

## **Li3 | Quarterly Report - Period Ending 30 June 2020**

### **Key Points**

- Gold and base metal anomalies identified at the Warriedar Project Meleya Zone
- Large gold and pathfinder element anomalies at the Warriedar Project West Zone
- Sale agreement with Premier African Minerals Ltd to acquire 100% of Li3 Zimbabwe and Mozambique projects
- Entitlement Issue to underpin next phase of exploration in Western Australia
- Proposed Change of Company Name to Tempest Minerals Limited

### **Projects**

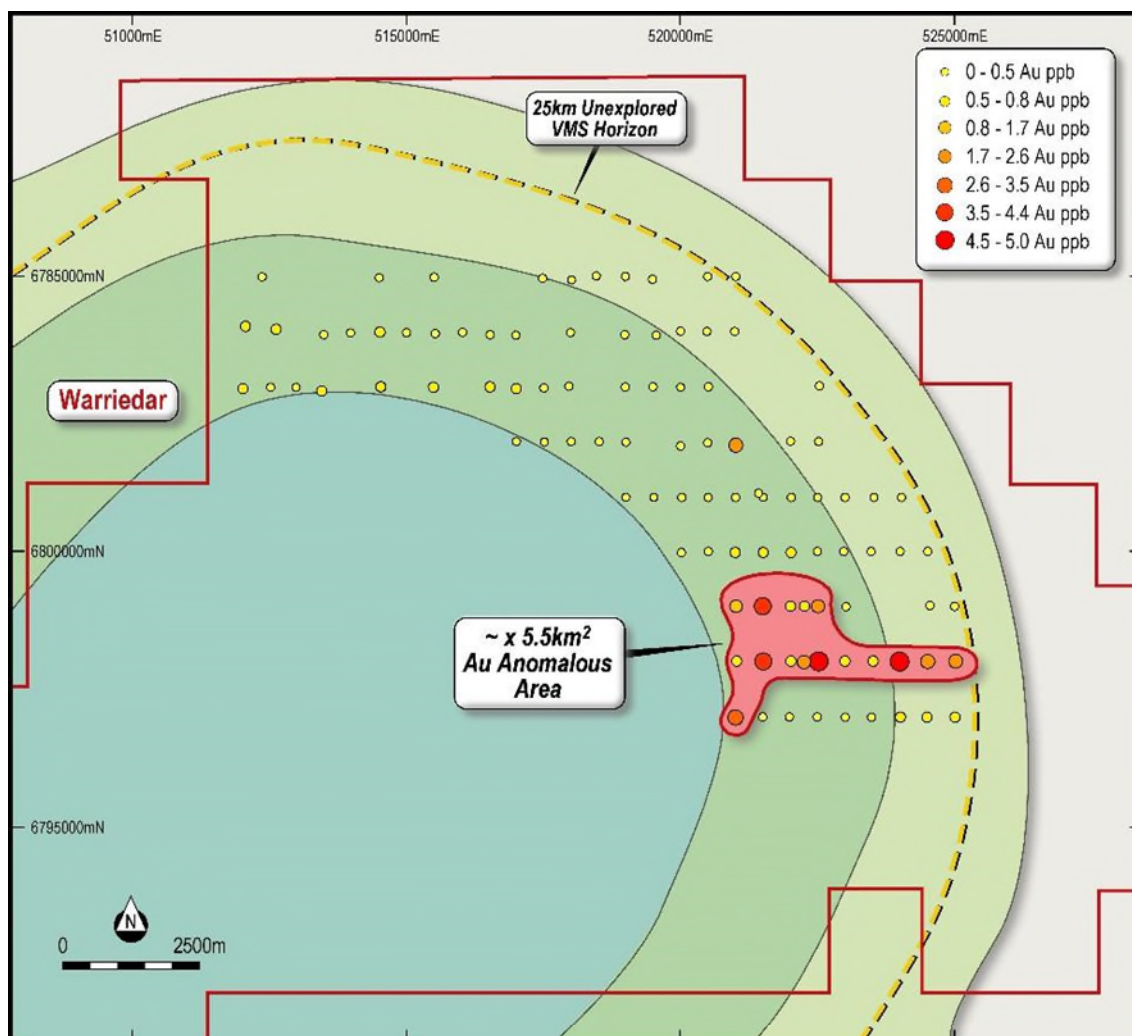
#### **Yalgoo Region**

Warrigal Mining contracted industry-renowned geophysicist Kim Francombe of ExploreGeo Pty Ltd to locate and reprocess higher quality aeromagnetic data than provided by the state composite datasets. This data, which includes TMI, AS, ASVI, RTP, VRMI and Vertical Derivative models, has recently been received and is currently being reviewed and integrated into the general understanding of the geological model of the projects in the greater region.

#### **Warriedar**

##### **Meleya**

In January 2020, Li3 conducted an extensive 500m offset spaced geochemical sampling program. Early review of the data during the current quarter identified a number of multiple kilometer scale anomalous gold and base metal anomalies. <sup>1</sup>

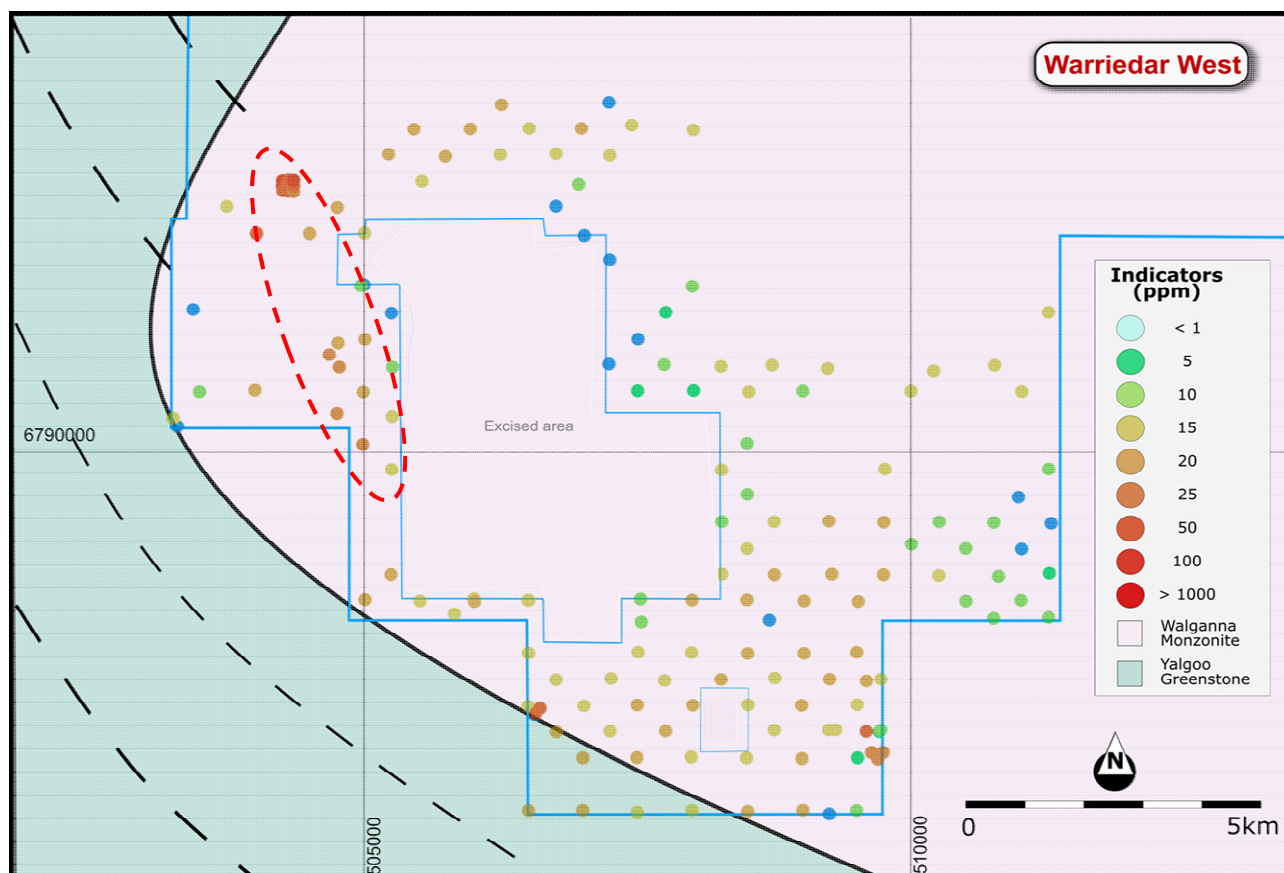


**Figure 1: Meleya zone sample points with gold anomaly**

## War West

In February 2020, Li3 conducted a reconnaissance geochemical and geological mapping program at the company's Warriedar West Prospect. The program was undertaken by multiple teams with sample spacing for the initial work on a 500m offset grid pattern. Parts of the planned program were not completed due to logistical challenges associated with the outbreak of the COVID-19 and areas of deeper than expected transported cover.

During the quarter, in the areas completed, several multi-square-kilometer anomalous areas of gold and indicator elements such as Arsenic, Antimony and Tungsten are visible. These anomalies are considered to be reflective of Intrusive Related Gold (IRG) systems which show affinity for certain ratios of these elements. <sup>2</sup>



**Figure 2: War West zone sampling with IRG indicator elements AsBiMoSbTeW (ppm)**

### Messenger

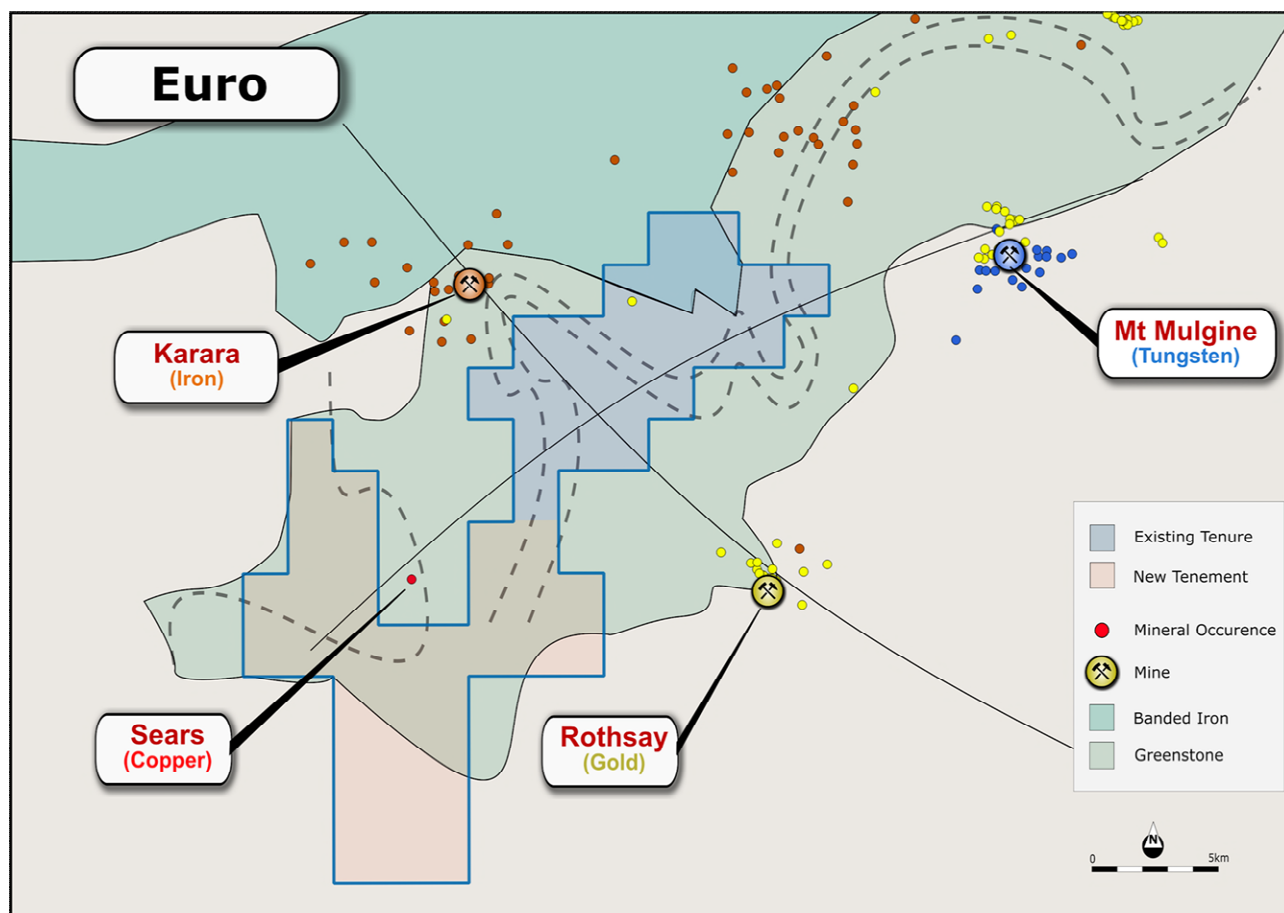
The Messenger Project comprises 2 tenements (1 granted, 1 pending) for a total of 93km<sup>2</sup> located nearby the world class EMR Golden Grove base and precious metal mine. The Messenger Project has outcrops of the key Golden Grove Unit as well as large outcrops of underexplored mafics, ultramafics and greenstone and associated quartz lodes.

Although hindered by COVID-19 restrictions, exploration work undertaken included desktop studies and initial reconnaissance mapping.

### Euro

The Euro Project comprises 4 pending tenements for a total of 176.5km<sup>2</sup> located in the same geological structures (folded greenstones) which host several major deposits including the Rothsay Gold Mine, Mount Mulgine Tungsten Project and the Karara Iron Mine.

Work completed during the quarter included data compilation and analysis.



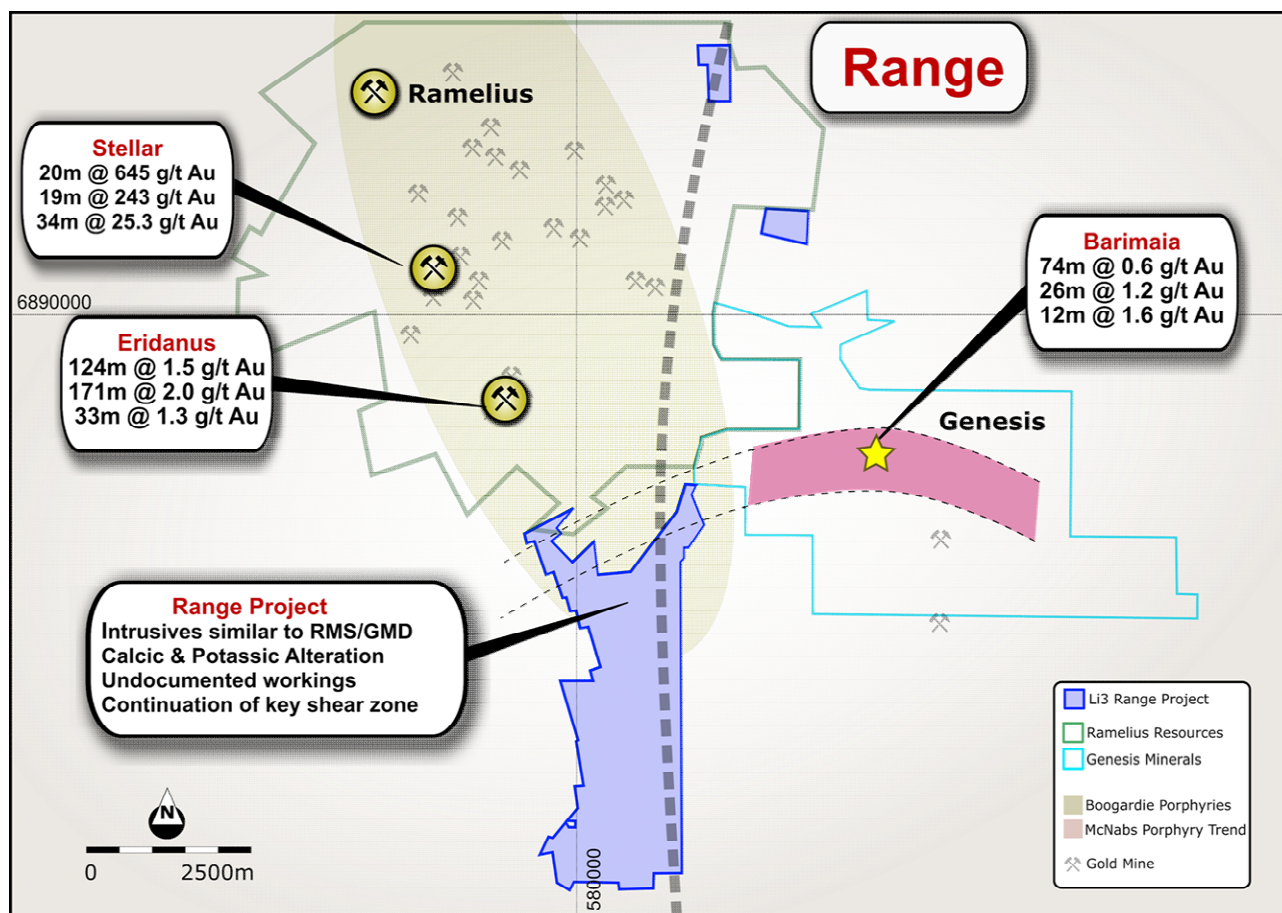
**Figure 3 - Euro Project Overview**

## Mt Magnet Region

### Range

Located in the heart of the Mount Magnet mineral field and 5km along strike of the prolific +6Moz Mount Magnet Operations, the Range Project consists of 17 tenements for 20km<sup>2</sup>. Work completed during the quarter included continued data digitisation and analysis which will lead into drill planning in the next quarter.





**Figure 4 - Range Project Overview**

### Yilgarn Lithium Project (YLP)

The YLP consists of 3 tenements (1 granted 2 pending) for a total of 105.4km<sup>2</sup>. Activities conducted during the quarter include further technical review and data analysis.

### Li3 Zimbabwe and Mozambique Projects

On 11 June 2020, Li3 announced it had entered into a sales agreement with Premier African Minerals Ltd (Premier) for Premier to acquire Li3's African assets in Zimbabwe and Mozambique. <sup>3</sup>

Premier is an African focussed resources company with complimentary projects in Zimbabwe, Namibia and Mozambique and listed on the London Alternative Investment Market (AIM) under the ticker (PREM). Subsequent to the end of the quarter, Premier completed its due diligence enquiries and paid both the purchase consideration of AUD\$150,000 plus the payment of inspection fees for the claims in Zimbabwe through the issue of 124,512,702 Premier shares to Li3 issued at a deemed issue price of 0.0744p ("Consideration Shares"), the issue price being the daily volume weighted average price during the five days trading days immediately prior to completion.

Premier has advised Li3 that it expects the Consideration Shares to be admitted to trading on AIM on or around 10 August 2020.

## Corporate

On 25 June 2020, the Company announced a non-underwritten non renounceable 1-for-2 pro-rata Entitlement Offer (Offer) of shares (New Shares) to raise up to \$1.178 million to progress the next phase of exploration at its 100%-owned Warriedar Project in the Murchison region of Western Australia <sup>4</sup>.

The Offer was available to all shareholders with registered addresses in Australia and New Zealand and provided the opportunity to subscribe for 1 New Share for every 2 shares held at an offer price of \$0.016 per New Share.

On 24 July 2020, the Company advised shareholders subscribed for 51,121,816 shares (raising \$817,949), representing a 69.43% take-up of their rights entitlement and leaving a shortfall of 22,511,599 shares <sup>5</sup>.

Under the terms of the Offer Issue as outlined in section 1.10 of the Rights Issue Offer Document, the Directors, in conjunction with the Lead Manager, RM Corporate Finance Pty Ltd (RM), may allocate the shortfall at their discretion within 3 months of the closing date of the Offer. Following this notification, various parties, introduced by RM, who have previously expressed potential interest in taking up the shortfall have been approached and the Company expects to place the shortfall in early August 2020.

Li3 announced the intention to seek shareholder approval to change the Company's name to Tempest Minerals Limited <sup>6</sup>. The Company believes the new name is reflective of the move to a broader business strategy which will take advantage of our wider multi-commodity skill sets and project potential.

A total of \$149,000 was paid to related parties during the quarter comprising the Managing Director's salary and consulting fees and Non-Executive Director fees. During the quarter, Galt Mining Solutions Pty Ltd, a company in which directors Don Smith and Owen Burchell have a beneficial interest, was paid \$43,000 for management and technical services provided to the Company for the surface mapping and geochemistry sampling programs undertaken at the Warriedar Project.

## Growth

Li3 continues to actively investigate and evaluate new growth opportunities in a number of jurisdictions and commodities.

## Sustainability

### Safety

No safety incidents were reported this quarter.

### Health

As with most organisations, the global challenges resulting from COVID-19 pandemic and the respective travel restrictions and isolation requirements in various jurisdictions added a layer of risk which the Company concluded required a temporary cessation of field work in all jurisdictions <sup>7</sup>. In line with regulatory requirements and recommendations, Li3 personnel implemented limited physical interactions and eliminated all non-essential travel.

Non field based work was minimally affected due to the pre-existing company culture already harnessing significant digital systems including interpersonal communications and work flexibility.

Li3 pivoted to data compilation and studies during the period until fieldwork in Western Australia restarted on 10 June 2020. <sup>8</sup>

Li3 remained in communication with the Company's various community stakeholders by virtual means to ensure the safety of all communities.

The Board of the Company has authorised the release of this announcement to the market.

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## **Cautionary Statements**

### Forward-looking statements

This document may contain certain forward-looking statements. Such statements are only predictions, based on certain assumptions and involve known and unknown risks, uncertainties and other factors, many of which are beyond the company's control. Actual events or results may differ materially from the events or results expected or implied in any forward-looking statement.

The inclusion of such statements should not be regarded as a representation, warranty or prediction with respect to the accuracy of the underlying assumptions or that any

forward-looking statements will be or are likely to be fulfilled. Li3 undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date of this document (subject to securities exchange disclosure requirements).

The information in this document does not take into account the objectives, financial situation or particular needs of any person or organisation. Nothing contained in this document constitutes investment, legal, tax or other advice.

## **Competent Person Statement**

The information in this announcement that relates to Exploration Results and general project comments is based on information compiled by Dr Anthony Morey who is a consulting geologist to Lithium Consolidated. Dr Morey is a Member of The Australian Institute of Geoscientists and has sufficient experience relevant to the style of mineralisation under consideration and to the activities 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'. Dr Morey consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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## Appendix A: References

1. Li3 ASX Announcement dated 24 March 2020 “Exploration update – Warriedar Project Murchison Province WA
2. Li3 ASX Announcement dated 22 April 2020 “Warriedar Exploration Update – Large gold anomaly identified”
3. Li3 ASX Announcement dated 11 June 2020 “Enters Sale Agreement for Disposal of African Projects”
4. Li3 ASX Announcement dated 25 June 2020 “Entitlement Issue to underpin next phase of exploration”
5. Li3 ASX Announcement dated 24 July 2020 “Results of Rights Issue Offer”
6. Li3 ASX Announcement dated 25 June 2020 “Li3 to rename to Tempest Minerals Limited”
7. Li3 ASX Announcement dated 06 April 2020 “Li3 - COVID-19 Update”
8. Li3 ASX Announcement dated 10 June 2020 “Fieldwork Restarted”



## Appendix B: Exploration Tenements

Li3 provides the following addendum in relation to additional information required by Listing Rule 5.3.3

**Mining Tenements, Beneficial Interests and agreements held as at the end of the quarter:**

### Australia

License	Status	Li3 Interest %	Notes
<b>Yalgoo Region</b>			
<b>Messenger</b>			
E 5902350	Granted	100	-
E 5902381	Granted	100	-
<b>Warriedar</b>			
E 5902224	Granted	100	-
E 5902308	Granted	100	-
E 5902374	Granted	100	-
E 5902375	Granted	100	-
<b>Euro</b>			
E 5902319	Pending	100	-
E 5902410	Pending	100	-
E 5902418	Pending	100	-
E 5902419	Pending	100	-
<b>Mount Magnet Region</b>			
<b>Range</b>			
P 5801770	Granted	100	-
P 5801773	Granted	100	-
P 5801781	Granted	100	-
P 5801783	Granted	100	-

P 5801784	Granted	100	-
P 5801785	Granted	100	-
P 5801786	Granted	100	-
P 5801787	Granted	100	-
M 5800229	Granted	100	-
P 5801680	Granted	100	-
P 5801698	Granted	100	-
P 5801753	Granted	100	-
P 5801761	Granted	100	-
P 5801768	Granted	100	-
P 5801769	Granted	100	-
P 5801774	Granted	100	-
P 5801796	Granted	100	-
<b>YLP (Yilgarn Lithium Project)</b>			
E 7005321	Granted	100	-
E 7702384	Pending	100	-
E 6301815	Pending	100	-

## Zimbabwe

License	Status	Li3 %	Comment
<b>Day Dawn</b>			
M4940BM	Granted	100	Sold subsequent to quarter end
M5035BM	Granted	100	Sold subsequent to quarter end
M5036BM	Granted	100	Sold subsequent to quarter end
M5037BM	Granted	100	Sold subsequent to quarter end
<b>Chisuma</b>			
M4950BM	Granted	100	Sold subsequent to quarter end
M4951BM	Granted	100	Sold subsequent to quarter end
M4952BM	Granted	100	Sold subsequent to quarter end

M4953BM	Granted	100	Sold subsequent to quarter end
M4954BM	Granted	100	Sold subsequent to quarter end
M5044BM	Granted	100	Sold subsequent to quarter end
<b>Bepe</b>			
M5018BM	Granted	100	Sold subsequent to quarter end
M5019BM	Granted	100	Sold subsequent to quarter end
M5017BM	Granted	100	Sold subsequent to quarter end
M5020BM	Granted	100	Sold subsequent to quarter end
M4915BM	Granted	100	Sold subsequent to quarter end
M5022BM	Granted	100	Sold subsequent to quarter end
M4920BM	Granted	100	Sold subsequent to quarter end
M5023BM	Granted	100	Sold subsequent to quarter end
M4923BM	Granted	100	Sold subsequent to quarter end
M4918BM	Granted	100	Sold subsequent to quarter end
M4917BM	Granted	100	Sold subsequent to quarter end
M4919BM	Granted	100	Sold subsequent to quarter end
M4921BM	Granted	100	Sold subsequent to quarter end
M4922BM	Granted	100	Sold subsequent to quarter end
M5021BM	Granted	100	Sold subsequent to quarter end
<b>Nels Luck</b>			
M4966BM	Granted	100	Sold subsequent to quarter end
M4914BM	Granted	100	Sold subsequent to quarter end
M4928BM	Granted	100	Sold subsequent to quarter end
M4929BM	Granted	100	Sold subsequent to quarter end
M4971BM	Granted	100	Sold subsequent to quarter end
M4972BM	Granted	100	Sold subsequent to quarter end
M4930BM	Granted	100	Sold subsequent to quarter end
M4973BM	Granted	100	Sold subsequent to quarter end
<b>Odzi West</b>			
M5034BM	Granted	100	Sold subsequent to quarter end
M5097BM	Granted	100	Sold subsequent to quarter end
M5098BM	Granted	100	Sold subsequent to quarter end
M5099BM	Granted	100	Sold subsequent to quarter end
M6000BM	Granted	100	Sold subsequent to quarter end

M6001BM	Granted	100	Sold subsequent to quarter end
019694AA	Pending	100	Sold subsequent to quarter end
M5032BM	Granted	100	Sold subsequent to quarter end
M5033BM	Granted	100	Sold subsequent to quarter end
M6002BM	Granted	100	Sold subsequent to quarter end
019695AA	Pending	100	Sold subsequent to quarter end
M6004BM	Granted	100	Sold subsequent to quarter end
M6003BM	Granted	100	Sold subsequent to quarter end
M5029BM	Granted	100	Sold subsequent to quarter end
M5030BM	Granted	100	Sold subsequent to quarter end
M5031BM	Granted	100	Sold subsequent to quarter end
M5028BM	Granted	100	Sold subsequent to quarter end
M5024BM	Granted	100	Sold subsequent to quarter end
M5027BM	Granted	100	Sold subsequent to quarter end
M5026BM	Granted	100	Sold subsequent to quarter end
M5025BM	Granted	100	Sold subsequent to quarter end
019696AA	Pending	100	Sold subsequent to quarter end

### Mozambique

License	Status	Li3 %	Comment
L9166	Granted	100	Sold subsequent to quarter end