

ASX Announcement

9 July 2015

COMPANY DETAILS

COBRE MONTANA NL

ABN: 29 126 129 413

ASX CODE: CXB

PRINCIPAL AND REGISTERED OFFICE

Cobre Montana NL
Suite 3
23 Belgravia Street
Belmont WA 6104

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POSTAL ADDRESS

PO Box 588
Belmont WA 6984

CORPORATE INFORMATION

(9 July 2015)
132M Ordinary Shares
50M Contributing Partly Paid Shares
12M Unlisted Options

BOARD OF DIRECTORS

Eduardo Valenzuela
(Non-Executive Chairman)
George Bauk
(Chairman elect)
Adrian Griffin
(Managing Director)
Bryan Dixon(Non-Executive Director)

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COBRE MONTANA COMPLETES CONTINUOUS 10 DAY MINI-PLANT TEST RUN

HIGHLIGHTS

- Lepidolite Hill lithium mica concentrates processing complete
- Cobre takes the next significant step in the commercialization of disruptive lithium chemical production
- Next step is for lithium carbonate to be sent for commercial evaluation
- Mini-plant test runs smoothly and “did not skip a beat” in 10 days and produces excellent design data for scale-up
- Mini-plant produced lithium carbonate at 99.5% purity which can now be sent for commercial evaluation
- The next test to be used for Cinovec bulk samples



Figure 1 - Processing Lepidolite Hill lithium micas in the Strategic Metallurgy mini-plant

Cobre Montana (“Cobre”) is pleased to announce that it has completed producing lithium carbonate from lithium based mica concentrates over a continuous 10 day period. The mica was recovered from the Lepidolite Hill deposit, located 55km south-west of Kalgoorlie, Western Australia.

Continuous testing is a significant step in the development of disruptive lithium production technology based on recovery of lithium chemicals from micas, the most abundant lithium minerals. The process needs to be extended beyond continuous testing and into commercial product evaluation to complete the commercialization cycle. Using a custom designed mini-processing plant as shown in Figure 1 and under the supervision of Perth based Strategic Metallurgy Pty Ltd, and lithium carbonate of at least 99.5% purity was produced.

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Independent product endorsement

The mini-plant operated for 10 days to produce lithium carbonate for the initial stages of commercial product evaluation. The concentrate feed has been produced from bulk samples collected from the Lepidolite Hill deposit, which forms part of the Coolgardie Rare Metals Venture. The Coolgardie Rare Metals Venture is 80% Cobre and 20% Focus Minerals Limited (ASX:FML). The lithium carbonate produced during the course of the mini-plant run, will be sent to end-users for evaluation and independent product endorsement.

Adrian Griffin, Managing Director of Cobre Montana said:

“Our plan to commence production of lithium carbonate for commercial evaluation by the end of June has been fulfilled with carbonate produced on a steady-state basis. The ten day test has provided lithium carbonate for distribution to potential end-users but will also provide valuable process information for the design of larger test plants. The current program is a critical step towards commercializing disruptive technology for the production of lithium chemicals.

This very successful test run has demonstrated the ability to process the most common lithium minerals, the micas, on a continuous basis. The know-how developed will be applied to other deposits currently under assessment in Western Australia and Western Europe.”

Further tests planned at Cinovec with European Metals

Cobre was advised by European Metals Holdings Limited (ASX:EMH) that it had taken bulk samples from the giant Cinovec deposit which hosts:

Inferred Li Resource of 5.5Mt LCE , 514.8Mt @ 0.43% Li₂O (0.1% Li cut-off) *
Additional Exploration Target of 3.4-5.3Mt LCE, 350-450Mt @ 0.39-0.47% Li₂O *

***Cautionary statement** The potential quantity and grade of the Exploration Target is conceptual in nature, there has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource.

Refer to EMH ASX announcements 9 February, 1 May, 6 May, 22, 25 and 26 June 2015)

Lithium mica concentrates are being produced from the samples and those concentrates will be subsequently processed in the mini-plant in Perth. The resulting lithium carbonate will similarly be used for market evaluation.

In preparation for these tests, EMH representatives witnessed the mini-plant test run whilst it was operating. EMH Managing Director Mr Keith Coughlan said “We are encouraged by the tangible developments to date and the successful running of the mini-plant by Cobre and the production of battery grade lithium carbonate from lithium micas. We look forward to testing the bulk samples taken from the Cinovec project which will allow EMH to test the process as licensed by Strategic Metallurgy. ”

Cobre Montana to change its name to Lithium Australia

Cobre Montana NL (ASX:CXB) will change its name to Lithium Australia NL (ASX:LIT) subject to shareholder approval scheduled for Wednesday 15 July 2015.

ABOUT COBRE MONTANA

Cobre has a technical alliance with Strategic Metallurgy Pty Ltd to commercialise disruptive lithium extraction technology based on the recovery of lithium from micas; minerals not generally used as a source of lithium chemicals.

Cobre has a non-binding Heads of Agreement with European Metals Holdings Limited to process lithium mineralisation at Cinovec in the Czech Republic on a 50/50 JV basis. Cinovec contains abundant lithium micas and is one of the world’s largest hard-rock lithium occurrences.

In addition, Cobre has strategic alliances with Pilbara Minerals Limited, Focus Minerals Limited and Tungsten Mining NL, to investigate lithium and rare metals in prospective locations of Western Australia close to well-developed infrastructure. Cobre also has lithium exploration assets near Greenbushes and Ravensthorpe in Western Australia. Cobre is also evaluating other European opportunities.

MEDIA CONTACT:

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