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via electronic lodgement

CLARIFICATION OF ASX ANNOUNCEMENT

Birimian Limited (ASX: BGS; "Birimian" and "Company") provides the following clarifications and additional disclosure (Rule 5.16), regarding the material assumptions relating to the Bougouni Project Scoping Study (ASX Announcement: 31 January 2017).

- 1) The Company has previously commented in Corporate Presentations regarding a tentative development and production schedule. The Company confirms that it estimates Mine Permitting and Feasibility Studies are expected to take approximately 12 months to complete, leading to potential grant of the Mining License and commencement of project construction which could be expected to take a further 6 months to complete.
- 2) Mining studies now undertaken to supplement those previously announced on 31 January 2017 have indicated that a staged pit development will allow higher confidence Indicated material to be mined as a higher priority ahead of Inferred material in the conceptual mining schedule. Table 1 illustrates the comparison between the previous 31 January conceptual study, and the current study.

The presently defined Indicated resources at Main Zone occur at surface in a single, continuous zone of mineralised material (see ASX: 27 October 2016). The company anticipates the conceptual 1Mt per annum staged development for the Project could reasonably exploit this at-surface Indicated category material early in the mining schedule to support approximately 5.5 years of early production and provide for a viable project (based on Indicated resources only). In this scenario, the payback period for the project is approximately 3 years.

All other material assumptions in the Scoping Study announcement are unchanged and the Company believes it has a reasonable basis to conclude the Project is viable based on the presently defined Indicated category resources only. Notwithstanding this assessment, it is currently the intention to develop both the Inferred and Indicated material together. Infill drilling has recently been completed to upgrade resource categories in support of this plan.

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The Company notes that the robust and continuous nature of pegmatite mineralisation has been confirmed from logging of the recently completed close spaced infill drilling (assay pending) at West Zone and Main Zone. A significant portion of near-surface Inferred resources therefore have a high likelihood of being upgraded to Indicated category in the near future.

The previous conceptual mining schedule accessed Inferred mineralisation outcropping at surface in the West Zone. This Inferred material is geologically similar to the Main Zone classified as Indicated, and was drilled at a similar spacing. The West Zone was classified as Inferred largely due to the slight mis-calculation of drill hole placements, resulting in sub-optimal mineralisation pierce points in the West Zone. This has been rectified by infill drilling and logging in the current programme.

Table 1: Comparison of Conceptual Mining Schedule (Ratio of % Indicated: % Inferred)		
Year	Current (28/2/2017)	Previous (31/1/2017)
1	100 : 0	45 : 55
2	100 : 0	35 : 65
3	100 : 0	50 : 50
4	100 : 0	67 : 33
5	100 : 0	55 : 45
6	50 : 50	51 : 49
7	0 : 100	52 : 48
8	0 : 100	57 : 43
9	0 : 100	74 : 26
10	0 : 100	72 : 28
11	0 : 100	24 : 76
12	0 : 100	0 : 100
13	0 : 100	0 : 100
14	0 : 100	0 : 100

3) Regarding the "Key Mining Parameters" assumptions, the Company provides the following clarifications.

- a) The cut-off grade of 0% Li₂O is the geologically constrained resource cut-off grade. The conceptual mining study defines a mining cut-off grade of 0.82% Li₂O. Mineralisation is strongly controlled by lithology and is highly visual in nature, as such, grade cut-off corresponds very closely with geological boundaries and mining could reasonably be expected to be geologically controlled (see Figure 1).
- b) The Company noted on Page 9 of the 31 January 2017 announcement, *Mineralised zones are broad and highly continuous with robust grade distribution; there is no provision for dilution or material loss in the current study.*

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Grade cut-off is strongly controlled by lithology and is highly visual in nature and mining will be by bulk extraction methods. It was therefore assumed, for the purposes of the previous mining study, that loss and dilution would have minimal material impact on the study outcome.

The current mining study included 2% dilution and 2% loss for mining of all material types, reflecting the conceptual mining method applied. The current study indicates no material difference in the outcome.

Including dilution and loss, there is scope for mining 13.1Mt of material at a grade of 1.52% Li₂O. This compares favourably with the original scoping study estimate of 13.4Mt at grade of 1.54% Li₂O, which did not include an allowance for dilution and loss. The result confirms the Company's initial assumption that loss and dilution would have minimal material impact on the study outcome.



Figure 1. Image from drill core at Goulamina, showing sharp and visually distinct contact between biotite granite waste rock (dark) and mineralised pegmatite (white)

The Company believes it has reasonable basis to conclude the Project merits advancement to Pre-Feasibility studies based on the current resource classifications and mining assumptions. These studies have commenced.

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Yours faithfully

B J Nichols

Beverley Nichols
Company Secretary

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