

19 January 2017

## ASX ANNOUNCEMENT

### ALTURA MINING TAKES POSSESSION OF PILGANGOORA VILLAGE

#### HIGHLIGHTS

- Purchase of the former Roy Hill Rail Camp 2 by Altura completed.
- The new facility has been renamed **Pilgangoora Village**.
- Pilgangoora Village will reopen to accommodate the first Altura site staff from 1 February 2017.

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 completed all necessary approvals to effect the final transfer of ownership of the former Rail Camp 2 from Roy Hill Infrastructure Pty Ltd, and is currently completing recommissioning activities to enable occupation by its initial mining and construction workforce on 1 February 2017.

The recommissioning activities currently underway and due for completion by the first occupation date include:

- Diesel delivery to the fuel storage tank;
- Servicing of generators for camp power generation;
- Cleaning and servicing of the first 150 rooms;
- Inspections and servicing of the Reverse Osmosis Water Treatment Plant;
- Inspection and servicing of the Waste Water Treatment Plant; and
- Engagement of a camp services provider.

Ensuring that Pilgangoora Village is operational on 1 February will be the first main site based activity associated with the commencement of construction of Altura's Pilgangoora Lithium Project.

The village is just 20km from Altura's Mining Leases, providing easy access to Altura's planned operations at Pilgangoora. Altura has also received strong interest from third parties to utilise spare accommodation capacity within the village, due to its strategic location on the Great Northern Highway and in the centre of the Wodgina/Pilgangoora Lithium Hub.

Altura anticipates its construction workforce to peak at around 250 personnel during 2017 followed by a steady state workforce of less than 200 persons during operations in 2018. The Company therefore anticipates some spare accommodation capacity to share with interested parties.

### About Pilgangoora Village

The accommodation 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
- Wet Mess & Beer Garden
- Recreation room
- Sports Court
- Golf driving Nets & Putting facility
- Administration centre
- First Aid facility
- Maintenance facility

Altura intends to keep the village 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. The village 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.

Figure 1 – Pilgangoora Village

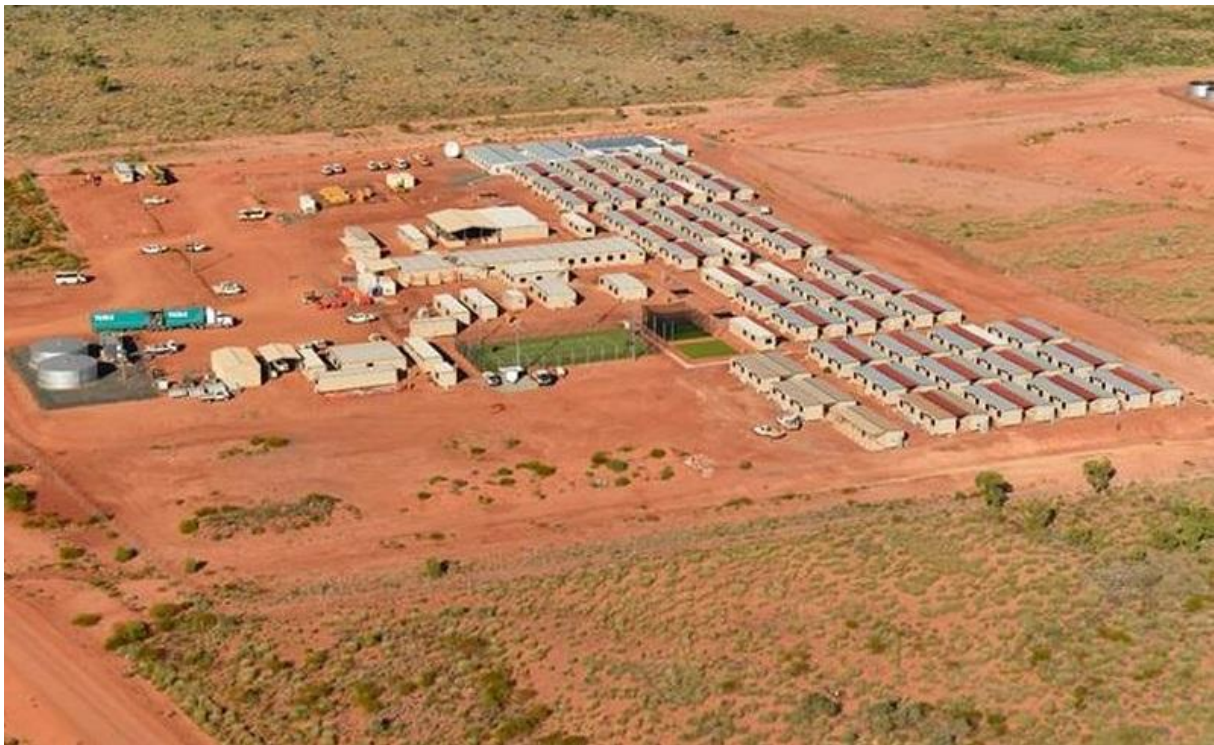
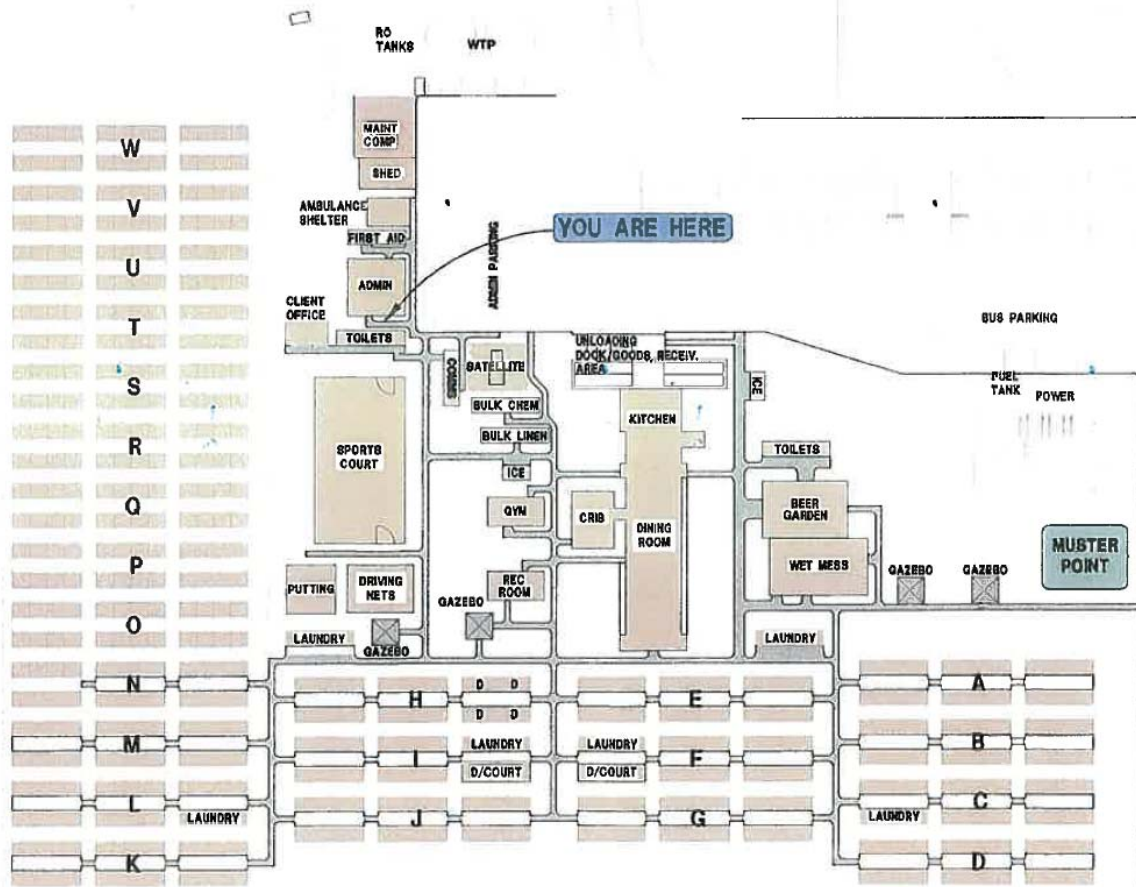


Figure 2 – Pilgangoora Accommodation Village Layout



### 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 early in 2017.

The Company continues to progress the delivery of the entire funding package with both domestic and overseas lending providers with a target completion date during Q1 2017. The funding process will be significantly improved upon completion of the Subscription and Cooperation Agreement signed with Shaanxi J&R Optimum Energy to raise approximately \$41.6 million (before costs). The transaction is scheduled for completion by 31 January 2017 and will mark the commencement of a significant partnership with one of China's leading battery manufacturing and battery technology development groups.

Altura is also working with its geology and mining consultants in order to deliver updated Mineral Resource and Ore Reserve estimates before the end of January 2017. The updated estimates will reflect the completion of the infill drilling program in Q4 2016.

**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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