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# ASX Release 29 April 2014

# QUARTERLY ACTIVITIES REPORT For the quarter ended 31 March 2014

# Highlights:

## Mt Marion Lithium Project

- > Commissioned semi-pilot plant in USA for electrolytic lithium hydroxide production.
- > Initial results for feed purity and current efficiency exceed Pre-feasibility Study assumptions.
- > Test work to produce marketing samples to be completed in June Quarter 2014.
- > Independently ranked by SignumBOX as 4<sup>th</sup> best undeveloped hard-rock lithium project.

#### Barrambie Titanium Project

- Commenced construction of mini-plant in Canada for production of titanium dioxide using licenced proprietary hydrometallurgical process on Barrambie ore.
- > Test work to produce marketing samples to be completed in July 2014.

#### Mt Finnerty Project

- Sale process for Iron and Gold rights continues.
- > Diamond drilling of MLEM conductors intersects disseminated nickel mineralisation.
- > Petrography identifies disseminated nickel sulphides in 1970's WMC drill hole.

#### Comet Vale Project

> Executes A\$2M sale agreement, majority of settlement funds expected in June Quarter 2014.

#### Meekatharra Gold Operation

> Administrator's sale process continuing.

#### <u>Corporate</u>

Cash and restricted access term deposits \$8.7 million.



#### **PROJECT LOCATIONS**



## MT MARION LITHIUM PROJECT (Reed 70%, Mineral Resources Limited 30%)

During the quarter Reed Industrial Minerals Pty Ltd (**RIM**) continued to advance the Mt Marion Lithium Project (**Mt Marion**) with the commencement of a continuous semi-pilot plant in the USA to purify and electrolyse lithium chloride (LiCl) producing lithium hydroxide (LiOH). RIM is owned 70:30 by Reed Resources Ltd and leading mining services provider Mineral Resources Limited (**MRL**). MRL fund and operate the project through their subsidiary, Process Minerals International Pty Ltd.

The semi-pilot plant was commissioned in March 2014 and the testwork is expected to be completed in June quarter of 2014. This plant will provide key information for process design of a new or existing processing facility. The testwork is scaling up RIM's proprietary hydrometallurgical flowsheet which has produced high purity, battery-grade lithium hydroxide by electrolysing lithium chloride solutions generated from Mt Marion spodumene concentrates. The electrolysis process is similar to the Chlor-Alkali process used to produce caustic soda (sodium hydroxide) and hydrochloric acid (Figure 1).



Figure 1 Simplified process flowsheet comparison

The results to date are particularly encouraging with the purification of lithium chloride exceeding expectations and efficiency across the electrolysis membrane exceeding assumptions in the Pre-feasibility Study (PFS), and further confirming the potential for lowest quartile operating and capital costs. The current five-cell electrolyser will operate into May with the resultant lithium hydroxide solution then transported to France for evaporation and crystalisation to final product.

#### **Project Development and Corporate Strategy**

Subject to the successful completion of the semi-pilot plant and RIM board approval, an Engineering Cost Study to develop capital and operational costs, would be the next stage in the development of the project.

Mt Marion project has been selected independently by signumBOX as the fourth-best undeveloped hard-rock lithium project in the world out of the 42 other projects. Mt Marion contains total Measured, Indicated and Inferred Mineral Resources of 14.8Mt at 1.3%  $Li_2O$  and 1.2%  $Fe_2O_3$ , at a cut-off grade of 0.3%  $Li_2O$  (Appendix B).

Reed is working with MRL in preparing RIM to become an independently financed, advanced minerals company focused on being an integrated lithium producer. Strategic discussions continue with third parties, including existing chlor-alkali producers, in relation to various transaction structures. Discussions remain preliminary and there can be no assurance that a binding proposal will emerge. Reed and MRL will keep the market informed as matters develop further.

#### Lithium market

Lithium hydroxide is emerging as the preferred chemical for new lithium ion batteries rather than traditional lithium carbonate. This is due to its longer life cycle, better power density and enhanced safety features. Lithium hydroxide accounts for around 15% of current global lithium demand with lithium carbonate (LCE) currently dominating the market with a 70% share. Battery grade lithium hydroxide demand is forecasted to grow by 30% per year from 2012 to 2020 – driven by the electric vehicle industry and energy storage applications. The RIM process has the flexibility to convert any lithium hydroxide solution to lithium carbonate via the addition of carbon dioxide gas.

One of the biggest global producers of LiOH, US-based FMC Corp announced on 15 April 2014 its would increase prices for all grades of lithium hydroxide (LiOH) by 10%.

The current median prices for Chinese lithium hydroxide and lithium carbonate is US\$6,900 and US\$6,500 per tonne on a CIF basis to US or Europe (source: Industrial Minerals 17 April 2014).

# BARRAMBIE TITANIUM PROJECT (Reed 100%)

During the quarter the Company continued to advance its Barrambie Titanium Project with the construction of a mini-pilot plant in Canada to demonstrate a successful transition from laboratory-scale batch testing to continuous operation.

Barrambie is one of world's highest grade titanium deposits, containing total Indicated and Inferred Mineral Resources of 47.2Mt at 22.2% TiO<sub>2</sub>, 0.63% V<sub>2</sub>O<sub>5</sub>, and 46.7% Fe<sub>2</sub>O<sub>3</sub>, at a cut-off grade of 15% TiO<sub>2</sub> (Appendix B).

The plant will test a proprietary chloride-based process for the recovery of titanium as titanium dioxide,  $(TiO_2)$ , vanadium pentoxide  $(V_2O_5)$  and iron as hematite  $(Fe_2O_3)$  from run of mine ore at a feed rate of 10 kilograms per day and be completed in July 2014. Sufficient information will be generated to allow for a rigorous process model to be compiled, which will enable both capital and operating costs to be estimated at a Pre-feasibility Study (PFS) level.

The process, pioneered in Canada, has produced high purity (>99%) titanium dioxide from Barrambie oxide ores and concentrates at high recoveries. The Company licenced the patented process to extract all valuable metals from its Barrambie deposit in December 2013.

A Scoping Study by Snowden Mining Industry Consultants in October 2013, based on this process, indicated the potential for a viable hard-rock titanium and vanadium mining and processing operation and recommends progression to a Pre-Feasibility Study. Average net operating costs per tonne of titanium dioxide recovered were estimated at A\$1,214/t with an indicative accuracy of  $\pm$ 35%, the long term price assumption used in the study was US\$3,000/t.

#### CAUTIONARY STATEMENT

The Scoping Study referred to in this report is based on low-level technical and economic assessments, and is insufficient to support reporting of Ore Reserves using recognised codes or guidelines or to provide definitive assurance of an economic development case, or to provide certainty that the conclusions of the Scoping Study will be realised.

#### **Project Development and Corporate Strategy**

Subject to the success of the mini-pilot scale test work it is Reed's intention to proceed with a Prefeasibility Study (PFS) as recommended by Snowden. The Company is working with its preferred engineering firm to finalise the proposed work plan to the end of the Pre-Feasibility Study, which is anticipated to be funded internally and completed by the end of the December 2014.

The Scoping Study has identified many opportunities to further improve the economics by optimising factors such as using higher-grade concentrates as feed, increasing plant throughput rate, co-generation of electricity to reduce operating costs and the recovery and marketing of pure iron and aluminium oxide products.

The currently preferred project development strategy is to advance the project to a suitable stage of evaluation to attract a joint venture partner to fund and operate the development of the Barrambie project.

On 21 February 2014 the world's largest producer of high-grade titanium feedstocks Iluka Resources Limited announced the purchase 18.3% of titanium metal technology company Metalysis Limited for A\$22.5M. Metalysis recently demonstrated the production of titanium metal powder from natural rutile at a batch scale, which may be potentially disruptive if it can sufficiently reduce the cost of titanium metal production. Reed has demonstrated at a similar scale the potential to reduce the cost of titanium dioxide with the current flowsheet to levels less than 50% of the industry marginal total cost, as calculated by a leading titanium consulting firm.

#### Titanium and Vanadium market

The majority of titanium feedstocks (US\$17 Billion or 85% by value) are used to produce titanium dioxide pigment which is then used as an additive in paints, plastics, paper and ink with the balance (15%) used to produce titanium metal products.

The current median price for high quality titanium dioxide pigment is US\$3,250 per tonne on a CFR basis to Asia (source: Industrial Minerals 17 April 2014).

Approximately 85-90% of global vanadium production is consumed in the steel industry. Other uses include vanadium-containing titanium alloys, accounting for 5-10% of demand, and various chemical and battery applications, which make up around 1-3% of demand.

The current median price for vanadium pentoxide is US\$14,500 per tonne on a FOB basis to Rotterdam (source: Metal Prices 22 March 2014). The Company is party to a Sales and Marketing Agreement with a leading global commodity trader, dominant in the vanadium market, for the first ten years of production from Barrambie.

#### MT FINNERTY PROJECT (Reed 100%)

The Mt Finnerty Project located about 65km east of Koolyanobbing is currently being explored for iron ore and nickel mineralisation in its own right.

#### Iron Ore

During the quarter a short program of RC drilling was completed on one of more than twenty targets, which demonstrated the exploration potential to several interested parties.

Reed engaged PCF Capital Pty Ltd to run a sale process on wholly owned subsidiary Mount Finnerty Pty Ltd ("MFPL") which holds the tenements and iron rights, as part of its continuing asset realisation program. The Project has the benefit of extensive infrastructure, the Perth-Kalgoorlie Railway transects the tenure which links it to two government-owned bulk export ports.

Indicative bids were received and discussions remain preliminary and there can be no assurance that a binding proposal will emerge. Reed will keep the market informed as matters develop further.

#### Nickel (Barranco 100%, Reed option to acquire 100%)

During the quarter a moving loop survey (MLEM) was completed by Newexco and resulted in the identification of two conductors.

Conductor MFC02, the conceptually high priority target in this northern section is interpreted to be sourced by a steeply dipping bedrock conductor. MFC02 is on the western side of a high-magnesian ultramafic of the Green Dam Ultramafic Complex (GDUC), and is interpreted to be close to a basal contact. It may represent a near surface expression of remobilised nickel sulphides.

Conductor MFC01 is coincident with the strike extension of a strong linear aeromagnetic trend that is located east wards of the centre of the widest aeromagnetic expression of the Green Dam Ultramafic Complex (GDUC). Target MFC01 therefore justifies drill testing to test for remobilised nickel associated with the sulphidic sediment / ultramafic contact.





Figure 3. Nickel Targets on RTP Magnetics

#### Petrography

The drill hole chip samples from WMC's RFP21 had previously been geochemically interpreted by a consultant geologist, Martin Gole, as being fertile and containing fine nickel sulphides. The best intersection from this hole is from 100 to 111m (EOH) and contained 11m @ 0.45%Ni). The core from RFP21 extension (for 0.5m) has recently been examined by a consultant petrologist, Roger Townend. Disseminated magnetite is abundant but it also contains very fine grained disseminated pentlandite with incipient millerite alteration. Photomicrographs of the pentlandite-millerite grains are attached as Figure 5.

The previous petrographic examination of historic hole RFP103, some 3km southwards of RFP21 had identified fine grained pentlandite in a similar serpentine rim-replacement of the olivine cumulate.

## Drilling Program

A diamond drilling program testing the MLEM conductors with westerly-angled diamond drill holes was commenced immediately prior to the end of the quarter and is now complete.

GDD007 drill hole penetrated the position of the plate (MF02) and the basal contact but did not return any massive nickel sulphides. It did, however, intersect stringer sulphides over a wide interval (45m plus) back up the hole, associated with talc-carbonate alteration and mafic dyke intrusion.

A spot chemical test (dimethylglyoxime or DMG) gave strong nickel response in the sulphide fraction that was soluble in ammonia and deposited Nickel DMG as a pink precipitate. The better parts of the zone were tested with an Innovex pXRF instrument which confirmed the nickel anomalism. Petrological examination of polished thin sections for disseminated/stringer sulphides is in progress and anomalous core has been submitted for conventional assay with results expected in mid-May 2014.

A down-hole electromagnetic survey of hole GDD007 is planned for early May 2014.

Reed also drilled GDD008 into a conductor MF01 which intersected large amounts of pyrrhotite-rich sulphides as interpillow matrix. Spot chemical testing failed to provide any response for the presence of nickel and the hole remains to be logged and sampled.

#### Project Strategy

Reed is reviewing the structure of its wholly owned subsidiary Reed Exploration Pty Ltd ("REX"), responsible for nickel exploration and holder of the option to acquire tenements E16/305 and E16/330. Reed's aim is to maximise value to its existing shareholders and for REX to be independently financed as it progresses its Mt Marion Lithium and Barrambie Titanium projects. REX has acquired interests in several tenements with demonstrated nickel prospectivity in the Yilgarn region to build a significant nickel exploration package, at no material up-front cost.

# COMET VALE GOLD PROJECT

#### (Reed 100%)

The Sand Queen mine remains on care and maintenance. On 6 February 2014 the Company announced that it has accepted a binding cash offer (Offer) for the conditional sale of its subsidiary Sand Queen Gold Mines Pty Ltd (SQGM) to a private company. SQGM holds Reed's Comet Vale Gold Project, located near Kalgoorlie.

Completion of the sale, and receipt of the \$1 million payment is subject to limited due diligence conditions and to receiving certain third party consents. The parties have agreed to extend the time for satisfaction of these conditions and consents. Completion is now expected to occur in the June Quarter of 2014.

The further instalments are expected to be received at the end of June and September 2014, subject to the transfer of the Comet Vale tenements in good standing, the transfer of related licences and assets and completion of certain ancillary arrangements.

## MEEKATHARRA GOLD PROJECT

#### (Reed 100%)

The Meekatharra Gold Project, centred on the Bluebird processing plant, is located 640km northeast of Perth and 10 km south of Meekatharra, in the Murchison Region of Western Australia.

On the 16<sup>th</sup> August 2013, Reed Resources Ltd announced that GMK Exploration Pty Ltd ("GMKE"), the subsidiary of Reed that owns and operates the Meekatharra Gold Project was placed in voluntary administration. Administrators are continuing a sale process which remains incomplete and there can be no assurance that a binding agreement will emerge. Reed will keep the market informed as matters develop further.

#### CORPORATE

#### Finances (unaudited)

Cash and term deposits on hand as of 31 March 2014 totalled \$8.7 million, including \$6.2 million in restricted use term deposits supporting performance bonds and other contractual obligations.

#### ENDS

#### COMPETENT PERSONS STATEMENT

The Company confirms that it is not aware of any new information or data that materially affects the information included in the following ASX Releases subsequently referred to herein:

17/10/2012	Shareholder Agreement and PFS Results – Mt Marion Lithium
13/11/2013	Barrambie Scoping Study Results
6/12/2013	Barrambie - Amended JORC 2012 Mineral Resource Estimate
25/3/2014	Nickel Exploration Update - EM Conductors and Drill Program

The Company confirms that all the material assumptions underpinning the production target and the forecast financial information derived from the production target in the Barrambie Scoping Study and the Mt Marion Pre-feasibility Study continue to apply and have not materially changed.

#### APPENDIX A: TENEMENT INTERESTS

As at 31 March 2014 the Company has an interest in the following projects and tenements in Western Australia.

PROJECT NAME	LICENCE NAME	BENEFICIAL INTEREST	STATUS
Barrambie	E57/769	100%	Live
Barrambie	E57/770	100%	Live
Barrambie	E57/819	100%	Live
Barrambie	G57/5	100%	Live
Barrambie	G57/6	100%	Live
Barrambie	G57/7	100%	Live
Barrambie	G57/8	100%	Live
Barrambie	L57/30	100%	Live
Barrambie	L57/31	100%	Pending
Barrambie	L20/49	100%	Live
Barrambie	L20/55	100%	Live
Barrambie	M57/173	100%	Live
Mount Marion	E15/1190	70% (*)	Live
Mount Marion	L15/315	70% (*)	Live
Mount Marion	L15/316	70% (*)	Live
Mount Marion	L15/317	70% (*)	Live
Mount Marion	L15/321	70% (*)	Live
Mount Marion	M15/999	70% (*)	Live
Mount Marion	M15/1000	70% (*)	Live

Comet Vale	E29/727	100%	Live
Comet Vale	E29/762	100%	Live
Comet Vale	E29/787	100%	Live
Comet Vale	L29/67	100%	Live
Comet Vale	M29/035	100%	Live
Comet Vale	M29/052	100%	Live
Comet Vale	M29/085	100%	Live
Comet Vale	M29/185	100%	Live
Comet Vale	M29/186	100%	Live
Comet Vale	M29/197	100%	Live
Comet Vale	M29/198	100%	Live
Comet Vale	M29/199	100%	Live
Comet Vale	M29/200	100%	Live
Comet Vale	M29/201	100%	Live
Comet Vale	M29/232	100%	Live
Comet Vale	M29/233	100%	Live
Comet Vale	M29/235	100%	Live
Comet Vale	M29/270	100%	Live
Comet Vale	M29/321	100%	Live
Mount Finnerty	E15/836	100%	Live
Mount Finnerty	E16/260	100%	Live

Mount Finnerty	E16/272	100%	Live
Mount Finnerty	E16/305	0% (**)	Live
Mount Finnerty	E16/308	100%	Live
Mount Finnerty	E16/330	0% (**)	Live
Mount Finnerty	E16/341	100%	Live
Mount Finnerty	E16/375	100%	Live
Mount Finnerty	E16/448	100%	Live
Mount Finnerty	M15/978	100%	Live
Mount Finnerty	M15/1371	100%	Live
Mount Finnerty	M16/506	100%	Live
Mount Finnerty	M16/507	100%	Live
Mount Finnerty	M16/511	100%	Live
Mount Finnerty	M16/522	100%	Live
Lake Johnson	P63/1961	100%	Pending
Lake Johnson	P63/1962	100%	Pending
Lake Johnson	P63/1963	100%	Pending
Lake Johnson	P63/1964	100%	Pending
Lake Johnson	P63/1965	100%	Pending
Lake Johnson	P63/1966	100%	Pending
Lake Johnson	P63/1967	100%	Pending
MEEKATHARRA PROJECT			
Bluebird / South Junction	M51/0132	100% (***)	Live

Bluebird / South Junction	M51/0393	100% (***)	Live
Bluebird / South Junction	M51/0491	100% (***)	Live
Bluebird / South Junction	M51/0539	100% (***)	Live
Bluebird-Yaloginda	L51/0043	100% (***)	Live
Bluebird-Yaloginda	M51/0027	100% (***)	Live
Bluebird-Yaloginda	M51/0028	100% (***)	Live
Bluebird-Yaloginda	M51/0035	100% (***)	Live
Bluebird-Yaloginda	M51/0091	100% (***)	Live
Bluebird-Yaloginda	M51/0161	100% (***)	Live
Bluebird-Yaloginda	M51/0180	100% (***)	Live
Bluebird-Yaloginda	M51/0187	100% (***)	Live
Bluebird-Yaloginda	M51/0190	100% (***)	Live
Bluebird-Yaloginda	M51/0209	100% (***)	Live
Bluebird-Yaloginda	M51/0211	100% (***)	Live
Bluebird-Yaloginda	M51/0280	100% (***)	Live
Bluebird-Yaloginda	M51/0281	100% (***)	Live
Bluebird-Yaloginda	M51/0325	100% (***)	Live
Bluebird-Yaloginda	M51/0385	100% (***)	Live
Bluebird-Yaloginda	M51/0386	100% (***)	Live
Bluebird-Yaloginda	M51/0409	100% (***)	Live
Bluebird-Yaloginda	M51/0418	100% (***)	Live
Bluebird-Yaloginda	M51/0419	100% (***)	Live

Bluebird-Yaloginda	M51/0433	100% (***)	Live
Bluebird-Yaloginda	M51/0441	100% (***)	Live
Bluebird-Yaloginda	M51/0471	100% (***)	Live
Bluebird-Yaloginda	M51/0485	100% (***)	Live
Bluebird-Yaloginda	M51/0489	100% (***)	Live
Bluebird-Yaloginda	M51/0500	100% (***)	Live
Bluebird-Yaloginda	M51/0502	100% (***)	Live
Bluebird-Yaloginda	M51/0516	100% (***)	Live
Bluebird-Yaloginda	M51/0528	100% (***)	Live
Bluebird-Yaloginda	M51/0560	100% (***)	Live
Bluebird-Yaloginda	M51/0561	100% (***)	Live
Bluebird-Yaloginda	M51/0587	100% (***)	Live
Bluebird-Yaloginda	M51/0613	100% (***)	Live
Bluebird-Yaloginda	M51/0628	100% (***)	Live
Bluebird-Yaloginda	M51/0640	100% (***)	Live
Bluebird-Yaloginda	M51/0677	100% (***)	Live
Bluebird-Yaloginda	M51/0678	100% (***)	Live
Bluebird-Yaloginda	M51/0679	100% (***)	Live
Bluebird-Yaloginda	M51/0680	100% (***)	Live
Bluebird-Yaloginda	M51/0738	100% (***)	Live
Bluebird-Yaloginda	M51/0805	100% (***)	Live
Bluebird-Yaloginda	M51/0557	100% (***)	Live
Bluebird-Yaloginda	M51/0586	100% (***)	Live

Bluebird-Yaloginda	M51/0718	100% (***)	Live
Bluebird-Yaloginda	M51/0737	100% (***)	Live
Bluebird-Yaloginda	M51/0811	100% (***)	Live
Bluebird-Yaloginda	M51/0871	100% (***)	Live
Burnakura	M51/0422	100% (***)	Live
Burnakura	M51/0423	100% (***)	Live
Burnakura	M51/0424	100% (***)	Live
Burnakura	M51/0468	100% (***)	Live
Burnakura	M51/0469	100% (***)	Live
Chunderloo/Wanganui	L51/0082	100% (***)	Live
Chunderloo/Wanganui	M51/0079	100% (***)	Live
Chunderloo/Wanganui	M51/0637	100% (***)	Live
Chunderloo/Wanganui	M51/0638	100% (***)	Live
Chunderloo/Wanganui	M51/0639	100% (***)	Live
Highway	M51/0256	100% (***)	Live
Highway	M51/0257	100% (***)	Live
Highway	M51/0503	100% (***)	Live
Kurara East	L51/0030	100% (***)	Live
Kurara East	L51/0051	100% (***)	Live

Kurara East	M51/0235	100% (***)	Live
Kurara East	M51/0381	100% (***)	Live
Kurara East	M51/0454	100% (***)	Live
Kurara East	M51/0455	100% (***)	Live
Kurara East	M51/0456	100% (***)	Live
Kurara East	M51/0675	100% (***)	Live
Kurara East	M51/0746	100% (***)	Live
Kurara East	M51/0781	100% (***)	Live
Kurara East	M51/0807	100% (***)	Live
Kurara East	M51/0824	100% (***)	Live
Kurara East	M51/0825	100% (***)	Live
Meekatharra	L51/0056	100% (***)	Live
Meekatharra	L51/0067	100% (***)	Live
Meekatharra	M51/0199	100% (***)	Live
Meekatharra	M51/0200	100% (***)	Live
Meekatharra	M51/0437	100% (***)	Live
Meekatharra	M51/0438	100% (***)	Live
Meekatharra	M51/0439	100% (***)	Live
Meekatharra	M51/0440	100% (***)	Live
Meekatharra	M51/0504	100% (***)	Live
Meekatharra	M51/0521	100% (***)	Live
Meekatharra	M51/653	100% (***)	Live

Meekatharra	M51/0654	100% (***)	Live
Meekatharra	M51/0667	100% (***)	Live
Meekatharra	M51/0668	100% (***)	Live
Meekatharra	M51/0669	100% (***)	Live
Meekatharra	M51/0670	100% (***)	Live
Meekatharra	M51/0671	100% (***)	Live
Meekatharra	M51/0672	100% (***)	Live
Meekatharra	M51/0673	100% (***)	Live
Meekatharra	M51/0688	100% (***)	Live
Norie	E51/1496	100% (***)	Live
Norie	M51/0039	100% (***)	Live
Norie	M51/0477	100% (***)	Live
Norie	M51/0492	100% (***)	Live
Norie	M51/0493	100% (***)	Live
Norie	M51/0494	100% (***)	Live
Norie	M51/0495	100% (***)	Live
Norie	M51/0501	100% (***)	Live
Norie	M51/0525	100% (***)	Live
Norie	M51/0526	100% (***)	Live
Norie	M51/0584	100% (***)	Live
Norie	M51/0784	100% (***)	Live

Polelle	E51/1484	100% (***)	Live
Polelle	L51/0035	100% (***)	Live
Polelle	M51/0427	100% (***)	Live
Polelle	M51/0459	100% (***)	Live
Polelle	M51/0465	100% (***)	Live
Polelle	M51/0484	100% (***)	Live
Polelle	M51/0605	100% (***)	Live
Polelle	M51/0611	100% (***)	Live
Polelle	M51/0612	100% (***)	Live
Polelle	M51/0643	100% (***)	Live
Polelle	M51/0717	100% (***)	Live
Polelle	M51/0797	100% (***)	Live
Polelle	M51/0803	100% (***)	Live
Polelle	M51/0483	100% (***)	Live
Polelle	M51/0796	100% (***)	Live
Polelle	M51/0798	100% (***)	Live
Polelle	M51/0799	100% (***)	Live
Polelle	M51/0800	100% (***)	Live
Polelle	M51/0801	100% (***)	Live
Polelle	M51/0802	100% (***)	Live
Polelle	M51/0809	100% (***)	Live
Polelle	M51/0810	100% (***)	Live
Polelle	M51/0822	100% (***)	Live

Polelle	M51/0823	100% (***)	Live
Polelle	M51/0830	100% (***)	Live
Polelle	M51/0834	100% (***)	Live
Polelle	L51/0091	100% (***)	Live
Reedys	E51/1487	100% (***)	Live
Reedys	G51/0013	100% (***)	Live
Reedys	G51/0014	100% (***)	Live
Reedys	G51/0015	100% (***)	Live
Reedys	G51/0017	100% (***)	Live
Reedys	G51/0026	100% (***)	Live
Reedys	L51/0029	100% (***)	Live
Reedys	L51/0031	100% (***)	Live
Reedys	L20/0008	100% (***)	Live
Reedys	L20/0010	100% (***)	Live
Reedys	M20/0012	100% (***)	Live
Reedys	M20/0045	100% (***)	Live
Reedys	M20/0068	100% (***)	Live
Reedys	M20/0069	100% (***)	Live
Reedys	M20/0077	100% (***)	Live
Reedys	M20/0212	100% (***)	Live
Reedys	M20/0214	100% (***)	Live
Reedys	M20/0219	100% (***)	Live

Reedys	M20/0443	100% (***)	Live
Reedys	M20/0444	100% (***)	Live
Reedys	M20/0445	100% (***)	Live
Reedys	M20/0496	100% (***)	Live
Reedys	M51/0092	100% (***)	Live
Reedys	M51/0233	100% (***)	Live
Reedys	M51/0649	100% (***)	Live
Reedys	M20/0420	100% (***)	Live
Reedys	M20/0421	100% (***)	Live
Reedys	M20/0437	100% (***)	Live
Reedys	M20/0438	100% (***)	Live
Reedys	M20/0476	100% (***)	Live
Reedys	M20/0477	100% (***)	Live
Reedys	M51/0778	100% (***)	Live
SE Meekatharra	L51/0041	100% (***)	Live
SE Meekatharra	L51/0055	100% (***)	Live
SE Meekatharra	L51/0071	100% (***)	Live
SE Meekatharra	L51/0072	100% (***)	Live
SE Meekatharra	L51/0073	100% (***)	Live
SE Meekatharra	L51/0077	100% (***)	Live
SE Meekatharra	M51/0445	100% (***)	Live
SE Meekatharra	M51/0446	100% (***)	Live

SE Meekatharra	M51/0487	100% (***)	Live
SE Meekatharra	M51/0488	100% (***)	Live
SE Meekatharra	M51/0490	100% (***)	Live
SE Meekatharra	M51/0741	100% (***)	Live
SE Meekatharra	M51/0849	100% (***)	Live
Stakewel	L20/0017	100% (***)	Live
South Quinns	E20/0690	100% (***)	Live
Tough Go	L20/0018	100% (***)	Live
Tough Go	M20/0073	100% (***)	Live
Tough Go	M51/0254	100% (***)	Live
Tough Go	M51/0762	100% (***)	Live
Turn Of The Tide	L51/0078	100% (***)	Live
Turn Of The Tide	L51/0081	100% (***)	Live
Turn Of The Tide	M20/0070	100% (***)	Live
Turn Of The Tide	M20/0071	100% (***)	Live
Turn Of The Tide	M20/0107	100% (***)	Live
Turn Of The Tide	M20/0249	100% (***)	Live
Turn Of The Tide	M20/0309	100% (***)	Live
Turn Of The Tide	M51/0236	100% (***)	Live

Turn Of The Tide	M51/0237	100% (***)	Live
Turn Of The Tide	M51/0757	100% (***)	Live
Turn Of The Tide	M51/0788	100% (***)	Live

\* - registered holder is Reed Industrial Minerals Pty Ltd (Reed Resources Ltd 70%, Mineral Resources Ltd 30%).jas

\*\* - registered holder is Barranco Resources NL, Reed Resources Ltd has option to purchase 100%

\*\*\* - registered holder is Reed Resources Ltd subsidiary, GMK Exploration Pty Ltd (Administrators Appointed).

#### Changes in interests in mining tenements

Interests in mining tenements relinquished, reduced or lapsed

PROJECT NAME	LICENCE NAME	RELINQUISHED, REDUCED OR LAPSED
Comet Vale	E29/603	Expired-12/01/2014

Interests in mining tenements acquired or increased

PROJECT NAME	LICENCE NAME	ACQUIRED OR INCREASED
Mount Finnerty	E15/1416	Applied for 25/03/2014
Mount Finnerty	E63/1701	Applied for 25/03/2014

#### APPENDIX B

## Mt Marion Resource Table for 0.3% $\rm Li_2O$ cut-off

Category (JORC, 2012)	Tonnage (Mt)	Li <sub>2</sub> O (%)	Fe <sub>2</sub> O <sub>3</sub> (%)	
Measured	2.0	1.45	0.93	
Indicated	4.8	1.39	1.22	
Inferred	inferred 8.0		1.3	
Total	14.8	1.3	1.2	

All tonnage and grade figures have been rounded down to two or three significant figures, respectively; slight errors may occur due to rounding of values.

#### Barrambie Mineral Resource Estimate for 15% TiO<sub>2</sub> cut-off

Category (JORC, 2012)	Tonnage (Mt)	TiO <sub>2</sub> (%)	V₂O₅ (%)	Fe <sub>2</sub> O <sub>3</sub> (%)	Al <sub>2</sub> O <sub>3</sub> (%)	SiO <sub>2</sub> (%)
Indicated	34.7	22.25	0.64	46.77	9.48	14.95
Inferred	12.5	21.99	0.58	46.51	9.32	15.40
Total	47.2	22.18	0.63	46.70	9.44	15.07

All tonnage and grade figures have been rounded down to two or three significant figures, respectively; slight errors may occur due to rounding of values.