

ASX: INF ANNOUNCEMENT

17 April 2019

Infinity's San Jose Lithium Hydroxide Pre-Feasibility Study Update

HIGHLIGHTS

- **Wave International continues Infinity Lithium's lithium hydroxide Pre-Feasibility Study which commenced in Q1 2019**
 - **Stage 1 beneficiation testwork completed with results obtained confirming beneficiation work completed in the Lithium Hydroxide Scoping Study**
 - **Stage 2 hydrometallurgical testwork now underway**
 - **Pre-Feasibility study on track for completion in June/July**
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Infinity Lithium Corporation Limited (ASX:INF, 'Infinity' or 'the Company') is pleased to advise that the Pre-Feasibility Study ('PFS') into the production of lithium hydroxide from the San Jose Lithium Project ('San Jose', or 'the Project') continues and delivers positive results. Wave International ('Wave') have been appointed as the lead consultant and study managers to deliver the PFS. The PFS technical works and study has been accelerated following the recent increase of Infinity's project ownership to 75% (ASX announcement 18 March 2019).

Stage 1 Testwork Completed:

The first stage of the PFS works program commenced in Q1 2019. This focused on PFS-level metallurgical testwork and was designed to confirm previous upgrade factors from the Scoping Study (ASX announcement 29 November 2018). Wave was able to complete the testwork and successfully produce suitable amounts of concentrate for Stage 2 hydrometallurgical testwork. Nagrom Metallurgical in Perth has now completed the Stage 1 testwork program with an example of the froth flotation testing shown below in Figures 1

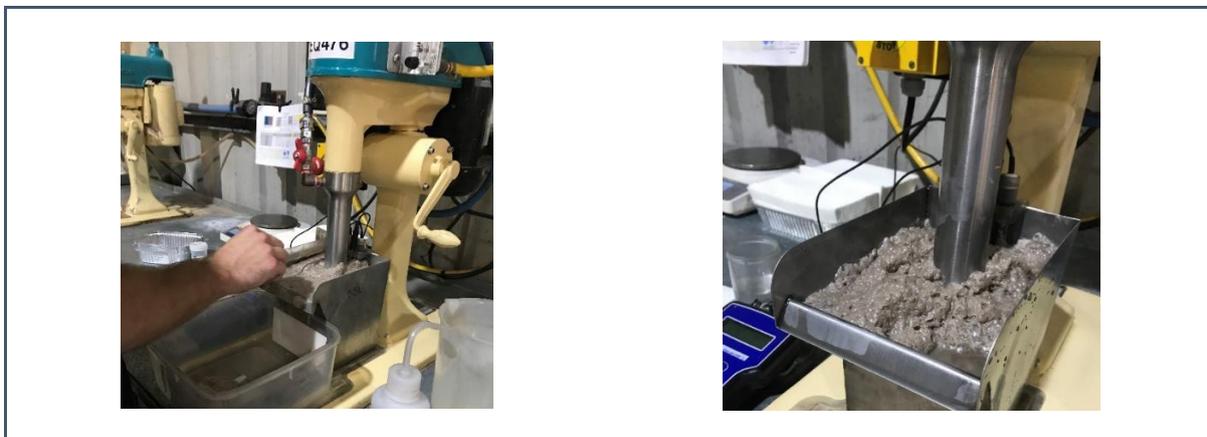


FIGURE 1: FROTH FLOTATION TESTING

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The concentrate produced in Stage 1 flotation was derived from approximately 80kg of representative mineralised drill core obtained by Infinity in prior drilling campaigns. Previous work was based on a small subset.

Stage 2 Testwork Underway:

ALS Metallurgical Laboratories ('ALS') in Perth have been appointed to undertake the Stage 2 testwork program, designed to develop the sulphate-roast-water-leach ('SRWL') flowsheet to a PFS standard. Previous work recorded excellent recoveries from these processes, with the lithium hydroxide Scoping Study achieving greater than 90% lithium recovery in neutral, potable water (ASX announcement 29 October 2018).

The conceptual flowsheet from the lithium hydroxide Scoping Study is shown below in Figure 2.

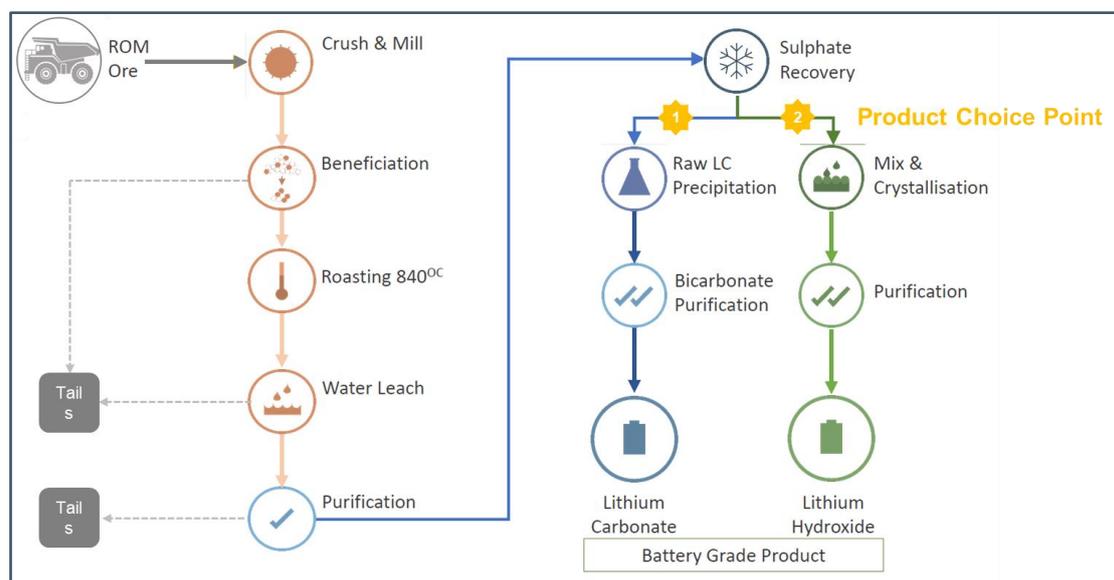


FIGURE 2: PROCESS FLOWSHEET. Stage 1 testwork was focussed on the 'crush-mill and beneficiation' stages. Stage 2 covers 'roast and leach' stages.

The Stage 1 and Stage 2 components of the PFS testwork program are represented in the above noted process flowsheet in orange (Crush & Mill, Beneficiation, Roasting, Water Leach). From this point the leach solution produced will move to Stage 3 or the final stage of testwork, where through a process of purification and crystallisation lithium hydroxide will be produced.

Infinity will update the market with further results of the metallurgical test work program as work advances.

Wave International Director Ryan Hanrahan commented: *"The confirmation of the Scoping Study beneficiation recoveries and grades is an encouraging first major milestone for the San Jose PFS. These results provide a solid platform on which to progress the PFS engineering and ongoing metallurgical testwork. As a team we are excited to be supporting INF to take the next step in de-risking the San Jose project and progressing towards development."*

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Disclaimer

Forward-looking statements are statements that are not historical facts. Words such as “expect(s)”, “feel(s)”, “believe(s)”, “will”, “may”, “anticipate(s)” and similar expressions are intended to identify forward-looking statements. These statements include, but are not limited to statements regarding future production, resources or reserves and exploration results. All of such statements are subject to certain risks and uncertainties, many of which are difficult to predict and generally beyond the control of the Company, that could cause actual results to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. These risks and uncertainties include, but are not limited to: (i) those relating to the interpretation of drill results, the geology, grade and continuity of mineral deposits and conclusions of economic evaluations, (ii) risks relating to possible variations in reserves, grade, planned mining dilution and ore loss, or recovery rates and changes in project parameters as plans continue to be refined, (iii) the potential for delays in exploration or development activities or the completion of feasibility studies, (iv) risks related to commodity price and foreign exchange rate fluctuations, (v) risks related to failure to obtain adequate financing on a timely basis and on acceptable terms or delays in obtaining governmental approvals or in the completion of development or construction activities, and (vi) other risks and uncertainties related to the Company’s prospects, properties and business strategy. Our audience is cautioned not to place undue reliance on these forward-looking statements that speak only as of the date hereof, and we do not undertake any obligation to revise and disseminate forward-looking statements to reflect events or circumstances after the date hereof, or to reflect the occurrence of or non-occurrence of any events.

The Production Target referred to in this announcement is based on 91% Indicated Resources and 9% Inferred Resources for the life of mine life covered under the Study. In accordance with the twenty four (24) year mine plan incorporated into the Study, the first three (3) years of production (covering payback period) will come 96% from Indicated Resources.

The Study is based on the material assumptions outlined in the ASX announcement 29 November 2018. These include assumptions about the availability of funding. While the Company considers all the material assumptions to be based on reasonable grounds, there is no certainty that they will prove to be correct or that the range of outcomes indicated by the Study will be achieved. To achieve the potential mine development outcomes indicated in the Study, additional funding will be required. Investors should note that there is no certainty that the Company will be able to raise funding when needed however the Company has concluded it has a reasonable basis for providing the forward looking statements included in this announcement and believes that it has a “reasonable basis” to expect it will be able to fund the development of the San Jose lithium deposit.

Infinity is not aware of any new information or data that materially affects the information included in this ASX release, and Infinity confirms that, to the best of its knowledge, all material assumptions and technical parameters underpinning the resource estimates in this release continue to apply and have not materially changed.

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Competent Persons Statement

Production Target and Scoping Study: The information in this report that relates to Exploration Results is based on the information compiled or reviewed by Mr Adrian Byass, B.Sc Hons (Geol), B.Econ, FSEG, MAIG and an employee of Infinity. Mr Byass has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the JORC Code for Reporting of Exploration Results, Exploration Targets, Mineral Resources and Ore Reserves. Mr Byass consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

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