



4 August 2023

## ASX ANNOUNCEMENT

# TWO +170m THICK LITHIUM CLAYSTONE HITS CONFIRM ENORMOUS SCALE OF NEVADA LITHIUM PROJECT

## Highlights

- Exceptional assay results have confirmed the presence of shallow and thick lithium bearing claystone at the Lone Mountain Prospect within the Nevada Lithium Project (80%), including:
  - 179.8m @ 766ppm Li from 39.6m (WF23-015)
    - Including 19.8m @ 1,010ppm from 80.8m
  - 170.7m @ 764ppm Li from 67.1m to end of hole (WF23-014)
    - Including 27.4m 1,030ppm Li from 112.8m
  - 44.2m @ 542ppm Li from 114.3m (WF23-013) and
  - 22.9m @ 652ppm Li from 163.1m (WF23-013)
- Drilling to date demonstrates the huge scale of the lithium (Li) mineralisation and which remains open.
- The Li mineralisation is hosted in the same geological unit which hosts neighbouring American Lithium's TLC Deposit (TSX: LI) and American Battery Technology Corporation (OTC: ABML).
- The results validate the significance of the initial discovery and highlights a mineralised footprint currently at 3km by 1.3km with a further 2km of prospective strike open to the south.
- Importantly, the depth to higher-grade mineralisation (>1,000ppm Li) has been confirmed shallowing towards the surface on a southerly projection.
- The consistency of thickness and Li grade provides confidence to move towards resource definition drilling, which is scheduled to commence in September 2023.
- The follow up Phase 3 drilling programme will also collect samples for initial metallurgical test work and test the remaining regional prospects at San Antonne and Traction.
- A maiden Mineral Resource Estimate (MRE) is targeted to be completed in Q1 2024.
- Lone Mountain is located near the mining hub of Tonopah in the US State of Nevada, which is a premier global mining district and home to other advanced lithium claystone projects such as Rhyolite Ridge (ASX: INR), TLC (TSX: LI), and Thacker Pass (TSX: LAC) which is currently under development.

Future Battery Minerals Limited (ASX: FBM) (FBM or the Company) is pleased to announce **exceptional assay results from the Phase 2 reverse circulation (RC) drilling programme at the Nevada Lithium Project (NLP)**, located near Tonopah in Nevada, USA (Future Battery Minerals 80%).

The Phase 2 programme assay results highlight the scale of the discovery at the NLP. Combining the mineralisation also intercepted in the Phase 1 programme, the mineralised strike length now extends some 3km east-west and 1.3km north-south and which remains open for a further 2km to the south. Downhole thicknesses of up to 179.8m (WF23-015) are now confirmed to be shallowing to the south, including higher-grade (>1,000ppm) mineralisation. The Phase 1 significant results included:

- **109.7m @ 766ppm Li** from 135.6m depth to end of hole, including **29m @ 1,010ppm Li** from a depth of 210.3m (WF23-011)<sup>1</sup>

The Company is currently in the process of planning and obtaining permit for the Phase 3 drilling programme at the NLP. The drilling programme is aiming to infill and extend the current mineralised trend in the NLP. **The drilling is scheduled to commence in September 2023, consisting of both RC and diamond core drilling (DD), with drill hole spacing planned to achieve a Maiden Mineral Resource Estimate (MRE) in the March 2024 quarter.** The DD will also collect samples for early-stage metallurgical test work.

The Company will be exploring the opportunity for US Federal Grants to support funding of the on-going metallurgical test work. There are currently US Department of Defence funding grants available for application, which encourage the advancement and investigation of the viability of critical mineral projects in the United States of America (USA). Furthermore, post releasing a pre-feasibility study (PFS), there are also favourable loans available to eligible Companies from the USA Department of Energy to fund the development of USA located critical mineral projects.

#### FBM Technical Director Robin Cox commented:

*“The assay results from the second round of drilling confirm the outstanding thick intercepts of lithium mineralised claystone, highlighting the significance of the discovery at the NLP. Importantly, the Li intercepts are shallowing to the south with mineralisation now identified at less than 40m down hole and up to 180m in down hole thickness. The significance of the scale is highlighted by the current mineralised east-west strike of 3km and north-south strike of 1.3km, which still remains open to the south for a further 2km. The Company is looking forward to recommencing drilling with the aim of defining a Maiden Mineral Resource (MRE) in the March 2024 quarter”.*

#### Discussion of Drilling Results

The Phase 2 programme was aimed at extending the known Lithium (Li) claystone horizon intercepted during the Phase 1 programme in drill hole WF23-011 at the Western Flats Prospect, consisting of **109.7m @ 766ppm Li from a down-hole depth of 135m which remained open in multiple directions**. During the Phase 1 programme, a total of six (6) holes were drilled within the Western Flats Prospect, which is adjacent to the Lone Mountain claims group area. The focus of the Phase 1 programme was to test the prospectivity of Siebert Formation which host the Li bearing claystone unit.

**The Phase 2 drilling programme successfully intercepted thick and shallow Li mineralisation with results including:**

- **179.8m @ 766ppm from 39.6m (WF23-015)**
  - Including 19.8m @ 1,010ppm from 80.8m
- **170.7m @ 764ppm Li from 67.1m to end of hole (WF23-014)**
  - Including 27.4m 1,030ppm Li from 112.8m
- **44.2m @ 542ppm from 114.3m (WF23-013) and  
22.9m @ 652ppm from 163.1m (WF23-013)**

<sup>1</sup> Refer to 13 April 2023 ASX Announcement - [HIGH GRADE LITHIUM CLAYSTONE DISCOVERED IN NEVADA](#)

**This represents a strike length of 3.km in the east-west. Importantly field mapping of the Lone Mountain Prospect has identified a further 2km strike potential to the south, where it is anticipated that mineralisation will continue and become shallower. The southern extension will be the focus of further drilling in the upcoming Phase 3 RC and DD programme.**

**Based on the current drilling results and the flat lying continuous nature of these lacustrine deposits, the Company now has the confidence to advance towards resource drilling and early-stage metallurgical test work.** This is scheduled to commence in September 2023 following the finalisation of drill permits and availability of drilling contractors. The programme will consist of both wide spaced RC and diamond core drilling (DD). The diamond core will be utilised to collect structural data and to determine any grade variance between RC and core sampling techniques. The diamond core will also be utilised in the on-going metallurgical test work.

**Following the completion of the Phase 3 programme, the Company will initiate a Maiden Mineral Resource Estimate (MRE) of the Lone Mountain Prospect. The MRE is scheduled to be completed in the March 2024 quarter.** The Western Flats and Lone Mountain Prospect area is adjacent to the TLC deposit of American Lithium Corp's (TSXV: LI), which holds NI43-101 Measured and Indicated Resources of 2,052Mt @ 809ppm Li for 8.83Mt Li carbonate equivalent (LCE) contained. Furthermore, the Company's prospects are also adjacent to the Tonopah Flats deposit of American Battery Technology Company' (ABTC) (OTCQX: ABM) contains S-K1300 Inferred resources of 5,289Mt @ 561ppm Li for 15.8Mt LCE contained.

The Phase 2 drilling programme also tested the Heller Prospect with three holes completed for over 300m. The drilling failed to intercept lithologies prospective for Li mineralisation. The Heller Prospect is considered to be adequately tested and no further or follow up work is planned at Heller. **The Company will now focus exploration activities on the Lone Mountain Prospect and the untested regional prospects at San Antone and Traction which will be systematically tested throughout the remainder of 2023.**

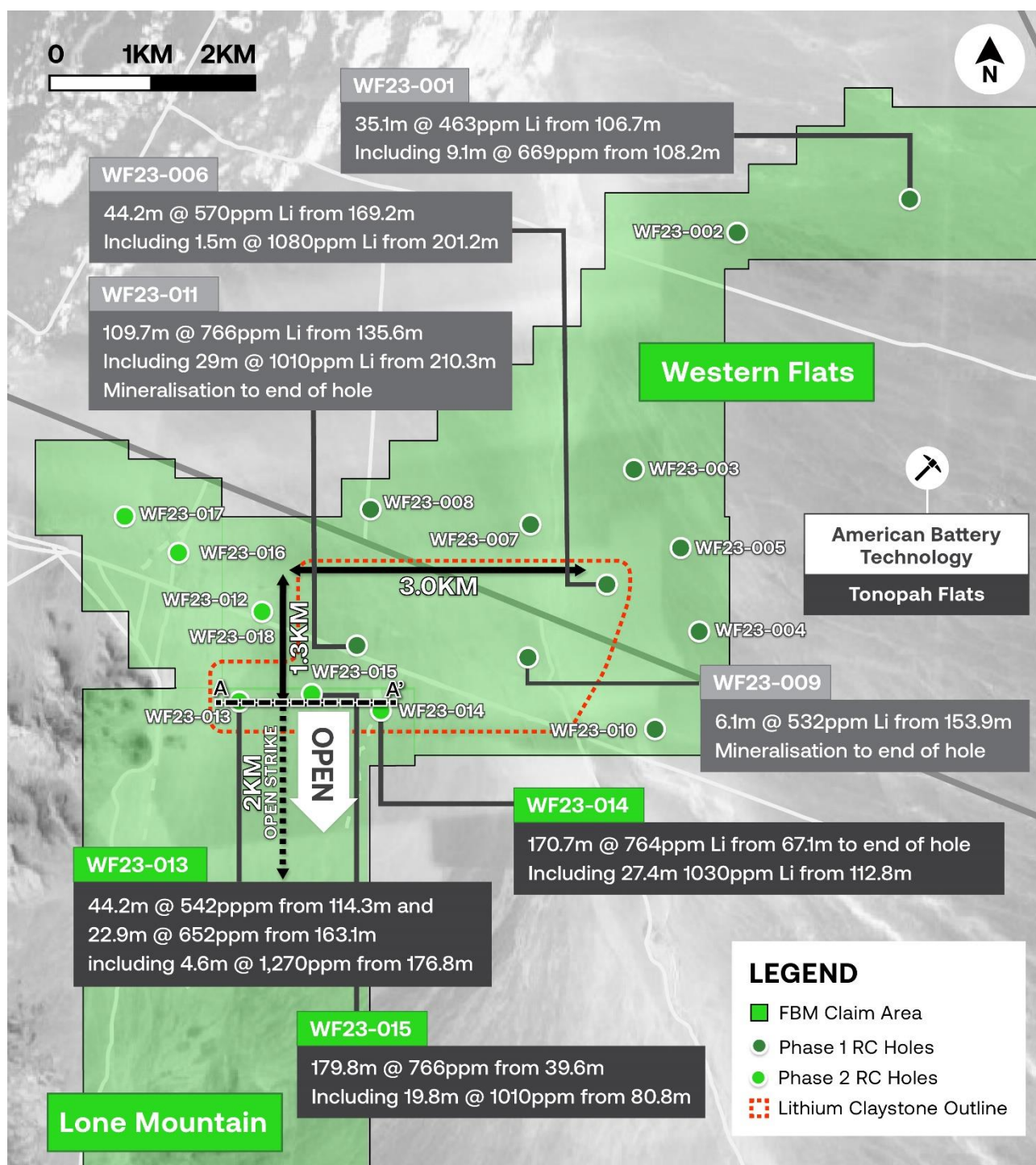
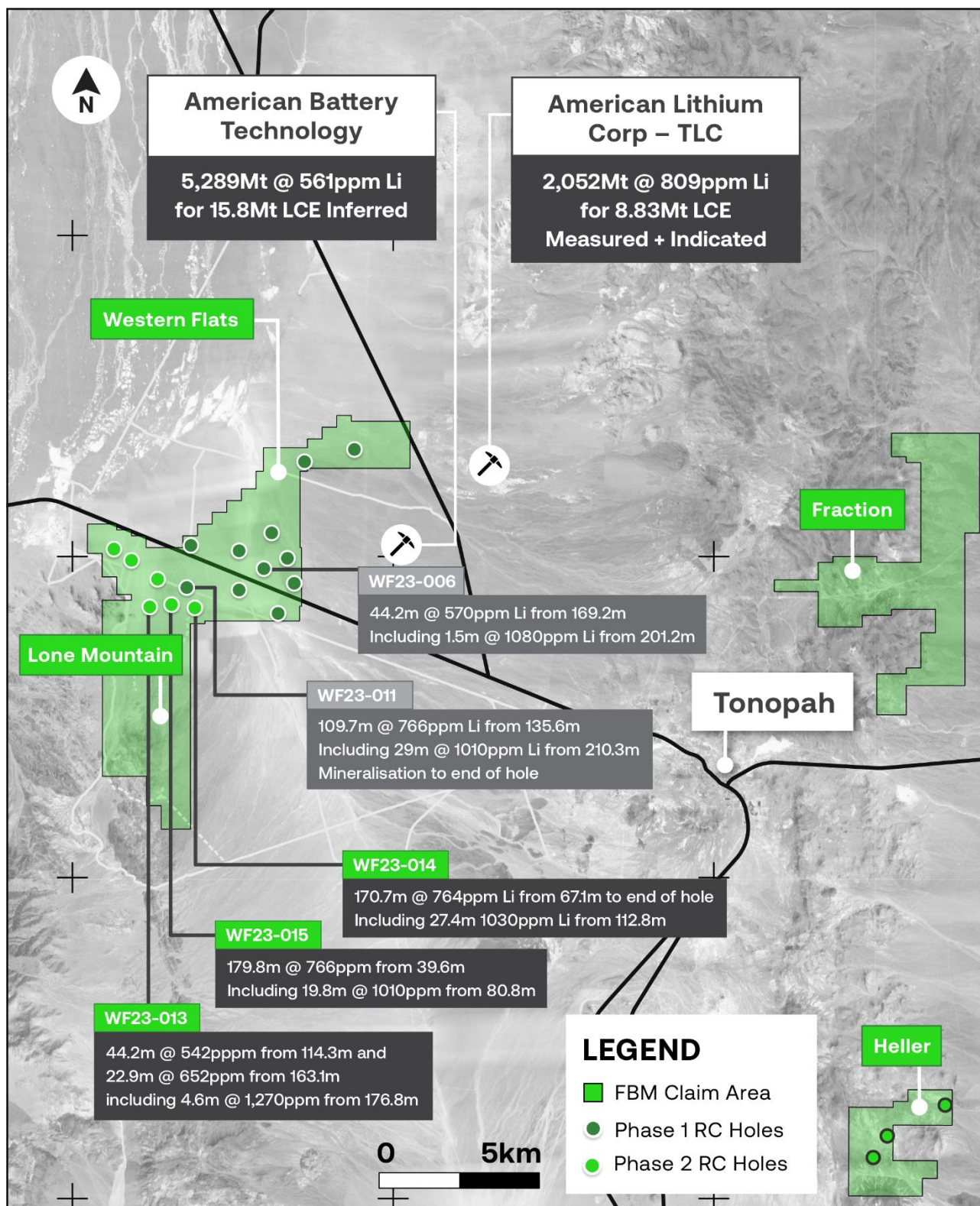
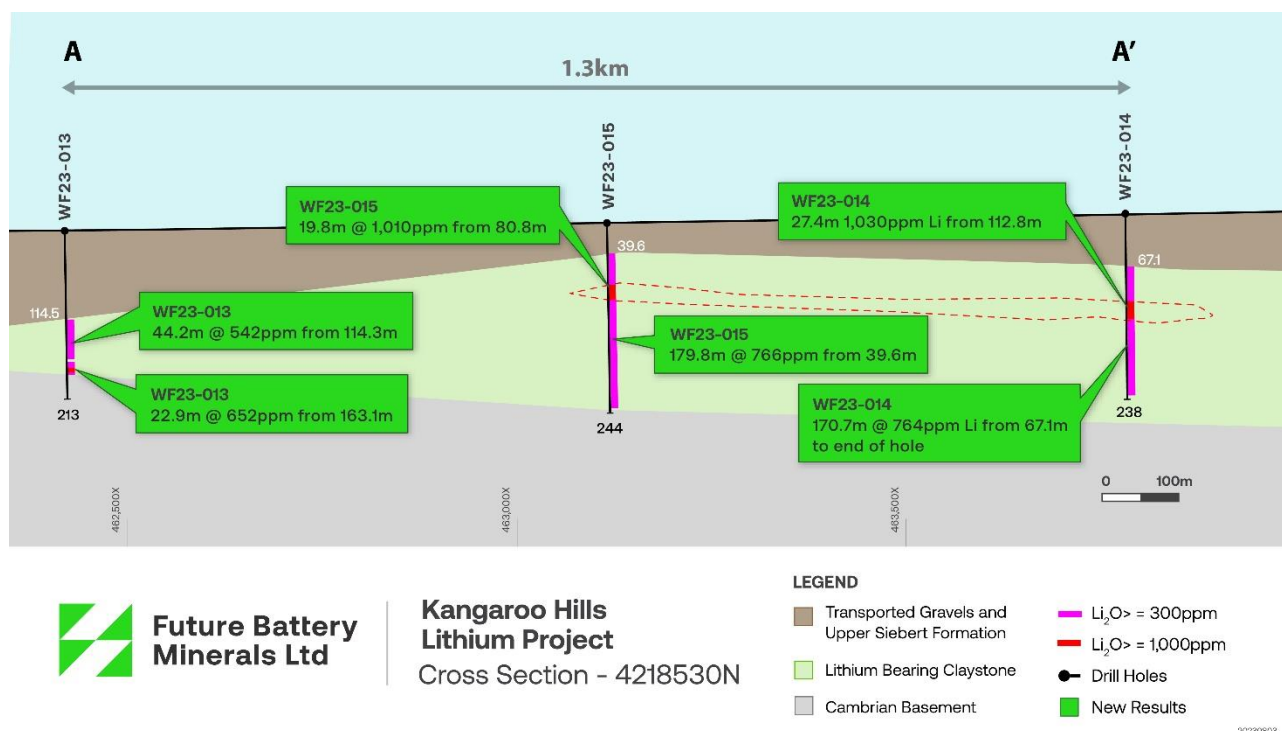


Figure 1: NLP - Drill Hole Locations at Western Flats and Lone Mountain





**Figure 2: NLP Prospects - RC drill hole Locations at Western Flats, Lone Mountain and Heller**



**Figure 3: Schematic Cross Section 4218530N- RC drill hole's WF23-013-WF23-015**

## About the Nevada Lithium Project (NLP) – 80%

The 80% owned Nevada Lithium Project (NLP) consists of five (5) key prospects, Traction, San Antone, Heller, Lone Mountain and Western Flats comprising >90km<sup>2</sup> of ground that is considered highly prospective for larger sedimentary-hosted lithium deposits.

The region is home to several large sedimentary-hosted lithium deposits including Ioneer Resources' (ASX: INR) Rhyolite Ridge and American Lithium Corporation's (TSX.V: LI) (US OTC: LIACF) (Frankfurt: 5LA1) TLC Lithium Project. Albemarle Corporation's (NYSE: ALB) Silver Peak Lithium Mine, currently the only producing lithium mine in North America, lies approximately 45 km to the west of the NLP.

The Company completed its Phase 1 maiden 2,900m reverse circulation (RC) drilling programme in March 2023, which successfully discovered Lithium (Li) bearing claystone lithologies of the Siebert Formation highlighted by the intercept of 109.7m @ 766ppm Li from 135.6m WF23-011. Significantly, thick high-grade Li-claystone was intersected in three additional drill holes at Western Flats Prospect. The Company is currently advancing the projects under a permit referred to as a Notice of Intent (NOI).

The Phase 2 drilling programme in July 2023 successfully intercepted thick and shallow Li mineralisation with results including:

- 179.8m @ 766ppm from 39.6m (WF23-015)
  - Including 19.8m @ 1,010ppm from 80.8m
- 170.7m @ 764ppm Li from 67.1m to end of hole (WF23-014)
  - Including 27.4m 1,030ppm Li from 112.8m

The Company is systematically testing four (4) of the five (5) NLP prospects, after deciding to cease further exploration at the Heller Prospect.

This announcement has been authorised for release by the Board of Directors of the Company.

**-END-**

For further information visit [www.futurebatteryminerals.com](http://www.futurebatteryminerals.com) or contact:

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#### **Competent Persons Statement**

*The information in this announcement that relates to exploration results is based on and fairly represents information compiled by Mr Robin Cox BSc (E.Geol), a Competent Person, who is a Member of the Australian Institute of Mining and Metallurgy. Mr Cox is the Company's Chief Geologist and has sufficient experience that is relevant to the style of mineralisation 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. Mr Cox consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.*

#### **Forward-Looking Statements**

*This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Future Battery Minerals Limited's planned exploration program and other statements that are not historical facts. When used in this document, the words such as "could," "plan," "estimate," "expect," "intend," "may", "potential", "should," and similar expressions are forward-looking statements. Although Future Battery Minerals Limited believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.*

#### **Previously Reported Results**

*There is information in this announcement relating to exploration results which were previously announced on 13 April 2023. Other than those disclosed in the announcement, the Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement.*

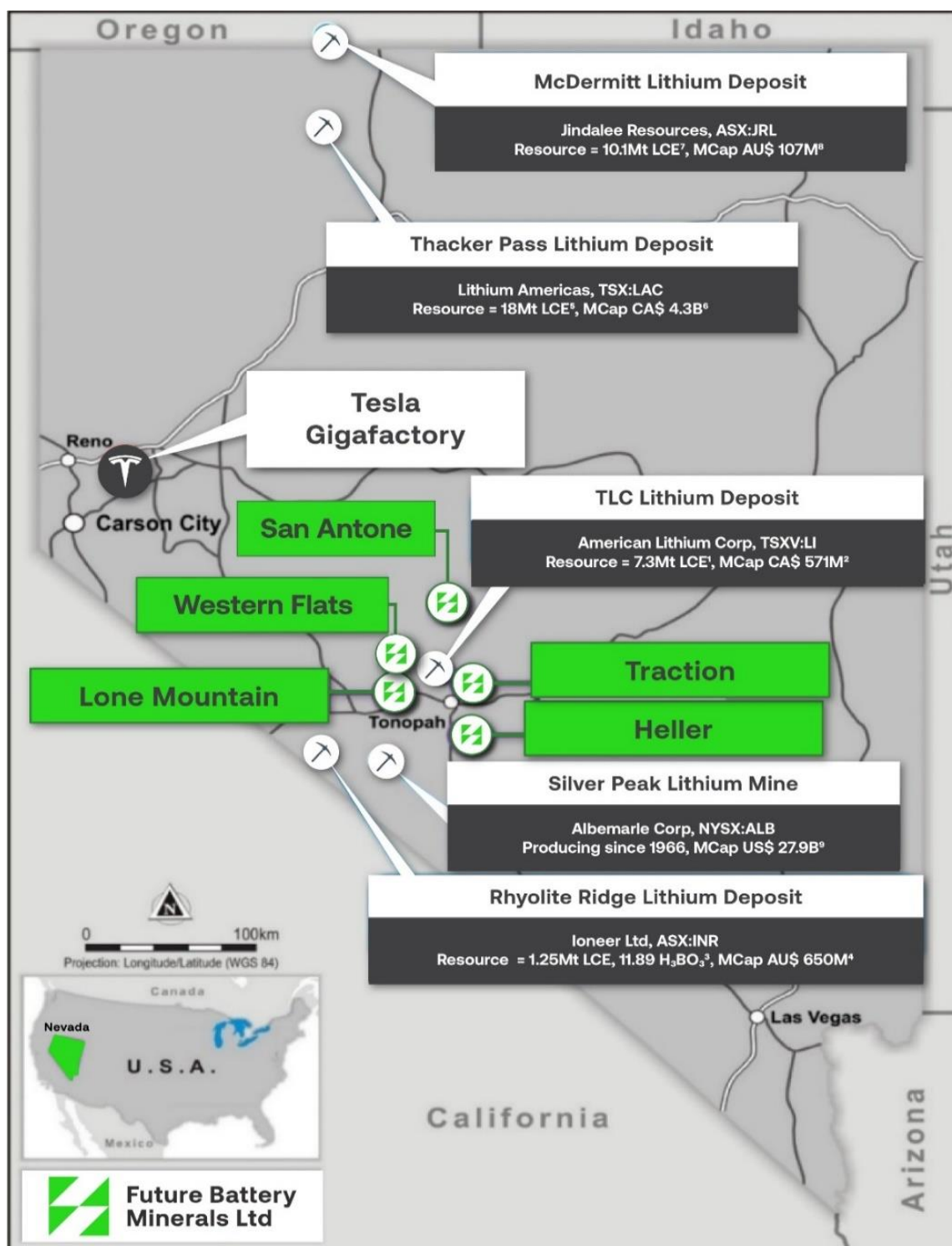


Figure 4 - NLP - Prospect location map



**Table 1 – Table of Significant Intercepts >300ppm Li (Maximum 3m internal waste)**

| Hole ID  | Depth from (m) | Depth to (m) | Interval (m) | Li (ppm) | Significant Intercept and Geological Comment  |
|----------|----------------|--------------|--------------|----------|---|
| WF23-012 | --             |              |              | NSI      | Hole abandoned due to gravel cave in, redrilled with WF23-018                                     |
| WF23-013 | 114.3          | 158.5        | 44.2         | 542      | 44.2m @ 542ppm Li from 114.3m   |
| WF23-013 | 163.1          | 186          | 22.9         | 652      | 22.9m @ 652ppm Li from 163.1m<br>Including 4.6m @ 1270ppm Li from 176.8m                          |
| WF23-014 | 67.1           | 237.8        | 170.7        | 764      | 170.7m @ 764ppm Li from 67.1m<br>Including 27.4m 1,030ppm Li from 112.8m                          |
| WF23-015 | 39.6           | 219.4        | 179.8        | 766      | 179.8m @ 766ppm from 39.6m<br>Including 19.8m @ 1,010ppm from 80.8m                               |
| WF23-016 |                |              |              | NSI      | Volcanics/basement intercepted under transported gravel cover – Non Li Bearing                    |
| WF23-017 |                |              |              | NSI      | Volcanics/basement intercepted under transported gravel cover                                     |
| WF23-018 |                |              |              | NSI      | Seibert intercepted at 118.9m down hole – Hole abandoned due to conditions– Re-drilling required. |
| H23-001  |                |              |              | NSI      | Hole intercepted andesite and tuffaceous sediments – Non Li bearing                               |
| H23-002  |                |              |              | NSI      | Hole intercepted andesite and tuffaceous sediments – Non Li bearing                               |
| H23-003  |                |              |              | NSI      | Hole intercepted andesite and tuffaceous sediments – Non Li bearing                               |

**Table 2 - Drill hole location table, RC drilling at Nevada Li Project, project NAD 83 UTM Zone 11N**

| Hole ID  | EASTING (m) | NORTHING (m) | RL (m) | Max Depth (m) | Dip (degrees) | Azimuth (degrees) |
|----------|-------------|--------------|--------|---------------|---------------|-------------------|
| WF23-012 | 462633      | 4219352      | 1490   | 85.3          | -90           | 0                 |
| WF23-013 | 462425      | 4218485      | 1490   | 213.4         | -90           | 0                 |
| WF23-014 | 463792      | 4218482      | 1490   | 237.7         | -90           | 0                 |
| WF23-015 | 463120      | 4218565      | 1490   | 243.8         | -90           | 0                 |
| WF23-016 | 461848      | 4219927      | 1490   | 73.2          | -90           | 0                 |
| WF23-017 | 461317      | 4220278      | 1490   | 79.2          | -90           | 0                 |
| WF23-018 | 462642      | 4219353      | 1490   | 195.1         | -90           | 0                 |
| H23-001  | 487244      | 4202932      | 1490   | 79.2          | -90           | 0                 |
| H23-002  | 485449      | 4201967      | 1490   | 121.9         | -90           | 0                 |
| H23-003  | 484975      | 4201244      | 1490   | 105.2         | -90           | 0                 |

## JORC Code, 2012 Edition, Table 1

### Section 1: Sampling Techniques and Data

| CRITERIA                     | EXPLANATION   | COMMENTARY  |
|------------------------------|---|---|
| <b>Sampling techniques</b>   | <ul style="list-style-type: none"> <li>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</li> <li>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> <li>Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1m samples from which 3kg was pulverised to produce a 30g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</li> </ul> | <p><b>Soil Samples</b></p> <ul style="list-style-type: none"> <li>At each prospect, soil samples were taken at all claim corners, on approximately 183 x 457 m rectangular grid.</li> <li>At each site the sampling crew collected ~0.5 kg samples from the bottom of the B horizon, at 20 - 25 cm depth. Samples were coarsely (~5 mm) screened in the field, and then placed into 5" x 7" polyethylene bags for transport and delivery to the assay lab.</li> <li>No duplicates at this time.</li> </ul> <p><b>Rock Chip Samples</b></p> <p>At the Traction &amp; Lone Mountain properties soil anomalies sites were visited by NV Resources geologists in November 2021 &amp; January 2022</p> <ul style="list-style-type: none"> <li>Outcrops were chip sampled along ~1-2 m channels – with efforts made to cross-cut bedding at the steepest possible angle.</li> <li>Where only subcrop was present, representative samples were gathered across ~1-2 m<sup>2</sup> areas.</li> <li>Samples were placed in 7" x 12.5" poly-cotton bags for transport and delivery to the assay lab.</li> <li>No duplicates at this time.</li> </ul> <p><b>RC Drilling Samples</b></p> <ul style="list-style-type: none"> <li>RC drill Samples create a 1.5m down hole sample; and</li> <li>Sample weights range between 3-5kg</li> </ul> |
| <b>Drill sample recovery</b> | <ul style="list-style-type: none"> <li>Method of recording and assessing core and chip sample recoveries and results assessed.</li> <li>Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> <li>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</li> </ul>  | <p><b>RC Drilling.</b></p> <ul style="list-style-type: none"> <li>Sample recovery is noted in the field for each individual sample and weighed at the laboratory during sample preparation. Sample is collected via a cyclone and splitter attached to the drill rig, which is considered standard for RC sampling.</li> <li>No relationship between sample recovery and grade has been yet observed and no sample bias is believed to have occurred.</li> </ul>  |
| <b>Logging</b>               | <ul style="list-style-type: none"> <li>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</li> <li>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</li> <li>The total length and percentage of the relevant intersections logged.</li> </ul>  | <p><b>Future Battery Minerals Limited (FBM):</b></p> <ul style="list-style-type: none"> <li>Drill chips are lithologically logged by Geologists in the field;</li> <li>Logging is qualitative, recording rock type and mineral abundance; and</li> <li>Logging of RC chips is conducted on a 1.5 metre sample size.</li> </ul>  |

| CRITERIA  | EXPLANATION  | COMMENTARY  |
|---|--|---|
| <b>Sub-sampling techniques and sample preparation</b> | <ul style="list-style-type: none"> <li>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</li> <li>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> <li>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</li> <li>Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling.</li> <li>Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>          | <p><b>Soil Samples -:</b></p> <ul style="list-style-type: none"> <li>Dry samples.</li> <li>Soils in this semi-arid to arid region are sandy; 0.5 kg samples should capture a representative range of soil at all sites.</li> <li>The sampling protocol conformed to standard practice in the region.</li> <li>ALS Minerals, prep package PREP-41 was used for all soils submittals.</li> </ul> <p><b>Rock Chip Samples -:</b></p> <ul style="list-style-type: none"> <li>Dry samples.</li> <li>~1-2 kg average sample weight.</li> <li>Sampling protocol &amp; QC as described above. Sampling technique was optimized to obtain representative samples of very weakly indurated claystone, ash tuffs, &amp; compacted fine-grained siliciclastic sediments.</li> <li>ALS Minerals, prep package PREP-31 was used for all rock chip submittals.</li> </ul> <p><b>RC Chip Samples</b></p> <ul style="list-style-type: none"> <li>1.5m RC percussion, sample is split via a cyclone and splitter attached to the drill rig to produce a bagged 3-5kg sample.</li> <li>Certified reference material and blank material are inserted every 20 samples as per company QA/QC procedure for RC.</li> <li>Field duplicates collected from the Cyclone and cone splitter are inserted every 60 samples</li> <li>No further sub sampling has been conducted</li> <li>Certified reference material is inserted every 20 samples as per the company QA/QC procedure.</li> </ul> |
| <b>Quality of assay data and laboratory tests</b>     | <ul style="list-style-type: none"> <li>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</li> <li>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.</li> <li>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.</li> </ul> | <ul style="list-style-type: none"> <li>ALS Minerals, multi element analysis method ME-MS63 utilised for all samples, consisting of 4-acid digestion with ICP-MS and ICP-AES analysis.</li> <li>No duplicates or blanks were submitted in the sampling procedure.</li> <li>QC Laboratory Blanks and Standards were inserted at a ratio 1:10.</li> </ul>  |
| <b>Verification of sampling and assaying</b>          | <ul style="list-style-type: none"> <li>The verification of significant intersections by either independent or alternative company personnel.</li> <li>The use of twinned holes.</li> <li>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</li> <li>Discuss any adjustment to assay data.</li> </ul>  | <ul style="list-style-type: none"> <li>A CP conducted a site visit of the anomalous (&gt;500ppm Li) soil samples and rock chip samples to verify that claystone is present. Mineralisation is not visible in hand sample.</li> <li>Samples have not been duplicated.</li> <li>All primary paper data is held at NV Resources office; digitised data is backed up onto an online cloud storage</li> </ul>  |

| CRITERIA   | EXPLANATION  | COMMENTARY   |
|--|--|--|
|  |  | (Dropbox).<br>• No adjustments to assays have occurred.  |
| <b>Location of data points</b>                                 | <ul style="list-style-type: none"> <li>Accuracy and quality of surveys used to locate drill-holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</li> <li>Specification of the grid system used.</li> <li>Quality and adequacy of topographic control.</li> </ul>  | <ul style="list-style-type: none"> <li>Soil samples were surveyed in UTM coordinates, NAD83 UTM zone 11N datum, by handheld GPS</li> <li>Rock chip samples were surveyed in UTM coordinates, NAD83 UTM zone 11N datum, by handheld GPS</li> <li>Drill collars were surveyed in UTM coordinates, NAD83 UTM zone 11N datum, by handheld GPS</li> </ul>   |
| <b>Data spacing and distribution</b>                           | <ul style="list-style-type: none"> <li>Data spacing for reporting of Exploration Results.</li> <li>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</li> <li>Whether sample compositing has been applied.</li> </ul>                                 | <ul style="list-style-type: none"> <li><b>Soil</b> sample spacing is sufficient to establish lithium anomaly clustering &amp; to delineate sites for more advanced exploration</li> <li><b>Rock chip</b> sampling has supported soils lithium anomaly results at Traction &amp; Lone Mountain prospects</li> <li><b>Drill Holes</b> were designed with consideration to accessibility and to test stratigraphy across select portions of the prospects. Drilling was not at this stage designed for resource estimation purposes.</li> </ul> |
| <b>Orientation of data in relation to geological structure</b> | <ul style="list-style-type: none"> <li>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</li> <li>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</li> </ul> | <ul style="list-style-type: none"> <li><b>Soils:</b> Structural controls were not delineated by surface grid sampling</li> <li><b>Rock chips:</b> rock chip sampling targeted assessment of favourable stratigraphy &amp; confirmation of soils grid results. Structural framework has not been addressed in surface sampling.</li> <li><b>Drill Holes:</b> Stratigraphic units are considered to be relatively flat laying hence drilling has been conducted vertically.</li> </ul>   |
| <b>Sample security</b>   | <ul style="list-style-type: none"> <li>The measures taken to ensure sample security.</li> </ul>  | <ul style="list-style-type: none"> <li><b>Soils:</b> soil samples were kept in bags on the back of the samplers truck until delivery to the transportation and/or laboratory facility.</li> <li><b>Rock chips:</b> samples were kept locked in consultant geologist's truck from time of sampling to delivery at ALS assay lab in Reno, NV</li> <li><b>Drill Holes:</b> Samples collected in marked calico bags and immediately stored in sealed bulka bags for transport to ALS assay Lab in Reno NV post drill hole.</li> </ul>            |
| <b>Audits or reviews</b>                                       | <ul style="list-style-type: none"> <li>The results of any audits or reviews of sampling techniques and data.</li> </ul>  | <ul style="list-style-type: none"> <li>No independent audit or review has been undertaken.</li> </ul>  |



## Section 2: Reporting of Exploration Results

| CRITERIA                                       | EXPLANATION   | COMMENTARY  |
|--|---|---|
| <b>Mineral tenement and land tenure status</b> | <ul style="list-style-type: none"> <li>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</li> <li>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</li> </ul>  | <p>FBM owns 80% of the Nevada Lithium Project (NLP). All mining claims are filed as BLM claims. The Project is made up of the following unpatented BLM mining claims:</p> <ul style="list-style-type: none"> <li>Heller Prospect consists of 82 filed lode claims</li> <li>Lone Mountain Prospect consists of 242 filed lode claims</li> <li>San Antone Prospect consists of 243 filed lode claims</li> <li>Traction Prospect consists of 204 filed lode claims</li> <li>There are no known issues with regard to access or environment.</li> <li>The lode claims are in good standing and no known encumbrances exist.</li> <li>Western Flats consists of 253 filed lode claims</li> </ul> |
| <b>Exploration done by other parties</b>       | <ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>   | <ul style="list-style-type: none"> <li>At all four prospects, previous work has been conducted by NV Resources and its consultants, being the vendors of the NLP to FBM.</li> <li>Data collected by this entity has been reviewed in detail by FBM.</li> </ul>  |
| <b>Geology</b>                                 | <ul style="list-style-type: none"> <li>Deposit type, geological setting and style of mineralisation.</li> </ul>   | <ul style="list-style-type: none"> <li>The Heller, Lone Mountain, San Antone, Western Flats and Traction Prospects are considered prospective for lithium clay mineralisation.</li> <li>Lithium anomalism/mineralisation is hosted in weakly indurated Tertiary lacustrine claystone &amp; ashfall units, in the Basin and Range Province of Nevada, USA</li> </ul>   |
| <b>Drill-hole Information</b>                  | <ul style="list-style-type: none"> <li>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: <ul style="list-style-type: none"> <li>easting and northing of the drill-hole collar</li> <li>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill-hole collar</li> <li>dip and azimuth of the hole</li> <li>down hole length and interception depth</li> <li>hole length.</li> </ul> </li> <li>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 Person should clearly explain why this is the case.</li> </ul> | <ul style="list-style-type: none"> <li>Relevant historical drill-hole information is included in this announcement however data is limited.</li> <li>All location data from FBM recently completed drilling has been provided in Table 1.</li> </ul>  |
| <b>Data aggregation methods</b>                | <ul style="list-style-type: none"> <li>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</li> </ul>  | <ul style="list-style-type: none"> <li>No data aggregation used</li> <li>Metal equivalent values have not been used.</li> </ul>   |

| CRITERIA   | EXPLANATION   | COMMENTARY   |
|--|---|--|
|  | <p>and should be stated.</p> <ul style="list-style-type: none"> <li>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.</li> <li>The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>        |  |
| <b><i>Relationship between mineralisation widths and intercept lengths</i></b> | <ul style="list-style-type: none"> <li>These relationships are particularly important in the reporting of Exploration Results.</li> <li>If the geometry of the mineralisation with respect to the drill-hole angle is known, its nature should be reported.</li> <li>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').</li> </ul> | <ul style="list-style-type: none"> <li>Reported results are down hole intercepts only</li> <li>Geological interpretation of the unit assumes a flat lying lithology</li> <li>Further drilling will be required to confirm this.</li> </ul> |
| <b><i>Diagrams</i></b>   | <ul style="list-style-type: none"> <li>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.</li> </ul>  | <ul style="list-style-type: none"> <li>Relevant diagrams have been included within the announcement.</li> </ul>  |
| <b><i>Balanced reporting</i></b>   | <ul style="list-style-type: none"> <li>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.</li> </ul>   | <ul style="list-style-type: none"> <li>All results from the programme have been reported in Table 1.</li> </ul>  |
| <b><i>Other substantive exploration data</i></b>                               | <ul style="list-style-type: none"> <li>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.</li> </ul>           | <ul style="list-style-type: none"> <li>No other substantive data exists.</li> </ul>  |
| <b><i>Further work</i></b>   | <ul style="list-style-type: none"> <li>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).</li> <li>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</li> </ul>   | <ul style="list-style-type: none"> <li>Further drilling (Phase 3) is currently being planned.</li> </ul>   |