ABR Completes Positive Confirmatory Borate Drilling Program at its Fort Cady Borate and Lithium Project, Southern California

- **14 of 14 confirmatory borate resource holes completed**
- **Assay highlights include:**
  - **33.4m @ 5.7% B_2O_3 (10.1% H_3BO_3) & 342ppm Li from 498.1m in drill hole 17FTCBL012**
    - ***incl. 16.9m @ 7.3% B_2O_3 (12.9% H_3BO_3) & 376ppm Li from 511.2m***
  - **30.5m @ 5.5% B_2O_3 (9.8% H_3BO_3) & 332ppm Li from 407.4m in drill hole 17FTCBL002**
    - ***incl. 9.1m @ 12.0% B_2O_3 (21.3% H_3BO_3) & 346ppm Li from 407.4m***
  - **24.0m @ 5.3% B_2O_3 (9.3% H_3BO_3) & 429ppm Li from 414.6m in drill hole 17FTCBL005**
    - ***incl. 9.5m @ 8.2% B_2O_3 (14.6% H_3BO_3) & 381ppm Li from 429.1m***
- **Elevated lithium-enriched brines up to 80ppm intersected adjacent to historic Fort Cady project area with 3 of 6 lithium brine drill holes completed**
- **Upgraded JORC compliant Mineral Resource Estimate targeted for Q1 CY18**

American Pacific Borate and Lithium, (**ASX: ABR**) ("*APBL*", or "*the Company*") is pleased to announce it has completed its 14 hole confirmatory borate drilling program on its 100%-owned Fort Cady Borate and Lithium Project ("*the Project*") in Southern California, USA.

American Pacific Borate and Lithium Managing Director & CEO Michael Schlumpberger said:

"We are pleased to have completed the confirmatory borate drilling program within six months of listing on the ASX. It demonstrates we are pushing forward quickly and currently meeting our timeline that is targeting the commencement of construction in the latter part of 2018.

The lithium results contine to please us and with further testworks in train we expect to be in a position to consider a lithium carbonate circuit in the coming months.

We are looking forward to reviewing the calculation of the upgraded JORC compliant Mineral Resource Estimate as we expect these drill holes to increase the scale of the Resource and its confidence levels."

* *H_3BO_3 = boric acid equivalent grade (1.78 x B_2O_3)*

REGISTERED OFFICE

Level 24, Allendale Square
77 St Georges Terrace, Perth
WA, 6000, Australia

US OFFICE

16195 Siskiyou Road. #210,
Apple Valley, CA, 92307, USA

CONTACT

T: +61 8 6141 3145
W: americanpacificborate.com

Borate-Lithium Assay Results

The recently completed 14 hole, 6,800m resource drilling program (*Figure 1*) was designed to confirm the historical mineral estimate defined on the project during the early 1980's (*ASX announcement 1st September,* 2017). Assay results have now been received from all drill holes completed as part of the confirmatory resource drilling program.

The final drill hole assays will be incorporated into the maiden JORC (2012) Mineral Resource Estimate of 93Mt @ 6.3% B_2O_3 (11.3% H_3BO_3) and 374ppm Li (*ASX announcement 12th December, 2017*).

Significant drill hole intersections from the historically defined "*+5% B_2O_3 solution mining zone*" as defined by Duval Corp. in the early 1980's are summarised in Table 1 below.

Table 1. *Assay highlights from Fort Cady Project resource confirmatory drilling program.*

17FTCBL001
10.1m @ 4.5% B_2O_3 (8.0% H_3BO_3) & 423ppm Li from 376.7m
17FTCBL002
30.5m @ 5.5% B_2O_3 (9.8% H_3BO_3) & 332ppm Li from 407.4m
including 9.1m @ 12.0% B_2O_3 (21.3% H_3BO_3) & 346ppm Li from 407.4m
17FTCBL003
10.2m @ 5.2% B_2O_3 (9.2% H_3BO_3) & 478ppm Li from 375.4m
19.7m @ 6.0% B_2O_3 (10.7% H_3BO_3) & 343ppm Li from 396.8m
17FTCBL004
32.5m @ 5.1% B_2O_3 (9.1% H_3BO_3) & 340ppm Li from 435.1m
including 8.8m @ 7.4% B_2O_3 (13.1% H_3BO_3) & 391ppm Li from 435.1m
17FTCBL005
5.8m @ 6.5% B_2O_3 (11.5% H_3BO_3) & 351ppm Li from 393.0m
9.4m @ 5.2% B_2O_3 (9.2% H_3BO_3) & 608ppm Li from 402.0m
24.0m @ 5.3% B_2O_3 (9.3% H_3BO_3) & 429ppm Li from 414.6m
including 9.5m @ 8.2% B_2O_3 (14.6% H_3BO_3) & 381ppm Li from 429.1m
17FTCBL006
12.1m @ 4.5% B_2O_3 (8.0% H_3BO_3) & 594ppm Li from 374.6m
8.0m @ 5.1% B_2O_3 (9.0% H_3BO_3) & 370ppm Li from 408.4m
17FTCBL012
16.3m @ 5.1% B_2O_3 (9.0% H_3BO_3) & 321ppm Li from 426.2m
33.4m @ 5.7% B_2O_3 (10.1% H_3BO_3) & 342ppm Li from 498.1m
including 16.9m @ 7.3% B_2O_3 (12.9% H_3BO_3) & 376ppm Li from 511.2m

Note: Drill hole is vertical and downhole intersections are approximately true widths. Headline intersection calculated at >5% B_2O_3% within previously identified "solution mining zone". Boric acid (H_3BO_3) calculated as B_2O_3% x 1.78.

The additional drilling assay results further confirm the historical drilling at Fort Cady. Elevated lithium concentrations continue to be intersected throughout the entirety of the colemanite-bearing formation and is the focus of current metallurgical test works assessing the leachability of lithium during boric acid recovery.

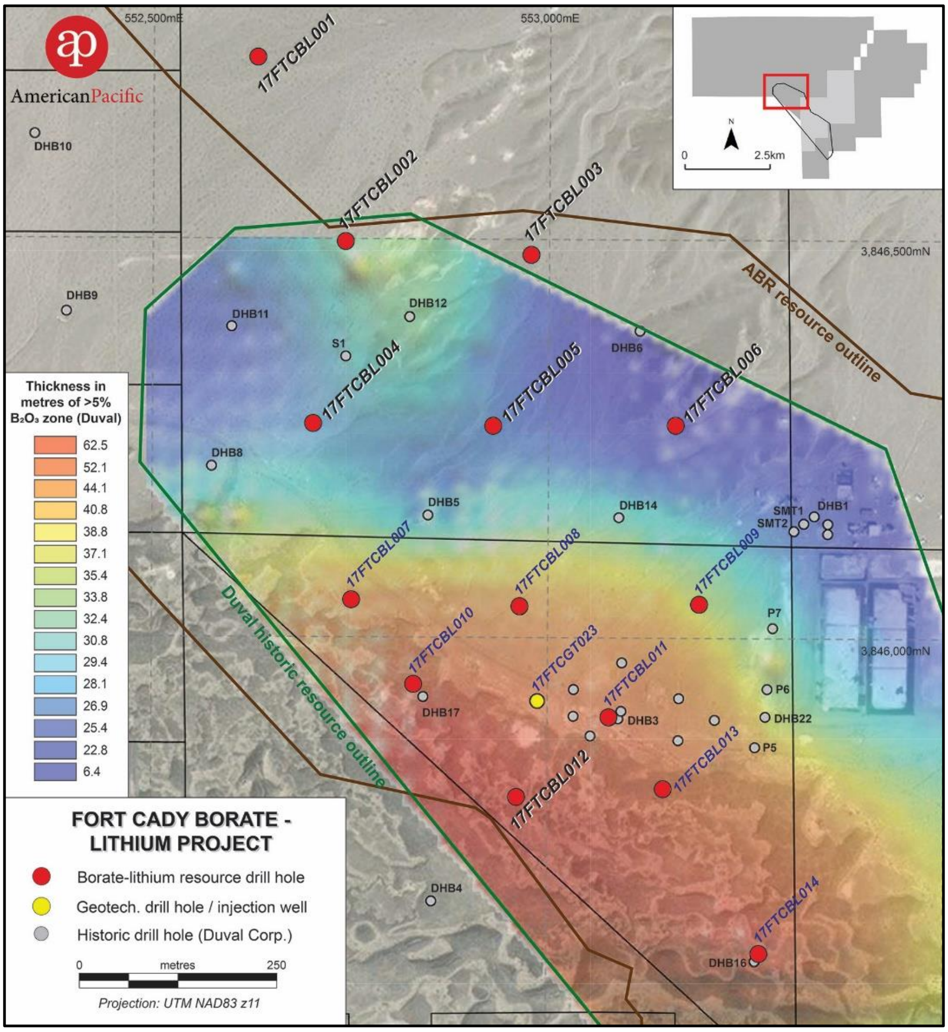

Figure 1. *Drill hole collar location map highlight resource drill hole sites (plan view).*

Lithium Brine Assay Results

Results have been received from the initial three holes completed as part of the regional drilling program assessing the potential of the Company's tenements for lithium-enriched brines for use in solution mining (*Figure 2; Table 2*). Elevated lithium concentrations up to 80ppm were obtained in ground waters collected from drill hole 17FTCLI003, approximartely 500m north of the Fort Cady borate-lithium deposit. These results are similar in concentration to those previously obtained in ambient brines from within the deposit (90ppm Li). The Company is encouraged that the ground waters with elevated lithium concentrations occur close to the proposed mining operation and will further evaluate the hydrogeological properties of the prospective aquifers.

Extensive thicknesses of unconsolidated sediments and high water inflows were problematic during drilling and sample recovery of the intial three holes. The Company is analysing drilling performance logs and investigating the use of more advanced drilling techniques to improve isolation of prospective aquifers and sample quality.

The Company is also exploring the use of these aquifer systems to reduce brine related costs for its boric acid production.

Table 2. *Assay highlights from exploratory lithium brine drilling program.*

17FTCLI003
50ppm Li at 183m 80ppm Li at 213m
17FTCLI005
NSA
17FTCLI006
NSA

NSA: no significant assays.

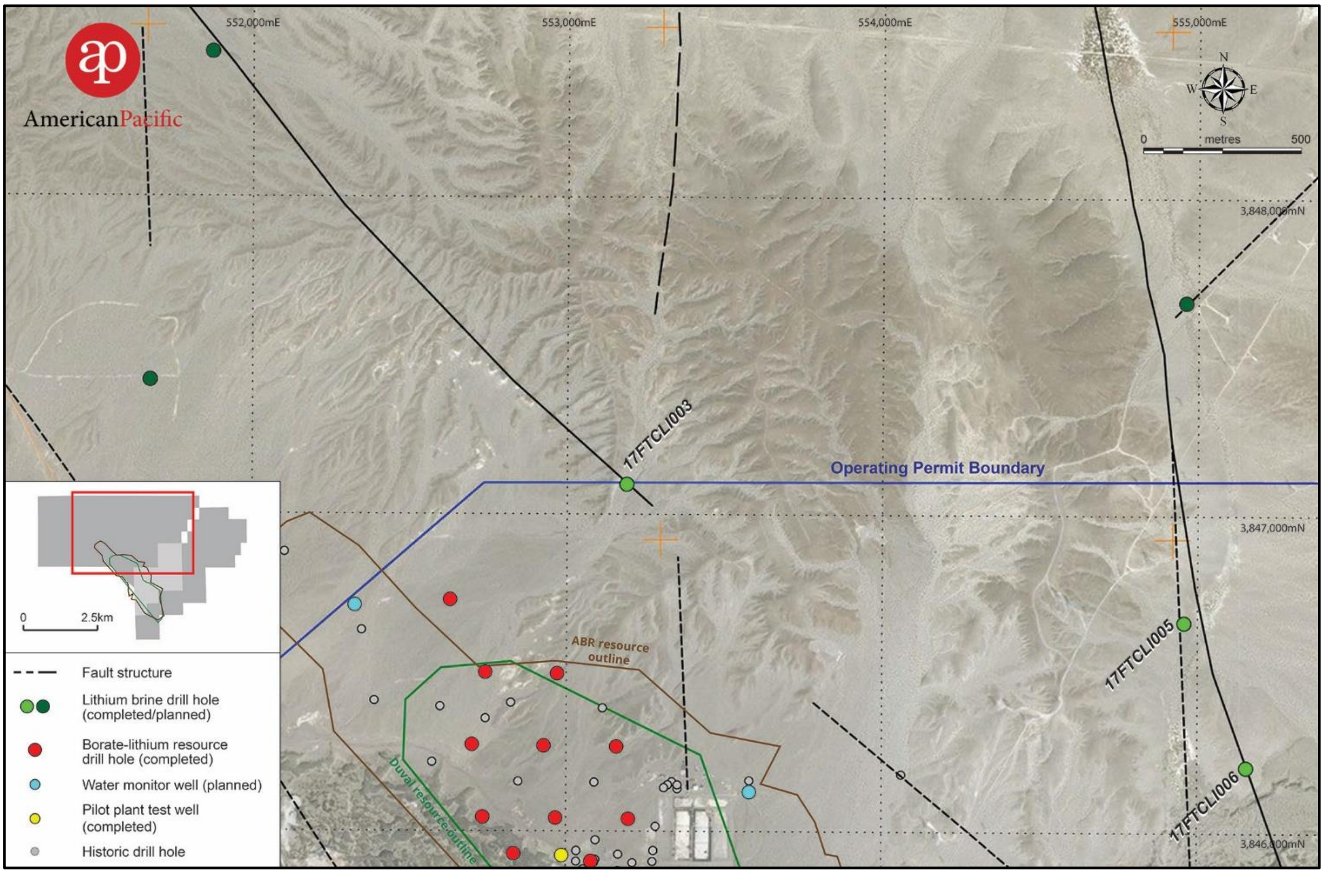

Figure 2. *Drill hole collar location map highlighting lithium brine drill sites (plan view).*

Current Work Program

- Lithium brine drilling (3 of 6 holes completed).
- Planning and implementation of pilot-scale leaching test work program.
- Additional leaching test work on core samples to further refine borate and lithium leaching kinetics.
- Updated JORC compliant Mineral Resource Estimate targeting release in Q1 CY17.
- Optimisation of Scoping Study on the Fort Cady Project targeting release in Q1 CY17.

For further information contact:

Anthony Hall
Executive Director
Ph: +61 417 466 039

Simon Hinsley – NWR Communications
Investor Relations – APAC
Ph: +61 401 809 653

Charlie Bendon–Tamesis Partners
Investor Relations – Europe
Ph: +44 7968 167030

Competent Persons Statement

The information in this release that relates to Exploration Results is based on information prepared by Mr Louis Fourie, P.Geo of Terra Modelling Services. Mr Fourie is a licensed Professional Geoscientist registered with APEGS (Association of Professional Engineers and Geoscientists of Saskatchewan) in the Province of Saskatchewan, Canada and a Professional Natural Scientist (Geological Science) with SACNASP (South African Council for Natural Scientific Professions). APEGS and SACNASP are a Joint Ore Reserves Committee (JORC) Code 'Recognized Professional Organization' (RPO). An RPO is an accredited organization to which the Competent Person (CP) under JORC Code Reporting Standards must belong in order to report Exploration Results, Mineral Resources, or Ore Reserves through the ASX. Mr Fourie has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a CP as defined in the 2012 Edition of the JORC Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Fourie consents to the inclusion in the release of the matters based on their information in the form and context in which it appears.

This report contains historical exploration results from exploration activities conducted by Duval Corp ("historical estimates"). The historical estimates and are not reported in accordance with the JORC Code. A competent person has not done sufficient work to classify the historical estimates as mineral resources or ore reserves in accordance with the JORC Code. It is uncertain that following evaluation and/or further exploration work that the historical estimates will be able to be reported as mineral resources or ore reserves in accordance with the JORC Code. The Company confirms it is not in possession of any new information or data relating to the historical estimates that materially impacts on the reliability of the historical estimates or the Company's ability to verfy the historical estimates.

About American Pacific Borate and Lithium Limited

American Pacific Borate and Lithium Limited is focused on advancing its 100%-owned Fort Cady Boron and Lithium Project located in Southern California, USA (*Figure 3*). Fort Cady is a highly rare and large colemanite deposit with substantial lithium potential and is the largest known contained borate occurrence in the world not owned by the two major borate producers Rio Tinto and Eti Maden.

The Project has a JORC mineral estimate of 93.0 Mt at 6.35% B_2O_3 (11.3% H_3BO_3, boric acid equivalent) & 374 ppm Li (*5% B_2O_3 cut-off*) including 50.95 Mt at 6.42% B_2O_3 (11.42% H_3BO_3) & 398 pmm Li in Indicated category and 42.08 Mt @ 6.26% B_2O_3 (11.14% H_3BO_3) & 346 ppm Li. The JORC Resource has 10.5 Mt of contained boric acid with 5.82 Mt in Indicated Category. In total, in escess of US$50m has historically been spent at Fort Cady, including resource drilling, metallurgical test works, well injection tests, permitting activities and substantial pilot-scale test works.

The Fort Cady Project can quickly be advanced to construction ready status due to the large amount of historical drilling, downhole geophysics, metallurgical test work, pilot plant operations and feasibility studies completed from the 1980's to early 2000's. 33 resource drill holes and 17 injection and production wells were previously completed and used for historical mineral estimates, mining method studies and optimising the process design. Financial metrics were also estimated which provided the former operators encouragement to commence commercial-scale permitting for the Project. The Fort Cady project was fully permitted for construction and operation in 1994. The two key land use permits and Environmental Impact Study remain active and in good standing.

Although pilot plant activities can commence immediately one of the Company's primary goals is to accelerate the development pathway for the Fort Cady Project with the target of being construction ready in CY18. In the interim a simple and low-cost flow-sheet is proposed with a focus on producing boric acid on-site.

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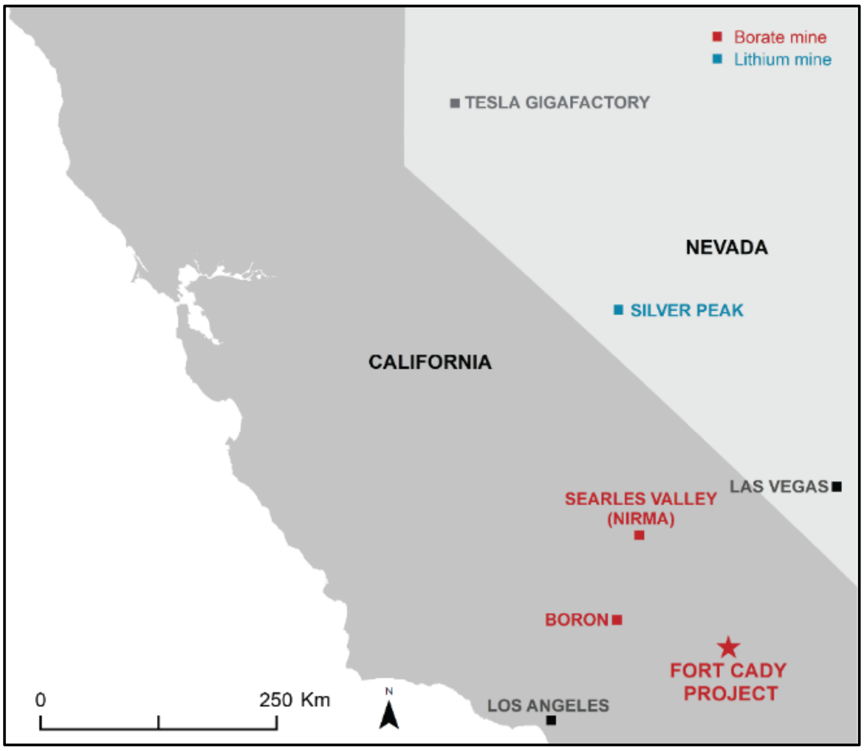

Figure 3. *Location of the Fort Cady Borate and Lithium Project, California USA.*

The JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg 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 representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g 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 (eg submarine nodules) may warrant disclosure of detailed information.*	HISTORICAL • No historic procedures or flow sheets were sighted that explain the historic drilling and sampling processes completed at the Fort Cady project. • Discussions held with Pamela A.K. Wilkinson who was an exploration geologist for Duval at the time of drilling and sampling highlight that drilling through the target zone was completed via HQ diamond drilling techniques and drill core recovery was typically very good (Wilkinson, 2017). • Sampling through the logged evaporate sequence was completed based on logged geology and geophysics. Sample intervals vary from 0.1 ft to 15 ft and sample weights varied accordingly. • Drilling through the overburden material was completed using a rotary air blast (RAB) drilling technique with samples taken from cuttings every 10 ft. MODERN ABR PROGRAM • A SciApps Z-300 field portable LIBS analyser is currently being used during the program for drilling and sampling control. The device was calibrated with field blanks and standard settings as instructed by the manufacturer. • A full suite of modern logging, including standard geological, geomechanical, and density sampling will be undertaken on each core recovered during the program. • The holes drilled by ABR comprise a tophole section (pre-collar), which are drilled by conventional rotary methods. Sampling of cuttings was undertaken but have not been assayed. The bottom hole section which encompasses the entirety of the known mineralised sequence was drilled using diamond coring methods (HQ diameter). After recovery, and standard logging procedures, the core was sampled from above the mineralised section. Core sample intervals were subdivided based on lithology principally to ensure appropriate delineation of the mineralisation in conjunction with host rock. Sample intervals of a maximum of 7ft were marked up and the core was cut and ½ core sent to SRC Geoanalytical Laboratories, Saskatoon. • Samples were crushed, split and pulverised according to industry standards. An aliquot of pulp was digested using a mixture of concentrated $HF:HNO_3:HClO_4$ and multi-element analysis carried out by ICP-OES. For Boron analysis, an aliquot of pulp was fused in a mixture of $NaO_2:NaCO_3$ and dissolved in deionised water and analysed by ICP-OES. Instruments used in analysis were calibrated using certified commercial standards and duplicates were taken. • Every 6th sample submitted by ABR was a control samples (blank, duplicate or

Criteria	JORC Code explanation	Commentary
		standard) inserted for QA/QC purposes. • All lithium brine samples were sent to ALS Laboratories in Reno, Nevada. Samples were subjected to an acidification prior to an ICP-AES analytical method examining 27 elements. ALS inserted specific Certified Reference Materials suitable for brines and reported in the results to ABR. • Industry standards were used for the collection, preparation and analysis of samples and drilling, sampling and assaying was undertaken by geologists and technicians contracted to ABR directly or via a contracting agency.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg 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).*	HISTORICAL • Drilling through the overburden sequence was completed using rotary air blast (RAB) drilling technique. • Drilling through the evaporate sequence / target zone was completed using HQ diamond core. MODERN ABR PROGRAM • Drilling through the overburden sequence was completed using rotary air blast (RAB) drilling technique. • Drilling through the evaporate sequence / target zone was completed using HQ diamond core. The core was logged and evaluated using industry standard techniques.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise 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/coarse material.*	HISTORICAL • Drill core recovery has been reported by Duval geologists to be excellent (95%-100%). • Drill core recovery was not routinely recorded. • Geologists highlighted areas of poor recovery during geological logging by making comment within the geological log at the appropriate drill hole intervals. • A review of the limited amount of drill core that is stored at site indicates drill core recovery was good. Refer to Appendix E for pictures of drill core. MODERN ABR PROGRAM • Drilling is being completed in stages, with the pre-collars drilled by rotary air blast methodology and the mineralised zone by diamond coring (HQ). • Emphasis of the program involves hole integrity of the tophole section, dealt with by the use of 6inch and 4inch steel casing, and bottom hole recovery of core via conservative drilling practices • To date the core recovery has been very good of both the fine grained clay sequence and evaporitic sequences that host lithium and boron mineralisation. • Recovery is recorded through the logging and observation process and reviewed on a hole by hole basis to ensure continuous improvement of recovery of potentially mineralised sections of core. As a result, core recoveries have been high in the target section.

Criteria	JORC Code explanation	Commentary
		• Holes are being logged by experienced geologists on paper, and these records are transferred to a digital format. These logs record all standard measurements / evaluation including, recovery, depth marking, lithological logging, ACA, density, and sample intervals. • The specific intention of the program is to recover all discrete lithologies to better evaluate the relationship between potentially mineralised sequences and host units. There is no bias in recovery for one host versus any other. • There is no observed relationship between sample recovery and grade. • All cored holes will be geologically logged over their entire length to a level of detail sufficient to define a JORC (2012) Mineral Resource Estimate.
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.*	HISTORICAL • Geological logging was completed on every drillhole. • Geological logs for all drill holes have been observed and are held by APBL. • Downhole geophysical logs (Gamma Ray Neutron logs) were completed on each of the Duval exploration drill holes. Calibration procedures are unknown. • Downhole density logs were completed on select drill holes (DHB1, DHB3, DHB7, DHB8) MODERN ABR PROGRAM • Geological, geomechanical and geochemical (in terms of LIBS), are being completed on every drillhole. • Downhole geophysical logs, being at minimum Gamma Ray and Induction with a Caliper, are being acquired on each of the borate cored holes. As the program progresses, the core holes may be logged with additional downhole geophysical tools. • Calibration procedures for the downhole geophysical tools are performed by the contractor as per industry standards. • Logging across the various techniques can be classed as both qualitative and quantitative. For the purposes of the code, ABR presents measurements measured by personnel as qualitative and measurements taken by machine as quantitative (excluding LIBS). • All core is logged and photographed according to standard procedures referred to above, and relevant intersections are included in that gross logged sequence.
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 maximise representivity 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.*	HISTORICAL • Drill core was transported from site to the Duval office in Tucson, Arizona. • Following a review of logging and geophysical data, prospective zones were identified and drill core was marked for sampling. • Drill core was halved and then one half was halved again. • The procedure used for obtaining a ¼ core sample is currently unknown. A review of limited drill core present on site (DBH16) highlights that the core was cut using a diamond saw.

Criteria	JORC Code explanation	Commentary
	• *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• No evidence to date has been observed that duplicate samples were taken. • The entire ¼ core sample was crushed and split to obtain a sample for analysis. The crushing process, splitting process, size of crushed particles and amount of sample supplied to laboratory for analysis are unknown. MODERN ABR PROGRAM • Drill core selected for sampling was ½ cut by a core saw on site. • Depending on the length of the composite interval, the weight of a sample varied. • Every 6th sample submitted for analysis was either a blank, standard, or duplicate. • The samples are representative of the in-situ rock formation. Further, sub sampling based on lithology ensured that no bias (be it a high or low reading), would be likely to occur across any mineralised section. • For brine samples, a filter was used onsite to screen out residual heavy fraction (sands/clays) as best as possible while collecting the sample in a 1 Lt bottle. A sampling policy requiring a second unfiltered sample (5L) has been implemented so that material can retained for future analysis. Brine analysis being undertaken by ALS necessitates the insertion of industry standard CRM's by the laboratory. • Very good/high recoveries in drilling support the contention that samples are representative of the target stratigraphic succession. • Samples were appropriate to the grain size of the material being sampled. • Metallurgical sample from drill hole 17FTCBL008 is a 5kg composite sample made from the assay rejects from multiple samples between 395.9m and 426.4m (downhole depths). Weights of individual samples from this interval were split such that the composite had a weighted average grade that reflected the known grade of the mineralised zone. The composite sample was homogenised and was split to 200 g aliquots for tests and a head sample for ICP total digestion and Boron assaying (methods described below).

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 (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	HISTORICAL • Historic analytical procedures and associated quality control and quality assurance completed by Duval are unknown. • Discussions held with Pamela A.K. Wilkinson, who was an exploration geologist for Duval at the time of drilling and sampling, indicate that Duval had internal quality control and quality assurance procedures in place to ensure that assay results were accurate. • In excess of 3,000 samples were analysed by Duval at either their Tucson, West Texas (Culberson Mine) or New Mexico (Duval Potash mine) laboratories. Elements analysed for were Al, As, Ba, B_2O_3, CO_3, Ca, Fe, K, Li, Pb, Mo, Mg, Na, Rb, S, Si, Sr, Ti, Zn, Zr. • Mineralogy was identified from XRF analysis. XRF results were reportedly checked against logging and assay data (Wilkinson, 2017). MODERN ABR PROGRAM • All drillcore selected for sampling is ½ cut, and a sample length of a maximum of 7ft is put into individual sample bags. Care is taken to ensure that there is no inappropriate mixing of lithology to ensure representative samples of mineralisation style can be detected (as related to lithology). • Samples were sent to SRC Geoanalytical Laboratories in Saskatoon, Saskatchewan, where complete analysis was undertaken to detect the same elements as Duval targeted (see above), with the extension of modern techniques being applied. • Quality control procedures used include the usage of regular and random blanks, standard and duplicate samples in line with standard industry practice to meet code compliance for future reporting purposes. This establishes an acceptable level of accuracy and QA/QC. • After recovery, and standard logging procedures, the core was sampled from above the mineralised section. Core sample intervals were subdivided based on lithology, principally to ensure appropriate delineation of the target layer and its encasing lithology. Sample intervals of a maximum of 7ft were marked up, cut and ½ core and sent to SRC. Samples were crushed, split and pulverised according to industry standards. An aliquot of pulp was digested using a mixture of concentrated HF:HNO_3:$HClO_4$ and multi-element analysis carried out by ICP-OES. For Boron analysis, an aliquot of pulp was fused in a mixture of NaO_2:$NaCO_3$ and dissolved in deionised water and analysed by ICP-OES. Instruments used in analysis were calibrated using certified commercial standards and duplicates were taken. Every 6th sample submitted by ABR was a control samples (blank, duplicate or standard) inserted for QA/QC purposes. • Residues for the metallurgical sample composited from drill hole 17FTCBL008 were prepared and analysed at SRC by the aforementioned methods. The pregnant leach solution (PLS) sample was analysed by the aforementioned methods. • All lithium brine samples were sent to ALS Laboratories in Reno (comprising holes 17FTCLI003, 17FTCLI005, 17FTCLI006). These samples were subjected to an acidification prior to an ICP-AES analytical method examining 27 elements. ALS

Criteria	JORC Code explanation	Commentary
		inserted specific Certified Reference Materials suitable for brines and reported in the results to ABR. • The procedures and methodology for analysis offered by ALS Minerals and SRC offers a higher standard of accuracy than historical procedures as a result of technology and process improvements over time. The techniques used by ALS are regarded as having acceptable levels of accuracy. • A SciApps Z-300 field portable LIBS analyser is being used for drilling and sampling control. Samples were measured singularly, every 1/10th of 1ft, across the entire core. Currently the Company is using the technology to optimise sampling and operational decision making during the drilling program. • The device was calibrated using manufacturer standard settings and blanks. • The accuracy of the SciApps Z-300 field portable LIBS analyser has been partially demonstrated by other users, such as Lithium Australia (see various ASX releases), and in the case of this program, is to be further tested by the comparison with assay results. In this sense, the LIBS analyser is a qualitative tool, as opposed to a truly quantitative measurement device versus traditional assays. This is considered to be in line with best practice industry practice.
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.*	HISTORICAL • Verification of significant intersections by independent or alternative company personnel has not been completed. • The majority of drill core has been discarded and verification of results from the remaining drill core is not possible. • Data entry, data verification and data storage processes are unknown. • Hard copy assay reports, geological logs and geophysical logs have been sourced and are stored with APBL. MODERN ABR PROGRAM • Verification of significant intersections is undertaken geochemically, via the sampling of core and processing by ALS Minerals in Reno, Nevada and Saskatchewan Research Council of SRC. Currently no final reliance is placed on observations by any company personnel in the field. That is, there is no quantitative assessment of grade made by any person in ABR. • The program will involve the drilling of three twin holes to test older reported mineralisation. • Drill core is stored in industry standard wax proof boxes. The core is sampled (½ cut) and one half is sent to the geochemical lab, and one half is retained in the box for further assessment or repeat assessment as deemed necessary. • In the case of brines, two samples are taken, one a smaller filtered sample (1 Lt) which is to be/has been sent to ALS Minerals, and a second larger unfiltered sample (5 Lt) which is to be stored by ABR. • All data provided by the process of evaluation (be it onsite logging or third party assessment such as assay) is stored digitally by the company in a secure database.

Criteria	JORC Code explanation	Commentary
		• Data entry is verified by multiple reviews of any given product (geological logging, assay data, geophysical downhole data and similar), prior to final acceptance and storage. • No adjustments have been made to any assay data.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (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.*	HISTORICAL • No procedural documentation sighted regarding historic surveying procedure of drillhole collars. Surveying procedure used and associated accuracy is unknown. Checks by PT GMT Indonesia in 2015 on collar coordinates highlighted differences in excess of 50 ft in easting and northing locations were present for drill holes DBH7, DBH18, DBH20, DBH25, DBH26, DBH31, DBH33 and DBH34. • A total of 21 drill holes do not have surveyed collar elevations (DHB18, DHB19, DHB20, DHB21, DHB22, DHB23, DHB24, DHB25, DHB26, DHB27, DHB28, DHB29, DHB30,DHB31, DHB32, DHB33, DHB34, P2, P3, P4 and P5). These drill holes have been currently assigned an elevation from Google Earth. • No downhole surveys are present for Duval exploration drill holes (DHB series of drill holes). Downhole surveys for some production / injection drill holes were completed (SMT1, SMT2, SMT6, P5, P6 and P7). A review of this data highlights that significant deviation of the drill holes has not occurred and the end of drill hole position compares favourably (within 10 m) with the drill hole collar location. The exception is drillhole P5 where the end of this planned vertical drill hole is situated approximately 40 m laterally from the drill hole collar position. MODERN ABR PROGRAM • Drill hole collar locations, provided in Table 2, were surveyed prior to drilling with a hand held GPS accurate to +/- 3m horizontal resolution. Final hole surveys will be undertaken to ensure accuracy in both horizontal and vertical resolution (topography), suitable for modelling to produce a JORC compliant Mineral Resource Estimate. At this stage, the topographic data is deemed acceptable via the measurement mechanism used. • The geospatial survey co-ordinates used by the company are UTM Zone 11 N, on a NAD 83 datum. • Downhole surveys are completed using modern technology, which involves continuous calibration to assure accuracy is within an acceptable range.
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.*	HISTORIC • Historic drilling was undertaken on irregular spacing in multiple directions. • The final determination to proceed with a pilot plant saw the drilling of closely spaced holes for the purposes of production. MODERN ABR PROGRAM • Drilling is completed nominally on a 230m grid spacing. Drill holes are drilled vertically.

Criteria	JORC Code explanation	Commentary
		• Drilling on an 230m spacing is appropriate to define the approximate extents and thickness of the evaporite sequence as in conjunction with the historic Duval drilling represents a nominal 160m grid spacing over the identified mineralised zone. Infill drilling will be required to accurately define the true extents, thickness and grade of mineralisation within the deposit. • Mineralised sections of drill core have a similar thickness in adjacent drill holes and significant variability in thickness is not expected on a local scale. • The spacing of the drilling is being completed with full input from the third party Competent Person being utilised to produce the model and verify a potential resource under the JORC (2012) code. It is considered appropriate at this time, though further drilling may still be needed to advance the resource in any category in line with standard industry practice (progression through from resource declaration to DFS). • No sample compositing has been applied
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.*	HISTORICAL • The orientation of sampling did achieve relative certainty such that a pilot plant was successfully installed on the site. • The relationship between sampling orientation and key mineralised structures is considered acceptable froma historical perspective MODERN ABR PROGRAM • Exploration drilling was completed nominally on a 230m grid spacing. Drill holes are being drilled vertically and intersect the relative flat lying deposit close to perpendicular to the dip of the deposit. The southwest margin of the deposit is quite sharp and is considered fault controlled. • Drilling vertically intersects the target mineralised horizon roughly perpendicular, giving an unbiased test of the true thickness of the unit considering the deposit type. This drilling ensures no bias is introduced to the sampling. • The modern program will further assess the thickness of the mineralised sequence as per current assay standards, the effects (if any) of lithology on the distribution of lithium and boron, and whether sedimentological models could predict a thickening of the sequence. Combined with an appropriate spacing, this will ensure a lack of bias in any sampling of any possible structures.
Sample security	• *The measures taken to ensure sample security.*	HISTORICAL • Sample security measures during transport and sample preparation are unknown. MODERN ABR PROGRAM • The drill rig is manned at all times, and the core shed/geology shack is also manned 24 hours at this time. • Secured transport of samples to the assay laboratory is standard practice in the industry and adhered to on this program;

Criteria	JORC Code explanation	Commentary
		• No site personnel have access to the samples once they are placed in bags and sealed. • Samples are taken offsite within 48-96 hours of being bagged
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	HISTORICAL • No details sighted on any previous sampling reviews or audits. MODERN ABR PROGRAM • A review of the sampling techniques and data storage was completed by a consultant geologist • No items of concern were identified.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria		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 licence to operate in the area.*	• The APBL project area consists of approximately 4,409 acres of which 240 acres are patented lands owned by Fort Cady (California) Corporation; 269 acres of patented property with surface rights held by Fort Cady (California) Corporation and mineral rights held by the State of California; 2,380 acres of unpatented mining claims held by Fort Cady (California) Corporation; and 1,520 acres of unpatented mining claims leased by Fort Cady (California) Corporation from Elementis Specialties Inc., owner and operator of the Hector Mine, an adjoining industrial mineral facility. In addition, 100 acres of unpatented mill claims are held by the Company which is designated for water wells. APBL intend to increase its land tenure by 464 acres via negotiations with Southern California Edison. The below table lists the land titles which cover the APBL's Fort Cady project and surrounding exploration regions:

Land Title Type	Land Titles
Private (Patented) Property with surface and mineral rights in Fee Simple Title owned by FCCC	Parcels 0529-251-01; 0529-251-03
Private (Patented) Property with surface rights in Fee Simple Title owned by FCCC; Mineral rights owned by State of California	Parcel 0529-251-04
Unpatented Placer Mining Claims held under Lease to FCCC (from Elementis)	Company 1 Group; Company 4; Litigation 1 Group; Litigation 2; Litigation 3; Litigation 4 Group; Litigation 5 Group; Litigation 6; Litigation 11; Geyser View 1
Unpatented Lode Mining Claims held under Lease to FCCC (from Elementis)	HEC 124 - 127; HEC 129; HEC 131; HEC 343; HEC 344; HEC 365; HEC 369; HEC 371; HEC 372; HEC 374 - 376
Unpatented Placer Mining Claims Recorded and Located by FCCC	HEC #19; HEC #21; HEC# 23; HEC#25; HEC #34 - #41; HEC #43 - #67; HEC #70 - #82; HEC #85 - #93; HEC #182; HEC #184; HEC #288; HEC #290; HEC #292; HEC #294; HEC #296 - #297; HEC #299 - #350

Criteria		Commentary
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Commencement of exploration activities in the Hector Basin occurred in the early 1960's, when exploration companies realised that the Hector Basin had a similar geological setting to the Kramer Basin to the northwest that hosted the massive Boron deposit. Discovery of the Fort Cady borate deposit occurred in 1964 when Congdon and Carey Minerals Exploration Company found several zones of colemanite, at depths of 400 m to 500 m below surface. • During the late 1970's the Duval Corporation became interested in the project and started land acquisition in 1978 with drilling commencing in February 1979. The first drillhole (DBH1) intersected a 27 m thick sequence of colemanite-rich material at 369 m grading better than 7% B_2O_3. Exploration drilling, sampling, and assaying continued for a further two years through to February 1981 with a total of 33 exploration drill holes (DBH series of holes) totalling in excess of 18,200 m being drilled. Approximately 5,800 m of diamond drill core was obtained. Geological and geophysical logging of each hole was completed. Following a review of logging and geophysical data, prospective zones were ¼ core sampled for chemical analysis. In excess of 3,000 samples were analysed at Duval's laboratories in either Tucson, West Texas (Culberson Mine) or in New Mexico (Duval Potash mine). Elements analysed for were Al, As, Ba, B_2O_3, CO_3, Ca, Fe, K, Li, Pb, Mo, Mg, Na, Rb, S, Si, Sr, Ti, Zn, Zr.

Criteria		Commentary
		• In February 1981, the first solution mine test hole was drilled and by late 1981 a small scale pilot plant was operational to test in-situ solution mining of the colemanite deposit. Significant processing test work was then completed by Duval with the aim of optimising the in-situ solution mining process and process design. In 1995 the Fort Cady Minerals Corp received all final approvals and permits to operate a 90,000 stpy pilot borate production facility. The pilot plant began operations in 1996, it remained on site, was modified and used for limited commercial production of calcium borate (marketed as Cady Cal 100) until 2001 when operations ceased due to owner cash flow problems. A total production tonnage of 1,942 tonnes of CadyCal 100 was reported to have been produced.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The project area comprises the west central portion of a Pliocene age dry lake basin (Hector Basin) which has been partially dissected by wrench and block faulting related to the San Andreas system. The Hector Basin is believed to have once been part of a much larger evaporite basin or perhaps a chain of basins in what has been termed the Barstow – Bristol Trough. • The main borate deposit area lies between 350 m to 450 m below the current surface. The deposit comprises a sequence of mudstone and tuff. The borate mineralisation occurs primarily as colemanite ($2CaO\ 3B_2O_3\ 5H_2O$) in thinly laminated silt, clay and gypsum beds. • In plan view, the concentration of boron-rich evaporites is roughly ellipsoidal with the long axis trending N40-50W. A zone of >5% B_2O_3 mineralisation, ranging in thickness from 20 m to 68 m (70 ft to 225 ft), is approximately 600 m wide and 2,500 m long (Figure 4.3 in prospectus). The boron is believed to have been sourced from thermal waters that flowed from hot springs in the region during times of active volcanism. These hot springs vented into the Hector Basin that contained a large desert lake. Borates were precipitated as the thermal waters entered the lake and cooled or as the lake waters evaporated and became saturated with boron. • Ultimately the project is classified internally as a sediment hosted Lithium-Boron deposit.
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:* ○ *easting and northing of the drill hole collar* ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* ○ *dip and azimuth of the hole* ○ *down hole length and interception depth* ○ *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.*	• Refer to Appendix B in Independent Geologist's Report of the May 2017 Prospectus for drill hole listing. • Refer to Appendix D for drill hole location map in Independent Geologist's Report of the May 2017 Prospectus. • A total of 21 drill holes do not have surveyed collar elevations (DHB18, DHB19, DHB20, DHB21, DHB22, DHB23, DHB24, DHB25, DHB26, DHB27, DHB28, DHB29, DHB30, DHB31, DHB32, DHB33, DHB34, P2, P3, P4 and P5). These drill holes have been currently assigned an elevation from Google Earth. The error in assigned elevations is estimated to be no greater than 15 m vertically. Survey pickup of all drill hole collars is planned. • The location of all the planned and completed drill holes are noted within the

Criteria		Commentary
		announcement and within the Prospectus documents referred to above, in addition to being shown in Table 2. • All currently available information relating to the drill holes is shown in these two source documents.
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg 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 and longer lengths of low 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.*	HISTORICAL • Drill hole data was composited to 10 ft lengths for statistical analysis and used in the PT GMT Indonesia 2015 resource estimate. No density weighting was applied in the compositing process. • No cutting of high grade values was completed. • Statistical analysis of the dataset highlights the distribution is positively skewed. MODERN ABR PROGRAM • All LIBS readings are based on even, unbiased measurements taken at $1/10^{th}$ of 1ft intervals directly on recovered drill core. The SciApps Z-300 is used once per position and the results are averaged out over a 1ft interval to produce a usable smoothed profile for further integration with geology. • The selection of core for cutting is based on both qualitative and quantitative measurements. To ensure a lack of bias in any selection, the company determines the top of mineralisation using a combination of LIBS and visual assessment, completes standard logging protocols, then cuts the core to be sent for analysis. Of particular note is the differentiation of lithology to ensure composite samples do not potentially dilute mineralised values of Lithium and Borate. A maximum sample length of 7ft is used, and smaller where deemed onsite to contain too much of a particular lithology such that results could be unrepresentative. This ensures that core is assayed appropriately for the mineralisation it could contain, and that the length of intervals sampled, thus reported, lack a weighting/averaging bias. • Grades of reported minerals were calculated by simple weighted averaging. • No cut-off grades were used. Mineralised intervals are reported at weighted average grades of +5% B_2O_3 which coincided with the solution mining zone as identified by Duval Corp. • No upper cutting was applied as the style and grade of the mineralisation does not require it. • No metal equivalent values are being reported.
Relationship 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 (eg 'down hole length, true width not known').*	HISTORICAL • Holes were drilled vertically to intersect the flat lying body perpendicularly. • Production drilling for the pilot program refined the target depth of the high grade unit, and thus the length of the main mineralised sequence for solution mining. MODERN ABR PROGRAM • Exploration drilling is being completed nominally on a 230m grid spacing. Drill

Criteria		Commentary
		holes are being drilled vertically and intersect the relative flat lying deposit close to perpendicular to the dip of the deposit. The southwest margin of the deposit is quite sharp and is considered fault controlled. • By intersecting the mineralisation at roughly 90 degrees, this provides the highest confidence in the thickness of the reported unit, thus the inference that can be made from its results as presented. • It is expected that mineralisation will be dispersed through this flat lying sequence and where a slight dip may occur in the base of a potential half graben, the sequence may thicken, but remain flat lying for the purposes of drilling and assessment. • Based on the LIBS Z-300 field portable analyser, only the downhole length covering elevated values of Lithium and Boron have been reported. Until formal assay results come back from ALS Minerals in Reno, Nevada, the true thickness and width of each individual zone (if there are more than one), is not known.
Diagrams	• *Appropriate maps and sections (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.*	• Refer to Figure 1 for drill hole collar location map. • Refer also to Figures 4.4, 4.5 and 4.6 within Independent Geologists Report in APBL's May 2017 prospectus.
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.*	• Refer to Appendix C within the Independent Geologists Report in APBL's May 2017 prospectus for listing of significant intercepts. • Refer to Table 4.1, Figure 4.6 and Figure 4.7 within the Independent Geologists Report in APBL's May 2017 prospectus for examples of drill holes that show grade variability throughout the mineralised evaporite sequence. • The Company is only reporting results from one hole. The results have come from samples prepared in accordance with the highest industry standards, and are considered representative of the subsurface. These results are also consistent with previously assayed holes in the Fort Cady area.
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 results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	HISTORICAL • A number of historic studies have been completed by a variety of companies on the Fort Cady project. • Duval Corporation completed the 33 exploration drill holes and associated metallurgical and solution mining test work. • Refer to bibliography of the May 2017 ABR prospectus for listing of references. • All relevant information has been disclosed for these results. MODERN ABR PROGRAM • Metallurgical samples from drill hole 17FTCBL008 were taken from a 5kg composite sample made from the assay rejects of multiple samples between 395.9m and 426.4m (downhole depths). Weights of individual reject samples incorporated in the composite sample were split proportionally such that the composite had a weighted average B_2O3 and Li grade that is substantially the same

Criteria		Commentary
		for the same assayed interval and overall non-JORC historic mineral estimate. The composite sample was homogenised and was split to 200 g aliquots for tests and a head sample for checking the composite sample grade with the original individual assayed samples. • The metallurgical sample was sent to SRC Geoanalytical Laboratories in Saskatoon, Saskatchewan, where complete analysis was undertaken. Residue samples were crushed, split and pulverised according to industry standards. An aliquot of pulp was digested using a mixture of concentrated $HF:HNO_3:HClO_4$ and multi-element analysis carried out by ICP-OES. For Boron analysis, an aliquot of pulp was fused in a mixture of $NaO_2:NaCO_3$ and dissolved in deionised water and analysed by ICP-OES. The pregnant leach solution (PLS) sample was also analysed by the aforementioned methods.
Further work	• *The nature and scale of planned further work (eg 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.*	• APBL has prepared a two year exploration programme to assess the prospects over its exploration areas, Fort Cady and Hector. • This will involve the drilling of up to 23 new holes to assess not just the borate horizon identified in previous work (via coring), but also the potential for extractable lithium in either brines, clays or as a by-product of the potential solution mining of boron. • In addition to extensive physical work on the ground which are directed at potentially extending the thickness, extent and quality of mineral resources, the Company is also advancing the design of production wells and scoping studies to ensure further subsurface assessment is also correlated with engineering and commercial outcomes. This will ensure high grading of technical work, and could result in significant changes to the program. It is expected that the company will work towards preparation of a maiden JORC 2012 Mineral Resource Estimate, completion of a Scoping Study, infill and extension drilling (subject to results), metallurgical test work and engineering design to progress to a formal Definitive Feasibility Study.

Section 3 Estimation and Reporting of Mineral Resources

(Criteria listed in Section 1 and where relevant in section 2, also apply to this section.)

Criteria	JORC Code explanation	Commentary
Database Integrity	• Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes. • Data validation procedures used.	• Drill hole data used to estimate the Fort Cady Indicated and Inferred Resource have been captured in a GEMS database. Drill hole information within the Access database was validated against relevant historic Duval Corporation datasets. These were transcribed externally with the transcripts being checked against original data sheets for veracity. • Modern data was checked against sample ledgers and digital lab reports. • It is assumed that due care was taken historically with the process of transcribing data from field notes into digital format for statutory annual reporting.
Site visits	• Comment on any site visits undertaken by the Competent Person and the outcome of those visits. • If no site visits have been undertaken indicate why this is the case.	• Two site visits were undertaken by the CP • The first was undertaken prior to the start of the current drilling program in late August 2017. Historic collar locations and planned drilling was verified on this visit. • The second was undertaken in early November 2017, to verify current drilling, logging and sampling operations. • An additional visit to the Assaying laboratory, the SRC in Saskatoon, Canada, was also undertaken in late October 2017 to inspect received samples.
Geological Interpretation	• Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit. • Nature of the data used and of any assumptions made. • The effect, if any, of alternative interpretations on Mineral Resource estimation. • The use of geology in guiding and controlling Mineral Resource estimation. • The factors affecting continuity both of grade and geology	• While current drilling confirmed the historic geology broadly, it was found that all lacustrine-associated units have very gradual facies transitions, meaning that lithological distinctions can be arbitrary. • Historic lithological data was examined in the light of drill cores in the current drill program. An assumption that the mineralisation occurs largely within the evaporitic sequence has been borne out by assay results. • Alternative geological interpretations would have little to no effect on the Mineral Resource Estimate, as the latter was based on Indicator Kriging of mineralisation, thus defining the mineralized ore independent of geological interpretation • While the geology only controls the broad zones wherein mineralisation occurs (the evaporitic-dominated facies of the lacustrine sediments), it does not assist in narrowly defining the mineralisation, which is quite diffuse within this zone, though with a marked high grade zone towards the upper end of the mineralisation sequence. • Grade continuity is well defined throughout the deposit, especially in the high grade zone. Faulting clearly bounds the deposit on the west (Pisgah Fault), and this boundary was implemented. Previously interpreted faults (such as Fault B) occur to the east of the defined mineralized zone, and are therefore not a factor in the interpretation.

Criteria	JORC Code explanation	Commentary
Dimensions	• The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.	• The modelled mineralised body continues for a 3.7 km along a northwest-southeast strike, with a width of approximately 1800m. It dips towards the southwest, where it reaches a maximum depth of 29 m above sea level, and reaches 311 m above sea level at its highest point in the north east. It averages around 90-100m in thickness.
	• The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used. • The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data. • The assumptions made regarding recovery of by-products. • Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation). • In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed. • Any assumptions behind modelling of selective mining units. • Any assumptions about correlation between variables. • Description of how the geological interpretation was used to control the resource estimates. • Discussion of basis for using or not using grade cutting or capping • The process of validation, the checking process used, the comparison of model data to drillhole data, and the use of reconciliation data if available.	• Due to the diffuse (ie not lithologically bounded) nature of the mineralisation, traditional domaining was not possible. Indicator Kriging was therefore employed, using a block model with blocks with 20m x 20m x 2.5m dimensions. A bottom cut-off of 2.5% B_2O_3, was used, and all blocks with a probability of higher than 0.5 (ie 50%) were selected to create a probable grade shell, which represents the mineralized zone. The Indicator kriging used variograms with main axis range of 300m, a secondary axis range of 105m, and a vertical axis of 11m. A search ellipse of double the variogram ranges was utilized. All variograms were modelled using GSLIB software (Free Geostatistical software created by the Universities of Alberta and Stanford), while kriging and grade shell creation took place using Geovia GEMS. Grade estimation within the mineralized zone was done using Ordinary Kriging in GEMS. Block sizes were 20m x 20m x 5m, using composited assay data (5m composites). Variography for B_2O_3 within the mineralized zone yielded ranges of 513, 260 and 16m respectively, and 250, 220 100m for lithium. For Indicated classification the search ellipse utilized the variogram ranges, while inferred classification utilized double the variogram ranges. Due to the large ranges, and the confined nature of the Mineralized zone, interpolation was not limited by the number of holes within the search ellipse. • A Historical Resources is available, but there is no detail on the estimation methodology, or the limits thereof, and how it was implemented. It is therefore no better than a rough guideline. This Resource was 115 MMT @ 7.4% B_2O_3 (unclassified). Comparatively, the tonnage of the Indicated and Inferred as described here well exceed that amount, with a lower average grade. With the difficulty in ascertaining how the deposit was bounded (thus increasing grade and decreasing tonnage), this difference is not seen as critical. • The only by-product reported here is lithium. The exact nature of the lithium mineralisation is unclear. It is thought to be associated with the interbedded clays, and a marked negative grade correlation with Boron does exist. In addition, historical assays has intermittent lithium analyses, and by convention non-assayed intervals are assigned a zero grade. Current efforts are under way in determining the leaching potential of lithium from the clays. It should be noted that due to these factors, and to the fact that lithium is reported as a by-product, and thus within the higher grade boron zones, the reported lithium grade is significantly lower than some of the higher grade intersections seen. • No deleterious elements have been identified thus far • As mineralisation is diffuse, with very variable assays even in the high grade zone

Criteria	JORC Code explanation	Commentary
		block sizes cannot be confined by lithological constraints. Sampling size is very variable, with the average sample being just under 1 m (inclusive of historic assays), ranging to well in excess of 5m in some historical holes. Due to these variable factors, 5m was chosen as a reasonable, unbiased compromise for the vertical dimension of the blocks. The 20m horizontal dimensions were based on getting a reasonable number of blocks between (other than the production and twin holes, holes are more than 100m apart on average. • As explained above, selective mining unit modelling is not possible at this stage. • No assumptions were made as to variable correlations, although a negative correlation between lithium and boron was noted. • The geological interpretation didn't play a role in the definition of the resource estimates, as that relied on the Mineralized zone as defined by Indicator Kriging., other than the clipping of the Resource by the Pisgah Fault. • Grade capping was not applied as there are no significant outlier grades. • An inverse distance model was run to see if any kriging bias was found. The model was visually checked, and histograms were compared of all input composites and all interpolated blocks – with excellent correlation, for both B_2O_3 and Li. For B_2O_3 the difference between composites and block grades was 0.22%, and for Li it was 3ppm.
Moisture	• Whether the tonnages are estimated on a dry basis or with natural moisture, and the determination of the moisture contents.	• Tonnages and grades are estimated on a wet-in situ basis
Cut-off parameters	• The basis of the adopted cut-off grade(s) or quality parameters applied.	• The B_2O_3 cut-off of 5% is based on historic reported cut-offs for this deposit.
Mining factors or assumptions	• Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.	• It is assumed that the deposit will be mined as solution mine/in-situ leach. The appropriate cut-offs were applied for this method. Underground mining is not suitable due to ground conditions, as historically noted.
Metallurgical factors or assumptions	• The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.	• Initial metallurgical test works complete on representative sample core from colemanite mineralisation containing 6.2% B_2O_3 (11.0% H_3BO_3*) and 505 ppm lithium, were completed with a total of five hydrochloric acid (HCl) leach tests were performed . Boron recoveries were near 100%, while just under 50% lithium was recovered. Based on these early results, and pending further testing, the solution mining / in-situ leaching appears to successful. Further metallurgical tests are proceeding.

Criteria	JORC Code explanation	Commentary
Environmental factors or assumptions	• Assumptions made regarding possible waste and process residue disposal options • It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made	• Whereas solution mining is a minimum disturbance form of mining, and previous activities at the site using similar processes have not resulted in any environmental degradation, APBL will undertake a full EIS at the appropriate time in order to identify and mitigate any potential environmental concerns. The only specific requirement currently from the State if California is the fencing of all worksites with tortoise fencing, to protect the endangered species. In a solution mining project, this requirement can be comfortably accommodated.
Bulk density	• Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples. • The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit. • Discuss assumptions for bulk density estimates used in the evaluation process of the different materials	• A total of 388 density measurements, using the water immersion technique, were taken from drill core at the Fort Cady project, during the current drill program. • It is assumed that there are minimal void spaces within the core • Since the ore is finally laminated, it is assumed that the large quantity of regular density samples will account for all components.
	• The basis for the classification of the Mineral Resources into varying confidence categories. • Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data). • Whether the result appropriately reflects the Competent Person's view of the deposit	• Indicated and Inferred Category Resources were applied in compliance with the 2012 Edition of the JORC code. These were applied both on the variogram ranges of the primary economic constituent (B2O3), and the reliability of the data. Indicated was defined as the Variogram range, but only utilizing the data from the current drill program and Inferred as twice the variogram range, and utilised the current and historic data. • Variography indicated that the current data spacing is more than sufficient. Twin holes indicated reasonable duplication of historic results. The diffuse nature of the mineralisation within the deposit was adequately taken into account by the utilization of the Indicator Kriging approach. • The Mineral Resource estimate appropriately reflects the view of the Competent Person.
Audits or reviews	• The results of any audits or reviews of Mineral Resource estimates.	• Reviews have been completed by the CP and APBL which verified inputs, assumptions, methodology and results.
Discussion of relative accuracy/ confidence	• Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that • could affect the relative accuracy and confidence of the estimate. • The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used. • These statements of relative accuracy and confidence of the estimate should be	• The deposit geometry and continuity has been adequately interpreted to reflect the applied level of Inferred and Indicated Mineral Resource. The data quality is good and the drill holes have detailed geological logs. A recognized laboratory was used for all analyses. • The Mineral Resource statement relates to global estimates of tonnes and grade. • No check estimates or production data was available.

Criteria	JORC Code explanation	Commentary
	compared with production data, where available.	

Table 2 – ABR Current Program Hole Locations

HoleID	Target	Easting	Northing	Elevation	Dip	Azi	Depth
17FTCBL001	Borate-Lithium	552,638	3,846,716	611.6	-90°	0	478.2m
17FTCBL002	Borate-Lithium	552,711	3,846,490	608.8	-90°	0	459.9m
17FTCBL003	Borate-Lithium	552,981	3,846,485	615.6	-90°	0	444.7m
17FTCBL004	Borate-Lithium	552,695	3,846,267	603.0	-90°	0	529.7m
17FTCBL005	Borate-Lithium	552,930	3,846,267	608.3	-90°	0	484.3m
17FTCBL006	Borate-Lithium	553,144	3,846,260	610.2	-90°	0	458.1m
17FTCBL007	Borate-Lithium	552,772	3,846,041	602.9	-90°	0	541.0m
17FTCBL008	Borate-Lithium	552,972	3,846,042	604.8	-90°	0	495.3m
17FTCBL009	Borate-Lithium	553,179	3,846,037	607.4	-90°	0	475.5m
17FTCBL010	Borate-Lithium	552,831	3,845,939	606.5	-90°	0	502.0m
17FTCBL011	Borate-Lithium	553,078	3,845,899	604.6	-90°	0	541.9m
17FTCBL012	Borate-Lithium	552,963	3,845,801	601.6	-90°	0	533.4m
17FTCBL013	Borate-Lithium	553,153	3,845,818	607.4	-90°	0	539.2m
17FTCBL014	Borate-Lithium	553,270	3,845,608	605.6	-90°	0	562.4m
17FTCLI003	Lithium	553,182	3,847,076	630.5	-90°	0	427.6m
17FTCLI005	Lithium	554,955	3,846,668	634.5	-90°	0	519.1m
17FTCLI006	Lithium	555,162	3,846,192	638.1	-90°	0	402.3m
17FTCGT001	Geotechnical Well	552,962	3,845,925	604.2	-90°	0	513.3m

Surveyed collar locations are referenced to a UTM Zone 11 N, NAD 83 projection