

Arcadia High Grade Lithium Project: option exercised; expanding land position; & drilling to commence on 25 June

Arcadia High Grade Lithium Project:

Option Exercise

The Company is pleased to report that it has exercised its option to acquire 90% of the high grade Arcadia Lithium Project via its 70% owned subsidiary, Hawkmoth Mining & Exploration Pvt Ltd.

Drilling to Commence

The Company has been advised that the first diamond rig will be ready to commence double shift operations on 25 June 2016. A second rig has been secured and will be brought onsite as needed.

Expanding Acreage

The Company is pleased to report that it has increased its acreage position over the Arcadia pegmatites and surrounding targets.

The Company has instigated an aggressive land acquisition strategy which covers a number of regional targets. The Company intends to provide further details on the Company's land position once complete.

For further information, please contact:

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Competent Person's Statement

The information in this announcement that relates to Exploration Results, Exploration Targets and Mineral Resources and Ore Reserves is based on information compiled by Mr Roger Tyler, a Competent Person who is a member of The Australasian Institute of Mining and Metallurgy and The South African Institute of Mining and Metallurgy. Mr Tyler is the Company's Senior Geologist. Mr Tyler has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking 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 Tyler consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.