

2 November 2016

ASX ANNOUNCEMENT

324 ROOM CAMP AND ADDITIONAL LONG LEAD ITEMS SECURED FOR PILGANGOORA LITHIUM PROJECT

HIGHLIGHTS

- Contract signed for purchase of an existing 324 room camp located just 15 minutes from Altura's Pilgangoora Mine Site.
- Orders placed for eight additional major long lead capital equipment packages
- Project remains on track for Q4 2017 production timeline

Altura Mining Limited (ASX:AJM) is pleased to provide the following update on its 100% owned Pilgangoora Lithium Project located in the Pilbara region of Western Australia. The Company has been pursuing further opportunities to maintain its current schedule to produce its first Lithium (Spodumene) concentrate in Q4 2017.

A key element to enabling the timely construction of the mine and associated infrastructure is having convenient and suitable accommodation available to its workforce for both the construction and subsequent operational aspects of the project.

To minimise the risk in this area and expedite construction Altura has entered into an agreement to purchase the former **Rail Camp 2** from Roy Hill Infrastructure which is located 20km from the Pilgangoora project area. This camp was constructed by Roy Hill in 2014 to accommodate its rail construction workforce and was occupied for approximately two years before going into care and maintenance earlier this year.

Altura intends to keep the camp in its current location, at the intersection of the Great Northern Highway and Wodgina access road such that construction or relocation of a camp is not required as part of the project. This camp is strategically located on the western side of the Turner River meaning that it will not be cut off from a supply or evacuation point of view during the cyclone season. Altura sees a significant strategic advantage in having its accommodation village remote from the Mine site, on the western side of the Turner River and within easy reach of Port Hedland.

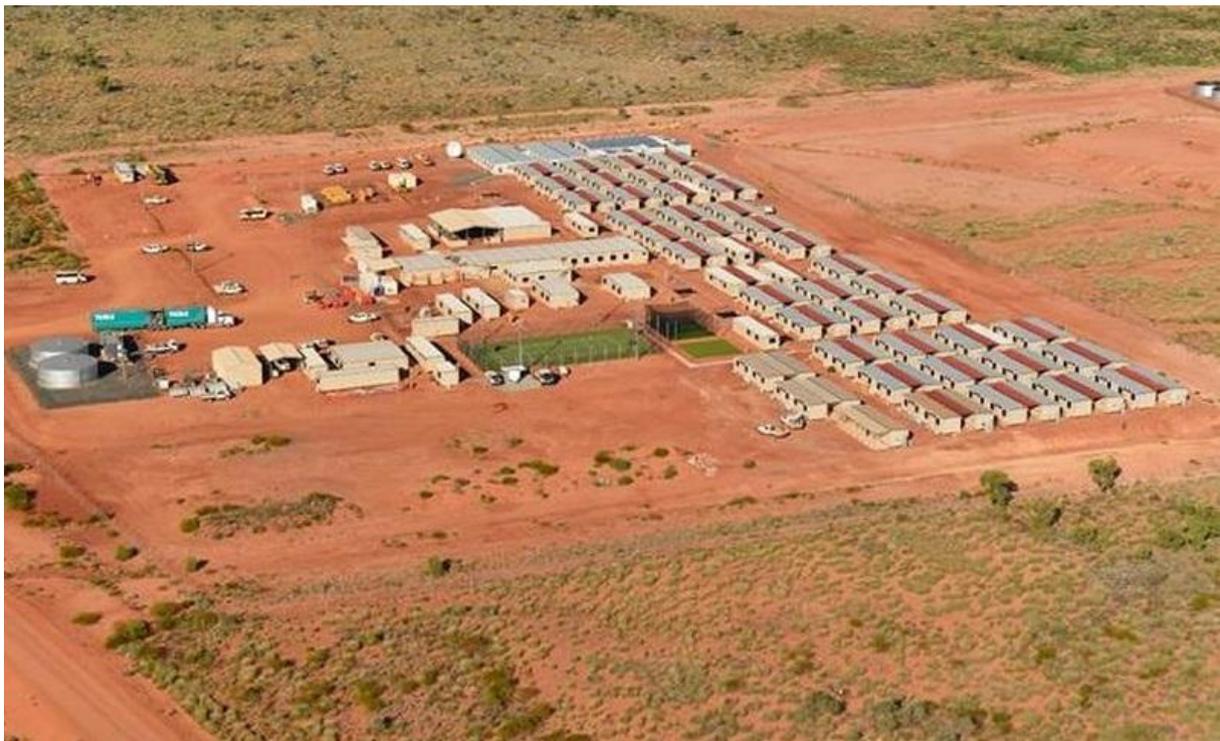
About the Pilgangoora Accommodation Village

The Pilgangoora Accommodation Village consists of 324 rooms, with cleared space for a further 176 rooms if future expansion is required. All central infrastructure at the village is sized for a room capacity of 500 personnel.

Central facilities contained within the village include:

- Dining room & Kitchen – for 500 personnel
- Wet Mess & Beer Garden
- Recreation room
- Sports Court, Golf driving Nets & Putting facility
- Administration centre
- First Aid facility
- Maintenance facility

Figure 1 – Pilgangoora Accommodation Village (Formerly Roy Hill Rail Camp 2)



Note: The above photograph is of Roy Hill Rail Camp 2, the subject of the purchase agreement announced today. Rail Camp 2 is one of 4 very similar camps constructed by Roy Hill for the delivery of their recent Pilbara infrastructure project.

Capital Equipment Long Lead Procurement

Procurement of long lead items is essential to allow Altura to maintain its planned schedule of production commencing in the 4th quarter of calendar 2017. The Company has continued on from the recent purchase of the High Pressure Grinding Rolls (HPGR) crusher and placed orders with an additional eight suppliers of critical long lead equipment associated with construction of the Processing Plant. These include:

- Primary and Secondary crushing circuit including a Jaw Crusher, Cone Crushers, Screens and conveyors;
- Ball Mill;
- Flotation Cells;
- Thickeners;

- Concentrate Filters;
- Reflux Classifiers;
- Cyclones; and
- Slurry Pumps.

The Altura procurement team is also currently in negotiations with numerous other equipment suppliers and intends to place further orders for capital equipment over the coming months.

Pilgangoora Project General Update

After delivering outstanding results in its Definitive Feasibility Study (DFS) in September 2016 Altura continues to be well positioned to deliver the project by Q4 2017. The design for the process plant is progressing well and the project and procurement teams continue to advance a number of key tenders which will enable commencement on site in late 2016.

Submission of the Mining Proposal in September 2016, the recent funding discussions with Lionergy, Altura's Chinese offtake partners (see ASX release dated 17 Oct 2016) and promising results in the recent drilling program provide further strong indicators that Altura is on track to deliver production from its world class lithium project in 2017.

About Altura Mining Limited (ASX: AJM)

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

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