

## ABR Initial Assay Results Confirm Fort Cady Borate-Lithium Mineralisation

- **Encouraging assay results received from first confirmatory resource drill hole at Fort Cady Borate-Lithium Project**
- **Extensive zone of borate and lithium mineralisation intersected. Assay highlights include:**
  - **22.8m @ 6.9% B<sub>2</sub>O<sub>3</sub> (12.3% H<sub>3</sub>BO<sub>3</sub> Eq\*) & 519ppm Li from 395.9m**
  - **22.8m @ 5.2% B<sub>2</sub>O<sub>3</sub> (11.4% H<sub>3</sub>BO<sub>3</sub> Eq\*) & 402ppm Li from 421.4m**
  - **13.8m @ 5.1% B<sub>2</sub>O<sub>3</sub> (9.1% H<sub>3</sub>BO<sub>3</sub> Eq\*) & 303ppm Li from 452.9m**
- **Three additional confirmatory resource drill holes submitted for assaying with results pending**
- **First lithium brine drill hole completed and samples submitted for assaying with results pending**
- **Maiden Mineral Resource Estimate and Scoping Study will be completed in Q4 CY17**

American Pacific Borate and Lithium, (**ASX: ABR**) ("APBL", or "the Company") is pleased to announce initial assay results from the recently commenced confirmatory resource drilling program on its 100%-owned Fort Cady Borate and Lithium Project ("the Project") in Southern California, USA. APBL is advancing the Project rapidly with the view of commencing a Feasibility Study in early 2018.

The 6,800m resource drilling program is designed to confirm the historical mineral estimate defined on the project during the early 1980's (*ASX announcement 1<sup>st</sup> September, 2017*). The Company has now completed five drill holes at the project with four drill rigs currently operating. Core samples from three of the drill holes have been submitted for analysis with assay results pending. Brine samples have also been submitted for analysis from the first completed lithium brine drill hole located northeast of the Fort Cady borate-lithium mineralisation.

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

*"We are very excited with the initial results of our drilling program. These results confirm what we already knew from the historical drilling – that Fort Cady contains an exceptionally thick sequence of borate mineralisation.*

*We are also highly encouraged by the lithium concentrations in the borate mineralisation. We will now fast-track leaching testwork on drill core samples to determine what quantity of lithium can be extracted along with the boric acid during solution mining. We are confident we have a compelling boric acid development opportunity. Lithium by-products have the potential to enhance the project metrics and take the Project to the next level".*

### **COMPANY DIRECTORS**

Harold (Roy) Shipes – Non-Executive Chairman

Michael X. Schlumpberger – Managing Director & CEO

Anthony Hall – Executive Director

Stephen Hunt – Non-Executive Director

John McKinney – Non-Executive Director



### **ISSUED CAPITAL**

169.8 million shares

15.0 million options

### **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

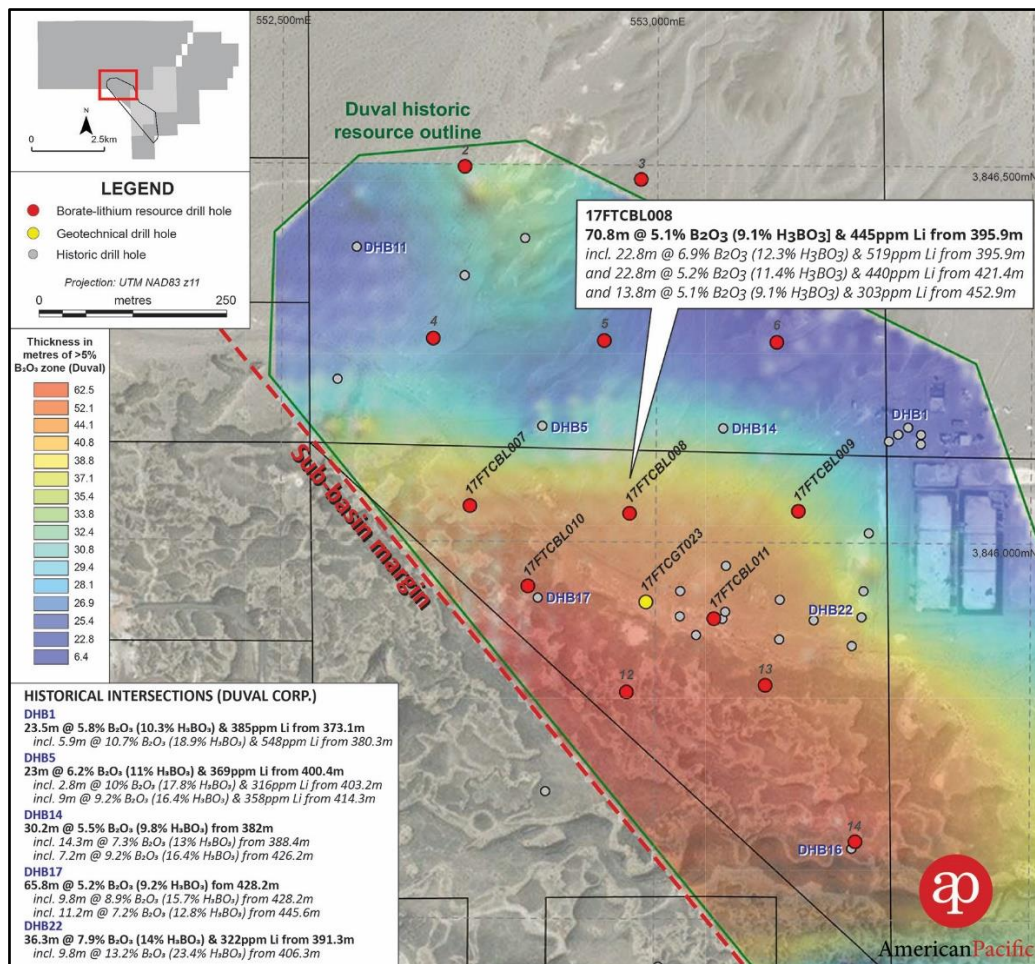


## Initial assay results

Assay results have been received in entirety for drill hole 17FTCBL008 which was collared adjacent to the historic pilot plant and between historical Duval Corp. drill holes (Figure 1). The results confirm the presence of two main mineralised horizons and a third, deeper interval. Significant intersections from drill hole 17FTCBL008 include:

<b>70.8m @ 5.1% B<sub>2</sub>O<sub>3</sub> (9.1% H<sub>3</sub>BO<sub>3</sub> Eq*) &amp; 445ppm Li from 395.9m</b>
<b>including 22.8m @ 6.9% B<sub>2</sub>O<sub>3</sub> (12.3% H<sub>3</sub>BO<sub>3</sub> Eq*) &amp; 519ppm Li from 395.9m</b>
incl. 6.9m @ 9.1% B <sub>2</sub> O <sub>3</sub> (16.1% H <sub>3</sub> BO <sub>3</sub> ) & 562ppm Li from 402.2m
<b>and 22.8m @ 5.2% B<sub>2</sub>O<sub>3</sub> (11.4% H<sub>3</sub>BO<sub>3</sub> Eq*) &amp; 440ppm Li from 421.4m</b>
incl. 10.2m @ 8.2% B <sub>2</sub> O <sub>3</sub> (14.6% H <sub>3</sub> BO <sub>3</sub> ) & 401ppm Li from 434.0m
incl. 4.6m @ 12.5% B <sub>2</sub> O <sub>3</sub> (22.3% H <sub>3</sub> BO <sub>3</sub> ) & 350ppm Li from 434.0m
<b>and 13.8m @ 5.1% B<sub>2</sub>O<sub>3</sub> (9.1% H<sub>3</sub>BO<sub>3</sub> Eq*) &amp; 303ppm Li from 452.9m</b>

*Note:* Drill hole is vertical and downhole intersections are approximately true widths. Headline intersection calculated at >5% B<sub>2</sub>O<sub>3</sub>% within previously identified solution mining zone. Boric acid (H<sub>3</sub>BO<sub>3</sub>) calculated as B<sub>2</sub>O<sub>3</sub>% x 1.78.



**Figure 1:** Drill hole locality map highlighting location of drill hole 17FTCBL008 and historical drill hole intersections. The historical estimates are not reported in accordance with the JORC Code and a Competent Person has not done sufficient work to classify the historical estimates as Mineral Resources or Ore Reserves. It is uncertain that following evaluation and/or further exploration work that the historical estimates will be able to reported as Mineral Resources or Ore Reserves in accordance with the JORC Code.

## PHONE

+61 8 6141 3145

## WEBSITE

www.americanpacificborate.com



In conjunction with the historic drill holes, the Company plans on drilling the known mineralised area on a nominal 120-130m grid. Given the relative predictability and flat-lying orientation of the mineralised horizon, this will be sufficient for the definition of a JORC (2012) Mineral Resource Estimate.

The Company is anticipating assay results will be received on a near weekly basis over the remaining duration of the drilling program. Assay results from multiple drill holes will be collated and periodically announced to the market.

#### **Current Work Program**

- Confirmatory resource drilling (5 of 14 drill holes completed); assays pending.
- Lithium brine drilling (1 of 6 holes completed); assays pending.
- Test work on leaching lithium leaching from the borate mineralisation.
- Definition of maiden JORC (2012) Mineral Resource Estimate; targeting release in Q4 CY17.
- Scoping Study on the borate project; targeting release in Q4 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 verify the historical estimates.



### About American Pacific Borate and Lithium Limited

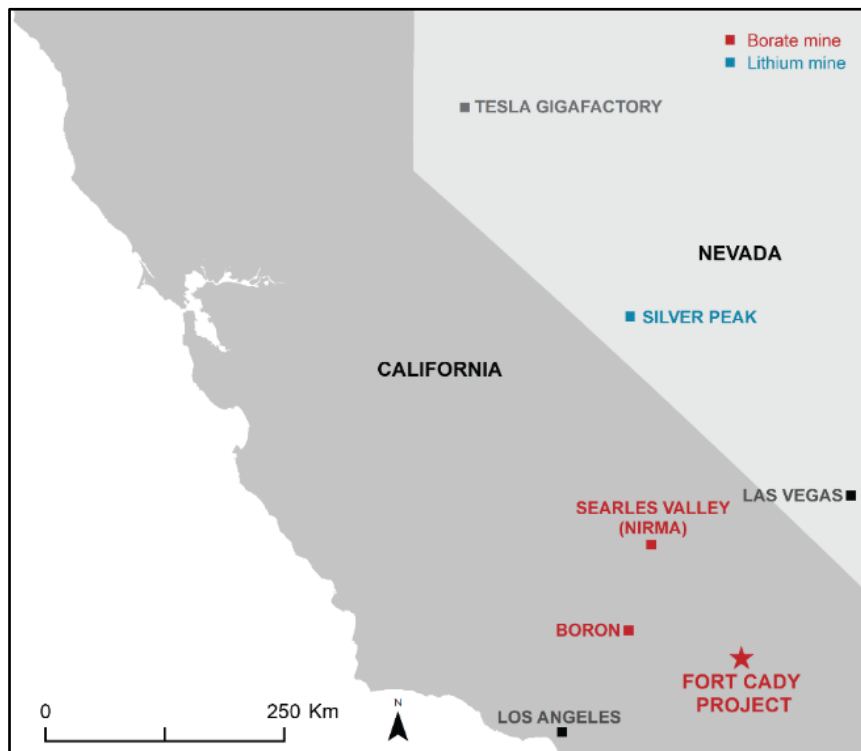
American Pacific Borate and Lithium Limited is focused on advancing its 100%-owned Fort Cady Boron and Lithium Project located in Southern California, USA (Figure 2). Fort Cady is a highly rare and large colemanite deposit with substantial lithium potential and is the largest known contained borate occurrence in the world not owned by the two major borate producers Rio Tinto and Eti Maden.

The Project has a historical non-JORC mineral estimate of 115Mt at 7.4%  $B_2O_3$  or 13.2%  $H_3BO_3$  (boric acid) equivalent (5%  $B_2O_3$  cut-off) including 69Mt at 9%  $B_2O_3$  and 16%  $H_3BO_3$  (7%  $B_2O_3$  cut-off). More than 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.

[www.americanpacificborate.com](http://www.americanpacificborate.com)



**Figure 2:** Location of the Fort Cady Borate and Lithium Project, California USA.

### PHONE

+61 8 6141 3145

### WEBSITE

[www.americanpacificborate.com](http://www.americanpacificborate.com)

## 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	<ul style="list-style-type: none"> <li>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.</li> <li>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> <li>Aspects of the determination of mineralisation that are Material to the Public Report.</li> <li>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.</li> </ul>	<p>HISTORICAL</p> <ul style="list-style-type: none"> <li>No historic procedures or flow sheets were sighted that explain the historic drilling and sampling processes completed at the Fort Cady project.</li> <li>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).</li> <li>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.</li> <li>Drilling through the overburden material was completed using a rotary air blast (RAB) drilling technique with samples taken from cuttings every 10 ft.</li> </ul> <p>MODERN ABR PROGRAM</p> <ul style="list-style-type: none"> <li>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.</li> <li>A full suite of modern logging, including standard geological, geomechanical, and density sampling will be undertaken on each core recovered during the program.</li> <li>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.</li> <li>Samples were crushed, split and pulverised according to industry standards. An aliquot of pulp was digested using a mixture of concentrated HF:HNO<sub>3</sub>:HClO<sub>4</sub> and multi-element analysis carried out by ICP-OES. For Boron analysis, an aliquote of pulp was fused in a mixture of NaO<sub>2</sub>:NaCO<sub>3</sub> and dissolved in deionised water and analysed by ICP-OES. Instruments used in analysis were calibrated using certified commercial standards and duplicates were taken.</li> <li>Every 6<sup>th</sup> sample submitted by ABR was a control samples (blank, duplicate or</li> </ul>



Criteria	JORC Code explanation	Commentary
		<p>standard) inserted for QA/QC purposes.</p> <ul style="list-style-type: none"> <li>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.</li> <li>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.</li> </ul>
Drilling techniques	<ul style="list-style-type: none"> <li>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).</li> </ul>	<p>HISTORICAL</p> <ul style="list-style-type: none"> <li>Drilling through the overburden sequence was completed using rotary air blast (RAB) drilling technique.</li> <li>Drilling through the evaporate sequence / target zone was completed using HQ diamond core.</li> </ul> <p>MODERN ABR PROGRAM</p> <ul style="list-style-type: none"> <li>Drilling through the overburden sequence was completed using rotary air blast (RAB) drilling technique.</li> <li>Drilling through the evaporate sequence / target zone was completed using HQ diamond core. The core was logged and evaluated using industry standard techniques.</li> </ul>
Drill sample recovery	<ul style="list-style-type: none"> <li>Method of recording and assessing core and chip sample recoveries and results assessed.</li> <li>Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> <li>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.</li> </ul>	<p>HISTORICAL</p> <ul style="list-style-type: none"> <li>Drill core recovery has been reported by Duval geologists to be excellent (95%-100%).</li> <li>Drill core recovery was not routinely recorded.</li> <li>Geologists highlighted areas of poor recovery during geological logging by making comment within the geological log at the appropriate drill hole intervals.</li> <li>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.</li> </ul> <p>MODERN ABR PROGRAM</p> <ul style="list-style-type: none"> <li>Drilling is being completed in stages, with the pre-collars drilled by rotary air blast methodology and the mineralised zone by diamond coring (HQ).</li> <li>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</li> <li>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.</li> <li>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.</li> </ul>

Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> <li>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.</li> <li>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.</li> <li>There is no observed relationship between sample recovery and grade.</li> <li>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.</li> </ul>
Logging	<ul style="list-style-type: none"> <li>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.</li> <li>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</li> <li>The total length and percentage of the relevant intersections logged.</li> </ul>	<p>HISTORICAL</p> <ul style="list-style-type: none"> <li>Geological logging was completed on every drillhole.</li> <li>Geological logs for all drill holes have been observed and are held by APBL.</li> <li>Downhole geophysical logs (Gamma Ray Neutron logs) were completed on each of the Duval exploration drill holes. Calibration procedures are unknown.</li> <li>Downhole density logs were completed on select drill holes (DHB1, DHB3, DHB7, DHB8)</li> </ul> <p>MODERN ABR PROGRAM</p> <ul style="list-style-type: none"> <li>Geological, geomechanical and geochemical (in terms of LIBS), are being completed on every drillhole.</li> <li>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.</li> <li>Calibration procedures for the downhole geophysical tools are performed by the contractor as per industry standards.</li> <li>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).</li> <li>All core is logged and photographed according to standard procedures referred to above, and relevant intersections are included in that gross logged sequence.</li> </ul>
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> <li>If core, whether cut or sawn and whether quarter, half or all core taken.</li> <li>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</li> <li>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> <li>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</li> <li>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.</li> </ul>	<p>HISTORICAL</p> <ul style="list-style-type: none"> <li>Drill core was transported from site to the Duval office in Tucson, Arizona.</li> <li>Following a review of logging and geophysical data, prospective zones were identified and drill core was marked for sampling.</li> <li>Drill core was halved and then one half was halved again.</li> <li>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.</li> </ul>

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"><li>Whether sample sizes are appropriate to the grain size of the material being sampled.</li></ul>	<ul style="list-style-type: none"><li>No evidence to date has been observed that duplicate samples were taken.</li><li>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.</li></ul> <p>MODERN ABR PROGRAM</p> <ul style="list-style-type: none"><li>Drill core selected for sampling was ½ cut by a core saw on site.</li><li>Depending on the length of the composite interval, the weight of a sample varied.</li><li>Every 6<sup>th</sup> sample submitted for analysis was either a blank, standard, or duplicate.</li><li>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.</li><li>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.</li><li>Very good/high recoveries in drilling support the contention that samples are representative of the target stratigraphic succession.</li><li>Samples were appropriate to the grain size of the material being sampled.</li></ul>



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<sub>2</sub>O<sub>3</sub>, CO<sub>3</sub>, 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<sub>3</sub>:HClO<sub>4</sub> and multi-element analysis carried out by ICP-OES. For Boron analysis, an aliquote of pulp was fused in a mixture of NaO<sub>2</sub>:NaCO<sub>3</sub> 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 6<sup>th</sup> sample submitted by ABR was a control samples (blank, duplicate or standard) inserted for QA/QC purposes.
- 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 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

Criteria	JORC Code explanation	Commentary
Verification of sampling and assaying	<ul style="list-style-type: none"> <li><i>The verification of significant intersections by either independent or alternative company personnel.</i></li> <li><i>The use of twinned holes.</i></li> <li><i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i></li> <li><i>Discuss any adjustment to assay data.</i></li> </ul>	<p>technology and process improvements over time. The techniques used by ALS are regarded as having acceptable levels of accuracy.</p> <ul style="list-style-type: none"> <li>A SciApps Z-300 field portable LIBS analyser is being used for drilling and sampling control. Samples were measured singularly, every 1/10<sup>th</sup> of 1ft, across the entire core. Currently the Company is using the technology to optimise sampling and operational decision making during the drilling program.</li> <li>The device was calibrated using manufacturer standard settings and blanks.</li> <li>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.</li> </ul> <p>HISTORICAL</p> <ul style="list-style-type: none"> <li>Verification of significant intersections by independent or alternative company personnel has not been completed.</li> <li>The majority of drill core has been discarded and verification of results from the remaining drill core is not possible.</li> <li>Data entry, data verification and data storage processes are unknown.</li> <li>Hard copy assay reports, geological logs and geophysical logs have been sourced and are stored with APBL.</li> </ul> <p>MODERN ABR PROGRAM</p> <ul style="list-style-type: none"> <li>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.</li> <li>The program will involve the drilling of three twin holes to test older reported mineralisation.</li> <li>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.</li> <li>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.</li> <li>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.</li> <li>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.</li> </ul>

Criteria	JORC Code explanation	Commentary
Location of data points	<ul style="list-style-type: none"> <li>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.</li> <li>Specification of the grid system used.</li> <li>Quality and adequacy of topographic control.</li> </ul>	<ul style="list-style-type: none"> <li>No adjustments have been made to any assay data.</li> </ul> <p>HISTORICAL</p> <ul style="list-style-type: none"> <li>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.</li> <li>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.</li> <li>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.</li> </ul> <p>MODERN ABR PROGRAM</p> <ul style="list-style-type: none"> <li>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.</li> <li>The geospatial survey co-ordinates used by the company are UTM Zone 11 N, on a NAD 83 datum.</li> <li>Downhole surveys are completed using modern technology, which involves continuous calibration to assure accuracy is within an acceptable range.</li> </ul>
Data spacing and distribution	<ul style="list-style-type: none"> <li>Data spacing for reporting of Exploration Results.</li> <li>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.</li> <li>Whether sample compositing has been applied.</li> </ul>	<p>HISTORIC</p> <ul style="list-style-type: none"> <li>Historic drilling was undertaken on irregular spacing in multiple directions.</li> <li>The final determination to proceed with a pilot plant saw the drilling of closely spaced holes for the purposes of production.</li> </ul> <p>MODERN ABR PROGRAM</p> <ul style="list-style-type: none"> <li>Drilling is completed nominally on a 230m grid spacing. Drill holes are drilled vertically.</li> <li>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</li> </ul>

Criteria	JORC Code explanation	Commentary
		<p>zone. Infill drilling will be required to accurately define the true extents, thickness and grade of mineralisation within the deposit.</p> <ul style="list-style-type: none"> <li>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.</li> <li>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).</li> <li>No sample compositing has been applied</li> </ul>
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> <li>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</li> <li>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.</li> </ul>	<p>HISTORICAL</p> <ul style="list-style-type: none"> <li>The orientation of sampling did achieve relative certainty such that a pilot plant was successfully installed on the site.</li> <li>The relationship between sampling orientation and key mineralised structures is considered acceptable from a historical perspective</li> </ul> <p>MODERN ABR PROGRAM</p> <ul style="list-style-type: none"> <li>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.</li> <li>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.</li> <li>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.</li> </ul>
Sample security	<ul style="list-style-type: none"> <li>The measures taken to ensure sample security.</li> </ul>	<p>HISTORICAL</p> <ul style="list-style-type: none"> <li>Sample security measures during transport and sample preparation are unknown.</li> </ul> <p>MODERN ABR PROGRAM</p> <ul style="list-style-type: none"> <li>The drill rig is manned at all times, and the core shed/geology shack is also manned 24 hours at this time.</li> <li>Secured transport of samples to the assay laboratory is standard practice in the industry and adhered to on this program;</li> <li>No site personnel have access to the samples once they are placed in bags and sealed.</li> </ul>

Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> <li>Samples are taken offsite within 48-96 hours of being bagged</li> </ul>
Audits or reviews	<ul style="list-style-type: none"> <li>The results of any audits or reviews of sampling techniques and data.</li> </ul>	<p>HISTORICAL</p> <ul style="list-style-type: none"> <li>No details sighted on any previous sampling reviews or audits.</li> </ul> <p>MODERN ABR PROGRAM</p> <ul style="list-style-type: none"> <li>A review of the sampling techniques and data storage was completed by a consultant geologist</li> <li>No items of concern were identified.</li> </ul>

## Section 2 Reporting of Exploration Results

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

Criteria	Commentary
<p>Mineral tenement and land tenure status</p> <ul style="list-style-type: none"> <li>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.</li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>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:</li> </ul>

Criteria	Commentary												
	<table><tr><th>Land Title Type</th><th>Land Titles</th></tr><tr><td>Private (Patented) Property with surface and mineral rights in Fee Simple Title owned by FCCC</td><td>Parcels 0529-251-01; 0529-251-03</td></tr><tr><td>Private (Patented) Property with surface rights in Fee Simple Title owned by FCCC; Mineral rights owned by State of California</td><td>Parcel 0529-251-04</td></tr><tr><td>Unpatented Placer Mining Claims held under Lease to FCCC (from Elementis)</td><td>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</td></tr><tr><td>Unpatented Lode Mining Claims held under Lease to FCCC (from Elementis)</td><td>HEC 124 - 127; HEC 129; HEC 131; HEC 343; HEC 344; HEC 365; HEC 369; HEC 371; HEC 372; HEC 374 - 376</td></tr><tr><td>Unpatented Placer Mining Claims Recorded and Located by FCCC</td><td>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</td></tr></table>	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
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												
Exploration done by other parties	<ul style="list-style-type: none"><li>Acknowledgment and appraisal of exploration by other parties.</li><li>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.</li><li>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<sub>2</sub>O<sub>3</sub>. 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</li></ul>												



Criteria	Commentary
	<p>analysed for were Al, As, Ba, B<sub>2</sub>O<sub>3</sub>, CO<sub>3</sub>, Ca, Fe, K, Li, Pb, Mo, Mg, Na, Rb, S, Si, Sr, Ti, Zn, Zr.</p> <ul style="list-style-type: none"> <li>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.</li> </ul>
<p><i>Geology</i></p> <ul style="list-style-type: none"> <li><i>Deposit type, geological setting and style of mineralisation.</i></li> </ul>	<ul style="list-style-type: none"> <li>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.</li> <li>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<sub>2</sub>O<sub>3</sub> 5H<sub>2</sub>O) in thinly laminated silt, clay and gypsum beds.</li> <li>In plain view, the concentration of boron-rich evaporites is roughly ellipsoidal with the long axis trending N40-50W. A zone of &gt;5% B<sub>2</sub>O<sub>3</sub> 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.</li> <li>Ultimately the project is classified internally as a sediment hosted Lithium-Boron deposit.</li> </ul>
<p><i>Drill hole Information</i></p> <ul style="list-style-type: none"> <li><i>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:</i> <ul style="list-style-type: none"> <li><i>easting and northing of the drill hole collar</i></li> <li><i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i></li> <li><i>dip and azimuth of the hole</i></li> <li><i>down hole length and interception depth</i></li> <li><i>hole length.</i></li> </ul> </li> <li><i>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</i></li> </ul>	<ul style="list-style-type: none"> <li>Refer to Appendix B in Independent Geologist's Report of the May 2017 Prospectus for drill hole listing.</li> <li>Refer to Appendix D for drill hole location map in Independent Geologist's Report of the May 2017 Prospectus.</li> <li>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</li> </ul>

Criteria	Commentary
<p><i>Person should clearly explain why this is the case.</i></p>	<p>drill hole collars is planned.</p> <ul style="list-style-type: none"> <li>The location of all the planned and completed drillholes are noted within the announcement and within the Prospectus documents referred to above, in addition to being shown in Table 2.</li> <li>All currently available information relating to the drill holes is shown in these two source documents.</li> </ul>
<p><i>Data aggregation methods</i></p> <ul style="list-style-type: none"> <li><i>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.</i></li> <li><i>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.</i></li> <li><i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i></li> </ul>	<p>HISTORICAL</p> <ul style="list-style-type: none"> <li>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.</li> <li>No cutting of high grade values was completed.</li> <li>Statistical analysis of the dataset highlights the distribution is positively skewed.</li> </ul> <p>MODERN ABR PROGRAM</p> <ul style="list-style-type: none"> <li>All LIBS readings are based on even, unbiased measurements taken at 1/10<sup>th</sup> 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.</li> <li>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.</li> <li>Grades of reported minerals were calculated by simple weighted averaging.</li> <li>No cut-off grades were used. Mineralised intervals are reported at weighted average grades of +5% B<sub>2</sub>O<sub>3</sub> which coincided with the solution mining zone as identified by Duval Corp.</li> <li>No upper cutting was applied as the style and grade of the mineralisation does not require it.</li> <li>No metal equivalent values are being reported.</li> </ul>
<p><i>Relationship between mineralisation</i></p> <ul style="list-style-type: none"> <li><i>These relationships are particularly important in the reporting of Exploration Results.</i></li> <li><i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></li> <li><i>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').</i></li> </ul>	<p>HISTORICAL</p> <ul style="list-style-type: none"> <li>Holes were drilled vertically to intersect the flat lying body perpendicularly.</li> <li>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.</li> </ul>

Criteria	Commentary
<p><i>widths and intercept lengths</i></p>	<p>MODERN ABR PROGRAM</p> <ul style="list-style-type: none"> <li>• Exploration drilling is being 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.</li> <li>• 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.</li> <li>• 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.</li> <li>• 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.</li> </ul>
<p><i>Diagrams</i></p> <ul style="list-style-type: none"> <li>• <i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Refer to Figure 1 for drill hole collar location map.</li> <li>• Refer also to Figures 4.4, 4.5 and 4.6 within Independent Geologists Report in APBL's May 2017 prospectus.</li> </ul>
<p><i>Balanced reporting</i></p> <ul style="list-style-type: none"> <li>• <i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Refer to Appendix C within the Independent Geologists Report in APBL's May 2017 prospectus for listing of significant intercepts.</li> <li>• 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.</li> <li>• 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.</li> </ul>
<p><i>Other substantive exploration data</i></p> <ul style="list-style-type: none"> <li>• <i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>• A number of historic studies have been completed by a variety of companies on the Fort Cady project.</li> <li>• Duval corporation completed the 33 exploration drill holes and associated metallurgical and solution mining test work.</li> <li>• Refer to bibliography of the May 2017 ABR prospectus for listing of references.</li> <li>• All relevant information has been disclosed for these results.</li> </ul>
<p><i>Further work</i></p> <ul style="list-style-type: none"> <li>• <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i></li> <li>• <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i></li> </ul>	<ul style="list-style-type: none"> <li>• APBL has prepared a two year exploration programme to assess the prospects over its exploration areas, Fort Cady and Hector.</li> <li>• 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.</li> </ul>

Criteria	Commentary
	<ul style="list-style-type: none"><li>• 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 testwork and engineering design to progress to a formal Definitive Feasibility Study.</li></ul>

**Table 2 – ABR Current Program Hole Locations and Status**

HoleID	Target	Easting	Northing	Elevation	Status	Dip	Azi	Depth
17FTCBL0001	Borate-Lithium	552,631	3,846,727	611	Pending	-90°	0	
17FTCBL0002	Borate-Lithium	552,743	3,846,497	609	Pending	-90°	0	
17FTCBL0003	Borate-Lithium	552,978	3,846,481	615	Pending	-90°	0	
17FTCBL0004	Borate-Lithium	552,702	3,846,269	603	Pre-collar complete	-90°	0	
17FTCBL0005	Borate-Lithium	552,930	3,846,267	608	Pre-collar complete	-90°	0	
17FTCBL0006	Borate-Lithium	553,160	3,846,266	610	Pending	-90°	0	
17FTCBL0007	Borate-Lithium	552,772	3,846,041	602	Completed	-90°	0	541.0m
<b>17FTCBL0008</b>	<b>Borate-Lithium</b>	<b>552,965</b>	<b>3,846,038</b>	<b>605</b>	<b>Completed</b>	<b>-90°</b>	<b>0</b>	<b>495.5m</b>
17FTCBL0009	Borate-Lithium	553,190	3,846,042	608	Completed	-90°	0	475.6m
17FTCBL0010	Borate-Lithium	552,830	3,845,941	606	Completed	-90°	0	502.0m
17FTCBL0011	Borate-Lithium	553,078	3,845,899	604	Completed	-90°	0	541.9m
17FTCBL0012	Borate-Lithium	552,962	3,845,801	602	In progress	-90°	0	
17FTCBL0013	Borate-Lithium	553,147	3,845,811	613	Pre-collar complete	-90°	0	
17FTCBL0014	Borate-Lithium	553,268	3,845,604	606	In progress	-90°	0	
17FTCLI0001	Lithium	551,871	3,848,457	620	Pending	-90°	0	
17FTCLI0002	Lithium	551,668	3,847,403	611	Pending	-90°	0	
17FTCLI0003	Lithium	553,182	3,847,076	630	Completed	-90°	0	427.6m
17FTCLI0004	Lithium	554,960	3,847,670	633	Pending	-90°	0	
17FTCLI0005	Lithium	554,957	3,846,660	634	In progress	-90°	0	
17FTCLI0006	Lithium	555,155	3,846,204	638	Pending	-90°	0	
17FTCMW0001	Monitor Well	552,328	3,846,710	606	Pending	-90°	0	
17FTCMW0002	Monitor Well	553,581	3,846,122	634	Pending	-90°	0	
17FTCGT0001	Geotechnical	552,987	3,845,921	604	Completed	-90°	0	499.0m

*Collar locations are referenced to a UTM Zone 11 N, NAD 83 projection*