

Battery Minerals raises \$5m to progress Montepuez graphite project

Heavily over-subscribed placement ensures the Company remains on track to capitalise on the lithium battery boom

Highlights

- Battery Minerals has received commitments for \$5 million via a share placement at 2.5c per share
- Placement was more than 50% over-subscribed with strong demand from existing shareholders and institutional investors
- Proceeds will be used to continue development of the Montepuez Graphite Project in Mozambique, where first shipment is planned 15 months from financing
- Battery Minerals' project finance process for its first graphite project is progressing well

Battery Minerals Limited (ASX: BAT) is pleased to advise that its strategy to develop the Montepuez Graphite Project in Mozambique is well on track, with the Company receiving firm commitments for \$5 million in a share placement.

The placement was at 2.5 cents per share with a free one-for-two listed option exercisable at 10c with an expiry date of July 2023 (ASX Code: BATO). The Placement will be done in two tranches, with the second tranche of shares and all options subject to shareholder approval at the annual general meeting to be held next month.

The proceeds of the raising will be used to continue the ongoing development of the Montepuez Graphite Project, for which Battery Minerals is currently undertaking a thorough project financing process.

Battery Minerals welcomes the continued support of its largest shareholder, Farjoy Pty Ltd, which will settle in Tranche 2 of the Placement along with the Battery Minerals Board and management team. Morgans Corporate Limited and Hartleys Limited acted as Joint Lead Managers to the Placement.

Battery Minerals Managing Director David Flanagan said the highly successful fundraising marked another step towards the realisation of the Montepuez Graphite Project.

"We were overwhelmed with the support shown by a range of existing shareholders and new investors," Mr Flanagan said. "We look forward to rewarding them with the completion of project financing and development and ultimately success at Montepuez."

Placement

Under the Placement, BAT will issue approximately 204 million shares at 2.5c per share ("New Shares") in two tranches to professional, institutional and sophisticated investors. New Shares will rank equally with existing shares on issue. Subject to shareholder approval, Placement investors will

receive one listed 10 cent option with an expiry date of July 2023 (ASX Code: BATO) for every two shares subscribed for. These options are already quoted and can be traded on ASX.

The Placement will be undertaken in two tranches:

- Approximately 160 million New Shares will be issued in the first tranche under the Company's placement capacity pursuant to ASX Listing Rules 7.1, and
- the balance of 44 million New Shares and all 102 million options will be issued subject to shareholder approval at the annual general meeting of Battery Mineral shareholders planned for late May 2019.
- On completion of the second tranche of the placement, the Company will have raised \$5.1 million in aggregate before costs.

Indicative Timetable*:

Milestone	Indicative Date and Time*
Tranche 1 New Share Settlement	11 April 2019
Tranche 1 New Share Allotment	12 April 2019
Dispatch Options Prospectus	1 May 2019
Annual General Meeting of Shareholders	21 May 2019
Issue date of Tranche 2 New Shares and all Placement options	27 May 2019

* The Company may change any of the Indicative Timetable at its discretion (even if the Offer has opened or applications have been received). If the Annual General Meeting is not held in late May 2019, the Tranche 2 Issue Date, Trading Date and Despatch Date will take place on later dates.

Use of Funds

The funds raised via the Placement will primarily be applied towards advancing its Montepuez Graphite Project in the Cabo Delgado Province of Mozambique. Specifically the funds will be used for:

- Montepuez graphite project work including, design, approvals, community & operating costs;
- Continued work on the Balama Central Graphite Project; and
- General working capital.

Background Information on Battery Minerals

Battery Minerals Limited ("Battery Minerals") is an ASX listed Australian company with two world-class graphite deposits in Mozambique, being Montepuez and Balama Central. Battery Minerals has produced high quality graphite flake concentrate at multiple laboratories. Subject to completing project financing, Battery Minerals intends to commence graphite flake concentrate production from its Montepuez Graphite Project at rates of 50,000tpa at an average flake concentrate grade of 96% TGC.

In December 2017 and January 2018, Battery Minerals signed four binding offtake agreements for up to 41,000tpa of graphite concentrate, representing over 80% of Montepuez's forecast annual production. In H1 FY2018, the Mozambican Government has granted Battery Minerals a Mining Licence and its Environmental License for the Montepuez Graphite Project.

As Battery Minerals executes subsequent expansions, subject to the completion of all necessary studies, permits, construction, financing arrangements, infrastructure access, it expects production to grow to over 100,000 tonnes per annum graphite flake concentrate from its Montepuez Graphite Project.

Battery Minerals has also now announced a feasibility study on its Balama Central project, which comprises a Stage 1 production rate of 58,000tpa (B1).

Combined with Montepuez and subject to continued positive economic, social and technical investigations, Balama Central provides scope for self-funded growth from a 50,000tpa production-rate to at least 150,000tpa.

Investor Enquiries:**David Flanagan**

Managing Director, Battery Minerals Limited

Tel: +61 8 6148 1000

Email: info@batteryminerals.com**Tony Walsh**

Company Secretary, Battery Minerals Limited

Tel: +61 408 289 476

Media Enquiries:**Paul Armstrong**

Read Corporate

Tel: +61 8 9388 1474

Email: paul@readcorporate.com.au

Contact Details (Australian Office):

Ground Floor, 10 Ord Street

West Perth, WA 6005

Australia

Competent Persons Statement

Battery Minerals confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the estimates in the market announcements continue to apply and have not materially changed. Battery Minerals confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements. Battery Minerals confirms that all the material assumptions underpinning the production targets for its Montepuez and Balama Central graphite projects and any of the forecast financial information derived from these production targets, in the 4 and 12 December 2018 ASX announcements, on these projects continue to apply at the date of release of this presentation and have not materially changed. Battery Minerals confirms that it is not aware of any new information or data that all material assumptions and technical parameters underpinning the estimates in the 4 and 12 December 2018 announcements continue to apply and have not materially changed.

All references to future production and production & shipping targets and port access made in relation to Battery Minerals are subject to the completion of all necessary feasibility studies, permit applications, construction, financing arrangements, port access and execution of infrastructure-related agreements. Where such a reference is made, it should be read subject to this paragraph and in conjunction with further information about the Mineral Resources and Ore Reserves, as well as the relevant competent persons' statements.

Any references to Ore Reserve and Mineral Resource estimates should be read in conjunction with the competent person statements included in the ASX announcements referenced in this report as well as Battery Minerals' other periodic and continuous disclosure announcements lodged with the ASX, which are available on the Battery Minerals' website. For Mineral Resources - See announcement dated 18th October 2018 for full details and Competent Persons sign-off. For Ore Reserves - See announcements dated 4 and 12 December 2018 for full details and Competent Persons sign-off.

The information in this report that relates to Battery Minerals' Mineral Resources or Ore Reserves is a compilation of previously published data for which Competent Persons consents were obtained. Their consents remain in place for subsequent releases by Battery Minerals of the same information in the same form and context, until the consent is withdrawn or replaced by a subsequent report and accompanying consent.

Important Notice

This ASX Announcement does not constitute an offer to acquire or sell or a solicitation of an offer to sell or purchase any securities in any jurisdiction. In particular, this ASX Announcement does not constitute an offer, solicitation or sale to any U.S. person or in the United States or any state or jurisdiction in which such an offer, tender offer, solicitation or sale would be unlawful. The securities referred to herein have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act"), and neither such securities nor any interest or participation therein may not be offered, or sold, pledged or otherwise transferred, directly or indirectly, in the United States or to any U.S. person absent registration or an available exemption from, or a transaction not subject to, registration under the United States Securities Act of 1933.

Forward Looking Statements

Statements and material contained in this document, particularly those regarding possible or assumed future performance, resources or potential growth of Battery Minerals Limited, industry growth or other trend projections are, or may be, forward looking statements. Such statements relate to future events and expectations and, as such, involve known and unknown risks and uncertainties. Such forecasts and information are not a guarantee of future performance and involve unknown risk and uncertainties, as well as other factors, many of which are beyond the control of Battery Minerals Limited. Information in this presentation has already been reported to the ASX.

All references to future production and production & shipping targets and port access made in relation to Battery Minerals are subject to the completion of all necessary feasibility studies, permit applications, construction, financing arrangements, port access and execution of infrastructure-related agreements. Where such a reference is made, it should be read subject to this paragraph and in conjunction with further information about the Mineral Resources and Ore Reserves, as well as the relevant competent persons' statements.