



**PILBARA MINERALS**  
LIMITED  
ACN 112-425-788

ASX ANNOUNCEMENT

10<sup>th</sup> June, 2014

**PILBARA ON TRACK FOR PRODUCTION AFTER COMPLETING ACQUISITION  
OF 50% STAKE IN TABBA TABBA TANTALUM PROJECT, WA**

*COMPLETION OF HOA WITH VALDREW NOMINEES (NAGROM) PAVES WAY FOR MINING TO COMMENCE*

**HIGHLIGHTS:**

- Payment of \$810,000 and 10,000,000 shares to Valdrew Nominees Pty Ltd (Nagrom) completed.
- Works Approval Application for Tabba Tabba mining and treatment plant operations nears completion.
- Other key site infrastructure including water bores and monitoring equipment installed and fully operational.
- Tabba Tabba treatment plant (located off-site) is currently 95% complete.
- Commissioning scheduled for mid-August 2014, paving the way for the Company to join the ranks of junior producers later this year.

Pilbara Minerals Ltd (ASX: PLS) is pleased to announce is on track to begin mining at the **Tabba Tabba Tantalum Project** in WA's Pilbara region in the second half of 2014 after successfully completing the acquisition of a 50% stake in the project.

The completion of a Heads of Agreement with Valdrew Nominees Pty Ltd, a subsidiary of Nagrom Mining, establishes a 50/50 joint venture with Nagrom for the development and operation of the Tabba Tabba Project. Consideration for the acquisition is a cash payment of \$810,000 and the issue of 10 million PLS shares.

The regulatory approvals process for the Tabba Tabba Project is well advanced with the Works Approval Application for mining and treatment plant operations nearing completion. The recent completion of the water supply bores and monitoring equipment at Tabba Tabba provides the Company with the final study required for submission of the Works Approval to the WA Mines Department.

The Tabba Tabba treatment plant (currently located off-site) is currently 95% complete, with commissioning scheduled for mid-August, paving the way for the Company to make the all-important transition to production and cash flow.

The Feasibility Study completed in February this year defined an initial 19-month mining operation at Tabba Tabba producing approximately 365,000 pounds of tantalum pentoxide which will be sold under a 5-year off-take agreement to Global Advanced Metals Wodgina Pty Ltd.

The project is forecast to generating EBITDA of \$16 million and life-of-mine revenue of \$30.2 million for a pre-start-up capital cost of \$3.9 million, of which over \$1.5 million has already been spent (see ASX Announcement – 19 February 2014).



Press Release cont.

Coupled with the recent acquisition of the nearby advanced **Pilgangoora Tantalum-Lithium Project**, Pilbara is establishing a strong growth pipeline of strategic metals assets in the Pilbara region, underpinned by initial cash flow from Tabba Tabba.

Pilbara Director Mr Neil Biddle said the completion of the Nagrom acquisition marked an important milestone for the Company, putting it firmly on track to join the ranks of junior miners later this year.

*“Work is already well advanced on a number of fronts at Tabba Tabba, with the approvals process nearing completion and the processing plant 95% complete,” Mr Biddle said. “We are on track to begin commissioning in mid-August, which will enable us to start generating cash flow – providing a clear pathway to production and strong foundation for the Company’s future.*

*“Combined with the recent acquisition of the substantial Pilgangoora Project, Pilbara Minerals now has a substantial strategic metals portfolio located in the heart of the Pilbara region – located close to Port Hedland and with excellent logistics and infrastructure access.*

*“The cash flow generated by the Tabba Tabba Project will allow us to execute the next steps of our growth strategy – including exploration and development at Pilgangoora and progressing other growth opportunities in the region.”*

**ENDS**

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Figure 1 – Location Plan Tabba Tabba and Pilgangoora Project



Press Release cont.

More Information:

### What is Lithium?

Lithium (Li) is recovered from the mineral spodumene and lithium-rich brines. It is used in a range of products such as ceramics, glass, batteries and pharmaceuticals. Lithium use has expanded significantly in recent years due to increasing use in rechargeable batteries in portable electronic devices and in batteries and electric motors for hybrid and electric cars.

### What is Tantalum?

The primary source of tantalum is from minerals such as tantalite, columbite, wodginite and microlite contained in pegmatite ore bodies. The largest deposits are located in Australia, Brazil and Africa. Tantalum's **major use is** in the production of electronic components, **especially for capacitors**, with additional use in components for chemical plants, nuclear power plants, airplanes and missiles. It is also used as a substitute for platinum.

The tantalum market is boutique in size with around 1,300 tonnes required each year. However the market is rapidly growing due to capacitor use in wireless and handheld devices. PLS's Tabba Tabba Project could supply approximately 7% of the annual market consumption over two years. There are two major buyers of tantalum raw product worldwide: HC Starck and Global Advanced Metals.

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