

28 November 2016

## ASX ANNOUNCEMENT

### STRATEGIC AGREEMENT WITH KAIROS MINERALS STRENGTHENS ALTURA LITHIUM PORTFOLIO

#### HIGHLIGHTS

- Agreement signed with Kairos covering E45/4780 and E45/4715, provides Altura with an exclusive right to explore for lithium on these tenements.
- Altura's recently acquired 324 room accommodation camp is strategically located within E45/4780.
- Access to this highly prospective area will allow Altura the opportunity to investigate further expansion of its already impressive Lithium portfolio in the Pilgangoora region.

Altura Mining Limited (ASX: AJM) is pleased to announce a recently signed Letter Agreement with Kairos Minerals (ASX: KAI – "Kairos") at Kairos' Wodgina East Project, located approximately 15km west of Altura's 100% owned Pilgangoora Lithium Project.

Under the terms of the agreement, Altura has an exclusive right to explore for lithium for a five (5) year period on the Kairos' Wodgina East tenements comprising E45/4780 and E45/4715 (see Figure 1 overleaf). In return, Altura is to make an upfront cash payment of \$100,000 to Kairos.

In addition, Altura may choose to acquire a 75% interest in the Wodgina East tenements by spending a total of \$1.25 million over 5 years, or at any time in that 5 year period by paying \$1.25 million less the cost of any exploration or mining expenditure undertaken by Altura on the tenements. If Altura takes up these rights, then Kairos will retain a 25% free carried interest in the tenements.

#### Highly Prospective Tenements

With the Pilgangoora Lithium Project progressing at a rapid pace Altura has begun looking to expand its Lithium portfolio, both around the mineral rich Pilgangoora area and further afield. The Agreement with Kairos allows Altura to explore the prospectivity of the Wodgina East Project with a small initial capital investment and the cooperation of a similarly focused partner in the region.

Located ~90km south-east of Port Hedland, Wodgina East is strategically situated immediately adjacent to Mineral Resources' (ASX: MIN) Wodgina Tantalum-Lithium Project and ~15km from the Pilgangoora Lithium Mining Centre.

It includes an extensive pegmatite field with well-documented lithium (spodumene) mineralization and grades of up to 1.6% Li<sub>2</sub>O reported from historical reconnaissance rock chip sampling. The regional

geological and structural setting is similar to that of the Pilgangoora Syncline which hosts the major lithium-tantalum deposits at Pilgangoora.

Figure 1 – Location of the Wodgina East Project Tenements in relation to Altura’s other Pilgangoora Lithium Assets



### Key Farm-In Agreement Terms

The key terms of the Agreement between Kairos and Altura are:

- Altura must pay \$100,000 (ex GST) to Kairos within seven days of the execution of the Letter Agreement;
- Altura and Kairos have agreed to strategic cooperation on certain other aspects relating to their respective East Pilbara tenure;
- Kairos must use all reasonable endeavours to procure the grant of E45/4780 and E45/4715 as soon as reasonably practicable;
- Once granted, Kairos must keep the tenements in good standing by complying with their expenditure conditions, while granting Altura the right to explore for and mine for lithium on the tenements;

- Altura may acquire a 75% interest in the lithium rights over E45/4780 and E45/4715 by spending \$250,000 per annum on exploration or mining activities for a five-year period, or by spending a total of \$1.25 million less any expenditure already incurred;
- Once Altura has acquired a 75% interest in E45/4780 and E45/4715, Kairos must do anything necessary to enable Altura to become the registered holder of a 75% interest in the tenements and Kairos will retain a 25% free-carried interest; and
- Both parties must negotiate in good faith a formal Farm-In Agreement which is consistent with the terms of the Letter Agreement.

### **About Altura Mining Limited (ASX: AJM)**

*Altura is building a leading position in the independent supply of lithium raw materials, with a world class lithium project at Pilgangoora ready to set the platform and be the first new hard rock lithium product supplier in 2017. The Altura team has a track record of delivering mining projects with Pilgangoora the most advanced stage, near term producing lithium project; solid offtake partners and a market providing substantial growth opportunities to ensure positive shareholder returns.*

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