LITHIUM PLUS PTY LTD

Lithium Plus Pty Ltd

ABN 626 593 799

EL31148

Barrow Creek

Annual Technical Report

3/10/17 – 2/10/18

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250 000 K mapsheet	Barrow Creek (SF53-06)
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Summary

Lithium Plus Pty Ltd acquired EL31148 from Kingston Resources Ltd through a corporate transaction incorporating a larger package of Northern Territory tenements covering the Bynoe and the Arunta regions. This package of tenements is targeting the area's potential to host hard rock lithium in pegmatite mineralisation.

The current price increase and interest in lithium is due to its increased global demand as a result of its use in battery technologies. This resulted in a 'lithium rush' with numerous exploration licences pegged or re-evaluated based on its pegmatite hosted lithium prospectivity. EL31148 was pegged to explore for pegmatite hosted lithium mineralisation.

During the reporting period Lithium Plus undertook a sampling program on EL31148 following up on the initial reconnaissance field trip to the Unnamed mica occurrence by Kingston Resources in 2017. Lithium Plus collected 6 rock chip samples and 117 soil samples within EL31148 whilst re discovering a number of sites of historical mica workings on the edge of outcropping micaceous quartz pegmatite.

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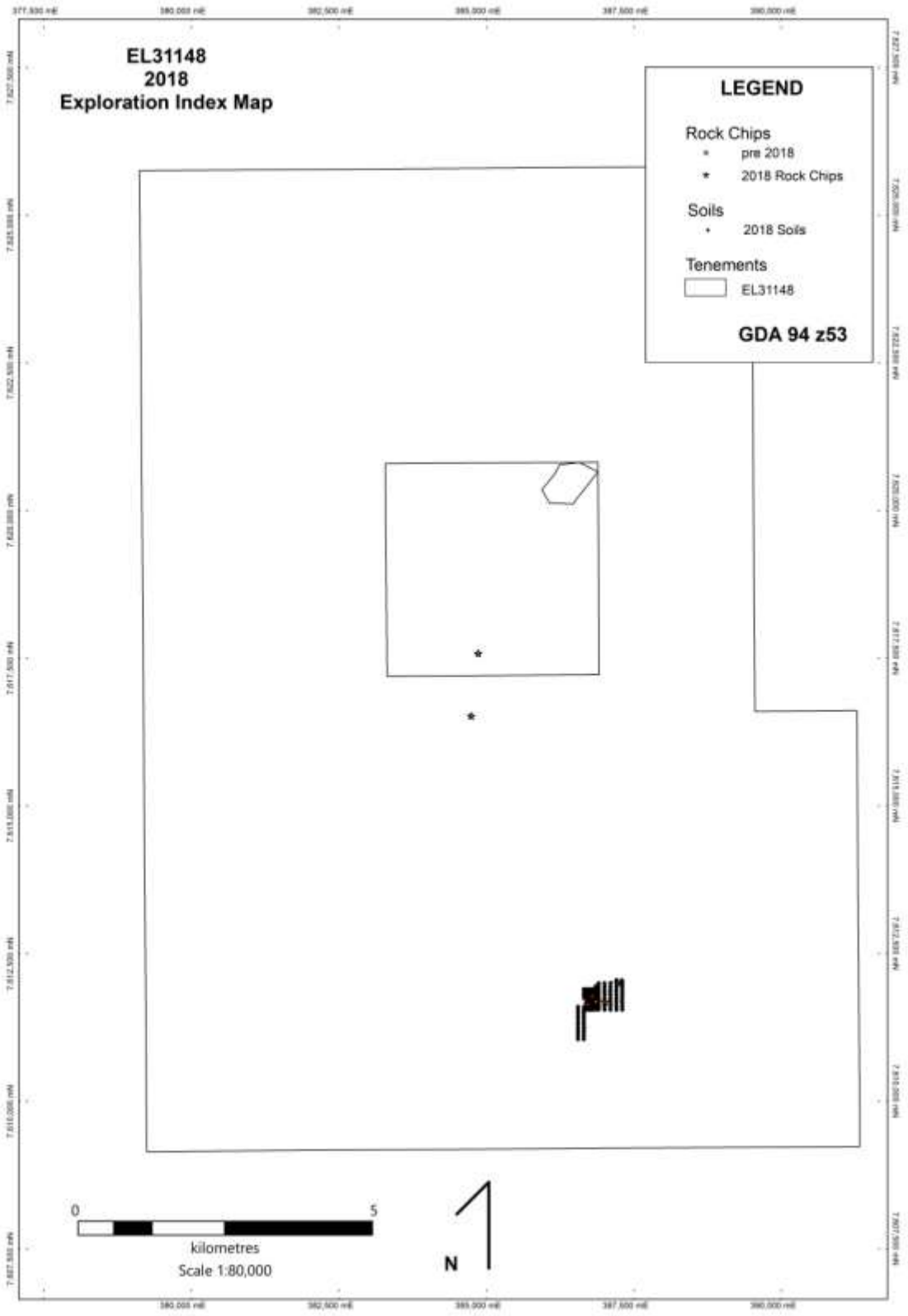

Figure 1: EL31148 Exploration Index Map for 2018

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Location and General Discussion

EL31148 is located within the Aileron Province within the Arunta Region, within central Australia in the Northern Territory. The tenement is located on pastoral land (Neutral Junction Station), it surrounds the township of Barrow Creek which is located on the Stuart Highway, 285km north of Alice Springs.

Access within the tenement is reasonable on the flat sandy plains along station tracks, fence lines and historical tracks.

The climate in the area is semi arid with dry sandy creek beds prone to flood during heavy rains in the summer months.

Tenure

EL31148 is held by Lithium Plus Pty Ltd. Lithium Plus is a privately funded lithium exploration company, who are the operator. The tenement was granted in October 2016 and as such this report represents the second annual technical report for the tenement and the first since Lithium Plus acquired the tenement.

The tenement covers 58 gratitular blocks covering 173km^2.

Tenement	Status	Holder	Land Status	Grant Date	Expiry	Legal Area	Area SqKm
EL31148	Live	Lithium Plus Pty Ltd	Lease	3/10/2016	2/10/2022	58	173

Table 1: EL31148 tenement details

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Previous Exploration Activities

Previous exploration within the current boundaries of EL31148 has focused on tin, tantalum, tungsten, uranium, base metals and gold. No previous exploration for lithium has occurred within EL31148, however hard rock lithium is mineralised within LCT type pegmatites so tantalum in a good indicator. A summary of the previous explorers to hold tenure covering EL31148 is provided in Table 2.

Previous drilling within EL31148 is restricted to a series of shallow aircore holes completed by BHP in 1982, located on the northern boundary of the current tenement which were <10m deep designed to test the top of the weathered basement rocks. Samples were assayed for Nb, Sn, Ta and W. Results within EL31148 drilled holes were not significant.

There are two existing mineral occurrences within EL31148. An Unnamed mica occurrence (02463) the history of which is unknown, but was visited by KSN in 2017 and a uranium occurrence called Barrow Creek. This uranium occurrence was reported to have initially been discovered by a prospector called Jim Weir (Snelling 1980) and subsequently visited and described as containing torbernite and carnotite coatings on fracture plans within the Bean Tree Granite (Barrow Creek Granite). Rock chip assays returned 0.9% and 0.4% U_3O_8 (Clarke 1978).

Title Type Code	Title Number	Date Granted	Date Ceased	Report ID	Holder(s)	Work undertaken within EL31148
AP	2430	25/11/1969	24/05/1972	CR1971-0067, CR1970-0076	Utah Developments	mapping targeting Ta
EL	2064	22/08/1979	21/08/1981	CR1982-0094, CR1981-0087	BHP	targeting W, Sn, Ta RAB drilling
EL	1880	6/12/1978	5/12/1982	CR1982-0273, CR1982-0015, CR1981-0021, CR1980-0115	CRA	targeting uranium and Sn, field tests
EL	24556		7/09/2005	None	ALDERSHOT RESOURCES LTD	No reports
EL	25235		20/09/2006	None	MARINDI METALS LIMITED	No reports
EL	25618		17/09/2007	None	ARNHEM RESOURCES PTY LTD	No reports
EL	23122	6/02/2003	20/12/2007	CR2007-0744, CR2007-0074, CR2007-0060, CR2006-0051, CR2006-0038, CR2005-0021, CR2004-0180, CR2004-0116	TANAMI EXPLORATION NL	Au & Base Metal targeting, rock chip samples
EL	26449		16/06/2008	None	NICHOLSON IRON PTY LTD	No reports
EL	26820	4/04/2012	14/05/2014	CR2014-0443, CR2013-0355	BLACKWOOD CORPORATION LIMITED:	

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					Cockatoo Coal	

Table 2: Previous Explorers within EL31148 tenement area summary

EL31148 1st year activities (2017, Kingston Resources)

Kingston investigated the Unnamed (02463) mica working south east of Barrow Creek where a small shallow scratching was identified approximately 5m × 1m × 1m pit into a pegmatite with micaceous clusters which was sampled (samples 5015-5017)(2017 ATR). The micaceous cluster sample (5015) returned 89ppm Cs, 270ppm Li, 2020ppm Rb and 21ppm Ta whilst a sample taken more representative of the pegmatite (5016) returned 22.5ppm Ta. Kingston noted that from work in other parts of the Arunta Region that mica rich samples can contain elevated Cs, Ta and Li likely to be sourced from within the mica structure or minor weathered lepidolite incorporated into the muscovite cluster. This result is suggestive of an LCT system at this location, with the existence of extensive clean quartz outcrops in the area indicates a larger pegmatite system. However, the results are still low in lithium grade and further surface sampling (rock chips and soils) is required to increase the prospectivitiy of the area.

Geology

Within EL31148 a thin (up to 5m) sandy veneer of in situ and transported soil dominated the landscape and almost completely covers the underlying basement rocks, with localised incisions into the cover sequences at dry drainage channels. The tenement is located on the northern contact of the northern Aileron Province, part of the Arunta Inlier. Basement rocks outcrop along the ridge that form the Crawford Range which strikes north westerly across EL31242.

Extracted and edited from ABM Resources NL - EL 26825 Partial Relinquishment Report – From 27 January 2009 to 26 January 2016; (from Vandenberg 2014)

Granitoids are widespread throughout the northern part of the Aileron Province and extend from Barrow Creek into the Tanami Region to the northwest. These granitoids (-Pg, -Pg>1m, -Pg1, -Pg2, -Pg3, - Pg4, -Pga, -Pgb, -Pgg, -Pgw) intrude Lander Rock Formation and mafic bodies. A variety of textures, grainsizes and compositions are found in the region. Granitoids are typically equigranular to porphyritic biotite-granite, biotite-muscovite granite, medium-to coarse grained quartz-feldspar-muscovite-tourmaline ± garnet leucogranite with metasedimentary enclaves, biotite-granodiorite and monzogranite. Many granitoids display gneissic to locally mylonitic fabric (-Plg). In adjacent Lander Rock Formation local tourmalisation, pseudomorphic replacement of andalusite by quartz-muscovite and growth of minute garnet porphyroblasts (<2mm diameter) are interpreted to be associated with contact metamorphism during intrusion. Similarly, local hornfels and calc-silicate rock (-Plc) in areas such as the Ringing Rocks Ta-Sn Prospect may be attributed to contact metamorphism. Pegmatite dykes and sills are common in Lander Rock Formation and in particular the Barrow Creek Sn-Ta-W Pegmatite Field.

The metasedimentary rocks of the Lander Rock Formation, together with mafic and granitic rocks, are overlain by open-folded sedimentary and volcanic rock sequences of the Hatches Creek Group. In Barrow Creek the Hatches Creek Group (-Ph) comprise lower most Gwynne Sandstone (-Phx), interdigitating Tinfish Sandstone (Php) and Strzeleckie Volcanics (-Phq), and the Illoquarra Sandstone (-Phw). These rocks are interpreted to represent shallow-marine and fluviatile sandstone with predominantly subaerial felsic volcanic rocks.

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Exploration Undertaken

During the reporting period Lithium Plus undertook a detailed due diligence of EL31148 as part of a broader review into the Kingston's Northern Territory lithium projects. This work included assessing the potential to host LCT type pegmatites, land access and the previous exploration history. Lithium Plus accessed a series of key indicators when reviewing each area's potential to host lithium bearing pegmatites, including evidence of pegmatites, any historical workings (mica, tin, tantalum) within existing pegmatites and analysis of surface geochemical datasets. Within the broader Arunta tenement package much of the area is sparsely covered by geochemical sampling so Lithium Plus believe that a systematic broad spaced approach is required to properly test the tenure of any potential lithium bearing pegmatites.

Main mica mine in sample area of EL31148

Sample 5190 representative pegmatite from sampled area on EL31148

Figure 2: Photos of the main mica working on EL31148 and sample site of representative coarse grained pegmatite

Lithium Plus undertook a geochemical sampling program within EL31148 following up on the rock chip sampling undertaken by Kingston Resources in 2017. Lithium Plus assessed the outcropping pegmatites south of Barrow Creek identifying a number of further examples of small scale historical mining activity targeting micaceous edge zones in the pegmatite. 6 rock chip samples were collected from within the pegmatite outcrop (Appendix 1) in addition to a 117 soil sample grid designed to test for any evidence of LCT geochemical signatures (Appendix 2).

Results were broadly disappointing with the low lithium, caesium and tantalum soil results suggesting that the outcropping pegmatite is not LCT type. This conclusion is further supported by the rock chip results which failed to identify significant LCT anomalism.

When undertaking rock chip sampling Lithium Plus routinely collect (Appendix 1)

- Sample ID, (on bag + in GPS)
- GPS position (GDA 94),
- Sample position (insitu, mullock or float)
- Photographs of the sample on the labelled sample bag + pre sampling in situ
- Lithological description
- sample date
- collector

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Lithium Plus selectively surface rock chip sample rocks which either may contain lithium or other mineralization as well as samples that may increase the understanding of the broad geological context. Samples were sent to Intertek for analysis who crushed to nominal 10mm – up to 3 kg, split the sample using a Riffle Splitter – Up to 3kg, pulverizing to 1.0 kg and taking a portion for analysis. The analysis undertaken was Sodium Peroxide fusion with an ICP-MS or ICP-OES finish.

Soil samples were sieved to <2.5mm and collected using hand tools (shovels Lithium Plus staff) in 100m * 50m grids.

When undertaking soil sampling programs KSN routinely record for each sample (Appendix 2):

- Sample ID, (on bag + in GPS)
- GPS position (GDA 94),
- sample depth (cm),
- regolith type (using a numerical ranking 1=insitu soil, 2=alluvial, 3=lag material, 4=subcrop, 5=outcrop),
- whether sieved or bulk
- sample date
- duplicate samples every 25 or 40 samples
- collector

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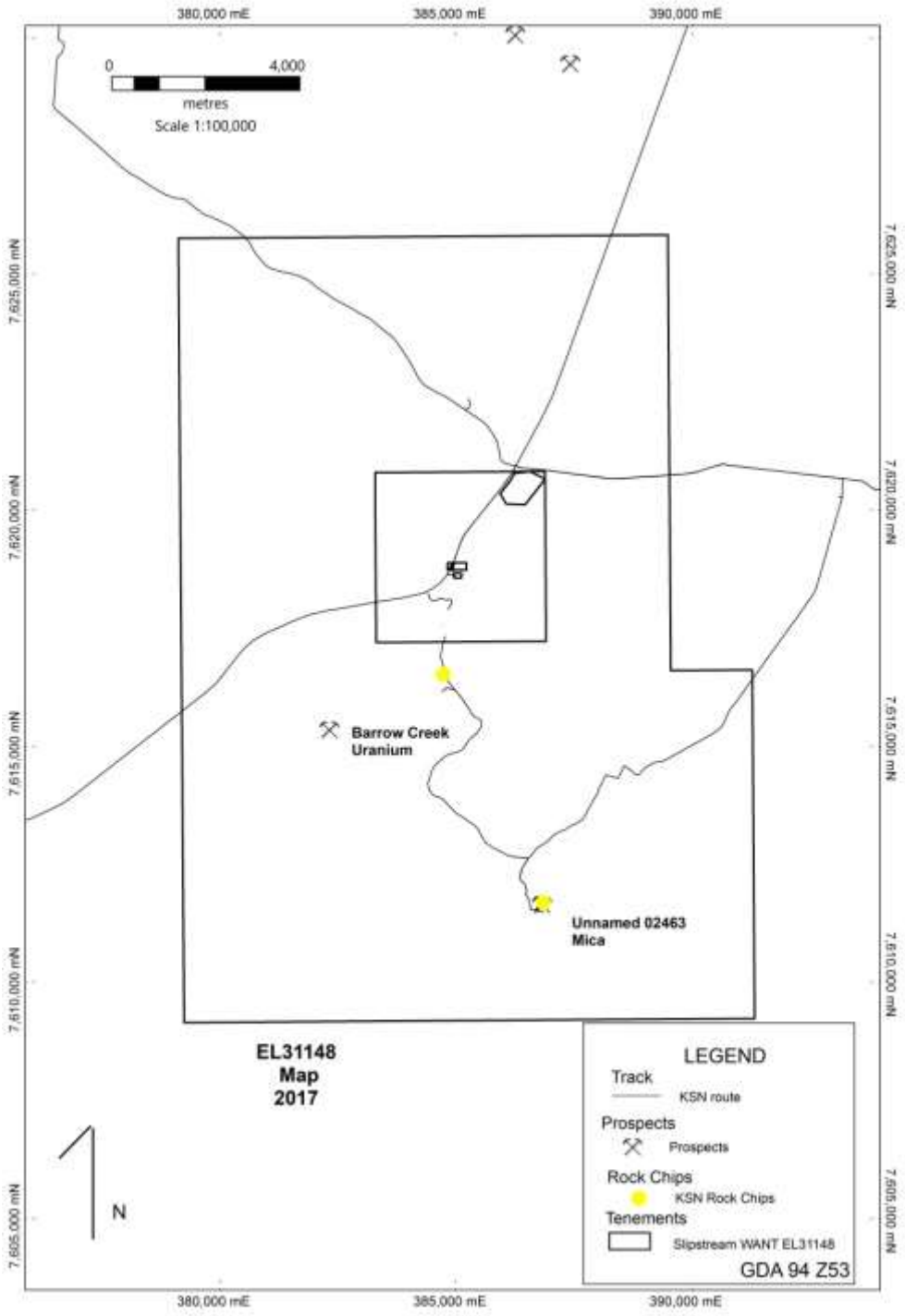

Figure 3: EL31148 2018 prospects, KSN route and samples

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Conclusions and Recommendations

The tenement is prospective for LCT type pegmatites with the potential to host lithium mineralisation. Whilst the surface geochemical sampling at the unnamed mica mine area did not directly identify LCT signature in soils and/or rock chips, there are large portions of the tenement which remain untested. The identification of any LCT pegmatite derived anomalies would greatly increase the prospectiveness of the area for lithium mineralisation and depending on the orientation and geometry of the anomaly may indicate potential pegmatite trends worth following up throughout the tenement.

The lack of outcropping pegmatites in large parts of the tenement means that either geophysical techniques or auger/vacuum drilling would be required to undertake systematic exploration for pegmatites within EL31148.

Expenditure

Table 3: Expenditure details of EL31148 for 2018

ACTIVITY DETAILS FOR THE REPORTING PERIOD			
Admissible Expenditure	Detail work done including number of samples taken / stations / line km surveyed /metres drilled etc.		AU$ Claimed
A. Geological Activities and Prospecting	Reconnaissance fieldtrip, site visit surface sampling		10,000
B. Geochemical Activities	Assays for rock chips and soils		3,000
H. Office Studies	Literature review, mineralisation models reviews, previous data collection and review		10,000
J. Overheads			2,500
K. Preliminary Exploration			
L. Total Expenditure Claimed			$25,500
M. Covenant for this reporting period	$ 24,500	Number of blocks: 58	

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