ASX ANNOUNCEMENT / MEDIA RELEASE

Australia
20 August 2018

MT CATTLIN MINERAL RESOURCE AND EXPLORATION UPDATE

Highlights

- **Updated Mineral Resource estimates as at 1 June 2018**
- **A total of 88% of the Resource now classified as “Measured” or “Indicated”**
- **Measured and Indicated Resource increased by 14% on post mining-depleted tonnes basis**
- **Extensive regional greenfield and brownfield exploration campaign to be continued over the next 12 months**
- **Targets include extensive mineralized outcrop or sub-cropping pegmatite west of Mt Cattlin**
- **Approximately 23,000m of targeted drilling has commenced, expected to complete February 2019**
- **Additional 10,000m of drilling to test open extensions of the Mt Cattlin orebody to commence shortly**
- **Targets include near mine-targets identified from geophysical exploration**
- **Kingston tenements acquired, exploration approvals received - total tenement holdings now at over 460km^2**
- **Baseline studies on surrounding Galaxy tenements have now been completed, Programs of Work for drilling have been submitted**

Galaxy Resources Limited ("**Galaxy**" or the "**Company**") (ASX: GXY) is pleased to announce a Mineral Resource update following drilling activities undertaken during the first half of 2018 at the Mt Cattlin Project in Western Australia. There has been a 14% increase in Measured and Indicated Resource (excluding surface stockpiles) after depletion for mining during the period January to May 2018 compared with the equivalent position as at 31 December 2017. The increase has been the result of in-fill drilling completed during this period.

Classified Mineral Resource depleted for mining as at 1 June 2018

	Tonnes	Li_2O %	Fe_2O_3 %	Ta_2O_5 ppm	Li_2O Tonnes
Measured	1,300,000	1.28	1.32	241	13,000
Indicated	7,000,000	1.34	1.40	177	70,000
Inferred	1,400,000	1.44	1.27	264	14,000
Total	**9,700,000**	**1.35**	**1.37**	**198**	**97,000**

Surface Stockpiles as at 1 June 2018

	Tonnes	Li_2O %	Fe_2O_3 %	Ta_2O_5 ppm	Li_2O Tonnes
Measured	200,000	0.78	0.00	131	2,000
Indicated	1,900,000	0.81	0.00	54	19,000
Inferred	-	-	-	-	-
Total	**2,100,000**	**0.81**	**0.00**	**61**	**21,000**

Total classified Mineral Resource as at 1 June 2018

	Tonnes	Li_2O %	Fe2O3 %	Ta2O5 ppm	Li_2O Tonnes
Measured	1,500,000	1.21	1.14	226	15,000
Indicated	8,900,000	1.23	1.10	151	89,000
Inferred	1,400,000	1.44	1.27	264	14,000
Total	**11,800,000**	**1.25**	**1.13**	**174**	**118,000**

Table 1: Depleted JORC 2012 Mineral Resource as at 1 June 2018

Reported at cut-off grade of 0.4 % Li_2O. The preceding statements of Mineral Resources conforms to the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code) 2012 Edition. All tonnages reported are dry metric tonnes. Minor discrepancies may occur due to rounding to appropriate significant figures.

The global resource is stated within a conceptual Whittle4x optimized open-pit shell with revenue factors of US$900 per tonne for 6% Li20 concentrate and FX of 0.75 for USD:AUD exchange rate (Table 1).

The resource update reflects drilling and sampling completed in 2018, with 17,869 additional meters drilled, 3,648 additional samples and 301 additional drill holes. The Mt Cattlin resource database comprises 3,110 drill holes drilled predominantly by reverse circulation (**RC**) supported with diamond drilling (**DD**) and earlier reverse air blast (**RAB**) and open hole methods, for a total of 138,158 meters of drilling, predominantly vertically orientated.

Galaxy has commenced implementing a series of capital works at Mt Cattlin, which includes the installation of an ultra-fines DMS (dense media separation) circuit and process optical sorting, which will further optimize processing efficiencies and is expected to assist in improving plant recoveries to a targeted 70-75%. The Mineral Ore Reserve will be updated once the yield optimization program completes and improved recovery parameters are established.

Extensive Brownfield & Greenfield Exploration

Galaxy has also initiated further significant brownfield and greenfield exploration programs at Mt Cattlin and its surrounding tenements (Figure 1). This will involve both greenfield targeting of regional geophysical work generated by ground penetrating radar and historical regional dataset compilation. This will be complemented with further brownfield infill and orebody delineation work at Mt Cattlin incorporating a total drilling program of 23,200m.

The focus will be on targets immediately north of Mt Cattlin as well as mineralized pegmatites to the west of Mt Cattlin (Figure 1). An additional 10,000m of drilling will target open extensions of the Mt Cattlin Orebody to the west and north beyond the extents of current drilling. A further estimated A$3M will be expended on brownfield and greenfield exploration activity in H2, 2018.

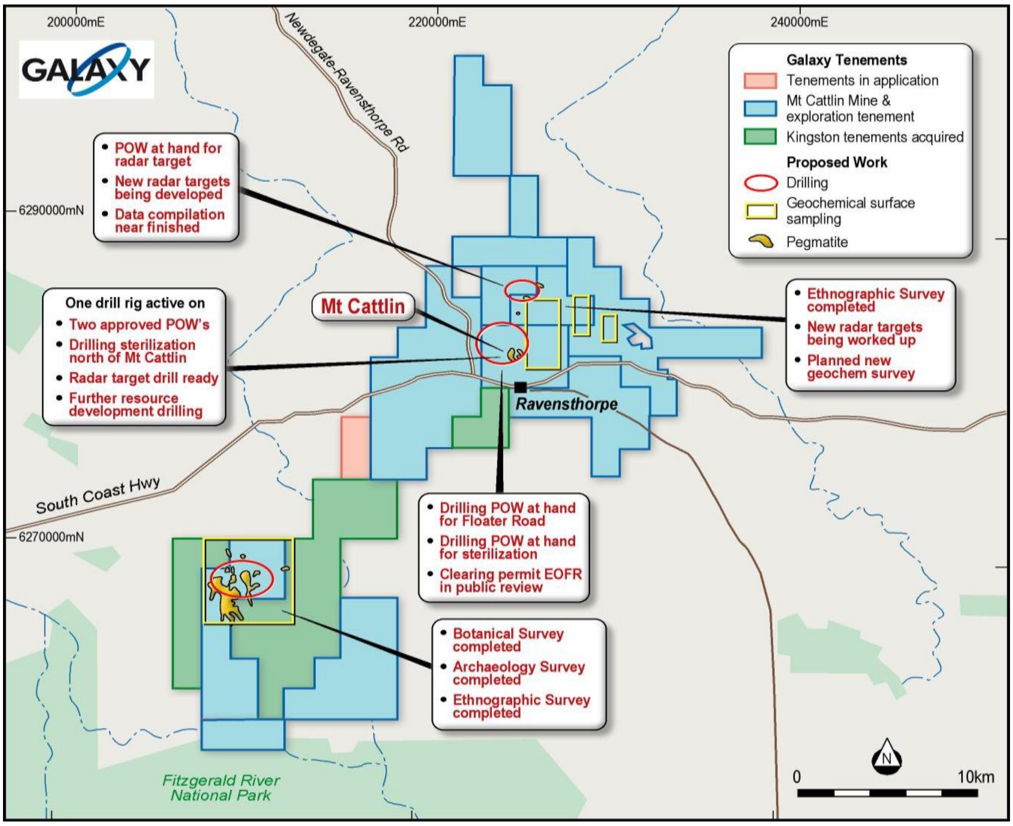

Figure 1: Regional exploration activities. POW: Program of Work.

Commentary on Mineral Resource Changes

The Mineral Resource has been depleted for mining and processing through to 1 June, 2018. The updated Mineral Resource is based on an Ordinary Kriged (**OK**) estimate based on geological wireframes have then been used as a bound within which Li_2O % grade shells have been generated in LeapFrog Geo v4.3 software using a 0.3% Li_2O indicator and an iso value of 0.35 for pegmatite. The primary assumption is that the mineralization is hosted within structurally controlled pegmatite sills, which is robust. Wireframes have been extrapolated approximately to half section spacing between mineralized and unmineralized intercepts. Internal waste has been excluded from the mineralized domains. The resource has been updated for drilling completed to May, 2018. The basis on which the resource is reported has changed to include "reasonable prospects of eventual economic extraction" based on a Whittle 4x conceptual pit based on revenue factors of US$900 per tonne for lithium concentrate.

Further reporting changes are based on the application of mining and processing modifying factors applied to the estimate. These are 17% mining dilution, 93% mining recovery, 75% process Li_2O recovery, a lithium concentrate price of US$900 per dry metric tonne, free on board, (FOB) Esperance.

Galaxy recovers a premium spodumene concentrate product for export from the Port of Esperance, Western Australia. By-product tantalum concentrate is recovered and sold to processors in Western Australia.

Geology & Geological Interpretation

The Mt Cattlin Project is located in the Phillips River Mineral Field. This has been subdivided into three distinct tectono-stratigraphic terranes. The Carlingup Terrane (c. 2,960 Million years ("Ma")) lies to the east and comprises metamorphosed mafic, ultramafic and sedimentary rocks with minor felsic volcanic rocks (Figure 2). The Ravensthorpe Terrane (c. 2,990 Ma to 2,970 Ma), which hosts the Mt Cattlin deposit, forms the central portion of the belt and comprises a tonalitic complex, together with a volcanic association with predominantly andesitic rocks. The Cocanarup greenstones to the west (Figure 2) consist mainly of meta-sedimentary rocks, with lesser ultramafic and mafic rocks. The Mount Cattlin Project lies within the Ravensthorpe Terrane, with host rocks comprising both the Annabelle Volcanics to the west, and the Manyutup Tonalite to the east. The contact between these rock types extends through the Project area.

The Annabelle Volcanics at Mt Cattlin consist of intermediate to mafic volcanic rocks, comprising both pyroclastic material and lavas. The pegmatites which comprise the orebody occur as a series of sub-horizontal dykes and sills, hosted by both volcanic and intrusive rocks, interpreted as a series of westward verging thrusts. Metamorphic grade indicated by metamorphic mineral assemblages varies from greenschist to amphibolite facies.

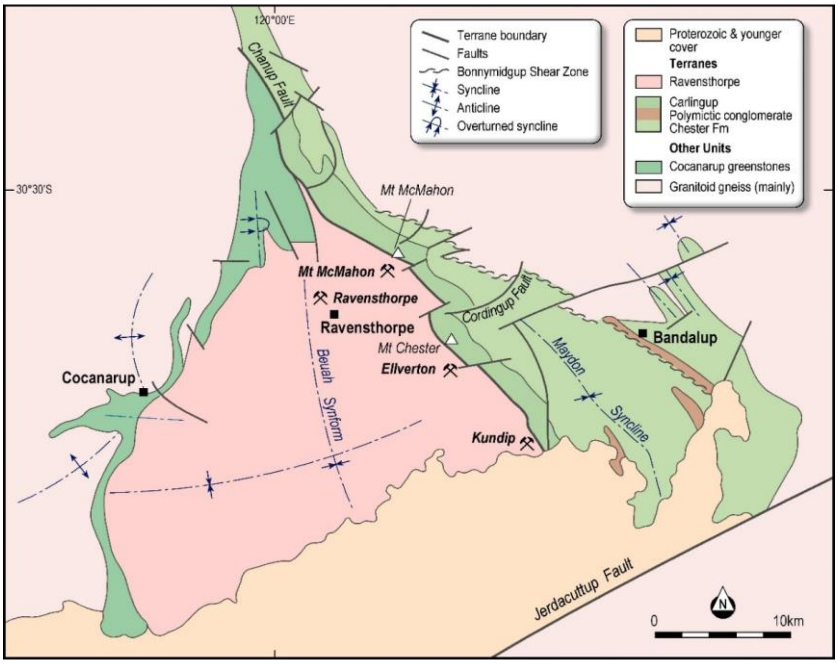

Figure 2: Simplified regional geology.

The pegmatite body, hosting the spodumene and tantalite mineralization occurs as a relatively flat sheet, varying in thickness from 1 to ~20m. Depth to the top of the pegmatite varies from ~24 to 60 meters below surface, with a general deepening to the northwest. The pegmatite, in most places, is enclosed within Archaean mafic volcanic, dolerites or tonalite units. The pegmatite splits into two separate zones in the SW, and inter-fingering between the pegmatite intrusion and the mafic country rock occurs elsewhere. The pegmatite is of the zoned Li-Ta-Cs bearing type (lithium, tantalum, cesium). The orebody remains open to the west and down dip to the north.

For this upgrade the pegmatite geology was interpreted to exclude internal dilution (rafts of country rock within the pegmatite) and wireframed at a 0.3% Li20 assay cutoff, with visual geological and geochemical support.

Drilling & Sampling

The bulk of drilling (Figure 3) carried out by Galaxy has been RC (reverse circulation) drilling. RC drilling carried out in 2001 and 2007-2008 was completed using a 4 5/8-inch conventional face-sampling hammer. During 2009/10 the hammer diameter was 5¼ inch. Diamond drilling by Galaxy has predominantly been HQ or PQ, and has been carried out for metallurgical and geotechnical purposes. Drilling in 2017 and 2018 used RC methods, 5 ½ inch hammer.

Assay entries are all multi-element determinations. The extent of the solid models and subsequent limitation of the coding of the dataset provided by Galaxy geologists but remodeled in LeapFrog software after the hand-over to Mining Plus Pty Ltd, who undertook the May - June 2018 Mineral Resource estimate. The mineralization at Mt Cattlin has been drilled on regular east - west oriented drill traverses except for a period of drilling by Pancontinental in the central-east of the project area whereby a 45^{o} rotated grid was employed.

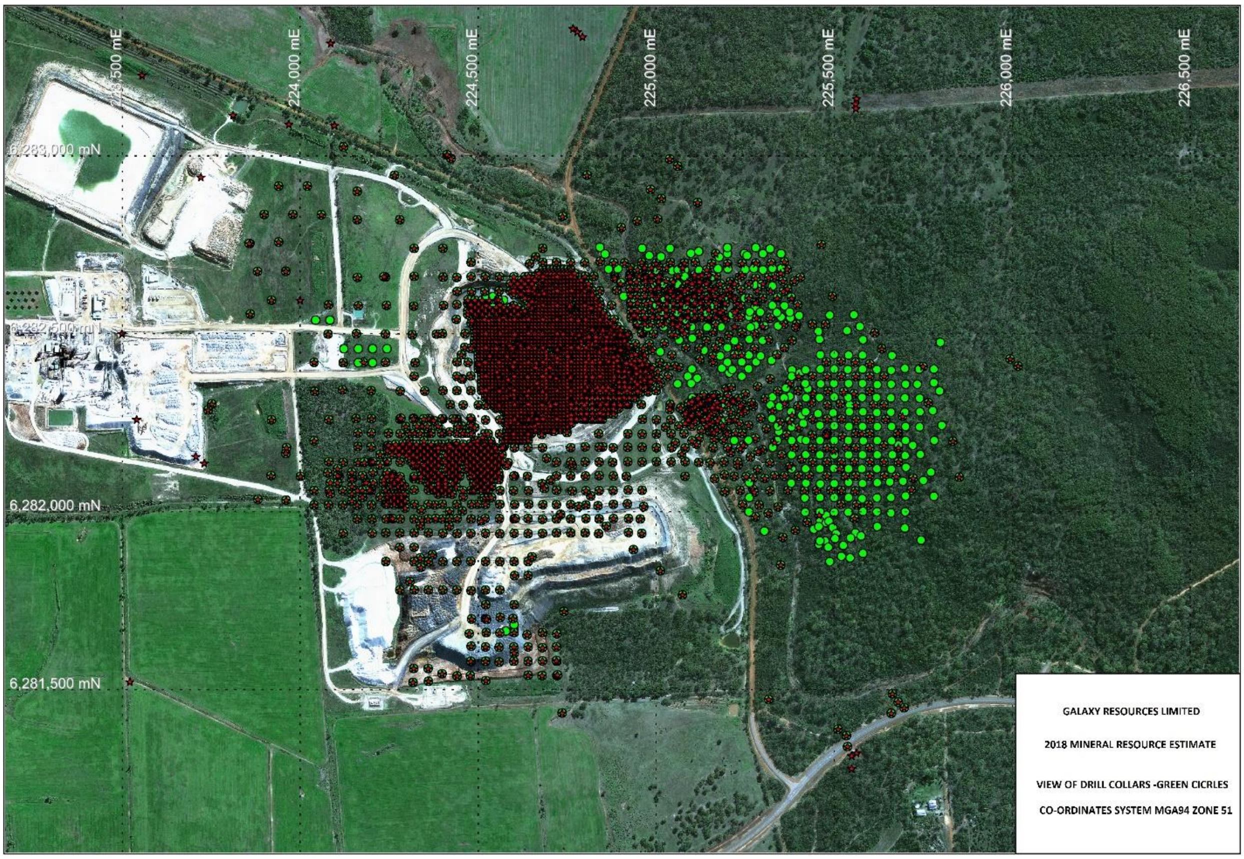

Figure 3 : Galaxy historic drilling collars (RED), this update (GREEN).

In the north-central portion of the Mt Cattlin area, drill hole spacing varies from 20m to 25m E across strike and 20m to 25m N along strike to variable coverage at depths approaching the maximum drilled depth of 100m. The remainder of the Mt Cattlin area in the north-west and east, has been drilled primarily on a regular 40m E by 40m N grid pattern to variable depths with a maximum depth of ~232m in drill-hole GX864. Drilling in these areas is a mixture of drill types from Reverse Circulation, Diamond Drilling, Reverse Air Blast to Open Hole. In the south-western portion of the Mt Cattlin area the drill density is generally 40m E x 80m N and is largely Reverse Circulation drilling with minor diamond drilling twinning and tails.

Assay, Sampling & Sub-Sampling Techniques

The pre-2017 samples were analyzed by SGS (Perth) with check assaying undertaken by Ultratrace (Perth) in 2008 and by Genalysis (Perth) in 2011. The SGS samples were sorted, dried and pulverized to 90% less than 75µm in a Labtech Essa LM5 vibrating disc pulverize and split where necessary. Samples weighing over 3.5kg in weight were riffle split to 50% of original weight. During 2008 to 2010, SGS utilized a four-acid digestion followed by AAS (atomic adsorption spectrometry) for Li species and X- Ray Fluorescence ("**XRF**") fusion to determine Ta, Nb, Sn, Ti, and Fe using a lithium borate flux (one gram sample in 2.75 g flux).

For AAS the samples are digested using method DIG40Q, in which the sample is digested by nitric, hydrochloric, hydrofluoric and perchloric acids. The solution from the digest was then presented to an AAS for the quantification of Li, using method AAS40Q (lower and upper detection limits of 5ppm and 20,000ppm). Samples over the Li upper limit are re-analyzed using method AAS42S. For XRF the samples have been cast using a 12:22 flux to form a glass bead which has been analyzed by XRF. The samples have been fused with sodium peroxide and subsequently the melt has been dissolved in dilute hydrochloric acid. Volatile elements are lost because of the high furnace temperatures. This procedure used for the determination of major element composition in the samples or for the determination of refractory mineral species. In addition to the elements above, selected samples were also analyzed for Cs, Rb, Ga, Be, and Nb using method IMS40Q, in which the solution from the acid digest is presented to an ICPMS for the quantification of elements of interest. SGS adjusted their AAS method for lithium in August 2010, following a first pass of QAQC review. The two changes are a higher dilution of sample going into the AAS (0.2g in 200 ml of HCL, up from the previous 0.2g in 20 ml of HCL), and a change to the calibration levels for the AAS response curve. The extra dilution is meant to minimize the suppression of Li response by dissolved Fe, Mg, Ca.

The lithium checks with the AAS protocol have shown a consistent inflection at approximately 2% Li_2O, with marginally higher Li_2O for <2%, and marginally lower Li for >2%. Internal laboratory duplicate and repeat sample analysis was undertaken. Duplicate Samples, (DUP) is a re-assay from a separate split prepared through the sample preparation at SGS. Repeat Samples, (REP) is a repeat assay from the prepared pulp at SGS.

Sampling and assay in 2017 were utilized at Intertek/Genalysis. The program involved 4,193 original samples for 22 elements including Li, Ta and Nb, 443 duplicates and 503 standard samples. After sorting and weighing the ~3kg are riffle split and milled for 85% passing 75 microns. An approximate 400g pulp sample is selected and a 0.25g sub-sample taken for sodium peroxide fusion. Intertek Perth carried out lab pulp checks for 161 of the original samples. Repeatability was good across all grade ranges. Standards inserted reported within 3 standard deviations. Two standards reported positive bias with higher grade standards. Field duplicates reported 30% of results with poor precision – a result of high mineral "nugget" effect.

The reported ratio of field duplicates was 1:15 and laboratory pulp checks are 1:26. The ratio of certified reference materials to samples was 1:17.

Sampling and assay in 2018 utilized both the Intertek/Genalysis and Nagrom laboratories. Typically, both laboratories insert reference samples into the sample stream and Galaxy inserts its own duplicates, blanks and standards.

Intertek used method FS_ICPMS/FP1/MS for Ta and FP1/OE for Li. RC samples are sorted and weighted, samples > 3kg are riffle spit and milled to 85% passing 75 microns. A ~400g pulp is taken for wet chemical analysis. A sodium peroxide fusion is carried out with a 0.25g subsample of the pulp. Nagrom use a similar method, but use ICP4 for Li and XRFFS for Ta.

A total of 3,648 new samples, with 262 field duplicates and 403 referee samples informed this resource update.

Mineral Resource Classification Criteria

The resource classification has been applied to the Mineral Resource estimate based on the drilling data spacing, grade and geological continuity, quality of the grade estimation and data integrity. The classification considers the relative contributions of geological and data quality and confidence, as well as grade confidence and continuity.

The areas defined by grade control drilling which have been estimated on the first estimation pass and resulted in a suitable quality of estimation have been classified as Measured Mineral Resources. Portions of the deposit which have been estimated in the first two estimation passes and which have been estimated with a high degree of confidence have been classified as Indicated Mineral Resources.

Portions of the deposit which have been estimated and have a suitable level of drilling and assay to assume geological continuity of the pegmatite have been classified as Inferred Mineral Resources. The classification reflects the view of the Competent Person.

Estimation Method

A total of 32 pegmatite domains have been interpreted using a combination of sectional and implicit modelling techniques. The geological, mineralization and weathering wireframes generated have been used to define the domain codes by concatenating the three codes into one. The drill holes have been flagged with the domain code and composited using the domain code to segregate the data. Hard boundaries have been used at all domain boundaries during the estimation.

The domains for Li_2O%, Fe_2O_3% and Ta_2O_5 have been assessed to identify which ones require separate analysis and estimation of the different oxidation states as defined by the weathering wireframes. Data compositing has been undertaken within domain boundaries at 1m with a merge tolerance of 0.1 m. Top-cuts have been assessed for all mineralized and un-mineralized pegmatite domains as well as for the internal and external waste domains with only those domains with extreme values having been top-cut. The top-cut levels have been determined using a combination of histograms, log probability and mean variance plots.

Variography has been completed in Supervisor 8.9 software on a grouped domain basis to ensure that enough data is present. Domains with too few samples have borrowed variography. The Mineral Resource estimate has been validated using visual validation tools combined with volume comparisons with the input wireframes, mean grade comparisons between the block model and declustered composite grade means and swath plots comparing the declustered composite grades and block model grades by Northing, Easting and RL.

The drill hole data spacing ranges from 10x10m for grade control drilling, to a 40x40m resource definition drill hole spacing out to an 80x80m exploration spacing. The block model parent block size is 20 m (X) by 20 m (Y) by 5 m (Z), which is considered appropriate for the dominant drill hole spacing used to define the deposit. A second parent was developed where grade control drilling is present with 5 m (X) by 5 m (Y) by 5 m (Z) block size. A sub-block size of 2.5 m (X) by 2.5 m (Y) by 0.6325 m (Z) has been used to define the mineralization edges, with the estimation undertaken at the parent block scale.

Grade estimation for Li_2O%, Fe_2O_3% and Ta_2O_5 ppm has been completed using Ordinary Kriging (OK) into 32 pegmatite domains using Maptek Vulcan 10.1.4 software. Grade estimation of Li_2O%, Fe_2O_3% and Ta_2O_5 ppm has been completed using Ordinary Kriging (OK) into the encapsulating mafic waste and inside the internal rafts of basalt within the pegmatites. Pass 1 estimations have been undertaken using a minimum of 6 and a maximum of 24 samples into a search ellipse set at half of the variogram range. A 4 sample per drill hole limit has been applied in all domains. Pass 2 estimations have been undertaken using a minimum of 6 and a maximum of 24 samples into a search ellipse set at the variogram range. A 2 sample per drill hole limit has been applied in all domains. Pass 3 estimations have been undertaken using a minimum of 2 and a maximum of 20 samples into a search ellipse set at twice the variogram range. A fourth interpolation pass has been employed for a small number of domains to adequately fill the mineralization volume with estimated grades. The search ellipse employed is twice the third pass size with the same minimum and maximum number of samples used. The resource is reported within a Whittle 4X shell at US$900 per tonne revenue factor.

No selective mining units are assumed in the resource estimate. The estimate and its prospects of eventual economic extraction are by open pit methods only.

Cut-Off Grade & Basis for Cut-Off Grade

The cut-off grade for reporting is 0.4% Li_20. As with most industrial mineral applications the cut-off and head grade is used to deliver a sized mineral product to a specific process and beneficiation plant, that produces a specified mineral product. In this case, the final product is produced to a minimum 5.5% Li_20 spodumene with less than 2% mica and less than 4 % moisture.

Mining & Metallurgical Factors

Details of mining and metallurgical factors are reported in the table below. Mining is by conventional drill, blast, truck and shovel methods using RC grade control and Run-of-Mine ("ROM") sort and stockpile. Processing is by conventional crush, optical sort, multi-pass dense media separation ("DMS"), de-sliming and mica removal. Spodumene is concentrated to > 5.5% Li_2O or higher. DMS pre-screen undersize (-0.5mm) is treated by gravity and spiral classifiers to produce a tantalite concentrate. Optical sorters are utilized post crush to preferentially sort out darker country rock to produce a cleaner feed for subsequent recovery.

Table 4: Whittle 4x inputs

Optimization Parameter	Unit of Measure	Value
Li_2O Concentrate Price	US$/dry t FOB Esperance	900
Foreign Exchange Rate	USD:AUD	0.75:1.00
Mining Cost	AUD/bcm	11.59
Process Cost	AUD/dry t	33.16
Concentrate Transport and Port costs	AUD/dry t	49.68
Concentrate Royalty Rate	%	5
Process Li_2O Recovery	%	75
Process Ta_2O_5 Recovery	%	25

Next Steps

Development

Galaxy expects to further update reserve classifications once the ongoing round of infill resource development drilling has been completed. The current focus has been drilling supporting resource and reserve development east of Floater Road (Figure, 3 above). Current drilling programs are directed at supporting infrastructure development and sterilization around a proposed Floater Road diversion and pit development, east of Floater Road. The sparsely drilled area between the Dowling Pit and the tails dam (Figure 3) is underlain by mineralized pegmatite dipping shallowly to the north and is open and untested to the west. The Company has received State approval to drill test the deeper and open parts of the orebody at depth. It has also engaged an external contractor to scope out cut-back and or shallow underground mining options that fall outside the current pit shell that captures the resource as documented above and expects to commit a further 10,000m of RC drilling in support of delineation and development of this resource.

Exploration

Galaxy holds five tenements west of Mt Cattlin, covering 161 km^2 of continuous tenure (Figure 1). This includes two tenements recently purchased and transferred from Kingston Resources, E74/570 and E74/571. In 2017 Kingston (ASX:KSN) completed 19 drill holes for 1,044m in an initial drill program to test approximately ~500 m of inferred pegmatite, defined by a > 50ppm Li soil anomaly. The program was then interrupted by heavy rains and local flooding (KSN, 20 February, 2017). Kingston reported three westward dipping mineralized zoned pegmatites of the quartz, tourmaline-muscovite and lepidolite bearing sub-types. These intrude amphibolite, gneiss and diorite and are at outcrop or are shallow westward dipping sub-crop. These dip into existing Galaxy tenements, where approximately 7.7km of predominantly north-west striking pods of pegmatite have been only very shallow scout drilled or channel sampled before and only assayed and targeted for **Ta** (tantalum) and explored for base metals.

In addition, Galaxy has also completed heritage, archaeological, fauna and flora studies over tenement E74/415 and has State drilling approval to commence a 4000-m scout drilling program over outcropping or shallow sub-cropping zoned pegmatites. It will further deploy ground penetrating radar to these zones of shallow sub-crop, given the success of this geophysical technique in and around its Mt Cattlin mining lease. Exploration over existing radar targets north of Mt Cattlin is imminent with two separate drilling programs approved and drill ready (Figure1).

ENDS

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About Galaxy (ASX: GXY)

Galaxy Resources Limited ("Galaxy") is an international S&P / ASX 200 Index company with lithium production facilities, hard rock mines and brine assets in Australia, Canada and Argentina. It wholly owns and operates the Mt Cattlin mine in Ravensthorpe Western Australia, which is currently producing spodumene and tantalum concentrate, and the James Bay lithium pegmatite project in Quebec, Canada. Galaxy is advancing plans to develop the Sal de Vida lithium and potash brine project in Argentina situated in the lithium triangle (where Chile, Argentina and Bolivia meet), which is currently the source of 60% of global lithium production. Sal de Vida has excellent potential as a low-cost brine-based lithium carbonate production facility. Lithium compounds are used in the manufacture of ceramics, glass, and consumer electronics and are an essential cathode material for long life lithium-ion batteries used in hybrid and electric vehicles, as well as mass energy storage systems. Galaxy is bullish about the global lithium demand outlook and is aiming to become a major top 5 producer of lithium products.

Competent Persons Statement

The information in this announcement that relates to Exploration Results is based on information compiled by Albert Thamm, M.Sc. F.Aus.IMM (CP Management), a Competent Person who is a Corporate Member of The Australasian Institute of Mining and Metallurgy. Albert Thamm is a full-time employee and shareholder of Galaxy Resources Limited. Albert Thamm has sufficient experience that is relevant to the style of mineralization and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Albert Thamm consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

The information in this announcement that relates to Mineral Resources is based on information compiled by David Billington, B. Eng. (Mining), a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy. David Billington is a full-time employee of Mining Plus Pty Ltd. David Billington has sufficient experience that is relevant to the style of mineralization and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. David Billington consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

Caution Regarding Forward-Looking Information

This document contains forward-looking statements concerning Galaxy. Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward-looking statements because of a variety of risks, uncertainties and other factors. Forward-looking statements are inherently subject to business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause the Company's actual results to differ materially from those expressed or implied in any forward-looking information provided by the Company, or on behalf of, the Company. Such factors include, among other things, risks relating to additional funding requirements, metal prices, exploration, development and operating risks, competition, production risks, regulatory restrictions, including environmental regulation and liability and potential title disputes. Forward looking statements in this document are based on Galaxy's beliefs, opinions and estimates of Galaxy as of the dates the forward-looking statements are made, and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

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APPENDIX 1

JORC Code, 2012 Edition – MT CATTLIN LITHIUM PROJECT

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (e.g. cut channels, random chips, or specific specialized 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.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralization that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverized 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 mineralization types (e.g. submarine nodules) may warrant disclosure of detailed information.*	**Pre-2017** Mt Catlin mineralization was sampled using a mixture of Diamond (DD) Reverse Circulation drill holes (RC), rotary Air Blast (RAB) and Open Hole (OH). In the north zone drilling is a 40mE x 40mN spacing and infilled to 20mE to 25mE x 20mN to 20mN in the central zone. In the south the drilling is on a 40mE x 80mN pattern. Drill holes were drilled vertical to intersect true thickness of the spodumene mineralization. A total of 39 DD holes for 1,528.56m, 986 RC holes for 48,763m, 59 OH holes for 1,999m and 23 RAB for 402m had been completed before 2017. The drill-hole collars were surveyed by professional survey contractors. A total of 71 drill holes were surveyed by Surtron Technologies Australia of Welshpool in 2010. Sampling was carried out under Galaxy Resources QAQC protocols and as per industry best practice. RC sample returns were closely monitored, managed and recorded. Drill samples were logged for lithology and SG measurements. Diamond HQ and PQ core was quarter-cored to sample lengths relating to the geological boundaries, but not exceeding 1m on average. RC samples were composited from 1m drill samples split using a two-stage riffle splitter 25/75 to obtain 2kg to 4kg of sample for sample preparation. All samples were dried, crushed, pulverized and split to produce a 3.5kg and then 200g sub-sample for analysis For Li (method AAS40Q), for Ta, Nb and Sn (method XRF78O) and in some cases for SiO_2, Al_2O_3, CaO, Cr_2O_3, Fe_2O_3, K_2O_3, MgO, MnO, P_2O_5, SO_3, TiO_2 and V_2O_5 were analysed by XRF78O. Entire drill-hole lengths were submitted for assay. **Drilling 2017-8** The 2017 update is informed by 147 new RC drill holes for 10,395.5m and 221 drill holes for 5,263m completed as operational grade control drilling while mining. From 1m of drilling and sampling, two 12.5% splits are taken by a static cone splitter in calico drawstring bags. This obtains two 2kg to 4kg samples with one being retained as an archive sample and the other submitted for assay, where required an archive bag is

Criteria	JORC Code explanation	Commentary
		used as the duplicate sample. A 4.5-inch diameter rod string is used and the cyclone is cleaned at the end of every 6m rod as caking occurs from the mandatory use of dust suppression equipment. The 2018 update is informed by 301 new RC drill holes for 17,868 m. A total of 25,295 1m sample composites informed the updated estimate.
Drilling techniques	• *Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. 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.).*	Diamond core is from surface, PQ size in weathered rock and narrowed to HQ in fresh rock. Core was not oriented as the disseminated and weathered nature of the mineralization does not warrant or allow it. RC drilling hammer diameter is generally 4 & 5/8 inches, but from 2009 and 2010 the bit diameter was 5 ¼ inches. **RC 2017** 5.25-inch face sampling hammer, reverse circulation, truck mounted or tracked drilling rigs, Three Rivers Drilling, Castle Drilling. **RC 2018** 5.25-inch face sampling hammer, reverse circulation, truck mounted or tracked drilling rigs, Three Rivers Drilling, Hydco 1000 H TM Multipurpose rig.

Criteria	JORC Code explanation	Commentary
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *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.*	**All drilling** Diamond core and RC core recoveries were monitored closely, recorded and assessed regularly over the duration of the drilling programs. Studies show no bias between sample size and grade. Diamond core was drilled slowly to maximize recovery, meter marked and checked against the drillers' core blocks to ensure any core loss is recorded. All RC samples are weighed and weights compared against the expected weight for the drill diameter and geology. Moisture content is logged and recorded. Rigorous QA/QC studies were conducted to assess whether there was any relationship between recovery and grade; no sampling bias was identified. Drill return and cyclone fines were collected and assayed with close correlation shown to the original samples. Comparison of the DD and RC twins showed close correlation and did not identify any drilling or sampling technique variances. Three-to -four kg samples dispatched for analysis.

Criteria	JORC Code explanation	Commentary
Logging	• *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.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.* • *The total length and percentage of the relevant intersections logged.*	All DD, RC and OH (PC) and RAB intervals were geologically logged (where applicable); RQD (DD only), interval weights, recovery, lithology, mineralogy and weathering were recorded in the database. The DD core was oriented using the Ezy-Mark tool and after 2099 using the Reflex ACT electronic orientation tool. Geological logging was qualitative. Recording of interval weights, recovery and RQD was quantitative. All DD core was photographed and representative 1m samples of RC and OH (PC) chips were collected in chip trays for future reference and photographed. All drill holes were logged in full. **2017-8 logging** All drill holes are logged and validated via Logchief/Maxwells Geosciences/DataShed systems. Monthly reports on assays, standards and control limits are issued. All drill holes are logged in full.

Criteria	JORC Code explanation	Commentary
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *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.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	**Pre-2017 sampling** All fresh rock DD core was quarter-cored using a stand mounted brick saw. Soft, weathered DD core was also sampled quarter-core, using a knife and scoop where applicable and practical. RC samples were collected using a two stage riffle splitter. All samples were dry or dried prior to riffle-splitting. All 2kg 1m drill samples were sent to SGS, dried, crushed, pulverized and split to approximately -75µ to produce a sample less than 3.5kg sub-sample for analysis. Sampling was carried out under Galaxy Resources QAQC protocols and as per industry best practice. Duplicate, blank and certified reference samples were inserted into the sample stream at random, but averaging no less than 1 blank and standard in every 25 samples. Samples were selected periodically and screened to ensure pulps are pulverized to the required specifications. Duplicate quarter-core samples were taken from DD core at random for testing averaging one in every 25 samples. Duplicate riffle-split RC samples were taken at random, but averaging one every approximately 25 samples. The sample sizes are appropriate to the style, thickness and consistency of the mineralization at Mt Catlin. **Drilling 2017-8** Samples are sorted and weighed. Samples >3kg are riffle split and milled in LM5 to obtain 85% passing 75 Microns. A 400g pulp is taken and a nominal 0.25g sub-sample is fused with sodium peroxide.
Quality of assay data and	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*	**Pre-2017 QAQC** All samples were dried, crushed, pulverized and split to produce a

Criteria	JORC Code explanation	Commentary
laboratory tests	• *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 (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.*	3.5kg and then 200g sub-sample for analysis For Li (method AAS40Q), for Ta, Nb and Sn (method XRF78O) and in some cases for SiO2, Al2O3, CaO, Cr2O3, Fe2O3, K2O3, MgO, MnO, P2O5, SO3, TiO2 and V2O5 were analysed by XRF78O. This process involves fusing the sample in a platinum crucible using lithium metaborate/tetraborate flux. For Cs, Rb, Ga, Be and Nb from time to time analysis was by IMS40Q – DIG40Q to ICPMS end. Duplicate, blank and certified reference samples were inserted into the sample stream at random, but averaging one every ~25 samples. Galaxy Resources utilized certified Lithium standards produced in China and one from SGS in Australia, STD-TAN1. Inter-laboratory checking of analytical outcomes was routinely undertaken to ensure continued accuracy and precision by the preferred laboratory. Samples were selected periodically and screened by the laboratory to ensure pulps are pulverized to the required specifications. All QAQC data is stored in the Mt Catlin database and regular studies were undertaken to ensure sample analysis was kept within acceptable levels of accuracy; the studies confirmed that accuracy and precision are within industry standard accepted limits. **2017 QAQC** 5193 new RC samples (including QA/QC samples) processed by Intertek PLC, Perth laboratory ex mine site. Methods FP1 digest, MS analytical finish, 22 elements, Li2O detection limit 0.03% Ta2O5 detection limit, 0.2 ppm. Monthly review of QA/QC, which includes blanks, field duplicates, high grade standards and CRM (certified reference materials). Written reports are provided of sampling and reference material audit. The ratio of field duplicates is 1:15 and laboratory pulp checks are 1:26. The ratio of certified reference materials to samples is 1:17. FS_ICPMS is a Laboratory Method FP1/MS (mass spectrometry) used to analyze for Cs, Nb, Rb, Ta,Th, and U . FS/ICPES (inductively coupled plasma emission spectroscopy) is Laboratory method FP1/OE used to analyze Al, Fe, K, Li, and Si. Reports include calculated values of oxides for all elements. Standards generally report satisfactorily with a clear majority of results within three standard deviations. Standards ASM10343 AMIS0339 and SRM181 report some ongoing positive bias to high grade results. Duplicate field samples show some evidence of high nugget effect in high grade spodumene samples and difficulty in short term reproducibility. CP's have classified the data as moderately precise.

Criteria	JORC Code explanation	Commentary
		2018 QAQC 4313 new RC samples (including QA/QC samples) processed by Intertek PLC, Perth, and Nagrom Perth, Perth Western Australia, ex mine site.

Criteria	JORC Code explanation	Commentary
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	**Pre-2018 Verification** An external geological consultant and GXY staff have visually assessed and verified significant intersections of core and RC and PC chips. Several core holes were compared to neighboring RC and PC drill holes. The geological logging of the DD holes supports the interpreted geological and mineralization domains. Studies on assays results from twinned holes showed a close correlation of geology and assays. Primary data is recorded by hand in the field and entered Excel spread sheets with in-built validation settings and look-up codes. Scans of field data sheets and digital data entry spread sheets are handled on site at Galaxy. Data collection and entry procedures are documented and training given to all staff. QAQC checks of assays by Galaxy identified several standards out of control, these were subsequently reviewed and results rectified. No clear and consistent biases were defined by Galaxy during the further investigations into QAQC performances although deviations were noted by Galaxy. **2017-8 Verification** Database and sample QA/QC verified by second CP CP site visits to inspect drilling and sampling. Separate CP independently verified QAQC results ex laboratory. CP independently verified drilling, sampling, assay and results from validated, externally maintained and stored database. No adjustments to assay data other than conversion from Li to Li20 and Ta to Ta2O5.

Criteria	JORC Code explanation	Commentary
Location of data points	• *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.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	All drill hole collars are grid MGA 94 Zone 51 **Pre-2017 Survey** Collars from the 2008 Galaxy RC and diamond drill programs were picked up by Cardno Spectrum Survey, using a Real Time Kinematic (RTK) GPS, with accuracy to ±0.025m. During 2009 to 2010 71 down-hole surveys were completed post drilling using the Tensor CHAMP Electronic Multishot (EMS) instrument and 25 were subsequently surveyed using a Humphreys Gyroscope. The grid system for Mt Catlin is GDA94, MGA94 zone 51 projection. The topographic height for the drill holes is assigned using a surface derived from the detailed DEM using Micromine soft-ware. The DEM is derived from local spot heights taken by Galaxy using a real time Kinematic (RTK) GPS accurate to +/- 0.025mm. **Drilling & Survey 2017-8** DEM (digital elevation models) by drone photogrammetry updated monthly, collar by RTK (real time kinetic) survey, Collars from the 2017 & later Galaxy RC and diamond drill programs were picked up by Galaxy Resources surveyors and geologists, using a RTK GPS, with accuracy to ±0.025m. The topographic height for the drill holes is assigned using a Real Time Kinematic (RTK) GPS, with accuracy to ±0.025m. During 2017-8 down-hole surveys were completed post drilling using the Tensor CHAMP Electronic Multishot (EMS) instrument and were subsequently surveyed using a Humphreys Gyroscope.

Criteria	JORC Code explanation	Commentary
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *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.* • *Whether sample compositing has been applied.*	**All data** The nominal historical drill hole spacing in the Southern Zone is 40mE x 80mN. In the northern zones the historical data spacing is generally 40mE x x40mN with further infill in the central zone down to 20mE to 25mE and 20mN to 25mN. The drilling density is sufficient to demonstrate a high degree of confidence in the continuity and grade of the mineralization and geological domains to support the definition of Mineral Re-sources and Reserves, and the classifications applied under the JORC 2012 Code. DD, RC and RAB drill samples were collected in the field for final assay submission. One meter composites are considered adequate for resource estimation, variography studies and possible mining methods for this style of mineralization. **2018 Update** The drill hole data spacing ranges from 10 m by 10 m grade control drilling, to a 40 m by 40 m resource definition drill hole spacing out to an 80 m by 80 m exploration spacing. The block model parent block size is 20 m (X) by 20 m (Y) by 5 m (Z), which is considered appropriate for the dominant drill hole spacing used to define the deposit Samples are composited to 1m length.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *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.*	**All data** The mineralization at Mt Catlin has been drilled with holes being predominantly vertical on regular east - west orientations to best intersect the local mineralization and primary structural trends which have both a vertical and horizontal orientation. No sampling bias has been identified in relation to drill hole orientation.

Criteria	JORC Code explanation	Commentary
Sample security	• *The measures taken to ensure sample security.*	**All data** Samples are stored on-site until they are delivered by Galaxy Resources personnel in sealed bags to the laboratory at SGS in Perth. The SGS laboratory checked received samples against the sample dispatch form and issues a reconciliation report. The train of custody is managed by Galaxy Site office. External consultants have audited Galaxy's sampling, QAQC and data entry protocols and have found procedures to be as per industry practice and of sufficient quality for resource estimation. Intertek/Genalyis and Nagrom issue a reconciliation of each sample batch, actual received vs documented dispatch. External third party consultants and individual laboratories reconcile sample dispatch and assay return.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	**All data** Results and QA reviewed by a second CP. Database reviewed and re-integrated using the Maxwell/Log Chief system. CP audit and review of laboratory QA/QC data. Independent external review of laboratory assay, standards and results.

Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *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.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.*	M74/244 was amalgamated and awarded on 04/08/2009 and is valid until 23/12/2030 and covers 1830 Ha. The project is subject to normal projects approvals processes as regulated by the WA Department of Mines, Industry and Regulation. The tenement is subject to the Standard Noongar Heritage agreement as executed 7 February 2018. The underlying land is a mixture of freehold property and vacant Crown land.

Criteria	JORC Code explanation	Commentary
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	During the 1960's WMC carried out an extensive drilling program to define the extent of t local spodumene bearing pegmatite. The WMC work led onto a further investigation into project feasibility. In 1989 Pancontinental Mining, Limited drilled 101 RC drill holes. In 1990 Pancontinental drilled a further 21 RC drill holes. In 1997 Greenstone Resources drilled 3 diamond holes and 38 RC holes, undertook soil sampling and metallurgical test work on bulk samples from the mine area. Haddington Resources Ltd in 2001 drilled 9 diamond holes for metallurgical test work and undertook further sterilization drilling. Galaxy acquired the M/72/12 mining tenement from Sons of Gwalia administrators in 2006.
Geology	• *Deposit type, geological setting and style of mineralization.*	The Mount Catlin Project lies within the Ravensthorpe Suite, with host rocks comprising both the Annabelle Volcanics to the west, and the Manyutup Tonalite to the east. The contact between these rock types extends through the Project area. The Annabelle Volcanics at Mt Cattlin consist of intermediate to mafic volcanic rocks, comprising both pyroclastic material and lavas. The pegmatites which comprise the orebody occur as a series of sub-horizontal dykes, hosted by both volcanic and intrusive rocks, interpreted as a series of westward verging thrusts.
Drill hole Information	• *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:* ○ *easting and northing of the drill hole collar* ○ *elevation or RL (Reduced Level – elevation above sea level in meters) of the drill hole collar* ○ *dip and azimuth of the hole* ○ *down hole length and interception depth* ○ *hole length.* • *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*	Pre-2017 drilling reported 4 August 2015 by subsidiary GMM (ASX:GMM). Last prior resource and reserve update 23 March 2018. **2018 drill collars** New collar information is presented below.

Criteria	JORC Code explanation	Commentary
	Person should clearly explain why this is the case.	
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.* • *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.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	**Pre-2017 Data** Where higher grade zones internal to broader intervals of lower grade mineralization were reported, these were noted as included intervals and italicized. No metal equivalents have been reported. **2017-8 Drilling** New results are reported to a 0.4% cut-of grade (below). Results are not aggregated. No metal equivalent values are used.

Criteria	JORC Code explanation	Commentary
Relationship between mineralization widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralization with respect to the drill hole angle is known, its nature should be reported.* • *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').*	All intersection grades have been reported previously as length weighted average grades using a 0.4% Li2O lower grade cut-off except where stated. Intersections were calculated allowing a maximum of 2m of internal dilution with no top-cut applied. Cutting of high grades is not required due to nature of the mineralization and grade distribution/estimation. The Mt Cattlin lithium and tantalum mineralization occurs as a thick horizontal to gently dipping pegmatite and generally lies 30 to 60m below the current topographic surface resulting in drill intercepts nearing true widths All prior reported intersections are down-hole lengths.
Diagrams	• *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.*	Diagrams are included in the text above.
Balanced reporting	• *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.*	All significant intersections above 0.4% Li2O have been fully reported in previous releases. **2017-8 Drilling** Drill hole collars and details are appended below.
Other substantive exploration data	• *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.*	Fe2O3 is modelled with Li and Ta to determine the effect of deleterious chemistry at or near pegmatite contacts and rafts of surrounding country rock with pegmatite.

Criteria	JORC Code explanation	Commentary
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	Further infill drilling to upgrade resource classification, sterilization drilling for LOM infrastructure. A further **10,000m** of drilling for drill holes will update a further revision of the classified resource and reserve. Selected geochemical and auger survey. Further geophysical surveys to target blind pegmatites in the sub-surface later in H2, 2018.

2018 Resource development collars in MGA Zone 51 co-ordinates

Hole ID	Easting MGA94Z51	Northing MGA94Z51	RL (m)	Dip	Max Depth (m)	Hole Type
1EGC075	224,571	6,282,595	215	-90	25	RC
1EGC082	224,520	6,282,604	215	-90	25	RC
1EGC084	224,541	6,282,605	215	-90	25	RC
GXY060	225,417	6,282,356	232	-90	24	RC
GXY062	225,404	6,282,390	230	-90	24	RC
GXY077	225,680	6,282,187	243	-90	66	RC
GXY078	225,721	6,282,186	243	-90	60	RC
GXY083	225,560	6,281,941	228	-90	62	RC
GXY162	225,404	6,282,390	230	-90	45	RC
GXY163	225,364	6,282,348	228	-90	45	RC
GXY164	225,326	6,282,322	227	-90	45	RC
GXY167	225,325	6,282,262	225	-90	60	RC
GXY168	225,346	6,282,296	227	-90	45	RC
GXY169	225,374	6,282,325	229	-90	45	RC
GXY170	225,426	6,282,345	233	-90	55	RC
GXY171	225,408	6,282,271	231	-90	60	RC
GXY173	225,344	6,282,225	225	-90	45	RC
GXY175	225,327	6,282,181	220	-90	33	RC
GXY176	225,406	6,282,203	229	-90	45	RC
GXY178	225,543	6,282,300	242	-90	66	RC
GXY185	225,577	6,282,219	242	-90	72	RC
GXY211	225,277	6,282,523	235	-90	60	RC
GXY213	225,260	6,282,549	237	-90	60	RC
GXY214	225,350	6,282,547	236	-90	40	RC
GXY215	225,377	6,282,545	235	-90	42	RC
GXY217	225,278	6,282,575	239	-90	42	RC
GXY221	225,249	6,282,600	240	-90	60	RC
GXY228	225,277	6,282,638	242	-90	59	RC
GXY230	225,326	6,282,634	243	-90	21	RC

Hole ID	Easting MGA94Z51	Northing MGA94Z51	RL (m)	Dip	Max Depth (m)	Hole Type
GXY235	225,173	6,282,683	240	-90	74	RC
GXY236	225,201	6,282,683	241	-90	78	RC
GXY238	225,250	6,282,680	242	-90	50	RC
GXY239	225,274	6,282,683	243	-90	41	RC
GXY240	225,327	6,282,683	244	-90	26	RC
GXY241	225,351	6,282,683	245	-90	22	RC
GXY242	225,200	6,282,725	242	-90	60	RC
GXY243	225,247	6,282,725	244	-90	46	RC
GXY244	225,300	6,282,725	245	-90	38	RC
GXY245	225,351	6,282,725	247	-90	21	RC
GXY252	224,999	6,282,680	235	-90	66	RC
GXY256	225,080	6,282,680	238	-90	75	RC
GXY258	225,121	6,282,678	239	-90	72	RC
GXY259	225,142	6,282,679	239	-90	84	RC
GXYDD254	225,044	6,282,677	237	-90	69	RC DIAMOND TAIL
NEGEO001	225,180	6,282,561	237	-90	61.91	DIAMOND
NEGEO002	225,220	6,282,560	237	-90	60.7	DIAMOND
NEHQ001	224,995	6,282,601	233	-90	60.8	DIAMOND
NEMT001	225,178	6,282,478	233	-90	59	DIAMOND
NEMT002	225,375	6,282,256	229	-90	32.2	DIAMOND
NEMT003	225,141	6,282,481	233	-90	60.5	DIAMOND
NERC005	225,011	6,282,551	231	-90	66	RC
NERC006	225,001	6,282,581	232	-90	72	RC
NERC009	225,039	6,282,538	232	-90	60	RC
NERC010	225,040	6,282,580	235	-90	72	RC
NERC011	225,041	6,282,620	235	-90	72	RC
NERC013	225,088	6,282,381	227	-90	72	RC
NERC015	225,081	6,282,539	234	-90	66	RC
NERC016	225,080	6,282,580	235	-90	66	RC
NERC017	225,081	6,282,620	236	-90	66	RC
NERC018	225,080	6,282,660	237	-90	71	RC
NERC019	225,116	6,282,375	226	-90	72	RC

Hole ID	Easting MGA94Z51	Northing MGA94Z51	RL (m)	Dip	Max Depth (m)	Hole Type
NERC021	225,121	6,282,620	237	-90	72	RC
NERC024	225,205	6,282,390	228	-90	66	RC
NERC025	225,200	6,282,419	229	-90	54	RC
NERC026	225,199	6,282,461	232	-90	72	RC
NERC027	225,240	6,282,381	227	-90	66	RC
NERC028	225,240	6,282,420	229	-90	66	RC
NERC029	225,280	6,282,420	228	-90	66	RC
NERC030	225,324	6,282,425	224	-90	90	RC
NERC033	225,326	6,282,580	239	-90	48	RC
NERC034	225,360	6,282,461	225	-90	60	RC
NERC037	225,360	6,282,578	239	-90	48	RC
NERC043	224,866	6,282,682	237	-90	60	RC
NERC044	224,908	6,282,605	234	-90	54	RC
NERC045	224,892	6,282,683	235	-90	46	RC
NERC046	224,947	6,282,528	232	-90	66	RC
NERC047	224,939	6,282,560	231	-90	54	RC
NERC048	224,931	6,282,588	232	-90	54	RC
NERC054	225,012	6,282,449	231	-90	60	RC
NERC056	225,021	6,282,521	230	-90	66	RC
NERC059	225,020	6,282,640	235	-90	72	RC
NERC063	225,064	6,282,482	230	-90	66	RC
NERC064	225,060	6,282,560	234	-90	62.5	RC
NERC065	225,059	6,282,640	236	-90	72	RC
NERC066	225,061	6,282,679	237	-90	78	RC
NERC070	225,101	6,282,488	231	-90	66	RC
NERC071	225,099	6,282,520	233	-90	72	RC
NERC072	225,100	6,282,560	235	-90	72	RC
NERC073	225,102	6,282,599	236	-90	72	RC
NERC074	225,099	6,282,640	237	-90	72	RC
NERC077	225,134	6,282,453	230	-90	60	RC
NERC078	225,143	6,282,519	234	-90	72	RC
NERC079	225,140	6,282,560	236	-90	72	RC

Hole ID	Easting MGA94Z51	Northing MGA94Z51	RL (m)	Dip	Max Depth (m)	Hole Type
NERC080	225,141	6,282,640	239	-90	72	RC
NERC083	225,184	6,282,402	228	-90	48	RC
NERC084	225,179	6,282,437	230	-90	54	RC
NERC086	225,181	6,282,520	235	-90	72	RC
NERC088	225,189	6,282,600	238	-90	72	RC
NERC089	225,180	6,282,640	239	-90	72	RC
NERC090	225,214	6,282,400	228	-90	70	RC
NERC093	225,217	6,282,600	239	-90	66	RC
NERC094	225,260	6,282,401	228	-90	66	RC
NERC096	225,261	6,282,485	233	-90	71	RC
NERC097	225,264	6,282,518	235	-90	54	RC
NERC099	225,261	6,282,599	240	-90	72	RC
NERC100	225,261	6,282,638	242	-90	66	RC
NERC101	225,293	6,282,437	228	-90	42	RC
NERC102	225,299	6,282,481	231	-90	60	RC
NERC103	225,292	6,282,560	238	-90	48	RC
NERC104	225,297	6,282,639	242	-90	60	RC
NERC105	225,339	6,282,440	225	-90	60	RC
NERC107	225,342	6,282,522	233	-90	72	RC
NERC108	225,339	6,282,560	238	-90	42	RC
NERC109	225,339	6,282,602	241	-90	60	RC
NERC110	225,381	6,282,480	226	-90	60	RC
NERC112	225,375	6,282,561	237	-90	42	RC
NERC115	224,841	6,282,743	238	-90	66	RC
NERC116	224,857	6,282,724	238	-90	66	RC
NERC125	225,013	6,282,716	237	-90	72	RC
NERC127	225,038	6,282,740	238	-90	66	RC
NERC131	225,097	6,282,726	240	-90	78	RC
NERC133	225,119	6,282,732	240	-90	78	RC
NERC138	225,177	6,282,716	241	-90	72	RC
NERC140	225,200	6,282,742	243	-90	66	RC
NERC141	225,220	6,282,640	240	-90	78	RC

Hole ID	Easting MGA94Z51	Northing MGA94Z51	RL (m)	Dip	Max Depth (m)	Hole Type
NERC146	225,255	6,282,720	244	-90	66	RC
NERC147	225,279	6,282,742	245	-90	66	RC
NERC148	225,300	6,282,680	244	-90	24	RC
NERC150	225,319	6,282,739	246	-90	60	RC
NERC154	225,379	6,282,603	241	-90	60	RC
NERC156	224,901	6,282,644	235	-90	150	RC
NERC157	224,977	6,282,518	230	-90	66	RC
NERC159	225,060	6,282,520	232	-90	101	RC
NERC160	225,145	6,282,605	238	-90	150	RC
NERC162	225,060	6,282,598	235	-90	150	RC
NERC163	225,220	6,282,441	230	-90	150	RC
NERC164	225,214	6,282,554	237	-90	150	RC
NERC165	225,303	6,282,523	234	-90	150	RC
NERC166	225,300	6,282,600	241	-90	150	RC
NERC169	225,161	6,282,620	238	-90	72	RC
NERC170	225,160	6,282,660	239	-90	78	RC
NERCDD020	225,122	6,282,581	236	-90	73	RC then DIAMOND TAIL
NERCDD022	225,119	6,282,658	238	-90	73	RC DIAMOND TAIL
NERCDD052	224,989	6,282,636	234	-90	69.5	RC DIAMOND TAIL
NERCDD057	225,020	6,282,559	232	-90	66.7	RC DIAMOND TAIL
NERCDD058	225,021	6,282,599	235	-90	66.5	RC DIAMOND TAIL
NERCDD091	225,220	6,282,480	233	-90	51.5	RC DIAMOND TAIL
NERCDD095	225,260	6,282,440	230	-90	29	RC DIAMOND TAIL
NERCDD098	225,262	6,282,562	238	-90	59.5	RC DIAMOND TAIL
NERCDD168	225,161	6,282,580	237	-90	72.5	RC DIAMOND TAIL
SEDD087	225,100	6,282,400	227	-90	41.4	DIAMOND
SEDD134	225,260	6,281,999	228	-90	8	DIAMOND
SEDD145	225,261	6,282,040	227	-90	9.8	DIAMOND
SEDD152	225,261	6,282,082	226	-90	14.7	DIAMOND
SEDD209	225,259	6,282,201	225	-90	33.7	DIAMOND
SEDD211	225,219	6,282,200	229	-90	30.5	DIAMOND

Hole ID	Easting MGA94Z51	Northing MGA94Z51	RL (m)	Dip	Max Depth (m)	Hole Type
SEDD230	225,381	6,282,120	224	-90	20.2	DIAMOND
SEDD257	225,098	6,282,360	227	-90	30	DIAMOND
SEDD258	225,060	6,282,360	229	-90	44.2	DIAMOND
SEDD263	225,101	6,282,320	229	-90	19	DIAMOND
SEDD266	225,183	6,282,302	227	-90	29.5	DIAMOND
SEDD268	225,149	6,282,278	231	-90	18.1	DIAMOND
SEDD269	225,113	6,282,280	231	-90	13.4	DIAMOND
SEDD270	225,101	6,282,279	232	-90	16.8	DIAMOND
SEDD274	225,182	6,282,255	230	-90	26.3	DIAMOND
SEHQ001	225,479	6,282,216	235	-90	39.8	RC
SEHQ002	225,515	6,282,120	234	-90	45.1	DIAMOND
SEHQ003	225,500	6,282,169	235	-90	36.8	DIAMOND
SERC002	225,456	6,281,958	223	-90	60	RC
SERC006	225,620	6,281,959	229	-90	60	RC
SERC008	225,699	6,281,954	225	-90	72	RC
SERC011	225,460	6,281,918	221	-90	80	RC
SERC012	225,502	6,281,924	225	-90	80	RC
SERC013	225,546	6,281,927	227	-90	80	RC
SERC014	225,575	6,281,932	228	-90	80	RC
SERC018	225,744	6,281,920	219	-90	78	RC
SERC023	225,581	6,281,883	225	-90	60	RC
SERC040	225,540	6,282,440	235	-90	60	RC
SERC041	225,580	6,282,440	235	-90	60	RC
SERC043	225,663	6,282,439	236	-90	67	RC
SERC049	225,459	6,282,484	226	-90	80	RC
SERC052	225,580	6,282,483	231	-90	80	RC
SERC057	225,738	6,282,400	245	-90	60	RC
SERC058	225,734	6,282,358	246	-90	80	RC
SERC059	225,739	6,282,319	247	-90	80	RC
SERC060	225,740	6,282,281	246	-90	60	RC
SERC061	225,740	6,282,239	245	-90	60	RC
SERC063	225,742	6,282,161	243	-90	81	RC

Hole ID	Easting MGA94Z51	Northing MGA94Z51	RL (m)	Dip	Max Depth (m)	Hole Type
SERC065	225,750	6,282,087	238	-90	80	RC
SERC068	225,780	6,282,401	247	-90	80	RC
SERC069	225,780	6,282,362	248	-90	80	RC
SERC071	225,777	6,282,284	248	-90	80	RC
SERC073	225,781	6,282,200	246	-90	80	RC
SERC075	225,772	6,282,111	240	-90	80	RC
SERC077	225,780	6,282,043	235	-90	80	RC
SERC089	225,572	6,282,520	229	-90	80	RC
SERC090	225,536	6,282,509	228	-90	60	RC
SERC092	225,455	6,282,507	227	-90	80	RC
SERC094	225,418	6,282,360	233	-90	30	RC
SERC095	225,381	6,282,398	228	-90	24	RC
SERC119	225,659	6,282,040	235	-90	60	RC
SERC120	225,700	6,282,044	233	-90	78	RC
SERC121	225,500	6,282,443	233	-90	60	RC
SERC121A	225,500	6,282,442	233	-90	18	RC
SERC122	225,460	6,282,440	231	-90	60	RC
SERC123	225,699	6,282,000	229	-90	72	RC
SERC124	225,659	6,281,997	231	-90	60	RC
SERC125	225,620	6,282,000	232	-90	60	RC
SERC126	225,581	6,282,000	232	-90	60	RC
SERC127	225,539	6,281,998	230	-90	60	RC
SERC128	225,500	6,281,999	228	-90	60	RC
SERC129	225,460	6,281,999	225	-90	60	RC
SERC130	225,418	6,281,998	221	-90	60	RC
SERC136	225,619	6,282,039	235	-90	60	RC
SERC137	225,578	6,282,036	234	-90	60	RC
SERC138	225,540	6,282,040	232	-90	60	RC
SERC139	225,500	6,282,039	229	-90	60	RC
SERC140	225,460	6,282,040	227	-90	60	RC
SERC141	225,418	6,282,039	224	-90	60	RC
SERC147	225,656	6,282,083	238	-90	72	RC

Hole ID	Easting MGA94Z51	Northing MGA94Z51	RL (m)	Dip	Max Depth (m)	Hole Type
SERC148	225,621	6,282,081	238	-90	66	RC
SERC149	225,379	6,282,080	222	-90	19	RC
SERC155	225,419	6,282,399	232	-90	30	RC
SERC156	225,620	6,282,399	239	-90	60	RC
SERC157	225,660	6,282,398	240	-90	30	RC
SERC158	225,579	6,282,401	239	-90	60	RC
SERC159	225,538	6,282,399	239	-90	60	RC
SERC160	225,500	6,282,401	237	-90	30	RC
SERC161	225,698	6,282,403	241	-90	60	RC
SERC163	225,461	6,282,359	236	-90	36	RC
SERC164	225,499	6,282,360	239	-90	30	RC
SERC165	225,541	6,282,360	241	-90	42	RC
SERC166	225,580	6,282,360	241	-90	30	RC
SERC167	225,660	6,282,358	243	-90	60	RC
SERC168	225,621	6,282,357	242	-90	30	RC
SERC169	225,700	6,282,358	244	-90	72	RC
SERC170	225,359	6,282,320	228	-90	60	RC
SERC171	225,420	6,282,320	233	-90	36	RC
SERC172	225,458	6,282,321	236	-90	42	RC
SERC173	225,500	6,282,322	240	-90	36	RC
SERC174	225,539	6,282,321	241	-90	48	RC
SERC175	225,579	6,282,321	243	-90	54	RC
SERC176	225,619	6,282,321	243	-90	60	RC
SERC177	225,659	6,282,320	244	-90	54	RC
SERC178	225,698	6,282,320	245	-90	60	RC
SERC179	225,454	6,282,276	235	-90	60	RC
SERC180	225,497	6,282,278	238	-90	60	RC
SERC180A	225,497	6,282,277	238	-90	19	RC
SERC181	225,542	6,282,281	242	-90	120	RC
SERC182	225,580	6,282,281	243	-90	66	RC
SERC183	225,619	6,282,278	244	-90	54	RC
SERC184	225,659	6,282,279	245	-90	60	RC

Hole ID	Easting MGA94Z51	Northing MGA94Z51	RL (m)	Dip	Max Depth (m)	Hole Type
SERC185	225,419	6,282,280	232	-90	42	RC
SERC186	225,379	6,282,280	229	-90	48	RC
SERC188	225,412	6,282,247	231	-90	114	RC
SERC189	225,459	6,282,242	234	-90	60	RC
SERC190	225,500	6,282,241	237	-90	60	RC
SERC191	225,541	6,282,240	241	-90	60	RC
SERC192	225,580	6,282,240	243	-90	72	RC
SERC193	225,621	6,282,239	244	-90	78	RC
SERC194	225,661	6,282,240	244	-90	54	RC
SERC195	225,700	6,282,240	245	-90	54	RC
SERC196	225,380	6,282,238	228	-90	60	RC
SERC197	225,341	6,282,241	226	-90	60	RC
SERC198	225,420	6,282,200	230	-90	46	RC
SERC199	225,460	6,282,200	233	-90	40	RC
SERC200	225,500	6,282,200	236	-90	42	RC
SERC201	225,539	6,282,200	239	-90	60	RC
SERC202	225,582	6,282,199	242	-90	72	RC
SERC203	225,620	6,282,200	243	-90	120	RC
SERC204	225,661	6,282,199	243	-90	60	RC
SERC205	225,701	6,282,200	244	-90	60	RC
SERC206	225,380	6,282,200	227	-90	60	RC
SERC207	225,340	6,282,200	224	-90	60	RC
SERC212	225,420	6,282,160	229	-90	30	RC
SERC213	225,459	6,282,160	231	-90	31	RC
SERC214	225,500	6,282,159	235	-90	40	RC
SERC215	225,540	6,282,160	238	-90	60	RC
SERC216	225,580	6,282,160	240	-90	72	RC
SERC217	225,621	6,282,160	242	-90	78	RC
SERC218	225,663	6,282,159	242	-90	78	RC
SERC219	225,699	6,282,157	242	-90	60	RC
SERC220	225,380	6,282,160	226	-90	25	RC
SERC231	225,419	6,282,120	227	-90	25	RC

Hole ID	Easting MGA94Z51	Northing MGA94Z51	RL (m)	Dip	Max Depth (m)	Hole Type
SERC232	225,460	6,282,120	230	-90	26	RC
SERC233	225,498	6,282,121	232	-90	38	RC
SERC234	225,540	6,282,120	235	-90	60	RC
SERC235	225,577	6,282,120	238	-90	66	RC
SERC236	225,620	6,282,121	240	-90	72	RC
SERC237	225,660	6,282,119	240	-90	78	RC
SERC238	225,701	6,282,125	240	-90	78	RC
SERC239	225,421	6,282,080	226	-90	23	RC
SERC240	225,461	6,282,078	229	-90	25	RC
SERC241	225,500	6,282,080	231	-90	60	RC
SERC242	225,541	6,282,082	234	-90	60	RC
SERC243	225,579	6,282,080	236	-90	60	RC
SERC246	225,321	6,282,300	226	-90	24	RC
SERC248	225,380	6,282,380	229	-90	24	RC
SERC249	225,693	6,282,086	237	-90	78	RC
SERC251	225,698	6,282,279	245	-90	60	RC
SERC254	225,461	6,282,400	235	-90	30	RC

Section 3 Estimation and Reporting of Mineral Resources

(Criteria listed in section 1, and where relevant in section 2, also apply to this section.)

Criteria	JORC Code explanation	Commentary
Database integrity	• *Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.* • *Data validation procedures used.*	**Pre-2017** At the time of the 2012 Mineral Resource estimates, Galaxy had appointed a data administrator to manage and host the Mt Catlin database in a GBIS SQL database. Field data was entered into project-specific password-protected spread sheets with in-built auto-validation settings. The spread sheets were emailed to head office on a weekly basis and then passed on to the data administrator where all data was subject to validation procedures and checks before being imported into the central database. Invalid data has not been imported into the central data-base, but has been quarantined until corrected. Data exports have been routinely sent from head office to site for visual validation using ArcGIS and Micromine. **2017 Onwards** Database and data QAQC processes was re-established after review in 2016. The Datashed database is managed/maintained by Maxwell Geoservices, is validated externally to GXY and aggregates meta-data from site and the sample laboratory. The assay laboratory reports sample validation and checks on arrival. Database managers' report both QAQC and validation checks monthly and upon request. All logging is undertaken on a Toughbook using the dedicated LogChief

		logging system matched to the Datashed database. Visual validation of drilling data to wireframe in Surpac software.
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* • *If no site visits have been undertaken indicate why this is the case.*	Both reporting CP's have completed site visits.
Geological interpretation	• *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.* • *Nature of the data used and of any assumptions made.* • *The effect, if any, of alternative interpretations on Mineral Resource estimation.* • *The use of geology in guiding and controlling Mineral Resource estimation.* • *The factors affecting continuity both of grade and geology.*	The geological interpretation is considered robust due to the nature of the geology and mineralisation. Surface diamond and reverse circulation (RC) drillholes have been logged for lithology, structure, and alteration and mineralisation data. The lithological logging of pegmatite in combination with the Li_2O, Fe_2O_3 and MgO assays, including grainsize and mineralogical differentiation, have been used to guide the sectional interpretation of the pegmatites in Surpac 3-D modelling software. Internal waste domains, where intersected in drilling, have been interpreted and modelled individually. These geological wireframes have then been used as a bound within which Li_2O% grade shells have been generated in LeapFrog software using a 0.3% Li_2O indicator and iso value of 0.35 for the pegmatites. The primary assumption is that the mineralisation is hosted within structurally controlled pegmatite sills, which is considered robust. Wireframes have been extrapolated approximately half section spacing between mineralised and unmineralised intercepts. Weathering surfaces have been provided by Galaxy Resources. Due to the consistent nature of the pegmatite identified in the area, no alternative interpretations have been considered. The pegmatites are found to be continuous over the length of the deposit The Li_2O% mineralisation interpretation is contained wholly within the pegmatite geological unit. Evidence of late stage faulting is present and has, where appropriate been incorporated into the geological model. Zones of fine grained pegmatite and lepidolite have been identified, delineated and coded into the estimation in order to aid the differentiation of coarse grained spodumene bearing pegmatites for mining.
Dimensions	• *The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource*	The Mt Cattlin pegmatites strike north-south and are typically between 10 m and 30 m wide, and are typically flat lying or with a subtle dip east of around 5 to 10 degrees. Several different pegmatites have been identified, either as separate intrusions or due to fault offset over a strike length of 1,300 m, an across strike extent of 1,700 m and down to a depth of 240 m below surface.
Estimation and modelling techniques	• *The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.* • *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.* • *The assumptions made regarding recovery of by-*	Grade estimation for Li_2O%, Fe_2O_3% and Ta_2O_5 ppm has been completed using Ordinary Kriging (OK) into 32 pegmatite domains using Maptek Vulcan 10.1.4 software. Grade estimation of Fe_2O_3% has been completed using Ordinary Kriging (OK) into the encapsulating mafic waste and inside the internal rafts of basalt within the pegmatites. The geological, mineralisation and weathering wireframes generated have been used to define the domain codes by concatenating the three codes into one. The drillholes have been flagged with the domain code and composited using the domain code to segregate the data. Hard boundaries have been used at all domain boundaries for the grade estimation. The domains have been assessed to identify which ones require separate analysis and estimation of the different oxidation states as defined by the weathering wireframes. Compositing has been undertaken within domain boundaries at 1m with a merge tolerance of 0.1 m. Top-cuts for Li_2O% and Ta_2O_5 have been assessed for all mineralised and un-mineralised pegmatite domains as well as for the internal and external waste domains with only those domains with extreme values having been top-cut. The

	products. • *Estimation of deleterious elements or other non-grade variables of economic significance (e.g. sulphur for acid mine drainage characterisation).* • *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.* • *Any assumptions behind modelling of selective mining units.* • *Any assumptions about correlation between variables* • *Description of how the geological interpretation was used to control the resource estimates.* • *Discussion of basis for using or not using grade cutting or capping.* • *The process of validation, the checking process used, the comparison of model data to drillhole data, and use of reconciliation data if available.* •	top-cut levels have been determined using a combination of histograms, log probability and mean variance plots. Variography has been completed in Supervisor 8.9 software on a grouped domain basis to ensure that enough data is present. Domains with too few samples have borrowed variography. The Mineral Resource estimate has been validated using visual validation tools combined with volume comparisons with the input wireframes, mean grade comparisons between the block model and composite grade means and swath plots comparing the composite grades and block model grades by Northing, Easting and RL. Li_2O%, Fe_2O_3% and Ta_2O_5 ppm have been estimated inside the pegmatite while only Fe_2O_3% has been estimated in the waste domains, all of which have been assessed independently for top-cuts and grade continuity. No assumptions have been made regarding recovery of any by-products. The drillhole data spacing ranges from 10 m by 10 m in grade control drilling, to a 40 m by 40 m resource definition drillhole spacing out to an 80 m by 80 m exploration spacing. The block model parent block size is 20 m (X) by 20 m (Y) by 5 m (Z), which is considered appropriate for the dominant drillhole spacing used to define the deposit. A sub-block size of 2.5 m (X) by 2.5 m (Y) by 0.625 m (Z) has been used to define the mineralisation edges, with the estimation undertaken at the parent block scale. • Pass 1 estimations have been undertaken using a minimum of 6 and a maximum of 24 samples into a search set at half of the variogram range. A 4 sample per drillhole limit has been applied in all pegmatite domains. • Pass 2 estimations have been undertaken using a minimum of 6 and a maximum of 24 samples into a search ellipse set at the variogram range. A 4 sample per drillhole limit has been applied in all pegmatite domains • Pass 3 estimations have been undertaken using a minimum of 2 and a maximum of 24 samples into a search ellipse set at twice the variogram range. No drillhole limit has been applied to the third pass. • A fourth interpolation pass has been employed for a small number of domains in order to adequately fill the mineralisation volume with estimated grades. The search ellipse employed is twice the third pass size with the same minimum and maximum number of samples used. As Mt Cattlin is a producing operation, there exists reconciliation data with which to validate the existing estimation. No selective mining units are assumed in this estimate. No correlation between variables has been assumed.
Moisture	• *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	Tonnes have been estimated on a dry basis.
Cut-off parameters	• *The basis of the adopted cut-off grade(s) or quality parameters applied*	For the reporting of the Mineral Resource Estimate a 0.4 Li_2O% cut-off within a Whittle pit shell has been used.
Mining factors or assumptions	• *Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources*	A Whittle pit optimisation has been run in order to generate a pit shell wireframe for reporting purposes. The mining assumptions/parameters applied to the optimisation are: Mining Recovery – 93% Mining Dilution – 17% Mining Cost/bcm – AUD$11.59 Processing Cost/tonne – AUD$33.16 Transport Cost/tonne – AUD$49.68 Li_2O% Price/tonne – USD$900

	may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.	A Li_2O cut-off of 0.4% has been applied in the Whittle optimisation. The area beneath the southern waste dump has been excluded from the MRE pit shell due to the cost of moving the waste material.
Metallurgical factors or assumptions	• *The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.*	A Li_2O% metallurgical recovery of 75% and Ta_2O_5 ppm recovery of 25% has been applied during the pit optimisation and generation of the pit shell.
Environmental factors or assumptions	• *Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made*	No environmental factors or assumptions have been incorporated into this Mineral Resource Estimate as Mt Cattlin is a producing operation with Environmental approvals and an Environmental Management Plan in place.
Bulk density	• *Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.* • *The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit,* • *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*	Bulk density values have been calculated from 961 measurements collected on site using the water immersion method. Data has been separated into lithological and weathering datasets and mean density values derived. **Lithology / Weathering** — **Mean density** waste basalt — 2.86 Unmineralised oxide — 2.42 Unmineralised transitional — 2.62 Unmineralised fresh — 2.78 Pegmatite oxide — 2.47 Pegmatite transitional — 2.71 Pegmatite fresh — 2.72 The selection of bulk density samples is determined by the logging geologist and is undertaken in a manner to determine the density of all material types. The diamond drill core is competent and does not display evidence of voids or vugs.

<table>
<tr><td>Classification</td><td>The basis for the classification of the Mineral Resources into varying confidence categories
Whether appropriate account has been taken of all relevant factors (i.e. relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).
Whether the result appropriately reflects the Competent Person's view of the deposit.</td><td>The resource classification has been applied to the MR estimate based on the drilling data spacing, grade and geological continuity, quality of the estimation and data integrity.

The classification takes into account the relative contributions of geological and data quality and confidence, as well as grade confidence and continuity.
The areas defined by grade control drilling which have been estimated on the first estimation pass and have resulted in a suitable quality of estimation have been classified as Measured Mineral Resources.

Portions of the deposit which have been estimated in the first two estimation passes and which have been estimated with a high degree of confidence have been classified as Indicated Mineral Resources.
Portions of the deposit which have been estimated and have a suitable level of drilling to assume geological continuity of the pegmatite have been classified as Inferred Mineral Resources.
The classification reflects the view of the Competent Person.</td></tr>
<tr><td>Audits or reviews</td><td>The results of any audits or reviews of Mineral Resource estimates.</td><td>This Mineral Resource estimate for Mt Cattlin has not been audited by an external party.</td></tr>
<tr><td>Discussion of relative accuracy/confidence</td><td>Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate
The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used
These statements of relative accuracy and confidence of the estimate should be compared with production data, where available</td><td>The relative accuracy of the Mineral Resource estimate is reflected in the reporting of the Mineral Resource as per the guidelines of the 2012 JORC Code. The statement relates to a local estimate of tonnes and grade within the pit shell at a cut-off of 0.4 Li_2O%.

<table>
<tr><th>Classification</th><th>Tonnes (kt)</th><th>Li_2O%</th><th>Ta_2O_5 ppm</th><th>Fe_2O_3%</th></tr>
<tr><td>Measured</td><td>1,300</td><td>1.28</td><td>241</td><td>1.32</td></tr>
<tr><td>Indicated</td><td>7,000</td><td>1.34</td><td>177</td><td>1.40</td></tr>
<tr><td>Inferred</td><td>1,400</td><td>1.44</td><td>264</td><td>1.27</td></tr>
<tr><td>TOTAL</td><td>9,700</td><td>1.35</td><td>198</td><td>1.37</td></tr>
</table>

In addition, material in stockpiles as of the 31st May 2018 have been classified as Mineral Resources for reporting with the following breakdown:
<table>
<tr><th>Classification</th><th>Tonnes (kt)</th><th>Li_2O%</th><th>Ta_2O_5 ppm</th></tr>
<tr><td>Measured</td><td>200</td><td>0.78</td><td>131</td></tr>
<tr><td>Indicated</td><td>1,900</td><td>0.81</td><td>54</td></tr>
<tr><td>TOTAL</td><td>2,100</td><td>0.81</td><td>61</td></tr>
</table></td></tr>
</table>

Section 4 Estimation and Reporting of Ore Reserves

(Criteria listed in section 1, and where relevant in other sections also apply to this section.)

No update of Ore Reserves is presented in this announcement.