa.

The Company has completed 41 holes (3128m) of Reverse Circulation (RC) drilling, designed to allow the Company to calculate and report a mineral resource estimate in accordance with the 2012 JORC Code. The programme has been designed to achieve a drill intersection spacing of 50m, sufficient to allow good resolution of the pegmatite geometry and mineral distribution. AVL’s objective is to assess the value of the Lithium-Caesium-Tantalum (LCT) pegmatites at Blesberg, including the volume of ceramic grade feldspar and of high value by-products of spodumene, beryl and tantalite.

Laboratory assay results for the first 13 holes have been received in full and are discussed further below. Results have been significantly delayed due to slow laboratory processing in SA and Canada.

Current drilling confirms the extension of the pegmatite beyond the historical mine. The main products produced from the historical mining at Blesberg were feldspar, beryl, bismuth, tantalite-columbite, spodumene and mica. Historical feldspar production from the mine was reported to be of very high quality, with the feldspar being pure white and unstained by iron oxide. The company is advancing the project towards feasibility to extract feldspar-lithium-beryl and tantalite.

Plate 1. Outcrop and subcrop suspected to be Noumas 1 extension extending NW along alluvial plain.

Drilling and trenching update

RC drilling to evaluate the Noumas 1 pegmatite zone under the current historic Blesberg mine and its NW extension under cover (recently exposed during earlier exploration trenching), is complete. 41 RC drill holes have been completed for 3128m (see Figure 1), successfully intersecting the pegmatite zone in all holes. High quality (clean white) feldspar was visible in all holes in addition to accessory spodumene, tantalite and beryl in some sections.

Exploration activity was extended with the use of mechanised trenches, to identify the pegmatites under areas of sand cover. Trenching activity at P1 (the western strike extension of Noumas 1) has exposed pegmatites with surface widths greater than 10m, directly along strike from the main Noumas pegmatite as it extends out under cover. (see Figure1).

Drilling of trenched pegmatite exposure has increased the known strike length of the Main Noumas 1 zone to circa.1km in length with significant width of pegmatite intersected.

RC drilling finished in June with samples being periodically despatched during the programme to ALS laboratories in Johannesburg for analysis. The company is currently awaiting assay results from the second batch of sample data. A third and final fourth batch has been submitted for processing.

Lithium, beryl and tantalum minerals have been identified in drill cuttings. Assays of these minerals in drilling to date have not been significant overall, supporting the highly zoned nature of the Blesberg pegmatites as observed in the historical workings. Tables 1-4 show intervals containing significant intersections identified by the assays and geological logging returned to date. A full list of intersections is contained in Appendix 1.

The Company is focusing on the high quality and high-volume opportunity presented by the feldspar mineralisation and will include by-product extraction of lithium, beryl and tantalum minerals in further analysis and test work.

Laboratory results

Work by the Company at Blesberg has focused on the lithium-tantalum opportunity with some analysis conducted of the feldspar potential to date. Drilling of the pegmatite at Blesberg has returned intervals of all target minerals and the feldspar was noted for its excellent quality. Lithium-tantalum (± beryllium) is present in minor to trace amounts only within the pegmatite assayed so far.

The presence of significant zones of intense spodumene mineralisation in the existing workings and the low values intersected in drilling to date are ascribed to two major geological issues;

- The highly zoned nature of the Blesberg pegmatite
- The previously identified presence of altered spodumene (leached) in the pit area.

The review of drilling identified the following key information:

- The drilling database to date contains 303 x 1m pegmatite composite intercepts (RC). Of these;
    - 69 x 1m samples in 11 separate holes logged spodumene from trace (0.1%) to major (>65%) amounts, spodumene was noted often as strongly altered even at depth
    - 103 x 1m samples assayed over 200ppm Li with an average of 390ppm Li.
    - 136 x 1m samples assayed over 20ppm Ta with an average of 78ppm Ta.

- 21 x 1m samples assayed over 200ppm Be with an average of 400ppm Be.

- All drill holes had composite pegmatite intercepts over 4m thickness. Of these;
  - 105 x 1m samples were >40% feldspar with a 65% average feldspar content.
  - 158 x 1m samples were >30% feldspar with a 59% average feldspar content.
  - 218 x 1m samples were >20% feldspar with a 49% average feldspar content.
  - 229 x 1m samples were >10% feldspar with a 47% average feldspar content.
  - 235 x 1m samples were >5% feldspar with a 47% average feldspar content.
- 3 separate drillholes report intersections above 800ppm Li, averaging 920ppm Li (Table 1).
- 4 separate drillholes report intersections above 100ppm Ta, averaging 1142ppm Ta (Table 2).
- 2 separate drillholes report intersections above 800ppm Be, averaging 1163ppm Be (Table 3).
- Maximum assay of 0.13% (1,320ppm) Li recorded in BBRC004 (79m-80m).
- Maximum assay of 0.82% (8,190ppm) Ta recorded in BBRC002 (70m-71m).
- Maximum assay of 0.15% (1,490ppm) Be recorded in BBRC009 (26m-27m).
- Significant Tantalum Intersections;
  - 8m @ 105ppm Ta from 46m to 54m in BBRC002, including 2m at 191ppm Ta from 47m to 49m in BBRC002And 2m at 130ppm Ta from 50 to 52m in BBRC002.
  - 8m at 1532ppm Ta from 64m to 72m in BBRC002, including 5m at 2419ppm Ta from 67m to 72m in BBRC002.
  - 12m at 263ppm Ta from 28m to 40m in BBRC005 including 2m at 1000ppm Be from 37m to 39m in BBRC005.
  - 2m at 913ppm Be from 25m to 27m in BBRC009.

All accessory minerals occur within the pegmatite, indicating a by-product opportunity.

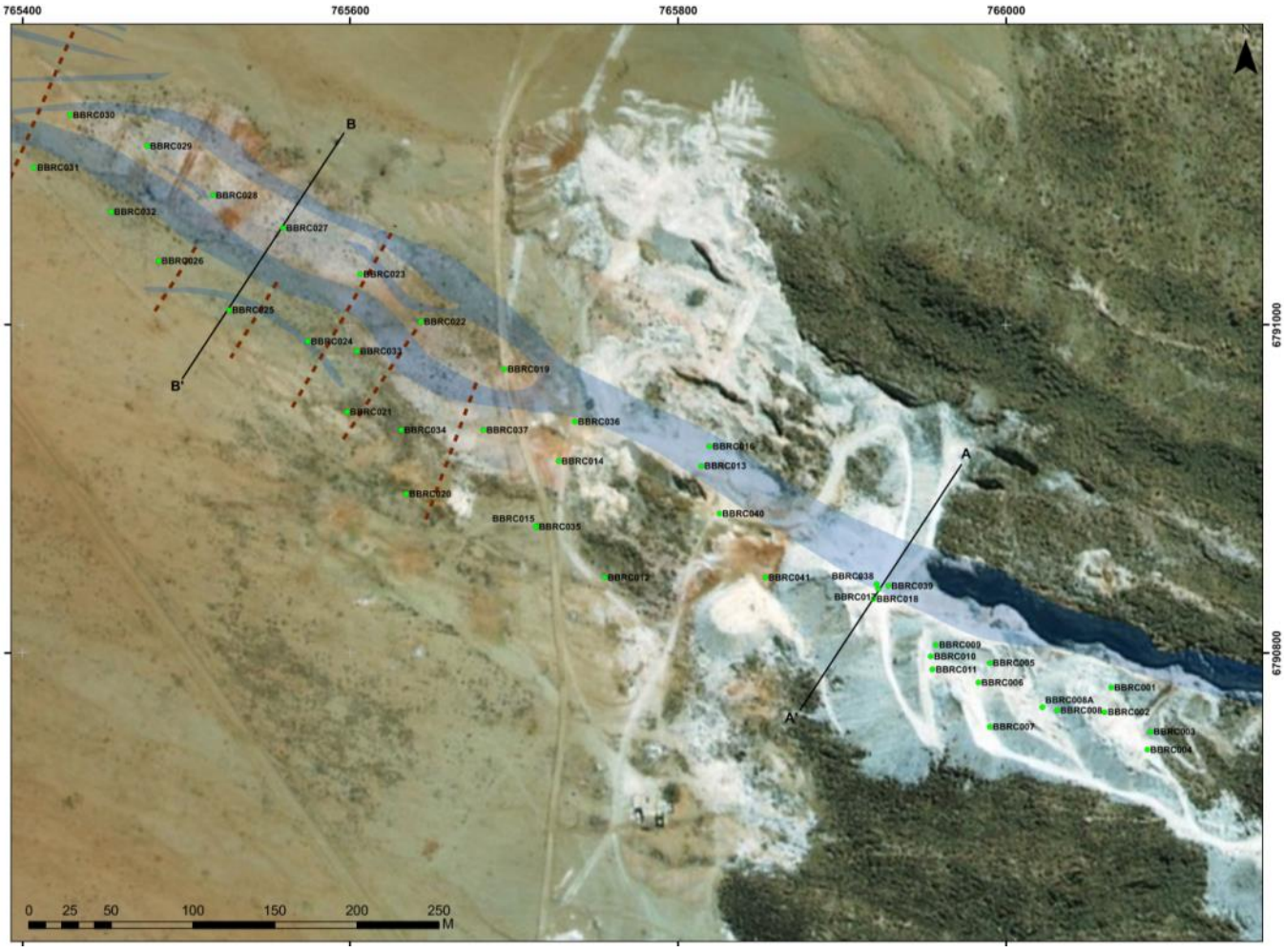

Figure 1 – Blesberg Hill showing old mine workings and pegmatite projection (in blue), completed holes shown.

Table 1 Lithium intercepts exceeding 800ppm

Hole ID	M East	M North	RL (m)	From (m)	To (m)	Interval Width (m)	Li ppm	Intercept Description
BBRC 002	766060	6790764	759	69	70	1	820	1m @ 820ppm
BBRC 002			759	73	74	1	870	1m @ 870ppm
BBRC 002			759	88	89	1	820	1m @ 820ppm
BBRC 004	766084	6790741	760	65	66	1	880	1m @ 880ppm
BBRC 004			760	79	80	1	1320	1m @ 1320ppm
BBRC 013	765811	6790920	683	31	32	1	810	1m @ 810ppm

Table 2 Tantalum intercepts exceeding 100ppm

Hole ID	M East	M North	RL (m)	From (m)	To (m)	Interval Width (m)	Ta ppm	Intercept Description
BBRC 001	766065	6790780	759	39	40	1	330	1m @ 330ppm
BBRC 002	766060	6790764	759	47	49	2	191	2m @ 191ppm Inc. 1m @ 240ppm
BBRC 002			759	50	52	2	130	2m @ 130ppm Inc. 1m @149ppm
BBRC 002			759	67	72	5	2419	5m @ 2419ppm Inc. 1m @ 8190ppm. 1m @ 2880ppm, 1m @ 581ppm & 1m @ 321ppm
BBRC 005	765987	6790794	735	29	30	1	469	1m @ 469ppm
BBRC 005			735	35	36	1	539	1m @ 539ppm
BBRC 005			735	38	39	1	1645	1m @ 1645ppm
BBRC 009	765957	6790804	731	46	47	1	273	1m @ 273ppm

Table 3 Beryllium intercepts exceeding 800ppm

Hole ID	M East	M North	RL (m)	From (m)	To (m)	Interval Width (m)	Be ppm	Intercept Description
BBRC 005	765987	6790794	735	37	39	2	1000	2m @ 1000ppm Inc. 1m @ 1160ppm
BBRC 009	765957	6790804	731	26	27	1	1490	1m @ 1490ppm

Table 4 Feldspar intercepts exceeding 4m

Hole ID	M East	M North	RL (m)	From (m)	To (m)	Interval Width (m)	Logged Feldspar %	Intercept Description
BBRC 001	766065	6790780	759	18	35	17	22	17m @ 22%
BBRC 001			759	37	46	9	49	9m @ 49%
BBRC 001			759	54	58	4	28	4m @ 28%
BBRC 002	766060	6790764	759	0	4	4	45	4m @ 45%
BBRC 002			759	46	54	8	36	8m @ 36%
BBRC 002			759	64	74	10	76	10m @ 76%
BBRC 003	766087	6790751	760	41	54	13	42	13m @ 42%
BBRC 004	766084	6790741	760	0	4	4	25	4m @ 25%
BBRC 004			760	61	66	5	46	5m @ 46%
BBRC 005	765987	6790794	735	0	4	4	70	14m @ 70%
BBRC 005			735	28	42	14	81	14m @ 81%
BBRC 005			735	43	48	5	40	5m @ 40%
BBRC 006	765984	6790783	736	0	6	6	63	6m @ 63%
BBRC 006			736	54	61	7	64	7m @ 64%
BBRC 007	765992	6790757	738	65	69	4	62	4m @ 62%
BBRC 007			738	86	90	4	53	4m @ 53
BBRC 008	766028	6790763	749	0	8	8	60	8m @ 60%
BBRC 008			749	44	54	10	14	10m @ 14%
BBRC 008			749	68	72	4	71	4m @ 71%
BBRC 008A	766023	6790769	749	0	6	6	40	6m @ 40%
BBRC 009	765956	6790805	731	0	11	11	33	11m @ 33%
BBRC 009			731	24	39	15	57	15m @ 57%
BBRC 010	765956	6790802	731	0	6	6	40	6m @ 40%
BBRC 011	765953	6790789	730	0	5	5	42	5m @ 42%
BBRC 011			730	43	58	15	62	15m @ 62%

BBRC 012	765755	6790846	678	3	10	7	58	7m @ 58%
BBRC 012			678	120	136	16	39	16m @ 39%
BBRC 013	765811	6790920	683	6	10	4	40	4m @ 40%
BBRC 013			683	28	32	4	23	4m @ 23%
BBRC 013			683	46	55	9	44	9m @ 44%

Geological Section

Drillholes beneath the historical workings at Blesberg reveal that the mined Noumas 1 pegmatite is typically split into two regions, a northern and a southern limb. Neither limb is substantially or consistently thicker than the other and differences of dip are of a degree rather than fundamental. The limbs extend at depth in accordance to dip measurements taken within the historical workings with a tendency to shallow slightly at depth. Both limbs contain large amounts of feldspar, quartz and +/- mica and are occasionally supplemented with spodumene, tantalum and beryl. Figure 2a below represents a section from drillholes BBRC017 and BBRC018 and Plate 2 a chip tray from BBRC017

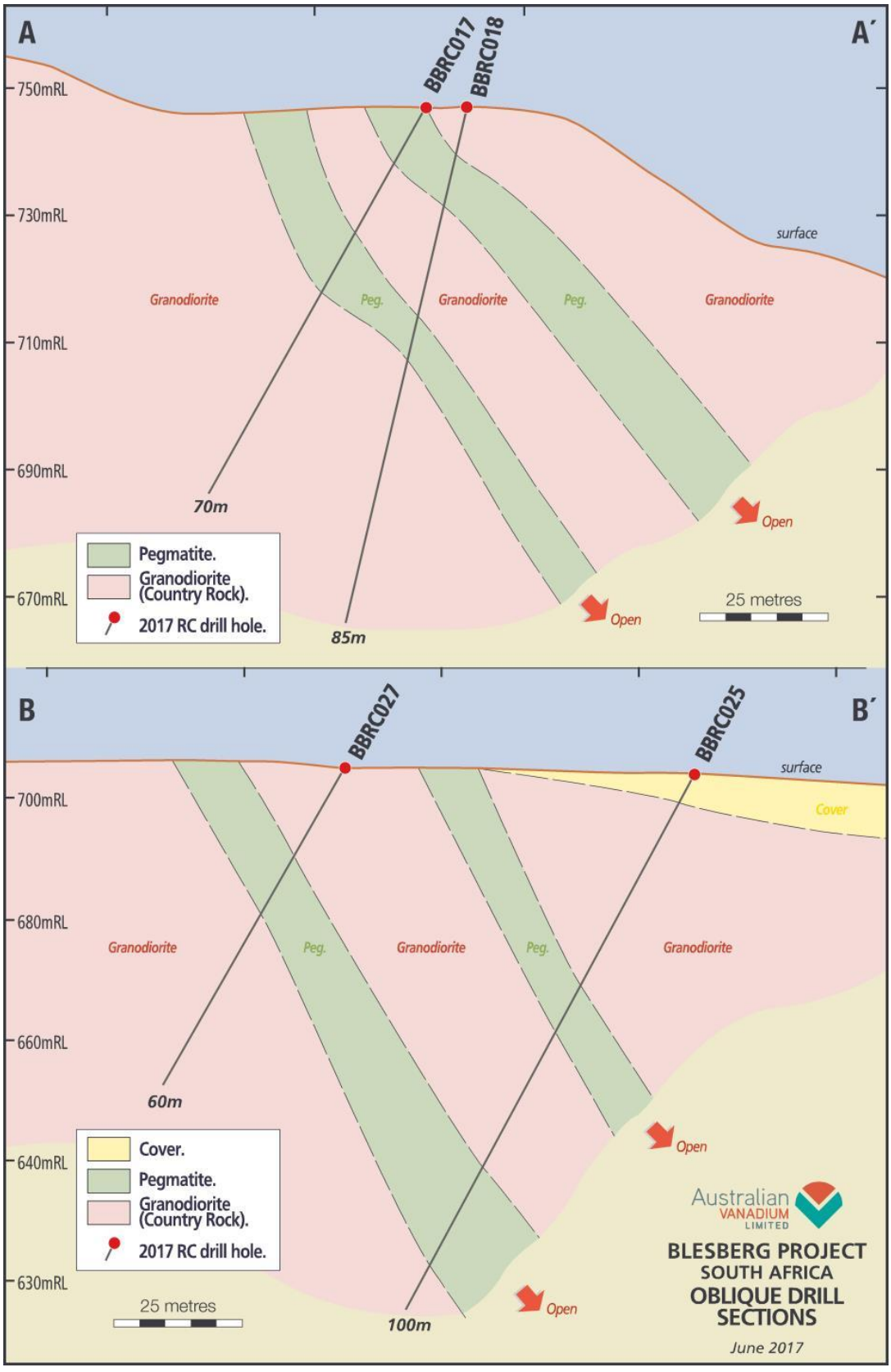

Figure 2a. Geological Section – Blesberg Historical workings looking SE

Figure 2b. Geological Section – P1 Area, NW extension of Blesberg looking SE

Drillholes underneath the pegmatite outcrop/subcrop and in P1 also show a typical split into a northern and southern limb with the northern limb substantially thicker. The distance between the two limbs to the west is also substantially larger than on the hill and is occasionally complemented by a third NW striking pegmatite between the two limbs. Figure 2b above represents a section from drillholes BBRC025 and BBRC027 and Plate 3 shows a chip tray from BBRC025.

Plate 2. BBRC017 20-40m Chip tray

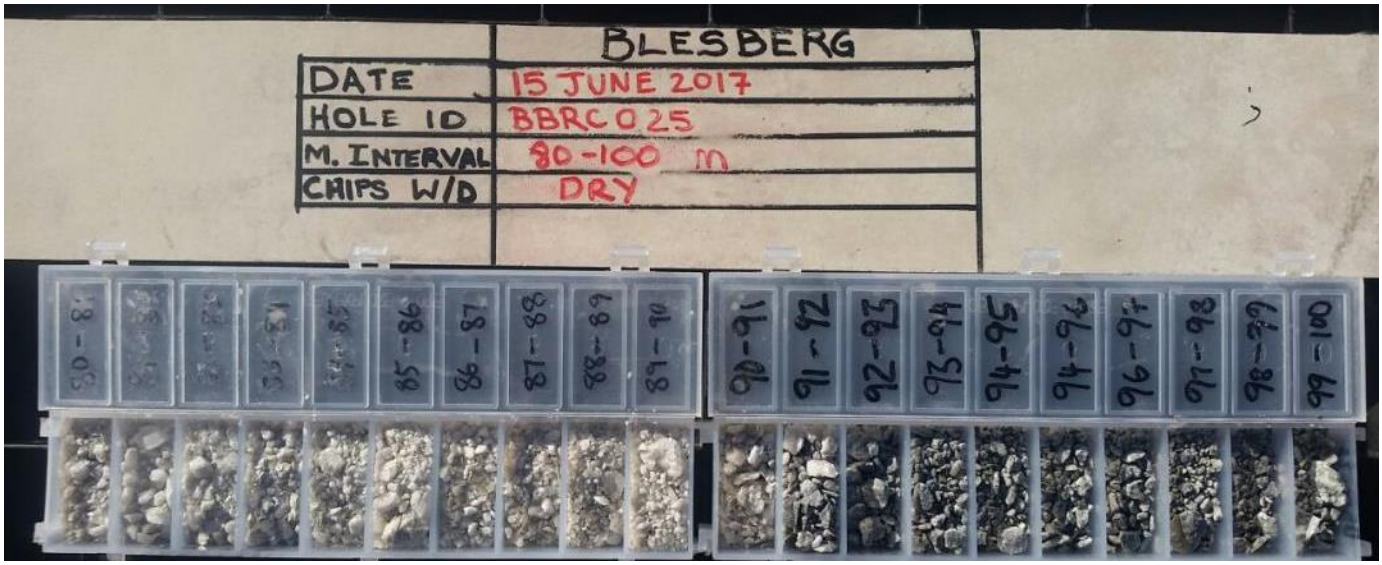

Plate 3. BBRC025 80-100m Chip tray

Commercial Feldspar Opportunity

Previous mining at Blesberg has extracted significant quantities of commercial feldspar. Blesberg is widely known in South Africa for its high-quality material, which is highly attractive to traders and end-users of

commercial feldspar. Its coarse grain size and low iron content are an attractive feed for glass making. The extension of the Blesberg pegmatite under shallow cover with this new drilling, making it potentially amenable to low cost open-cut mining is considered significant and will be further evaluated by the Company.

Table 4 shows the average feldspar content noted in logging on pegmatite intervals greater than 4m. Beneficiation work will focus on the separation of this material. Initial work has been conducted by the vendors and was reported on in May 2017 by the Company.

Important parameters for the evaluation include the RO and the R2O values. Results from composite feldspar samples from Blesberg to date show Al_2O_3 within 18% ± 2%; RO (CaO+MgO) was <1%; R2O (Na_2O+ K_2O+LiO_2+Rb_2O) was >11%; and Al_2O_3+K_2O+CaO+MgO was >30%, thereby meeting all the technical specifications of existing local purchasers of feldspar (see Company announcements on February 16th, 2017 and 18th, April 2017).

The Company is working with a local South African consultancy with relationships and expertise in feldspar sales and initial samples have been taken for evaluation. The consultancy has a division dedicated to the permitting of mines by assisting in the environmental approval and mining right process. AVL and the group are advancing the collaboration towards a MOU regarding assistance with development of the site at Blesberg.

High quality commercial feldspars used in the ceramic and glass industry attracts prices ranging from US$60 to US$120 per tonne of product material. Extraction is normally by open cut mining and physical mineral processing methods to produce a specified product sizing. Differences in the physical characteristics of minor accessory minerals such as spodumene, tantalum and beryl offer an opportunity for their extraction using a range of methods.

Area Increase of Tenement (NC) 940 PR

A 165-hectare application for increase of the exploration tenement (NC) 940 PR was submitted during the period and is currently awaiting approval from the DMR (Department of Mines and Resources), see figure 3 below. If successful the enlargement:

- Extends the area along strike from Noumas 1
- Includes known historical workings thought to represent historical removal of pegmatite products such as feldspar, spodumene, beryl and tantalum
- Broadens exposure to a known water providing catchment

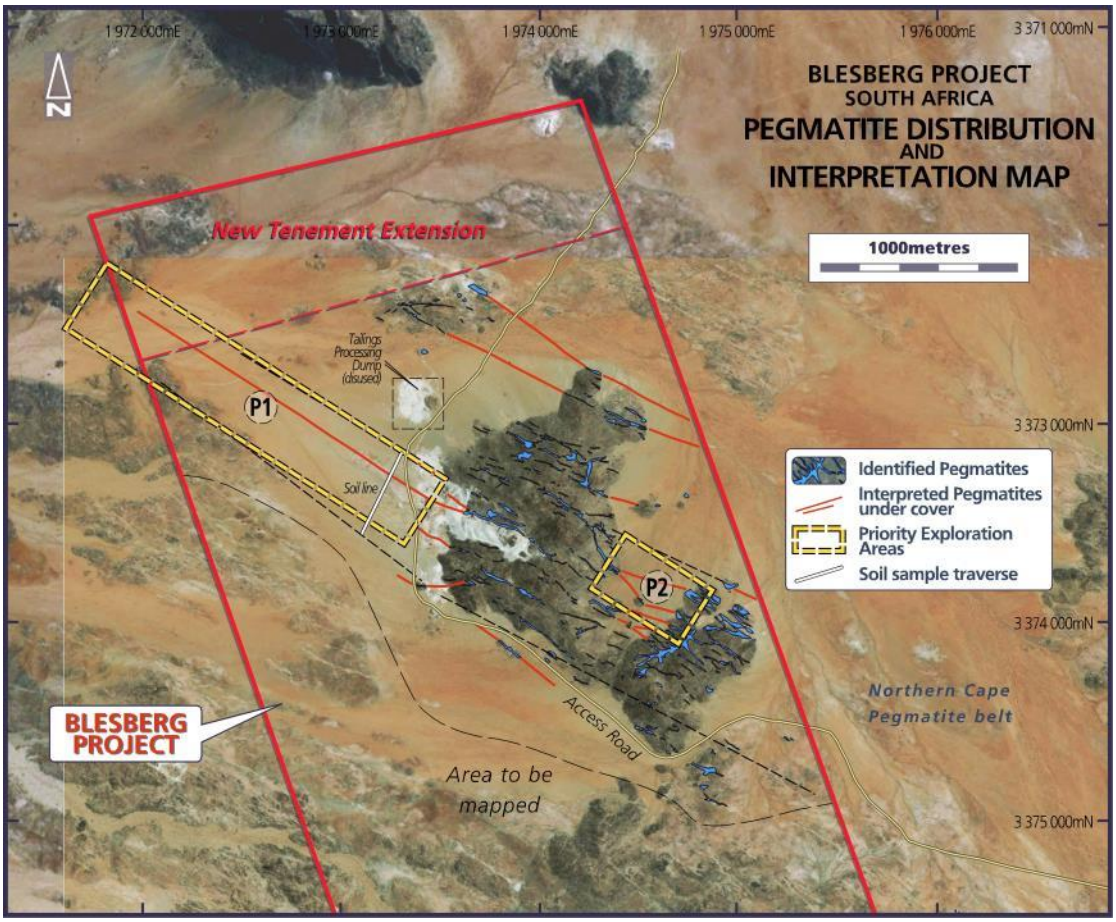

Figure 3 – Blesberg Project showing New tenement increase and enlargement of P1 area

Blesberg Project Overview

The Blesberg project is located approximately 80km north of Springbok in the Northern Cape Province of South Africa (see Figure 4). It lies at the western end of the Northern Cape Pegmatite Belt.

The deposit is one of the largest known economically mineralised and exploited pegmatite deposits in the Pegmatite Belt. The project is well serviced by major sealed roads within 10kms of the projects, graded unsealed government roads to the project and available power crossing the site.

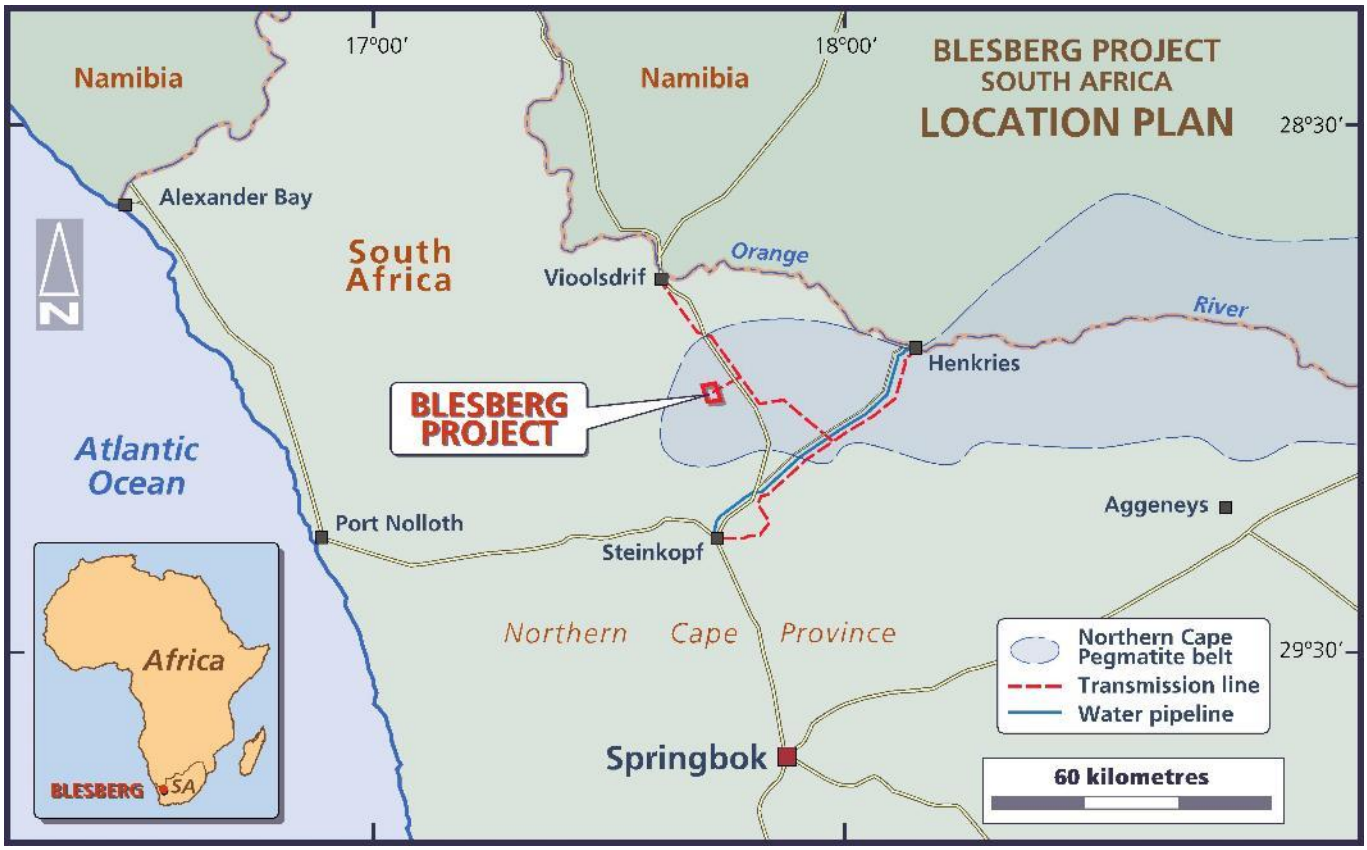

Figure 4 – Location Map

Further information

Please visit our website for further information or contact:

Vincent Algar

Managing Director,

+61 8 9321 5594

About Australian Vanadium Limited

AVL is a diversified resource company with an integrated strategy with respect to energy storage, seeking to offer investors a unique exposure to all aspects of the vanadium value chain – from resource through to steel and energy storage opportunities as well as other energy storage metals exposure through the acquisition and evaluation of lithium/tantalum projects.

AVL is advancing the development of its 100%-owned, world-class Gabanintha vanadium project. The Gabanintha vanadium project is currently one of the highest-grade vanadium projects being advanced globally with existing Measured Resources of 7.0Mt at 1.09% grade V_2O_5, Indicated Resources of 17.8Mt at 0.68% grade V_2O_5 and Inferred Resources of 66.7Mt at 0.83% grade V_2O_5, a total of 91.4Mt, grading 0.82% V_2O_5 and containing a discrete high-grade zone of 56.8Mt, grading 1.0% V_2O_5 reported in compliance with the JORC Code 2012 (see YRR ASX Announcement 10 November 2015).

AVL has developed a local production capacity for high-purity vanadium electrolyte, which forms a key component of vanadium redox flow batteries (VRB).

AVL, through its 100%-owned subsidiary VSUN Energy Pty Ltd, is actively marketing VRB in Australia through a distribution agreement with world-leading flow battery manufacturer, GILDEMEISTER Energy Storage GmbH.

As part of its broader energy metals focus, AVL has also commenced a staged acquisition of a controlling 50.03% interest in the Blesberg Lithium-Tantalum Project in South Africa (see ASX Announcement 21 December 2016).

Competent Person Statement – Blesberg Exploration Program

The information relating to the Blesberg Lithium-Tantalum Project exploration program reported in this announcement is based on information compiled by Mr. Vincent Algar. Mr. Algar is a Member of The Australian Institute of Mining and Metallurgy (AusIMM) and a full-time employee of the Company. Mr. Algar has more than 25 years' experience in the field of mineral exploration. He has sufficient experience relevant to the style of mineralisation and type of deposit under consideration to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'.

Mr. Algar consents to the inclusion in the report of the matters based on the information made available to him, in the form and context in which it appears.

Appendix 1 – Drill results for Pegmatite Intercepts

Hole ID	M East	M North	RL (m)	Dip	Azimuth	Final Depth	From (m)	To (m)	Interval Width (m)	Li ppm	Ta ppm	Be ppm	Logged Feldspar %
BBRC001	766065	6790780	759	-60	35	73	0	1	1	325			
BBRC001							0	2	2		42		
BBRC001							0	2	2				40
BBRC001							18	19	1	500			
BBRC001							18	19	1		23		
BBRC001							18	35	17				22
BBRC001							33	35	2		69		
BBRC001							37	46	9				49
BBRC001							39	40	1	310			
BBRC001							39	41	2		213		
BBRC001							43	46	3		62		
BBRC001							45	46	1	570			
BBRC001							54	55	1	333			
BBRC001							54	58	4				28
BBRC001							56	58	2		35		
BBRC001							57	58	1	243			
BBRC002	766060	6790764	759	75	35	97	0	4	4	282			
BBRC002							0	4	4		39		
BBRC002							0	2	2			220	
BBRC002							0	4	4				45
BBRC002							24	25	1				49
BBRC002							40	41	1				49
BBRC002							46	54	8		105		
BBRC002							46	54	8				36
BBRC002							61	62	1				49

BBRC002							64	65	1	382			
BBRC002							64	74	10				76
BBRC002							66	74	8		1532		
BBRC002							69	71	2	690			
BBRC002							71	72	1			530	
BBRC002							73	74	1	870			
BBRC002							87	89	2	790			
BBRC002							87	88	1		25		
BBRC002							87	89	2				30
BBRC003	766087	6790751	760	-60	60	79	0	2	2				45
BBRC003							23	24	1				20
BBRC003							26	27	1				22
BBRC003							41	54	13				42
BBRC003							50	51	1		23		
BBRC003							50	51	1			518	
BBRC003							52	54	2	306			
BBRC003							52	54	2		26		
BBRC003							56	59	3	417			
BBRC003							56	59	3				63
BBRC003							63	64	1	339			
BBRC003							63	66	3				65
BBRC003							64	65	1		59		
BBRC003							65	66	1	342			
BBRC003							69	70	1	282			
BBRC003							69	70	1				80
BBRC004	766084	6790741	760	-75	35	103	0	4	4				25
BBRC004							2	4	2	323			
BBRC004							13	14	1				20

BBRC004							40	41	1				35
BBRC004							61	66	5				46
BBRC004							62	66	4		36		
BBRC004							65	66	1	880			
BBRC004							73	74	1				90
BBRC004							79	80	1	1320			
BBRC004							79	80	1		46		
BBRC004							79	80	1				40
BBRC004							81	83	2	452			
BBRC004							81	84	3				60
BBRC004							88	89	1	228			
BBRC004							88	89	1				25
BBRC005	765987	6790794	735	-60	35	91	0	4	4	311			
BBRC005							0	3	3		56		
BBRC005							0	4	4				70
BBRC005							1	2	1			219	
BBRC005							23	24	1				40
BBRC005							28	29	1	209			
BBRC005							28	40	12		263		
BBRC005							28	42	14				81
BBRC005							31	32	1			225	
BBRC005							34	35	1			201	
BBRC005							37	39	2			1000	
BBRC005							41	42	1		40		
BBRC005							43	44	1	269			
BBRC005							43	48	5				40
BBRC005							44	46	2		28		
BBRC005							45	48	3	273			

BBRC005							49	50	1	404			
BBRC005							49	52	3				58
BBRC005							50	51	1		95		
BBRC005							51	52	1	254			
BBRC005							70	71	1		35		
BBRC005							70	72	2				40
BBRC005							84	85	1				40
BBRC006	765984	6790783	736	-75	35	91	0	2	2	303			
BBRC006							0	2	2		38		
BBRC006							0	6	6				63
BBRC006							3	5	2	254			
BBRC006							3	6	3				67
BBRC006							4	6	2		65		
BBRC006							8	10	2				60
BBRC006							54	57	3	399			
BBRC006							54	57	3		32		
BBRC006							54	61	7				64
BBRC006							59	61	2	409			
BBRC006							59	61	2		92		
BBRC006							64	65	1	480			
BBRC006							64	65	1		55		
BBRC006							64	65	1				60
BBRC006							71	72	1		32		
BBRC006							71	72	1				90
BBRC006							79	82	3				60
BBRC006							80	81	1			315	
BBRC007	765992	6790757	738	-60	50	97	0	2	2		29		
BBRC007							0	2	2				60

BBRC007							1	2	1	412			
BBRC007							23	24	1		71		
BBRC007							23	24	1				50
BBRC007							65	66	1	440			
BBRC007							65	66	1		38		
BBRC007							65	69	4				62
BBRC007							68	69	1	520			
BBRC007							72	73	1	282			
BBRC007							72	73	1				70
BBRC007							77	78	1				90
BBRC007							86	87	1	303			
BBRC007							86	90	4				53
BBRC007							87	88	1		32		
BBRC007							89	90	1	349			
BBRC008	766028	6790763	749	-60	35	79	0	1	1	268			
BBRC008							0	8	8				60
BBRC008							3	5	2	242			
BBRC008							7	8	1		23		
BBRC008							44	45	1	500			
BBRC008							44	54	10				14
BBRC008							51	52	1			203	
BBRC008							53	54	1	440			
BBRC008							58	60	2		36		
BBRC008							58	60	2				50
BBRC008							59	60	1	322			
BBRC008							68	69	1	353			
BBRC008							68	72	4				71
BBRC008							70	72	2		22		

BBRC008							75	76	1		23		
BBRC008							75	76	1				80
BBRC008A	766023	6790769	749	-60	35	6	0	4	4	242			
BBRC008A							0	4	4		34		
BBRC008A							0	3	3			212	
BBRC008A							0	6	6				40
BBRC008A							5	6	1	327			
BBRC008A							5	6	1		29		
BBRC009	765957	6790804	731	-60	35	47	0	8	8	411			
BBRC009							0	11	11				33
BBRC009							1	2	1		26		
BBRC009							6	8	2		37		
BBRC009							24	31	7		50		
BBRC009							24	39	15				57
BBRC009							25	27	2			913	
BBRC009							28	29	1	230			
BBRC009							28	30	2			409	
BBRC009							33	35	2		32		
BBRC009							44	47	3		118		
BBRC009							44	47	3				50
BBRC010	765956	6790802	731	60	35	6	0	3	3	315			
BBRC010							0	1	1		29		
BBRC010							0	6	6				40
BBRC011	765953	6790789	730	-65	34	67	0	5	5				42
BBRC011							19	20	1		86		
BBRC011							19	20	1				30
BBRC011							43	58	15				62

BBRC011							45	47	2		32		
BBRC011							49	50	1	262			
BBRC011							49	54	5		50		
BBRC011							50	52	2			432	
BBRC011							55	58	3		53		
BBRC011							61	63	2	236			
BBRC011							61	63	2		29		
BBRC011							61	63	2				60
BBRC012	765754	6790845	678	-60	37	136	3	5	2		43		
BBRC012							3	10	7				58
BBRC012							6	8	2		37		
BBRC012							6	7	1			210	
BBRC012							9	10	1		59		
BBRC012							33	35	2				80
BBRC012							85	88	3				40
BBRC012							109	110	1				15
BBRC012							112	115	3				38
BBRC012							120	136	16				39
BBRC012							123	124	1	280			
BBRC012							131	133	2		30		
BBRC013	765811	6790920	683	-55	217	55	6	10	4				40
BBRC013							8	9	1	256			
BBRC013							28	32	4	371			
BBRC013							28	32	4				23
BBRC013							31	32	1		32		
BBRC013							37	39	2				50
BBRC013							38	39	1	305			
BBRC013							46	47	1	580			

BBRC013							46	55	9				44
BBRC013							47	48	1		21		
BBRC013							50	55	5	321			
BBRC013							51	54	3		47		

Table 3: Section 1 – Sampling Techniques and Data – Blesberg

Criteria	JORC Code Explanation	Commentary
Sampling Techniques	• Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling. • Include reference to measures taken to ensure sample representativity and the appropriate calibration of any measurement tools or systems used. • Aspects of the determination of mineralization that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.	• Reverse Circulation (RC) drilling was used to obtain 1.0m downhole interval chip samples. • The samples were collected through a cone splitter to obtain a nominal 2.0-5.0kg sample at an approximate 10% split ratio. • One 2-5kg (average) sample taken for each one meter sample length and collected in pre-numbered calico sample bags. • Sample was dried, crushed and pulverised (total prep) to produce a sub sample for laboratory analysis using ICP-MS + ICP-AES. • Quality of sampling continuously monitored by field geologist during drilling. • To monitor the representativeness of the sample, 10 duplicates are taken for every c.200 samples (1:20). • • Sampling carried out under company protocols and QAQC procedures as per industry best practice. • • • Standards and blanks inserted every hole, c.10 are taken for every 120 samples (1:12).
Drilling techniques	• Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method etc.).	• Reverse Circulation (RC) drilling employing a 140mm diameter face sampling hammer.

Criteria	JORC Code Explanation	Commentary
Drill sample recovery	• Method of recording and assessing core and chip sample recoveries and results assessed. • Measures taken to maximize sample recovery and ensure representative nature of the samples. • Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/course material.	• RC sample recovery is recorded by the geologist and is based on how much of the sample is returned from the cone splitter. This is recorded in kilograms and supervised by AVL staff at the time of drilling. • To ensure maximum sample recovery and the representativity of the samples, an experienced company geologist is present during drilling and monitors the sampling process. Any issues are immediately rectified. • No significant sample recovery issues were encountered in the RC drilling. • No twin RC holes have been completed to assess sample bias due to preferential loss/gain of fine/coarse material or due to wet drilling. • AVL is a satisfied that the RC holes have taken a sufficiently representative sample of the mineralisation and minimal loss of fines has occurred in the RC drilling resulting in minimal sample bias. • No relationship between sample recovery and grade has been demonstrated.
Logging	• Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. • Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography. • The total length and percentage of the relevant intersections logged.	• Logging of lithological intervals by collecting chips or clay sample every 1m corresponding with 1m sampled interval. This level of detail supports appropriate Mineral Resource estimation, mining studies and metallurgical studies. • RC logging is both qualitative and quantitative in nature. • RC logging records the abundance/proportions of specific minerals and material types, lithologies, weathering, colour and physical hardness is estimated by chip recovery and properties (friability, angularity).

		• The entire length of RC holes was logged on lithological intervals, 100% of the drilling was logged. Where no sample was returned due to cavities/voids it is recorded as such. • The only geophysical data collected from available RC holes is Gamma radiation collected by RadEye SPRD hand radiation monitor on the outside of the bulk bags (1m intervals). Results are recorded and uploaded onto the computer at the end of the day.
Sub-sampling techniques and sample preparation	• If core, whether cut or sawn and whether quarter, half or all core taken. • If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry. • For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub-sampling stages to maximize representativity of samples. • Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling. • Whether sample sizes are appropriate to the grain size of the material being sampled.	Sampling technique: • ~3kg RC chip samples are collected via cone splitter for each 1m interval drilled in a pre-numbered calico bag. • Samples are kept dry where possible. Quality Control Procedures: • Duplicated sample: 10 every 200 samples for RC (1:20). • Certified Reference Material were prepared for the company by African Mineral Standards containing a range of lithium, tantalum and beryllium values. The assay standards were inserted: 10 in every 160 samples (1:16) for RC. • Blank washed sand material: 10 every 250 samples (1:25) for RC. • Overall QAQC insertion rate of 1:8 • Sample weights recorded for all samples. The recorded weight included the entire sample (large plastic bag ~30kg), the duplicate sample (small plastic bag ~3kg) and the ~3kg calico bag. • Lab duplicates taken where large samples required splitting down by the lab. • Lab repeats taken and standards inserted at predetermined level specified by the lab. Sample preparation in the laboratory: • Sample weighed • Sample dried at 105°C for 6 hrs.

		• Fine crushing of entire sample to 70% passing at -2mm • 250g split off and pulverise to better than 85% passing 75µm

Criteria	JORC Code Explanation	Commentary
Quality of assay data and laboratory tests	• The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. • For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. • Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	• All samples reported from the 2017 drilling program were submitted to ALS Global in Johannesburg and/or ALS Global in Vancouver for the over range, and assayed for the full ME-MS61/ME-MS89L respectively, by ICP-MS + ICP-AES (48 elements) and the over range by Na2O2 fusion and ICP-MS (50 elements). The method used is designed to measure the total amount of each element in the sample. • Laboratory procedures are in line with industry standards and appropriate for pegmatite deposits. • Samples are dried at 105oC in gas fired ovens for 6 hours. Sample is then crushed to a nominal 70% passing <2mm before being split to retain 250g which is then pulverised to better than 85% passing 75 microns. A lab split of this provides material for the ICP-MS and ICP-AES by HF-HNO3-HCl, HCl Leach. The four-acid digestion is considered total and appropriate for the geological material. • Certified Reference Material assay standards, field duplicates and umpire laboratory analysis are used for quality control. • Most duplicate samples were within 10% of the original sample value for Li, but Ta showed more scatter. • Acceptable levels of precision have been achieved with most standard assays reporting within 2 standard deviations of the certified mean grade elements with certified reference values. • Certified Reference Material assay standards having a good range of values were inserted at predefined intervals by the company and randomly by the lab at set levels. Many of these reference standards have values for Li and Ta which are reporting as “over range” for the method ME-MS61. These have

		been re-assayed using the ME-MS89L method, and are found to be accurate and precise within acceptable tolerances. • Analysis of field duplicate and lab pulp repeat samples for Li assays reveals that approximately 90% of pairs have less than 10% difference and the precision of samples is within acceptable limits, which concurs with industry best practice. The lab also inserts its own standards at set frequencies and monitors the precision of the ICP-MS and ICP-AES analysis. These results also reported well within the specified 2 standard deviations of the mean grades for all elements with certified reference values. • ICP-MS and ICP-AES calibrations are done with every batch of samples of up to 120 samples. • The Laboratory performs repeat analyses of sample pulps at a rate of 1:30 (7% of all samples) these compare very closely with the original analysis for all elements.
Verification of sampling and assaying	• The verification of significant intersections by either independent or alternative company personnel. • The use of twinned holes. • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. • Discuss any adjustment to assay data.	• Significant intersections have been independently verified by alternative company personnel. • The Competent Person has visited site and inspected the sampling process in the field. The Laboratory conducting the assay work has not been visited. • All primary data are captured on digital logs and entered into excel templates. • All paper copies have been scanned and both digital and paper copies stored. • All data is sent to Perth and stored in the secure, centralised Datashed SQL database which is managed by a database administrator.

		• Documentation related to data custody, validation and storage are maintained on the company's server. • No adjustments or calibrations were made to any assay data, apart from resetting below detection values to half positive detection.
Location of data points	• Accuracy and quality of surveys used to locate drillholes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. • Specification of the grid system used. • Quality and adequacy of topographic control.	• All coordinate and topographical control data was recorded using a hand-held GPS utilizing WGS 84 /UTM zone 33S (EPSG:32733) • Surveyors reconciled hole coordinates using a Leica 1200 RTK Differential GPS with expected relative accuracy of 0.02m E,N and 0.02m RL. Data supplied in projection WGS 84/UTM zone 33S • Topographic data collected by Terra Survey Pty Ltd based on 482 images derived from a drone flying an altitude of 71.5m and a calculated ground resolution of 2.28cm/pix with a reprojection error of 2.01pix flown in July 2016. Data supplied in projection WGS 84/UTM zone 33S (EPSG:32733) • Downhole gyroscopic surveys are attempted on all RC and diamond holes by Genet Mining. Readings are taken at EOH + c.5m using a Reflex EZ-TRAC XTF survey tool with a stated accuracy of +/-0.25o in inclination • Azimuth data was recorded by an experienced company geologist using a Brunton sighting compass
Criteria	**JORC Code Explanation**	**Commentary**
Data spacing and distribution	• Data spacing for reporting of Exploration Results. • Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. • Whether sample compositing has been applied.	• Drill sections were drilled at approximately 50m intervals, however due to ground topography and historical workings is sometimes not achievable.

		• This drill spacing is sufficient to establish the degree of geological and grade continuity applied under the 2012 JORC code and is suitable for this style of deposit. • Sample compositing has not been applied to the RC samples; all RC samples are collected at 1m intervals
Orientation of data in relation to geological structure	• Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. • If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	• The attitude of the lithological units is dominantly northwest-southeast dipping from 80-60 degrees and is drilled to the northeast with drill holes inclined predominantly at -60 degrees perpendicular to the strike of the orientation of the lithological units. Due to locally varying intersection angles between drill holes and lithological units all results are defined as downhole widths. • No drilling orientation and sampling bias has been recognized at this time and is not considered to have introduced a sampling bias.
Sample security	• The measures taken to ensure sample security.	• Samples were held under the control of AVL's geologist until they were dispatched to ALS in Johannesburg.. Over range samples were dispatched by ALS in Johannesburg by reputable carrier onto ALS in Vancouver • Samples are packed into plastic bags and sealed. Samples are delivered to a 3rd party dispatch point in Steinkopf by company staff. • Chain of custody is managed by the company. • Samples are transported to the relevant Johannesburg laboratory by courier (Timefreight). • Once received at the laboratory, samples are stored in a secure yard until analysis.

		• The lab receipts received samples against the sample dispatch documents and issues a reconciliation report for every sample batch. • Sample security was not considered a significant risk to the project
Audits or reviews	• The results of any audits or reviews of sampling techniques and data.	• No audits or reviews undertaken for this sampling programme • The company database has been compiled from primary data by independent database consultants Mitchell River Group based on original assay data and historical database compilations. • The Datashed database, managed by Mitchell River Group is considered to be of sufficient quality for use in reporting of assay results, QA/QC results and for use in Mineral Resource estimation. • A regular review of the data and sampling techniques is carried out internally. • Mitchell River Group (completed an audit of the existing database prior to the new compilation into a Datashed SQL database in June 2017 Following the construction of a new database, a QA/QC audit was completed on all historical data and the current drilling results reported in this release.

Section 2 Reporting of exploration results - Blesberg

Criteria	JORC Code Explanation	Commentary
Mineral tenement and land tenure status	• Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. • The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.	• Programme undertaken on granted prospecting right (NC) 940 PR held by SALT. • Boundaries of Prospecting Right (NC) 940 PR are shown in Figure 3. The prospecting right covers an area of 887-hectares • The prospecting right lies on part of the farm Steinkopf No 22. • There are no material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings • The Prospecting Right was granted in 8 May 2013 for a period of 5 years. • The 165-hectare lease enlargement is subject to the same tenure as the existing prospecting right and is currently awaiting final DMR approval • There are no known impediments to operating in the area.

Criteria	JORC Code Explanation	Commentary
Exploration done by other parties	• Acknowledgement and appraisal of exploration by other parties.	• As the Blesberg Mine has in the past been held privately details of production and exploration work have generally not been available. • In 1968 the Geological Survey of South Africa prepared an unpublished report *The Geology of the Noumas Pegmatite, Namaqualand* by D.H De Jager. • In 1972 the Geological Survey of South Africa prepared and published the report *The Main Pegmatites in the area between Steinkopf, Vioolsdrif and Goodhouse, Namaqualand* by I.C Schutte which included a detail review of the Blesberg (Noumas) pegmatites. • In 2006 a Geological Society of South Africa paper by H. Minnaar and H.F.J. Theart titled, *The exploitability of pegmatite deposits in the lower Orange River area (Vioolsdrif – Henkries – Steinkopf)* considered the economics of commercial mining of feldspar only.
Geology	• Deposit type, geological setting and style of mineralisation.	• The historical workings and prospecting right are part of an intrusive pegmatitic dyke swarm hosted in a granodiorite dome and covered in parts by quaternary alluvial/colluvial sediments.
Drill hole information	• A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: o easting and northing of the drill hole collar o elevation or RL (Reduced Level – elevation above sea level in meters) of the drill hole collar o dip and azimuth of the hole	• Refer to Appendix 1 above.

	o down hole length and interception depth o hole length. • If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent person should clearly explain why this is the case	

Criteria	JORC Code Explanation	Commentary
Data aggregation methods	• In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut off grades are usually Material and should be stated. • Where aggregate intercepts incorporate short lengths of high grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. • The assumptions used for any reporting of metal equivalent values should be clearly stated.	• A nominal 800ppm lower lithium cut, 100ppm lower tantalum cut and 800ppm lower beryllium cut is applied to the existing sample database to identify potentially significant intervals. These criteria have been selected to most appropriately represent the mineralisation, taking into account overall deposit grade and geological continuity. • The total number of drill samples, and total number of lithium, tantalum and beryllium assays are referred to in the report. • Aggregation has been applied to the reported intervals in this report. Table 1, Table 2 and Table 3 contain aggregates with a m / grade (ppm Li, Ta and Be) composite values over 800ppm, 100ppm and 800ppm respectively. Table 4 contains aggregates with a m / quantity (% Feldspar) composite values for intersections greater than 4m • All sample intercepts above 200ppm Li, 20ppm Ta and 200ppm Be are shown in Appendix 1 • All logged pegmatite intercepts over 1m are shown in Appendix 1
Relationships between mineralisation widths and intercept lengths	• These relationships are particularly important in the reporting of Exploration Results. • If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. • If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').	• The attitude of the lithological units is dominantly northwest-southeast dipping from 80-60 degrees and is drilled to the northeast with drill holes inclined predominantly at -60 degrees perpendicular to the strike of the orientation of the lithological units. Due to locally varying intersection angles between drill holes and lithological units all results are defined as downhole widths. • The drilled downhole depths are taken to be well correlated to the true width due to the relative orientations

Diagrams	• Appropriate maps and section (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	• See figures in the release. • Collar plan and sections through the deposit with stratigraphic interpretations are available.
Balanced reporting	• Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	• All lithium results are reported above a cutoff of 200ppm. • All tantalum results are reported above a cutoff of 20ppm • All beryllium results are reported above a cutoff of 200ppm. • 372 drill samples, excluding the QAQC samples from the database have been assessed. 38 samples are above a Li 200ppm cutoff, 92 samples are above a Ta 20ppm cutoff and 12 samples are above a Be 200ppm cutoff and show a consistent occurrence throughout the Pegmatite orebody at Blesberg. Modelling and further estimations of distribution, grades and volumes of lithium, tantalum and beryllium are in progress. • Composite intervals are shown in Table 1, Table 2, Table 3 and Appendix 1.

Criteria	JORC Code Explanation	Commentary
Other substantive exploration data	• Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test	• No other substantive exploration data from the sampling program, or other historical reports, has been excluded from this report.

	results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	• Surface Geological (simple regolith, lithological and structural) mapping of the Blesberg prospect where possible has been completed by AVL geologists. • Routine multi-element analysis of potential deleterious or contaminating substances such as Iron, Calcium and Magnesium is completed for all samples.
Further work	• The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling). • Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	• Compile database and calculate a resource model for feldspar, lithium, tantalum, beryllium and feldspar. • Undertake further mineralogical and metallurgical test work to incorporate feldspar, lithium, tantalum and beryl into the resource modelling